

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 on 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.

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

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

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

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

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

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

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

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

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

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

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

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

Lines of Insurance

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

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

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

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

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

Summary of Four Quarters

CUMULATIVE TOTALS FOR FOUR QUARTERS ENDING DECEMBER 1996

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	68 / 195	35,914	\$89,351,049	\$94,257,386	\$71,838,739
GENERAL LIABILITY - OTHER	147 / 349	694,919 ⁺	\$876,843,822	\$1,015,478,693	\$703,108,148
COMMERCIAL FIRE & ALLIED	105 / 258	277,579	\$312,599,150	\$331,548,632	\$210,891,971
COMMERCIAL MULTIPLE PERIL	92 / 255	262,632	\$872,127,266	\$929,601,167	\$601,267,106
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	82 / 221	9,741,448	\$5,686,270,236	\$5,242,685,741	\$3,009,962,221
ASSIGNED RISK LIABILITY	38 / 43	302,682	\$235,491,301	\$152,375,379	\$264,984,144
PHYSICAL DAMAGE	83 / 218	6,942,480	\$2,654,488,392	\$2,522,193,039	\$1,818,944,642
TOTAL PPA	88 / 230	16,986,610 ⁺⁺	\$8,576,249,929	\$7,917,254,159	\$5,093,891,007
HOMEOWNERS MULTIPLE PERIL	70 / 166	3,355,272	\$2,549,271,076	\$2,403,748,601	\$1,390,924,674
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		83,024	\$134,220,079	**	**
VOL PREMIUMS \$5,000 - \$100,000		41,270	\$784,918,420	**	**
VOL PREMIUMS > \$100,000		2,760	\$823,019,601	**	**
TOTAL VOLUNTARY	108 / 248	127,054	\$1,742,158,100	\$1,672,538,585	\$1,018,476,994
RESIDUAL MARKET ***	1 / 1	1,771	\$20,982,924	\$17,625,579	\$113,983,650
TOTAL WC	108 / 248	128,825	\$1,763,141,024	\$1,690,164,164	\$1,132,460,644
BOILER & MACHINERY	45 / 94	11,407	\$46,005,136	\$45,111,458	\$30,358,930
COMMERCIAL CRIME	49 / 93	6,177	\$10,341,907	\$11,180,995	\$1,099,274
COMMERCIAL GLASS	41 / 73	3,381	\$622,408	\$530,328	\$137,810
MEDICAL PROFESSIONAL LIABILITY	38 / 58	35,394	\$268,148,449	\$274,097,843	\$215,407,432
MISC. PROFESSIONAL LIABILITY	39 / 82	16,780	\$91,680,672	\$90,272,218	\$20,033,172

⁺ The General Electric Group wrote 352,372 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 Workers' Compensation Insurance Fund.

NUMBER OF GROUPS / COMPANIES WRITING POLICIES PER QUARTER

Line of Business	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	'95	'96	'95	'96	'95	'96	'95	'96
Product Liability	66 / 151	63 / 155	62 / 152	65 / 167	69 / 186	65 / 158	69 / 166	64 / 154
General Liability	139 / 293	125 / 285	138 / 302	134 / 303	142 / 330	130 / 302	136 / 302	139 / 303
Commercial Fire & Allied	97 / 213	95 / 208	98 / 223	95 / 204	100 / 248	99 / 213	95 / 213	96 / 216
Commercial Multiple Peril	85 / 224	85 / 221	86 / 224	87 / 225	92 / 257	86 / 220	90 / 236	89 / 230
Private Passenger Auto	87 / 219	83 / 215	88 / 219	82 / 207	89 / 235	84 / 215	87 / 218	83 / 211
Homeowners Multiple Peril	78 / 173	68 / 159	61 / 172	70 / 158	79 / 179	69 / 159	76 / 169	67 / 159
Workers' Compensation	89 / 216	92 / 212	85 / 207	94 / 210	91 / 246	90 / 215	95 / 218	95 / 225
Boiler & Machinery	35 / 61	35 / 67	33 / 63	34 / 66	35 / 76	34 / 66	35 / 65	36 / 73
Commercial Crime	41 / 72	40 / 72	42 / 73	43 / 73	48 / 77	42 / 75	42 / 74	39 / 70
Commercial Glass	35 / 59	36 / 51	35 / 51	35 / 49	41 / 65	33 / 53	36 / 54	28 / 42
Medical Prof. Liability	30 / 43	32 / 44	29 / 39	32 / 42	32 / 46	33 / 47	30 / 41	36 / 52
Misc. Professional Liability	35 / 67	34 / 61	31 / 59	32 / 59	31 / 66	32 / 63	31 / 62	31 / 58

Product Liability

There were 66 groups, 181 companies, that had direct written premium for Product Liability in the fourth quarter of 1996, as compared to 67 groups, 189 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	CNA Insurance Group	8.87%	\$1,926,590	4.86%	\$8,362,139	6.31%
2	American International Group	8.80%	(\$511,416)	(128.91%)	\$8,297,261	0.49%
3	St. Paul Companies	8.21%	\$1,878,705	19.00%	\$7,737,919	18.46%
4	Chubb & Son Inc.	6.56%	\$1,556,674	11.58%	\$6,179,924	27.75%
5	Liberty Mutual Insurance Group	6.44%	\$834,332	(28.25%)	\$6,067,942	33.43%
6	Zurich American Insurance Group	5.87%	\$1,928,782	(30.22%)	\$5,533,955	(26.14%)
7	Travelers Insurance Group	3.84%	\$1,974,534	(5.11%)	\$3,616,417	(34.93%)
8	Cigna Group	3.70%	\$1,028,156	1.64%	\$3,483,712	(18.97%)
9	TIG Insurance Group	3.53%	\$899,039	49.94%	\$3,324,898	57.84%
10	Crum & Forster Insurance Companies	3.50%	\$208,979	(80.17%)	\$3,301,434	(29.36%)
11	Lumbermans Mutual Casualty Group	3.03%	\$402,893	278.00%	\$2,855,051	16.27%
12	American Financial Insurance Group	2.85%	\$658,260	(0.79%)	\$2,690,910	20.49%
13	Old Republic Group	2.63%	\$566,860	*	\$2,481,051	102.92%
14	Royal Insurance Group	2.46%	\$430,572	48.40%	\$2,316,525	25.65%
15	Federated Mutual Group	2.23%	\$381,643	(17.37%)	\$2,102,892	(5.01%)
16	Hartford Fire & Casualty Group	2.14%	\$550,463	73.51%	\$2,018,212	34.05%
17	Reliance Group Incorporated	1.92%	\$557,433	*	\$1,807,745	57.74%
18	UNITRIN Inc.	1.83%	\$330,424	(16.26%)	\$1,728,897	(8.11%)
19	Fairfax Financial	1.53%	\$330,059	(21.87%)	\$1,439,143	(22.88%)
20	Nationwide Corporation	1.42%	\$597,051	(11.83%)	\$1,334,577	(24.45%)
21	Sentry Insurance Group	1.21%	\$282,088	(6.91%)	\$1,137,607	(15.62%)
22	Allianz Insurance Group	1.18%	\$245,347	27.97%	\$1,114,357	25.55%
23	Gerling Global RE Group	1.18%	\$286,483	*	\$1,111,113	245.54%
24	Dallas Fire Insurance Company	1.11%	\$265,138	72.39%	\$1,044,061	64.73%
25	Farmers Insurance Group	0.93%	\$191,750	41.98%	\$877,706	34.15%

Top 25 Groups Total	86.96%	\$17,800,839	(7.96%)	\$81,965,448	4.88%
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Total Market	100.00%	\$20,544,777	(8.49%)	\$94,257,386	4.22%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$22,087,318	\$26,937,607	\$30,521,010
4th qtr 1992	\$18,857,148	\$21,800,091	\$24,030,076
1st qtr 1993	\$20,817,631	\$25,951,764	\$45,885,933
2nd qtr 1993	\$23,107,019	\$23,472,096	\$24,354,166
3rd qtr 1993	\$17,668,245	\$20,259,804	\$15,830,194
4th qtr 1993	\$22,262,147	\$24,560,244	\$39,305,617
1st qtr 1994	\$20,231,239	\$20,357,429	\$28,282,730
2nd qtr 1994	\$26,967,374	\$26,891,734	\$27,862,495
3rd qtr 1994	\$18,917,614	\$23,384,264	\$8,961,108
4th qtr 1994	\$22,081,038	\$35,792,466	\$23,094,082
1st qtr 1995	\$18,878,258	\$23,402,023	\$26,080,618
2nd qtr 1995	\$22,024,356	\$22,953,841	\$26,164,539
3rd qtr 1995	\$22,052,132	\$21,630,743	\$14,900,318
4th qtr 1995	\$19,560,413	\$22,451,585	\$7,609,800
1st qtr 1996	\$22,937,729	\$22,878,769	\$12,219,407
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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	41.4%
1988	73.2%
1989	65.9%
1990	93.6%
1991	83.2%
1992	122.7%
1993	164.5%
1994	152.1%
1995	113.4%
1996	178.0%

