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5
6 **BEFORE THE INSURANCE COMMISSIONER**
7 **OF THE STATE OF CALIFORNIA**

8
9 In the Matter of the Rate Application of
10 The Standard Fire Insurance
Company,
11 Applicant.

File No.: PA-2023-00017

SETTLEMENT STIPULATION

12 The Standard Fire Insurance Company (“Applicant”), Consumer Watchdog (“Petitioner”),
13 and the California Department of Insurance (“Department”) (collectively, the “Parties”) stipulate
14 as follows:

15 **RECITALS**

16 A. The Applicant is licensed by the Department to conduct insurance business in
17 California.

18 B. On April 20, 2023, the Applicant filed for a rate increase to its property line of
19 insurance (File No. 23-1193 [“Application”]) with an overall rate impact of 21.7%. The proposed
20 effective date of this Application is June 24, 2024.

21 C. On August 4, 2023, pursuant to California Insurance Code (“CIC”) section
22 1861.05(c), the Department notified the public of the Application.

23 D. On September 18, 2023, Petitioner submitted a timely Petition for Hearing,
24 Petition to Intervene, and Notice of Intent to Seek Compensation regarding the Applications.

25 E. On September 25, 2023, Applicant filed an answer to the Petition.

26 F. On October 3, 2023, the Commissioner denied Petitioner’s Petition to Intervene,
27 with leave to amend.
28

1 G. On October 16, 2023, Petitioner submitted an amended Petition for Hearing,
2 Petition to Intervene, and Notice of Intent to Seek Compensation regarding the Applications

3 H. On October 31, 2023, the Commissioner granted Petitioner's Petition to Intervene.

4 I. The Parties have engaged in discussions regarding the Application and additional
5 information and analysis that the Parties provided.

6 J. As a result of the Parties' discussions and negotiations, Applicant updated the
7 Application per the Parties' agreement.

8 **STIPULATION**

9 1. This Stipulation, together with the updated Application and the Commissioner's
10 approval in SERFF, represents the complete and final settlement resolving all issues between the
11 Parties regarding the Application.

12 2. Based upon the Application and additional information that the Parties provided,
13 the Parties agree that an overall rate increase of 15.3% complies with the applicable laws and
14 regulations, and results in rates that are not excessive, not inadequate, and not unfairly
15 discriminatory. Applicants have made appropriate updated filings in SERFF to reflect the overall
16 rate change. The parties further agree to the coverage distributions reflected on the updated Page
17 4 of the Applicants Rate Application with the June 24, 2024, effective date and revised coverage
18 proposals.

19 3. Approval of the Application described in this Stipulation will only be effective
20 when approved by the Commissioner in SERFF in accordance with the overall rate indication and
21 coverage distributions set forth in paragraph 2.

22 4. Consistent with 10 CCR sections 2656.1(b) and 2662.3(c), no agreement regarding
23 Petitioner's compensation has been made. However, the Parties agree that the Commissioner's
24 approval of the Application, consistent with this Stipulation, will be a decision or order within the
25 meaning of CIC section 1861.10(b). Petitioner agrees to submit any request for compensation to
26 the Public Advisor within 30 days after notice of the Commissioner's approval in SERFF.

27 5. Petitioner agrees to withdraw its Petition for Hearing effective as of the date of
28 execution of this Stipulation, provided the Application is approved by the Commissioner in

1 SERFF in accordance with the overall rate indication and coverage distributions set forth in
2 paragraph 2 within 10 days.

3 6. This Stipulation is made solely to reach a compromise among the Parties. The
4 Commissioner's approval of the Application shall not constitute approval of or precedent
5 regarding any principle or any issue in any other proceeding.

6 7. The Commissioner retains jurisdiction to ensure that the Parties comply with this
7 Stipulation.

8 8. Nothing in this Settlement Stipulation constitutes a limitation upon or a waiver of
9 the Commissioner's rights and powers to enforce any California law, examine the Applicant's
10 rating practices, or take such other action as necessary to protect the public.

11 9. This Stipulation may be executed in counterparts.

12
13 Dated: THE STANDARD FIRE INSURANCE COMPANY

14
15
16 May 1, 2024



17
18 By _____

19 Dated: May 1, 2024

20 CONSUMER WATCHDOG

21
22

By Ryan Mellina

23 Dated: May 1, 2024

24 CALIFORNIA DEPARTMENT OF INSURANCE

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By L L Smith

26 Lisbeth Landsman-Smith
27 Attorney for the California Department
28 of Insurance

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**In the Matter of the Rate Application of
The Standard Fire Insurance Company, Applicant.
CDI File No. PA-2023-00017
(RRB FILE NO. HO-23-1193)**

<u>Name/Address</u>	<u>Phone/Fax Numbers</u>	<u>Method of Service</u>
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NON PARTIES

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