



**Texas Department
of Insurance**

**Quarterly Legislative Report
on Market Conditions**

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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 JUNE 2001

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	66 / 183	38,692	\$100,422,454	\$82,669,231	\$81,671,585
GENERAL LIABILITY - OTHER	140 / 350	781,462 ⁺	\$1,098,299,637	\$1,314,602,725	\$869,768,658
COMMERCIAL FIRE & ALLIED	82 / 210	177,308	\$369,970,110	\$385,489,101	\$273,782,902
COMMERCIAL MULTIPLE PERIL	92 / 247	307,447	\$1,006,276,004	\$1,097,662,556	\$772,749,247
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	73 / 224	11,770,268	\$5,351,028,964	\$4,965,660,200	\$3,647,762,531
ASSIGNED RISK LIABILITY	22 / 23	160,478	\$28,192,915	\$20,613,309	\$19,231,779
PHYSICAL DAMAGE	73 / 218	8,679,906	\$3,997,439,291	\$3,711,510,992	\$2,830,437,975
TOTAL PPA	76 / 229	20,610,652 ⁺⁺	\$9,376,661,170	\$8,697,784,501	\$6,497,432,285
HOMEOWNERS MULTIPLE PERIL	63 / 134	4,015,986	\$3,216,624,553	\$3,027,094,674	\$2,283,896,250
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		100,405	\$173,720,800	**	**
VOL PREMIUMS \$5,000 - \$100,000		51,270	\$984,189,594	**	**
VOL PREMIUMS > \$100,000		3,983	\$1,170,452,912	**	**
TOTAL VOLUNTARY	102 / 268	155,658	\$2,328,363,306	\$2,179,837,117	\$1,557,019,410
RESIDUAL MARKET ***	1 / 1	679	\$30,199,424	\$29,371,347	\$37,935,307
TOTAL WC	102 / 268	156,337	\$2,358,562,730	\$2,209,208,464	\$1,594,954,717
BOILER & MACHINERY	34 / 87	14,217	\$40,910,490	\$49,607,335	\$32,935,307
COMMERCIAL CRIME	45 / 83	10,522	\$10,983,634	\$9,911,893	\$823,398
COMMERCIAL GLASS	18 / 31	1,343	\$515,007	\$384,218	\$61,700
MEDICAL PROFESSIONAL LIABILITY	36 / 54	50,680	\$321,458,235	\$346,634,635	\$341,500,061
MISC. PROFESSIONAL LIABILITY	34 / 72	37,346	\$136,307,252	\$157,839,906	\$88,745,011

⁺ The General Electric Group wrote 84,541 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	
	2000	2001	2000	2001	2000	2001	2000	2001
Product Liability	61 / 152	63 / 162	61 / 155	62 / 153	62 / 154	- / -	63 / 160	- / -
General Liability	128 / 302	133 / 312	130 / 313	135 / 318	124 / 311	- / -	127 / 313	- / -
Commercial Fire & Allied	72 / 176	79 / 185	73 / 184	76 / 190	75 / 189	- / -	75 / 192	- / -
Commercial Multiple Peril	88 / 225	89 / 233	89 / 231	85 / 226	93 / 236	- / -	90 / 235	- / -
Private Passenger Auto	71 / 211	76 / 211	74 / 209	75 / 206	76 / 209	- / -	76 / 209	- / -
Homeowners Multiple Peril	58 / 114	62 / 111	58 / 116	62 / 106	58 / 111	- / -	64 / 116	- / -
Workers' Compensation	94 / 250	98 / 247	97 / 248	94 / 242	97 / 247	- / -	96 / 247	- / -
Boiler & Machinery	32 / 71	33 / 73	31 / 76	29 / 72	31 / 75	- / -	33 / 77	- / -
Commercial Crime	35 / 66	39 / 77	37 / 70	40 / 68	37 / 73	- / -	40 / 78	- / -
Commercial Glass	22 / 37	22 / 35	18 / 29	19 / 29	20 / 38	- / -	19 / 34	- / -
Medical Professional Liability	36 / 51	32 / 50	34 / 53	33 / 49	34 / 55	- / -	34 / 49	- / -
Misc. Professional Liability	36 / 73	36 / 75	38 / 81	34 / 73	36 / 77	- / -	34 / 71	- / -

Product Liability

There were 66 groups, 183 companies, that had direct written premium for Product Liability in the second quarter of 2001, as compared to 62 groups, 180 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	American Financial Insurance Group	12.27%	\$3,025,664	147.13%	\$10,141,846	153.46%
2	St. Paul Group	10.46%	\$2,479,859	60.20%	\$8,651,100	15.37%
3	Zurich American Insurance Group	9.74%	\$2,396,465	4.22%	\$8,050,610	34.99%
4	Lumbermans Mutual Casualty Group	8.29%	\$2,180,629	576.21%	\$6,854,649	210.44%
5	Liberty Mutual Insurance Group	8.22%	\$1,371,367	16.21%	\$6,798,993	43.31%
6	Chubb & Son Inc.	6.12%	\$1,176,665	14.13%	\$5,055,247	5.38%
7	National American Insurance Company	5.88%	\$1,205,669	10.06%	\$4,864,938	23.33%
8	Allianz Insurance Group	4.66%	\$818,162	45.86%	\$3,855,535	169.46%
9	Hartford Fire & Casualty Group	4.52%	\$574,930	35.40%	\$3,734,690	79.28%
10	Federated Mutual Group	3.58%	\$752,036	5.64%	\$2,957,386	24.72%
11	Sentry Insurance Group	3.55%	\$1,115,668	195.49%	\$2,936,411	55.16%
12	Fairfax Financial	2.54%	\$395,693	(39.08%)	\$2,096,839	(44.99%)
13	United Fire & Casualty Group	2.53%	\$542,631	10.16%	\$2,092,182	59.16%
14	Medmark Insurance Group	2.31%	\$545,702	55.15%	\$1,908,610	44.28%
15	ACE USA	2.29%	\$164,999	(95.65%)	\$1,893,500	(67.34%)
16	Legion Insurance Group	2.14%	\$1,715,950	*	\$1,768,545	*
17	Royal & Sun Alliance USA	2.03%	\$394,505	126.98%	\$1,675,368	20.55%
18	Old Republic Group	1.91%	\$754,663	317.01%	\$1,576,784	28.05%
19	UNITRIN Inc.	1.89%	\$426,642	(11.05%)	\$1,563,327	6.54%
20	Winterthur U.S. Holding Group	1.77%	\$1,097,690	18.49%	\$1,463,020	(19.61%)
21	Citigroup	1.48%	\$87,373	(79.18%)	\$1,220,138	80.58%
22	EMC Insurance Companies	1.32%	\$191,585	(1.43%)	\$1,089,635	34.77%
23	Central Mutual Insurance Co. of Ohio	1.13%	\$297,777	22.08%	\$938,145	19.62%
24	Dallas Fire Insurance Company	1.11%	\$240,031	32.73%	\$920,752	22.12%
25	Texas State National Group	1.06%	\$471,002	931.09%	\$874,744	*

Top 25 Groups Total	**102.80%	\$24,423,357	29.17%	\$84,982,994	36.70%
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Total Market	100.00%	\$21,052,677	(5.47%)	\$82,669,231	12.69%
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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 25 Groups.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$27,574,425	\$28,758,460	\$19,491,138
3rd qtr 1996	\$19,424,296	\$22,075,380	\$14,044,152
4th qtr 1996	\$19,414,599	\$20,544,777	\$26,084,042
1st qtr 1997	\$24,110,801	\$26,744,882	\$21,241,495
2nd qtr 1997	\$26,219,023	\$24,735,908	\$13,692,581
3rd qtr 1997	\$24,250,597	\$23,072,180	\$13,786,634
4th qtr 1997	\$28,665,155	\$23,792,071	\$25,384,125
1st qtr 1998	\$30,305,951	\$31,150,080	\$12,516,980
2nd qtr 1998	\$22,772,526	\$24,229,677	\$16,493,164
3rd qtr 1998	\$18,370,183	\$12,259,609	\$29,891,014
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	\$29,343,820	\$22,864,433	\$23,129,516
2nd qtr 2001	\$25,979,661	\$21,052,677	\$18,457,397

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>
1989	65.9%
1990	93.6%
1991	83.2%
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%

General Liability

There were 140 groups, 350 companies, that had direct written premium for General Liability in the second quarter of 2001, as compared to 139 groups, 349 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	American International Group	24.61%	\$76,401,472	87.03%	\$323,467,982	22.48%
2	Zurich American Insurance Group	7.02%	\$21,197,404	25.48%	\$92,322,923	37.98%
3	ACE USA	6.70%	\$60,665,555	657.49%	\$88,098,424	148.40%
4	American Financial Insurance Group	4.40%	\$14,359,882	31.14%	\$57,802,103	35.00%
5	Citigroup	4.23%	\$13,951,842	35.72%	\$55,576,183	32.49%
6	Lumbermans Mutual Casualty Group	3.84%	\$10,971,183	82.35%	\$50,476,615	74.88%
7	CNA Insurance Group	3.31%	\$8,249,609	(9.81%)	\$43,518,232	(23.98%)
8	Hartford Fire & Casualty Group	3.16%	\$8,519,869	50.26%	\$41,539,769	133.08%
9	Royal & Sun Alliance USA	2.93%	\$12,600,848	64.27%	\$38,556,458	38.38%
0	St. Paul Group	2.83%	\$10,963,247	15.19%	\$37,215,336	(3.57%)
11	Allianz Insurance Group	2.73%	\$10,211,664	57.99%	\$35,934,204	36.19%
12	Liberty Mutual Insurance Group	2.70%	\$7,517,098	(12.75%)	\$35,539,826	7.81%
13	Chubb & Son Inc.	2.46%	\$9,130,332	30.74%	\$32,331,418	17.37%
14	Fairfax Financial	1.83%	\$6,673,232	52.89%	\$24,008,123	25.79%
15	State Farm Group	1.65%	\$5,810,727	(11.25%)	\$21,708,692	(8.06%)
16	UNITRIN Inc.	1.51%	\$5,312,186	9.06%	\$19,884,594	3.41%
17	National American Insurance Company	1.33%	\$4,425,103	7.48%	\$17,452,062	9.16%
18	X L America	1.32%	\$4,091,362	91.12%	\$17,321,093	514.52%
19	Texas Lawyers Insurance Exchange	1.15%	\$3,943,516	21.75%	\$15,083,816	8.61%
20	Winterthur U.S. Holding Group	1.02%	\$4,023,548	42.87%	\$13,371,839	20.10%
21	Old Republic Group	0.99%	\$4,057,330	53.03%	\$12,992,786	32.21%
22	EMC Insurance Companies	0.91%	\$2,350,628	5.70%	\$11,978,322	30.09%
23	Commercial Union Insurance Co's.	0.91%	\$1,018,853	(68.62%)	\$11,942,861	(17.36%)
24	Federated Mutual Group	0.88%	\$3,274,141	50.66%	\$11,589,885	38.02%
25	United Fire & Casualty Group	0.87%	\$5,499,659	94.96%	\$11,473,042	22.13%

Top 25 Groups Total	85.29%	\$315,220,290	67.42%	\$1,121,186,588	29.53%
Total Market	100.00%	\$372,045,098	60.10%	\$1,314,602,725	24.12%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$221,064,794	\$241,831,779	\$122,234,565
3rd qtr 1996	\$209,186,262	\$264,844,763	\$278,472,876
4th qtr 1996	\$210,026,932	\$254,144,903	\$173,801,943
1st qtr 1997	\$170,973,798	\$198,324,982	\$148,062,249
2nd qtr 1997	\$216,202,142	\$195,305,092	\$131,353,273
3rd qtr 1997	\$249,568,281	\$253,887,370	\$166,148,627
4th qtr 1997	\$239,217,274	\$232,936,693	\$154,278,350
1st qtr 1998	\$210,915,913	\$202,459,275	\$144,243,276
2nd qtr 1998	\$284,842,750	\$270,114,359	\$160,084,077
3rd qtr 1998	\$242,297,791	\$290,698,189	\$169,439,120
4th qtr 1998	\$218,876,381	\$201,348,307	\$168,009,779
1st qtr 1999	\$198,897,883	\$208,534,860	\$186,662,320
2nd qtr 1999	\$189,418,170	\$241,953,257	\$165,005,082
3rd qtr 1999	\$198,994,737	\$326,261,926	\$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	\$288,289,685	\$285,278,412	\$278,668,472
2nd qtr 2001	\$317,165,148	\$372,045,098	\$174,436,719

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>
1989	77.6%
1990	89.2%
1991	91.3%
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%

Commercial Fire & Allied

There were 82 groups, 210 companies, that had direct written premium for Commercial Fire & Allied in the second quarter of 2001, as compared to 79 groups, 211 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Allendale Group	14.56%	\$15,223,199	34.98%	\$56,138,410	80.69%
2	Citigroup	14.24%	\$17,181,530	72.66%	\$54,899,873	33.15%
3	Allianz Insurance Group	7.34%	\$10,642,395	24.34%	\$28,286,215	26.74%
4	Zurich American Insurance Group	6.39%	\$7,902,675	117.71%	\$24,634,471	3.10%
5	UNITRIN Inc.	4.72%	\$4,977,095	8.36%	\$18,203,246	7.64%
6	Royal & Sun Alliance USA	4.34%	\$2,499,461	(27.53%)	\$16,712,938	59.30%
7	St. Paul Group	4.32%	\$2,297,695	(29.26%)	\$16,657,717	31.05%
8	Texas Windstorm Insurance Association	4.26%	\$4,984,498	(11.39%)	\$16,423,754	(11.13%)
9	General Electric Group	3.90%	\$2,070,883	309.17%	\$15,042,856	*
10	CNA Insurance Group	2.92%	(\$1,852,589)	(140.39%)	\$11,271,457	(14.65%)
11	American International Group	2.71%	\$2,084,029	48.41%	\$10,438,648	14.88%
12	Liberty Mutual Insurance Group	2.70%	\$3,683,653	115.42%	\$10,408,199	25.75%
13	United Fire & Casualty Group	2.27%	\$2,567,115	50.70%	\$8,741,640	138.53%
14	Safeco Insurance Group	1.78%	\$1,695,432	(6.04%)	\$6,845,168	0.96%
15	Federated Mutual Group	1.73%	\$1,646,642	5.08%	\$6,671,802	26.67%
16	Winterthur U.S. Holding Group	1.51%	\$1,221,445	37.57%	\$5,804,550	105.13%
17	ACE USA	1.50%	\$2,392,705	220.21%	\$5,779,501	65.71%
18	Hartford Fire & Casualty Group	1.47%	\$2,063,133	421.83%	\$5,660,076	334.83%
19	State Farm Group	1.28%	\$1,275,818	6.12%	\$4,944,253	(1.53%)
20	EMC Insurance Companies	1.27%	\$1,019,310	16.98%	\$4,881,343	28.61%
21	American Financial Insurance Group	1.19%	\$708,071	(15.98%)	\$4,595,472	12.58%
22	Sentry Insurance Group	1.10%	\$1,263,090	66.23%	\$4,249,571	35.72%
23	Texas Farm Bureau Mutual	0.98%	\$982,925	(14.35%)	\$3,773,690	(10.77%)
24	Acceptance Insurance Group	0.98%	\$1,032,643	969.08%	\$3,767,210	(52.68%)
25	National American Insurance Company	0.92%	\$557,151	(50.36%)	\$3,560,963	(18.97%)

