

**State Farm Mutual Automobile
Insurance Company**

Home Office, Bloomington, Illinois 61710



July 15, 2005

Michael Laham
26841 La Alameda Apt 636
Mission Viejo, CA 92691-7364

Irvine Operation Center
P.O. Box 21658
Bakersfield, CA 93390-9811

mailing
ADDRESS

Irvine Operation Center
3345 Michelson Dr Ste 400 } Actual
Irvine, CA 92612 } Location
(877) 572-5799

Re: Claim Number: 75-A954-439
Our Insured : Laham
Date of Loss : 3-26-05

Dear Mr. Laham,

We have received your inquiry into our home office. We have reviewed your concerns regarding our investigation of the accident. As your concerns regarding Ms. Gomez have been responded to previously, I will be specifically addressing the claim and its merits.

* I have reviewed all the evidence obtained regarding this accident including the statements of the parties, the photos of the damage to the vehicles and the police report.

* In reviewing the police report, it is clear that you were at the scene and that an impact occurred between your vehicle and the vehicle driven by Patsy Murakami. You indicated at the scene of the accident that you entered the intersection and felt an impact. You also confirmed this in your statement given to State Farm. The other driver, Patsy Murakami indicated to the police and to State Farm that she was involved in an accident with your vehicle. Her passenger confirmed this as well. The independent witness on the police report also confirmed that an impact occurred between your vehicle and the other vehicle involved in the accident. The witness also provided the same version to State Farm.

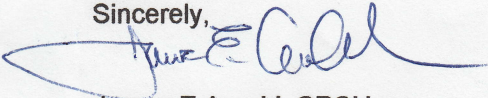
* You indicated in your version to State Farm that you waited for 10 minutes at the scene following the impact in the intersection. The other driver indicates she approached your vehicle soon after the impact to find you discussing the incident with the witness. The witness indicates that he approached your vehicle soon after the loss to discuss the incident. These statements made by you and the other parties involved support the conclusion that an accident did occur on the date in question between your vehicle and the vehicle driven by Patsy Murakami.

* You indicate in your inquiry that the damage to the vehicles would have been too low and that the paint transfer is of the wrong color. The paint transfer in the photos taken at the Irvine Operation Center on April 1st, 2005 is in fact blue grey in color. This supports the impact with the Honda in question. The damage location to both vehicles also support the impact did in fact occur. Vehicles in accidents often raise or dip prior to impact due to braking. This is not uncommon.

Your inquiry also focuses on the speed the witness indicated you were going. This issue is not the vital issue in our investigation. The vital issue is that the witness was at the scene, witnessed your vehicle entering on a red light, and witnessed your vehicle striking the other vehicle involved. The witness was independent of both parties and would not have any interest in fabricating a story. His version was obtained by the police at the scene.

We hope that this assists you in better understanding our investigation. If you have any further questions or concerns, please do not hesitate to contact me or Claim Representative Pam Wilson at 949-553-2800.

Sincerely,

A handwritten signature in blue ink, appearing to read "James E. Arnold", with a large, stylized flourish extending to the left.

James E Arnold, CPCU
Claim Team Manager
State Farm Mutual Automobile Insurance Company