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

8 In the Matter of the Rate Application of

File No.: PA-2024-00006

9 21st Century Insurance Company;
10 21st Century Casualty Company,

SETTLEMENT STIPULATION

11 Applicants.

12
13 21st Century Insurance Company and 21st Century Casualty Company ("Applicants"),
14 Consumer Watchdog ("Petitioner"), and the California Department of Insurance ("Department")
15 (collectively, the "Parties") stipulate as follows:

16 **RECITALS**

17 A. Applicants are licensed by the Department to conduct insurance business in
18 California.

19 B. On February 29, 2024, Applicants filed for a rate increase to their private
20 passenger auto line of insurance (File Nos. 24-496, 24-496-A ["Application"]) with an overall
21 rate impact of 18.4%.

22 C. On March 15, 2024, pursuant to California Insurance Code ("CIC") section
23 1861.05(c), the Department notified the public of the Application.

24 D. On April 29, 2024, Petitioner submitted a timely Petition for Hearing, Petition to
25 Intervene, and Notice of Intent to Seek Compensation regarding the Application.

26 E. On May 9, 2024, the Commissioner granted Petitioner's Petition to Intervene.

27 F. The Parties have engaged in discussions regarding the Application and additional
28 information and analysis that the Parties provided.

1 G. As a result of the Parties' discussions and negotiations, Applicants updated the
2 Application per the Parties' agreement.

3 **STIPULATION**

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

7 2. Based upon the Application and additional information that the Parties provided,
8 the Parties agree that an overall rate increase of 15.9%, effective November 18, 2024, complies
9 with the applicable laws and regulations and results in rates that are not excessive, not inadequate,
10 and not unfairly discriminatory. Applicants have made appropriate updated filings in SERFF to
11 reflect the agreed upon overall rate change as well as agreed-upon rate changes by coverage.

12 3. Approval of the Application described in this Stipulation will only be effective
13 when approved by the Commissioner in SERFF in accordance with the agreed upon rate changes
14 set forth in paragraph 2.

15 4. This Stipulation does not constitute an endorsement or approval of models
16 generally, or any specific model, eligibility or nonrenewal criteria, or rating methodology.

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

22 6. Petitioner agrees to withdraw its Petition for Hearing effective as of the date of
23 execution of this Stipulation, provided the Application is approved by the Commissioner in
24 SERFF in accordance with the agreed upon rate changes set forth in paragraph 2 within 10 days.

25 7. This Stipulation is made solely to reach a compromise among the Parties. The
26 Commissioner's approval of the Application shall not constitute approval of or precedent
27 regarding any principle or any issue in any other proceeding.
28

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

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

6 10. This Stipulation may be executed in counterparts.

7
8 Dated: 10/1/2024

21st CENTURY INSURANCE COMPANY
21st CENTURY CASUALTY COMPANY

9
10
11 By *Vanessa Jackson*
12 Vanessa Jackson
13 *President of 21st Century*


14 Dated: 10/1/24

CONSUMER WATCHDOG

15
16 By *B. Paul*

17
18 Dated: 10/01/2024

CALIFORNIA DEPARTMENT OF INSURANCE

19
20 By 
21 Sara Ahn
22 *Attorney for the California Department*
23 *of Insurance*
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