Top 25 Groups Total	90.38%	\$90,120,004	25.71%	\$348,393,023	31.83%
Total Market	100.00%	\$98,250,382	20.83%	\$385,489,101	29.12%

* 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
2nd qtr 1996	\$82,622,348	\$84,722,614	\$47,910,206
3rd qtr 1996	\$78,756,443	\$89,232,789	\$54,245,819
4th qtr 1996	\$79,498,023	\$84,401,758	\$54,816,796
1st qtr 1997	\$67,972,488	\$66,968,427	\$41,973,100
2nd qtr 1997	\$94,878,881	\$84,964,287	\$44,346,429
3rd qtr 1997	\$93,203,794	\$82,379,493	\$38,505,580
4th qtr 1997	\$107,617,754	\$91,328,917	\$38,357,499
1st qtr 1998	\$68,907,273	\$66,601,703	\$35,359,774
2nd qtr 1998	\$74,389,829	\$76,974,177	\$49,081,540
3rd qtr 1998	\$77,094,976	\$79,063,229	\$42,188,779
4th qtr 1998	\$70,381,513	\$67,742,113	\$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	\$92,888,275	\$92,590,445	\$41,685,079
2nd qtr 2001	\$98,132,757	\$98,250,382	\$58,381,689

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>
1989	77.6%
1990	106.1%
1991	67.1%
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%

Commercial Multiple Peril

There were 92 groups, 247 companies, that had direct written premium for Commercial Multiple Peril in the second quarter of 2001, as compared to 95 groups, 253 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Zurich American Insurance Group	12.18%	\$43,398,546	12.08%	\$133,704,103	39.93%
2	Citigroup	10.34%	\$27,244,296	6.20%	\$113,535,338	11.01%
3	CNA Insurance Group	9.14%	\$25,484,583	17.08%	\$100,295,967	8.47%
4	Hartford Fire & Casualty Group	7.23%	\$17,589,492	1083.10%	\$79,373,216	72.53%
5	Commercial Union Insurance Co's.	5.63%	\$11,847,703	(35.28%)	\$61,826,960	(13.82%)
6	State Farm Group	4.82%	\$15,583,787	22.76%	\$52,918,937	(0.80%)
7	Safeco Insurance Group	3.97%	\$10,891,085	(1.80%)	\$43,564,776	6.11%
8	Chubb & Son Inc.	3.78%	\$10,686,950	23.97%	\$41,451,946	33.08%
9	Allianz Insurance Group	3.44%	\$8,557,790	34.83%	\$37,737,017	32.36%
10	Lumbermans Mutual Casualty Group	2.31%	\$5,895,569	3.20%	\$25,326,075	(13.49%)
11	Winterthur U.S. Holding Group	2.21%	\$7,895,632	108.67%	\$24,266,841	74.91%
12	Allstate Insurance Group	1.99%	\$6,179,947	16.58%	\$21,875,889	12.07%
13	St. Paul Group	1.85%	\$4,863,786	40.24%	\$20,358,930	43.87%
14	Old Republic Group	1.78%	\$5,164,918	30.22%	\$19,509,885	18.37%
15	Fairfax Financial	1.76%	\$4,014,531	(12.64%)	\$19,278,607	0.97%
16	Liberty Mutual Insurance Group	1.75%	\$1,073,269	(56.27%)	\$19,177,916	24.71%
17	Royal & Sun Alliance USA	1.72%	\$3,218,278	(11.52%)	\$18,828,386	6.84%
18	Church Mutual Insurance Company	1.71%	\$4,700,110	5.36%	\$18,772,100	3.38%
19	Guidant Insurance Group	1.67%	\$4,648,991	21.56%	\$18,344,612	24.68%
20	W. R. Berkley Corporation	1.56%	\$4,895,161	26.37%	\$17,151,856	15.06%
21	Ohio Casualty Group	1.39%	\$4,140,958	6.10%	\$15,246,533	14.55%
22	General Electric Group	1.33%	\$3,349,816	(7.48%)	\$14,587,286	29.86%
23	Transport Holdings Inc.	1.20%	\$4,550,212	106.00%	\$13,197,209	88.91%
24	Central Mutual Insurance Co. of Ohio	1.18%	\$4,005,497	26.51%	\$12,900,746	24.41%
25	Atlantic Companies	1.12%	\$2,924,192	14.98%	\$12,329,493	17.19%

Top 25 Groups Total	87.05%	\$242,805,099	20.24%	\$955,560,624	18.31%
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Total Market	100.00%	\$284,193,833	18.72%	\$1,097,662,556	16.06%
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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
2nd qtr 1996	\$224,998,043	\$234,684,985	\$148,362,523
3rd qtr 1996	\$219,366,065	\$237,222,314	\$164,569,429
4th qtr 1996	\$223,598,956	\$241,571,163	\$149,166,884
1st qtr 1997	\$214,127,261	\$223,686,375	\$106,833,793
2nd qtr 1997	\$244,652,674	\$240,735,128	\$122,586,328
3rd qtr 1997	\$248,380,424	\$217,959,546	\$118,272,489
4th qtr 1997	\$264,003,023	\$227,796,168	\$122,000,210
1st qtr 1998	\$222,600,898	\$231,461,613	\$118,739,450
2nd qtr 1998	\$223,828,260	\$239,364,858	\$137,485,345
3rd qtr 1998	\$222,287,379	\$233,466,396	\$127,403,913
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	\$216,168,054	\$227,464,958	\$169,300,495
3rd qtr 1999	\$218,128,260	\$226,721,250	\$147,914,389
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	\$257,168,978	\$276,936,200	\$173,769,412
2nd qtr 2001	\$259,340,846	\$284,193,833	\$194,191,470

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>
1989	100.1%
1990	81.1%
1991	75.3%
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%

Private Passenger Auto (All Companies, All Coverages)

There were 76 groups, 229 companies, that had direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 76 groups, 231 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	22.78%	\$528,496,741	6.78%	\$1,981,704,430	(0.82%)
2	Allstate Insurance Group	16.91%	\$375,179,202	11.62%	\$1,470,535,433	9.23%
3	Zurich American Insurance Group	13.13%	\$285,366,552	8.99%	\$1,142,132,356	7.19%
4	USAA Group	6.30%	\$134,962,119	12.49%	\$548,257,938	9.95%
5	Progressive Group	5.27%	\$109,971,609	(4.98%)	\$458,249,373	(6.29%)
6	Nationwide Corporation	3.93%	\$80,244,579	15.53%	\$341,404,991	21.05%
7	Berkshire-Hathaway (GEICO)	3.75%	\$77,554,894	4.47%	\$326,397,326	14.99%
8	Texas State National Group	2.57%	\$69,481,506	(0.01%)	\$223,882,513	(17.95%)
9	Southern Farm Bureau Casualty	2.53%	\$55,169,168	9.28%	\$220,192,223	4.66%
10	Home State County Mutual Ins. Co.	2.52%	\$57,653,593	12.13%	\$219,546,114	5.64%
11	Old American Co. Mutual Fire Ins. Co.	1.95%	\$46,527,874	23.69%	\$169,364,567	27.49%
12	UNITRIN Inc.	1.85%	\$37,649,224	16.37%	\$160,994,287	33.02%
13	Citigroup	1.62%	\$37,193,702	9.46%	\$141,027,022	4.49%
14	Safeco Insurance Group	1.24%	\$26,321,966	(2.28%)	\$108,061,376	(2.70%)
15	Hartford Fire & Casualty Group	1.00%	\$22,839,527	11.93%	\$87,164,444	11.94%
16	Titus Group	0.85%	\$14,950,458	(48.34%)	\$73,949,837	(49.59%)
17	Liberty Mutual Insurance Group	0.84%	\$19,434,310	20.26%	\$72,752,710	15.59%
18	Winterthur U.S. Holding Group	0.75%	\$20,639,921	45.49%	\$65,401,436	19.36%
19	Sentry Insurance Group	0.72%	\$17,346,628	7.68%	\$62,244,757	3.16%
20	CNA Insurance Group	0.69%	\$12,821,376	(20.53%)	\$60,181,448	(0.05%)
21	American National Financial Group	0.59%	\$13,725,974	21.24%	\$51,035,779	19.86%
22	Prudential of America Group	0.54%	\$12,948,733	38.57%	\$46,673,622	42.85%
23	Metropolitan Group	0.53%	\$12,126,772	31.55%	\$45,671,928	27.50%
24	Safeway Insurance Group	0.52%	\$12,765,964	83.29%	\$45,392,414	83.94%
25	American Financial Insurance Group	0.47%	\$11,341,104	70.84%	\$40,756,073	(8.44%)

Top 25 Groups Total	93.85%	\$2,092,713,496	8.43%	\$8,162,974,397	4.69%
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Total Market	100.00%	\$2,222,339,101	7.47%	\$8,697,784,501	4.52%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$2,102,208,805	\$1,959,926,690	\$1,277,540,110
3rd qtr 1996	\$2,175,273,732	\$1,998,392,730	\$1,242,758,476
4th qtr 1996	\$2,171,800,420	\$1,988,099,964	\$1,357,470,066
1st qtr 1997	\$2,320,472,483	\$2,143,815,272	\$1,228,828,688
2nd qtr 1997	\$2,225,618,471	\$2,056,440,290	\$1,277,845,763
3rd qtr 1997	\$2,311,406,256	\$2,118,990,242	\$1,266,342,373
4th qtr 1997	\$2,216,786,301	\$1,968,187,976	\$1,234,058,511
1st qtr 1998	\$2,367,289,515	\$2,213,506,518	\$1,278,521,972
2nd qtr 1998	\$2,180,640,043	\$2,019,446,805	\$1,275,568,012
3rd qtr 1998	\$2,318,019,920	\$2,124,228,337	\$1,273,942,149
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	\$2,497,354,041	\$2,331,772,374	\$1,630,150,930
2nd qtr 2001	\$2,399,478,651	\$2,222,339,101	\$1,771,311,543

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>
1989	81.1%
1990	82.4%
1991	74.8%
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%

Private Passenger Auto (All Rate-Regulated Companies)

There were 69 groups, 206 rate-regulated companies, that had direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 69 groups, 208 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	30.02%	\$514,608,742	6.21%	\$1,934,618,044	(1.07%)
2	Allstate Insurance Group	17.97%	\$278,878,655	6.82%	\$1,158,245,869	12.73%
3	Zurich American Insurance Group	15.22%	\$233,167,412	(1.72%)	\$980,806,070	(0.17%)
4	USAA Group	7.52%	\$117,229,993	8.84%	\$484,692,031	8.70%
5	Berkshire-Hathaway (GEICO)	5.06%	\$77,554,894	4.47%	\$326,397,326	14.99%
6	Nationwide Corporation	3.52%	\$52,913,750	7.21%	\$226,663,097	16.18%
7	Southern Farm Bureau Casualty	3.30%	\$53,433,770	10.26%	\$212,949,830	5.96%
8	Citigroup	2.19%	\$37,193,702	9.46%	\$141,027,022	4.49%
9	Safeco Insurance Group	1.68%	\$26,321,966	(2.28%)	\$108,061,376	(2.70%)
10	Hartford Fire & Casualty Group	1.35%	\$22,839,527	11.93%	\$87,164,444	11.94%
11	UNITRIN Inc.	1.14%	\$17,473,970	0.10%	\$73,430,949	2.93%
12	Liberty Mutual Insurance Group	1.13%	\$19,434,310	20.26%	\$72,752,710	15.59%
13	CNA Insurance Group	0.93%	\$12,821,376	(20.53%)	\$60,181,448	(0.05%)
14	Prudential of America Group	0.72%	\$12,948,733	38.57%	\$46,673,622	42.85%
15	Metropolitan Group	0.71%	\$12,126,772	31.55%	\$45,671,928	27.50%
16	Germania Insurance Group	0.62%	\$10,212,731	18.22%	\$40,143,967	17.15%
17	American National Financial Group	0.61%	\$10,172,895	11.41%	\$39,454,303	11.88%
18	Amica Mutual Group	0.53%	\$8,415,376	1.98%	\$34,292,251	1.71%
19	Texas Farm Bureau Mutual	0.46%	\$7,100,960	(3.78%)	\$29,844,819	(2.95%)
20	Beacon Insurance Group	0.45%	\$8,122,160	35.39%	\$29,003,330	23.25%
21	Ag Workers Ins Grp	0.42%	\$6,534,075	1.04%	\$27,358,273	2.30%
22	Chubb & Son Inc.	0.41%	\$6,878,198	27.11%	\$26,262,578	31.01%
23	American International Group	0.39%	\$6,075,952	33.59%	\$25,115,624	4.86%
24	Lumbermans Mutual Casualty Group	0.35%	\$5,467,298	4.49%	\$22,680,388	7.32%
25	Hochheim Prairie Group	0.34%	\$6,968,934	56.74%	\$21,923,856	24.39%

