



**Texas Department
of Insurance**

**Quarterly Legislative Report
on Market Conditions**

*4th Quarter
2003*

The Texas Department of Insurance (TDI) publishes this report pursuant to *Texas Insurance Code* Article 5.13-2 Section 5 which requires that the TDI issue to the Governor, Lieutenant Governor, and Speaker of the House of Representatives a *Quarterly Legislative Report on Market Conditions* reflecting changes in losses, premiums, market share, and complaints for certain lines of insurance.

This report includes information on the following lines of insurance: General Liability, Commercial Fire & Allied Lines, Product Liability, Commercial Multiple Peril, Private Passenger Auto, Homeowners Multiple Peril, Workers' Compensation, Boiler & Machinery, Commercial Crime, Commercial Glass, Medical Professional Liability, and Miscellaneous Professional Liability.

Data were reported for each calendar year quarter. *The Quarterly Legislative Report on Market Conditions* exhibits market share based on the sum of the most recent four quarters as well as the percent change from the four quarters ending one year prior. In addition, the report provides a comparison of the current quarter with the same quarter one year prior.

Terms

Number of Policies Written: Each insurance company reported the number of Texas new and renewal policies issued during the quarter. The policies were adjusted to an annual basis. For example, a six month policy was reported as 0.5 policies.

Premiums on Policies Written: This report captures the Texas portion of direct premiums written in the designated quarter without adjustments for cancellations or endorsements and, therefore, it may not match the written premiums figures in the statutory Annual Statement.

Direct Written Premium: Written premium is the Texas portion of the statutory Annual Statement report of written premiums.

Direct Losses Paid: Direct losses paid represent payments made during the quarter regardless of when the policy was written or when the accident occurred. Loss adjustment expenses (LAE) are not included.

Earned to Incurred Loss Ratio: This loss ratio is developed by dividing direct incurred losses by earned premiums. Both figures come from the statutory Annual Statement. Loss adjustment expenses (LAE) are not included.

Number of Groups: Companies that are owned/controlled by one entity are considered a group. Unaffiliated companies are those that are not associated with any other insurance company. The number of groups referred to in this report is the number of groups plus the number of unaffiliated companies.

Market Share: This figure represents an insurer's share, expressed as a percentage, of the industry total for premiums written for the sum of the most recent four quarters.

Products and Completed Operations Insurance or **Product Liability** provides coverage for a manufacturer or contractor for claims after a manufactured product has been sold and/or a claim results from an operation which the manufacturer has completed. Products Liability also includes coverage for a contractor's or manufacturer's liability for injuries or property damage suffered by third parties as the result of the contractor or manufacturer completing an operation.

General Liability provides coverage for an insured when negligent acts and/or omissions result in bodily injury and/or property damage on the premises of a business or when someone is injured in the general operation of a business.

Commercial Fire & Allied Lines has two coverages - Standard Fire Policy and Extended Coverage Endorsements for businesses. A Standard Fire Policy insures commercial properties against fire and lightning. The Extended Coverage Endorsement covers numerous direct and indirect risks such as windstorm, hail, explosions, smoke damage, vandalism, and water damage.

Commercial Multiple Peril policies generally provide coverage for businesses in four areas: property; liability; crime; and boiler and machinery.

Private Passenger Auto coverages include liability, PIP, uninsured motorist and physical damage. This report separates experience into rate-regulated and non-rate-regulated (County Mutual) companies.

Homeowners Multiple Peril provides coverage against the insured's property being destroyed or damaged by various perils and coverage for liability exposure of the insured. This report separates experience into rate-regulated and non-rate-regulated (Lloyds and Reciprocal) companies.

Workers' Compensation offers coverage providing four types of benefits (medical care, death, disability, rehabilitation) for employee job-related injuries or diseases as a matter of right (without regard to fault.)

Lines of Insurance

Boiler & Machinery provides protection against the sudden and accidental breakdown or explosion of boilers, machinery, and electrical equipment. Coverage is provided on damage to the equipment, expediting expenses, damage to the property of others and can be extended to cover losses resulting from the interruption of business.

Commercial Crime provides coverage against loss of property caused by burglary, theft, and/or employee dishonesty. This may include losses inside or outside the premises, losses from counterfeit paper currency, and depositors forgery.

Commercial Glass provides coverage on commercial plate glass, lettering, frames and ornamentation.

Medical Professional Liability provides insurance against losses due to claims for damages alleging malpractice by physicians, surgeons, hospitals or other health care providers in the exercise of their professions.

Miscellaneous Professional Liability provides insurance on professional practitioners that will defend suits instituted against them for malpractice or errors and omissions and/or pay any damages, subject to policy limits. In compliance with applicable statutes, the following have been excluded from miscellaneous professional liability: architects, beauticians/barbers, lawyers, medical laboratory personnel, psychologists, real estate agents, surveyors, and x-ray lab personnel.

Summary of Four Quarters

CUMULATIVE TOTALS FOR FOUR QUARTERS ENDING DECEMBER 2003

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	60 / 167	46,046	\$221,285,987	\$137,615,205	\$204,468,611
GENERAL LIABILITY - OTHER	128 / 326	841,523⁺	\$1,817,028,283	\$1,843,530,333	\$1,208,662,152
COMMERCIAL FIRE & ALLIED	76 / 178	178,351	\$613,714,416	\$665,490,058	\$272,656,664
COMMERCIAL MULTIPLE PERIL	78 / 220	307,684	\$1,262,172,883	\$1,369,718,377	\$770,151,621
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	65 / 205	10,797,573	\$6,717,732,730	\$6,380,891,587	\$3,767,101,108
ASSIGNED RISK LIABILITY	16 / 16	91,173	\$53,367,288	\$38,563,691	\$24,895,214
PHYSICAL DAMAGE	64 / 191	8,617,542	\$5,184,285,734	\$4,907,348,270	\$3,230,325,478
TOTAL PPA	66 / 208	19,506,288⁺⁺	\$11,955,385,752	\$11,326,803,548	\$7,022,321,800
HOMEOWNERS MULTIPLE PERIL	62 / 108	4,268,260	\$4,962,024,402	\$4,413,032,768	\$2,932,708,418
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		106,535	\$150,919,641	**	**
VOL PREMIUMS \$5,000 - \$100,000		55,798	\$1,149,701,235	**	**
VOL PREMIUMS > \$100,000		5,481	\$1,592,147,825	**	**
TOTAL VOLUNTARY	90 / 253	167,814	\$2,892,768,701	\$2,571,676,389	\$1,173,161,526
RESIDUAL MARKET ***	1 / 1	418	\$25,706,057	\$19,718,315	\$19,130,190
TOTAL WC	90 / 253	168,232	\$2,918,474,758	\$2,591,394,704	\$1,192,291,716
BOILER & MACHINERY	37 / 97	28,297	\$69,675,089	\$76,264,649	\$30,414,404
COMMERCIAL CRIME	37 / 80	8,699	\$6,189,541	\$7,295,933	\$933,670
COMMERCIAL GLASS	15 / 19	1,017	\$364,782	\$233,490	\$43,135
PROFESSIONAL LIABILITY	36 / 46	47,894	\$519,283,730	\$551,287,539	\$251,148,218
MISC. PROFESSIONAL LIABILITY	29 / 63	22,813	\$288,601,537	\$307,355,392	\$153,617,362

⁺ The General Electric Group wrote 51,418 small premium pre-paid legal policies that were excluded from the above table.

⁺⁺ Policies that included both Voluntary Liability and Physical Damage coverage reported a policy in each category.

^{**} Companies were not required to report the Direct Losses Paid by policy size.

^{***} Policies reported in this category were written under the START program by the Texas Mutual Insurance Company.

NUMBER OF GROUPS / COMPANIES WRITING POLICIES PER QUARTER

Line of Business	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2002	2003	2002	2003	2002	2003	2002	2003
Product Liability	58 / 146	58 / 143	57 / 131	59 / 135	56 / 125	56 / 138	54 / 125	49 / 123
General Liability	121 / 301	110 / 284	119 / 285	113 / 278	117 / 274	115 / 272	123 / 295	115 / 272
Commercial Fire & Allied	72 / 159	68 / 154	69 / 155	70 / 147	69 / 148	67 / 149	70 / 154	64 / 134
Commercial Multiple Peril	80 / 211	69 / 189	76 / 197	70 / 198	76 / 187	72 / 189	77 / 207	72 / 182
Private Passenger Auto	69 / 200	63 / 177	66 / 191	65 / 180	65 / 185	64 / 178	67 / 189	60 / 168
Homeowners Multiple Peril	60 / 103	59 / 81	67 / 100	56 / 81	59 / 97	56 / 78	60 / 90	57 / 72
Workers' Compensation	83 / 223	83 / 216	82 / 216	86 / 215	81 / 212	85 / 209	87 / 215	81 / 204
Boiler & Machinery	28 / 69	30 / 65	29 / 72	30 / 64	34 / 66	31 / 64	30 / 75	26 / 61
Commercial Crime	35 / 65	28 / 57	29 / 59	31 / 53	33 / 59	30 / 59	34 / 59	30 / 55
Commercial Glass	18 / 26	12 / 19	15 / 22	15 / 20	15 / 21	14 / 22	16 / 23	14 / 20
Medical Professional Liability	36 / 47	31 / 37	29 / 41	28 / 38	33 / 40	31 / 36	34 / 44	29 / 35
Misc. Professional Liability	31 / 73	31 / 69	31 / 68	28 / 60	28 / 63	29 / 68	33 / 67	31 / 65

Product Liability

There were 60 groups, 167 companies, that had direct written premium for Product Liability in the fourth quarter of 2003, as compared to 62 groups, 164 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Zurich Insurance Group	21.10%	\$10,751,014	141.94%	\$29,038,515	38.79%
2	Great American E&S Insurance Company	14.48%	\$3,844,788	(8.00%)	\$19,927,100	20.37%
3	St. Paul Group	13.64%	\$5,197,375	0.87%	\$18,775,732	21.31%
4	Liberty Mutual Group	6.30%	\$2,721,501	147.56%	\$8,675,991	5.98%
5	Chubb & Son Inc.	6.00%	\$2,215,869	33.12%	\$8,260,417	19.39%
6	Hartford Fire & Casualty Group	4.91%	\$2,449,863	80.37%	\$6,758,552	15.89%
7	Federated Mutual	3.10%	\$889,026	13.35%	\$4,269,270	5.34%
8	Dallas General Group	2.62%	\$835,403	62.50%	\$3,604,711	87.32%
9	CNA Insurance Group	2.53%	\$764,318	408.25%	\$3,480,156	78.78%
10	National American Insurance Company	2.39%	\$851,912	(7.47%)	\$3,294,568	(13.30%)
11	Sentry Insurance Group	2.31%	\$775,064	3.06%	\$3,181,723	0.94%
12	Allianz Insurance Group	2.14%	\$507,011	24.37%	\$2,941,239	19.89%
13	Royal & Sun Alliance USA	2.04%	\$2,147,252	102.40%	\$2,806,237	(10.62%)
14	Electric Insurance Group	1.99%	\$2,740,366	*	\$2,740,366	*
15	United Fire & Casualty Group	1.94%	\$533,228	(12.24%)	\$2,664,611	(6.45%)
16	American International Group	1.92%	\$408,240	73.71%	\$2,642,932	229.06%
17	Old Republic Group	1.35%	\$324,661	(37.91%)	\$1,856,342	(0.21%)
18	Central Mutual Insurance Company Ohio	1.21%	\$417,359	9.65%	\$1,668,772	35.62%
19	ACE Ltd.	1.20%	\$605,515	107.87%	\$1,658,053	10.39%
20	Travelers Property Casualty Corp Group	1.18%	\$78,765	(91.57%)	\$1,619,112	(23.56%)
21	Fairfax Financial	1.17%	\$51,354	(88.83%)	\$1,603,765	(37.36%)
22	UNITRIN Group	1.04%	\$313,583	(12.45%)	\$1,425,045	(22.48%)
23	EMC Insurance Company	1.01%	\$314,105	36.21%	\$1,394,599	34.15%
24	RLI Insurance Group	1.01%	\$239,088	6.64%	\$1,386,195	47.98%
25	XL America	1.00%	\$198,784	(74.27%)	\$1,373,101	(66.47%)

Top 25 Groups Total	99.59%	\$40,175,444	46.07%	\$137,047,104	18.97%
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Total Market	100.00%	\$41,406,225	4.80%	\$137,615,205	20.72%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$17,829,084	\$18,806,453	\$24,506,989
1st qtr 1999	\$19,542,821	\$19,151,191	\$16,999,724
2nd qtr 1999	\$21,001,448	\$18,282,562	\$25,948,053
3rd qtr 1999	\$17,001,577	\$16,077,300	\$17,020,093
4th qtr 1999	\$16,676,696	\$14,939,147	\$42,175,911
1st qtr 2000	\$21,631,763	\$20,070,742	\$29,175,725
2nd qtr 2000	\$24,863,722	\$22,270,834	\$36,375,856
3rd qtr 2000	\$23,008,942	\$19,604,388	\$17,808,941
4th qtr 2000	\$22,090,031	\$19,147,733	\$22,275,731
1st qtr 2001	\$29,320,488	\$22,845,690	\$22,799,038
2nd qtr 2001	\$25,674,740	\$26,892,822	\$18,451,817
3rd qtr 2001	\$29,104,072	\$24,349,666	\$23,598,451
4th qtr 2001	\$49,553,240	\$63,700,948	\$50,787,344
1st qtr 2002	\$25,812,727	\$10,368,960	\$24,090,363
2nd qtr 2002	\$25,107,579	\$30,554,591	\$14,348,364
3rd qtr 2002	\$32,987,561	\$33,566,694	\$42,898,905
4th qtr 2002	\$54,386,459	\$39,509,606	\$72,291,341
1st qtr 2003	\$50,349,221	\$30,776,954	\$24,009,215
2nd qtr 2003	\$51,648,244	\$33,145,879	\$37,961,745
3rd qtr 2003	\$55,011,830	\$32,286,147	\$84,564,221
4th qtr 2003	\$64,276,692	\$41,406,225	\$57,933,430

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

Year	Loss Ratio
1992	122.7%
1993	164.5%
1994	152.1%
1995	113.4%
1996	178.0%
1997	60.4%
1998	90.4%
1999	68.3%
2000	104.4%
2001	201.3%
2002	275.2%
2003	219.9%

General Liability

There were 128 groups, 326 companies, that had direct written premium for General Liability in the fourth quarter of 2003, as compared to 133 groups, 323 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	American International Group	20.48%	\$75,328,562	36.43%	\$377,619,658	35.98%
2	ACE Ltd.	10.89%	\$22,717,821	(16.45%)	\$200,780,884	57.12%
3	Zurich Insurance Group	10.25%	\$62,391,991	64.87%	\$188,981,799	30.74%
4	Great American E&S Insurance Company	5.83%	\$35,924,481	10.00%	\$107,530,033	12.20%
5	Travelers Property Casualty Corp Group	4.90%	\$20,390,127	4.23%	\$90,275,857	42.44%
6	XL America	4.57%	\$17,635,400	271.56%	\$84,161,975	140.79%
7	St. Paul Group	4.15%	\$20,572,060	15.38%	\$76,430,794	23.88%
8	CNA Insurance Group	3.67%	\$20,262,519	27.83%	\$67,728,574	20.67%
9	Liberty Mutual Group	2.99%	\$8,042,876	11.74%	\$55,138,498	66.43%
10	Chubb & Son Inc.	2.79%	\$12,784,937	35.25%	\$51,506,777	27.96%
11	Allianz Insurance Group	2.01%	\$10,616,004	84.70%	\$37,105,382	42.17%
12	Royal & Sun Alliance USA	1.78%	\$22,758,751	63.88%	\$32,896,493	(37.97%)
13	Hartford Fire & Casualty Group	1.68%	\$9,567,782	(33.07%)	\$30,906,226	(34.10%)
14	Texas Lawyers Insurance Exchange	1.47%	\$6,134,048	32.13%	\$27,029,804	45.08%
15	State Farm IL	1.37%	\$5,418,686	(1.79%)	\$25,227,301	0.70%
16	ARAG Insurance Company	1.09%	\$0	*	\$20,098,506	313.87%
17	UNITRIN Group	0.99%	\$4,043,726	84.63%	\$18,261,073	(18.89%)
18	Ohio Casualty Group	0.93%	\$4,964,207	67.19%	\$17,075,305	54.63%
19	Old Republic Group	0.90%	\$3,959,733	21.40%	\$16,536,526	11.22%
20	Kingsway Group	0.85%	\$2,015,163	(81.75%)	\$15,744,404	(40.85%)
21	Fairfax Financial	0.84%	\$3,104,336	(16.00%)	\$15,525,082	(18.17%)
22	United Fire & Casualty Group	0.79%	\$3,251,428	(5.03%)	\$14,584,929	(4.56%)
23	Federated Mutual	0.77%	\$2,657,441	0.36%	\$14,202,673	6.22%
24	Dallas General Group	0.73%	\$3,250,708	64.75%	\$13,428,858	73.39%
25	National American Insurance Company	0.71%	\$2,694,992	(17.29%)	\$13,162,620	(10.62%)
Top 25 Groups Total		87.44%	\$380,487,779	24.30%	\$1,611,940,031	28.43%
Total Market		100.00%	\$437,039,738	17.69%	\$1,843,530,333	20.54%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$218,908,585	\$201,380,511	\$168,086,925
1st qtr 1999	\$198,914,184	\$208,551,161	\$186,678,379
2nd qtr 1999	\$189,429,895	\$241,963,387	\$165,005,082
3rd qtr 1999	\$198,996,170	\$326,263,359	\$204,622,227
4th qtr 1999	\$302,336,709	\$235,083,506	\$195,064,133
1st qtr 2000	\$197,334,268	\$265,422,016	\$149,145,225
2nd qtr 2000	\$216,413,256	\$232,382,943	\$207,287,930
3rd qtr 2000	\$236,439,379	\$253,095,910	\$139,279,827
4th qtr 2000	\$256,405,425	\$404,183,305	\$277,383,640
1st qtr 2001	\$255,026,997	\$282,422,588	\$279,102,702
2nd qtr 2001	\$317,939,865	\$373,227,828	\$172,787,203
3rd qtr 2001	\$228,382,661	\$258,073,934	\$195,733,705
4th qtr 2001	\$235,390,831	\$360,898,116	\$63,102,021
1st qtr 2002	\$449,177,034	\$460,698,437	\$225,467,551
2nd qtr 2002	\$392,164,368	\$346,705,037	\$245,038,500
3rd qtr 2002	\$293,763,572	\$350,646,211	\$223,245,817
4th qtr 2002	\$296,230,398	\$371,335,756	\$293,588,970
1st qtr 2003	\$473,722,924	\$473,622,327	\$338,766,651
2nd qtr 2003	\$460,000,875	\$450,666,191	\$207,970,445
3rd qtr 2003	\$470,603,255	\$482,202,077	\$269,465,874
4th qtr 2003	\$412,701,229	\$437,039,738	\$392,459,182

