

HORIZONTAL MARKETING AGENT RELATIONSHIP AGREEMENT

The parties to this Agreement are as follows: _____ ("Agent").
and Farmers Insurance Exchange, Truck Insurance Exchange, Fire Insurance Exchange, Mid-Century Insurance
Company, Farmers New World Life Insurance Company and Farmers Insurance Company
_____ of _____ (the "Companies"). _____ currently is a party to
an Agent Appointment Agreement with the Companies. Nothing in this Agreement alters or amends, in any way, the
Agent Appointment Agreement.

The Companies desire to enter into and conduct certain business(es) as set forth specifically in Exhibit A, as may be
set forth in subsequent Exhibits to this Agreement, and other business(es) that may be made available to Agent under
this Agreement ("business"), and to this end have entered into an agreement(s) to provide certain services in connection
with such business. The Companies desire to appoint Agent to offer products and perform other services in connection
with said business for the Companies, and have agreed to allow Agent to use the Companies' policyholder information
pertaining to the Agents' customers to offer products or perform services in connection with said business, subject
to the conditions below.

The recitals herein are deemed factual and a part of the agreement of the undersigned parties' Agreement.

Agent is hereby made an Agent of the Companies for the purpose of furthering the business of the Companies as
described in this Agreement, except when specifically reserved.

Agent agrees to solicit, offer, sell and service those products and services offered by the Companies, as identified by
the Companies in Exhibit A, or any subsequent Exhibits hereto, exclusively for the Companies, and to submit to the
Companies, or their assignees, every request or application for all such products or services. Agent further agrees not
to solicit, offer, sell or service similar products or services offered by the Companies for any other entity. Prior to the
Companies offering a certain product or service, if Agent has been soliciting, offering, selling or servicing a similar
product or service for another entity(ies), the Agent shall immediately cease such activities for the competing entity(ies),
upon notification that the Companies offer that product or service, whether or not the Agent agrees to solicit, offer,
sell or service that particular product or service. Agent further agrees not to switch business to another entity(ies).

The Companies have the right to solicit, offer, sell and service any product or service to current and former policyholders,
or other members of the general public, without compensation to Agent.

Agent agrees that for a period of one year following the date of termination of this Agreement, Agent will not directly
or indirectly solicit, offer, sell, accept or service the business of the Companies from policyholders or the general public
within the state(s) in which the Agent has a business location.

It is expressly acknowledged and understood that the territory within which Agent may offer, solicit, sell and service
products or services under this Agreement shall be the state(s) currently serviced by Agent under his/her Agent
Appointment Agreement, where the Agent can reasonably provide personal services to customers under this Agreement,
except to the extent said territory is otherwise restricted or expanded under Exhibit A or in subsequent Exhibits to this
Agreement.

Agent shall be paid for services rendered in accordance with schedules periodically published by the Companies; the
schedule(s) shall describe full compensation and other remuneration, reimbursement, credits, and the like, due Agent
for services performed under this Agreement. The Companies may unilaterally amend the schedule(s) of compensation,
but will give notification of amendment to Agent prior to the effective date of the amendment.

Agent shall be allowed to use the Companies' information as described herein and shall distribute only such advertising
matter and documents in furtherance of the business as approved by the Companies or its assignees, or furnished
to Agent. It is understood and agreed that all such advertising matter and documents shall be properly cared for by
Agent and that such portion thereof, as is not distributed, shall be and remain the property of the Companies, to be
disposed of as directed by the Companies.

Where there is any dispute between two or more agents with reference to services or compensation under this Agreement, and the agents are unable to agree, the Companies shall be released from any and all claims and demands by any such Agent; it being understood and agreed that under no circumstance shall the Companies be obligated to pay a total compensation greater than the entire compensation provided by the compensation schedule(s).

Agent has no authority to bind the Companies to any contract or to collect or pay money as the Companies' agent for any purpose covered by this Agreement, or incur any liability against the Companies, unless expressly authorized in writing. This Agreement is for Agent's personal services and Agent may not delegate or assign his/her obligations or responsibilities under this Agreement.

This Agreement shall be in effect from the date of execution through December 31, 1997, and shall automatically renew for additional one year periods, unless terminated by the Companies within thirty (30) days of the period ending on December 31 of each year. This Agreement may be canceled by either party for any violation of its terms by three days' notice or with or without cause by 90 days notice. Notice shall be deemed given upon posting or delivery, prepaid, to any mail service which provides regular service to the principal place of business of parties as set forth in the **NOTICE** section herein. Furthermore, this Agreement automatically terminates upon the effective termination date of Agent's Agent Appointment Agreement or by the Agent's failure to notify the Companies, in writing, within 15 days of the distribution of an Exhibit to this Agreement, of the Agent's intention not to agree to the terms and conditions of any Exhibit to this Agreement.

