

Superior Court of the State of California,
County of San Diego

**IF YOU BOUGHT A FARMERS AUTOMOBILE
INSURANCE POLICY AND PAID ON A
MONTHLY BASIS, A CLASS ACTION
LAWSUIT MAY AFFECT YOUR RIGHTS**

*A California Court authorized this notice.
This is not a solicitation from a lawyer.*

YOUR LEGAL RIGHTS AND OPTIONS

WHAT IS THIS?	The Court has certified this lawsuit as a class action. The lawsuit challenges the collection of monthly service charges.
DO NOTHING	Stay in the lawsuit. Await the outcome. Give up your ability to sue Farmers individually. If you do nothing and stay in the lawsuit, you may receive money or benefits that may come after trial or settlement. But, you give up any rights to sue Farmers separately concerning the same legal claims as this lawsuit.
EXCLUDE YOURSELF	Get out of this lawsuit. Get no benefits from this lawsuit. Keep your right to sue Farmers separately. If you exclude yourself, you will no longer be part of this lawsuit. If money or benefits are later awarded, you will receive none. But, you keep any rights to sue Farmers separately concerning the same legal claims as this lawsuit.

Regardless of whether you stay in the lawsuit or exclude yourself, your insurance coverage will not be affected.

Your options – **and the deadlines to exercise them** – are explained in this notice.

1. What is this lawsuit about?

This lawsuit is about the service charges collected when a policyholder pays his or her Farmers automobile insurance premiums on a monthly basis. The Class Representative claims that, through Prematic Corporation, Farmers improperly collected money for paying premium in installments.

Based upon these claims, the Class Representative is asking for changes in Farmers' practices and for damages and restitution related to the monthly service charges wrongfully collected.

Farmers denies all allegations of wrongdoing.

The Court hasn't decided whether the Class Representative or Farmers is correct. Lawyers must prove the claims against Farmers at trial set to start on or shortly after April 28, 2006.

2. Who is included in the Class?

You may be a member of the Class if between October 6, 2000 and midnight August 26, 2005, you bought or paid for one or more automobile insurance policies issued by Farmers in California or Nevada on a monthly basis and incurred one or more "service charges" or similarly denominated charges in addition to the premium specified in the Farmers insurance policy.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class or ask to be excluded before the trial, and you have to decide this now.

3. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing, you are staying in the Class. If you stay in and the Class is awarded money or benefits, either as a result of the trial or a settlement, you will be notified about how to apply for a share.

Keep in mind that if you do nothing now, regardless of whether the Class Representative wins or loses the trial, you will not be able to separately sue, or continue to sue Farmers about the same legal claims that are the subject of this lawsuit. You will also be legally bound by all of the Orders the Court issues and judgments the Court makes in this class action.

4. Why would I ask to be excluded?

If you exclude yourself from the Class – which is sometimes called "opting-out" of the Class – you won't get any money or benefits from this lawsuit. However, you may then be able to separately sue or

continue to sue Farmers for the legal claims that are the subject of this lawsuit. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Farmers after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit, and you'll have to prove your claims. If you do exclude yourself so you can start or continue your own lawsuit against Farmers, you should talk to your own lawyer soon, because your claims may be subject to a statute of limitations.

5. How do I exclude myself from the Class?

To exclude yourself from the Class, you must notify the Court at the address identified below *in writing no later than April 28, 2006*.

Your request for exclusion *must* contain: (1) the name of this lawsuit *Troyk v. Farmers Group Inc.*, No. GIC836844; (2) your full name and current address; (3) a clear statement of intention to exclude yourself such as "I wish to be excluded from the Class"; (4) your Farmers policy number(s); and (5) your signature.

Requests for exclusion *must be postmarked no later than April 28, 2006* and sent to:

Superior Court of the State of California
Farmers Premium Litigation
c/o Rust Consulting, Inc.
P.O. Box 193992
San Francisco, CA 94119-3992

THE LAWYERS REPRESENTING YOU

6. Do I have a lawyer in this case?

The Court decided that the law firm of Lerach Coughlin Stoa Geller Rudman & Robbins LLP is qualified to represent you and all Class Members. This law firm is experienced in handling similar cases against other insurance companies. More information about Class counsel is available at www.lerachlaw.com.

7. Should I get my own lawyer?

If you want to remain a member of the Class, but you do not wish to be represented by the appointed Class counsel, you may enter an appearance through your own attorney at your own expense. To do so, you must file an Entry of Appearance with the Clerk of the Court. You will remain a Class Member with representation by your own attorney and you will be responsible for the fees and costs of your attorney.

8. How will the lawyers be paid?

If Class counsel get money or benefits for the Class, they may ask the Court for fees and expenses. You won't have to pay these fees

and expenses. If the Court grants Class counsel's request, the fees and expenses would be either deducted from any money obtained for the Class or paid separately by Farmers.

THE TRIAL

9. **How and when will the Court decide who is right?**

As long as the case isn't resolved by a settlement or otherwise, Class counsel will have to prove the claims at a trial. The trial is set to start on or shortly after April 28, 2006, in the Superior Court of the State of California, County of San Diego. If you want to attend, please call the Court Clerk to confirm the trial date, department and time.

10. **Do I have to come to the trial?**

You do not need to attend the trial. Class counsel will present the case for the Class Members, and Farmers will present the defenses. You are welcome to come at your own expense. If you wish to participate in the trial, you should contact Class Counsel.

11. **Will I get money after the trial?**

If the Class obtains money or benefits as a result of the trial or a settlement, you will be notified about how to participate. We do not know how long this will take.

12. **Additional Information**

Complete copies of the pleadings, orders and other documents filed in this litigation may be examined and copied at any time during regular office hours at the offices of the Clerk of the Court, San Diego Superior Court, 330 West Broadway, San Diego, California 92101. The case is titled *Troyk v. Farmers Group Inc.*, No. GIC836844.

Certain documents and other information are also available on the Internet at www.farmerspremiumcase.com.

If you have any questions concerning any matter raised in this notice, or wish to provide us with your current name or address, please visit the website or write to Class counsel at:

LERACH COUGHLIN STOIA
GELLER RUDMAN & ROBBINS LLP
Timothy G. Blood
655 West Broadway, Suite 1900
San Diego, CA 92101
800-449-4900 www.lerachlaw.com

**PLEASE DO NOT CALL OR WRITE TO THE COURT
FOR INFORMATION OR ADVICE.**

DATED: March 10, 2006

BY ORDER OF THE SUPERIOR COURT OF THE STATE OF
CALIFORNIA, COUNTY OF SAN DIEGO

QUESTIONS? VISIT WWW.FARMERSPREMIUMCASE.COM