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%
2002	114.5%
2003	77.0%

Commercial Fire & Allied

There were 76 groups, 178 companies, that had direct written premium for Commercial Fire & Allied in the fourth quarter of 2003, as compared to 80 groups, 195 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	FM Global Group	16.45%	\$27,799,414	(16.47%)	\$109,475,059	2.98%
2	Travelers Property Casualty Corp Group	11.75%	\$18,095,693	3.41%	\$78,226,843	8.22%
3	Allianz Ins Group	7.22%	\$10,982,516	(37.20%)	\$48,049,713	(7.48%)
4	St. Paul Group	6.86%	\$12,645,690	24.41%	\$45,632,648	22.92%
5	Zurich Ins Group	6.50%	\$11,736,489	58.00%	\$43,245,386	(21.23%)
6	Texas Windstorm Insurance Association	4.39%	\$7,123,586	1.84%	\$29,226,521	21.19%
7	Royal & Sun Alliance USA	4.16%	\$22,595,459	153.38%	\$27,708,330	(11.41%)
8	American International Group	3.51%	\$5,973,428	32.64%	\$23,331,703	10.20%
9	XL America	3.28%	\$7,300,073	(49.71%)	\$21,804,545	27.70%
10	United Fire & Casualty Group	2.79%	\$4,941,777	27.48%	\$18,543,636	24.10%
11	CNA Insurance Group	2.76%	\$5,473,814	24.13%	\$18,398,722	(3.36%)
12	AXA Insurance Group	2.60%	\$4,844,869	(15.21%)	\$17,322,325	28.27%
13	UNITRIN Group	2.48%	\$3,989,384	(24.40%)	\$16,504,127	(29.27%)
14	Hartford Fire & Casualty Group	2.19%	\$2,560,240	7.93%	\$14,570,494	(16.77%)
15	Fairfax Financial	2.18%	\$2,533,080	(29.30%)	\$14,537,783	35.49%
16	Swiss Re Group	2.14%	\$13,813,868	*	\$14,270,686	*
17	Liberty Mutual Group	1.95%	\$6,564,920	77.57%	\$13,007,381	99.17%
18	GE Global Group	1.76%	\$2,245,873	(15.12%)	\$11,694,622	3.64%
19	Federated Mutual	1.68%	\$2,188,332	8.00%	\$11,156,649	21.23%
20	Safeco Insurance Group	1.27%	\$1,959,615	10.43%	\$8,420,339	29.64%
21	Great American E&S Insurance Company	1.20%	\$226,193	54.32%	\$7,983,491	63.55%
22	Sentry Insurance Group	1.16%	\$1,756,815	9.93%	\$7,698,487	31.38%
23	EMC Insurance Company	0.98%	\$1,581,200	24.59%	\$6,517,671	9.85%
24	Texas Farm Bureau Mutual	0.86%	\$1,580,969	21.54%	\$5,756,448	17.83%
25	ARX Holding Corp. Group	0.84%	\$1,775,766	61.72%	\$5,578,638	282.33%

Top 25 Groups Total	92.96%	\$182,289,063	12.71%	\$618,662,247	8.12%
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Total Market	100.00%	\$194,283,221	10.67%	\$665,490,058	3.87%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$70,381,513	\$67,743,694	\$39,909,630
1st qtr 1999	\$71,320,972	\$68,350,829	\$33,802,576
2nd qtr 1999	\$77,274,152	\$78,487,919	\$39,140,917
3rd qtr 1999	\$70,060,718	\$74,379,518	\$54,354,899
4th qtr 1999	\$73,126,681	\$77,149,382	\$82,832,214
1st qtr 2000	\$60,367,305	\$65,714,031	\$30,457,236
2nd qtr 2000	\$72,570,831	\$81,310,228	\$73,567,014
3rd qtr 2000	\$80,712,117	\$85,253,815	\$59,757,514
4th qtr 2000	\$98,236,961	\$109,394,459	\$113,958,620
1st qtr 2001	\$92,863,589	\$92,099,454	\$41,677,493
2nd qtr 2001	\$98,078,697	\$101,065,593	\$58,283,160
3rd qtr 2001	\$92,741,263	\$98,276,060	\$244,258,829
4th qtr 2001	\$110,652,458	\$136,274,047	\$106,360,613
1st qtr 2002	\$121,765,027	\$144,529,151	\$87,595,818
2nd qtr 2002	\$142,072,436	\$147,303,886	\$101,597,550
3rd qtr 2002	\$142,288,616	\$173,299,909	\$50,900,077
4th qtr 2002	\$149,281,329	\$175,544,341	\$63,757,351
1st qtr 2003	\$150,575,522	\$150,510,180	\$52,417,619
2nd qtr 2003	\$149,459,207	\$154,045,193	\$73,322,891
3rd qtr 2003	\$156,429,967	\$166,651,464	\$85,200,157
4th qtr 2003	\$157,249,720	\$194,283,221	\$61,715,997

EARNED TO INCURRED LOSS RATIO BY YEAR

**Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium
(includes personal Fire & Allied lines)**

<u>Year</u>	<u>Loss Ratio</u>
1992	84.3%
1993	58.4%
1994	69.6%
1995	97.1%
1996	49.9%
1997	38.3%
1998	57.4%
1999	53.1%
2000	81.9%
2001	107.7%
2002	55.8%
2003	48.9%

Commercial Multiple Peril

There were 78 groups, 220 companies, that had direct written premium for Commercial Multiple Peril in the fourth quarter of 2003, as compared to 85 groups, 238 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Zurich Insurance Group	12.44%	\$51,296,840	14.67%	\$170,415,408	(6.28%)
2	Travelers Property Casualty Corp Group	10.79%	\$39,556,117	0.88%	\$147,754,091	13.09%
3	CNA Insurance Group	7.94%	\$24,325,904	(14.17%)	\$108,751,074	(0.71%)
4	Hartford Fire & Casualty Group	7.63%	\$27,570,216	24.48%	\$104,553,749	22.34%
5	Chubb & Son Inc.	6.16%	\$20,475,488	13.79%	\$84,393,003	17.93%
6	State Farm IL	4.50%	\$13,708,806	(5.01%)	\$61,631,794	(1.17%)
7	Liberty Mutual Group	4.20%	\$13,021,080	88.23%	\$57,560,016	62.21%
8	Safeco Insurance Group	4.12%	\$16,419,206	36.95%	\$56,500,441	23.04%
9	Church Mutual Insurance Company	2.66%	\$8,726,382	26.63%	\$36,407,165	27.84%
10	Maguire Corp Group	2.38%	\$8,000,241	(11.06%)	\$32,658,981	52.18%
11	Allianz Insurance Group	2.34%	\$11,634,221	37.01%	\$32,029,989	8.39%
12	Credit Suisse Group	2.33%	\$7,845,191	(6.99%)	\$31,930,656	(2.61%)
13	WR Berkley Corp	2.32%	\$9,870,673	42.08%	\$31,723,090	19.96%
14	St. Paul Group	2.26%	\$9,330,533	21.70%	\$30,966,276	16.94%
15	Allstate Insurance Group	2.21%	\$7,833,484	10.28%	\$30,324,939	12.66%
16	Guideone Insurance Group	2.16%	\$7,420,107	3.14%	\$29,541,189	3.66%
17	Ohio Casualty Group	1.87%	\$6,563,428	22.95%	\$25,556,008	29.71%
18	Old Republic Group	1.84%	\$6,276,117	(7.71%)	\$25,210,347	4.43%
19	Central Mutual Insurance Company Ohio	1.72%	\$5,733,528	13.46%	\$23,602,832	21.58%
20	ACE Ltd.	1.72%	\$13,949,621	82.29%	\$23,542,370	38.56%
21	Royal & Sun Alliance USA	1.69%	\$19,295,145	526.79%	\$23,166,312	3.65%
22	American International Group	1.60%	\$5,592,776	(4.13%)	\$21,906,598	0.76%
23	Amerisure Company	1.57%	\$5,227,904	23.34%	\$21,478,180	37.95%
24	Nationwide Corp	1.21%	\$6,048,883	94.12%	\$16,599,125	70.92%
25	GE Global Group	1.20%	\$2,566,016	(67.92%)	\$16,494,137	3.97%

Top 25 Groups Total	90.87%	\$348,287,907	17.42%	\$1,244,697,770	12.24%
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Total Market	100.00%	\$375,868,718	9.51%	\$1,369,718,377	6.71%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$222,420,875	\$235,980,204	\$125,083,469
1st qtr 1999	\$215,552,459	\$229,247,463	\$118,479,566
2nd qtr 1999	\$216,187,848	\$227,484,752	\$169,346,924
3rd qtr 1999	\$218,141,753	\$226,734,743	\$147,924,389
4th qtr 1999	\$223,556,331	\$241,176,043	\$147,201,261
1st qtr 2000	\$221,592,156	\$238,501,246	\$141,927,253
2nd qtr 2000	\$234,589,678	\$239,375,265	\$214,498,664
3rd qtr 2000	\$231,760,927	\$266,860,771	\$201,776,374
4th qtr 2000	\$258,005,253	\$269,671,752	\$203,011,991
1st qtr 2001	\$257,145,796	\$276,716,048	\$174,818,070
2nd qtr 2001	\$257,191,069	\$282,196,084	\$194,230,163
3rd qtr 2001	\$272,821,007	\$288,700,461	\$247,376,264
4th qtr 2001	\$279,841,512	\$321,838,153	\$219,799,574
1st qtr 2002	\$294,721,061	\$330,504,083	\$175,072,730
2nd qtr 2002	\$298,739,904	\$277,160,208	\$182,769,240
3rd qtr 2002	\$302,860,146	\$332,693,541	\$215,367,089
4th qtr 2002	\$325,691,823	\$343,217,776	\$159,953,409
1st qtr 2003	\$312,373,288	\$323,997,599	\$197,453,601
2nd qtr 2003	\$310,339,353	\$335,111,601	\$197,135,720
3rd qtr 2003	\$317,313,938	\$334,740,459	\$202,029,594
4th qtr 2003	\$322,146,304	\$375,868,718	\$173,532,706

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	88.4%
1993	77.8%
1994	61.8%
1995	97.5%
1996	59.0%
1997	54.1%
1998	51.2%
1999	67.1%
2000	89.8%
2001	85.6%
2002	59.8%
2003	58.0%

Private Passenger Auto (All Companies, All Coverages)

There were 66 groups, 208 companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 70 groups, 212 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	23.54%	\$635,306,200	5.31%	\$2,666,709,392	8.05%
2	Allstate Insurance Group	14.97%	\$418,015,436	4.23%	\$1,695,774,743	(1.25%)
3	Zurich Insurance Group	12.08%	\$331,030,721	7.55%	\$1,368,030,027	3.81%
4	Progressive Group	8.84%	\$241,726,187	17.13%	\$1,001,318,165	33.06%
5	United Services Automobile Assn. Group	6.12%	\$159,386,842	(3.30%)	\$693,288,371	3.08%
6	Nationwide Corp.	4.26%	\$118,778,334	34.60%	\$482,000,187	17.63%
7	Berkshire Hathaway	3.48%	\$96,592,641	12.55%	\$394,724,530	15.78%
8	Southern Farm Bureau Casualty	3.41%	\$98,809,212	11.47%	\$386,041,081	22.54%
9	Old American County Mutual Fire Ins. Co.	3.21%	\$95,800,289	12.64%	\$363,105,984	18.85%
10	Home State Insurance Group	2.70%	\$79,777,367	32.24%	\$306,348,318	22.36%
11	Texas State National Group	1.95%	\$46,065,438	14.94%	\$221,222,900	6.78%
12	Safeco Insurance Group	1.82%	\$46,691,047	(5.95%)	\$206,030,499	26.98%
13	Unitrin Group	1.48%	\$42,222,360	50.17%	\$168,023,249	10.82%
14	Travelers Property Casualty Corp. Group	1.27%	\$31,117,786	(18.99%)	\$143,790,337	(12.65%)
15	Titus Group	1.11%	\$34,801,946	83.32%	\$125,778,297	98.40%
16	Liberty Mutual Group	0.95%	\$25,585,980	6.28%	\$108,088,593	5.76%
17	Credit Suisse Group	0.92%	\$26,921,097	11.73%	\$104,026,975	8.25%
18	Hartford Fire & Casualty Group	0.78%	\$18,889,347	(0.31%)	\$87,830,029	7.14%
19	Mercury General Group	0.77%	\$20,519,525	17.83%	\$87,580,182	35.99%
20	Interins Exchange of the Automobile Club	0.56%	\$17,159,076	34.04%	\$62,890,441	56.97%
21	Sentry Insurance Group	0.55%	\$13,885,464	(6.09%)	\$62,452,820	(5.43%)
22	American National Financial Group	0.53%	\$14,243,798	29.09%	\$60,295,886	0.29%
23	Germania Insurance Group	0.47%	\$11,246,537	(5.98%)	\$53,641,842	(4.27%)
24	Metropolitan Group	0.47%	\$12,697,381	(1.84%)	\$52,922,410	(1.23%)
25	Amica Mutual Group	0.45%	\$11,689,915	7.36%	\$51,106,803	11.10%
Top 25 Groups Total		96.70%	\$2,648,959,926	9.21%	\$10,953,022,061	9.91%
Total Market		100.00%	\$2,735,086,984	11.31%	\$11,326,803,548	8.18%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$2,151,157,497	\$1,983,338,736	\$1,389,965,891
1st qtr 1999	\$2,320,518,475	\$2,136,424,353	\$1,327,541,349
2nd qtr 1999	\$2,188,958,364	\$2,028,787,943	\$1,436,070,422
3rd qtr 1999	\$2,310,778,314	\$2,108,258,416	\$1,406,017,588
4th qtr 1999	\$2,182,308,863	\$1,984,324,294	\$1,440,876,134
1st qtr 2000	\$2,287,114,585	\$2,161,022,529	\$1,516,565,809
2nd qtr 2000	\$2,214,040,576	\$2,067,800,565	\$1,727,433,045
3rd qtr 2000	\$2,346,352,009	\$2,217,093,042	\$1,446,692,136
4th qtr 2000	\$2,133,476,469	\$1,926,579,984	\$1,649,277,676
1st qtr 2001	\$2,479,776,275	\$2,364,978,653	\$1,608,864,432
2nd qtr 2001	\$2,381,884,799	\$2,218,599,142	\$1,764,471,091
3rd qtr 2001	\$2,601,335,227	\$2,418,790,333	\$1,904,688,875
4th qtr 2001	\$2,448,928,343	\$2,320,483,155	\$1,687,667,681
1st qtr 2002	\$2,868,833,850	\$2,672,814,060	\$1,679,834,023
2nd qtr 2002	\$2,825,505,496	\$2,591,123,687	\$1,896,294,072
3rd qtr 2002	\$3,001,045,878	\$2,749,095,031	\$1,679,170,055
4th qtr 2002	\$2,773,416,367	\$2,457,170,529	\$1,688,163,691
1st qtr 2003	\$3,100,617,381	\$2,924,121,925	\$1,602,582,885
2nd qtr 2003	\$2,916,379,355	\$2,741,087,516	\$2,098,762,515
3rd qtr 2003	\$3,087,789,849	\$2,926,507,123	\$1,682,022,598
4th qtr 2003	\$2,850,599,167	\$2,735,086,984	\$1,638,953,802

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	72.8%
1993	70.0%
1994	70.9%
1995	72.3%
1996	62.9%
1997	58.7%
1998	60.8%
1999	66.6%
2000	74.9%
2001	78.2%
2002	66.8%
2003	67.6%

Private Passenger Auto (All Rate-Regulated Companies)

