

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2007-12-04** | Period of Report: **2007-11-30**
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ISSUER

SAFECO CORP

CIK: **86104** | IRS No.: **910742146** | State of Incorporation: **WA** | Fiscal Year End: **1231**
SIC: **6331** Fire, marine & casualty insurance

Mailing Address
4333 BROOKLYN AVE NE
SEATTLE WA 98185

Business Address
4333 BROOKLYN AVE NE
SAFECO PLAZA
SEATTLE WA 98185
2065455000

REPORTING OWNER

MYSLIWY ALLIE R

CIK: **1205173**
Type: **4** | Act: **34** | File No.: **001-06563** | Film No.: **071285040**

Mailing Address
C/O SAFECO
4333 BROOKLYN AVENUE NE
SEATTLE WA 98185

Business Address
2065455000

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

| | | | | | | | | |
|--|---------|----------|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person MYSLIWIY ALLIE R | | | 2. Issuer Name and Ticker or Trading Symbol SAFECO CORP [SAF] | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Executive Vice President | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 11/30/2007 | | | | | |
| SAFECO PLAZA | | | 4. If Amendment, Date Original Filed(Month/Day/Year) | | | 6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person | | |
| (Street) | | | | | | | | |
| SEATTLE, WA 98185 | | | | | | | | |
| (City) | (State) | (Zip) | | | | | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|---|-----|--|-----------------|---|--|--|--|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Phantom Stock Units | (1) | 11/30/2007 | | A | | 61.513 | | (2) | (2) | Common Stock | 61.513 | \$36.58 | 5,351.551 | D | |
| Phantom Stock Units | (1) | 11/30/2007 | | A | | 59.258 | | (3) | (3) | Common Stock | 59.258 | \$36.58 | 5,410.809 | D | |
| Phantom Stock Units | (1) | 11/30/2007 | | A | | 13.943 | | (4) | (4) | Common Stock | 13.943 | \$36.58 | 5,424.752 | D | |
| Phantom Stock Units | (1) | 11/30/2007 | | A | | 10.457 | | (3) | (3) | Common Stock | 10.457 | \$36.58 | 5,435.209 | D | |

Explanation of Responses:

- These Phantom Stock Units may be converted to shares of Safeco stock as follows: The number of Phantom Stock Units acquired multiplied by the price of Phantom Stock Units on the transaction date divided by the closing price of Safeco stock on the transaction date.

2. These Phantom Stock Units were acquired under the Safeco Deferred Compensation Plan for Executives (the "Plan") as a result of a deferral of compensation and will be settled in cash following termination of the reporting person's service as an officer of Safeco Corporation, or may be reallocated to another investment option pursuant to the terms of the Plan.
3. These Phantom Stock Units were acquired under the Plan as a result of a deferral of compensation in excess of IRC limits and will be settled in cash following termination of the reporting person's service as an officer of Safeco Corporation, or may be reallocated to another investment option pursuant to the terms of the Plan.
4. These Phantom Stock Units were acquired under the Plan as a result of an employer matching contribution related to the excess deferral in (3) above and will be settled in cash following termination of the reporting person's service as an officer of Safeco Corporation, or may be reallocated to another investment option pursuant to the terms of the Plan.

Signatures

[Ryan A. Arai, Attorney-in-Fact for Allie R. Mysliwy](#)

** Signature of Reporting Person

[12/04/2007](#)

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

Power of Attorney

The undersigned hereby constitutes and appoints Ryan A. Arai, Stephanie Daley-Watson, Karri J. Harrington and Kristen Smith Dayley, and each of them, his or her true and lawful attorney-in-fact to:

(1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer, director, and/or person who holds more than 10% of the stock of Safeco Corporation (the "Company"), Forms 3, Forms 4, Forms 5 and any documents necessary to facilitate the filing of Section 16 reports in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules thereunder;

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Forms 3, Forms 4, Forms 5 or other related documents and timely file any such forms with the United States Securities and Exchange Commission and any other authority; and

(3) take any action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned, pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in her discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact and her substitute or substitutes, shall lawfully do or cause to be done pursuant to this Power of Attorney. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Exchange Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, Forms 4, and Forms 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the attorneys-in-fact.

The undersigned has caused this Power of Attorney to be executed as of this 14th day of November, 2007.

/s/ Allie R. Mysliwy

Signature

Allie R. Mysliwy

Print Name