Top 25 Groups Total	97.07%	\$1,564,896,151	5.90%	\$6,255,415,155	5.22%
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Total Market	100.00%	\$1,613,478,001	5.83%	\$6,444,494,310	4.89%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$1,519,968,128	\$1,435,811,542	\$988,591,314
3rd qtr 1996	\$1,542,622,784	\$1,435,090,680	\$940,246,766
4th qtr 1996	\$1,536,582,495	\$1,434,728,468	\$1,035,748,512
1st qtr 1997	\$1,607,138,755	\$1,520,439,964	\$905,825,081
2nd qtr 1997	\$1,521,416,968	\$1,443,576,180	\$924,094,108
3rd qtr 1997	\$1,574,395,365	\$1,486,649,228	\$918,988,749
4th qtr 1997	\$1,512,331,077	\$1,415,163,554	\$901,766,944
1st qtr 1998	\$1,634,669,231	\$1,557,486,104	\$920,931,252
2nd qtr 1998	\$1,505,509,505	\$1,438,660,117	\$923,619,770
3rd qtr 1998	\$1,622,657,907	\$1,537,472,267	\$924,818,298
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	\$1,805,395,399	\$1,733,534,171	\$1,256,294,914
2nd qtr 2001	\$1,693,659,345	\$1,613,478,001	\$1,356,990,452

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

There were 22 groups, 23 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 22 groups, 23 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Progressive Group	20.34%	\$109,971,609	(4.98%)	\$458,249,373	(6.29%)
2	Allstate Insurance Group	13.86%	\$96,300,547	28.29%	\$312,289,564	(2.03%)
3	Texas State National Group	9.94%	\$69,481,506	(0.01%)	\$223,882,513	(17.95%)
4	Home State County Mutual Ins. Co.	9.74%	\$57,653,593	12.13%	\$219,546,114	5.64%
5	Old American Co. Mutual Fire Ins. Co.	7.52%	\$46,527,874	23.69%	\$169,364,567	27.49%
6	Zurich American Insurance Group	7.16%	\$52,199,140	112.40%	\$161,326,286	94.17%
7	Nationwide Corporation	5.09%	\$27,330,829	35.96%	\$114,741,894	31.98%
8	UNITRIN Inc.	3.89%	\$20,175,254	35.45%	\$87,563,338	76.23%
9	Titus Group	3.28%	\$14,950,458	(48.34%)	\$73,949,837	(49.59%)
10	Winterthur U.S. Holding Group	2.90%	\$20,643,978	44.05%	\$65,456,923	54.89%
11	USAA Group	2.82%	\$17,732,126	44.58%	\$63,565,907	20.44%
12	Sentry Insurance Group	2.65%	\$16,736,027	7.58%	\$59,788,157	3.28%
13	State Farm Group	2.09%	\$13,887,999	33.08%	\$47,086,386	11.08%
14	Safeway Insurance Group	2.01%	\$12,765,964	83.29%	\$45,392,414	83.94%
15	American Financial Insurance Group	1.47%	\$9,632,938	115.01%	\$33,100,058	15.78%
16	Fairfax Financial	1.33%	\$1,376,726	(94.36%)	\$29,950,683	6.58%
17	Allianz Insurance Group	1.14%	\$2,307,196	(30.14%)	\$25,681,007	65.12%
18	Mercury General Group	0.80%	\$7,661,138	329.43%	\$17,922,975	(54.29%)
19	General Agents Group	0.71%	\$3,588,114	(26.38%)	\$16,024,217	(44.09%)
20	American National Financial Group	0.51%	\$3,553,079	62.19%	\$11,581,476	58.32%
21	Royal & Sun Alliance USA	0.43%	\$2,649,607	(3.79%)	\$9,584,109	(25.23%)
22	Southern Farm Bureau Casualty	0.32%	\$1,735,398	(14.16%)	\$7,242,393	(23.05%)

Top Groups Total	100.00%	\$608,861,100	12.08%	\$2,253,290,191	3.49%
Total Market	100.00%	\$608,861,100	12.08%	\$2,253,290,191	3.49%

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
2nd qtr 1996	\$582,240,677	\$524,115,148	\$288,948,796
3rd qtr 1996	\$632,650,948	\$563,302,050	\$302,511,710
4th qtr 1996	\$635,217,925	\$553,371,496	\$321,721,554
1st qtr 1997	\$713,333,728	\$623,375,308	\$323,003,607
2nd qtr 1997	\$704,201,503	\$612,864,110	\$353,751,655
3rd qtr 1997	\$737,010,891	\$632,341,014	\$347,353,624
4th qtr 1997	\$704,455,224	\$553,024,422	\$332,291,567
1st qtr 1998	\$732,620,284	\$656,020,414	\$357,590,720
2nd qtr 1998	\$675,130,538	\$580,786,688	\$351,948,242
3rd qtr 1998	\$695,362,013	\$586,756,070	\$349,123,851
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	\$691,958,642	\$598,238,203	\$373,856,016
2nd qtr 2001	\$705,819,306	\$608,861,100	\$414,321,091

Private Passenger Auto (All Voluntary Liability)

There were 73 groups, 224 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 70 groups, 223 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	22.42%	\$295,759,937	5.54%	\$1,113,177,768	(2.56%)
2	Allstate Insurance Group	16.80%	\$211,475,276	10.16%	\$834,371,392	7.83%
3	Zurich American Insurance Group	13.47%	\$167,004,793	8.68%	\$668,908,054	6.57%
4	USAA Group	6.05%	\$74,628,246	15.41%	\$300,576,473	10.68%
5	Progressive Group	5.03%	\$58,129,959	(9.31%)	\$249,836,502	(7.44%)
6	Nationwide Corporation	4.26%	\$48,829,030	12.34%	\$211,653,769	15.98%
7	Berkshire-Hathaway (GEICO)	3.84%	\$45,263,811	4.68%	\$190,495,096	16.95%
8	Texas State National Group	2.86%	\$45,305,265	14.89%	\$142,179,991	(9.95%)
9	Home State County Mutual Ins. Co.	2.77%	\$36,066,922	28.06%	\$137,717,509	3.72%
10	Southern Farm Bureau Casualty	2.43%	\$30,079,655	(6.53%)	\$120,839,490	1.82%
11	Old American Co. Mutual Fire Ins. Co.	1.93%	\$27,175,187	25.35%	\$96,054,757	33.08%
12	UNITRIN Inc.	1.85%	\$20,934,265	11.26%	\$91,822,348	27.81%
13	Citigroup	1.66%	\$21,463,236	9.40%	\$82,584,683	4.84%
14	Safeco Insurance Group	1.21%	\$14,777,734	(0.42%)	\$60,027,697	(2.80%)
15	Hartford Fire & Casualty Group	1.05%	\$13,822,895	12.60%	\$52,173,740	10.35%
16	Liberty Mutual Insurance Group	0.80%	\$10,616,473	8.29%	\$39,886,689	14.24%
17	Sentry Insurance Group	0.78%	\$10,537,264	101.41%	\$38,776,892	(0.59%)
18	Winterthur U.S. Holding Group	0.70%	\$10,664,298	37.46%	\$34,817,033	10.89%
19	CNA Insurance Group	0.69%	\$7,499,044	16.95%	\$34,188,771	(1.28%)
20	Safeway Insurance Group	0.60%	\$8,210,125	124.77%	\$30,017,267	51.02%
21	American National Financial Group	0.59%	\$7,988,521	37.14%	\$29,487,129	20.98%
22	Prudential of America Group	0.57%	\$7,793,069	(15.55%)	\$28,490,551	38.67%
23	Metropolitan Group	0.53%	\$6,913,292	29.55%	\$26,221,096	25.76%
24	American Financial Insurance Group	0.47%	\$6,475,090	33.11%	\$23,486,531	(13.01%)
25	Germania Insurance Group	0.46%	\$5,844,933	14.75%	\$22,893,486	19.47%

Top 25 Groups Total	93.86%	\$1,193,258,320	9.32%	\$4,660,684,714	4.88%
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Total Market	100.00%	\$1,262,670,513	6.47%	\$4,965,660,200	3.36%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$1,370,514,207	\$1,275,270,164	\$720,987,502
3rd qtr 1996	\$1,441,420,117	\$1,321,903,123	\$740,095,071
4th qtr 1996	\$1,463,812,052	\$1,343,070,555	\$828,019,416
1st qtr 1997	\$1,563,969,002	\$1,439,893,352	\$737,672,033
2nd qtr 1997	\$1,488,006,852	\$1,368,906,369	\$763,680,249
3rd qtr 1997	\$1,520,842,608	\$1,390,873,699	\$773,454,184
4th qtr 1997	\$1,476,266,002	\$1,305,940,027	\$776,051,574
1st qtr 1998	\$1,555,172,996	\$1,447,564,923	\$772,358,975
2nd qtr 1998	\$1,382,075,917	\$1,270,949,424	\$764,262,073
3rd qtr 1998	\$1,447,147,521	\$1,318,618,910	\$764,520,919
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	\$1,434,160,506	\$1,336,673,336	\$938,623,371
2nd qtr 2001	\$1,363,282,648	\$1,262,670,513	\$913,794,333

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 66 groups, 201 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 63 groups, 200 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	29.59%	\$287,584,044	4.98%	\$1,085,092,565	(2.83%)
2	Allstate Insurance Group	17.99%	\$158,351,593	6.20%	\$659,699,379	11.72%
3	Zurich American Insurance Group	15.62%	\$136,442,601	(1.55%)	\$572,692,648	(0.40%)
4	USAA Group	7.15%	\$64,046,303	12.44%	\$262,191,519	10.08%
5	Berkshire-Hathaway (GEICO)	5.19%	\$45,263,811	4.68%	\$190,495,096	16.95%
6	Nationwide Corporation	3.80%	\$31,787,557	1.08%	\$139,376,226	11.22%
7	Southern Farm Bureau Casualty	3.19%	\$29,125,983	7.65%	\$116,890,485	3.12%
8	Citigroup	2.25%	\$21,463,236	9.40%	\$82,584,683	4.84%
9	Safeco Insurance Group	1.64%	\$14,777,734	(0.42%)	\$60,027,697	(2.80%)
10	Hartford Fire & Casualty Group	1.42%	\$13,822,895	12.60%	\$52,173,740	10.35%
11	UNITRIN Inc.	1.15%	\$9,930,765	0.24%	\$42,272,820	3.67%
12	Liberty Mutual Insurance Group	1.09%	\$10,616,473	19.68%	\$39,886,689	14.24%
13	CNA Insurance Group	0.93%	\$7,499,044	(18.74%)	\$34,188,771	(1.28%)
14	Prudential of America Group	0.78%	\$7,793,069	33.79%	\$28,490,551	38.67%
15	Metropolitan Group	0.72%	\$6,913,292	29.55%	\$26,221,096	25.76%
16	American National Financial Group	0.62%	\$5,989,897	16.49%	\$22,911,962	14.25%
17	Germania Insurance Group	0.62%	\$5,844,933	20.16%	\$22,893,486	19.47%
18	Amica Mutual Group	0.57%	\$5,168,341	1.47%	\$20,994,709	0.18%
19	Texas Farm Bureau Mutual	0.44%	\$3,811,718	(3.90%)	\$15,958,309	(5.10%)
20	Beacon Insurance Group	0.43%	\$4,413,684	35.35%	\$15,752,038	21.09%
21	Chubb & Son Inc.	0.43%	\$4,204,210	31.49%	\$15,705,651	30.42%
22	Ag Workers Ins Grp	0.40%	\$3,506,424	2.75%	\$14,575,562	1.97%
23	Lumbermans Mutual Casualty Group	0.37%	\$3,179,741	2.19%	\$13,555,824	8.37%
24	American International Group	0.36%	\$3,189,024	55.29%	\$13,260,256	(0.96%)
25	Hochheim Prairie Group	0.33%	\$3,954,397	56.68%	\$12,189,692	21.90%
Top 25 Groups Total		97.08%	\$888,680,769	5.43%	\$3,560,081,454	4.29%
Total Market		100.00%	\$915,971,259	5.35%	\$3,667,182,936	3.89%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$996,434,655	\$941,792,407	\$554,211,632
3rd qtr 1996	\$1,027,236,601	\$961,056,143	\$557,446,658
4th qtr 1996	\$1,046,181,516	\$982,577,912	\$633,040,004
1st qtr 1997	\$1,094,951,038	\$1,034,912,330	\$544,785,462
2nd qtr 1997	\$1,031,122,699	\$973,499,745	\$545,653,841
3rd qtr 1997	\$1,052,626,921	\$990,137,088	\$559,166,890
4th qtr 1997	\$1,018,492,824	\$948,239,907	\$563,109,351
1st qtr 1998	\$1,086,069,966	\$1,030,078,349	\$554,722,335
2nd qtr 1998	\$957,481,520	\$909,828,715	\$548,632,317
3rd qtr 1998	\$1,014,297,312	\$957,618,127	\$547,404,680
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	\$1,031,813,328	\$990,749,990	\$722,289,749
2nd qtr 2001	\$961,943,565	\$915,971,259	\$686,472,751

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

There were 22 groups, 23 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 second quarter of 2001, as compared to 22 groups, 23 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Progressive Group	19.24%	\$58,129,959	(9.31%)	\$249,836,502	(7.44%)
2	Allstate Insurance Group	13.45%	\$53,123,683	23.95%	\$174,672,013	(4.68%)
3	Texas State National Group	10.95%	\$45,305,265	14.89%	\$142,179,991	(9.95%)
4	Home State County Mutual Ins. Co.	10.61%	\$36,066,922	12.08%	\$137,717,509	3.72%
5	Zurich American Insurance Group	7.41%	\$30,562,192	102.62%	\$96,215,406	82.61%
6	Old American Co. Mutual Fire Ins. Co.	7.40%	\$27,175,187	25.35%	\$96,054,757	33.08%
7	Nationwide Corporation	5.57%	\$17,041,473	41.80%	\$72,277,543	26.40%
8	UNITRIN Inc.	3.82%	\$11,003,500	23.52%	\$49,549,528	59.50%
9	USAA Group	2.96%	\$10,581,943	37.33%	\$38,384,954	14.93%
10	Sentry Insurance Group	2.87%	\$10,156,909	7.31%	\$37,267,786	(0.58%)
11	Winterthur U.S. Holding Group	2.69%	\$10,667,952	35.39%	\$34,874,221	46.34%
12	Safeway Insurance Group	2.31%	\$8,210,125	56.93%	\$30,017,267	51.02%
13	State Farm Group	2.16%	\$8,175,893	30.01%	\$28,085,203	8.97%
14	Titus Group	1.56%	\$1,079,781	(93.16%)	\$20,199,758	(71.35%)
15	American Financial Insurance Group	1.45%	\$5,429,543	115.35%	\$18,840,429	13.26%
16	Fairfax Financial	1.42%	\$975,385	(93.53%)	\$18,489,975	3.21%
17	Allianz Insurance Group	1.18%	\$1,327,315	(33.81%)	\$15,281,364	60.54%
18	Mercury General Group	0.88%	\$4,628,568	337.40%	\$11,383,593	(55.67%)
19	General Agents Group	0.70%	\$2,025,110	(24.38%)	\$9,152,875	(43.96%)
20	Royal & Sun Alliance USA	0.58%	\$2,080,253	(5.20%)	\$7,472,418	(29.13%)
21	American National Financial Group	0.51%	\$1,998,624	57.36%	\$6,575,167	52.24%
22	Southern Farm Bureau Casualty	0.30%	\$953,672	(14.05%)	\$3,949,005	(25.88%)