There were 60 groups, 184 rate-regulated companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 64 groups, 189 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	38.20%	\$597,212,199	4.63%	\$2,512,789,960	6.77%
2	Allstate Insurance Group	16.11%	\$244,895,656	(2.62%)	\$1,059,960,081	(7.00%)
3	Zurich Insurance Group	11.60%	\$181,715,098	3.15%	\$762,759,387	(5.60%)
4	Berkshire Hathaway	6.00%	\$96,592,641	12.55%	\$394,724,530	15.78%
5	Southern Farm Bureau Casualty	4.79%	\$80,742,727	9.67%	\$314,800,370	13.76%
6	United Services Automobile Assn. Group	4.78%	\$73,267,041	(2.00%)	\$314,337,500	(15.56%)
7	Nationwide Corp.	3.25%	\$54,217,799	4.45%	\$213,485,646	(2.40%)
8	Safeco Insurance Group	3.13%	\$46,691,047	(5.95%)	\$206,030,499	26.98%
9	Travelers Property Casualty Corp. Group	2.19%	\$31,117,786	(18.99%)	\$143,790,337	(12.65%)
10	Hartford Fire & Casualty Group	1.34%	\$18,889,347	(0.31%)	\$87,830,029	7.14%
11	UNITRIN Group	0.95%	\$16,219,606	218.57%	\$62,459,976	12.83%
12	Germania Insurance Group	0.82%	\$11,246,537	(5.98%)	\$53,641,842	(4.27%)
13	Metropolitan Group	0.80%	\$12,697,381	(1.84%)	\$52,922,410	(1.23%)
14	Amica Mutual Group	0.78%	\$11,689,915	7.36%	\$51,106,803	11.10%
15	CNA Insurance Group	0.62%	\$10,850,089	(8.80%)	\$40,585,076	(17.59%)
16	Chubb & Son Inc.	0.54%	\$9,087,517	3.64%	\$35,549,267	3.94%
17	Interins Exchange of the Automobile Club	0.52%	\$8,536,694	(8.82%)	\$34,336,556	(6.68%)
18	Prudential Of America	0.52%	\$7,299,412	(35.42%)	\$34,068,896	(30.59%)
19	Agricultural Workers Insurance Group	0.50%	\$7,674,107	3.76%	\$33,156,375	5.26%
20	American International Group	0.29%	\$4,245,803	106.30%	\$18,972,849	17.22%
21	Central Mutual Insurance Casualty Ohio	0.29%	\$4,602,582	13.66%	\$18,797,297	16.70%
22	Hochheim Prairie Group	0.27%	\$4,180,161	(15.37%)	\$18,046,385	(21.73%)
23	Lumbermens Mutual Casualty Group	0.22%	\$403,002	(92.47%)	\$14,653,605	(28.11%)
24	Beacon Insurance Group	0.22%	\$3,041,448	0.93%	\$14,248,331	(38.22%)
25	Hochheim Prairie Group	0.18%	\$2,541,668	(26.12%)	\$11,846,589	(36.53%)

Top 25 Groups Total	98.89%	\$1,539,657,263	7.32%	\$6,504,900,596	0.88%
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Total Market	100.00%	\$1,555,659,351	4.95%	\$6,577,842,193	(1.97%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$1,535,905,483	\$1,452,500,112	\$1,021,333,168
1st qtr 1999	\$1,611,517,598	\$1,531,201,343	\$986,662,418
2nd qtr 1999	\$1,549,030,969	\$1,465,668,093	\$1,058,267,920
3rd qtr 1999	\$1,654,500,947	\$1,566,084,096	\$1,028,004,498
4th qtr 1999	\$1,582,229,889	\$1,479,746,240	\$1,067,991,532
1st qtr 2000	\$1,647,551,794	\$1,573,620,775	\$1,145,517,607
2nd qtr 2000	\$1,593,613,164	\$1,524,585,720	\$1,298,712,750
3rd qtr 2000	\$1,724,969,778	\$1,654,841,965	\$1,058,585,157
4th qtr 2000	\$1,556,526,868	\$1,442,640,173	\$1,260,189,254
1st qtr 2001	\$1,805,529,259	\$1,741,071,546	\$1,258,573,228
2nd qtr 2001	\$1,691,937,548	\$1,613,010,293	\$1,357,454,971
3rd qtr 2001	\$1,820,036,784	\$1,753,988,077	\$1,531,197,749
4th qtr 2001	\$1,668,668,495	\$1,636,210,953	\$1,141,954,488
1st qtr 2002	\$1,736,769,104	\$1,779,217,672	\$1,240,702,443
2nd qtr 2002	\$1,672,411,050	\$1,699,616,391	\$1,406,069,637
3rd qtr 2002	\$1,759,192,706	\$1,748,794,772	\$1,162,255,945
4th qtr 2002	\$1,578,375,146	\$1,482,342,764	\$1,138,619,756
1st qtr 2003	\$1,730,588,905	\$1,726,123,500	\$1,057,673,052
2nd qtr 2003	\$1,613,323,431	\$1,591,367,708	\$1,432,429,988
3rd qtr 2003	\$1,723,417,481	\$1,704,691,634	\$1,070,374,424
4th qtr 2003	\$1,579,380,030	\$1,555,659,351	\$1,013,929,386

Private Passenger Auto (All Non-Rate-Regulated Companies)

There were 23 groups, 24 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 22 groups, 23 companies, in the fourth quarter of 2002.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Progressive Group	21.08%	\$241,726,187	17.13%	\$1,001,318,484	33.06%
2	Allstate Insurance Group	13.39%	\$173,119,780	15.73%	\$635,814,662	10.09%
3	Zurich Insurance Group	12.75%	\$149,315,623	13.43%	\$605,270,640	18.74%
4	United Services Automobile Assn. Group	7.98%	\$86,119,801	(4.38%)	\$378,950,871	26.18%
5	Old American County Mutual Fire Ins. Co.	7.65%	\$95,800,289	12.64%	\$363,105,984	18.85%
6	Home State Insurance Group	6.45%	\$79,777,367	32.24%	\$306,348,318	22.36%
7	Nationwide Corp.	5.65%	\$64,560,535	77.67%	\$268,514,541	40.58%
8	Texas State National Group	4.66%	\$46,065,438	14.94%	\$221,222,900	6.78%
9	State Farm IL	3.24%	\$38,094,001	17.34%	\$153,919,432	34.46%
10	Titus Group	2.65%	\$34,801,946	83.32%	\$125,778,297	98.40%
11	Liberty Mutual Group	2.23%	\$25,600,635	*	\$105,759,400	933.64%
12	UNITRIN Group	2.22%	\$26,002,754	12.93%	\$105,563,273	9.66%
13	Credit Suisse Group	2.19%	\$26,921,188	11.74%	\$104,027,963	8.26%
14	Mercury Gen Group	1.82%	\$20,253,320	22.60%	\$86,590,728	56.13%
15	Southern Farm Bureau Casualty	1.50%	\$18,066,485	20.31%	\$71,240,711	85.96%
16	Sentry Insurance Group	1.29%	\$13,632,230	(5.84%)	\$61,286,884	(4.38%)
17	American National Financial Group	1.26%	\$14,244,666	47.80%	\$59,685,224	63.20%
18	Safeway Insurance Group	0.62%	\$5,462,804	(30.31%)	\$29,634,485	(35.06%)
19	Interins Exchange of the Automobile Club	0.60%	\$8,622,382	150.70%	\$28,553,885	772.47%
20	Great American E&S Insurance Co	0.36%	\$2,076,559	(46.90%)	\$17,021,964	(30.59%)
21	Royal & Sun Alliance USA	0.25%	\$7,251,251	380.98%	\$11,757,097	40.58%
22	Allianz Insurance Group	0.16%	\$1,909,554	(10.49%)	\$7,592,774	(18.73%)
23	ACE Ltd.	0.00%	\$2,838	*	\$2,838	*
Top Groups Total		100.00%	\$1,179,427,633	20.99%	\$4,748,961,355	26.29%
Total Market		100.00%	\$1,179,427,633	20.99%	\$4,748,961,355	26.29%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

Note: A list of groups and corresponding County Mutual Companies can be found on page 61 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$615,252,014	\$530,838,624	\$368,632,723
1st qtr 1999	\$709,000,877	\$605,223,010	\$340,878,931
2nd qtr 1999	\$639,927,395	\$563,119,850	\$377,802,502
3rd qtr 1999	\$656,277,367	\$542,174,320	\$378,013,090
4th qtr 1999	\$600,078,974	\$504,578,054	\$372,884,602
1st qtr 2000	\$639,562,791	\$587,401,754	\$371,048,202
2nd qtr 2000	\$620,427,412	\$543,214,845	\$428,720,295
3rd qtr 2000	\$621,382,231	\$562,251,077	\$388,106,979
4th qtr 2000	\$576,949,601	\$483,939,811	\$389,088,422
1st qtr 2001	\$674,247,016	\$623,907,107	\$350,291,204
2nd qtr 2001	\$689,947,251	\$605,588,849	\$407,016,120
3rd qtr 2001	\$781,298,443	\$664,802,256	\$373,491,126
4th qtr 2001	\$780,259,848	\$684,272,202	\$545,713,193
1st qtr 2002	\$1,132,064,746	\$893,596,388	\$439,131,580
2nd qtr 2002	\$1,153,094,446	\$891,507,296	\$490,224,435
3rd qtr 2002	\$1,241,853,172	\$1,000,300,259	\$516,914,110
4th qtr 2002	\$1,195,041,221	\$974,827,765	\$549,543,935
1st qtr 2003	\$1,370,028,476	\$1,197,998,425	\$544,909,833
2nd qtr 2003	\$1,303,055,924	\$1,149,719,808	\$666,332,527
3rd qtr 2003	\$1,364,372,368	\$1,221,815,489	\$611,648,174
4th qtr 2003	\$1,271,219,137	\$1,179,427,633	\$625,024,416

Private Passenger Auto (All Voluntary Liability)

There were 65 groups, 205 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 67 groups, 207 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	23.24%	\$351,297,709	3.96%	\$1,483,062,111	7.16%
2	Allstate Insurance Group	14.76%	\$230,737,628	3.11%	\$941,762,380	(0.13%)
3	Zurich Insurance Group	12.01%	\$185,676,251	10.29%	\$766,069,067	3.56%
4	Progressive Group	8.37%	\$129,342,987	18.03%	\$533,819,933	33.51%
5	United Services Automobile Assn. Group	6.18%	\$90,471,036	(3.76%)	\$394,643,873	4.70%
6	Nationwide Corp.	4.46%	\$69,871,125	9.50%	\$284,322,306	10.62%
7	Old American County Mutual Fire Ins. Co.	3.66%	\$62,967,148	24.35%	\$233,469,545	26.76%
8	Berkshire Hathaway	3.54%	\$55,122,035	12.56%	\$226,030,283	15.77%
9	Southern Farm Bureau Casualty	3.25%	\$52,875,806	12.21%	\$207,330,405	23.56%
10	Home State Insurance Group	2.80%	\$44,863,202	19.93%	\$178,713,827	15.22%
11	Texas State National Group	2.64%	\$39,370,312	34.64%	\$168,389,109	17.98%
12	Safeco Insurance Group	1.82%	\$26,236,941	(5.46%)	\$115,826,473	27.58%
13	UNITRIN Group	1.45%	\$23,682,329	56.15%	\$92,321,955	13.87%
14	Travelers Property Casualty Corp. Group	1.28%	\$17,644,493	(18.58%)	\$81,882,092	(12.42%)
15	Credit Suisse Group	0.95%	\$16,059,504	13.80%	\$60,718,067	11.67%
16	Liberty Mutual Group	0.91%	\$13,670,234	6.85%	\$58,055,208	6.38%
17	Hartford Fire & Casualty Group	0.80%	\$10,824,984	(3.91%)	\$50,954,178	4.60%
18	Mercury General Group	0.78%	\$11,606,307	20.92%	\$49,630,244	39.36%
19	Titus Group	0.70%	\$13,182,660	132.14%	\$44,432,260	199.03%
20	Sentry Insurance Group	0.63%	\$9,070,068	(7.83%)	\$40,431,504	(5.47%)
21	American National Financial Group	0.57%	\$8,810,857	33.75%	\$36,378,064	3.08%
22	Interins Exchange of the Automobile Club	0.53%	\$9,272,350	36.07%	\$34,106,485	52.50%
23	Amica Mutual Group	0.48%	\$6,970,064	6.74%	\$30,571,472	10.06%
24	Germania Insurance Group	0.46%	\$6,179,115	(6.97%)	\$29,660,187	(5.16%)
25	Metropolitan Group	0.45%	\$6,892,248	(2.64%)	\$28,730,338	(3.25%)
Top 25 Groups Total		96.72%	\$1,492,697,393	8.77%	\$6,171,311,366	10.04%
Total Market		100.00%	\$1,540,237,588	12.86%	\$6,380,891,587	8.18%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$1,330,046,794	\$1,221,483,877	\$812,576,838
1st qtr 1999	\$1,441,718,954	\$1,318,619,390	\$785,832,104
2nd qtr 1999	\$1,305,348,332	\$1,200,611,616	\$810,887,691
3rd qtr 1999	\$1,338,375,394	\$1,215,078,834	\$831,240,896
4th qtr 1999	\$1,272,444,029	\$1,150,496,913	\$863,590,455
1st qtr 2000	\$1,326,706,485	\$1,252,524,313	\$873,001,219
2nd qtr 2000	\$1,269,992,298	\$1,185,965,899	\$844,730,507
3rd qtr 2000	\$1,342,229,296	\$1,272,459,508	\$836,868,067
4th qtr 2000	\$1,211,356,514	\$1,093,856,843	\$958,476,760
1st qtr 2001	\$1,422,421,450	\$1,354,714,123	\$914,127,105
2nd qtr 2001	\$1,352,189,807	\$1,258,371,277	\$906,258,206
3rd qtr 2001	\$1,459,719,337	\$1,361,690,166	\$840,171,110
4th qtr 2001	\$1,379,295,208	\$1,305,335,597	\$970,029,517
1st qtr 2002	\$1,606,318,038	\$1,513,140,256	\$981,906,602
2nd qtr 2002	\$1,590,558,659	\$1,474,062,620	\$1,070,390,058
3rd qtr 2002	\$1,680,894,368	\$1,546,620,167	\$962,685,922
4th qtr 2002	\$1,554,205,465	\$1,364,681,127	\$949,408,579
1st qtr 2003	\$1,748,560,932	\$1,649,198,567	\$930,288,533
2nd qtr 2003	\$1,635,686,421	\$1,545,253,717	\$940,676,080
3rd qtr 2003	\$1,736,176,675	\$1,646,201,715	\$947,133,974
4th qtr 2003	\$1,597,308,702	\$1,540,237,588	\$949,002,521

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 59 groups, 181 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 61 groups, 185 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	37.80%	\$329,467,478	3.22%	\$1,394,319,435	5.86%
2	Allstate Insurance Group	16.40%	\$139,214,593	(3.13%)	\$605,040,283	(3.82%)
3	Zurich Insurance Group	11.74%	\$103,302,478	9.33%	\$433,114,744	(4.77%)
4	Berkshire Hathaway	6.13%	\$55,122,035	12.56%	\$226,030,283	15.77%
5	United Services Automobile Assn. Group	4.73%	\$40,584,295	(2.83%)	\$174,377,093	(14.94%)
6	Southern Farm Bureau Casualty	4.58%	\$43,191,694	10.10%	\$168,968,029	14.66%
7	Nationwide Corp.	3.36%	\$31,486,128	5.91%	\$124,069,264	(3.28%)
8	Safeco Insurance Group	3.14%	\$26,236,941	(5.46%)	\$115,826,473	27.58%
9	Travelers Property Casualty Corp. Group	2.22%	\$17,644,493	(18.58%)	\$81,882,092	(12.42%)
10	Hartford Fire & Casualty Group	1.38%	\$10,824,984	(3.91%)	\$50,954,178	4.60%
11	UNITRIN Group	0.95%	\$9,211,419	223.61%	\$34,998,808	15.51%
12	Amica Mutual Group	0.83%	\$6,970,064	6.74%	\$30,571,472	10.06%
13	Germania Insurance Group	0.80%	\$6,179,115	(6.97%)	\$29,660,187	(5.16%)
14	Metropolitan Group	0.78%	\$6,892,248	(2.64%)	\$28,730,338	(3.25%)
15	CNA Insurance Group	0.62%	\$6,407,223	(11.31%)	\$22,794,470	(18.22%)
16	Chubb & Son Inc.	0.55%	\$5,184,398	1.52%	\$20,395,484	2.00%
17	Prudential Of America	0.53%	\$4,179,602	(36.13%)	\$19,599,885	(31.96%)
18	Interins Exchange of the Automobile Club	0.50%	\$4,527,667	(7.33%)	\$18,316,068	(10.65%)
19	Agricultural Workers Insurance Group	0.46%	\$3,881,150	0.98%	\$17,129,389	3.29%
20	Central Mutual Insurance Company Ohio	0.29%	\$2,618,746	11.32%	\$10,773,144	14.63%
21	American International Group	0.26%	\$2,207,831	103.42%	\$9,569,291	7.18%
22	Hochheim Prairie Group	0.26%	\$2,205,959	(17.27%)	\$9,535,307	(23.76%)
23	Lumbermens Mutual Casualty Group	0.23%	\$223,935	(93.10%)	\$8,538,998	(28.28%)
24	Beacon Insurance Group	0.21%	\$1,659,378	(8.38%)	\$7,795,921	(36.51%)
25	Hochheim Prairie Group	0.17%	\$1,351,346	(27.65%)	\$6,366,964	(37.56%)

Top 25 Groups Total	98.94%	\$860,775,200	10.95%	\$3,649,357,600	1.15%
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Total Market	100.00%	\$869,372,869	8.53%	\$3,688,417,009	(1.71%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$953,460,466	\$897,995,503	\$596,370,189
1st qtr 1999	\$998,173,986	\$945,299,913	\$575,806,421
2nd qtr 1999	\$920,566,067	\$865,996,287	\$584,648,447
3rd qtr 1999	\$962,402,171	\$906,013,012	\$600,847,201
4th qtr 1999	\$915,065,420	\$850,700,349	\$630,063,457
1st qtr 2000	\$947,873,011	\$903,829,265	\$650,981,096
2nd qtr 2000	\$911,719,387	\$869,434,038	\$612,643,847
3rd qtr 2000	\$983,300,253	\$939,424,175	\$603,620,069
4th qtr 2000	\$876,288,874	\$821,037,512	\$729,822,469
1st qtr 2001	\$1,031,833,276	\$993,605,295	\$723,376,670
2nd qtr 2001	\$960,927,886	\$915,522,168	\$686,459,498
3rd qtr 2001	\$1,028,165,690	\$991,220,645	\$704,801,926
4th qtr 2001	\$936,644,923	\$915,192,460	\$609,687,658
1st qtr 2002	\$962,721,320	\$1,004,128,970	\$731,791,951
2nd qtr 2002	\$933,756,261	\$968,489,605	\$807,186,698
3rd qtr 2002	\$977,634,358	\$978,875,129	\$673,499,993
4th qtr 2002	\$879,326,359	\$801,019,094	\$645,421,128
1st qtr 2003	\$970,322,476	\$970,041,120	\$627,421,955
2nd qtr 2003	\$901,304,589	\$893,470,705	\$619,769,452
3rd qtr 2003	\$961,394,096	\$955,532,315	\$611,007,523
4th qtr 2003	\$877,949,126	\$869,372,869	\$596,078,009