General Liability

There were 142 groups, 337 companies, that had direct written premium for General Liability in the fourth quarter of 1996, as compared to 140 groups, 337 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	American International Group	21.31%	\$58,359,033	(12.55%)	\$216,349,924	24.39%
2	CNA Insurance Group	7.27%	\$20,460,815	77.04%	\$73,864,192	13.90%
3	Travelers Insurance Group	5.82%	\$17,072,014	(2.37%)	\$59,150,467	(19.81%)
4	Zurich American Insurance Group	5.46%	\$17,718,825	11.04%	\$55,403,868	1.09%
5	Executive Risk Companies	3.22%	\$9,858,928	146.74%	\$32,721,204	133.76%
6	St. Paul Companies	3.02%	\$7,957,497	(12.64%)	\$30,686,269	(1.97%)
7	American Financial Insurance Group	3.00%	\$8,913,127	24.57%	\$30,514,084	19.71%
8	Chubb & Son Inc.	2.94%	\$6,119,703	(1.69%)	\$29,824,670	(3.50%)
9	Reliance Group Incorporated	2.49%	\$7,748,037	1.77%	\$25,281,940	14.02%
10	Crum & Forster Insurance Companies	2.48%	\$4,842,991	(27.59%)	\$25,215,527	(17.03%)
11	Transport Holdings Inc.	2.02%	\$4,159,241	57.41%	\$20,528,954	43.89%
12	UNINTRIN Inc.	2.00%	\$2,685,667	(46.49%)	\$20,353,725	(12.36%)
13	State Farm Group	1.99%	\$4,716,361	2.18%	\$20,228,737	2.00%
14	Liberty Mutual Insurance Group	1.78%	\$4,388,685	(1.35%)	\$18,084,824	47.67%
15	Allianz Insurance Group	1.77%	\$5,201,983	50.95%	\$17,953,615	21.62%
16	Old Republic Group	1.74%	\$4,442,977	22.26%	\$17,704,050	(8.66%)
17	Cigna Group	1.69%	\$4,209,553	(40.94%)	\$17,121,283	11.86%
18	Texas Lawyers Insurance Exchange	1.55%	\$3,298,642	(10.62%)	\$15,775,225	(6.22%)
19	Orion Capital Group	1.36%	\$4,469,022	40.41%	\$13,852,347	(2.44%)
20	Royal Insurance Group	1.33%	\$3,060,317	(12.14%)	\$13,499,017	(5.32%)
21	TIG Insurance Group	1.25%	\$2,576,151	(15.09%)	\$12,726,854	(8.77%)
22	Nationwide Corporation	1.04%	\$1,986,466	4.06%	\$10,607,073	(4.88%)
23	Farmers Insurance Group	0.97%	\$2,304,247	18.17%	\$9,830,427	(9.71%)
24	Hartford Fire & Casualty Group	0.92%	\$2,799,801	257.42%	\$9,352,979	125.53%
25	Winterthur US Holding Group	0.86%	\$1,847,776	56.15%	\$8,779,816	2.82%

Top 25 Groups Total	79.31%	\$211,197,859	4.21%	\$805,411,071	9.64%
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Total Market	100.00%	\$263,738,807	4.61%	\$1,015,478,693	6.68%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$178,548,098	\$182,405,659	\$292,080,365
4th qtr 1992	\$176,082,759	\$215,204,019	\$179,788,408
1st qtr 1993	\$190,771,806	\$219,818,735	\$198,489,507
2nd qtr 1993	\$206,375,391	\$304,105,475	\$236,668,509
3rd qtr 1993	\$195,836,841	\$246,929,728	\$185,652,727
4th qtr 1993	\$196,677,010	\$270,371,399	\$237,345,193
1st qtr 1994	\$210,110,210	\$228,697,226	\$184,352,799
2nd qtr 1994	\$214,492,954	\$247,084,229	\$139,328,008
3rd qtr 1994	\$214,217,868	\$325,377,385	\$203,772,691
4th qtr 1994	\$177,497,488	\$352,054,769	\$232,418,046
1st qtr 1995	\$208,131,222	\$204,414,157	\$170,863,929
2nd qtr 1995	\$215,787,868	\$299,959,772	\$167,557,128
3rd qtr 1995	\$213,155,710	\$195,424,165	\$152,226,766
4th qtr 1995	\$222,283,348	\$252,109,615	\$219,597,885
1st qtr 1996	\$205,319,540	\$227,074,477	\$128,491,787
2nd qtr 1996	\$230,524,528	\$250,975,006	\$122,233,858
3rd qtr 1996	\$219,118,952	\$273,690,403	\$278,464,645
4th qtr 1996	\$221,880,802	\$263,738,807	\$173,917,858

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	86.1%
1988	78.9%
1989	77.6%
1990	89.2%
1991	91.3%
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%

Commercial Fire & Allied

There were 98 groups, 239 companies, that had direct written premium for Commercial Fire & Allied in the fourth quarter of 1996, as compared to 100 groups, 247 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Travelers Insurance Group	14.76%	\$10,437,251	(48.53%)	\$48,940,137	(27.78%)
2	Allianz Insurance Group	5.59%	\$5,050,927	7.82%	\$18,531,789	7.89%
3	Zurich American Insurance Group	5.56%	\$3,459,395	13.71%	\$18,443,545	65.34%
4	Allendale Group	5.19%	\$3,277,363	4.88%	\$17,209,624	(7.76%)
5	UNITRIN Inc.	5.07%	\$3,915,696	(2.08%)	\$16,816,536	(11.17%)
6	Texas Catastrophe Property Ins. Assoc.	4.70%	\$3,393,742	(11.14%)	\$15,582,063	19.50%
7	Arkwright Boston Group	4.65%	\$6,029,818	(4.86%)	\$15,404,291	(0.49%)
8	St. Paul Companies	4.19%	\$4,371,627	(4.90%)	\$13,903,330	(14.17%)
9	American International Group	3.96%	\$2,564,283	40.62%	\$13,119,566	(18.48%)
10	CNA Insurance Group	3.68%	\$2,621,218	6.17%	\$12,200,767	(13.78%)
11	Royal Insurance Group	3.22%	\$3,632,681	139.64%	\$10,679,939	152.40%
12	Protection Mutual Insurance Company	2.96%	\$4,233,295	(6.48%)	\$9,824,885	(28.31%)
13	Mortgage Bankers Group	2.25%	\$1,909,500	*	\$7,474,543	*
14	Lincoln National Corporation	2.00%	\$1,459,407	(56.62%)	\$6,623,702	(21.25%)
15	Cigna Group	1.94%	\$4,777,035	(14.97%)	\$6,422,305	(14.47%)
16	Nationwide Corporation	1.77%	\$1,763,290	(58.51%)	\$5,860,940	(23.02%)
17	Bankers Insurance Group	1.74%	\$1,133,941	38.74%	\$5,777,862	25.23%
18	Hartford Fire & Casualty Group	1.70%	\$1,410,526	153.69%	\$5,642,680	105.09%
19	American Financial Insurance Group	1.56%	\$328,478	(86.95%)	\$5,185,873	(5.98%)
20	Crum & Forster Insurance Companies	1.56%	\$1,512,707	119.70%	\$5,167,847	52.73%
21	State Farm Group	1.33%	\$1,124,050	23.43%	\$4,408,750	6.24%
22	Texas Farm Bureau Mutual	1.32%	\$1,055,472	6.91%	\$4,380,895	5.29%
23	Commercial Union Ins. Companies	1.11%	\$904,663	16.54%	\$3,696,060	26.33%
24	Federated Mutual Group	1.11%	\$850,302	9.37%	\$3,665,340	8.50%
25	Miller Insurance Group	1.00%	\$1,022,229	(0.07%)	\$3,302,358	1.42%

