



FARMERS

Lonnie Sproat, CLU, FLMI, AALU  
Vice President  
Commercial Operations  
3041 Cochran Street  
Simi Valley, CA 93065  
Bus: XXX-XXX-XXXX  
Fax: XXX-XXX-XXXX

August 16, 2010

Dear Mayor Miller and Members of the City Council:

We greatly appreciate all that Simi Valley has done for us in accommodating our business needs over the past 28 years. We want you to know that the decision to relocate our employees and consolidate our offices to Woodland Hills was solely a business decision. We have been very happy with the Simi Valley community and the support from the City Council and Mayor.

In our press release, we stated that we will move approximately 1,200 people from space that we now lease in Simi Valley to another leased facility in Woodland Hills, beginning in early 2011. There will be no jobs lost as a result of this action. The Woodland Hills facility is already home to some of our employees and the building currently is branded 21st Century Insurance Company. The name on that building will be changed to Farmers Insurance in the near future (21st Century Insurance Company was acquired by Farmers Insurance in July 2009).

We recognize this is a significant move and is being undertaken to position Farmers Insurance for greater growth in future years and to consolidate our corporate office structure.

The move of employees from Simi Valley to our existing Woodland Hills office helps us "connect the dots" for the benefit of our employees, our agents and, most importantly, our customers. It also will provide the space for additional future growth for Farmers Insurance in the Greater Los Angeles area.

We are extremely sensitive to how our decision will impact Simi Valley and we will be working with the building owner, the local business community and city officials to find suitable tenants to fill the office space we are vacating.

We have had a long-standing, cooperative working relationship with the Simi Valley City Council and the city staff. We look forward to continuing that relationship as we work together to quickly find the best tenants possible for the Simi Valley facility. We have already offered to your staff our availability to serve on your "Red Team," which will bring together the right group to aggressively pursue our mutual goal and we have engaged the services of UGL Equis to actively market the property and work with your staff.

We look forward to continuing to work together in the future. Feel free to contact me anytime at XXX-XXX-XXXX or <email\_address>.

Sincerely,

A handwritten signature in black ink that reads "Lonnie Sproat". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lonnie Sproat  
Vice President - Commercial Operations  
Farmers Insurance - Simi Valley

Cc; City Manager Mike Sedell