Private Passenger Auto (Voluntary Liability Non-Rate-Regulated Companies)

There were 23 groups, 24 non-rate-regulated (County Mutual) companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 22 groups, 23 companies, in the fourth quarter of 2002.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Progressive Group	19.83%	\$129,342,987	18.03%	\$533,820,252	33.51%
2	Allstate Insurance Group	12.51%	\$91,523,035	14.32%	\$336,722,097	7.26%
3	Zurich Insurance Group	12.37%	\$82,373,773	11.51%	\$332,954,323	16.86%
4	Old American County Mutual Fire Ins. Co.	8.67%	\$62,967,148	24.35%	\$233,469,545	26.76%
5	United Services Automobile Assn. Group	8.18%	\$49,886,741	(4.50%)	\$220,266,780	28.12%
6	Home State Insurance Group	6.64%	\$44,863,202	19.93%	\$178,713,827	15.22%
7	Texas State National Group	6.25%	\$39,370,312	34.64%	\$168,389,109	17.98%
8	Nationwide Corp.	5.95%	\$38,384,997	12.63%	\$160,253,042	24.47%
9	State Farm IL	3.30%	\$21,830,231	16.64%	\$88,742,676	32.88%
10	Credit Suisse Group	2.26%	\$16,059,545	13.81%	\$60,719,005	11.68%
11	UNITRIN Group	2.13%	\$14,470,910	17.45%	\$57,323,147	12.89%
12	Liberty Mutual Group	2.12%	\$13,720,862	979.27%	\$57,053,062	928.16%
13	Mercury General Group	1.82%	\$11,446,782	25.81%	\$49,078,568	59.71%
14	Titus Group	1.65%	\$13,182,660	132.14%	\$44,432,260	199.03%
15	Sentry Insurance Group	1.48%	\$8,920,046	(7.62%)	\$39,739,243	(4.45%)
16	Southern Farm Bureau Casualty	1.42%	\$9,684,112	22.66%	\$38,362,376	87.78%
17	American National Financial Group	1.34%	\$8,811,286	52.00%	\$36,038,793	67.32%
18	Safeway Insurance Group	0.73%	\$3,739,067	(30.48%)	\$19,570,776	(34.63%)
19	Interins Exchange of the Automobile Club	0.59%	\$4,744,683	146.06%	\$15,790,417	746.68%
20	Great American E&S Insurance Co.	0.34%	\$1,162,394	(44.20%)	\$9,235,328	(30.89%)
21	Royal & Sun Alliance USA	0.28%	\$3,415,208	147.00%	\$7,604,489	2.63%
22	Allianz Insurance Group	0.16%	\$960,764	(21.62%)	\$4,191,489	(22.47%)
23	ACE Ltd.	0.00%	\$3,974	*	\$3,974	*
Top Groups Total		100.00%	\$670,864,719	19.02%	\$2,692,474,578	25.47%
Total Market		100.00%	\$670,864,719	19.02%	\$2,692,474,578	25.47%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

Note: A list of groups and corresponding County Mutual Companies can be found on page 61 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$376,586,328	\$323,488,374	\$216,206,649
1st qtr 1999	\$443,544,968	\$373,319,477	\$210,025,683
2nd qtr 1999	\$384,782,265	\$334,615,329	\$226,239,244
3rd qtr 1999	\$375,973,223	\$309,065,822	\$230,393,695
4th qtr 1999	\$357,378,609	\$299,796,564	\$233,526,998
1st qtr 2000	\$378,833,474	\$348,695,048	\$222,020,123
2nd qtr 2000	\$358,272,911	\$316,531,861	\$232,086,660
3rd qtr 2000	\$358,929,043	\$333,035,333	\$233,247,998
4th qtr 2000	\$335,067,640	\$272,819,331	\$228,654,291
1st qtr 2001	\$390,588,174	\$361,108,828	\$190,750,435
2nd qtr 2001	\$391,261,921	\$342,849,109	\$219,798,708
3rd qtr 2001	\$431,553,647	\$370,469,521	\$135,369,184
4th qtr 2001	\$442,650,285	\$390,143,137	\$360,341,859
1st qtr 2002	\$643,596,718	\$509,011,286	\$250,114,651
2nd qtr 2002	\$656,802,398	\$505,573,015	\$263,203,360
3rd qtr 2002	\$703,260,010	\$567,745,038	\$289,185,929
4th qtr 2002	\$674,879,106	\$563,662,033	\$303,987,451
1st qtr 2003	\$778,238,456	\$679,157,447	\$302,866,578
2nd qtr 2003	\$734,381,832	\$651,783,012	\$320,906,628
3rd qtr 2003	\$774,782,579	\$690,669,400	\$336,126,451
4th qtr 2003	\$719,359,576	\$670,864,719	\$352,924,512

Private Passenger Auto (All Assigned Risk)

There were 16 groups, 16 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 19 groups, 21 companies, in the fourth quarter of 2002.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	35.67%	\$3,155,878	6.38%	\$13,754,064	25.65%
2	Allstate Insurance Group	14.52%	\$1,147,832	125.62%	\$5,600,927	24.17%
3	GE Global Group	12.67%	\$942,328	(40.86%)	\$4,886,710	5.85%
4	Zurich Insurance Group	10.06%	\$1,220,468	(1.86%)	\$3,880,804	(6.48%)
5	American International Group	7.55%	\$610,760	36.03%	\$2,913,254	63.40%
6	Southern Farm Bureau Casualty	6.57%	\$596,456	20.96%	\$2,535,478	37.83%
7	Berkshire Hathaway	3.92%	\$372,353	49.28%	\$1,513,005	30.96%
8	Nationwide Corp.	3.32%	\$241,653	(20.67%)	\$1,278,861	30.05%
9	Travelers Property Casualty Corp Group	2.29%	\$235,902	7.72%	\$884,132	15.62%
10	Safeco Insurance Group	1.77%	\$134,810	(9.03%)	\$682,832	27.85%
11	Liberty Mutual Group	0.81%	\$74,408	13.78%	\$313,032	21.96%
12	UNITRIN Group	0.48%	\$13,241	(50.94%)	\$185,311	(70.78%)
13	Mercury General Group	0.21%	\$12,595	(14.30%)	\$80,098	83.03%
14	Service Life Group	0.08%	\$6,634	36.73%	\$29,906	95.32%
15	American Express Group	0.06%	\$2,484	102.12%	\$21,660	200.92%
16	Southland Lloyds Insurance Company	0.01%	(\$398)	(138.94%)	\$2,409	51.70%
17	Great American E&S Insurance Co.	0.00%	\$0	100.00%	\$1,336	(90.49%)
18	Lumbermens Mutual Casualty Group	0.00%	\$0	*	\$1,064	(43.49%)
19	Eagle Insurance Group	0.00%	\$0	(100.00%)	(\$43)	(100.57%)
20	White Mountains Group	0.00%	\$0	*	(\$1,149)	*

Top Groups Total	100.00%	\$8,767,404	5.76%	\$38,563,691	19.52%
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Total Market	100.00%	\$8,767,404	5.76%	\$38,563,691	19.52%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$7,111,160	\$4,372,103	\$9,925,712
1st qtr 1999	\$6,709,493	\$5,404,154	\$8,247,472
2nd qtr 1999	\$8,384,997	\$6,041,007	\$6,569,934
3rd qtr 1999	\$7,007,292	\$4,650,001	\$6,895,534
4th qtr 1999	\$5,842,435	\$3,738,536	\$5,706,459
1st qtr 2000	\$6,643,310	\$4,965,888	\$5,598,735
2nd qtr 2000	\$6,875,267	\$5,010,033	\$5,602,266
3rd qtr 2000	\$6,680,445	\$4,602,957	\$4,833,817
4th qtr 2000	\$6,304,544	\$4,120,840	\$4,171,526
1st qtr 2001	\$7,500,341	\$5,449,953	\$5,114,494
2nd qtr 2001	\$7,707,585	\$6,720,769	\$5,138,512
3rd qtr 2001	\$7,973,791	\$5,309,138	\$4,480,938
4th qtr 2001	\$8,829,104	\$5,584,345	\$4,363,346
1st qtr 2002	\$9,794,574	\$7,502,321	\$4,586,255
2nd qtr 2002	\$10,741,534	\$8,026,375	\$4,805,222
3rd qtr 2002	\$11,502,967	\$8,446,502	\$4,706,617
4th qtr 2002	\$11,768,796	\$8,289,878	\$5,585,323
1st qtr 2003	\$13,353,726	\$10,175,717	\$6,003,752
2nd qtr 2003	\$13,825,070	\$9,966,442	\$6,648,031
3rd qtr 2003	\$13,653,011	\$9,654,128	\$6,201,386
4th qtr 2003	\$12,535,481	\$8,767,404	\$6,042,045

Private Passenger Auto (All Physical Damage)

There were 64 groups, 191 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 83 groups, 198 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	23.84%	\$280,852,613	7.04%	\$1,169,893,217	9.03%
2	Allstate Insurance Group	15.25%	\$186,129,976	5.28%	\$748,411,436	(2.77%)
3	Zurich Insurance Group	12.19%	\$144,134,002	4.29%	\$598,080,156	4.21%
4	Progressive Group	9.53%	\$112,383,200	16.11%	\$467,498,232	32.55%
5	United Services Automobile Assn. Group	6.09%	\$68,915,806	(2.69%)	\$298,644,498	1.01%
6	Nationwide Corp.	4.00%	\$48,665,556	101.67%	\$196,399,020	29.43%
7	Southern Farm Bureau Casualty	3.59%	\$45,336,950	10.51%	\$176,175,198	21.17%
8	Berkshire Hathaway	3.41%	\$41,098,253	12.29%	\$167,181,242	15.66%
9	Old American County Mutual Fire Ins. Co.	2.64%	\$32,833,141	(4.60%)	\$129,636,439	6.85%
10	Home State Insurance Group	2.60%	\$34,914,165	52.34%	\$127,634,491	34.00%
11	Safeco Insurance Group	1.82%	\$20,319,296	(6.55%)	\$89,521,194	26.20%
12	Titus Group	1.66%	\$21,619,286	62.48%	\$81,346,037	67.60%
13	UNITRIN GRP	1.54%	\$18,526,790	43.37%	\$75,515,983	8.02%
14	Travelers Property Casualty Corp. Group	1.24%	\$13,237,391	(19.88%)	\$61,024,113	(13.27%)
15	Texas State National Group	1.08%	\$6,695,126	(38.23%)	\$52,833,791	(18.03%)
16	Liberty Mutual Group	1.01%	\$11,841,338	5.58%	\$49,720,353	4.96%
17	Credit Suisse Group	0.88%	\$10,861,593	8.81%	\$43,308,908	3.80%
18	Mercury General Group	0.77%	\$8,900,623	14.09%	\$37,869,840	31.73%
19	Hartford Fire & Casualty Group	0.75%	\$8,064,363	4.98%	\$36,875,851	10.84%
20	Interins Exchange of the Automobile Club	0.59%	\$7,886,726	31.72%	\$28,783,956	62.61%
21	Metropolitan Group	0.49%	\$5,805,133	(0.87%)	\$24,192,072	1.28%
22	Germania Insurance Group	0.49%	\$5,067,422	(4.74%)	\$23,981,655	(3.16%)
23	American National Financial Group	0.49%	\$5,432,941	22.18%	\$23,917,822	(3.67%)
24	Sentry Insurance Group	0.45%	\$4,815,396	(2.63%)	\$22,021,316	(5.35%)
25	Amica Mutual Group	0.42%	\$4,719,851	8.30%	\$20,535,331	12.69%
Top 25 Groups Total		96.81%	\$1,149,056,937	9.75%	\$4,751,002,151	9.69%
Total Market		100.00%	\$1,186,081,992	9.40%	\$4,907,348,270	8.10%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$813,999,543	\$757,482,756	\$567,463,341
1st qtr 1999	\$872,090,028	\$812,400,809	\$533,461,773
2nd qtr 1999	\$875,225,035	\$822,135,320	\$618,612,797
3rd qtr 1999	\$965,395,628	\$888,529,581	\$567,881,158
4th qtr 1999	\$904,022,399	\$830,088,845	\$571,579,220
1st qtr 2000	\$953,764,790	\$903,532,328	\$637,965,855
2nd qtr 2000	\$937,173,011	\$876,824,633	\$877,100,272
3rd qtr 2000	\$997,442,268	\$940,030,577	\$604,990,252
4th qtr 2000	\$915,815,411	\$828,602,301	\$686,629,390
1st qtr 2001	\$1,049,854,484	\$1,004,814,577	\$689,622,833
2nd qtr 2001	\$1,021,987,407	\$953,507,096	\$853,074,373
3rd qtr 2001	\$1,133,642,099	\$1,051,791,029	\$1,060,036,827
4th qtr 2001	\$1,060,804,031	\$1,009,563,213	\$713,274,818
1st qtr 2002	\$1,252,721,238	\$1,152,171,483	\$693,341,166
2nd qtr 2002	\$1,224,205,303	\$1,109,034,692	\$821,098,792
3rd qtr 2002	\$1,308,648,543	\$1,194,028,362	\$711,777,516
4th qtr 2002	\$1,207,442,106	\$1,084,199,524	\$733,169,789
1st qtr 2003	\$1,338,702,723	\$1,264,747,641	\$666,290,600
2nd qtr 2003	\$1,266,867,864	\$1,185,867,357	\$1,151,438,404
3rd qtr 2003	\$1,337,960,163	\$1,270,651,280	\$728,687,238
4th qtr 2003	\$1,240,754,984	\$1,186,081,992	\$683,909,236

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 58 groups, 167 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 61 groups, 175 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	38.75%	\$264,588,843	6.42%	\$1,104,716,461	7.74%
2	Allstate Insurance Group	15.76%	\$104,533,231	(2.54%)	\$449,318,871	(11.23%)
3	Zurich Insurance Group	11.43%	\$77,192,152	(4.03%)	\$325,763,839	(6.68%)
4	Berkshire Hathaway	5.86%	\$41,098,253	12.29%	\$167,181,242	15.66%
5	Southern Farm Bureau Casualty	5.03%	\$36,954,577	9.00%	\$143,296,863	12.38%
6	United Services Automobile Assn. Group	4.91%	\$32,682,746	(0.95%)	\$139,960,407	(16.32%)
7	Safeco Insurance Group	3.14%	\$20,319,296	(6.55%)	\$89,521,194	26.20%
8	Nationwide Corp.	3.09%	\$22,490,018	2.82%	\$88,137,521	(1.50%)
9	Travelers Property Cas Corp. Group	2.14%	\$13,237,391	(19.88%)	\$61,024,113	(13.27%)
10	Hartford Fire & Casualty Group	1.29%	\$8,064,363	4.98%	\$36,875,851	10.84%
11	UNITRIN Group	0.96%	\$6,994,946	215.37%	\$27,275,857	11.68%
12	Metropolitan Group	0.85%	\$5,805,133	(0.87%)	\$24,192,072	1.28%
13	Germania Insurance Group	0.84%	\$5,067,422	(4.74%)	\$23,981,655	(3.16%)
14	Amica Mutual Group	0.72%	\$4,719,851	8.30%	\$20,535,331	12.69%
15	CNA Insurance Group	0.62%	\$4,442,866	(4.93%)	\$17,790,606	(16.78%)
16	Agricultural Workers Insurance Group	0.56%	\$3,792,957	6.78%	\$16,026,986	7.46%
17	Interins Exchange of the Automobile Club	0.56%	\$4,009,027	(10.44%)	\$16,020,488	(1.68%)
18	Chubb & Son Inc.	0.53%	\$3,903,119	6.61%	\$15,153,783	6.67%
19	Prudential Of America	0.51%	\$3,119,810	(34.44%)	\$14,469,011	(28.64%)
20	Hochheim Prairie Group	0.30%	\$1,974,202	(13.14%)	\$8,511,078	(19.32%)
21	Central Mutual Insurance Company of Ohio	0.28%	\$1,983,836	16.89%	\$8,024,153	19.60%
22	American International Group	0.23%	\$1,427,212	144.23%	\$6,490,304	18.56%
23	Beacon Insurance Group	0.23%	\$1,382,070	14.96%	\$6,452,410	(40.17%)
24	Lumbermens Mutual Casualty Group	0.21%	\$179,067	(91.51%)	\$6,113,543	(27.86%)
25	Horace Mann Group	0.19%	\$1,190,322	(24.30%)	\$5,479,625	(35.29%)

Top 25 Groups Total	99.00%	\$671,152,710	2.91%	\$2,822,313,264	0.34%
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Total Market	100.00%	\$677,519,078	0.67%	\$2,850,861,493	(2.54%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$575,333,857	\$550,132,506	\$415,037,267
1st qtr 1999	\$606,634,119	\$580,497,276	\$402,608,525
2nd qtr 1999	\$620,079,905	\$593,630,799	\$467,049,539
3rd qtr 1999	\$685,091,484	\$655,421,083	\$420,261,763
4th qtr 1999	\$661,322,034	\$625,307,355	\$432,221,616
1st qtr 2000	\$693,035,473	\$664,825,622	\$488,937,776
2nd qtr 2000	\$675,018,510	\$650,141,649	\$680,466,637
3rd qtr 2000	\$734,989,080	\$710,814,833	\$450,131,271
4th qtr 2000	\$673,933,450	\$617,481,821	\$526,195,259
1st qtr 2001	\$766,195,642	\$742,016,298	\$530,082,064
2nd qtr 2001	\$723,302,077	\$690,767,356	\$665,856,961
3rd qtr 2001	\$783,897,303	\$757,458,294	\$821,914,885
4th qtr 2001	\$723,194,468	\$715,434,148	\$527,903,484
1st qtr 2002	\$764,253,210	\$767,586,381	\$504,324,237
2nd qtr 2002	\$727,913,255	\$723,100,411	\$594,077,717
3rd qtr 2002	\$770,055,381	\$761,473,141	\$484,049,335
4th qtr 2002	\$687,279,991	\$673,033,792	\$487,613,305
1st qtr 2003	\$746,912,703	\$745,906,663	\$424,247,345
2nd qtr 2003	\$698,193,772	\$687,930,561	\$806,012,505
3rd qtr 2003	\$748,370,374	\$739,505,191	\$453,165,515
4th qtr 2003	\$688,895,423	\$677,519,078	\$411,809,332

Private Passenger Auto (Physical Damage Non-Rate-Regulated Companies)

There were 23 groups, 24 non-rate-regulated (County Mutual) companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 2003, as compared to 22 groups, 23 companies, in the fourth quarter of 2002.