Top 25 Groups Total	83.93%	\$72,238,896	(12.44%)	\$278,265,627	(2.11%)
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Total Market	100.00%	\$84,965,263	(7.90%)	\$331,548,632	(2.93%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$70,735,102	\$77,916,004	\$96,163,528
4th qtr 1992	\$55,064,047	\$72,146,890	\$58,779,191
1st qtr 1993	\$57,422,660	\$69,388,151	\$28,759,857
2nd qtr 1993	\$61,842,052	\$79,888,854	\$47,739,398
3rd qtr 1993	\$70,393,773	\$81,458,493	\$39,898,258
4th qtr 1993	\$82,076,105	\$87,081,326	\$88,817,704
1st qtr 1994	\$70,892,138	\$71,165,404	\$25,157,261
2nd qtr 1994	\$76,751,485	\$83,445,946	\$37,084,310
3rd qtr 1994	\$86,808,182	\$89,538,987	\$39,209,578
4th qtr 1994	\$87,927,774	\$105,348,631	\$53,697,890
1st qtr 1995	\$68,915,469	\$75,587,966	\$40,973,765
2nd qtr 1995	\$84,082,608	\$89,450,574	\$69,884,695
3rd qtr 1995	\$84,550,492	\$84,262,216	\$88,829,955
4th qtr 1995	\$79,362,984	\$92,249,408	\$88,574,511
1st qtr 1996	\$70,116,929	\$71,592,596	\$53,477,691
2nd qtr 1996	\$83,191,064	\$85,291,330	\$48,052,365
3rd qtr 1996	\$79,223,097	\$89,699,443	\$54,391,981
4th qtr 1996	\$80,068,060	\$84,965,263	\$54,969,934

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>
1987	51.3%
1988	54.7%
1989	130.7%
1990	106.1%
1991	67.1%
1992	84.3%
1993	58.4%
1994	69.6%
1995	97.1%
1996	49.9%

Commercial Multiple Peril

There were 89 groups, 250 companies, that had direct written premium for Commercial Multiple Peril in the fourth quarter of 1996, as compared to 93 groups, 263 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	CNA Insurance Group	8.97%	\$24,235,369	14.05%	\$83,425,971	(9.90%)
2	Travelers Insurance Group	8.88%	\$21,851,841	22.58%	\$82,593,130	3.94%
3	State Farm Group	8.07%	\$17,486,930	10.49%	\$75,053,980	9.14%
4	Farmers Insurance Group	4.46%	\$10,880,813	10.33%	\$41,463,661	5.14%
5	Lumbermans Mutual Casualty Group	4.36%	\$9,929,508	3.55%	\$40,534,016	5.95%
6	Zurich American Insurance Group	4.18%	\$8,456,641	(17.63%)	\$38,831,010	1.05%
7	Cigna Group	4.17%	\$6,924,922	41.83%	\$38,806,202	1.62%
8	Hartford Fire & Casualty Group	3.96%	\$9,728,439	3.15%	\$36,825,716	1.28%
9	Commercial Union Ins. Companies	3.82%	\$7,529,574	(0.51%)	\$35,522,635	10.93%
10	General Accident Insurance	3.55%	\$10,312,841	*	\$33,047,209	55.85%
11	Chubb & Son Inc.	3.20%	\$6,810,814	21.22%	\$29,786,800	16.83%
12	Allianz Insurance Group	2.72%	\$9,140,600	93.02%	\$25,330,479	41.62%
13	Old Republic Group	2.03%	\$4,768,270	2.66%	\$18,856,227	6.27%
14	Lincoln National Corporation	1.77%	\$4,113,221	7.47%	\$16,416,021	(5.65%)
15	Liberty Mutual Insurance Group	1.75%	\$4,211,049	20.82%	\$16,240,589	4.94%
16	Crum & Forster Insurance Companies	1.71%	\$4,043,764	25.39%	\$15,934,203	27.17%
17	American Indemnity Financial	1.63%	\$4,512,181	44.94%	\$15,196,602	7.07%
18	Transport Holdings Inc.	1.63%	\$2,433,843	(58.88%)	\$15,180,747	(35.83%)
19	Utica National Insurance Group	1.59%	\$5,505,508	110.23%	\$14,752,948	51.02%
20	Royal Insurance Group	1.54%	\$3,644,127	7.34%	\$14,326,340	(4.96%)
21	St. Paul Companies	1.46%	\$3,035,541	19.89%	\$13,613,584	93.92%
22	Church Mutual Insurance Company	1.41%	\$3,643,467	26.79%	\$13,144,278	36.54%
23	Nationwide Corporation	1.40%	\$3,749,904	*	\$13,040,506	32.35%
24	Amerisure Companies	1.29%	\$3,097,433	(18.45%)	\$11,967,038	(6.26%)
25	Preferred Risk Group	1.28%	\$2,746,623	(3.72%)	\$11,943,497	4.94%

Top 25 Groups Total	80.88%	\$192,793,223	20.52%	\$751,833,389	6.71%
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Total Market	100.00%	\$241,423,503	17.79%	\$929,601,167	7.13%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$154,337,231	\$185,216,295	\$155,699,766
4th qtr 1992	\$174,095,291	\$189,425,027	\$154,485,710
1st qtr 1993	\$176,406,149	\$185,398,263	\$106,716,641
2nd qtr 1993	\$179,137,284	\$193,536,514	\$142,176,177
3rd qtr 1993	\$180,321,872	\$187,642,648	\$103,242,145
4th qtr 1993	\$186,269,229	\$192,758,872	\$134,167,977
1st qtr 1994	\$191,752,683	\$197,167,950	\$89,728,402
2nd qtr 1994	\$191,492,489	\$206,572,731	\$134,971,763
3rd qtr 1994	\$194,856,544	\$213,520,070	\$143,303,430
4th qtr 1994	\$209,887,874	\$215,131,389	\$123,693,241
1st qtr 1995	\$208,792,368	\$209,682,860	\$122,622,567
2nd qtr 1995	\$221,148,851	\$225,562,005	\$219,445,390
3rd qtr 1995	\$211,895,924	\$227,546,227	\$245,078,699
4th qtr 1995	\$222,498,142	\$204,969,458	\$157,508,198
1st qtr 1996	\$204,390,718	\$216,428,961	\$139,187,222
2nd qtr 1996	\$224,983,171	\$234,615,531	\$148,346,407
3rd qtr 1996	\$219,290,352	\$237,133,172	\$164,566,593
4th qtr 1996	\$223,463,025	\$241,423,503	\$149,166,884

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	51.3%
1988	59.8%
1989	100.1%
1990	81.1%
1991	75.3%
1992	88.4%
1993	77.8%
1994	61.8%
1995	97.5%
1996	59.0%

Private Passenger Auto (All Companies, All Coverages)

There were 88 groups, 233 companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 91 groups, 245 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	26.95%	\$545,805,462	5.91%	\$2,133,598,582	(1.36%)
2	Allstate Insurance Group	14.12%	\$293,438,086	18.83%	\$1,118,137,864	15.12%
3	Farmers Insurance Group	14.10%	\$265,123,343	(1.42%)	\$1,116,684,005	2.82%
4	USAA Group	5.68%	\$103,001,021	(10.66%)	\$449,433,047	(4.98%)
5	Progressive Group	3.91%	\$88,655,379	32.28%	\$309,430,873	11.15%
6	Texas State National Group	3.13%	\$63,893,445	40.68%	\$247,772,511	12.32%
7	Home State County Mutual Ins. Co.	2.65%	\$45,225,159	8.95%	\$209,547,144	38.17%
8	Nationwide Corporation	2.42%	\$49,994,732	18.77%	\$191,692,323	14.24%
9	Southern Farm Bureau Casualty	2.19%	\$46,661,583	13.32%	\$173,226,973	7.89%
10	Chartwell Group	2.13%	\$35,258,517	59.90%	\$168,276,913	163.92%
11	Berkshire-Hathaway (GEICO)	2.10%	\$41,066,613	5.19%	\$166,078,276	2.88%
12	Sentry Insurance Group	1.45%	\$26,991,523	12.97%	\$114,972,938	25.13%
13	Travelers Insurance Group	1.42%	\$27,507,417	3.13%	\$112,536,976	4.56%
14	American Financial Insurance Group	1.25%	\$19,375,948	(37.45%)	\$98,647,906	(36.33%)
15	UNITRIN Inc.	1.08%	\$19,751,962	(19.54%)	\$85,505,925	(12.32%)
16	Texas Farm Bureau Mutual	1.02%	\$20,418,460	(3.34%)	\$80,886,954	(8.83%)
17	Safeco Insurance Group	0.99%	\$19,788,127	10.69%	\$78,601,707	7.77%
18	Winterthur US Holding Group	0.92%	\$19,839,733	33.61%	\$72,997,011	37.62%
19	White Mountains Insurance Group	0.90%	\$14,623,619	(7.88%)	\$71,408,357	(16.09%)
20	Hartford Fire & Casualty Group	0.79%	\$14,909,724	(18.78%)	\$62,240,391	(6.35%)
21	Liberty Mutual Insurance Group	0.72%	\$13,147,045	3.52%	\$56,869,235	0.06%
22	Prudential of America Group	0.60%	\$10,383,240	(23.73%)	\$47,818,926	(25.42%)
23	Titus Group	0.55%	\$12,089,829	77.97%	\$43,619,586	49.25%
24	CNA Insurance Group	0.54%	\$12,916,702	95.76%	\$42,913,056	8.08%
25	Amica Mutual Group	0.49%	\$9,161,601	7.74%	\$38,658,558	4.44%

