

Farmers Agents' Petition Opposing 2018 Commission Cuts

Sponsored by the United Farmers Agents Association

To Farmers Insurance Group Inc. and the Exchanges,

We, the undersigned Farmers Insurance Agents, vehemently oppose the plan to reduce fire and auto commissions in 2018 based off the following tenants:

- The Agency force is the lifeblood of Farmers Insurance and this slashing of the revenue of Agents will adversely impact Farmers in the long term as Agents are forced to reduce staff and marketing efforts due to the cut.
- The 28.5% reduction in the fire renewal rate and 10% reduction in the auto commission rate is an unjust change which not only negatively affects Agency revenue, it also signifies a large & immediate cut to each and every Agents' Contract Value and Underwriting Contract Value bonus.
- The operating costs for a Farmers Agency have increased drastically due increased staff needs caused by work shifting from the service centers to Agents, Agents bearing more of the cost for marketing & branding, as well as due to normal cost increases.
- Cuts made to executive compensation and employee numbers & benefits do not benefit anyone except Zurich unless FGI reduces the management fee it charges the Exchanges.
- The commission reduction will adversely impact the market value of all Farmers Agencies making it more difficult for retiring Agents to sell their Agency.
- The bonus program introduced to supposedly offset the loss of income will only do so for a small fraction of the Agency force essentially causing all Agents to subsidize bonuses for those few as well as further lining FGI & Zurich's corporate pockets.

_____ Signature	_____ Print Name
_____ Agent Number	_____ Farmers Agent Since
_____ Non- Farmers email address	_____ Farmers email address

Please sign and send back to the National Office at (fax) 314-631-7963 or no@ufaa.com

UFAA National Office
9785 Mackenzie Ste 104
St. Louis, MO 63123

Agent signatures will not be disclosed to Farmers; if necessary, an independent third party may be used to certify the results of the petition.

Your name & agent number will be used by UFAA for internal verification of active agent status only. Year appointed information will be used for providing a cumulative "years of service" for all petition signers.