The table below represents the top groups based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Progressive Group	22.73%	\$112,383,200	16.11%	\$467,498,232	32.55%
2	Allstate Insurance Group	14.54%	\$81,596,745	17.36%	\$299,092,565	13.47%
3	Zurich Insurance Group	13.24%	\$66,941,850	15.89%	\$272,316,317	21.11%
4	United Services Automobile Assn. Group	7.72%	\$36,233,060	(4.21%)	\$158,684,091	23.59%
5	Old American County Mutual Fire Ins. Co.	6.30%	\$32,833,141	(4.60%)	\$129,636,439	6.85%
6	Home State Insurance Group	6.21%	\$34,914,165	52.34%	\$127,634,491	34.00%
7	Nationwide Corp.	5.26%	\$26,175,538	*	\$108,261,499	73.89%
8	Titus Group	3.96%	\$21,619,286	62.48%	\$81,346,037	67.60%
9	State Farm IL	3.17%	\$16,263,770	18.28%	\$65,176,756	36.68%
10	Texas State National Group	2.57%	\$6,695,126	(38.23%)	\$52,833,791	(18.03%)
11	Liberty Mutual Group	2.37%	\$11,879,773	*	\$48,706,338	940.14%
12	UNITRIN Group	2.35%	\$11,531,844	7.73%	\$48,240,126	6.05%
13	Credit Suisse Group	2.11%	\$10,861,643	8.81%	\$43,308,958	3.81%
14	Mercury General Group	1.82%	\$8,806,538	18.66%	\$37,512,160	51.67%
15	Southern Farm Bureau Casualty	1.60%	\$8,382,373	17.69%	\$32,878,335	83.88%
16	American National Financial Group	1.15%	\$5,433,380	41.47%	\$23,646,431	57.28%
17	Sentry Insurance Group	1.05%	\$4,712,184	(2.29%)	\$21,547,641	(4.24%)
18	Interins Exchange of the Automobile Club	0.62%	\$3,877,699	156.62%	\$12,763,468	806.65%
19	Safeway Insurance Group	0.49%	\$1,723,737	(29.95%)	\$10,063,709	(35.86%)
20	Great American E&S Insurance Company	0.38%	\$914,165	(49.97%)	\$7,786,636	(30.24%)
21	Royal & Sun Alliance USA	0.20%	\$3,836,043	*	\$4,152,608	335.42%
22	Allianz Insurance Group	0.17%	\$948,790	4.55%	\$3,401,285	(13.60%)
24	ACE Ltd.	0.00%	\$0	*	\$0	*
Top Groups Total		100.00%	\$508,562,914	23.69%	\$2,056,486,777	27.40%
Total Market		100.00%	\$508,562,914	23.69%	\$2,056,486,777	27.40%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

Note: A list of groups and corresponding County Mutual Companies can be found on page 61 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$238,665,686	\$207,350,250	\$152,426,074
1st qtr 1999	\$265,455,909	\$231,903,533	\$130,853,248
2nd qtr 1999	\$255,145,130	\$228,504,521	\$151,563,258
3rd qtr 1999	\$280,304,144	\$233,108,498	\$147,619,395
4th qtr 1999	\$242,700,365	\$204,781,490	\$139,357,604
1st qtr 2000	\$260,729,317	\$238,706,706	\$149,028,079
2nd qtr 2000	\$262,154,501	\$226,682,984	\$196,633,635
3rd qtr 2000	\$262,453,188	\$229,215,744	\$154,858,981
4th qtr 2000	\$241,881,961	\$211,120,480	\$160,434,131
1st qtr 2001	\$283,658,842	\$262,798,279	\$159,540,769
2nd qtr 2001	\$298,685,330	\$262,739,740	\$187,217,412
3rd qtr 2001	\$349,744,796	\$294,332,735	\$238,121,942
4th qtr 2001	\$337,609,563	\$294,129,065	\$185,371,334
1st qtr 2002	\$488,468,028	\$384,585,102	\$189,016,929
2nd qtr 2002	\$496,292,048	\$385,934,281	\$227,021,075
3rd qtr 2002	\$538,593,162	\$432,555,221	\$227,728,181
4th qtr 2002	\$520,162,115	\$411,165,732	\$245,556,484
1st qtr 2003	\$591,790,020	\$518,840,978	\$242,043,255
2nd qtr 2003	\$568,674,092	\$497,936,796	\$345,425,899
3rd qtr 2003	\$589,589,789	\$531,146,089	\$275,521,723
4th qtr 2003	\$551,859,561	\$508,562,914	\$272,099,904

Homeowners Multiple Peril (All Companies)

There were 62 groups, 108 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the fourth quarter of 2003, as compared to 64 groups, 120 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for premiums on policies written based on a sum of the most recent four quarters. Also included is a comparison of premiums on policies written in the fourth quarter of 2003 to premiums on policies written in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	28.65%	\$286,374,970	11.39%	\$1,264,409,318	2.80%
2	Allstate Insurance Group	16.62%	\$153,114,801	(9.04%)	\$733,513,550	(1.52%)
3	Zurich Insurance Group	10.97%	\$108,832,054	*	\$483,996,444	(6.29%)
4	United Services Automobile Assn. Group	6.50%	\$64,307,657	(2.33%)	\$286,817,910	6.84%
5	Travelers Property Casualty Corp. Group	5.05%	\$50,683,011	3.97%	\$222,892,041	13.65%
6	Vesta Insurance Group	4.86%	\$55,206,163	(1.83%)	\$214,527,609	14.08%
7	Nationwide Corp.	3.63%	\$35,394,291	(10.67%)	\$160,153,072	9.22%
8	Chubb & Son Inc.	2.81%	\$29,709,300	3.12%	\$123,839,105	14.94%
9	Texas Farm Bureau Mutual	2.02%	\$19,762,722	24.77%	\$89,294,435	15.01%
10	Texas FAIR Plan Association	1.85%	\$19,594,893	*	\$81,493,970	*
11	Safeco Insurance Group	1.38%	\$11,355,734	(10.75%)	\$60,706,819	(4.78%)
12	NLASCO	1.35%	\$14,207,373	71.43%	\$59,535,041	188.97%
13	Liberty Mutual Group	1.30%	\$12,658,557	10.18%	\$57,504,422	17.88%
14	Credit Suisse Group	1.23%	\$11,702,515	1.44%	\$54,278,707	22.22%
15	Hartford Fire & Casualty Group	1.23%	\$11,633,140	(5.64%)	\$54,132,791	12.16%
16	Amica Mutual Group	1.17%	\$10,900,949	14.27%	\$51,841,323	35.78%
17	American National Financial Group	0.96%	\$7,915,530	(25.92%)	\$42,326,733	(8.50%)
18	Allianz Insurance Group	0.77%	\$7,350,621	(16.26%)	\$34,018,343	(3.25%)
19	Titus Group	0.73%	\$6,927,123	(11.41%)	\$32,092,400	2.56%
20	CNA Insurance Group	0.67%	\$7,149,853	(1.82%)	\$29,460,887	(16.44%)
21	UNITRIN Group	0.64%	\$5,982,237	(9.19%)	\$28,089,035	(4.52%)
22	ARX Holding Corp Group	0.59%	\$6,556,533	(2.00%)	\$25,849,042	191.13%
23	Interins Exchange of the Automobile Club	0.50%	\$6,177,248	66.39%	\$21,989,865	104.45%
24	Metropolitan Group	0.47%	\$4,346,730	(25.73%)	\$20,944,282	(14.65%)
25	Colonial Savings Group	0.44%	\$4,864,772	(30.07%)	\$19,556,144	(4.48%)
Top 25 Groups Total		96.38%	\$952,708,777	16.35%	\$4,253,263,288	6.81%
Total Market		100.00%	\$992,644,500	14.60%	\$4,413,032,768	5.72%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$705,868,946	\$643,588,698	\$293,922,541
1st qtr 1999	\$680,553,967	\$625,536,282	\$279,072,534
2nd qtr 1999	\$816,031,690	\$762,669,194	\$392,679,247
3rd qtr 1999	\$831,338,777	\$761,920,774	\$402,191,584
4th qtr 1999	\$704,815,768	\$646,548,027	\$301,052,515
1st qtr 2000	\$684,609,138	\$640,313,516	\$402,393,296
2nd qtr 2000	\$849,579,161	\$799,170,784	\$918,697,064
3rd qtr 2000	\$865,804,664	\$797,928,612	\$505,688,391
4th qtr 2000	\$681,582,526	\$672,546,755	\$438,819,100
1st qtr 2001	\$739,357,732	\$691,787,463	\$503,586,791
2nd qtr 2001	\$929,634,302	\$863,989,491	\$834,551,881
3rd qtr 2001	\$972,458,027	\$882,812,387	\$823,438,558
4th qtr 2001	\$841,023,405	\$810,336,096	\$801,350,605
1st qtr 2002	\$1,014,695,847	\$937,862,631	\$877,653,109
2nd qtr 2002	\$1,332,392,207	\$1,199,465,123	\$1,230,023,431
3rd qtr 2002	\$1,315,122,445	\$1,170,560,367	\$1,032,308,999
4th qtr 2002	\$1,069,629,533	\$866,207,429	\$780,590,201
1st qtr 2003	\$1,076,518,514	\$955,798,410	\$592,842,440
2nd qtr 2003	\$1,394,667,461	\$1,234,667,479	\$1,265,565,377
3rd qtr 2003	\$1,363,367,352	\$1,229,922,379	\$656,719,516
4th qtr 2003	\$1,127,471,075	\$992,644,500	\$417,581,085

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	107.6%
1993	66.1%
1994	73.3%
1995	92.6%
1996	59.4%
1997	45.3%
1998	45.4%
1999	50.7%
2000	82.4%
2001	115.4%
2002	108.7%
2003	58.7%

Homeowners Multiple Peril (Rate-Regulated Companies)

There were 32 groups, 56 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 2003, as compared to 35 groups, 69 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Texas Fair Plan Association	56.27%	\$19,594,893	*	\$81,493,970	*
2	Allstate Insurance Group	17.48%	\$5,770,116	3.20%	\$25,309,167	8.40%
3	State Farm IL	6.14%	\$1,985,778	(0.72%)	\$8,893,576	4.03%
4	Zurich Insurance Group	3.66%	\$837,870	21.35%	\$5,296,309	(30.37%)
5	Farmers Mutual Protection Assn. Group	3.57%	\$1,281,500	2.60%	\$5,164,605	17.70%
6	American International Group	3.38%	\$4,877,660	759.18%	\$4,898,692	134.27%
7	Germania Insurance Group	2.53%	\$883,943	(16.32%)	\$3,659,975	(16.31%)
8	Cypress Holding Group	2.24%	\$2,696,678	*	\$3,246,589	*
9	Travelers Property Casualty Corp Group	1.73%	\$617,495	(10.69%)	\$2,511,593	(27.79%)
10	CNA Insurance Group	1.18%	\$1,707,043	*	\$1,706,511	*
11	Sentry Insurance Group	0.85%	\$277,549	9.34%	\$1,236,341	4.88%
12	Fortis Group	0.64%	\$173,544	(20.85%)	\$919,782	(12.84%)
13	Prudential Of America	0.61%	\$199,932	(33.25%)	\$889,862	(24.27%)
14	American Express Group	0.30%	\$16,324	(8.48%)	\$431,754	13.36%
15	Church Mutual Insurance Company	0.28%	\$105,392	(1.63%)	\$399,482	13.70%
16	GMAC Insurance Holding	0.13%	(\$2,573)	(101.51%)	\$185,602	(67.17%)
17	UNINTRIN Group	0.10%	\$148,366	*	\$148,235	*
18	EMC Insurance Company	0.06%	(\$567)	(101.14%)	\$81,567	(68.06%)
19	Millea Holdings Inc.	0.05%	\$12,255	(32.27%)	\$73,275	(6.21%)
20	Aegis Group	0.03%	\$11,331	929.16%	\$37,850	317.72%
21	Ohio Casualty Group	0.02%	(\$469)	(100.41%)	\$32,307	(94.98%)
22	Sompo Japan Insurance Group	0.01%	\$6,110	27.69%	\$17,103	38.72%
23	Allianz Insurance Group	0.00%	(\$490)	(106.41%)	\$1,553	(84.98%)
24	Allmerican Financial Corp.	0.00%	\$0	100.00%	\$1,251	563.33%
25	Great American E&S Insurance Company	0.00%	\$1,059	*	\$1,059	*

Top 25 Groups Total	**101.26%	\$41,200,739	214.58%	\$146,638,010	145.87%
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Total Market	100.00%	\$41,142,621	212.93%	\$144,818,865	98.65%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

**Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top Groups

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$98,101,087	\$83,420,802	\$59,422,695
1st qtr 1999	\$84,949,921	\$73,805,317	\$51,869,196
2nd qtr 1999	\$97,400,409	\$88,354,725	\$61,295,179
3rd qtr 1999	\$97,759,048	\$85,844,032	\$58,705,527
4th qtr 1999	\$76,937,349	\$69,149,917	\$39,799,794
1st qtr 2000	\$75,077,475	\$67,295,236	\$49,933,856
2nd qtr 2000	\$89,273,573	\$80,689,909	\$94,497,203
3rd qtr 2000	\$78,205,016	\$69,816,666	\$51,784,197
4th qtr 2000	\$56,157,895	\$51,145,700	\$49,347,526
1st qtr 2001	\$57,078,365	\$53,306,555	\$47,918,477
2nd qtr 2001	\$61,952,810	\$55,300,907	\$66,850,430
3rd qtr 2001	\$53,005,655	\$44,743,920	\$63,960,360
4th qtr 2001	\$25,415,468	\$22,371,626	\$54,611,962
1st qtr 2002	\$23,293,200	\$19,441,069	\$48,778,018
2nd qtr 2002	\$27,356,362	\$20,979,080	\$58,664,734
3rd qtr 2002	\$27,822,660	\$19,332,851	\$42,424,263
4th qtr 2002	\$16,273,848	\$13,147,676	\$31,729,519
1st qtr 2003	\$23,485,435	\$21,269,978	\$19,442,807
2nd qtr 2003	\$39,982,588	\$38,773,169	\$25,655,468
3rd qtr 2003	\$50,804,895	\$43,633,097	\$15,969,667
4th qtr 2003	\$45,687,740	\$41,142,621	\$14,620,639

Homeowners Multiple Peril (Non-Rate-Regulated Companies)

There were 47 groups, 52 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 2003, as compared to 48 groups, 52 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	State Farm IL	29.42%	\$284,389,192	11.48%	\$1,255,515,742	2.80%
2	Allstate Insurance Group	16.59%	\$147,344,685	(9.46%)	\$708,204,383	(1.84%)
3	Zurich Insurance Group	11.22%	\$107,994,184	*	\$478,700,135	(5.93%)
4	United Services Automobile Assn. Group	6.72%	\$64,307,657	(2.35%)	\$286,817,658	6.52%
5	Travelers Property Casualty Corp Group	5.16%	\$50,065,516	4.18%	\$220,380,448	14.39%
6	Vesta Insurance Group	5.03%	\$55,206,118	(1.83%)	\$214,527,564	14.08%
7	Nationwide Corp.	3.75%	\$35,399,227	(10.33%)	\$160,229,310	10.26%
8	Chubb & Son Inc.	2.90%	\$29,713,380	3.14%	\$123,839,149	14.95%
9	Texas Farm Bureau Mutual	2.09%	\$19,762,722	24.77%	\$89,294,435	15.01%
10	Safeco Insurance Group	1.46%	\$11,355,734	(10.75%)	\$62,306,819	(2.27%)
11	NLASCO	1.39%	\$14,207,373	71.43%	\$59,535,041	188.97%
12	Liberty Mutual Group	1.35%	\$12,659,564	10.18%	\$57,509,389	17.86%
13	Credit Suisse Group	1.27%	\$11,702,515	1.44%	\$54,278,707	22.22%
14	Hartford Fire & Casualty Group	1.27%	\$11,635,522	(5.62%)	\$54,137,411	12.17%
15	Amica Mutual Group	1.21%	\$10,900,949	14.27%	\$51,841,323	35.78%
16	American National Financial Group	0.99%	\$7,915,926	(25.55%)	\$42,354,566	(5.36%)
17	Allianz Insurance Group	0.80%	\$7,351,111	(16.18%)	\$34,016,790	(3.23%)
18	Titus Group	0.75%	\$6,927,123	(11.41%)	\$32,092,400	2.56%
19	UNITRIN Group	0.65%	\$5,833,871	(11.44%)	\$27,940,800	(5.03%)
20	CNA Insurance Group	0.65%	\$5,442,810	(25.39%)	\$27,754,376	(21.07%)
21	ARX Holding Corp Group	0.61%	\$6,556,533	(2.00%)	\$25,849,042	191.13%
22	Interins Exchange of the Automobile Club	0.52%	\$6,177,248	66.39%	\$21,989,865	104.45%
23	Metropolitan Group	0.49%	\$4,346,730	(25.73%)	\$20,944,282	(14.65%)
24	Colonial Savings Group	0.46%	\$4,864,772	(30.07%)	\$19,556,144	(4.48%)
25	Service Life Group	0.41%	\$4,319,362	(59.75%)	\$17,337,261	(59.14%)
Top 25 Groups Total		97.16%	\$926,379,824	12.92%	\$4,146,953,040	4.21%
Total Market		100.00%	\$951,501,879	11.54%	\$4,268,213,903	4.07%

* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$607,767,859	\$560,167,896	\$234,499,846
1st qtr 1999	\$595,604,046	\$551,730,965	\$227,203,338
2nd qtr 1999	\$718,631,281	\$674,314,469	\$331,384,068
3rd qtr 1999	\$733,579,729	\$676,076,742	\$343,486,057
4th qtr 1999	\$627,878,419	\$577,398,110	\$261,252,721
1st qtr 2000	\$609,531,663	\$573,018,280	\$352,459,440
2nd qtr 2000	\$760,305,588	\$718,480,875	\$824,199,861
3rd qtr 2000	\$787,599,648	\$728,111,946	\$453,904,194
4th qtr 2000	\$625,424,631	\$621,401,055	\$389,471,574
1st qtr 2001	\$682,279,367	\$638,480,908	\$455,668,314
2nd qtr 2001	\$867,681,492	\$808,688,584	\$767,701,451
3rd qtr 2001	\$919,452,372	\$838,068,467	\$759,478,198
4th qtr 2001	\$815,607,937	\$787,964,470	\$746,738,643
1st qtr 2002	\$991,402,647	\$918,421,562	\$828,875,091
2nd qtr 2002	\$1,305,035,845	\$1,178,486,043	\$1,171,358,697
3rd qtr 2002	\$1,287,299,785	\$1,151,227,516	\$989,884,736
4th qtr 2002	\$1,053,355,685	\$853,059,753	\$748,860,682
1st qtr 2003	\$1,053,033,079	\$934,528,432	\$573,399,633
2nd qtr 2003	\$1,354,684,873	\$1,195,894,310	\$1,239,909,909
3rd qtr 2003	\$1,312,562,457	\$1,186,289,282	\$640,749,849
4th qtr 2003	\$1,081,783,335	\$951,501,879	\$402,960,446

Workers' Compensation (All Companies)

There were 90 groups, 253 companies, that had direct written premium for Workers' Compensation in the fourth quarter of 2003, as compared to 99 groups, 259 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Texas Mutual Insurance Company	26.02%	\$175,172,459	2.65%	\$674,352,747	10.72%
2	American International Group	12.20%	\$90,241,837	46.52%	\$316,062,736	37.94%
3	Liberty Mutual Group	8.28%	\$46,606,264	(18.87%)	\$214,595,560	0.11%
4	Zurich Insurance Group	7.94%	\$54,934,389	8.63%	\$205,716,485	(4.97%)
5	Hartford Fire & Casualty Group	5.84%	\$29,685,663	33.40%	\$151,237,163	35.23%
6	CNA Insurance Group	5.41%	\$28,931,827	(7.80%)	\$140,135,948	4.56%
7	Travelers Property Casualty Corp Group	3.79%	\$20,232,174	(20.53%)	\$98,125,416	33.85%
8	ACE Ltd.	3.59%	\$31,361,080	26.66%	\$93,068,028	24.44%
9	St. Paul Group	2.45%	\$19,797,052	(5.63%)	\$63,409,982	(5.26%)
10	Service Life Group	2.18%	\$9,614,818	(20.15%)	\$56,497,700	(13.85%)
11	Old Republic Group	2.14%	\$15,128,296	20.36%	\$55,350,934	13.08%
12	Chubb & Son Inc.	1.69%	\$9,798,586	32.22%	\$43,738,407	25.45%
13	Amerisure Company	1.65%	\$10,446,789	9.58%	\$42,775,735	15.18%
14	Royal & Sun Alliance USA	1.46%	\$29,119,932	33.02%	\$37,722,990	(55.05%)
15	Zenith National Insurance Group	1.03%	\$7,010,614	0.92%	\$26,625,244	1.01%
16	Sentry Insurance Group	0.96%	\$6,049,074	18.79%	\$24,897,197	24.67%
17	Amcomp Group	0.79%	\$4,521,355	62.80%	\$20,386,601	22.28%
18	Amerisafe Group	0.68%	\$3,995,800	35.33%	\$17,594,545	19.67%
19	Federated Mutual	0.57%	\$1,829,292	(53.12%)	\$14,789,463	(24.99%)
20	Utica National Insurance Group	0.56%	\$3,536,537	1.96%	\$14,420,510	13.27%
21	EMC Insurance Company	0.56%	\$3,455,797	8.29%	\$14,399,139	3.25%
22	UNITRIN Group	0.55%	\$2,794,641	543.62%	\$14,234,369	(38.99%)
23	Fairfax Financial	0.54%	\$3,198,842	(49.07%)	\$13,993,916	(32.94%)
24	Argonaut Group	0.53%	\$2,455,100	44.10%	\$13,773,072	(15.35%)
25	Safeco Insurance Group	0.53%	\$3,406,901	(12.10%)	\$13,674,572	(1.65%)

Top 25 Groups Total	91.90%	\$613,325,119	7.76%	\$2,381,578,459	8.31%
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Total Market	100.00%	\$660,639,744	1.37%	\$2,591,394,704	0.40%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$370,413,245	\$397,457,227	\$312,651,143
1st qtr 1999	\$570,639,450	\$466,682,347	\$295,462,569
2nd qtr 1999	\$454,594,676	\$396,254,962	\$311,868,753
3rd qtr 1999	\$428,128,411	\$463,116,640	\$345,982,634
4th qtr 1999	\$427,037,725	\$411,558,142	\$331,789,221
1st qtr 2000	\$517,739,636	\$528,332,897	\$345,311,192
2nd qtr 2000	\$505,392,457	\$478,692,254	\$343,362,455
3rd qtr 2000	\$511,206,632	\$521,839,166	\$357,931,520
4th qtr 2000	\$537,217,060	\$499,215,889	\$401,934,512
1st qtr 2001	\$668,530,370	\$627,920,069	\$424,623,557
2nd qtr 2001	\$635,622,431	\$564,805,004	\$345,330,892
3rd qtr 2001	\$598,375,027	\$620,131,398	\$355,384,435
4th qtr 2001	\$619,315,839	\$635,206,499	\$308,549,397
1st qtr 2002	\$768,618,719	\$709,030,054	\$366,225,328
2nd qtr 2002	\$637,431,124	\$609,109,247	\$385,529,414
3rd qtr 2002	\$762,150,848	\$614,986,655	\$333,914,604
4th qtr 2002	\$680,720,426	\$653,087,088	\$432,491,023
1st qtr 2003	\$796,942,649	\$707,747,906	\$316,874,393
2nd qtr 2003	\$706,908,490	\$613,925,986	\$336,891,199
3rd qtr 2003	\$706,079,998	\$609,081,068	\$294,735,473
4th qtr 2003	\$708,543,621	\$660,639,744	\$243,790,651

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	71.5%
1993	63.3%
1994	38.7%
1995	61.3%
1996	68.5%
1997	72.9%
1998	70.7%
1999	79.5%
2000	78.3%
2001	89.2%
2002	74.2%
2003	68.0%

Workers' Compensation (Voluntary Market)

There were 99 groups, 256 companies, that had voluntary direct written premium for Workers' Compensation in the fourth quarter of 2003, as compared to 99 groups, 263 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Texas Mutual Insurance Company	25.46%	\$170,565,359	3.97%	\$654,652,091	12.95%
2	American International Group	12.29%	\$90,241,837	46.72%	\$316,062,736	37.99%
3	Liberty Mutual Group	8.34%	\$46,606,264	(18.87%)	\$214,578,947	0.10%
4	Zurich Insurance Group	8.00%	\$54,934,389	8.63%	\$205,716,485	(4.99%)
5	Hartford Fire & Casualty Group	5.88%	\$29,685,663	33.40%	\$151,237,163	35.23%
6	CNA Insurance Group	5.45%	\$28,931,827	(7.80%)	\$140,135,948	4.56%
7	Travelers Property Cas Corp Grp	3.82%	\$20,232,174	(20.53%)	\$98,125,416	33.87%
8	ACE Ltd.	3.62%	\$31,361,080	26.66%	\$93,068,028	24.44%
9	St. Paul Group	2.47%	\$19,797,052	(5.63%)	\$63,409,982	(5.26%)
10	Service Life Group	2.20%	\$9,614,818	(20.17%)	\$56,497,700	(13.59%)
11	Old Republic Group	2.15%	\$15,128,296	20.36%	\$55,350,934	13.08%
12	Chubb & Son Inc.	1.70%	\$9,798,586	32.22%	\$43,738,407	25.45%
13	Amerisure Company	1.66%	\$10,446,789	9.58%	\$42,775,735	15.18%
14	Royal & Sun Alliance USA	1.47%	\$29,119,932	33.02%	\$37,722,990	(55.05%)
15	Zenith National Insurance Group	1.04%	\$7,010,614	0.92%	\$26,625,244	1.01%
16	Sentry Insurance Group	0.97%	\$6,049,074	18.79%	\$24,897,197	24.67%
17	Amcomp Group	0.79%	\$4,521,355	62.80%	\$20,386,601	22.28%
18	Amerisure Company	0.68%	\$3,995,800	35.33%	\$17,594,545	19.67%
19	Federated Mutual	0.58%	\$1,829,292	(53.12%)	\$14,789,463	(24.99%)
20	Utica National Insurance Group	0.56%	\$3,536,537	1.96%	\$14,420,510	13.27%
21	EMC Insurance Company	0.56%	\$3,455,797	8.29%	\$14,399,139	3.25%
22	UNITRIN Group	0.55%	\$2,794,641	543.62%	\$14,234,369	(38.99%)
23	Fairfax Financial	0.54%	\$3,198,842	(49.07%)	\$13,993,916	(32.94%)
24	Argonaut Group	0.54%	\$2,455,100	44.10%	\$13,773,072	(15.35%)
25	Safeco Insurance Group	0.53%	\$3,406,901	(12.10%)	\$13,674,572	(1.65%)

Top 25 Groups Total	91.84%	\$608,718,019	8.22%	\$2,361,861,190	8.89%
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Total Market	100.00%	\$656,032,121	1.51%	\$2,571,676,389	0.60%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$369,576,257	\$396,626,498	\$299,920,299
1st qtr 1999	\$569,077,654	\$464,958,074	\$287,558,101
2nd qtr 1999	\$452,971,565	\$394,484,295	\$301,623,599
3rd qtr 1999	\$425,958,566	\$461,051,382	\$337,164,883
4th qtr 1999	\$423,333,897	\$409,633,529	\$321,851,381
1st qtr 2000	\$514,236,422	\$526,190,285	\$337,383,478
2nd qtr 2000	\$501,385,349	\$475,949,537	\$334,849,482
3rd qtr 2000	\$506,370,120	\$516,895,876	\$348,866,375
4th qtr 2000	\$532,500,274	\$494,365,732	\$392,480,934
1st qtr 2001	\$658,334,292	\$619,279,354	\$415,126,742
2nd qtr 2001	\$625,172,383	\$553,867,819	\$335,333,000
3rd qtr 2001	\$590,523,527	\$614,624,770	\$345,242,399
4th qtr 2001	\$609,317,592	\$625,876,854	\$302,389,408
1st qtr 2002	\$757,242,458	\$699,265,491	\$356,803,688
2nd qtr 2002	\$630,089,208	\$601,865,322	\$375,966,560
3rd qtr 2002	\$755,654,996	\$608,941,652	\$324,696,510
4th qtr 2002	\$672,984,462	\$646,275,584	\$423,374,512
1st qtr 2003	\$790,096,597	\$702,878,917	\$312,423,735
2nd qtr 2003	\$699,509,607	\$607,330,529	\$332,414,290
3rd qtr 2003	\$699,462,582	\$605,434,822	\$290,359,509
4th qtr 2003	\$703,699,915	\$656,032,121	\$237,963,992

Workers' Compensation (Residual Market)

Workers' Compensation assigned risk policies could no longer be written after 12/31/93. As business runs off, all experience reported here will be that of the START program (Residual Market) reported by the Texas Mutual Insurance Company (formerly the Texas Workers Compensation Fund).

For the four quarters ending with the fourth quarter of 2003, the START program reported \$19,700,656 in direct premiums written. This accounted for 99.91% of all Residual Market experience reported and was a decrease of (33.16%) over the same period one year prior. Of this amount \$4,607,100 was written in the fourth quarter of 2003 which was a (30.17%) decrease from the fourth quarter of 2002.

The balance of all Workers' Compensation (page 40) minus the Voluntary Market (page 42) minus Residual Market experience reported above is due to runoff business, including retro adjustments and policy audits, reported on policies written prior to and including 12/31/93.

The table below includes data for all groups, including the Texas Mutual Insurance Company. The table on the following page contains data solely for the Texas Mutual Insurance Company. This table is included to better illustrate the experience of the START program.

QUARTERLY EXPERIENCE **All Groups**

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$836,988	\$830,729	\$12,730,844
1st qtr 1999	\$1,561,796	\$1,724,273	\$7,904,468
2nd qtr 1999	\$1,623,111	\$1,770,667	\$10,245,154
3rd qtr 1999	\$2,169,845	\$2,065,258	\$8,817,751
4th qtr 1999	\$3,703,828	\$1,924,613	\$9,937,840
1st qtr 2000	\$3,503,214	\$2,142,612	\$7,927,714
2nd qtr 2000	\$4,007,108	\$2,742,717	\$8,512,973
3rd qtr 2000	\$4,836,512	\$4,943,290	\$9,065,145
4th qtr 2000	\$4,716,786	\$4,850,157	\$9,453,578
1st qtr 2001	\$10,196,078	\$8,640,715	\$9,496,815
2nd qtr 2001	\$10,450,048	\$10,937,185	\$9,997,892
3rd qtr 2001	\$7,851,500	\$5,506,628	\$10,142,036
4th qtr 2001	\$9,998,247	\$9,329,645	\$6,159,989
1st qtr 2002	\$11,376,261	\$9,764,563	\$9,421,640
2nd qtr 2002	\$7,341,916	\$7,243,925	\$9,562,854
3rd qtr 2002	\$6,495,852	\$6,045,003	\$9,218,094
4th qtr 2002	\$7,735,964	\$6,811,504	\$9,116,511
1st qtr 2003	\$6,846,052	\$4,868,989	\$4,450,658
2nd qtr 2003	\$7,398,883	\$6,595,457	\$4,476,909
3rd qtr 2003	\$6,617,416	\$3,646,246	\$4,375,964
4th qtr 2003	\$4,843,706	\$4,607,623	\$5,826,659

QUARTERLY EXPERIENCE
Texas Mutual Insurance Company

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$836,988	\$596,807	\$1,904,944
1st qtr 1999	\$1,561,796	\$1,972,223	\$1,607,940
2nd qtr 1999	\$1,623,111	\$1,876,459	\$1,465,267
3rd qtr 1999	\$2,169,845	\$2,068,199	\$1,663,833
4th qtr 1999	\$3,703,828	\$1,914,890	\$1,440,169
1st qtr 2000	\$3,503,214	\$2,142,612	\$1,332,155
2nd qtr 2000	\$4,007,108	\$2,747,725	\$1,130,990
3rd qtr 2000	\$4,836,512	\$4,967,684	\$1,028,397
4th qtr 2000	\$4,716,786	\$4,806,301	\$1,046,307
1st qtr 2001	\$10,196,078	\$8,640,715	\$848,612
2nd qtr 2001	\$10,450,048	\$10,937,185	\$982,492
3rd qtr 2001	\$7,851,500	\$5,506,628	\$1,169,864
4th qtr 2001	\$9,998,247	\$9,235,306	\$1,217,504
1st qtr 2002	\$11,376,261	\$9,737,212	\$1,479,063
2nd qtr 2002	\$7,341,916	\$7,147,894	\$2,001,118
3rd qtr 2002	\$6,495,852	\$5,992,338	\$1,844,449
4th qtr 2002	\$7,735,964	\$6,597,702	\$2,346,245
1st qtr 2003	\$6,846,052	\$4,852,376	\$2,079,484
2nd qtr 2003	\$7,398,883	\$6,594,934	\$1,622,476
3rd qtr 2003	\$6,617,416	\$3,646,246	\$2,084,985
4th qtr 2003	\$4,843,706	\$4,607,100	\$2,093,003

Workers' Compensation (Deductible Plans)

There were 90 groups, 253 companies which wrote voluntary policies for Workers' Compensation in the fourth quarter of 2003, as compared to 99 groups, 256 companies in the fourth quarter of 2002.

The data contained in the following table represents direct policies written as new or renewal policies in the fourth quarter of 2003. The policies are adjusted to an annual basis (a six month policy is reported as 0.5). The premiums on direct policies written are total premiums (estimated if initial premium collected was a deposit or first installment premium).

It should be noted that the Total Premiums on Direct Policies Written After Deductible Credit as shown in the table on the following page will not equal the Total Direct Premiums Written on page 42. As referenced on page 2 of this report, Premiums on Policies Written captures the Direct Premiums Written in the designated quarter without adjustments for cancellations or endorsements and, therefore, may not match the written premium figures in the statutory Annual Statement. In contrast, Direct Premiums Written are reported using the same methods/rules used in completing the statutory Annual Statement.

The Premiums on Direct Policies Written are presented before any credits are given for the purchase of deductible plans, and, in the following column, after the credit has been given for the applicable deductible plan. This is presented in order to illustrate the effect deductible plans have on insureds' premiums. The final section of the table contains data which illustrate the volume of Workers' Compensation insurance written on policies which do not include a deductible plan.