Top Groups Total	100.00%	\$346,699,254	9.53%	\$1,298,477,264	1.91%
Total Market	100.00%	\$346,699,254	9.53%	\$1,298,477,264	1.91%

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
2nd qtr 1996	\$374,079,552	\$333,477,757	\$166,775,870
3rd qtr 1996	\$414,183,516	\$360,846,980	\$182,648,413
4th qtr 1996	\$417,630,536	\$360,492,643	\$194,979,412
1st qtr 1997	\$469,017,964	\$404,981,022	\$192,886,571
2nd qtr 1997	\$456,884,153	\$395,406,624	\$218,026,408
3rd qtr 1997	\$468,215,687	\$400,736,611	\$214,287,294
4th qtr 1997	\$457,773,178	\$357,700,120	\$212,942,223
1st qtr 1998	\$469,103,030	\$417,486,574	\$217,636,640
2nd qtr 1998	\$424,594,397	\$361,120,709	\$215,629,756
3rd qtr 1998	\$432,850,209	\$361,000,783	\$217,116,239
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	\$402,347,178	\$345,923,346	\$216,333,622
2nd qtr 2001	\$401,339,083	\$346,699,254	\$227,321,582

Private Passenger Auto (All Assigned Risk)

There were 22 groups, 23 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 22 groups, 26 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	31.78%	\$1,638,684	(0.81%)	\$6,550,470	20.07%
2	Zurich American Insurance Group	15.73%	\$965,247	32.33%	\$3,243,350	50.04%
3	Allstate Insurance Group	12.29%	\$920,725	16.43%	\$2,532,738	13.81%
4	General Electric Group	10.16%	\$612,226	71.65%	\$2,094,241	451.39%
5	Southern Farm Bureau Casualty	6.09%	\$322,601	25.47%	\$1,255,479	(23.83%)
6	Eagle Insurance Group	4.16%	\$429,100	14.01%	\$858,291	(51.39%)
7	American International Group	3.31%	\$285,068	75.34%	\$683,121	(63.40%)
8	Berkshire-Hathaway (GEICO)	3.24%	\$236,967	69.04%	\$667,387	11.72%
9	Nationwide Corporation	3.15%	\$148,900	26.29%	\$649,700	(0.70%)
10	Citigroup	2.25%	\$107,686	(13.47%)	\$462,950	134.98%
11	Chubb & Son Inc.	2.13%	\$438,193	*	\$438,193	*
12	Safeco Insurance Group	2.07%	\$85,059	(16.23%)	\$425,695	12.96%
13	UNITRIN Inc.	1.31%	\$110,759	343.83%	\$270,612	342.60%
14	Liberty Mutual Insurance Group	0.78%	\$47,622	65.25%	\$160,797	7.77%
15	Lumbermans Mutual Casualty Group	0.57%	\$19,702	82.32%	\$117,783	1.47%
16	Hartford Fire & Casualty Group	0.40%	(\$8,761)	(121.20%)	\$82,879	(61.28%)
17	American Financial Insurance Group	0.22%	\$21,255	(71.37%)	\$45,341	(87.01%)
18	Mercury General Group	0.16%	\$6,262	(34.76%)	\$32,817	77.02%
19	Service Life Group	0.16%	\$12,380	116.81%	\$31,973	(17.52%)
20	Ohio Casualty Group	0.02%	\$942	(25.59%)	\$5,017	(22.36%)
21	W. R. Berkley Corporation	0.01%	\$506	(89.21%)	\$1,563	(98.02%)
22	Yasuda Fire & Marine Ins. Co. of America	0.01%	\$0	*	\$1,446	(57.77%)
23	Commercial Union Insurance Co's.	0.00%	\$0	100.00%	\$624	(6.17%)
24	Southland Lloyds Insurance Company	0.00%	\$509	*	\$509	60.57%
25	Allianz Insurance Group	0.00%	\$0	8.00%	\$333	*

Top Groups Total	100.00%	\$6,401,632	27.78%	\$20,613,309	12.24%
Total Market	100.00%	\$6,401,632	27.78%	\$20,613,309	12.25%

* 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
2nd qtr 1996	\$73,127,973	\$58,083,179	\$69,677,406
3rd qtr 1996	\$52,886,905	\$28,594,730	\$58,544,626
4th qtr 1996	\$33,281,834	\$15,933,008	\$49,967,021
1st qtr 1997	\$32,483,574	\$22,762,711	\$37,599,798
2nd qtr 1997	\$28,508,169	\$23,312,768	\$32,763,924
3rd qtr 1997	\$21,059,308	\$12,374,849	\$28,456,385
4th qtr 1997	\$15,600,099	\$8,667,694	\$22,468,763
1st qtr 1998	\$14,921,030	\$11,487,913	\$15,833,804
2nd qtr 1998	\$12,491,004	\$9,174,025	\$14,609,996
3rd qtr 1998	\$10,015,632	\$5,511,144	\$11,385,129
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	\$5,487,880	\$5,114,574
2nd qtr 2001	\$7,707,585	\$6,401,632	\$5,111,862

Private Passenger Auto (All Physical Damage)

There were 73 groups, 218 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 72 groups, 215 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	23.22%	\$231,098,120	8.47%	\$861,976,192	1.39%
2	Allstate Insurance Group	17.07%	\$162,783,201	13.54%	\$633,631,303	11.12%
3	Zurich American Insurance Group	12.66%	\$117,396,512	9.28%	\$469,980,952	7.87%
4	USAA Group	6.67%	\$60,333,873	9.08%	\$247,681,465	9.07%
5	Progressive Group	5.62%	\$51,841,650	0.39%	\$208,412,871	(4.87%)
6	Berkshire-Hathaway (GEICO)	3.64%	\$32,054,116	3.88%	\$135,234,843	12.36%
7	Nationwide Corporation	3.48%	\$31,266,649	20.85%	\$129,101,522	30.55%
8	Southern Farm Bureau Casualty	2.64%	\$24,766,912	12.26%	\$98,097,254	8.93%
9	Home State County Mutual Ins. Co.	2.20%	\$21,586,671	12.21%	\$81,828,605	9.03%
10	Texas State National Group	2.20%	\$24,176,241	(19.57%)	\$81,702,522	(28.94%)
11	Old American Co. Mutual Fire Ins. Co.	1.98%	\$19,352,687	21.43%	\$73,309,810	20.84%
12	UNITRIN Inc.	1.86%	\$16,604,200	22.88%	\$68,901,327	40.25%
13	Citigroup	1.56%	\$15,622,780	9.75%	\$57,979,389	3.54%
14	Titus Group	1.45%	\$13,870,677	5.41%	\$53,750,079	(29.45%)
15	Safeco Insurance Group	1.28%	\$11,459,173	(4.46%)	\$47,607,984	(2.68%)
16	Hartford Fire & Casualty Group	0.94%	\$9,025,393	11.58%	\$34,907,825	14.94%
17	Liberty Mutual Insurance Group	0.88%	\$8,770,215	20.79%	\$32,705,224	17.32%
18	Winterthur U.S. Holding Group	0.82%	\$9,975,623	55.17%	\$30,584,403	30.73%
19	CNA Insurance Group	0.70%	\$5,322,332	(22.93%)	\$25,992,677	1.61%
20	Sentry Insurance Group	0.63%	\$6,809,364	7.98%	\$23,467,865	10.03%
21	American National Financial Group	0.58%	\$5,737,453	16.86%	\$21,548,650	18.36%
22	Metropolitan Group	0.52%	\$5,213,480	34.29%	\$19,450,832	29.91%
23	Prudential of America Group	0.49%	\$5,155,664	46.47%	\$18,183,071	49.94%
24	Germania Insurance Group	0.46%	\$4,367,798	15.71%	\$17,250,481	14.22%
25	American Financial Insurance Group	0.46%	\$4,844,759	66.39%	\$17,224,201	0.34%

Top 25 Groups Total	94.05%	\$899,435,543	9.46%	\$3,490,511,347	5.82%
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Total Market	100.00%	\$953,266,956	8.72%	\$3,711,510,992	6.07%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$658,566,625	\$626,573,347	\$486,875,202
3rd qtr 1996	\$680,966,710	\$647,894,877	\$444,118,779
4th qtr 1996	\$674,706,534	\$629,096,401	\$479,483,629
1st qtr 1997	\$724,019,907	\$681,159,209	\$453,556,857
2nd qtr 1997	\$709,103,450	\$664,221,153	\$481,401,590
3rd qtr 1997	\$769,504,340	\$715,741,694	\$464,431,804
4th qtr 1997	\$724,920,200	\$653,580,255	\$435,538,174
1st qtr 1998	\$797,195,489	\$754,453,682	\$490,329,193
2nd qtr 1998	\$786,073,122	\$739,323,356	\$496,695,943
3rd qtr 1998	\$860,856,767	\$800,098,283	\$498,036,101
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	\$1,055,693,194	\$989,611,158	\$686,412,985
2nd qtr 2001	\$1,028,488,418	\$953,266,956	\$852,405,348

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 66 groups, 195 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the second quarter of 2001, as compared to 65 groups, 192 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	30.58%	\$225,386,014	7.89%	\$842,975,009	1.13%
2	Allstate Insurance Group	17.99%	\$119,606,337	7.59%	\$496,013,752	14.10%
3	Zurich American Insurance Group	14.69%	\$95,759,564	(2.22%)	\$404,870,072	(0.10%)
4	USAA Group	8.07%	\$53,183,690	4.79%	\$222,500,512	7.12%
5	Berkshire-Hathaway (GEICO)	4.91%	\$32,054,116	3.88%	\$135,234,843	12.36%
6	Southern Farm Bureau Casualty	3.44%	\$23,985,186	13.40%	\$94,803,866	10.28%
7	Nationwide Corporation	3.14%	\$20,977,293	17.92%	\$86,637,171	25.32%
8	Citigroup	2.10%	\$15,622,780	9.75%	\$57,979,389	3.54%
9	Safeco Insurance Group	1.73%	\$11,459,173	(4.46%)	\$47,607,984	(2.68%)
10	Hartford Fire & Casualty Group	1.27%	\$9,025,393	11.58%	\$34,907,825	14.94%
11	Liberty Mutual Insurance Group	1.19%	\$8,770,215	20.79%	\$32,705,224	17.32%
12	UNITRIN Inc.	1.12%	\$7,432,446	(1.23%)	\$30,887,517	1.26%
13	CNA Insurance Group	0.94%	\$5,322,332	(22.93%)	\$25,992,677	1.61%
14	Metropolitan Group	0.71%	\$5,213,480	34.29%	\$19,450,832	29.91%
15	Prudential of America Group	0.66%	\$5,155,664	46.47%	\$18,183,071	49.94%
16	Germania Insurance Group	0.63%	\$4,367,798	15.71%	\$17,250,481	14.22%
17	American National Financial Group	0.60%	\$4,182,998	4.86%	\$16,542,341	8.76%
18	Texas Farm Bureau Mutual	0.50%	\$3,289,242	(3.63%)	\$13,886,510	(0.36%)
19	Beacon Insurance Group	0.48%	\$3,708,476	35.44%	\$13,251,292	25.91%
20	Amica Mutual Group	0.48%	\$3,247,035	2.80%	\$13,297,542	4.22%
21	Ag Workers Ins Grp	0.46%	\$3,027,651	(0.87%)	\$12,782,711	2.68%
22	American International Group	0.41%	\$2,601,860	11.58%	\$11,172,247	28.47%
23	Chubb & Son Inc.	0.37%	\$2,235,795	0.99%	\$10,118,734	26.43%
24	Hochheim Prairie Group	0.35%	\$3,014,537	56.82%	\$9,734,164	27.66%
25	Lumbermans Mutual Casualty Group	0.33%	\$2,267,855	7.47%	\$9,006,781	5.85%
Top 25 Groups Total		97.14%	\$670,896,930	6.38%	\$2,677,792,547	6.44%
Total Market		100.00%	\$691,105,110	6.30%	\$2,756,698,065	6.20%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$450,405,500	\$435,935,956	\$364,702,276
3rd qtr 1996	\$462,499,278	\$445,439,807	\$324,255,482
4th qtr 1996	\$457,119,145	\$436,217,548	\$352,741,487
1st qtr 1997	\$479,704,143	\$462,764,923	\$323,439,821
2nd qtr 1997	\$461,786,100	\$446,763,667	\$345,676,343
3rd qtr 1997	\$500,709,136	\$484,137,291	\$331,365,474
4th qtr 1997	\$478,238,154	\$458,255,953	\$316,188,830
1st qtr 1998	\$533,678,235	\$515,919,842	\$350,375,113
2nd qtr 1998	\$535,536,981	\$519,657,377	\$360,377,457
3rd qtr 1998	\$598,344,963	\$574,342,996	\$366,028,489
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	\$766,081,730	\$737,296,301	\$528,890,591
2nd qtr 2001	\$724,008,195	\$691,105,110	\$665,405,839

