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February 21, 2007

BY E-MAIL

Richard F. Scruggs, Esq.
Scruggs Law Firm, P.A.
120A Courthouse Square
P.O. Box 1136
Oxford, MS 38655

RE: Woullard v. State Farm

Dear Dick:

Jeff and I acknowledge receipt of your letter dated February 19. I am responding for both of us. State Farm is anxious to resolve the *Woullard* litigation in accordance with the provisions that we all agreed to and we will work hard with you to do so.

However, we are appalled by your continued distortions of what occurred during the settlement negotiations, threats and not-so-subtle suggestions that various "consequences" will be visited upon State Farm if we do not do your bidding. Why else would you copy political figures on correspondence that normally is exchanged only between lawyers?

It is absolutely false to say that State Farm agreed to pressure or encourage Renfroe to dismiss its litigation against the Rigsby sisters. This was never a condition of the class action settlement agreement. Renfroe is a separate company and makes its own decisions. Indeed, we have repeatedly told you that we do not control Renfroe and cannot and will not apply pressure on them to abandon what they believe is in their best interests.

Exh. 4

In moving for preliminary approval of the class action settlement, you, as proposed class counsel, represented to the court that the settlement was fair, reasonable and adequate and in the best interest of the class. More specifically, you advised the court that the settlement "results in the class receiving substantial benefits" and that "the benefits are substantial and unprecedented." You also stated that "[a]t all times the negotiations were at arm's length with no promises made or accepted by either counsel as part of the settlement."

We simply cannot understand why the interests of class members would be subordinated to the interests of you, Cori Moran and Kerri Rigsby. How can you condition a settlement that would result in substantial benefits to class members on the dismissal of a lawsuit pending in Alabama, in which class members have no interest, without creating a conflict of interest?

We hope you will continue to work with us to bring about the class settlement, which we all agree is fair and in the best interests of the class members.

Sincerely,



Sheila L. Birbaum

cc: Don Barrett, Esq.
Jeffrey W. Jackson, Esq.
Greg Hawley, Esq., attorney for Kerri Rigsby and Cori Moran
Attorney General Jim Hood
Senator Trent Lott
Congressman Gene Taylor
Congressman Bennie Thompson
Commissioner George Dale