WORKERS' COMPENSATION DEDUCTIBLE PLANS

	Policies Written 4th Qtr 2003	Premium on Direct Policies Written Prior to Deductible Credit	Premium on Direct Policies Written After Deductible Credit	Percent of Reduction in Premiums
Per Accident Deductible Plan				
Premium of \$5,000 - \$9,999	34	\$259,075	\$219,455	15.29%
Premium of \$10,000 - \$24,999	44	\$743,219	\$647,546	12.87%
Premium of \$25,000 - \$49,999	29	\$1,094,417	\$910,324	16.82%
Premium of \$50,000 - \$74,999	14	\$845,346	\$728,815	13.79%
Premium of \$75,000 - \$100,000	7	\$586,024	\$501,852	14.36%
Total Per Accident Plan	128	\$3,528,081	\$3,007,992	14.74%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	19	\$138,785	\$117,445	15.38%
Premium of \$10,000 - \$24,999	12	\$164,585	\$137,365	16.54%
Premium of \$25,000 - \$49,999	11	\$394,892	\$338,007	14.41%
Premium of \$50,000 - \$74,999	6	\$382,558	\$337,971	11.65%
Premium of \$75,000 - \$100,000	3	\$288,577	\$233,758	19.00%
Total Aggregate Plan	51	\$1,369,397	\$1,164,546	14.96%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	1	\$6,769	\$5,965	11.88%
Premium of \$10,000 - \$24,999	7	\$128,669	\$98,260	23.63%
Premium of \$25,000 - \$49,999	5	\$172,240	\$149,714	13.08%
Premium of \$50,000 - \$74,999	3	\$182,420	\$109,029	40.23%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	16	\$490,098	\$362,968	25.94%
Negotiated Deductible Plan				
Premium Up To \$100,000	448	\$9,962,793	\$3,486,511	65.00%
Premium of \$100,001 - \$150,000	65	\$7,997,268	\$3,083,690	61.44%
Premium of \$150,001 - \$250,000	75	\$14,461,563	\$5,209,180	63.98%
Premium of \$250,001 - \$350,000	52	\$15,346,033	\$4,960,586	67.68%
Premium of \$350,001 - \$500,000	66	\$27,034,839	\$10,055,669	62.80%
Premium of \$500,001 - \$750,000	57	\$35,402,599	\$10,618,169	70.01%
Premium of \$750,001 - \$1,000,000	33	\$28,590,549	\$7,589,263	73.46%
Premium of \$1,000,001 - \$2,500,000	66	\$103,285,739	\$25,846,426	74.98%
Premium of \$2,500,001 - \$5,000,000	28	\$95,551,297	\$23,214,903	75.70%
Premium of \$5,000,001 and above	18	\$153,310,481	\$45,833,600	70.10%
Total Negotiated Plan	908	\$490,943,161	\$139,897,997	71.50%
No Deductible Plan				
Premium Less Than \$5,000	26,133	\$37,224,535	\$37,224,535	0.00%
Premium of \$5,000 - \$9,999	4,945	\$35,290,123	\$35,290,123	0.00%
Premium of \$10,000 - \$24,999	4,179	\$66,418,118	\$66,418,118	0.00%
Premium of \$25,000 - \$49,999	2,196	\$76,277,371	\$76,277,371	0.00%
Premium of \$50,000 - \$74,999	680	\$41,729,921	\$41,729,921	0.00%
Premium of \$75,000 - \$100,000	401	\$34,256,872	\$34,256,872	0.00%
Premium Greater Than \$100,000	1,050	\$267,422,768	\$267,422,768	0.00%
Total No Deductible Plan	39,584	\$558,619,708	\$558,619,708	0.00%
TOTAL	40,687	\$1,054,950,445	\$703,053,211	33.36%

Boiler & Machinery

There were 37 groups, 97 companies, that had direct written premium for Boiler & Machinery in the fourth quarter of 2003, as compared to 35 groups, 94 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	FM Global Group	31.11%	\$4,122,077	(39.22%)	\$23,727,108	(12.62%)
2	Travelers Property Casualty Corp Group	16.03%	\$3,196,709	5.77%	\$12,222,241	(4.83%)
3	American International Group	15.02%	\$2,680,233	8.34%	\$11,451,720	(21.66%)
4	Chubb & Son Inc.	8.93%	\$1,899,728	34.39%	\$6,810,008	(5.87%)
5	CNA Insurance Group	8.31%	\$2,106,863	44.42%	\$6,336,972	9.06%
6	Zurich Insurance Group	7.23%	\$1,742,077	67.33%	\$5,517,677	0.34%
7	Liberty Mutual Group	2.29%	\$1,364,192	*	\$1,746,713	579.71%
8	St. Paul Group	2.18%	\$493,240	17.44%	\$1,658,760	11.11%
9	GE Global Group	2.15%	\$65,624	(61.44%)	\$1,641,310	(13.55%)
10	Allianz Insurance Group	2.13%	\$392,722	(40.07%)	\$1,623,360	(15.80%)
11	Federated Mutual	1.32%	\$196,169	(3.50%)	\$1,008,972	11.97%
12	EMC Insurance Company	0.51%	\$108,630	51.42%	\$386,414	415.21%
13	Allstate Insurance Group	0.44%	\$89,418	4.87%	\$334,217	2.74%
14	Triangle Insurance Company Inc.	0.31%	(\$6,268)	(392.76%)	\$234,537	6.83%
15	Millea Holdings Inc.	0.25%	\$92,449	(15.79%)	\$188,292	(20.46%)
16	XL America	0.22%	(\$3,413)	*	\$170,844	835.98%
17	United Fire & Casualty Group	0.21%	\$49,748	0.03%	\$163,364	0.22%
18	Fairfax Financial	0.18%	\$13,929	(78.05%)	\$139,916	(14.05%)
19	Nationwide Corp.	0.18%	\$55,437	122.67%	\$136,629	276.26%
20	Bancinsure Inc.	0.16%	\$22,193	10.30%	\$118,360	53.84%
21	Hartford Fire & Casualty Group	0.14%	\$27,158	3.13%	\$103,316	9.30%
22	Great American E&S Insurance Company	0.13%	\$8,442	23.69%	\$97,939	115.76%
23	Lumbermens Underwriting Alliance	0.09%	\$14,935	(58.35%)	\$71,799	45.39%
24	National American Insurance Company	0.09%	\$17,899	(18.64%)	\$65,968	(16.26%)
25	Royal & Sun Alliance USA	0.07%	\$27,392	*	\$51,343	(81.44%)

Top 25 Groups Total	99.66%	\$18,777,583	3.08%	\$76,007,779	(6.73%)
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Total Market	100.00%	\$18,846,955	2.24%	\$76,264,649	(7.19%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$10,471,900	\$13,372,498	\$4,468,434
1st qtr 1999	\$10,225,174	\$6,885,262	\$4,521,389
2nd qtr 1999	\$5,499,763	\$8,003,887	\$6,693,625
3rd qtr 1999	\$5,998,330	\$8,429,018	\$13,747,315
4th qtr 1999	\$5,739,554	\$11,594,584	\$26,973,664
1st qtr 2000	\$6,824,984	\$7,104,170	\$7,608,679
2nd qtr 2000	\$7,621,282	\$9,008,884	\$3,444,292
3rd qtr 2000	\$9,496,878	\$11,092,448	\$8,553,001
4th qtr 2000	\$11,021,834	\$14,813,929	\$15,462,968
1st qtr 2001	\$9,322,472	\$10,668,808	\$6,262,083
2nd qtr 2001	\$11,069,306	\$13,060,159	\$2,488,479
3rd qtr 2001	\$11,513,713	\$12,945,869	\$4,346,902
4th qtr 2001	\$13,681,067	\$16,172,430	\$1,178,246
1st qtr 2002	\$14,135,435	\$18,237,147	\$3,762,748
2nd qtr 2002	\$23,340,551	\$21,437,169	\$3,650,728
3rd qtr 2002	\$18,658,119	\$24,062,071	\$10,173,007
4th qtr 2002	\$33,136,501	\$18,433,282	\$7,566,513
1st qtr 2003	\$17,637,255	\$19,160,434	\$2,609,649
2nd qtr 2003	\$18,174,135	\$19,667,485	\$2,628,907
3rd qtr 2003	\$16,781,415	\$18,589,775	\$21,170,824
4th qtr 2003	\$17,082,284	\$18,846,955	\$4,005,024

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	13.0%
1993	79.5%
1994	39.9%
1995	43.4%
1996	71.1%
1997	74.2%
1998	39.2%
1999	186.8%
2000	53.4%
2001	66.9%
2002	12.3%
2003	65.8%

Commercial Crime

There were 37 groups, 80 companies, that had direct written premium for Commercial Crime in the fourth quarter of 2003, as compared to 39 groups, 73 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Zurich Insurance Group	19.65%	\$407,641	(15.01%)	\$1,433,983	(11.66%)
2	Chubb & Son Inc.	18.05%	\$367,813	47.41%	\$1,317,121	(37.28%)
3	American International Group	14.63%	\$214,302	93.42%	\$1,067,650	69.70%
4	Travelers Property Cas. Corp Grp	13.53%	\$378,831	4.03%	\$986,899	(8.66%)
5	Hartford Fire & Casualty Group	9.49%	\$125,882	54.88%	\$692,382	81.18%
6	CNA Insurance Group	6.69%	\$119,296	17.17%	\$488,085	31.81%
7	St. Paul Group	4.67%	\$98,272	(29.73%)	\$340,410	(6.13%)
8	Bancinsure Inc.	1.92%	\$38,659	*	\$140,292	*
9	Sentry Insurance Group	1.57%	\$15,319	(38.69%)	\$114,383	8.63%
10	Federated Mutual	1.36%	(\$38,366)	(242.31%)	\$99,143	(46.60%)
11	Guideone Insurance Group	1.33%	\$0	*	\$97,318	*
12	United Fire & Casualty Group	1.32%	\$15,787	(40.36%)	\$96,249	(14.88%)
13	Harco National Insurance Company	1.04%	\$22,376	*	\$75,806	720.32%
14	UNITRIN Group	0.61%	\$1,649	(88.79%)	\$44,494	(43.56%)
15	Atlantic America	0.53%	\$18,808	156.17%	\$38,674	114.00%
16	Liberty Mutual Group	0.48%	\$7,736	(74.63%)	\$35,082	(67.39%)
17	RLI Insurance Group	0.43%	\$6,556	(55.31%)	\$31,329	(31.36%)
18	Allstate Insurance Group	0.37%	\$14,349	*	\$27,075	*
19	Great American E&S Insurance Company	0.33%	\$2,636	297.59%	\$23,831	(37.08%)
20	Nationwide Corp.	0.29%	\$8,397	60.03%	\$21,141	226.05%
21	Benchmark Insurance Company	0.21%	\$9,300	122.06%	\$15,584	66.96%
22	Lumbermens Mutual Casualty Group	0.19%	(\$278)	(101.76%)	\$13,830	(75.19%)
23	EMC Insurance Company	0.18%	\$4,081	(28.47%)	\$12,850	(50.87%)
24	XL America	0.17%	\$4,779	*	\$12,260	*
25	Hannover Group	0.15%	\$1,317	(66.57%)	\$11,158	19.67%

Top 25 Groups Total	99.19%	\$1,845,142	7.89%	\$7,237,029	(1.63%)
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Total Market	100.00%	\$1,867,930	4.78%	\$7,295,933	(4.64%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$3,275,081	\$3,706,197	\$1,205,416
1st qtr 1999	\$2,305,794	\$2,607,287	\$247,406
2nd qtr 1999	\$1,407,701	\$2,919,957	\$1,153,393
3rd qtr 1999	\$1,913,296	\$2,375,385	\$826,469
4th qtr 1999	\$1,453,101	\$3,093,898	\$847,735
1st qtr 2000	\$2,298,539	\$2,395,113	\$144,981
2nd qtr 2000	\$2,764,361	\$2,835,158	\$503,188
3rd qtr 2000	\$2,447,445	\$2,665,016	\$443,652
4th qtr 2000	\$2,932,337	\$3,189,332	(\$55,027)
1st qtr 2001	\$2,645,328	\$1,940,058	\$216,427
2nd qtr 2001	\$2,958,524	\$2,118,598	\$214,678
3rd qtr 2001	\$1,948,083	\$1,883,478	\$392,359
4th qtr 2001	\$2,550,031	\$2,490,497	\$3,137,605
1st qtr 2002	\$2,403,953	\$2,309,009	(\$134,651)
2nd qtr 2002	\$1,546,219	\$2,030,210	\$280,434
3rd qtr 2002	\$1,341,198	\$1,529,291	\$214,282
4th qtr 2002	\$1,616,520	\$1,782,790	\$419,686
1st qtr 2003	\$1,428,028	\$1,478,357	\$220,185
2nd qtr 2003	\$1,811,097	\$1,968,234	\$77,561
3rd qtr 2003	\$1,464,842	\$1,981,412	\$211,789
4th qtr 2003	\$1,485,574	\$1,867,930	\$424,135

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	24.6%
1993	18.5%
1994	22.5%
1995	16.1%
1996	19.4%
1997	13.2%
1998	13.3%
1999	19.6%
2000	21.2%
2001	34.7%
2002	16.3%
2003	27.1%

Commercial Glass

There were 14 groups, 19 companies, that had direct written premium for Commercial Glass in the fourth quarter of 2003, as compared to 15 groups, 22 companies, in the fourth quarter of 2002.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Zurich Insurance Group	30.48%	\$19,007	(21.56%)	\$71,168	(6.59%)
2	UNITRIN Group	26.45%	\$13,116	(43.18%)	\$61,752	(42.56%)
3	United Fire & Casualty Group	15.03%	\$10,570	(15.07%)	\$35,092	(7.37%)
4	Ohio Casualty Group	7.89%	\$5,638	(15.41%)	\$18,413	(24.98%)
5	EMC Insurance Company	6.65%	\$150	(96.68%)	\$15,518	(12.85%)
6	Federated Mutual	2.81%	\$1,890	14.89%	\$6,557	(24.73%)
7	Usplate Glass Insurance Company	2.45%	\$2,629	*	\$5,716	*
8	Travelers Property Casualty Corp. Group	2.35%	\$1,652	(60.68%)	\$5,484	(32.79%)
9	Liberty Mutual Group	2.22%	\$118	*	\$5,173	*
10	St. Paul Group	0.99%	\$215	(54.74%)	\$2,301	(57.25%)
11	ACE Ltd.	0.81%	\$18	(87.23%)	\$1,888	(11.86%)
12	State Farm IL	0.70%	\$520	169.43%	\$1,630	32.95%
13	Safeco Insurance Group	0.54%	\$0	(100.00%)	\$1,252	(69.35%)
14	Hartford Fire & Casualty Group	0.32%	\$0	(100.00%)	\$750	(24.09%)
15	Utica National Insurance Group	0.27%	(\$62)	(160.19%)	\$631	167.37%
16	Allmerica Financial Corp.	0.12%	\$91	*	\$273	410.23%
17	Guideone Insurance Group	0.10%	\$0	*	\$223	*
18	WR Berkley Corp.	0.06%	\$0	*	\$150	*

Top Groups Total	**100.21%	\$55,552	(29.71%)	\$233,971	(20.63%)
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Total Market	100.00%	\$55,552	(36.82%)	\$233,490	(28.76%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

**Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top Groups

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$126,047	\$110,220	\$22,533
1st qtr 1999	\$130,797	\$99,480	\$24,088
2nd qtr 1999	\$126,187	\$96,525	\$97,073
3rd qtr 1999	\$132,087	\$92,232	\$13,833
4th qtr 1999	\$120,348	\$86,001	\$30,482
1st qtr 2000	\$127,941	\$87,786	\$29,669
2nd qtr 2000	\$128,064	\$103,528	\$225,475
3rd qtr 2000	\$154,216	\$116,377	\$22,938
4th qtr 2000	\$106,321	\$77,656	\$10,619
1st qtr 2001	\$101,722	\$75,433	\$13,403
2nd qtr 2001	\$152,748	\$114,752	\$14,740
3rd qtr 2001	\$97,993	\$70,296	\$9,134
4th qtr 2001	\$94,672	\$76,658	\$14,463
1st qtr 2002	\$125,940	\$85,995	\$10,470
2nd qtr 2002	\$132,904	\$84,391	(\$191,664)
3rd qtr 2002	\$106,180	\$69,425	\$9,409
4th qtr 2002	\$118,781	\$87,929	\$17,945
1st qtr 2003	\$94,109	\$65,760	\$8,488
2nd qtr 2003	\$81,840	\$62,094	\$13,141
3rd qtr 2003	\$76,628	\$50,084	\$14,061
4th qtr 2003	\$112,205	\$55,552	\$7,445

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

<u>Year</u>	<u>Loss Ratio</u>
1992	8.0%
1993	25.2%
1994	17.4%
1995	32.9%
1996	23.7%
1997	31.2%*
1998	56.3%
1999	60.9%
2000	98.9%
2001	155.0%
2002	63.6%
2003	59.5%

* Beginning 1997, Commercial Glass is reported under Allied Lines on the Annual Statement; therefore, the Loss Ratios for this and subsequent years represents all coverages reported under Allied Lines.