Nothing contained herein is intended or shall be construed to create the relationship of employer and employee; rather, the Agent is an independent contractor for all purposes.

The time to be expended by the Agent is solely within the Agent's discretion, and the persons to be solicited and the area wherein the solicitation shall be conducted is at the election of the Agent. Agent shall, as an independent contractor, exercise sole right to determine the time, place and manner in which the objectives of this Agreement are carried out, provided only that the Agent conform to good business practice, to conduct business in an honest and straight-forward manner, to respect the rights and interests of fellow agents, to comply with all State and Federal laws and all rules and regulations governing the conduct of the Companies, their agents, and Agent, and to refrain from any action or from acquiring any interest that conflicts with, or creates an appearance of a conflict with the interests of the Companies. Agent agrees to meet any and all minimum production and expectation standards that are, or may be, contained in any Exhibit to this Agreement. Agent further agrees that the use of the INTERNET to offer, solicit, sell or service products or services under this Agreement shall be in total conformity with the Companies' policies and directives, and with all other provisions of this Agreement.

During the term(s) of this Agreement, and for a period of one year thereafter, Agent agrees and consents that the Companies and their designated representatives shall have the right, at any reasonable time during normal business hours, and without prior notice to Agent, to inspect Agent's business, to interview and survey Agent's personnel and clients, to review, examine and audit all Agent's records, including, but not limited to, trust accounts, accounts, account records, applications and all records ("records") of any business operated by Agent, as may be considered by the Companies to be necessary or useful to verify compliance with this Agreement and compliance with all applicable statutes and regulations. Agent also agrees and consents that the Companies may make all inquiries they deem necessary to qualify the undersigned Agent for participation in programs under this Agreement, including procuring consumer and credit reports from consumer reporting agencies and information from other financial institutions and extenders of credit.

Agent agrees to secure and maintain, at the sole expense of Agent, all permits, certificates and licenses necessary to conduct the business contemplated by this Agreement in the state and local jurisdictions where the Agent will be providing services, and to maintain all professional designations and memberships to conduct the business contemplated by this Agreement. Agent shall provide, at Companies demand, proof of such permit, certificate, license, professional designation(s) and membership(s).

Except as specifically provided for in this Agreement, Agent has no rights to or ownership in the Confidential Information, as hereinafter defined, and the Companies and their affiliates are the sole owners of the information obtained by Agent, or provided to Agent, in providing service to the Companies. The parties agree that the Companies own certain information relative to the operation of Agent's agency under the Agent's Agent Appointment Agreement, the performing of service under this Agreement, and other such information provided to Agent for purposes of business under this Agreement, including without limitation, the Companies' manuals, electronic communications, identification numbers, information, procedures related to proprietary business systems used by the Companies communicated to Agents, all information obtained by Agent from current and prospective customers, applicants, etc, including, but not limited to, names, addresses, telephone number, ages, social security number(s), credit history; application form(s), sales agreement(s) and all other documents and materials provided to Agent by the Companies.

The parties further agree that all such Confidential Information constitutes trade secrets and is proprietary to and is wholly owned by the Companies. During the term and thereafter, Agent shall (i) exert reasonable efforts to maintain the confidentiality of the Confidential Information, including adopting and implementing the procedure that the Companies prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information; (ii) not use the Confidential Information in any other business or capacity or in any way detrimental to the Companies; (iii) not make unauthorized copies or allow unauthorized access to any portion of the Confidential Information in written, electronic or other form or format whether or not tangible; and (iv) return all property which is Confidential Information or in which the Companies have an ownership interest upon termination of the Agreement or to dispose of the materials as otherwise directed by the Companies.

This Agreement and its Exhibits contain the entire agreement between Agent and the Companies. It shall not be altered or amended except by an agreement in writing signed by the Agent and an authorized representative of the Companies or as otherwise specifically provided for in this Agreement by unilateral action of the Companies with notice to Agent. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements orally or otherwise have been made by or on behalf of any party except those covenants and agreements expressly noted above or embodied in this Agreement. As of the effective date of this Agreement, this Agreement fully supersedes any and all prior negotiations, agreements or understanding between the parties pertaining to the subject matter of this Agreement, and there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement.

