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CALIFORNIA DEPARTMENT OF INSURANCE
3 1901 Harrison Street, 6th Floor
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4 *Attorneys for the California Department of Insurance*

5
6 **BEFORE THE INSURANCE COMMISSIONER**
7 **OF THE STATE OF CALIFORNIA**
8

9 In the Matter of the Rate Application of
10 Infinity Insurance Company,
11 Applicant.

File Nos.: PA-2023-00003
SETTLEMENT STIPULATION

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

15 **RECITALS**

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

18 B. On January 19, 2023, Applicant filed for rate increases to its Special auto line of
19 insurance (File No. 23-130) and its RSVP auto line of insurance (File Nos. 23-130 and 23-131
20 [“Applications’]) with overall rate impacts of 26.1% and 34%, respectively.

21 C. On January 27, 2023, pursuant to California Insurance Code (“CIC”) section
22 1861.05(c), the Department notified the public of the Application.

23 D. On March 13, 2023, Petitioner submitted a timely Petition for Hearing, Petition to
24 Intervene, and Notice of Intent to Seek Compensation regarding the Applications.

25 E. On March 29, 2023, Applicant filed an answer to the Petition.
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F. On April 3, 2023, the Commissioner granted Petitioner’s Petition to Intervene.

G. The Parties have engaged in discussions regarding the Application and additional information and analysis which the Parties provided.

H. As a result of the Parties’ discussions and negotiations, Applicant updated the Application per the Parties’ agreement.

STIPULATION

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

2. Based upon the Application and additional information which the Parties provided, the Parties agree that an overall rate increase of 26.1% and 34%, respectively, is supportable and will be implemented for policies effective August 4, 2023 in accordance with this Stipulation, the updated Application, and the Commissioner’s approval in SERFF. The parties further agree to the coverage distributions reflected on Page 4 of each of Applicants Rate Applications with the August 4, 2023 effective date and revised coverage proposals.

3. In the event that Applicant submits a new rate increase application for its Special or RSVP lines prior to August 4, 2024, it agrees that the effective date for such applications will be no earlier than August 4, 2024.

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

5. Petitioner will withdraw its Petition for Hearing within 10 days after notice of the Commissioner’s approval in SERFF.

1 6. This Stipulation is made solely to reach a compromise among the Parties.
2 Pursuant to 10 CCR § 2656.4, discussions, admissions, concessions or offers to stipulate or settle
3 made by any party in negotiating this stipulated settlement, are confidential and are not
4 discoverable or admissible for any purpose in any proceeding, except to the extent permitted by
5 10 CCR section 2662.3(b)(3), and the Commissioner's approval of the Application shall not
6 constitute approval of or precedent regarding any principle or any issue in any other proceeding.

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

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

12 9. Nothing in this Settlement Stipulation restricts the Commissioner/Department
13 from further investigation of the Super Group arrangements and status of the Kemper Super
14 Group structure, including in the market conduct exam context or as may be requested by
15 Consumer Watchdog. By agreeing to the overall rates and coverage distributions for each
16 program as referred to in paragraph 2, Consumer Watchdog is not agreeing that Infinity has met
17 the requirements for Super Group status under Insurance Code Section 1861.16(c) or that it is in
18 compliance with Insurance Code Section 1861.16(b), and does not waive any rights to raise these
19 issues in any future administrative or civil proceeding.

20 10. This Stipulation may be executed in counterparts.

21
22 Dated: 6/16/2023

INFINITY INSURANCE COMPANY

23 By 
24 _____

25 Dated:

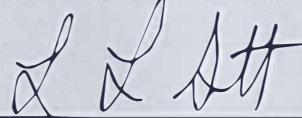
CONSUMER WATCHDOG

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27 By _____
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Dated: June 19, 2023

CALIFORNIA DEPARTMENT OF INSURANCE

By 

Lisbeth Landsman-Smith
*Attorney for the California Department
of Insurance*

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PROOF OF SERVICE
In the Matter of the Rate Application of
Infinity Insurance Company, Applicant.
(Consumer Watchdog's Petition for Hearing)
CDI File No. PA-2023-00003
(RRB APP. NOS. 23-130 AND 23-131)

I am over the age of eighteen years and am not a party to the within action. I am an employee of the Department of Insurance, State of California, employed at 1901 Harrison Street, 4th Floor, Oakland, CA 94612. On June 19, 2023, I served the following document(s):

SETTLEMENT STIPULATION

on all persons named on the attached Service List, by the method of service indicated, as follows:

If **U.S. MAIL** is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items to be sent by mail, pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for mailing by U.S. Mail. Under that practice, outgoing items are deposited, in the ordinary course of business, with the U.S. Postal Service on that same day, with postage fully prepaid, in the city and county of San Francisco, California.

If **OVERNIGHT SERVICE** is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items for overnight delivery, pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for overnight delivery. Under that practice, outgoing items are deposited, in the ordinary course of business, with an authorized courier or a facility regularly maintained by one of the following overnight services in the city and county of San Francisco, California: Express Mail, UPS, Federal Express, or Golden State overnight service, with an active account number shown for payment.

If **FAX SERVICE** is indicated, by facsimile transmission this date to fax number stated for the person(s) so marked.

If **PERSONAL SERVICE** is indicated, by hand delivery this date.

If **INTRA-AGENCY MAIL** is indicated, by placing this date in a place designated for collection for delivery by Department of Insurance intra-agency mail.

If **EMAIL** is indicated, by electronic mail transmission this date to the email address(es) listed.

Executed this date at San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Cecilia Padua
Cecilia Padua

SERVICE LIST
In the Matter of the Rate Application of
Infinity Insurance Company, Applicant.
(Consumer Watchdog's Petition for Hearing)
CDI File No. PA-2023-00003
(RRB APP. NOS. 23-130 AND 23-131)

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<u>Name/Address</u>	<u>Phone/Fax Numbers</u>	<u>Method of Service</u>
Harvey Rosenfield, Esq. Pamela Pressley, Esq. Benjamin Powell, Esq. Ryan Mellino, Esq. Attorneys for Intervenor CONSUMER WATCHDOG 6330 San Vicente Blvd., Suite 250 Los Angeles, CA 90048 harvey@consumerwatchdog.org pam@consumerwatchdog.org ben@consumerwatchdog.org ryan@consumerwatchdog.org	Tel: (310) 392-0522 Fax: (310) 392-8874	Via EMAIL
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Kerrie Porter KEMPER INSURANCE 11700 Great Oaks Way, Suite 450 Alpharetta, GA 30022 Kerrie.porter@kemper.com	Tel: (678) 627-7408	Via EMAIL

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NON PARTIES

Kenneth Allen
Deputy Commissioner
Rate Regulation Branch
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