



FARMERS

POCATELLO SERVICE CENTER
2500 South Fifth Avenue
Pocatello, Idaho 83204
Bus: (208) 234-8100
Fax: (208) 234-8210

www.farmersinsurance.com

Date: February 1, 2002

To: Zackary D. Orton
360 West 1750 North
Orem, UT 84057

VIA Certified Mail/Return Receipt Requested

Dear Zack,

I am in receipt of your written resignation dated January 7, 2002 advising Farmers Insurance Group of your request to transfer your agency to your family member, Doug Orton (76-09-38).

Based on your request and the "Agreement of Sale" contract signed by you and Doug Orton, your Agent Appointment Agreement will be terminated effective February 1, 2002, and your agency will be transferred to Doug.


Since your agency will be transferred, there will be no Contract Value. The transfers will occur upon receipt of all Home Office approvals and once Doug signs an Amendment to the Agent Appointment Agreement. All policies will be assigned according to established procedures.

The property and casualty new business commissions will be held for a period of ninety days after your resignation date. Any chargebacks that result during this time period will be applied against these commissions and any remaining balance will be applied to your subsidy deficit. The contract value of your Agency will also be applied to offset your subsidy deficit.

An Agency Producer packet containing the necessary contracts and information to appoint you as an Agency Producer has been forwarded to Doug. Once we receive this completed packet in the Pocatello Service Center, you will be assigned an AP code. Your appointments with Farmers Companies will be kept in force.

If either my staff or myself can provide you with any additional information, please do not hesitate to let us know.

Sincerely,


DOUG ASHBRIDGE, CPCU, GCA
Executive Director
(208) 234-8100

c: Todd Brooks, GCA
Paul Drockton (76-09-01)
Zack Orton's File (76-09-82)
Accounting Department
AIMS Computer Clerk
Credit Union

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