The language of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party. The parties agree that if any provision of this Agreement is capable of more than one construction, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid. If applicable law shall imply a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. If applicable law shall imply such a covenant, the parties acknowledge and agree that: (i) this Agreement (and the relationship of the parties which is inherent from this Agreement) grants to the Companies the discretion to make decisions, take actions and or refrain from taking actions the result of which is consistent with their explicit rights and obligations hereunder that may favorably or adversely affect the interests of Agent; (ii) the Companies shall use their business judgement in exercising such discretion based on their assessment of their interests and the interests of policyholders, other agents, district managers and employees and balancing those interests specifically *without considering the individual interest of Agent or any other agent of the Companies*; (iii) the Companies shall have no liability to Agent for the exercise of its discretion in this manner; and (iv) no trier of fact in any judicial or arbitration proceeding shall substitute its judgment for the business judgment so exercised by the Companies.

Agent acknowledges that the Companies may, from time to time, and in the sole discretion of the Companies, make exceptions to the standard parts of their systems and operations. Agent agrees that he/she has no right to object to, or automatically obtain, such variances. Agent also acknowledges that other existing or future agents may operate under different forms of this Agreement and, consequently, the rights and obligations of such agents may differ materially from those of Agent.

If any provision of this Agreement is declared by an arbitrator or court of competent jurisdiction to be invalid or unenforceable under applicable law, the remainder of the provisions shall remain in full force and effect without impairment of invalidation and the Companies shall have the right, in their sole discretion, to modify such invalid or unenforceable provision to the extent required to render such provision valid or enforceable, including without limitation the right to delete the provision in its entirety.

Agent agrees that nothing in the failure of the Companies for any reason to insist upon the compliance by Agent with *any of the terms or conditions of this Agreement, or the published rules, policies or manuals of the Companies*, shall in any way be construed as, or constitute, a waiver thereof or as to any subsequent matter by or on the part of the Companies. The Companies shall not be deemed to have waived any right under this Agreement by (i) virtue of any custom or practice of the parties at variance with the terms hereof, (ii) any failure of the Companies or Agent to exercise any right under this Agreement or to insist upon exact compliance by the other of its obligations hereunder, (iii) any failure by the Companies to exercise the same or any similar right with respect to Agent, or (iv) by the acceptance by the Companies of any payments due from Agent after any breach of this Agreement.

Notice to the parties shall be to the addresses specified below or as noticed by certified or receipted mailing from the noticing party. Until otherwise noticed by one party to the other, notices shall be addressed to the Companies in care of:

The Farmers Insurance Group of Companies

Attn: Secretary
4680 Wilshire Blvd.
Los Angeles, CA 90010

and Agent at: _____

Any Exhibit to this Agreement, distributed by the Companies, is incorporated herein and made a part hereof. This Agreement is not complete without one or more Exhibits attached to this Agreement.

The parties agree to promptly attempt in good faith, by informal discussion, to resolve any dispute relating to this Agreement. In the event the Companies issue a notice of termination or terminate this Agreement pursuant to the above termination provisions, and Agent disputes the right of the Companies to terminate this Agreement, then such dispute shall be submitted to binding arbitration as follows:

The parties shall first make good faith efforts to agree upon a single arbitrator who will conduct the arbitration in accordance with the then current rules of Commercial Arbitration of the American Arbitration Association. Failing such agreement, the parties will select, by random drawing, a single arbitrator from the names submitted by the CPR Institute for Dispute Resolution ("Institute") and the arbitration with the Institute arbitrator will be conducted according to the rules of the Institute. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C Section 1-16, and judgment upon the award rendered by the Arbitrator may be entered by any court having jurisdiction thereof. The place of the arbitration shall be at a mutually agreed upon place within the city limits of Los Angeles, California. Each party will bear, equally, the cost of any arbitration fees and each party will bear its own costs and expenses, including attorneys' fees. The parties agree that no arbitrator, under this provision, may award emotional distress, punitive or exemplary damages and that such award shall be deemed void and not binding upon any party. The parties further agree that within 180 days after the effective date of termination, any and all claims as to any matter to be arbitrated under this paragraph must be made within the 180 day period or thereafter such claims are forever barred.

Executed this 8th day of May, 19 97, effective the date set out at the beginning of this Agreement.

On behalf of the Companies:

Signature of Authorized Representative

Typed name and title of Authorized Representative

By Agent:

Signature of Agent

Typed name of Agent