

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



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www.insurance.wa.gov

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Olympia, WA 98504-0259  
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OFFICE OF  
INSURANCE COMMISSIONER

2008 AUG -5 A 9:52

August 5, 2008

Hearings Unit, DIC  
Patricia D. Petersen  
Chief Hearing Officer

Patricia Petersen, Chief Hearing Officer  
Office of the Insurance Commissioner, Hearings Unit  
PO Box 40255  
Olympia, WA 98504-0255  
5000 Capitol Blvd.  
Tumwater, WA 98501

Re: Form A – Liberty Mutual Holding Company Inc. et. al. – Proposed Acquisition and Control of SAFECO Insurance Company of America, First National Insurance Company of America, General Insurance Company of America, and SAFECO Surplus Lines Insurance Company (Case No. G08-0084)

Dear Ms. Petersen:

Attached please find the amended Form A Statement Regarding the Acquisition of a Domestic Insurer and associated supplementary information. The amended Form A supplements the original Form A Statement filed with the OIC on May 16, 2008 and subsequently filed with the hearings unit on May 22, 2008.

In July 2008, consultants were retained to review the Form A Statement and the supplementary information. They sent a letter to the OIC on August 4, 2008 letter indicating that, in their view, the Form A is now complete.

The Company Supervision division is satisfied that the Form A is complete, and requests that a hearing be scheduled in this matter. Mr. Charles Brown is the OIC staff attorney assigned to this case. If you have any questions, please call me at 360-725-7211 or Mr. Brown at 360-725-7044.

Sincerely,

A handwritten signature in cursive script that reads "Ronald J. Pastuch".

RONALD J. PASTUCH, CPA  
Holding Company Manager  
Company Supervision Division  
E-Mail: RonP@oic.wa.gov

cc: James T. Odiorne, CPA, JD, Deputy Insurance Commissioner  
Charles Brown, Staff Attorney

Mailing Address: P. O. Box 40255 • Olympia, WA 98504-0255  
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501



# CANTILO & BENNETT, L.L.P.

ATTORNEYS & COUNSELORS  
A Texas Registered Limited Liability Partnership  
Comprised of Professional Corporations

11401 Century Oaks Terrace  
Suite 300

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Austin, Texas 78758  
www.cb-firm.com

Facsimile: (512) 404-6550

August 4, 2008

The Honorable James T. Odiorne  
Deputy Insurance Commissioner  
OFFICE OF THE INSURANCE COMMISSIONER  
P.O. Box 40259  
Olympia, Washington 98504-0259

Re: Proposed Acquisition of Safeco by Liberty Mutual

Dear Mr. Odiorne:

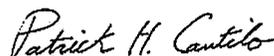
On July 18, 2008, CANTILO & BENNETT, L.L.P., and Rudmose & Noller Advisors, LLC (the "Consultants") provided the Office of the Insurance Commissioner ("OIC") a report regarding the completeness of the Form A filed by Liberty Mutual regarding its proposed acquisition of the Safeco Entities. The report stated:

*As of the close of business on Thursday, July 17, 2008, the Form A is incomplete in that it does not contain: (1) several required financial statements by the Acquiring Parties, and (2) descriptions for each Acquiring Party's last five years of business. These items are required by RCW § 48.31B.015(2)(c), and WAC § 284-18-910. In addition, as explained below, certain required information is not contained within the Form A itself, but rather in supporting or collateral documents.*

On August 1, 2008, Liberty Mutual filed its "Amendment 1 to the Form A Statement Regarding the Proposed Acquisition of Control of [the Safeco entities] by [Liberty Mutual]" (the "Amended Form A"). We have now reviewed the Amended Form A and are able to report to you that it addresses satisfactorily the bases for not deeming the Form A complete as of July 18, 2008. Accordingly, in the view of the Consultants, the Form A is now complete in that it contains all the information required by RCW § 48.31B.015(2).

The Consultants continue their review of the substance of the Proposed Transaction and will keep you apprised of their progress. Please do not hesitate to contact us should you have questions regarding this matter.

Very truly yours,



Patrick H. Cantilo

PHC/slh

Nº 440

# Certificate of Authority

STATE OF WASHINGTON  
INSURANCE COMMISSIONER  
OLYMPIA

THIS IS TO CERTIFY, That, pursuant to the Insurance Code of the State of Washington,

FIRST NATIONAL INSURANCE COMPANY OF AMERICA

of SEATTLE, WASHINGTON, organized under the laws of WASHINGTON, having presented satisfactory evidence of compliance, this Certificate of Authority is hereby granted, authorizing the company to transact the following classes of insurance:

- ~~DISABILITY~~ deleted 9-7-78
- PROPERTY
- GENERAL CASUALTY
- SURETY
- MARINE & TRANSPORTATION

subject to all provisions of this Certificate as such classes are now or may hereafter be defined in the Insurance Laws of the State of Washington.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of Washington as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.

