



STATEMENT BY MERCURY INSURANCE

LOS ANGELES, CA – (February 8, 2010) – Mercury Insurance is one of many organizations supporting Proposition 17, because it will correct a flaw in Proposition 103 and create a more competitive market by allowing customers to take existing continuous coverage discounts (loyalty discounts) with them when they move between companies.

Consumer Watchdog is one of the few groups opposing this consumer-friendly proposal, and instead of arguing the merits of an initiative that will benefit more than 80% of California drivers, they are trying to divert attention away from the issue by attacking Mercury.

Consumer Watchdog's latest attempt to mislead consumers and voters and attack Mercury is to rehash old allegations from a preliminary Referral Memo compiled by Department of Insurance staffers. This preliminary memo was never approved by the Department and, as a result, many of these allegations were dropped from the final report because they were found to be without merit. Consumer Watchdog chose once again to mislead media and consumers by failing to disclose this fact. The few remaining issues in the report were either dropped when a formal review was conducted or were settled when Mercury implemented changes to its procedures.

Mercury's agents and employees are committed to providing our customers with the best insurance value possible by offering some of the lowest rates in California and unsurpassed service and care. We adhere to the strictest ethical standards and we will continue to advocate on behalf of our customers and all California consumers.

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