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

There were 22 groups, 23 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 second quarter of 2001, as compared to 22 groups, 23 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Progressive Group	21.83%	\$51,841,650	0.39%	\$208,412,871	(4.87%)
2	Allstate Insurance Group	14.41%	\$43,176,864	34.08%	\$137,617,551	1.55%
3	Home State County Mutual Ins. Co.	8.57%	\$21,586,671	12.21%	\$81,828,605	9.03%
4	Texas State National Group	8.56%	\$24,176,241	(19.57%)	\$81,702,522	(28.94%)
5	Old American Co. Mutual Fire Ins. Co.	7.68%	\$19,352,687	21.43%	\$73,309,810	20.84%
6	Zurich American Insurance Group	6.82%	\$21,636,948	127.94%	\$65,110,880	114.22%
7	Titus Group	5.63%	\$13,870,677	5.41%	\$53,750,079	(29.45%)
8	Nationwide Corporation	4.45%	\$10,289,356	27.29%	\$42,464,351	42.69%
9	UNITRIN Inc.	3.98%	\$9,171,754	53.20%	\$38,013,810	104.12%
10	Winterthur U.S. Holding Group	3.20%	\$9,976,026	54.63%	\$30,582,702	65.95%
11	USAA Group	2.64%	\$7,150,183	56.83%	\$25,180,953	29.94%
12	Sentry Insurance Group	2.36%	\$6,579,118	7.99%	\$22,520,371	10.37%
13	State Farm Group	1.99%	\$5,712,106	37.75%	\$19,001,183	14.36%
14	Safeway Insurance Group	1.61%	\$4,555,839	162.87%	\$15,375,147	220.30%
15	American Financial Insurance Group	1.49%	\$4,203,395	114.58%	\$14,259,629	19.29%
16	Fairfax Financial	1.20%	\$401,341	(95.70%)	\$11,460,708	12.51%
17	Allianz Insurance Group	1.09%	\$979,881	(24.46%)	\$10,399,643	72.35%
18	General Agents Group	0.72%	\$1,563,004	(28.82%)	\$6,871,342	(44.25%)
19	Mercury General Group	0.68%	\$3,032,570	317.81%	\$6,539,382	(51.68%)
20	American National Financial Group	0.52%	\$1,554,455	68.85%	\$5,006,309	67.07%
21	Southern Farm Bureau Casualty	0.34%	\$781,726	(14.30%)	\$3,293,388	(19.34%)
22	Royal & Sun Alliance USA	0.22%	\$569,354	1.72%	\$2,111,691	(7.14%)

Top Groups Total	100.00%	\$262,161,846	15.65%	\$954,812,927	5.71%
Total Market	100.00%	\$262,161,846	15.65%	\$954,812,927	5.71%

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
2nd qtr 1996	\$208,161,125	\$190,637,391	\$122,172,926
3rd qtr 1996	\$218,467,432	\$202,455,070	\$119,863,297
4th qtr 1996	\$217,587,389	\$192,878,853	\$126,742,142
1st qtr 1997	\$244,315,764	\$218,394,286	\$130,117,036
2nd qtr 1997	\$247,317,350	\$217,457,486	\$135,725,247
3rd qtr 1997	\$268,795,204	\$231,604,403	\$133,066,330
4th qtr 1997	\$246,682,046	\$195,324,302	\$119,349,344
1st qtr 1998	\$263,517,254	\$238,533,840	\$139,954,080
2nd qtr 1998	\$250,536,141	\$219,665,979	\$136,318,486
3rd qtr 1998	\$262,511,804	\$225,755,287	\$132,007,612
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	\$289,611,464	\$252,314,857	\$157,522,394
2nd qtr 2001	\$304,480,223	\$262,161,846	\$186,999,509

Homeowners Multiple Peril (All Companies)

There were 63 groups, 134 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the second quarter of 2001, as compared to 58 groups, 137 companies, in the second quarter of 2000.

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 second quarter of 2001 to premiums on policies written in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	29.70%	\$263,680,983	4.28%	\$899,078,860	0.25%
2	Zurich American Insurance Group	18.80%	\$155,085,742	2.51%	\$569,219,043	10.25%
3	Allstate Insurance Group	16.86%	\$148,019,835	16.11%	\$510,387,912	12.93%
4	USAA Group	7.12%	\$61,561,314	30.85%	\$215,441,652	13.74%
5	Citigroup	4.48%	\$37,793,361	5.25%	\$135,750,050	3.73%
6	Nationwide Corporation	2.81%	\$22,996,110	4.17%	\$85,009,529	1.83%
7	Chubb & Son Inc.	2.00%	\$17,255,901	13.19%	\$60,607,009	14.33%
8	Safeco Insurance Group	1.99%	\$16,440,986	(2.39%)	\$60,241,961	(4.02%)
9	Texas Farm Bureau Mutual	1.59%	\$13,351,840	9.75%	\$48,144,966	7.60%
10	Liberty Mutual Insurance Group	1.25%	\$11,429,655	15.15%	\$37,958,147	15.50%
11	Hartford Fire & Casualty Group	1.12%	\$9,437,207	7.64%	\$33,848,942	10.05%
12	CNA Insurance Group	1.05%	\$8,493,626	(5.81%)	\$31,727,712	7.13%
13	Winterthur U.S. Holding Group	0.97%	\$8,080,250	0.50%	\$29,221,989	(2.81%)
14	Titus Group	0.96%	\$8,129,080	(6.93%)	\$29,019,309	(4.17%)
15	American National Financial Group	0.93%	\$7,996,419	12.70%	\$28,264,894	7.94%
16	Allianz Insurance Group	0.86%	\$7,543,761	15.61%	\$26,084,163	12.23%
17	UNITRIN Inc.	0.84%	\$7,126,222	(2.92%)	\$25,483,203	(0.57%)
18	Amica Mutual Group	0.72%	\$6,320,344	2.09%	\$21,814,530	(1.31%)
19	Beacon Insurance Group	0.63%	\$5,399,205	8.74%	\$19,186,689	10.23%
20	Service Life Group	0.57%	\$6,247,121	71.69%	\$17,341,740	12.46%
21	Metropolitan Group	0.57%	\$4,999,545	34.64%	\$17,272,332	27.55%
22	Commercial Union Insurance Co's.	0.52%	\$3,987,793	(4.20%)	\$15,666,418	(1.82%)
23	Lumbermans Mutual Casualty Group	0.47%	\$3,862,382	2.62%	\$14,306,896	0.68%
24	Guidant Insurance Group	0.40%	\$3,478,583	2.10%	\$12,142,065	3.72%
25	Central Mutual Insurance Co. of Ohio	0.35%	\$3,004,838	(6.72%)	\$10,707,015	(7.17%)

Top 25 Groups Total	97.58%	\$841,722,103	7.99%	\$2,953,927,026	6.26%
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Total Market	100.00%	\$864,322,476	8.15%	\$3,027,094,674	6.29%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$682,266,879	\$643,851,235	\$414,718,637
3rd qtr 1996	\$694,357,203	\$653,822,166	\$352,051,094
4th qtr 1996	\$607,523,506	\$569,123,474	\$317,853,967
1st qtr 1997	\$599,777,586	\$562,411,851	\$278,678,194
2nd qtr 1997	\$731,452,232	\$688,609,475	\$323,506,670
3rd qtr 1997	\$753,034,751	\$699,349,132	\$305,395,347
4th qtr 1997	\$651,833,039	\$601,867,911	\$233,428,098
1st qtr 1998	\$631,953,651	\$591,847,224	\$298,976,673
2nd qtr 1998	\$789,457,650	\$737,239,749	\$312,874,276
3rd qtr 1998	\$827,111,261	\$765,484,095	\$294,538,628
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	\$739,281,877	\$692,296,831	\$503,161,197
2nd qtr 2001	\$929,955,486	\$864,322,476	\$836,227,562

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>
1989	112.7%
1990	84.8%
1991	67.2%
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%

Homeowners Multiple Peril (Rate-Regulated Companies)

There were 40 groups, 85 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the second quarter of 2001, as compared to 40 groups, 93 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	USAA Group	34.08%	\$23,129,664	11.37%	\$78,547,335	11.81%
2	Allstate Insurance Group	25.82%	\$10,229,337	(43.66%)	\$59,519,262	(16.56%)
3	Zurich American Insurance Group	11.89%	\$6,761,620	(22.26%)	\$27,412,481	(19.61%)
4	Beacon Insurance Group	8.32%	\$5,399,205	8.74%	\$19,186,689	10.23%
5	State Farm Group	3.16%	\$2,233,723	6.06%	\$7,291,025	(4.12%)
6	Citigroup	2.87%	\$1,365,064	(28.94%)	\$6,611,500	(14.09%)
7	American National Financial Group	1.80%	\$1,091,948	(15.38%)	\$4,145,223	(16.47%)
8	Guidant Insurance Group	1.72%	\$1,116,609	(18.04%)	\$3,965,932	(5.66%)
9	Germania Insurance Group	1.50%	\$941,759	19.68%	\$3,457,516	19.13%
10	UNITRIN Inc.	1.50%	(\$46,883)	(100.73%)	\$3,451,911	(85.16%)
11	Nationwide Corporation	1.05%	\$547,873	(46.05%)	\$2,411,401	(66.55%)
12	Liberty Mutual Insurance Group	0.99%	(\$85,433)	(100.86%)	\$2,272,613	(93.08%)
13	Texas RVOS Insurance Company	0.78%	\$530,933	10.85%	\$1,786,551	1.61%
14	United Fire & Casualty Group	0.55%	(\$20,550)	(103.58%)	\$1,264,830	(44.39%)
15	Sentry Insurance Group	0.54%	\$319,019	(3.24%)	\$1,239,688	(6.69%)
16	Prudential of America Group	0.53%	\$222,883	(38.37%)	\$1,213,045	10.06%
17	Allianz Insurance Group	0.47%	\$519,647	*	\$1,080,234	*
18	Interfinancial Inc.	0.42%	\$150,369	(62.09%)	\$967,204	(32.31%)
19	Florida Select Holdings Group	0.36%	\$739,955	*	\$820,508	*
20	Federated Mutual Group	0.31%	\$222,298	(5.74%)	\$713,491	(5.90%)
21	Ohio Casualty Group	0.31%	\$202,650	(4.50%)	\$709,720	(8.44%)
22	Motors Insurance Corporation	0.30%	\$171,947	(17.54%)	\$693,384	(15.13%)
23	EMC Insurance Companies	0.14%	\$89,551	2.75%	\$311,582	(10.81%)
24	Allmerica Financial Corporation	0.13%	\$14,004	(85.48%)	\$298,232	(15.45%)
25	American Express Group	0.13%	\$164,095	*	\$292,933	*

Top 25 Groups Total	99.64%	\$56,011,287	(30.37%)	\$229,664,290	(22.08%)
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Total Market	100.00%	\$56,215,309	(30.33%)	\$230,491,459	(23.92%)
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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
2nd qtr 1996	\$204,028,311	\$191,730,434	\$118,565,329
3rd qtr 1996	\$200,016,548	\$189,332,184	\$99,681,001
4th qtr 1996	\$177,362,736	\$165,157,360	\$94,731,554
1st qtr 1997	\$159,480,463	\$147,419,925	\$84,056,283
2nd qtr 1997	\$179,139,562	\$167,295,430	\$98,305,532
3rd qtr 1997	\$141,367,253	\$128,435,107	\$89,565,519
4th qtr 1997	\$120,850,580	\$103,885,946	\$65,243,600
1st qtr 1998	\$109,261,495	\$98,668,603	\$81,174,250
2nd qtr 1998	\$131,977,520	\$117,345,049	\$76,391,087
3rd qtr 1998	\$133,729,938	\$120,361,563	\$63,162,598
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	\$57,043,838	\$53,313,784	\$47,944,946
2nd qtr 2001	\$62,115,466	\$56,215,309	\$65,592,054

Homeowners Multiple Peril (Non-Rate-Regulated Companies)

There were 44 groups, 49 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the second quarter of 2001, as compared to 41 groups, 44 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	State Farm Group	31.89%	\$261,447,260	4.27%	\$891,787,835	0.28%
2	Zurich American Insurance Group	19.37%	\$148,324,122	4.02%	\$541,806,562	12.36%
3	Allstate Insurance Group	16.12%	\$137,790,498	26.04%	\$450,868,650	18.46%
4	USAA Group	4.90%	\$38,431,650	46.24%	\$136,894,317	14.88%
5	Citigroup	4.62%	\$36,428,297	7.19%	\$129,138,550	4.84%
6	Nationwide Corporation	2.95%	\$22,448,237	6.59%	\$82,598,128	8.30%
7	Chubb & Son Inc.	2.16%	\$17,255,374	13.27%	\$60,533,996	14.34%
8	Safeco Insurance Group	2.15%	\$16,441,700	(2.35%)	\$60,246,114	(4.05%)
9	Texas Farm Bureau Mutual	1.72%	\$13,351,840	9.75%	\$48,144,966	7.60%
10	Liberty Mutual Insurance Group	1.28%	\$11,515,088	*	\$35,685,534	*
11	Hartford Fire & Casualty Group	1.21%	\$9,437,298	7.61%	\$33,853,136	10.04%
12	CNA Insurance Group	1.13%	\$8,399,632	(6.58%)	\$31,488,718	14.96%
13	Winterthur U.S. Holding Group	1.04%	\$8,080,250	0.50%	\$29,221,989	(2.81%)
14	Titus Group	1.04%	\$8,129,080	(6.93%)	\$29,019,309	(4.17%)
15	Allianz Insurance Group	0.89%	\$7,024,114	7.64%	\$25,003,929	7.58%
16	American National Financial Group	0.86%	\$6,904,471	18.95%	\$24,119,671	13.64%
17	UNITRIN Inc.	0.79%	\$7,173,105	719.97%	\$22,031,292	826.88%
18	Amica Mutual Group	0.78%	\$6,320,344	1.62%	\$21,815,182	(1.75%)
19	Service Life Group	0.62%	\$6,247,121	71.69%	\$17,341,740	12.46%
20	Metropolitan Group	0.62%	\$4,999,545	34.64%	\$17,272,332	27.55%
21	Commercial Union Insurance Co's.	0.56%	\$3,992,703	(4.14%)	\$15,670,773	(1.98%)
22	Lumbermans Mutual Casualty Group	0.51%	\$3,862,382	2.62%	\$14,306,235	0.67%
23	Central Mutual Insurance Co. of Ohio	0.38%	\$3,004,838	(6.72%)	\$10,707,015	(7.17%)
24	Horace Mann Group	0.34%	\$2,630,741	7.88%	\$9,512,148	102.47%
25	Allmerica Financial Corporation	0.30%	\$2,733,582	4.71%	\$8,268,974	57.52%

Top 25 Groups Total	98.24%	\$792,373,272	12.28%	\$2,747,337,095	9.92%
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Total Market	100.00%	\$808,107,167	12.47%	\$2,796,603,215	9.89%
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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
2nd qtr 1996	\$478,238,568	\$452,120,801	\$296,153,308
3rd qtr 1996	\$494,340,655	\$464,489,982	\$252,370,093
4th qtr 1996	\$430,160,770	\$403,966,114	\$223,122,413
1st qtr 1997	\$440,297,123	\$414,991,926	\$194,621,911
2nd qtr 1997	\$552,312,670	\$521,314,045	\$225,201,138
3rd qtr 1997	\$611,667,498	\$570,914,025	\$215,829,828
4th qtr 1997	\$530,982,459	\$497,981,965	\$168,184,498
1st qtr 1998	\$522,692,156	\$493,178,621	\$217,802,423
2nd qtr 1998	\$657,480,130	\$619,894,700	\$236,483,189
3rd qtr 1998	\$693,381,323	\$645,122,532	\$231,376,030
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	\$682,238,039	\$638,983,047	\$455,216,251
2nd qtr 2001	\$867,840,020	\$808,107,167	\$770,635,508

