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June 19, 2018

Dave Edwards
Chief, Claim Services Bureau Division
Department of Insurance
Consumer Services & Market Conduct Branch
Claim Services Bureau
300 South Spring Street
Los Angeles, CA 90013

Dear Mr. Edwards:

Enclosed please find the attached Farmers Insurance Exchange, Mid-Century Insurance Company, Farmers Specialty Insurance Company, 21st Century Insurance Company, 21st Century Casualty Company, Coast National Insurance Company, Foremost Insurance Company, Foremost Signature Insurance Company, Truck Insurance Exchange Labor Rate submission for the geographic territory as the state of California (as defined in subdivision (d)(8)(A)4). We are submitting to you for filing as required by California Insurance Code (CIC) Section 758(C) and Section 2698.91 of the California Code of Regulations.

We are extending the useful life of the survey as outlined in section (C) subdivisions (d)(2) through (d)(9) and satisfying conditions set forth in subdivisions (d)(1)(c)1, (d)(1)(c)2 and (d)(1)(c)3 a, b, c and d. We have taken the inflation rate of 3.5% into account for the prevailing auto body rates that were previously determined and set for each geographic area surveyed for the state of California with the intent to comply with the standards and requirements set forth in subdivision (d) of Section 2695.81 (i.e., a "Standardized Labor Rate Survey") and to be used pursuant to subdivision (e) of Section 2695.81, the prevailing auto body rate for each type of labor listed in subdivisions (d)(8)(A)3.a. through (d)(8)(A)3.h. of Section 2695.81 determined and set by the Farmers Insurance Exchange, Mid-Century Insurance Company, Farmers Specialty Insurance Company, 21st Century Insurance Company, 21st Century Casualty Company, Coast National Insurance Company, Foremost Insurance Company, Foremost Signature Insurance Company, Truck Insurance Exchange for each Geographic Area (as defined in subdivision (d)(8)(A)4. of Section 2695.81) surveyed, the prevailing auto body rate or prevailing rate was calculated as the labor rate at or below which a simple majority (as defined in subdivision (d)(5) of Section 2695.81) of surveyed shops charge in a specific geographic area, as defined in subdivision (d)(8)(A)4.

Please contact me if you have any additional questions.

Sincerely,

Michelle Lyons

Michelle Lyons
AVP of California Auto Claims
Farmers Insurance Exchange