Medical Professional Liability

There were 34 groups, 46 companies, that had direct written premium for Medical Professional Liability (includes regulated and non-rate-regulated companies) in the fourth quarter of 2003, as compared to 36 groups, 51 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	GE Global Group	25.96%	\$24,796,519	(14.24%)	\$143,101,067	43.05%
2	Health Care Indemnity Inc.	23.65%	(\$178,225)	95.69%	\$130,395,283	17.24%
3	Texas Medical Liability Underwriting Assoc.	13.34%	\$15,538,677	(1.11%)	\$73,544,553	47.96%
4	American Physicians Ins. Exchange	9.86%	\$8,380,244	26.94%	\$54,378,779	63.87%
5	Everest Rein Holding Inc	6.22%	\$1,779,922	1.15%	\$34,301,927	78.85%
6	CNA Insurance Group	3.32%	\$14,379,756	*	\$18,321,564	538.31%
7	Doctors Company Group	2.70%	\$1,411,613	(36.85%)	\$14,903,284	(27.10%)
8	Bancinsure Inc.	2.23%	\$3,225,555	31.73%	\$12,315,315	62.51%
9	Allianz Insurance Group	1.93%	\$2,819,470	(50.91%)	\$10,624,271	(59.51%)
10	Texas Hospital Insurance Exchange	1.61%	\$2,498,908	79.83%	\$8,881,893	21.60%
11	FPIC Insurance Group Inc.	1.51%	\$568,723	(61.33%)	\$8,323,088	(54.28%)
12	Preferred Professional Insurance Company	1.31%	\$992,179	19.16%	\$7,227,474	67.35%
13	Proassurance Corp Group	1.24%	\$1,664,377	(7.78%)	\$6,848,517	(11.76%)
14	American International Group	0.99%	\$1,782,182	(7.66%)	\$5,480,382	20.02%
15	NCMIC Group	0.73%	\$0	(100.00%)	\$4,019,291	10.07%
16	Podiatry Insurance Co. of America RRG	0.66%	\$374,681	22.74%	\$3,652,284	28.08%
17	National Group	0.47%	\$604,426	20.00%	\$2,606,667	49.08%
18	ACE Ltd.	0.45%	\$1,107,854	106.15%	\$2,500,331	(30.30%)
19	Zurich Insurance Group	0.38%	(\$389,901)	(114.61%)	\$2,099,734	(83.23%)
20	Texas Medical Insurance Company	0.25%	\$715,426	(10.35%)	\$1,355,511	(50.45%)
21	Travelers Property Casualty Corp Group	0.22%	\$290,481	*	\$1,233,220	*
22	St. Paul Group	0.21%	(\$394)	(100.02%)	\$1,132,102	(90.08%)
23	Fairfax Financial	0.16%	\$76,080	(89.88%)	\$898,027	(86.47%)
24	American Re Group	0.15%	\$329,654	88.35%	\$843,011	52.71%
25	Chubb & Son Inc.	0.14%	(\$13,586)	96.47%	\$747,840	350.26%

Top 25 Groups Total	99.72%	\$82,754,621	9.89%	\$549,735,415	20.03%
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Total Market	100.00%	\$82,927,387	4.35%	\$551,287,539	13.63%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$44,926,900	\$49,931,661	\$65,687,566
1st qtr 1999	\$143,714,378	\$153,831,660	\$45,490,283
2nd qtr 1999	\$35,833,747	\$35,442,419	\$102,810,102
3rd qtr 1999	\$74,001,990	\$69,189,438	\$50,252,064
4th qtr 1999	\$41,930,065	\$40,483,584	\$79,374,396
1st qtr 2000	\$137,093,402	\$139,488,404	\$96,644,607
2nd qtr 2000	\$42,351,811	\$44,844,296	\$107,273,832
3rd qtr 2000	\$65,378,912	\$68,942,814	\$69,209,753
4th qtr 2000	\$52,031,103	\$48,828,768	\$113,524,381
1st qtr 2001	\$152,152,204	\$167,131,473	\$83,573,570
2nd qtr 2001	\$54,416,843	\$65,578,948	\$75,456,511
3rd qtr 2001	\$94,994,593	\$88,354,507	\$79,548,188
4th qtr 2001	\$55,994,442	\$56,808,234	\$81,626,254
1st qtr 2002	\$187,765,477	\$194,494,874	\$61,414,577
2nd qtr 2002	\$66,087,372	\$78,286,136	\$79,470,717
3rd qtr 2002	\$117,743,019	\$132,910,095	\$65,631,228
4th qtr 2002	\$85,911,427	\$79,470,653	\$95,769,104
1st qtr 2003	\$227,003,710	\$244,370,356	\$45,576,971
2nd qtr 2003	\$93,947,674	\$88,666,548	\$55,106,913
3rd qtr 2003	\$126,579,512	\$135,323,248	\$57,388,785
4th qtr 2003	\$71,752,834	\$82,927,387	\$93,075,549

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

Year	Loss Ratio
1992	105.9%
1993	102.5%
1994	92.0%
1995	87.7%
1996	80.1%
1997	69.2%
1998	90.5%
1999	98.1%
2000	98.3%
2001	91.2%
2002	79.1%
2003	80.3%

Miscellaneous Professional Liability

There were 29 groups, 63 companies, that had direct written premium for Miscellaneous Professional Liability in the fourth quarter of 2003, as compared to 34 groups, 70 companies, in the fourth quarter of 2002.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 2003 to direct written premium in the fourth quarter of 2002 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 2003	% Change 4th Quarter 2002 to 2003	4 Quarters Ending 4th Qtr 2003	% Change 4 Qtrs Ending 2002 to 2003
1	Chubb & Son Inc.	31.38%	\$27,907,309	60.10%	\$96,438,909	15.16%
2	Hartford Fire & Casualty Group	15.62%	\$11,431,414	*	\$47,995,166	*
3	St. Paul Group	14.00%	\$11,770,356	46.84%	\$43,044,702	66.55%
4	HCC Insurance Holdings Group	13.65%	\$8,193,273	213.88%	\$41,960,456	377.74%
5	RLI Insurance Group	6.01%	\$2,828,534	42.74%	\$18,457,606	90.42%
6	GE Global Group	5.08%	\$4,223,626	927.76%	\$15,600,132	240.45%
7	ACE Ltd.	4.48%	\$3,775,162	149.40%	\$13,772,382	79.20%
8	Berkshire Hathaway	2.20%	\$1,979,016	6.45%	\$6,777,000	17.21%
9	Allianz Insurance Group	1.95%	\$1,992,259	15.18%	\$5,980,012	(10.34%)
10	Nationwide Corp.	1.40%	\$1,540,026	286.19%	\$4,291,923	5.11%
11	Old Republic Group	1.09%	\$610,484	199.16%	\$3,342,328	407.32%
12	AON Corp.	0.87%	\$901,317	*	\$2,673,213	*
13	Markel Corp Group	0.55%	\$401,210	9.73%	\$1,692,615	3.84%
14	Safeco Insurance Group	0.48%	\$0	(100.00%)	\$1,488,781	(21.69%)
15	Utica National Insurance Group	0.31%	\$413,658	37.11%	\$960,182	39.68%
16	Lumbermens Mutual Casualty Group	0.25%	(\$80,136)	(103.30%)	\$763,968	(91.23%)
17	American Re Group	0.15%	\$27,534	9.06%	\$471,992	(35.57%)
18	Union Labor Group	0.15%	\$43,776	(72.92%)	\$465,550	(14.23%)
19	Travelers Property Casualty Corp Group	0.15%	\$0	(100.00%)	\$455,854	(74.55%)
20	Zurich Insurance Group	0.09%	\$60,745	(3.69%)	\$284,096	(0.41%)
21	Liberty Mutual Group	0.04%	\$26,312	(21.32%)	\$112,478	(11.59%)
22	Texas Medical Insurance Company	0.03%	\$2,927	(96.74%)	\$88,015	(45.45%)
23	Fairfax Financial	0.03%	\$24,844	729.92%	\$87,585	(45.18%)
24	Florists Mutual	0.02%	\$7,761	3.07%	\$46,733	39.71%
25	Allstate Insurance Group	0.01%	\$10,572	8.25%	\$38,113	(12.70%)

Top 25 Groups Total	99.98%	\$78,091,979	93.17%	\$307,289,791	76.02%
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Total Market	100.00%	\$78,115,601	93.03%	\$307,355,392	74.91%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
4th qtr 1998	\$35,907,691	\$36,056,575	\$13,397,168
1st qtr 1999	\$27,749,694	\$27,841,362	\$6,070,417
2nd qtr 1999	\$34,283,279	\$32,201,481	\$5,840,753
3rd qtr 1999	\$39,816,439	\$35,085,917	\$10,638,238
4th qtr 1999	\$33,294,548	\$31,278,739	\$13,470,874
1st qtr 2000	\$28,787,985	\$32,539,979	\$15,208,574
2nd qtr 2000	\$34,839,821	\$35,060,607	\$9,638,111
3rd qtr 2000	\$40,383,080	\$29,206,486	\$25,472,831
4th qtr 2000	\$35,972,379	\$34,102,932	\$30,697,566
1st qtr 2001	\$33,317,718	\$35,426,450	\$18,503,137
2nd qtr 2001	\$27,379,296	\$59,910,926	\$13,146,912
3rd qtr 2001	\$32,672,023	\$35,346,828	\$14,591,556
4th qtr 2001	\$46,744,141	\$47,766,265	\$25,510,077
1st qtr 2002	\$44,193,075	\$38,539,396	\$21,611,170
2nd qtr 2002	\$45,639,859	\$50,579,721	\$31,951,912
3rd qtr 2002	\$44,287,561	\$46,129,965	\$32,132,723
4th qtr 2002	\$39,794,746	\$40,468,853	\$24,789,968
1st qtr 2003	\$65,301,029	\$64,300,341	\$23,052,586
2nd qtr 2003	\$72,527,779	\$84,367,349	\$41,720,752
3rd qtr 2003	\$78,673,242	\$80,572,101	\$73,006,385
4th qtr 2003	\$72,099,487	\$78,115,601	\$15,837,639

EARNED TO INCURRED LOSS RATIO BY YEAR

Based on Annual Statement data from NAIC: incurred losses (LAE excluded) / earned premium

Year	Loss Ratio *
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%
2002	114.5%
2003	77.0%

* *Miscellaneous Professional Liability is reported under General Liability on the Annual Statement; therefore, the Loss Ratios represent all coverages reported under General Liability.*

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the fourth quarter of 2003 and the fourth quarter of 2002. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	4TH QUARTER 2003			4TH QUARTER 2002		
	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
Product Liability	0	13,009	0.00000%	0	11,759	0.00000%
General Liability - Other ⁺	46	204,485	0.02250%	44	200,959	0.02190%
Fire & Allied Lines	9	48,462	0.01857%	20	45,763	0.04370%
Commercial Multiple Peril	18	76,228	0.02361%	15	75,335	0.01991%
Private Passenger Auto ⁺⁺	1,989	4,697,388	0.04234%	2,756	6,075,095	0.04537%
Homeowners	878	1,003,045	0.08753%	1,510	949,981	0.15895%
Workers' Compensation ⁺⁺⁺	24	40,784	0.05885%	33	33,341	0.09898%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	13	10,888	0.11940%	9	11,209	0.08029%
Misc. Professional Liability	10	5,333	0.18751%	3	5,185	0.05786%

⁺ The General Electric Group wrote 11,975 small premium pre-paid legal policies in the 4th quarter of 2003 and 13,820 policies in the 4th quarter of 2002 that were excluded from the above table.

⁺⁺ Policies that included both Voluntary Liability and Physical Damage coverage reported a policy count in each category.

⁺⁺⁺ Complaints generally relate to rates, class codes, and experience modifiers. Complaints regarding adjusting and benefits are processed by the Texas Workers' Compensation Commission and are not reflected in this report.

** Complaints are not tracked for this line of business.

The number of complaints attributable to any one insurer was not significant, except for Private Passenger Auto and Homeowners. The complaint data for the top 25 groups (ranking based on number of policies written in the fourth quarter of 2003) for these two lines of insurance are presented on the next two pages.

**PRIVATE PASSENGER AUTO
FOURTH QUARTER DATA
LISTED BY PERCENT OF COMPLAINTS PER POLICY**

2003 Policies Written Rank	Group Name	4TH QUARTER 2003			4TH QUARTER 2002		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
7	Old American County Mutual Fire Ins. Co.	245	152,680	0.16047%	277	154,206	0.17963%
11	Texas State National Group	109	77,698	0.14029%	219	112,561	0.19456%
14	Unitrin Group	64	46,886	0.13650%	56	32,582	0.17187%
23	Mercury General Group	29	22,251	0.13033%	35	22,886	0.15293%
13	Safeco Insurance Group	59	54,854	0.10756%	26	61,525	0.04226%
20	Liberty Mutual Group	29	30,627	0.09469%	36	28,324	0.12710%
10	Home State Insurance Group	86	92,537	0.09294%	109	82,950	0.13140%
25	American National Financial Group	12	17,163	0.06992%	26	13,832	0.18797%
17	Travelers Property Casualty Corp Group	27	42,023	0.06425%	41	54,464	0.07528%
8	Nationwide Corp	87	143,105	0.06079%	166	125,788	0.13197%
18	Hartford Fire & Casualty Group	22	38,861	0.05661%	22	27,413	0.08025%
22	Interins Exch of The Automobile Club	13	23,091	0.05630%	22	18,191	0.12094%
24	Germania Insurance Group	10	18,657	0.05360%	9	19,768	0.04553%
21	Sentry Insurance Group	13	29,306	0.04436%	7	15,057	0.04649%
4	Progressive Group	160	370,811	0.04315%	167	1,836,313	0.00909%
19	Safeway Insurance Group	13	32,784	0.03965%	18	21,512	0.08367%
3	Allstate Insurance Group	218	574,423	0.03795%	398	508,148	0.07832%
9	Berkshire Hathaway	43	127,400	0.03375%	52	119,175	0.04363%
5	United Services Automobile Assn. Group	56	188,206	0.02975%	75	189,935	0.03949%
2	Zurich Insurance Group	233	856,247	0.02721%	353	853,674	0.04135%
15	Titus Group	10	46,419	0.02154%	7	29,688	0.02358%
6	Southern Farm Bureau Casualty	22	157,065	0.01401%	25	146,118	0.01711%
1	State Farm IL	155	1,320,862	0.01173%	160	1,365,983	0.01171%
12	Horace Mann Group	5	60,133	0.00831%	7	7,998	0.08752%
16	Credit Suisse Group	0	42,998	0.00000%	0	35,342	0.00000%
	(All other licensed insurers)	169	130,301	0.20645%	443	191,662	0.23114%
	(No company identified)*	0					
TOTALS		1,989	4,697,388	0.04234%	2,756	6,075,095	0.04537%

* Generally includes complaints where either: (a) no company was identified by complainant, (b) company was non-admitted (surplus lines), or (c) complaint was against an agent.

Complaint Data

HOMEOWNERS FOURTH QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

2003 Policies Written Rank	Group Name	4TH QUARTER 2003			4TH QUARTER 2002		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
19	Interins Exch of The Automobile Club	12	6,374	0.18826%	3	5,376	0.05580%
23	Titus Group	9	4,879	0.18446%	6	6,415	0.09353%
22	Unitrin Group	8	5,202	0.15379%	10	5,353	0.18681%
13	Safeco Insurance Group	15	11,309	0.13264%	14	12,312	0.11371%
20	Chubb & Son Inc	7	6,112	0.11453%	8	6,303	0.12692%
14	Hartford Fire & Casualty Group	11	9,613	0.11443%	13	9,457	0.13746%
3	Zurich Insurance Group	124	113,678	0.10908%	456	71,287	0.63967%
21	Columbia Lloyds Insurance Company	6	6,012	0.09980%	2	4,360	0.04587%
18	Colonial Savings Group	6	7,514	0.07985%	13	11,494	0.11310%
17	Amica Mutual Group	6	7,640	0.07853%	8	8,010	0.09988%
8	Texas Fair Plan Association	26	33,503	0.07760%	0	0	0.00000%
12	Liberty Mutual Group	10	12,908	0.07747%	20	11,362	0.17603%
7	Nationwide Corp	29	37,494	0.07735%	51	34,058	0.14974%
16	American National Financial Group	6	8,050	0.07453%	10	36,667	0.02727%
10	NLASCO	13	18,763	0.06929%	13	11,117	0.11694%
2	Allstate Insurance Group	123	195,455	0.06293%	257	180,750	0.14219%
1	State Farm IL	137	254,050	0.05393%	145	268,896	0.05392%
4	United Services Automobile Assn. Group	32	63,747	0.05020%	31	60,535	0.05121%
5	Vesta Insurance Group	24	55,893	0.04294%	66	61,735	0.10691%
9	Texas Farm Bureau Mutual	8	21,872	0.03658%	6	18,962	0.03164%
15	ARX Holding Corp Group	1	8,156	0.01226%	2	9,443	0.02118%
6	Travelers Property Casualty Corp Group	1	50,480	0.00198%	5	47,052	0.01063%
11	Credit Suisse Group	0	14,002	0.00000%	0	13,223	0.00000%
24	CNA Insurance Group	3	4,794	0.00000%	5	6,196	0.00000%
25	Service Life Group	5	4,758	0.00000%	14	11,009	0.00000%
	(All other licensed insurers)	256	40,787	0.62765%	352	38,609	0.91170%
	(No company identified)*	0			0		
TOTALS		878	1,003,045	0.08753%	1,510	949,981	0.15895%

* Generally includes complaints where either: (a) no company was identified by complainant, (b) company was non-admitted (surplus lines), or (c) complaint was against an agent.

County Mutual Companies

NAMES OF GROUPS AND CORRESPONDING COUNTY MUTUAL COMPANIES

GROUPS

COUNTY MUTUAL COMPANIES

Allianz Insurance Group	Fireman's Fund County Mutual Insurance Company
Allstate Insurance Group	Allstate County Mutual Insurance Company
American National Financial Group	American National County Mutual Insurance Company
Capitol County Group	Capitol County Mutual Fire Insurance Company
Credit Suisse Group	Southern County Mutual Insurance Company
Fairfax Financial	Industrial County Mutual Insurance Company
Liberty Mutual Group	Liberty County Mutual Insurance Company
Great American E&S Insurance Company	Great Texas County Mutual Insurance Company
Home State County Mutual Insurance Company	Home State County Mutual Insurance Company
Mercury General Group	Mercury County Mutual Insurance Company
Nationwide Corporation	Colonial County Mutual Insurance Company
Old American County Mutual Fire Insurance Company	Old American County Mutual Fire Insurance Company
Progressive Group	Progressive County Mutual Insurance Company
Royal & Sun Alliance USA	Viking County Mutual Insurance Company
Safeway Insurance Group	Oak Brook County Mutual Insurance Company
Sentry Insurance Group	Dairyland County Mutual Insurance Company of Texas
Southern Farm Bureau Casualty	Farm Bureau County Mutual Insurance Company
State Farm IL	State Farm County Mutual Insurance Company
Texas State National Group	State & County Mutual Fire Insurance Company
Titus Group	Consumers County Mutual Insurance Company
USAA Group	USAA County Mutual Insurance Company
UNITRIN Group	Charter County Mutual Insurance Company
Zurich Insurance Group	Foremost County Mutual Insurance Company
Zurich Insurance Group	Farmers Texas County Mutual Insurance Company

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