Workers' Compensation (All Companies)

There were 102 groups, 268 companies, that had direct written premium for Workers' Compensation in the second quarter of 2001, as compared to 105 groups, 275 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Texas Mutual Insurance Company	15.87%	\$93,094,140	33.82%	\$350,693,418	23.91%
2	Liberty Mutual Insurance Group	8.20%	\$48,678,230	42.72%	\$181,095,224	19.94%
3	Zurich American Insurance Group	7.09%	\$39,417,794	1.99%	\$156,734,033	44.85%
4	CNA Insurance Group	6.62%	\$37,235,593	30.05%	\$146,277,011	16.74%
5	Lumbermans Mutual Casualty Group	6.42%	\$37,550,586	131.58%	\$141,747,725	66.33%
6	American International Group	6.16%	\$33,571,672	84.30%	\$136,190,429	64.38%
7	Hartford Fire & Casualty Group	3.88%	\$19,684,045	13.09%	\$85,618,366	34.77%
8	Swiss Reinsurance Group	3.14%	\$15,720,231	*	\$69,307,024	*
9	Royal & Sun Alliance USA	2.99%	\$16,894,487	48.69%	\$66,023,145	6.49%
10	St. Paul Group	2.67%	\$14,964,076	59.40%	\$58,902,898	87.82%
11	Citigroup	2.60%	\$15,389,195	(14.15%)	\$57,335,306	(29.94%)
12	Fairfax Financial	1.70%	\$9,058,228	(17.12%)	\$37,620,637	6.92%
13	Commercial Union Insurance Co's.	1.65%	\$8,359,762	(15.47%)	\$36,403,872	(4.86%)
14	Old Republic Group	1.62%	\$10,450,578	56.02%	\$35,795,708	38.27%
15	Amerisafe Group	1.54%	\$3,074,354	(59.24%)	\$33,943,519	20.91%
16	Transport Holdings Inc.	1.51%	\$7,011,610	5.48%	\$33,458,417	64.30%
17	Allianz Insurance Group	1.51%	\$3,843,383	(48.01%)	\$33,402,157	24.33%
18	Service Life Group	1.51%	\$6,632,959	312.20%	\$33,375,255	144.03%
19	Atlantic American Group	1.42%	\$8,734,817	62.40%	\$31,454,768	66.35%
20	Safeco Insurance Group	1.26%	\$5,902,855	130.48%	\$27,799,014	26.66%
21	ACE USA	1.20%	\$10,141,955	45.42%	\$26,503,613	(13.71%)
22	Chubb & Son Inc.	1.19%	\$6,603,830	13.94%	\$26,279,116	29.17%
23	UNITRIN Inc.	1.14%	\$5,827,356	(10.14%)	\$25,162,098	17.24%
24	National American Insurance Company	0.91%	\$2,877,115	(52.55%)	\$20,162,457	1.14%
25	Legion Insurance Group	0.89%	\$1,825,179	(70.82%)	\$19,556,972	23.86%

Top 25 Groups Total	84.68%	\$462,544,030	31.52%	\$1,870,842,182	32.34%
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Total Market	100.00%	\$561,555,453	17.39%	\$2,209,208,464	17.45%
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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
2nd qtr 1996	\$409,563,674	\$378,400,229	\$276,137,126
3rd qtr 1996	\$403,782,391	\$409,781,331	\$271,110,812
4th qtr 1996	\$375,796,251	\$395,841,983	\$303,408,073
1st qtr 1997	\$518,369,386	\$456,591,310	\$233,563,552
2nd qtr 1997	\$411,119,792	\$420,002,038	\$304,193,123
3rd qtr 1997	\$394,852,366	\$449,776,152	\$276,405,692
4th qtr 1997	\$400,005,300	\$414,469,778	\$279,869,817
1st qtr 1998	\$557,857,165	\$467,054,988	\$275,183,799
2nd qtr 1998	\$478,778,704	\$443,346,159	\$291,376,656
3rd qtr 1998	\$435,518,600	\$485,858,077	\$285,969,989
4th qtr 1998	\$370,192,580	\$397,415,576	\$332,405,108
1st qtr 1999	\$570,639,450	\$466,533,036	\$309,788,241
2nd qtr 1999	\$454,594,676	\$396,153,914	\$329,734,841
3rd qtr 1999	\$428,128,411	\$463,036,006	\$363,865,746
4th qtr 1999	\$427,037,725	\$411,558,142	\$358,702,869
1st qtr 2000	\$516,894,756	\$528,020,151	\$365,417,246
2nd qtr 2000	\$505,361,686	\$478,347,000	\$365,410,817
3rd qtr 2000	\$510,640,302	\$521,503,663	\$382,982,384
4th qtr 2000	\$536,927,546	\$498,835,430	\$414,830,680
1st qtr 2001	\$675,012,054	\$627,313,918	\$440,625,087
2nd qtr 2001	\$635,982,828	\$561,555,453	\$356,516,566

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>
1989	104.2%
1990	95.0%
1991	79.6%
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%

Workers' Compensation (Voluntary Market)

There were 102 groups, 268 companies, that had voluntary direct written premium for Workers' Compensation in the second quarter of 2001, as compared to 105 groups, 275 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Texas Mutual Insurance Company	14.74%	\$82,156,955	22.95%	\$321,341,533	17.22%
2	Liberty Mutual Insurance Group	8.30%	\$48,678,230	42.70%	\$181,033,322	19.90%
3	Zurich American Insurance Group	7.19%	\$39,417,794	1.99%	\$156,734,033	44.85%
4	CNA Insurance Group	6.71%	\$37,235,593	30.05%	\$146,277,011	16.74%
5	Lumbermans Mutual Casualty Group	6.50%	\$37,550,586	131.58%	\$141,747,725	66.33%
6	American International Group	6.25%	\$33,571,672	84.30%	\$136,190,429	64.38%
7	Hartford Fire & Casualty Group	3.93%	\$19,684,045	13.09%	\$85,618,366	34.77%
8	Swiss Reinsurance Group	3.18%	\$15,720,231	*	\$69,307,024	*
9	Royal & Sun Alliance USA	3.03%	\$16,894,487	48.69%	\$66,023,145	6.49%
10	St. Paul Group	2.70%	\$14,964,076	59.40%	\$58,902,898	87.82%
11	Citigroup	2.63%	\$15,389,195	(14.15%)	\$57,335,306	(29.94%)
12	Fairfax Financial	1.73%	\$9,058,228	(17.12%)	\$37,620,637	6.92%
13	Commercial Union Insurance Co's.	1.67%	\$8,359,762	(15.47%)	\$36,403,872	(4.86%)
14	Old Republic Group	1.64%	\$10,450,578	56.02%	\$35,795,708	38.27%
15	Amerisafe Group	1.56%	\$3,074,354	(59.24%)	\$33,943,519	20.91%
16	Transport Holdings Inc.	1.53%	\$7,011,610	5.48%	\$33,458,417	64.30%
17	Allianz Insurance Group	1.53%	\$3,843,383	(48.01%)	\$33,402,157	24.33%
18	Service Life Group	1.53%	\$6,632,959	312.20%	\$33,375,255	144.03%
19	Atlantic American Group	1.44%	\$8,734,817	62.40%	\$31,454,768	66.35%
20	Safeco Insurance Group	1.28%	\$5,902,855	130.48%	\$27,799,014	26.66%
21	ACE USA	1.22%	\$10,141,955	45.42%	\$26,503,613	(13.71%)
22	Chubb & Son Inc.	1.21%	\$6,603,830	13.94%	\$26,279,116	29.17%
23	UNITRIN Inc.	1.15%	\$5,827,356	(10.14%)	\$25,162,098	17.24%
24	National American Insurance Company	0.92%	\$2,877,115	(52.55%)	\$20,162,457	1.14%
25	Legion Insurance Group	0.90%	\$1,825,179	(70.82%)	\$19,556,972	23.86%

Top 25 Groups Total	84.48%	\$451,606,845	29.42%	\$1,841,428,395	31.09%
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Total Market	100.00%	\$550,618,268	15.77%	\$2,179,837,117	16.44%
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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
2nd qtr 1996	\$402,772,171	\$365,766,167	\$240,044,757
3rd qtr 1996	\$398,598,974	\$406,123,320	\$245,300,728
4th qtr 1996	\$373,057,831	\$395,421,448	\$282,512,093
1st qtr 1997	\$513,174,272	\$452,981,332	\$213,481,480
2nd qtr 1997	\$408,122,341	\$416,106,534	\$283,131,638
3rd qtr 1997	\$391,478,516	\$447,980,785	\$257,491,933
4th qtr 1997	\$397,952,485	\$420,604,994	\$264,596,740
1st qtr 1998	\$556,266,030	\$465,501,888	\$259,492,219
2nd qtr 1998	\$477,501,777	\$442,954,870	\$276,338,555
3rd qtr 1998	\$434,267,316	\$484,423,364	\$270,855,826
4th qtr 1998	\$369,355,592	\$396,584,847	\$319,769,145
1st qtr 1999	\$569,077,654	\$464,808,763	\$301,883,773
2nd qtr 1999	\$452,971,565	\$394,383,247	\$319,394,412
3rd qtr 1999	\$425,958,566	\$460,970,748	\$355,047,995
4th qtr 1999	\$423,333,897	\$409,633,529	\$348,765,029
1st qtr 2000	\$513,391,542	\$525,877,539	\$357,489,532
2nd qtr 2000	\$501,354,578	\$475,604,283	\$356,897,844
3rd qtr 2000	\$505,803,790	\$516,560,373	\$373,917,239
4th qtr 2000	\$532,210,760	\$493,985,273	\$405,377,102
1st qtr 2001	\$664,815,976	\$618,673,203	\$431,128,272
2nd qtr 2001	\$625,532,780	\$550,618,268	\$346,596,797

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 Insurance Fund).

For the four quarters ending with the second quarter of 2001, the START program reported \$29,351,885 in direct premiums written. This accounted for 99.93% of all Residual Market experience reported and was an increase of 230.78% over the same period one year prior. Of this amount, \$10,937,185 was written in the second quarter of 2001 which was a 298.05% increase from the second quarter of 2000.

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
2nd qtr 1996	\$6,791,503	\$12,634,062	\$36,092,369
3rd qtr 1996	\$5,183,417	\$3,658,011	\$25,810,084
4th qtr 1996	\$2,738,420	\$420,535	\$20,895,980
1st qtr 1997	\$5,195,114	\$3,609,978	\$20,082,072
2nd qtr 1997	\$2,997,451	\$3,895,504	\$21,061,485
3rd qtr 1997	\$3,373,850	\$1,795,367	\$18,913,759
4th qtr 1997	\$2,052,815	(\$6,135,216)	\$15,273,077
1st qtr 1998	\$1,591,135	\$1,553,100	\$15,691,580
2nd qtr 1998	\$1,276,927	\$391,289	\$15,038,101
3rd qtr 1998	\$1,251,284	\$1,434,713	\$15,114,163
4th qtr 1998	\$836,988	\$830,729	\$12,635,963
1st qtr 1999	\$1,561,796	\$1,724,273	\$7,904,468
2nd qtr 1999	\$1,623,111	\$1,770,667	\$10,340,429
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	\$9,919,769

QUARTERLY EXPERIENCE
Texas Mutual Insurance Company

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$6,791,503	\$12,905,623	\$758,010
3rd qtr 1996	\$5,183,417	\$2,722,400	\$2,354,828
4th qtr 1996	\$2,738,420	\$3,134,810	\$2,435,900
1st qtr 1997	\$5,195,114	\$3,709,751	\$2,085,326
2nd qtr 1997	\$2,997,451	\$3,897,390	\$1,965,869
3rd qtr 1997	\$3,373,850	\$2,010,153	\$2,380,981
4th qtr 1997	\$2,052,815	(\$6,127,062)	\$1,904,944
1st qtr 1998	\$1,591,135	\$1,440,596	\$1,607,940
2nd qtr 1998	\$1,276,927	\$433,992	\$1,465,267
3rd qtr 1998	\$1,251,284	\$1,371,071	\$1,663,833
4th qtr 1998	\$836,988	\$596,807	\$1,440,169
1st qtr 1999	\$1,561,796	\$1,972,223	\$1,332,155
2nd qtr 1999	\$1,623,111	\$1,876,459	\$1,130,990
3rd qtr 1999	\$2,169,845	\$2,068,199	\$1,028,397
4th qtr 1999	\$3,703,828	\$1,914,890	\$1,046,307
1st qtr 2000	\$3,503,214	\$2,142,612	\$848,612
2nd qtr 2000	\$4,007,108	\$2,747,725	\$982,492
3rd qtr 2000	\$4,836,512	\$4,967,684	\$1,169,864
4th qtr 2000	\$4,716,786	\$4,806,301	\$1,217,504
1st qtr 2001	\$10,196,078	\$8,640,715	\$1,479,063
2nd qtr 2001	\$10,450,048	\$10,937,185	\$2,001,118

Workers' Compensation (Deductible Plans)

There were 102 groups, 268 companies which wrote voluntary policies for Workers' Compensation in the second quarter of 2001, as compared to 105 groups, 275 companies in the second quarter of 2000.

