

Deferred Compensation plan

The Farmers Agency Force Deferred Compensation plan is an easy way to save pre-tax dollars to help meet your short- and long-term financial goals:

- Hire a new CSR for your business
- Fund a child's education
- Pay for your dream vacation
- Enjoy an active retirement

Who is eligible?

Full-time agents, district managers and Career agents who were appointed before June 30 of each year are eligible to enroll in the following plan year. Reserve agents, reserve district managers, district Life specialists, district manager training administrative assistants, agency producers and employees of agents or district managers are not eligible for this plan.

Advantages of participating

- Save more pre-tax dollars than other plans, with greater payout flexibility
- You don't have to wait until you leave Farmers to get distribution
- Contributions come from net new Auto commissions, so there is minimal impact on your cash flow
- Select from diverse investment options
- Increase investment returns by using pre-tax dollars, which could help you achieve your goals faster
- Build a financially secure retirement on a tax-efficient basis

Plan highlights

Deferrals

- Defer 10 percent to 50 percent of your net new Auto commissions — it's completely voluntary
- Automatically deducted each month from your folio

Distribution options

- Schedule payments for as early as three years after you start to defer and/or choose to receive payments after contract separation in up to 10 annual installments

Investment options

- Select from a broad range of asset classes — monthly changes are available
- Your account is credited with the returns of the investment options you pick

Account information

- Access your account online 24 hours a day/seven days a week

Taxes

- Income taxes on contributions and earnings are deferred until distribution

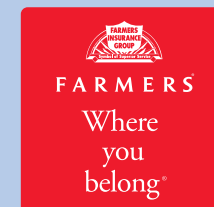
Risks

- In the event of the bankruptcy or insolvency of Farmers, plan assets are subject to the claims of Farmers' general creditors

For further information, call the toll-free Farmers Deferred Compensation Helpline at (800) 487-0042.



Farmers Agents' Group Benefits Program



Farmers Agents' Group Benefits Program

The Farmers Agents' Group Benefits Program consists of many plans that, together, provide valuable coverage for you and your family. Your benefits program includes plans that help pay for medical, dental and vision expenses; provide income if you become ill or injured and are unable to work; and provide financial security for your family in the event of your death or if you are seriously injured in an accident.

Farmers shares a portion of the medical and life costs for the agents and district managers. New Career agents are eligible to receive additional medical subsidy if they enroll in the medical plan.

Who is eligible?

All district managers and agents are eligible to enroll for benefits as soon as they reach full-time status. Reserve district managers, district manager training administrative assistants, district Life specialists and agency producers are eligible for certain benefits once they reach full-time status. To learn which benefits you are eligible for, please call the toll-free Enrollment Call Center at (877) 862-1237 or visit www.farmersagentsbenefits.com.

Office employees of district managers and agents may be eligible for some of the plans on the first of the month following 90 days of full-time employment. (They must work at least 20 hours per week.)

Who is not eligible?

Reserve agents are not eligible to enroll in any of the benefits. E&O and Fidelity Bond are automatically provided.



When can I enroll?

- On your hire date unless you are an office employee. Office employees must complete the 90 days eligibility period.
- Each year during open enrollment, which starts around the third week of October with an effective date of January 1 of the following year.
- When you experience a qualified status change anytime during the plan year.

Benefits offered

Medical

- Aetna

Dental

- Aetna
- Safeguard (California only)

Vision

- Vision Service Plan

Life/AD&D, Supplemental AD&D

- MetLife

Long Term Disability (LTD)

- UnumProvident

Enhanced Long Term Disability (ELTD)

- UnumProvident

Business Overhead Expense

- UnumProvident (California agents not eligible as of Nov. 1, 2005)

Errors and Omissions

- Arch Insurance Company

Fidelity Bond

- Farmers Truck Insurance Exchange

Deferred Compensation

- Administered by TBG Financial

Enrollment is easy

- Online enrollment on a secure Web site (farmersagentsbenefits.com).
- Convenient automatic charge for coverage through your monthly folio.
- Choose the coverage you want: medical without dental, Life without LTD or vision only.
- Mix and match coverages for yourself, your spouse and/or your children. Medical for you, dental for yourself and your spouse, vision for yourself and your family — choose just those coverages that fit your needs.

Where can I obtain information?

Visit our Web site at

www.farmersagentsbenefits.com or call the Enrollment Call Center at (877) 862-1237.