IN WITNESS WHEREOF, effective as of the 1st day of JULY, 1958, I have hereunto set my hand and caused my official seal to be affixed this 27th day of FEBRUARY, 1958.

WILLIAM A. SULLIVAN  
Insurance Commissioner

*Lee Stuckelhan*  
By \_\_\_\_\_  
Chief Deputy

Nº 446

# Certificate of Authority

STATE OF WASHINGTON  
INSURANCE COMMISSIONER  
OLYMPIA

THIS IS TO CERTIFY, That, pursuant to the Insurance Code of the State of Washington,

GENERAL INSURANCE COMPANY OF AMERICA

of SEATTLE, WASHINGTON, organized under the laws of WASHINGTON, having presented satisfactory evidence of compliance, this Certificate of Authority is hereby granted, authorizing the company to transact the following classes of insurance:

- ~~DISABILITY~~ deleted 9-7-78
- PROPERTY
- GENERAL CASUALTY
- BURETY
- MARINE & TRANSPORTATION

subject to all provisions of this Certificate as such classes are now or may hereafter be defined in the Insurance Laws of the State of Washington.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of Washington as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.

IN WITNESS WHEREOF, effective as of the 1st day of JULY, 1958, I have hereunto set my hand and caused my official seal to be affixed this 20th day of FEBRUARY, 1958.

WILLIAM A. SULLIVAN  
Insurance Commissioner

*Lee Kuckelhan*  
By \_\_\_\_\_  
Chief Deputy



Nº 621

# Certificate of Authority

STATE OF WASHINGTON  
INSURANCE COMMISSIONER  
OLYMPIA

THIS IS TO CERTIFY, That, pursuant to the Insurance Code of the State of Washington,

SAFECO INSURANCE COMPANY OF AMERICA

of SEATTLE, WASHINGTON, organized under the laws of WASHINGTON, having presented satisfactory evidence of compliance, this Certificate of Authority is hereby granted, authorizing the company to transact the following classes of insurance:

~~DISABILITY~~ (added 5/24/84) (deleted 3/15/89)  
~~DISABILITY~~ deleted 9-7-78  
GENERAL CASUALTY  
PROPERTY 7-3-59. JW.  
MARINE & TRANSPORTATION 7-3-59. JW.  
SURETY - 11/15/62

subject to all provisions of this Certificate as such classes are now or may hereafter be defined in the Insurance Laws of the State of Washington.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of Washington as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.

IN WITNESS WHEREOF, effective as of the 1st day of JULY, 1958, I have hereunto set my hand and caused my official seal to be affixed this 27th day of FEBRUARY, 1958.

WILLIAM A. SULLIVAN

Insurance Commissioner

*Lee Krueckelhan*  
By \_\_\_\_\_

Chief Deputy

Nº 1538

# Certificate of Authority

STATE OF WASHINGTON  
INSURANCE COMMISSIONER  
OLYMPIA

THIS IS TO CERTIFY, That, pursuant to the Insurance Code of the State of Washington,

## SAFECO SURPLUS LINES INSURANCE COMPANY

of SEATTLE, WASHINGTON, organized under the laws of WASHINGTON, having presented satisfactory evidence of compliance, this Certificate of Authority is hereby granted, authorizing the company to transact the following classes of insurance:

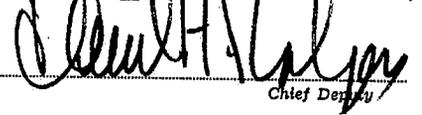
- DISABILITY
- PROPERTY
- MARINE & TRANSPORTATION
- VEHICLE
- GENERAL CASUALTY
- SURETY

subject to all provisions of this Certificate as such classes are now or may hereafter be defined in the Insurance Laws of the State of Washington.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in full compliance with all, and not in violation of any, of the applicable laws and lawful requirements made under authority of the laws of the State of Washington as long as such laws or requirements are in effect and applicable, and as such laws and requirements now are, or may hereafter be changed or amended.

IN WITNESS WHEREOF, effective as of the 13th day of JANUARY, 19 84, I have hereunto set my hand and caused my official seal to be affixed this 13th day of JANUARY, 19 84.

  
 Insurance Commissioner

By   
 Chief Deputy