The data contained in the following table represents direct policies written as new or renewal policies in the second quarter of 2001. 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 2nd Qtr 2001	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	27	\$164,532	\$149,655	9.04%
Premium of \$10,000 - \$24,999	43	\$641,391	\$564,092	12.05%
Premium of \$25,000 - \$49,999	28	\$1,126,166	\$902,765	19.84%
Premium of \$50,000 - \$74,999	2	\$105,373	\$88,201	16.30%
Premium of \$75,000 - \$100,000	4	\$347,053	\$280,804	19.09%
Total Per Accident Plan	104	\$2,384,515	\$1,985,517	16.73 %
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	15	\$128,260	\$110,155	14.12%
Premium of \$10,000 - \$24,999	16	\$278,339	\$226,300	18.70%
Premium of \$25,000 - \$49,999	11	\$354,611	\$249,065	29.76%
Premium of \$50,000 - \$74,999	2	\$139,115	\$115,992	16.62%
Premium of \$75,000 - \$100,000	1	\$87,756	\$78,043	11.07%
Total Aggregate Plan	45	\$988,081	\$779,555	21.10 %
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	3	\$22,237	\$20,445	8.06%
Premium of \$10,000 - \$24,999	6	\$99,422	\$88,999	10.48%
Premium of \$25,000 - \$49,999	4	\$146,312	\$129,534	11.47%
Premium of \$50,000 - \$74,999	2	\$117,092	\$106,343	9.18%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	15	\$385,063	\$345,321	10.32 %
Negotiated Deductible Plan				
Premium Up To \$100,000	404	\$11,118,201	\$2,805,842	74.76%
Premium of \$100,001 - \$150,000	50	\$6,820,694	\$2,314,361	66.07%
Premium of \$150,001 - \$250,000	95	\$19,424,385	\$5,616,608	71.08%
Premium of \$250,001 - \$350,000	57	\$16,507,844	\$3,316,749	79.91%
Premium of \$350,001 - \$500,000	54	\$22,612,287	\$4,246,844	81.22%
Premium of \$500,001 - \$750,000	54	\$32,964,421	\$6,777,379	79.44%
Premium of \$750,001 - \$1,000,000	32	\$28,970,972	\$5,929,346	79.53%
Premium of \$1,000,001 - \$2,500,000	67	\$108,936,752	\$23,710,718	78.23%
Premium of \$2,500,001 - \$5,000,000	30	\$101,057,641	\$10,686,808	89.43%
Premium of \$5,000,001 and above	13	\$144,584,140	\$32,257,720	77.69%
Total Negotiated Plan	856	\$492,997,337	\$97,662,375	80.19 %
No Deductible Plan				
Premium Less Than \$5,000	25,163	\$41,551,740	\$41,551,740	0.00%
Premium of \$5,000 - \$9,999	5,447	\$39,088,295	\$39,088,295	0.00%
Premium of \$10,000 - \$24,999	4,312	\$68,256,513	\$68,256,513	0.00%
Premium of \$25,000 - \$49,999	1,719	\$60,640,904	\$60,640,904	0.00%
Premium of \$50,000 - \$74,999	629	\$38,435,470	\$38,435,470	0.00%
Premium of \$75,000 - \$100,000	338	\$29,316,402	\$29,316,402	0.00%
Premium Greater Than \$100,000	836	\$247,470,692	\$247,470,692	0.00%
Total No Deductible Plan	38,444	\$524,760,016	\$524,760,016	0.00 %
TOTAL ALL PLANS	39,464	\$1,021,515,012	\$625,532,784	38.76 %

Boiler & Machinery

There were 34 groups, 87 companies, that had direct written premium for Boiler & Machinery in the second quarter of 2001, as compared to 33 groups, 87 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Allendale Group	22.05%	\$3,846,987	56.04%	\$10,940,292	35.62%
2	Citigroup	17.89%	\$2,063,288	35.23%	\$8,874,579	52.26%
3	Hartford Steam Boiler Group	11.87%	\$1,247,889	(15.86%)	\$5,889,833	(8.36%)
4	American International Group	10.41%	\$1,333,984	80.37%	\$5,162,387	120.19%
5	General Electric Group	7.95%	\$647,925	*	\$3,942,315	*
6	CNA Insurance Group	7.35%	\$1,327,607	178.12%	\$3,644,911	143.04%
7	Chubb & Son Inc.	6.44%	\$842,402	13.41%	\$3,192,238	5.67%
8	Zurich American Insurance Group	6.42%	\$767,203	186.15%	\$3,186,530	4.59%
9	Liberty Mutual Insurance Group	2.03%	\$52,840	(11.05%)	\$1,005,832	(3.62%)
10	Allianz Insurance Group	1.72%	\$164,409	(56.38%)	\$855,121	19.73%
11	St. Paul Group	1.66%	\$221,464	(10.89%)	\$821,204	27.43%
12	Federated Mutual Group	0.72%	\$172,850	866.99%	\$357,921	563.70%
13	Allstate Insurance Group	0.56%	\$70,068	13.02%	\$279,691	25.39%
14	Tokio Marine Consolidated	0.37%	\$38,934	35.14%	\$185,312	193.31%
15	Fairfax Financial	0.33%	\$64,320	108.11%	\$165,992	108.20%
16	Sentry Insurance Group	0.32%	\$37,790	6.42%	\$158,398	2.64%
17	National American Insurance Company	0.32%	\$9,067	(75.13%)	\$158,320	(26.05%)
18	Safeco Insurance Group	0.28%	\$35,533	(6.67%)	\$138,884	(30.49%)
19	Guidant Insurance Group	0.27%	(\$1,765)	(101.75%)	\$133,790	(62.52%)
20	Houston Casualty Group	0.18%	\$0	*	\$90,688	81.38%
21	Royal & Sun Alliance USA	0.14%	\$9,957	52.18%	\$67,785	111.44%
22	Hartford Fire & Casualty Group	0.13%	\$17,698	15.09%	\$66,541	70.52%
23	Central Mutual Insurance Co. of Ohio	0.12%	\$17,238	151.87%	\$60,076	156.01%
24	Commercial Union Insurance Co's.	0.12%	\$6,533	(62.91%)	\$58,463	(60.79%)
25	Bancinsure Inc	0.10%	\$12,629	19.04%	\$47,421	(13.44%)

Top 25 Groups Total	99.75%	\$13,006,850	47.26%	\$49,484,524	43.32%
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Total Market	100.00%	\$13,032,150	44.66%	\$49,607,335	37.28%
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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
2nd qtr 1996	\$12,146,756	\$11,061,403	\$6,202,512
3rd qtr 1996	\$12,193,289	\$13,335,666	\$4,673,537
4th qtr 1996	\$11,635,320	\$12,211,138	\$12,159,442
1st qtr 1997	\$8,908,324	\$8,695,587	\$3,146,684
2nd qtr 1997	\$11,483,811	\$10,912,224	\$3,983,044
3rd qtr 1997	\$11,503,183	\$11,059,002	\$24,580,956
4th qtr 1997	\$16,282,971	\$12,296,349	\$9,237,517
1st qtr 1998	\$8,896,257	\$7,931,500	\$3,685,255
2nd qtr 1998	\$10,047,430	\$11,019,793	\$2,794,826
3rd qtr 1998	\$11,531,122	\$9,697,962	\$5,615,512
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	\$13,032,150	\$2,440,017

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>
1989	40.8%
1990	225.6%
1991	124.5%
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%

Commercial Crime

There were 45 groups, 83 companies, that had direct written premium for Commercial Crime in the second quarter of 2001, as compared to 41 groups, 87 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Chubb & Son Inc.	47.12%	\$783,334	(59.64%)	\$4,670,789	(27.33%)
2	Zurich American Insurance Group	9.78%	\$225,376	82.77%	\$969,309	58.18%
3	Citigroup	8.29%	\$159,796	27.80%	\$821,236	48.54%
4	American International Group	6.70%	\$268,315	54.51%	\$664,360	39.53%
5	CNA Insurance Group	4.28%	\$71,180	172.06%	\$423,816	161.92%
6	St. Paul Group	4.17%	\$120,092	31.82%	\$413,509	(1.93%)
7	Guidant Insurance Group	3.72%	\$92,235	7.18%	\$369,016	10.23%
8	Hartford Fire & Casualty Group	3.40%	\$84,504	(23.28%)	\$337,369	(5.04%)
9	Federated Mutual Group	2.06%	\$39,854	(4.75%)	\$204,230	12.90%
10	American Financial Insurance Group	1.39%	\$20,064	(35.89%)	\$138,151	(15.26%)
11	Bancinsure Inc	1.31%	\$21,330	(1.45%)	\$129,669	27.17%
12	UNITRIN Inc.	1.09%	\$38,022	150.19%	\$107,626	62.53%
13	Allendale Group	0.99%	\$53,004	127.89%	\$97,960	116.98%
14	Royal & Sun Alliance USA	0.98%	\$2,360	(74.28%)	\$97,537	(49.47%)
15	Lumbermans Mutual Casualty Group	0.76%	\$13,474	(30.30%)	\$75,079	8.79%
16	Liberty Mutual Insurance Group	0.75%	\$36,825	(8.98%)	\$74,327	(29.82%)
17	Sentry Insurance Group	0.67%	\$19,934	92.04%	\$66,761	35.30%
18	United Fire & Casualty Group	0.61%	\$18,916	334.15%	\$60,625	635.47%
19	Fairfax Financial	0.42%	\$2,511	(74.12%)	\$41,945	(36.86%)
20	Millers First Insurance Companies	0.33%	\$3,676	(56.66%)	\$32,767	90.41%
21	Chrysler Group	0.27%	\$4,924	(21.85%)	\$26,859	7.98%
22	National American Insurance Company	0.24%	\$12,540	*	\$24,086	*
23	EMC Insurance Companies	0.22%	\$4,731	(7.51%)	\$21,574	5.44%
24	Safeco Insurance Group	0.11%	\$1,599	(3.09%)	\$10,415	61.90%
25	Harco National Insurance Company	0.08%	\$4,605	(0.43%)	\$8,112	(0.55%)

Top 25 Groups Total	99.75%	\$2,103,201	(25.00%)	\$9,887,127	(5.56%)
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Total Market	100.00%	\$2,117,487	(25.31%)	\$9,911,893	(7.36%)
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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
2nd qtr 1996	\$2,848,677	\$3,148,500	\$395,857
3rd qtr 1996	\$2,630,416	\$2,672,105	\$559,800
4th qtr 1996	\$2,865,948	\$2,817,165	(\$261,036)
1st qtr 1997	\$2,326,215	\$2,240,161	\$685,650
2nd qtr 1997	\$2,596,971	\$2,758,586	\$479,870
3rd qtr 1997	\$2,452,389	\$3,084,964	\$337,194
4th qtr 1997	\$2,992,214	\$2,659,011	\$901,799
1st qtr 1998	\$2,494,468	\$2,609,493	\$1,506,546
2nd qtr 1998	\$2,689,070	\$2,755,087	\$499,866
3rd qtr 1998	\$3,196,591	\$3,372,786	\$523,781
4th qtr 1998	\$3,275,081	\$3,706,197	\$1,214,208
1st qtr 1999	\$2,305,794	\$2,607,287	\$249,095
2nd qtr 1999	\$1,407,701	\$2,919,957	\$1,153,070
3rd qtr 1999	\$1,913,296	\$2,375,385	\$826,469
4th qtr 1999	\$1,453,101	\$3,093,898	\$847,005
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	\$447,320
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	\$2,117,487	\$214,678

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>
1989	29.9%
1990	27.3%
1991	29.7%
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%

Commercial Glass

There were 18 groups, 31 companies, that had direct written premium for Commercial Glass in the second quarter of 2001, as compared to 19 groups, 33 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	UNITRIN Inc.	26.94%	\$34,082	(21.42%)	\$103,501	(24.67%)
2	Zurich American Insurance Group	13.15%	\$11,767	(37.50%)	\$50,523	(4.15%)
3	United Fire & Casualty Group	10.31%	\$8,658	(20.71%)	\$39,615	177.01%
4	Sentry Insurance Group	10.09%	\$5,582	48.58%	\$38,774	110.09%
5	ACE USA	8.21%	\$30,391	*	\$31,546	905.29%
6	Ohio Casualty Group	7.95%	\$7,869	4.17%	\$30,560	(7.97%)
7	EMC Insurance Companies	6.54%	\$4,378	(36.54%)	\$25,135	(28.30%)
8	Safeco Insurance Group	3.35%	\$2,386	(33.28%)	\$12,859	(17.08%)
9	St. Paul Group	3.26%	\$1,823	172.90%	\$12,537	6.88%
10	Federated Mutual Group	2.25%	\$1,109	*	\$8,629	(30.28%)
11	Royal & Sun Alliance USA	2.05%	\$918	267.20%	\$7,864	(3.39%)
12	Allianz Insurance Group	1.03%	\$1,743	*	\$3,960	*
13	Beacon Insurance Group	0.96%	\$827	85.84%	\$3,695	22.55%
14	Transport Holdings Inc.	0.93%	\$0	(100.00%)	\$3,582	(57.77%)
15	Citigroup	0.89%	\$1,224	64.96%	\$3,414	15.69%
16	Guidant Insurance Group	0.59%	\$1,451	204.19%	\$2,285	13.17%
17	Swiss Reinsurance Group	0.38%	\$0	*	\$1,472	297.84%
18	State Farm Group	0.32%	\$335	82.07%	\$1,224	51.30%
19	Hartford Fire & Casualty Group	0.27%	\$0	100.00%	\$1,053	(31.45%)
20	Nationwide Corporation	0.25%	\$0	(100.00%)	\$979	(56.08%)
21	Miller Insurance Group	0.16%	\$94	*	\$614	(48.62%)
22	American Financial Insurance Group	0.05%	\$0	100.00%	\$196	(84.35%)
23	Allmerica Financial Corporation	0.04%	\$115	0.00%	\$159	(61.69%)
24	Utica National Insurance Group	0.01%	\$0	*	\$26	111.71%
25	Pennsylvania Lumbermens Mutual Ins.	0.00%	\$0	*	\$16	*

Top 25 Groups Total	100.00%	\$114,752	10.84%	\$384,218	4.96%
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Total Market	100.00%	\$114,752	10.84%	\$384,218	3.97%
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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
2nd qtr 1996	\$158,795	\$140,729	\$33,810
3rd qtr 1996	\$165,453	\$140,389	\$36,889
4th qtr 1996	\$156,778	\$121,243	\$36,288
1st qtr 1997	\$144,373	\$123,484	\$21,580
2nd qtr 1997	\$165,662	\$133,383	\$21,667
3rd qtr 1997	\$183,474	\$148,195	\$29,200
4th qtr 1997	\$178,081	\$127,958	\$78,633
1st qtr 1998	\$152,653	\$131,204	\$30,881
2nd qtr 1998	\$156,004	\$122,852	\$12,492
3rd qtr 1998	\$137,403	\$121,708	\$31,776
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

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>
1989	30.2%
1990	24.9%
1991	36.9%
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%