Top 25 Groups Total	92.10%	\$1,819,028,270	7.81%	\$7,291,556,037	5.03%
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Total Market	100.00%	\$1,985,228,828	8.51%	\$7,917,254,159	5.30%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,743,388,248	\$1,618,048,993	\$1,090,263,772
4th qtr 1992	\$1,687,070,362	\$1,552,328,617	\$1,061,707,868
1st qtr 1993	\$1,788,176,959	\$1,670,177,794	\$986,876,101
2nd qtr 1993	\$1,770,457,333	\$1,632,149,532	\$1,115,859,288
3rd qtr 1993	\$1,943,814,030	\$1,776,460,082	\$1,073,188,674
4th qtr 1993	\$1,793,822,636	\$1,650,368,721	\$1,155,739,987
1st qtr 1994	\$1,955,266,902	\$1,827,210,592	\$1,090,456,016
2nd qtr 1994	\$1,896,421,968	\$1,740,208,597	\$1,241,533,949
3rd qtr 1994	\$1,952,642,206	\$1,824,893,294	\$1,177,728,454
4th qtr 1994	\$1,891,370,124	\$1,766,292,039	\$1,264,469,772
1st qtr 1995	\$2,048,936,906	\$1,912,370,440	\$1,198,580,142
2nd qtr 1995	\$1,990,758,254	\$1,868,117,962	\$1,604,219,663
3rd qtr 1995	\$2,052,459,143	\$1,908,754,632	\$1,280,107,609
4th qtr 1995	\$1,990,711,142	\$1,829,547,520	\$1,262,790,164
1st qtr 1996	\$2,154,517,178	\$1,983,957,510	\$1,216,104,814
2nd qtr 1996	\$2,098,610,734	\$1,954,318,940	\$1,277,545,045
3rd qtr 1996	\$2,170,146,647	\$1,993,748,881	\$1,242,760,266
4th qtr 1996	\$2,152,975,370	\$1,985,228,828	\$1,357,480,882

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	69.6%
1988	71.1%
1989	81.1%
1990	82.4%
1991	74.8%
1992	72.8%
1993	70.0%
1994	70.9%
1995	72.3%
1996	62.9%

Private Passenger Auto (All Rate-Regulated Companies)

There were 78 groups, 211 rate-regulated companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 82 groups, 224 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	35.68%	\$527,923,424	6.31%	\$2,062,778,079	(0.94%)
2	Farmers Insurance Group	16.92%	\$231,580,099	(3.01%)	\$978,257,044	3.54%
3	Allstate Insurance Group	14.20%	\$212,389,451	9.50%	\$820,892,862	4.80%
4	USAA Group	5.43%	\$60,481,685	(43.95%)	\$313,894,272	(30.91%)
5	Southern Farm Bureau Casualty	3.00%	\$46,661,583	13.32%	\$173,226,973	7.89%
6	Berkshire-Hathaway (GEICO)	2.87%	\$41,066,613	5.19%	\$166,078,276	2.88%
7	Nationwide Corporation	2.58%	\$38,813,920	28.06%	\$149,112,945	31.38%
8	Travelers Insurance Group	1.95%	\$27,507,417	3.13%	\$112,536,976	4.56%
9	UNTRIN Inc.	1.48%	\$19,751,962	(19.54%)	\$85,505,925	(12.32%)
10	Texas Farm Bureau Mutual	1.40%	\$20,418,460	(3.34%)	\$80,886,954	(8.83%)
11	Safeco Insurance Group	1.36%	\$19,788,127	10.69%	\$78,601,707	7.77%
12	Hartford Fire & Casualty Group	1.08%	\$14,909,724	(18.78%)	\$62,240,391	(6.35%)
13	Liberty Mutual Insurance Group	0.98%	\$13,147,045	3.52%	\$56,869,235	0.06%
14	Prudential of America Group	0.83%	\$10,383,240	(23.73%)	\$47,818,926	(25.42%)
15	CNA Insurance Group	0.74%	\$12,916,702	95.76%	\$42,913,056	8.08%
16	Amica Mutual Group	0.67%	\$9,161,601	7.74%	\$38,658,558	4.44%
17	Lincoln National Corporation	0.61%	\$8,607,650	(1.36%)	\$35,316,963	(3.23%)
18	Metropolitan Group	0.60%	\$8,650,981	1.25%	\$34,915,090	2.83%
19	Lumbermans Mutual Casualty Group	0.52%	\$7,252,012	(0.88%)	\$30,161,546	(0.73%)
20	Agricultural Workers Mut. Auto Ins. Co.	0.46%	\$6,061,495	(1.38%)	\$26,332,956	(1.68%)
21	American National Financial Group	0.45%	\$6,494,531	11.80%	\$26,239,080	9.74%
22	Germania Insurance Group	0.44%	\$6,782,081	19.81%	\$25,620,080	8.94%
23	Horace Mann Group	0.42%	\$6,456,313	6.67%	\$24,514,508	1.39%
24	Commercial Union Insurance Co's.	0.36%	\$5,191,946	(2.94%)	\$20,690,971	(2.39%)
25	Motors Insurance Corporation	0.36%	\$5,252,965	(6.30%)	\$20,687,172	(6.58%)

Top 25 Groups Total	95.38%	\$1,367,651,027	0.79%	\$5,514,750,545	(1.06%)
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Total Market	100.00%	\$1,430,039,032	0.42%	\$5,781,977,317	(1.32%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,410,874,192	\$1,313,601,197	\$892,808,049
4th qtr 1992	\$1,328,397,528	\$1,256,357,604	\$864,523,415
1st qtr 1993	\$1,400,773,755	\$1,344,807,012	\$801,349,618
2nd qtr 1993	\$1,372,418,467	\$1,293,676,023	\$915,050,012
3rd qtr 1993	\$1,518,376,359	\$1,412,085,548	\$876,412,103
4th qtr 1993	\$1,407,622,338	\$1,307,588,074	\$937,566,494
1st qtr 1994	\$1,542,604,294	\$1,445,361,368	\$883,056,566
2nd qtr 1994	\$1,481,066,558	\$1,375,194,024	\$1,005,639,591
3rd qtr 1994	\$1,546,026,153	\$1,443,303,487	\$964,231,383
4th qtr 1994	\$1,481,106,839	\$1,389,914,506	\$1,017,728,145
1st qtr 1995	\$1,598,202,059	\$1,507,766,432	\$959,650,992
2nd qtr 1995	\$1,514,834,616	\$1,437,840,293	\$1,324,602,290
3rd qtr 1995	\$1,591,142,052	\$1,489,944,898	\$1,009,272,591
4th qtr 1995	\$1,506,175,082	\$1,424,047,686	\$997,305,435
1st qtr 1996	\$1,589,106,477	\$1,491,183,929	\$948,407,777
2nd qtr 1996	\$1,516,370,057	\$1,430,259,889	\$988,596,249
3rd qtr 1996	\$1,537,495,699	\$1,430,494,467	\$940,248,556
4th qtr 1996	\$1,515,697,773	\$1,430,039,032	\$1,035,759,328

