



Safeco Plaza
Seattle, Washington 98185

August 9, 2016

Darrell Woo
Custodian of Record
Sacramento Legal Office
California Department of Insurance
300 Capitol Mall, 17th Floor
Sacramento, CA 95814

RE: Auto Body Repair Labor Rate Study – First Quarter, 2016--Revised

Safeco Insurance Company of America
American States Preferred Insurance Company
First National Insurance Company of America

Dear Mr. Woo:

Enclosed please find a revised version of Safeco's first quarter 2016 auto repair labor rate survey conducted pursuant to California Insurance Code section 758(c) and section 2698.91 of the California Code of Regulations. The survey results will apply to all Safeco affiliated insurers doing business in California. The survey format was revised to more clearly indicate the prevailing rate for each territory. Going forward Safeco's auto body labor rate surveys will use this format.

A total of 330 repair facilities were surveyed. The survey was completed on February 26, 2016. The survey itself includes the name, address, zip code and territory description of each repair facility, and the prevailing rate that was calculated for each territory based on the data provided by the facilities. No direct repair program facilities were included in the survey. The cities included in each territory can be found in "Exhibit A" which is enclosed herewith.

The prevailing rate for each territory was determined based upon the most commonly occurring rate. If two or more rates were the most commonly occurring, the prevailing rate was determined by calculating the average of those rates.

Please advise if you have any questions or if further information is required.

Sincerely,

John George
Manager Special Projects
JohnD.George@LibertyMutual.com