

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In re:)	
)	Exam #0507-24-PAC
Safeco Insurance Group (NAIC Group #163))	
Including: American Economy Insurance Co. (NAIC #19690))	
American States Insurance Co. (NAIC #19704))	
Safeco Insurance Co. of IL (NAIC #26700))	
Safeco Insurance Co. of America (NAIC #24740))	
First National Insurance Co. (NAIC #24724))	
General Insurance Co. (NAIC #24732))	

ORDER OF THE DIRECTOR

NOW, on this 17th day of September, 2007, Director Douglas M. Ommen, after consideration and review of the market conduct examination report of Safeco Insurance Group (hereinafter "Safeco"), which is comprised of the above-referenced subsidiary insurance companies, report numbered 0507-24-PAC, prepared and submitted by the Division of Insurance Market Regulation pursuant to §374.205.3(3)(a), RSMo, and the Stipulation of Settlement and Voluntary Forfeiture ("Stipulation") does hereby adopt such reports as filed. After consideration and review of the Stipulation, report, relevant workpapers, and any written submissions or rebuttals, the findings and conclusions of such reports are deemed to be the Director's findings and conclusions accompanying this order pursuant to §374.205.3(4), RSMo.

This order, issued pursuant to §§374.205.3(4) and 374.280, RSMo (2000) and §374.046.15. RSMo (Cum. Supp. 2006), is in the public interest.

IT IS THEREFORE ORDERED that Safeco and the Division of Insurance Market Regulation have agreed to the Stipulation and the Director does hereby approve and agree to the Stipulation.

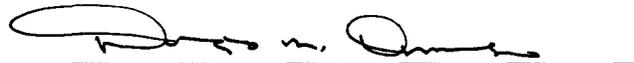
IT IS FURTHER ORDERED that Safeco shall not engage in any of the violations of law

and regulations set forth in the Stipulation and shall implement procedures to place Safeco in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri and to maintain those corrective actions at all times.

IT IS FURTHER ORDERED that Safeco shall pay and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of \$68,524.00, payable to the Missouri State School Fund.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 17th day of September, 2007



Douglas M. Ommen
Director