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

There were 22 groups, 22 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 21 groups, 21 companies, in the fourth quarter of 1995.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Progressive Group	14.49%	\$88,655,275	32.27%	\$309,430,665	11.17%
2	Allstate Insurance Group	13.92%	\$81,048,635	52.99%	\$297,245,002	58.12%
3	Texas State National Group	11.60%	\$63,893,445	40.68%	\$247,772,511	12.32%
4	Home State County Mutual Ins. Co.	9.81%	\$45,225,159	8.95%	\$209,547,144	38.17%
5	Chartwell Group	7.88%	\$35,258,517	59.90%	\$168,276,913	163.92%
6	Farmers Insurance Group	6.48%	\$33,543,244	11.13%	\$138,426,961	(2.00%)
7	USAA Group	6.35%	\$42,519,336	*	\$135,538,775	*
8	Sentry Insurance Group	5.28%	\$26,310,417	13.16%	\$112,750,680	26.70%
9	American Financial Insurance Group	4.62%	\$19,375,756	(37.45%)	\$98,647,290	(36.33%)
10	White Mountains Insurance Group	3.34%	\$14,623,619	(7.88%)	\$71,408,357	(16.09%)
11	State Farm Group	3.32%	\$17,882,038	(4.62%)	\$70,820,503	(12.17%)
12	Winterthur US Holding Group	2.53%	\$15,031,517	44.10%	\$54,043,334	67.21%
13	Titus Group	2.04%	\$12,089,829	77.97%	\$43,619,586	49.25%
14	Nationwide Corporation	1.99%	\$11,180,812	(5.12%)	\$42,579,378	(21.59%)
15	TIG Insurance Group	1.56%	\$16,423,561	*	\$33,362,450	*
16	General Agents Group	1.29%	\$9,310,272	*	\$27,528,716	*
17	Safeway Insurance Group	1.18%	\$11,840,369	*	\$25,280,735	*
18	State Capital Group	0.99%	\$4,341,390	(40.98%)	\$21,144,060	(20.38%)
19	Orion Capital Group	0.49%	\$2,510,626	(11.44%)	\$10,393,166	(26.19%)
20	Allianz Insurance Group	0.39%	\$2,291,848	18.46%	\$8,227,369	0.63%
21	Independent County Mutual Ins. Co.	0.24%	\$1,112,942	(30.73%)	\$5,206,570	(31.38%)
22	Foremost Corporation America	0.19%	\$721,189	(23.32%)	\$4,026,677	(10.61%)
Top Groups Total		100.00%	\$555,189,796	36.91%	\$2,135,276,842	28.69%
Total Market		100.00%	\$555,189,796	36.91%	\$2,135,276,842	28.69%

* Insignificant premiums written in one quarter.

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
3rd qtr 1992	\$332,514,056	\$304,447,796	\$197,455,723
4th qtr 1992	\$358,672,834	\$295,971,013	\$197,184,453
1st qtr 1993	\$387,403,204	\$325,370,782	\$185,526,483
2nd qtr 1993	\$398,038,866	\$338,473,509	\$200,809,276
3rd qtr 1993	\$425,437,671	\$364,374,534	\$196,776,571
4th qtr 1993	\$386,200,298	\$342,780,647	\$218,173,493
1st qtr 1994	\$412,662,608	\$381,849,224	\$207,399,450
2nd qtr 1994	\$415,355,410	\$365,014,573	\$235,894,358
3rd qtr 1994	\$406,616,053	\$381,589,807	\$213,497,071
4th qtr 1994	\$410,263,285	\$376,377,533	\$246,741,627
1st qtr 1995	\$450,734,847	\$404,604,008	\$238,929,150
2nd qtr 1995	\$475,923,638	\$430,277,669	\$279,617,373
3rd qtr 1995	\$461,317,091	\$418,809,734	\$270,835,018
4th qtr 1995	\$484,536,060	\$405,499,834	\$265,484,729
1st qtr 1996	\$565,410,701	\$492,773,581	\$267,697,037
2nd qtr 1996	\$582,240,677	\$524,059,051	\$288,948,796
3rd qtr 1996	\$632,650,948	\$563,254,414	\$302,511,710
4th qtr 1996	\$637,277,597	\$555,189,796	\$321,721,554

Private Passenger Auto (All Voluntary Liability)

There were 82 groups, 225 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 80 groups, 231 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	27.36%	\$373,981,089	7.26%	\$1,434,574,283	2.40%
2	Farmers Insurance Group	14.37%	\$183,972,191	7.90%	\$753,573,018	8.90%
3	Allstate Insurance Group	13.98%	\$194,672,547	18.99%	\$733,122,929	17.61%
4	USAA Group	5.73%	\$69,391,851	(10.65%)	\$300,157,239	(5.91%)
5	Progressive Group	3.72%	\$56,411,597	31.13%	\$194,977,809	12.52%
6	Texas State National Group	3.12%	\$44,265,970	48.10%	\$163,460,246	14.97%
7	Home State County Mutual Ins. Co.	2.89%	\$33,505,989	14.67%	\$151,689,633	53.68%
8	Nationwide Corporation	2.50%	\$34,182,621	17.52%	\$131,208,201	14.67%
9	Southern Farm Bureau Casualty	2.07%	\$28,996,917	8.97%	\$108,520,747	8.74%
10	Berkshire-Hathaway (GEICO)	2.05%	\$27,265,203	7.11%	\$107,586,231	6.75%
11	Chartwell Group	1.78%	\$20,787,227	80.97%	\$93,502,358	198.47%
12	Sentry Insurance Group	1.63%	\$20,160,251	13.28%	\$85,311,299	26.90%
13	Travelers Insurance Group	1.48%	\$20,131,560	10.10%	\$77,613,347	9.02%
14	American Financial Insurance Group	1.24%	\$11,672,004	(43.43%)	\$64,878,564	(37.29%)
15	UNITRIN Inc.	1.07%	\$13,481,689	(8.80%)	\$56,153,024	(7.17%)
16	Texas Farm Bureau Mutual	1.04%	\$13,796,771	(4.47%)	\$54,463,478	(8.87%)
17	Safeco Insurance Group	0.98%	\$13,575,288	15.44%	\$51,576,328	10.21%
18	White Mountains Insurance Group	0.93%	\$10,073,531	(10.30%)	\$48,633,188	(16.58%)
19	Winterthur US Holding Group	0.85%	\$11,631,726	24.92%	\$44,480,219	45.63%
20	Hartford Fire & Casualty Group	0.84%	\$10,654,111	(11.93%)	\$43,911,806	(1.83%)
21	Liberty Mutual Insurance Group	0.72%	\$9,076,357	6.74%	\$37,917,986	3.78%
22	Prudential of America Group	0.61%	\$7,362,384	(17.85%)	\$32,209,856	(20.04%)
23	CNA Insurance Group	0.57%	\$9,215,954	102.77%	\$29,770,867	8.45%
24	Amica Mutual Group	0.52%	\$6,566,948	7.42%	\$27,345,414	4.80%
25	Metropolitan Group	0.45%	\$5,867,427	(0.64%)	\$23,683,551	2.41%

Top 25 Groups Total	92.52%	\$1,230,699,203	9.93%	\$4,850,321,621	7.98%
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Total Market	100.00%	\$1,342,909,854	11.06%	\$5,242,685,741	8.67%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,009,963,706	\$946,183,608	\$642,818,757
4th qtr 1992	\$968,470,020	\$900,027,769	\$675,033,816
1st qtr 1993	\$1,003,249,054	\$952,360,489	\$628,198,150
2nd qtr 1993	\$985,685,091	\$909,767,336	\$645,956,649
3rd qtr 1993	\$1,153,261,606	\$1,076,706,550	\$660,584,789
4th qtr 1993	\$1,089,976,377	\$1,020,213,844	\$707,537,725
1st qtr 1994	\$1,173,980,445	\$1,096,345,846	\$679,671,501
2nd qtr 1994	\$1,127,329,586	\$1,042,886,582	\$689,901,120
3rd qtr 1994	\$1,190,834,566	\$1,125,951,270	\$707,722,268
4th qtr 1994	\$1,162,594,127	\$1,105,617,576	\$752,654,979
1st qtr 1995	\$1,270,652,774	\$1,188,306,165	\$733,246,469
2nd qtr 1995	\$1,228,035,329	\$1,151,084,100	\$726,804,810
3rd qtr 1995	\$1,345,581,958	\$1,275,973,876	\$723,597,168
4th qtr 1995	\$1,310,799,475	\$1,209,226,907	\$755,036,499
1st qtr 1996	\$1,417,110,893	\$1,306,132,631	\$720,860,232
2nd qtr 1996	\$1,368,029,599	\$1,273,010,549	\$720,987,502
3rd qtr 1996	\$1,437,271,477	\$1,320,632,707	\$740,095,071
4th qtr 1996	\$1,463,858,267	\$1,342,909,854	\$828,019,416

