

DATE: October 23, 2006

TO: All State Farm® Offer and Acceptance Participating Glass Companies

State Farm® is committed to providing its customers with choice in the selection of a glass service provider, excellence in customer service and quality through its Offer and Acceptance Program. We appreciate your participation in meeting the glass service needs of our State Farm policyholders.

Our national glass program is intended to encourage competition among glass service providers at a fair market price. At this time, we find it necessary to adjust our Baseline Program Pricing.

Effective October 30, 2006, the Baseline Program Pricing for all contracted Offer & Acceptance Program glass companies will be revised as follows:

Market	New Pricing	Labor
1	-15% below NAGS	\$100 Flat Rate
2	+2% above NAGS	\$100 Flat Rate
3	+32% above NAGS	\$120 Flat Rate

NOTE: At this time there will not be adjustments to State Farm's pricing for auto glass repairs or labor rates and there is no change to our existing market areas.

This adjustment is consistent with our company's commitment to paying a fair price in the markets serving our customers. We believe our new pricing offers continue to be fair and competitive.

We thank you for participating in our O&A program and your willingness to service our State Farm policyholders.

State Farm Glass Claim Services

This message has been distributed by LYNX Services.