* 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 36 groups, 54 companies, that had direct written premium for Medical Professional Liability (includes regulated and non-rate-regulated companies) in the second quarter of 2001, as compared to 38 groups, 60 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Health Care Indemnity Inc.	26.16%	(\$880,845)	47.26%	\$90,666,388	20.68%
2	General Electric Group	16.10%	\$15,201,724	17.32%	\$55,818,869	21.80%
3	St. Paul Group	6.63%	\$3,091,577	(35.90%)	\$22,982,539	8.37%
4	FPIC Insurance Group Inc	6.10%	\$4,382,417	232.33%	\$21,156,269	77.48%
5	MIIX Insurance Group	5.98%	\$5,355,939	32.88%	\$20,741,366	6.85%
6	Pennsylvania Casualty Group	5.53%	\$2,543,794	22.60%	\$19,158,265	22.94%
7	Allianz Insurance Group	4.95%	\$7,052,738	558.73%	\$17,146,977	268.40%
8	SCPIE Companies	4.58%	\$5,121,265	210.50%	\$15,880,009	263.58%
9	American Physicians Ins. Exchange	4.28%	\$3,319,871	8.88%	\$14,828,879	(2.13%)
10	Clarendon Insurance Group	2.60%	\$562,194	222.85%	\$8,999,215	465.80%
11	Doctors Company Group	2.57%	\$5,182,655	114.96%	\$8,925,203	40.24%
12	Chubb & Son Inc.	2.38%	\$2,779,906	14.26%	\$8,247,683	7.54%
13	CNA Insurance Group	1.81%	\$3,591,600	379.18%	\$6,259,759	16.26%
14	Mutual Assurance Companies	1.49%	\$396,168	(48.09%)	\$5,166,612	11.31%
15	Texas Hospital Insurance Exchange	1.33%	\$1,002,496	(17.60%)	\$4,614,918	(12.32%)
16	Fairfax Financial	1.20%	\$901,329	6.45%	\$4,146,993	103.59%
17	Texas Medical Liab. Underwriting Assoc.	0.95%	\$630,934	136.13%	\$3,277,605	19.55%
18	National Chiropractic Mutual Ins. Co.	0.84%	\$691,002	17.25%	\$2,925,884	1.44%
19	Legion Insurance Group	0.68%	\$131,290	(78.77%)	\$2,355,080	46.41%
20	Podiatry Insurance Co. of America RRG	0.63%	\$179,345	(1.66%)	\$2,183,686	14.30%
21	Frontier Insurance Group	0.55%	\$659,544	(73.10%)	\$1,923,711	(91.78%)
22	Zurich American Insurance Group	0.48%	\$498,971	(27.42%)	\$1,671,929	(45.25%)
23	Preferred Professional Insurance Company	0.48%	\$16,048	963.72%	\$1,655,193	28.08%
24	ACE USA	0.39%	\$429,726	59.45%	\$1,364,502	36.35%
25	Texas Medical Insurance Company	0.31%	\$339,798	125.89%	\$1,067,632	90.29%

Top 25 Groups Total	99.00%	\$63,181,486	46.55%	\$343,165,166	20.56%
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Total Market	100.00%	\$63,746,274	42.15%	\$346,634,635	17.90%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$45,514,973	\$54,716,151	\$47,353,607
3rd qtr 1996	\$63,825,546	\$66,636,774	\$49,184,495
4th qtr 1996	\$44,450,328	\$37,813,818	\$62,181,423
1st qtr 1997	\$135,310,533	\$133,934,292	\$43,211,466
2nd qtr 1997	\$41,238,656	\$46,207,164	\$47,743,217
3rd qtr 1997	\$69,152,199	\$67,960,393	\$45,288,575
4th qtr 1997	\$40,887,870	\$38,739,726	\$39,743,157
1st qtr 1998	\$140,239,837	\$152,219,574	\$59,734,296
2nd qtr 1998	\$39,867,221	\$46,328,066	\$45,995,696
3rd qtr 1998	\$63,699,946	\$65,433,921	\$72,182,018
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	\$150,144,012	\$165,116,779	\$83,398,570
2nd qtr 2001	\$53,904,208	\$63,746,274	\$75,367,357

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>
1989	100.5%
1990	131.2%
1991	113.6%
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%

Miscellaneous Professional Liability

There were 34 groups, 72 companies, that had direct written premium for Miscellaneous Professional Liability in the second quarter of 2001, as compared to 39 groups, 82 companies, in the second quarter of 2000.

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 second quarter of 2001 to direct written premium in the second quarter of 2000 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 2001	% Change 2nd Quarter 2000 to 2001	4 Quarters Ending 2nd Qtr 2001	% Change 4 Qtrs Ending 2000 to 2001
1	Chubb & Son Inc.	50.60%	\$20,957,048	11.49%	\$79,864,626	8.34%
2	Legion Insurance Group	13.98%	\$21,061,201	*	\$22,069,196	672.23%
3	St. Paul Group	10.55%	\$4,124,661	63.14%	\$16,655,940	47.40%
4	General Electric Group	6.86%	\$2,317,660	(9.57%)	\$10,827,830	1.38%
5	Allianz Insurance Group	4.06%	\$794,068	43.84%	\$6,415,954	111.39%
6	Lumbermans Mutual Casualty Group	2.39%	\$1,586,551	190.64%	\$3,776,652	160.50%
7	Mt. Hawley Insurance Group	2.30%	\$1,511,698	57.79%	\$3,629,637	65.43%
8	General Agents Group	2.29%	\$0	*	\$3,619,500	*
9	Nationwide Corporation	1.94%	\$792,730	(41.72%)	\$3,057,574	2.28%
10	Berkshire-Hathaway (GEICO)	1.80%	\$1,050,452	(2.87%)	\$2,847,734	15.26%
11	Medmark Insurance Group	1.58%	\$0	(100.00%)	\$2,494,859	(37.53%)
12	Safeco Insurance Group	1.48%	\$747,907	92.68%	\$2,331,664	127.75%
13	US Investment Corporation	0.97%	\$411,563	33.05%	\$1,537,216	54.01%
14	Markel Corporation Group	0.91%	\$640,915	61.48%	\$1,431,751	(18.60%)
15	Associates Insurance Group	0.86%	\$0	(100.00%)	\$1,363,962	126.58%
16	Old Republic Group	0.75%	\$837,239	*	\$1,183,635	32.57%
17	W. R. Berkley Corporation	0.69%	\$120,027	56.95%	\$1,083,999	9.68%
18	ACE USA	0.66%	\$127,071	23.16%	\$1,037,671	243.67%
19	AON Corporation	0.64%	\$873,639	541.57%	\$1,004,544	173.68%
20	Citigroup	0.58%	\$243,509	*	\$919,737	*
21	Allmerica Financial Corporation	0.33%	\$81,921	(28.02%)	\$519,607	116.12%
22	Utica National Insurance Group	0.31%	\$97,450	(25.61%)	\$490,629	(11.04%)
23	Fairfax Financial	0.28%	\$91,027	24.75%	\$437,099	(36.64%)
24	Union Labor Group	0.16%	\$0	(100.00%)	\$253,895	(30.56%)
25	Zurich American Insurance Group	0.13%	\$36,482	325.10%	\$198,004	67.58%

Top 25 Groups Total	**107.10%	\$58,504,819	78.41%	\$169,052,915	36.79%
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Total Market	100.00%	\$58,708,149	67.45%	\$157,839,906	17.82%
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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 25 Groups.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
2nd qtr 1996	\$34,215,304	\$32,735,648	\$1,757,243
3rd qtr 1996	\$32,715,492	\$31,248,128	\$3,969,627
4th qtr 1996	\$37,389,967	\$35,404,034	\$8,312,629
1st qtr 1997	\$26,180,108	\$24,480,345	\$11,126,143
2nd qtr 1997	\$37,729,953	\$35,283,484	\$4,273,960
3rd qtr 1997	\$37,815,158	\$33,745,952	\$6,644,389
4th qtr 1997	\$33,119,109	\$31,800,346	\$9,039,612
1st qtr 1998	\$27,705,025	\$26,154,794	\$9,246,158
2nd qtr 1998	\$33,711,307	\$31,193,925	\$4,729,190
3rd qtr 1998	\$46,612,471	\$35,971,950	\$5,595,642
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	\$30,699,708
1st qtr 2001	\$33,775,274	\$35,822,339	\$19,419,687
2nd qtr 2001	\$26,176,519	\$58,708,149	\$13,152,785

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>
1989	77.6%
1990	89.2%
1991	91.3%
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%

* 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 second quarter of 2001 and the second quarter of 2000. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	2ND QUARTER 2001			2ND QUARTER 2000		
	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	9,692	0.00000%	1	9,892	0.01011%
General Liability - Other ⁺	47	248,695	0.01890%	60	237,030	0.02531%
Fire & Allied Lines	13	45,996	0.02826%	12	47,173	0.02544%
Commercial Multiple Peril	26	80,179	0.03243%	14	77,824	0.01799%
Private Passenger Auto ⁺⁺	2,761	5,135,732	0.05376%	2,305	5,070,968	0.04545%
Homeowners	668	1,131,679	0.05903%	436	1,081,149	0.04033%
Workers' Compensation ⁺⁺⁺	126	39,611	0.31809%	26	39,000	0.06667%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	8	11,083	0.07218%	3	9,102	0.03296%
Misc. Professional Liability	9	7,887	0.11411%	2	8,568	0.02334%

⁺ The General Electric Group wrote 19,456 small premium pre-paid legal policies in the 2nd Qtr of 2001 and 24,771 policies in the 2nd Qtr of 2000 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 second quarter of 2001) for these two lines of insurance are presented on the next two pages.

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

2001 Policies Written Rank	Group Name	2ND QUARTER 2001			2ND QUARTER 2000		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
23	Safeway Insurance Group	53	19,497	0.27184%	9	11,227	0.08016%
12	Home State County Mutual Ins. Co.	261	103,298	0.25267%	128	97,972	0.13065%
17	Titus Group	52	30,511	0.17043%	109	79,467	0.13716%
11	Old American Co. Mutual Fire Ins. Co.	176	104,203	0.16890%	123	69,585	0.17676%
6	Texas State National Group	273	188,879	0.14454%	269	200,048	0.13447%
21	American International Group	29	22,206	0.13060%	28	23,531	0.11899%
22	Mercury General Group	25	20,462	0.12218%	38	13,590	0.27962%
25	Sentry Insurance Group	21	19,048	0.11025%	6	54,544	0.01100%
24	Metropolitan Group	19	19,228	0.09881%	14	16,398	0.08538%
16	Hartford Fire & Casualty Group	33	33,665	0.09802%	18	33,869	0.05315%
18	Liberty Mutual Group	22	26,935	0.08168%	34	25,571	0.13296%
7	Nationwide Corporation	92	115,571	0.07960%	65	63,042	0.10311%
19	CNA Insurance Group	18	26,644	0.06756%	29	32,509	0.08921%
15	Safeco Insurance Group	22	36,532	0.06022%	26	39,726	0.06545%
14	Credit Sisse Group	30	51,761	0.05796%	20	34,803	0.05747%
13	Citigroup	35	60,839	0.05753%	24	64,234	0.03736%
9	Berkshire Hathaway	61	111,743	0.05459%	90	123,433	0.07291%
20	Prudential of America	13	24,385	0.05331%	7	13,889	0.05040%
4	Allstate Insurance Group	303	576,046	0.05260%	263	524,583	0.05014%
8	Unitrin Group	56	112,543	0.04976%	43	88,787	0.04843%
5	United Services Auto Assoc Grp	67	190,526	0.03517%	55	185,325	0.02968%
2	Zurich Insurance Group	293	853,080	0.03435%	187	819,137	0.02283%
3	Progressive Group	181	741,815	0.02440%	146	820,981	0.01778%
10	Southern Farm Bureau Casualty	16	111,702	0.01432%	27	108,259	0.02494%
1	State Farm Group	166	1,320,399	0.01257%	193	1,282,992	0.01504%
	(All other licensed insurers)	282	214,214	0.13164%	211	235,531	0.08958%
	(No company identified)*	162			143		
TOTALS		2,761	5,135,732	0.05376%	2,305	5,070,968	0.04545%

* 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 SECOND QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

2001 Policies Written Rank	Group Name	2ND QUARTER 2001			2ND QUARTER 2000		
		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	Metropolitan Group	9	6,466	0.13919%	4	4,727	0.08462%
21	Mortgage Bankers Group	6	5,610	0.10695%	6	4,829	0.12425%
15	Beacon Insurance Group	10	9,452	0.10580%	14	8,657	0.16172%
13	Service Life Group	10	10,224	0.09781%	2	6,222	0.03214%
3	Zurich Insurance Group	199	205,160	0.09700%	77	201,139	0.03828%
10	Hartford Fire & Casualty Group	9	11,504	0.07823%	5	10,865	0.04602%
16	Titus Group	7	9,112	0.07682%	5	9,932	0.05034%
6	Nationwide Corporation	24	32,026	0.07494%	4	31,082	0.01287%
8	Safeco Insurance Group	12	17,147	0.06998%	8	18,315	0.04368%
9	Liberty Mutual Group	10	14,390	0.06949%	7	13,736	0.05096%
17	Unitrin Group	5	8,678	0.05762%	3	9,387	0.03196%
7	Texas Farm Bureau Mutual	11	19,340	0.05688%	3	17,780	0.01687%
5	CitiGroup	26	51,613	0.05037%	15	55,091	0.02723%
2	Allstate Insurance Group	101	220,208	0.04587%	46	201,031	0.02288%
24	Lumbermans Mutual Casualty Group	2	4,394	0.04552%	3	4,015	0.07472%
12	Credit Suisse Group	5	11,331	0.04413%	4	11,968	0.03342%
23	Allianz Insurance Group	2	5,010	0.03992%	0	3,109	0.00000%
1	State Farm Group	86	341,410	0.02519%	74	324,709	0.02279%
4	United Services	16	72,041	0.02221%	9	69,485	0.01295%
14	CNA Insurance Group	2	9,710	0.02060%	2	11,024	0.01814%
20	Amica Mutual Group	1	6,231	0.01605%	1	5,867	0.01704%
18	Chubb & Son Inc.	1	6,611	0.01513%	0	5,855	0.00000%
11	Progressive Group	0	11,491	0.00000%	0	0	0.00000%
22	CGU Insurance Group	0	5,396	0.00000%	0	6,033	0.00000%
25	Central Mutual Insurance Co. of Ohio	0	4,111	0.00000%	3	4,151	0.07227%
(All other licensed insurers)		79	33,013	0.23930%	81	42,140	0.19222%
(No company identified)*		35			60		
TOTALS		668	1,131,679	0.05903%	436	1,081,149	0.04033

* 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
General Agents Group	Gainsco 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 Group	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 American Insurance Group	Foremost County Mutual Insurance Company
Zurich American Insurance Group	Farmers Texas County Mutual Insurance Company