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 71 groups, 203 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 70 groups, 210 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	35.78%	\$361,376,646	7.78%	\$1,384,938,896	2.99%
2	Farmers Insurance Group	17.01%	\$160,966,864	7.32%	\$658,360,152	10.53%
3	Allstate Insurance Group	14.41%	\$145,873,959	9.62%	\$557,833,625	6.91%
4	USAA Group	5.37%	\$40,387,884	(44.34%)	\$207,980,411	(31.93%)
5	Southern Farm Bureau Casualty	2.80%	\$28,996,917	8.97%	\$108,520,747	8.74%
6	Berkshire-Hathaway (GEICO)	2.78%	\$27,265,203	7.11%	\$107,586,231	6.75%
7	Nationwide Corporation	2.65%	\$27,510,123	35.19%	\$102,623,215	36.93%
8	Travelers Insurance Group	2.01%	\$20,131,560	10.10%	\$77,613,347	9.02%
9	UNTRIN Inc.	1.45%	\$13,481,689	(8.80%)	\$56,153,024	(7.17%)
10	Texas Farm Bureau Mutual	1.41%	\$13,796,771	(4.47%)	\$54,463,478	(8.87%)
11	Safeco Insurance Group	1.33%	\$13,575,288	15.44%	\$51,576,328	10.21%
12	Hartford Fire & Casualty Group	1.13%	\$10,654,111	(11.93%)	\$43,911,806	(1.83%)
13	Liberty Mutual Insurance Group	0.98%	\$9,076,357	6.74%	\$37,917,986	3.78%
14	Prudential of America Group	0.83%	\$7,362,384	(17.85%)	\$32,209,856	(20.04%)
15	CNA Insurance Group	0.77%	\$9,215,954	102.77%	\$29,770,867	8.45%
16	Amica Mutual Group	0.71%	\$6,566,948	7.42%	\$27,345,414	4.80%
17	Metropolitan Group	0.61%	\$5,867,427	(0.64%)	\$23,683,551	2.41%
18	Lincoln National Corporation	0.60%	\$5,922,668	(0.03%)	\$23,310,471	(2.43%)
19	Lumbermans Mutual Casualty Group	0.54%	\$5,259,632	1.97%	\$20,785,813	0.88%
20	American National Financial Group	0.47%	\$4,579,351	15.24%	\$18,054,800	16.25%
21	Germania Insurance Group	0.46%	\$4,721,186	21.50%	\$17,629,291	14.72%
22	Agricultural Workers Mut. Auto Ins. Co.	0.42%	\$3,899,789	4.49%	\$16,249,831	2.89%
23	Horace Mann Group	0.42%	\$4,412,939	17.06%	\$16,198,325	10.34%
24	Motors Insurance Corporation	0.35%	\$3,512,091	(10.00%)	\$13,722,126	(5.26%)
25	Commercial Union Insurance Co's.	0.35%	\$3,589,225	4.84%	\$13,518,593	3.87%
Top 25 Groups Total		95.65%	\$938,002,966	3.93%	\$3,701,958,184	2.46%
Total Market		100.00%	\$980,570,535	3.44%	\$3,870,480,483	2.40%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$806,484,193	\$757,560,038	\$512,017,122
4th qtr 1992	\$748,479,531	\$715,280,837	\$536,628,404
1st qtr 1993	\$786,188,305	\$765,799,351	\$502,282,171
2nd qtr 1993	\$762,813,440	\$713,187,276	\$518,225,327
3rd qtr 1993	\$912,498,618	\$862,871,680	\$532,744,236
4th qtr 1993	\$854,617,447	\$804,578,963	\$564,322,947
1st qtr 1994	\$922,028,673	\$871,134,306	\$543,570,518
2nd qtr 1994	\$870,007,187	\$817,380,807	\$544,808,115
3rd qtr 1994	\$939,991,375	\$893,393,554	\$572,314,192
4th qtr 1994	\$911,071,026	\$874,300,299	\$592,432,511
1st qtr 1995	\$986,570,318	\$941,701,479	\$576,779,658
2nd qtr 1995	\$928,134,249	\$889,515,442	\$575,330,097
3rd qtr 1995	\$1,048,178,842	\$1,000,537,851	\$558,079,208
4th qtr 1995	\$997,362,556	\$947,973,701	\$588,579,674
1st qtr 1996	\$1,047,428,130	\$990,525,421	\$558,359,983
2nd qtr 1996	\$993,950,047	\$939,565,106	\$554,211,632
3rd qtr 1996	\$1,023,087,961	\$959,819,421	\$557,446,658
4th qtr 1996	\$1,044,168,059	\$980,570,535	\$633,040,004

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

There were 22 groups, 22 non-rate-regulated (County Mutual) companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 21 groups, 21 companies, in the fourth quarter of 1995.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Progressive Group	14.21%	\$56,411,597	31.13%	\$194,977,809	12.54%
2	Allstate Insurance Group	12.77%	\$48,798,588	59.78%	\$175,289,304	72.65%
3	Texas State National Group	11.91%	\$44,265,970	48.10%	\$163,460,246	14.97%
4	Home State County Mutual Ins. Co.	11.05%	\$33,505,989	14.67%	\$151,689,633	53.68%
5	Farmers Insurance Group	6.94%	\$23,005,327	12.18%	\$95,212,866	(1.15%)
6	Chartwell Group	6.81%	\$20,787,227	80.97%	\$93,502,358	198.47%
7	USAA Group	6.72%	\$29,003,967	*	\$92,176,828	*
8	Sentry Insurance Group	6.10%	\$19,671,400	13.40%	\$83,757,513	28.45%
9	American Financial Insurance Group	4.73%	\$11,671,931	(43.44%)	\$64,878,491	(37.30%)
10	State Farm Group	3.62%	\$12,604,443	(5.63%)	\$49,635,387	(11.68%)
11	White Mountains Insurance Group	3.54%	\$10,073,531	(10.30%)	\$48,633,188	(16.58%)
12	Winterthur US Holding Group	2.29%	\$8,269,475	32.27%	\$31,451,685	80.38%
13	Nationwide Corporation	2.08%	\$6,672,498	(23.64%)	\$28,584,986	(27.58%)
14	TIG Insurance Group	1.49%	\$10,820,343	*	\$20,449,586	*
15	Safeway Insurance Group	1.48%	\$9,568,357	*	\$20,354,325	*
16	General Agents Group	1.33%	\$6,222,345	209.89%	\$18,283,099	740.85%
17	State Capital Group	1.07%	\$3,066,278	(39.57%)	\$14,698,916	(16.20%)
18	Orion Capital Group	0.62%	\$2,058,144	(11.82%)	\$8,531,387	(26.88%)
19	Titus Group	0.47%	\$3,534,389	*	\$6,497,459	*
20	Allianz Insurance Group	0.39%	\$1,418,336	7.06%	\$5,407,000	(0.78%)
21	Independent County Mutual Ins. Co.	0.25%	\$698,278	(32.96%)	\$3,384,144	(31.49%)
22	Foremost Corporation America	0.10%	\$210,906	(21.61%)	\$1,349,048	(4.81%)
Top Groups Total		100.00%	\$362,339,319	38.69%	\$1,372,205,258	31.33%
Total Market		100.00%	\$362,339,319	38.69%	\$1,372,205,258	31.33%

* Insignificant premiums written in one quarter.

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
3rd qtr 1992	\$203,479,513	\$188,623,570	\$130,801,635
4th qtr 1992	\$219,990,489	\$184,746,932	\$138,405,412
1st qtr 1993	\$217,060,749	\$186,561,138	\$125,915,979
2nd qtr 1993	\$222,871,651	\$196,580,060	\$127,731,322
3rd qtr 1993	\$240,762,988	\$213,834,870	\$127,840,553
4th qtr 1993	\$235,358,930	\$215,634,881	\$143,214,778
1st qtr 1994	\$251,951,772	\$225,211,540	\$136,100,983
2nd qtr 1994	\$257,322,399	\$225,505,775	\$145,093,005
3rd qtr 1994	\$250,843,191	\$232,557,716	\$135,408,076
4th qtr 1994	\$251,523,101	\$231,317,277	\$160,222,468
1st qtr 1995	\$284,082,456	\$246,604,686	\$156,466,811
2nd qtr 1995	\$299,901,080	\$261,568,658	\$151,474,713
3rd qtr 1995	\$297,403,116	\$275,436,025	\$165,517,960
4th qtr 1995	\$313,436,919	\$261,253,206	\$166,456,825
1st qtr 1996	\$369,682,763	\$315,607,210	\$162,500,249
2nd qtr 1996	\$374,079,552	\$333,445,443	\$166,775,870
3rd qtr 1996	\$414,183,516	\$360,813,286	\$182,648,413
4th qtr 1996	\$419,690,208	\$362,339,319	\$194,979,412

Private Passenger Auto (All Assigned Risk)

There were 36 groups, 42 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 44 groups, 50 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	37.71%	\$6,402,680	(66.64%)	\$57,454,689	(53.78%)
2	Farmers Insurance Group	14.85%	\$2,442,496	(76.42%)	\$22,623,092	(61.66%)
3	Allstate Insurance Group	11.49%	\$860,564	(82.22%)	\$17,509,975	(39.81%)
4	Southern Farm Bureau Casualty	7.69%	\$2,145,919	(24.21%)	\$11,719,918	(19.17%)
5	Leucadia Group	6.70%	\$494,003	(64.57%)	\$10,207,364	(50.72%)
6	American International Group	3.76%	\$456,180	(71.32%)	\$5,724,656	(54.90%)
7	Eagle Insurance Group	2.04%	\$101,563	(54.24%)	\$3,113,839	246.61%
8	Nationwide Corporation	1.87%	\$337,700	(41.24%)	\$2,845,500	(27.86%)
9	Berkshire-Hathaway (GEICO)	1.79%	\$510,375	(51.34%)	\$2,728,885	(70.51%)
10	Prudential of America Group	1.31%	\$213,931	(76.25%)	\$1,992,314	(66.93%)
11	UNITRIN Inc.	1.25%	\$92,109	(80.25%)	\$1,910,660	(55.56%)
12	Safeco Insurance Group	1.08%	\$69,332	(85.07%)	\$1,651,814	(45.68%)
13	Travelers Insurance Group	1.07%	\$120,982	(81.07%)	\$1,626,133	(66.08%)
14	Liberty Mutual Insurance Group	0.85%	\$104,165	(77.81%)	\$1,301,211	(62.14%)
15	Lincoln National Corporation	0.80%	\$57,531	(65.87%)	\$1,214,047	(15.03%)
16	Hartford Fire & Casualty Group	0.71%	\$10,466	(91.30%)	\$1,078,716	53.95%
17	Beacon Insurance Group	0.64%	\$101,934	(67.69%)	\$976,694	(53.21%)
18	Lumbermans Mutual Casualty Group	0.64%	\$56,513	(69.00%)	\$973,579	(27.02%)
19	Agricultural Workers Mut. Auto Ins. Co.	0.63%	\$57,516	(81.32%)	\$963,945	(51.18%)
20	Commercial Union Insurance Co's.	0.44%	\$30,787	(90.45%)	\$672,822	(62.71%)
21	Providian Group	0.44%	\$98,759	(70.46%)	\$667,937	(67.55%)
22	American National Financial Group	0.37%	\$41,012	(81.71%)	\$566,124	(64.64%)
23	American Indemnity Financial	0.36%	\$36,960	(76.44%)	\$542,379	(55.74%)
24	Horace Mann Group	0.30%	\$92,638	(78.59%)	\$451,050	(75.59%)
25	W R Berkley Corporation	0.26%	\$35,203	(81.51%)	\$403,319	(55.03%)

Top 25 Groups Total	99.05%	\$14,971,318	(68.65%)	\$150,920,662	(51.77%)
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Total Market	100.00%	\$15,090,854	(68.69%)	\$152,375,379	(51.90%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$122,447,473	\$96,404,238	\$62,266,574
4th qtr 1992	\$128,935,185	\$103,413,081	\$76,001,470
1st qtr 1993	\$131,750,804	\$112,661,470	\$75,246,135
2nd qtr 1993	\$153,229,776	\$131,034,818	\$99,546,835
3rd qtr 1993	\$149,871,433	\$115,396,037	\$105,415,578
4th qtr 1993	\$127,431,913	\$93,422,097	\$111,112,087
1st qtr 1994	\$157,420,604	\$128,362,242	\$111,042,039
2nd qtr 1994	\$163,550,340	\$130,231,246	\$118,324,597
3rd qtr 1994	\$145,653,655	\$100,016,648	\$127,905,942
4th qtr 1994	\$139,232,084	\$97,352,374	\$134,117,427
1st qtr 1995	\$141,686,848	\$110,611,264	\$127,859,913
2nd qtr 1995	\$142,664,825	\$112,500,562	\$126,667,662
3rd qtr 1995	\$85,718,832	\$45,466,007	\$114,131,962
4th qtr 1995	\$77,551,462	\$48,191,503	\$107,964,333
1st qtr 1996	\$76,194,589	\$51,976,718	\$86,795,091
2nd qtr 1996	\$73,127,973	\$57,403,490	\$69,677,406
3rd qtr 1996	\$52,886,905	\$27,904,317	\$58,544,626
4th qtr 1996	\$33,281,834	\$15,090,854	\$49,967,021

Private Passenger Auto (All Physical Damage)

There were 82 groups, 219 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 84 groups, 230 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	25.44%	\$165,421,693	12.15%	\$641,569,610	0.59%
2	Allstate Insurance Group	14.57%	\$97,904,975	24.72%	\$367,504,960	15.24%
3	Farmers Insurance Group	13.50%	\$78,708,656	(10.65%)	\$340,487,895	1.61%
4	USAA Group	5.92%	\$33,609,170	(10.70%)	\$149,276,183	(3.42%)
5	Progressive Group	4.54%	\$32,243,782	34.33%	\$114,453,064	8.88%
6	Texas State National Group	3.34%	\$19,627,475	26.40%	\$84,312,265	7.53%
7	Chartwell Group	2.96%	\$14,471,290	36.99%	\$74,774,555	130.55%
8	Home State County Mutual Ins. Co.	2.29%	\$11,719,170	(4.65%)	\$57,857,511	9.26%
9	Nationwide Corporation	2.29%	\$15,474,411	24.46%	\$57,638,622	16.60%
10	Berkshire-Hathaway (GEICO)	2.21%	\$13,291,035	6.00%	\$55,763,160	8.51%
11	Southern Farm Bureau Casualty	2.10%	\$15,518,747	32.23%	\$52,986,308	14.55%
12	Titus Group	1.47%	\$8,555,440	28.18%	\$37,122,127	34.13%
13	American Financial Insurance Group	1.34%	\$7,703,944	(25.50%)	\$33,768,918	(34.39%)
14	Travelers Insurance Group	1.32%	\$7,254,875	(6.39%)	\$33,297,496	5.24%
15	Sentry Insurance Group	1.18%	\$6,831,272	12.07%	\$29,661,639	20.31%
16	Winterthur US Holding Group	1.13%	\$8,208,007	48.22%	\$28,516,792	26.59%
17	UNITRIN Inc.	1.09%	\$6,178,164	(33.56%)	\$27,442,241	(16.17%)
18	Texas Farm Bureau Mutual	1.05%	\$6,621,689	(0.92%)	\$26,423,476	(8.75%)
19	Safeco Insurance Group	1.01%	\$6,143,507	8.67%	\$25,373,565	9.87%
20	White Mountains Insurance Group	0.90%	\$4,550,088	(2.04%)	\$22,775,169	(15.01%)
21	Liberty Mutual Insurance Group	0.70%	\$3,966,523	6.43%	\$17,650,038	4.69%
22	Hartford Fire & Casualty Group	0.68%	\$4,245,147	(30.87%)	\$17,249,869	(17.97%)
23	Prudential of America Group	0.54%	\$2,806,925	(25.18%)	\$13,616,756	(23.53%)
24	CNA Insurance Group	0.52%	\$3,700,748	80.22%	\$13,142,189	6.97%
25	TIG Insurance Group	0.51%	\$5,603,826	*	\$12,917,526	*

Top 25 Groups Total	92.60%	\$580,360,559	9.33%	\$2,335,581,934	5.97%
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Total Market	100.00%	\$627,228,120	9.63%	\$2,522,193,039	6.09%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$610,977,069	\$575,461,147	\$385,178,441
4th qtr 1992	\$589,665,157	\$548,887,767	\$310,672,582
1st qtr 1993	\$653,177,101	\$605,155,835	\$283,431,816
2nd qtr 1993	\$631,542,466	\$591,347,378	\$370,355,804
3rd qtr 1993	\$640,680,991	\$584,357,495	\$307,188,307
4th qtr 1993	\$576,414,346	\$536,732,780	\$337,090,175
1st qtr 1994	\$623,865,853	\$602,502,504	\$299,742,476
2nd qtr 1994	\$605,542,042	\$567,090,769	\$433,308,232
3rd qtr 1994	\$616,153,985	\$598,925,376	\$342,100,244
4th qtr 1994	\$589,543,913	\$563,322,089	\$377,697,366
1st qtr 1995	\$636,597,284	\$613,453,011	\$337,473,760
2nd qtr 1995	\$620,058,100	\$604,533,300	\$750,747,191
3rd qtr 1995	\$621,158,353	\$587,314,749	\$442,378,479
4th qtr 1995	\$602,360,205	\$572,129,110	\$399,789,332
1st qtr 1996	\$661,211,696	\$625,848,161	\$408,449,491
2nd qtr 1996	\$657,453,162	\$623,904,901	\$486,880,137
3rd qtr 1996	\$679,988,265	\$645,211,857	\$444,120,569
4th qtr 1996	\$655,835,269	\$627,228,120	\$479,494,445

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 72 groups, 197 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 75 groups, 209 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	35.27%	\$160,144,098	12.69%	\$620,384,494	1.15%
2	Farmers Insurance Group	16.90%	\$68,170,739	(13.06%)	\$297,273,800	2.45%
3	Allstate Insurance Group	13.96%	\$65,654,928	17.11%	\$245,549,262	5.64%
4	USAA Group	6.02%	\$20,093,801	(43.15%)	\$105,914,236	(29.09%)
5	Berkshire-Hathaway (GEICO)	3.17%	\$13,291,035	6.00%	\$55,763,160	8.51%
6	Southern Farm Bureau Casualty	3.01%	\$15,518,747	32.23%	\$52,986,308	14.55%
7	Nationwide Corporation	2.48%	\$10,966,097	16.83%	\$43,644,230	26.13%
8	Travelers Insurance Group	1.89%	\$7,254,875	(6.39%)	\$33,297,496	5.24%
9	UNTRIN Inc.	1.56%	\$6,178,164	(33.56%)	\$27,442,241	(16.17%)
10	Texas Farm Bureau Mutual	1.50%	\$6,621,689	(0.92%)	\$26,423,476	(8.75%)
11	Safeco Insurance Group	1.44%	\$6,143,507	8.67%	\$25,373,565	9.87%
12	Liberty Mutual Insurance Group	1.00%	\$3,966,523	6.43%	\$17,650,038	4.69%
13	Hartford Fire & Casualty Group	0.98%	\$4,245,147	(30.87%)	\$17,249,869	(17.97%)
14	Prudential of America Group	0.77%	\$2,806,925	(25.18%)	\$13,616,756	(23.53%)
15	CNA Insurance Group	0.75%	\$3,700,748	80.22%	\$13,142,189	6.97%
16	Amica Mutual Group	0.64%	\$2,594,653	8.55%	\$11,313,144	3.58%
17	Metropolitan Group	0.64%	\$2,783,554	5.50%	\$11,231,539	3.21%
18	Lincoln National Corporation	0.61%	\$2,627,451	(0.22%)	\$10,792,445	(3.43%)
19	Agricultural Workers Mut. Auto Ins. Co.	0.52%	\$2,104,190	(0.12%)	\$9,119,180	1.16%
20	Lumbermans Mutual Casualty Group	0.48%	\$1,935,867	(2.05%)	\$8,402,154	(0.52%)
21	Germania Insurance Group	0.46%	\$2,061,278	19.85%	\$8,009,942	14.74%
22	Horace Mann Group	0.45%	\$1,950,736	5.42%	\$7,865,133	2.79%
23	American National Financial Group	0.43%	\$1,874,168	16.34%	\$7,618,156	12.41%
24	Motors Insurance Corporation	0.40%	\$1,740,874	2.16%	\$6,965,046	(9.06%)
25	Commercial Union Insurance Co's.	0.37%	\$1,571,934	(1.94%)	\$6,499,556	1.90%

Top 25 Groups Total	95.70%	\$416,001,728	1.25%	\$1,683,527,415	(0.26%)
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Total Market	100.00%	\$434,377,643	1.52%	\$1,759,121,455	(0.23%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$481,942,526	\$459,636,921	\$318,524,353
4th qtr 1992	\$450,982,812	\$437,663,686	\$251,893,541
1st qtr 1993	\$482,834,646	\$466,346,191	\$223,821,312
2nd qtr 1993	\$456,375,251	\$449,453,929	\$297,277,850
3rd qtr 1993	\$456,006,308	\$433,817,831	\$238,252,289
4th qtr 1993	\$425,572,978	\$409,587,014	\$262,131,460
1st qtr 1994	\$463,155,017	\$445,864,820	\$228,444,009
2nd qtr 1994	\$447,509,031	\$427,581,971	\$342,506,879
3rd qtr 1994	\$460,381,123	\$449,893,285	\$264,011,249
4th qtr 1994	\$430,803,729	\$418,261,833	\$291,178,207
1st qtr 1995	\$469,944,893	\$455,453,689	\$255,011,421
2nd qtr 1995	\$444,035,542	\$435,824,289	\$622,604,531
3rd qtr 1995	\$457,244,378	\$443,941,040	\$337,061,421
4th qtr 1995	\$431,261,064	\$427,882,482	\$300,761,428
1st qtr 1996	\$465,483,758	\$448,681,790	\$303,252,703
2nd qtr 1996	\$449,292,037	\$433,291,293	\$364,707,211
3rd qtr 1996	\$461,520,833	\$442,770,729	\$324,257,272
4th qtr 1996	\$438,247,880	\$434,377,643	\$352,752,303

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

There were 22 groups, 22 non-rate-regulated (County Mutual) companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 1996, as compared to 21 groups, 21 companies, in the fourth quarter of 1995.

The table below represents the top groups based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Allstate Insurance Group	15.98%	\$32,250,047	43.73%	\$121,955,698	41.05%
2	Progressive Group	15.00%	\$32,243,678	34.32%	\$114,452,856	8.90%
3	Texas State National Group	11.05%	\$19,627,475	26.40%	\$84,312,265	7.53%
4	Chartwell Group	9.80%	\$14,471,290	36.99%	\$74,774,555	130.55%
5	Home State County Mutual Ins. Co.	7.58%	\$11,719,170	(4.65%)	\$57,857,511	9.26%
6	USAA Group	5.68%	\$13,515,369	*	\$43,361,947	*
7	Farmers Insurance Group	5.66%	\$10,537,917	8.90%	\$43,214,095	(3.82%)
8	Titus Group	4.86%	\$8,555,440	28.18%	\$37,122,127	34.13%
9	American Financial Insurance Group	4.43%	\$7,703,825	(25.50%)	\$33,768,799	(34.39%)
10	Sentry Insurance Group	3.80%	\$6,639,017	12.45%	\$28,993,167	21.89%
11	White Mountains Insurance Group	2.98%	\$4,550,088	(2.04%)	\$22,775,169	(15.01%)
12	Winterthur US Holding Group	2.96%	\$6,762,042	61.79%	\$22,591,649	51.78%
13	State Farm Group	2.78%	\$5,277,595	(2.12%)	\$21,185,116	(13.28%)
14	Nationwide Corporation	1.83%	\$4,508,314	47.99%	\$13,994,392	(5.63%)
15	TIG Insurance Group	1.69%	\$5,603,218	*	\$12,912,864	*
16	General Agents Group	1.21%	\$3,087,927	*	\$9,245,617	*
17	State Capital Group	0.84%	\$1,275,112	(44.10%)	\$6,445,144	(28.50%)
18	Safeway Insurance Group	0.65%	\$2,272,012	*	\$4,926,410	*
19	Allianz Insurance Group	0.37%	\$873,512	43.21%	\$2,820,369	3.46%
20	Foremost Corporation America	0.35%	\$510,283	(24.00%)	\$2,677,629	(13.27%)
21	Orion Capital Group	0.24%	\$452,482	(9.67%)	\$1,861,779	(22.85%)
22	Independent County Mutual Ins. Co.	0.24%	\$414,664	(26.61%)	\$1,822,426	(31.18%)
Top Groups Total		100.00%	\$192,850,477	33.69%	\$763,071,584	24.21%
Total Market		100.00%	\$192,850,477	33.69%	\$763,071,584	24.21%

* Insignificant premiums written in one quarter.

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
3rd qtr 1992	\$129,034,543	\$115,824,226	\$66,654,088
4th qtr 1992	\$138,682,345	\$111,224,081	\$58,779,041
1st qtr 1993	\$170,342,455	\$138,809,644	\$59,610,504
2nd qtr 1993	\$175,167,215	\$141,893,449	\$73,077,954
3rd qtr 1993	\$184,674,683	\$150,539,664	\$68,936,018
4th qtr 1993	\$150,841,368	\$127,145,766	\$74,958,715
1st qtr 1994	\$160,710,836	\$156,637,684	\$71,298,467
2nd qtr 1994	\$158,033,011	\$139,508,798	\$90,801,353
3rd qtr 1994	\$155,772,862	\$149,032,091	\$78,088,995
4th qtr 1994	\$158,740,184	\$145,060,256	\$86,519,159
1st qtr 1995	\$166,652,391	\$157,999,322	\$82,462,339
2nd qtr 1995	\$176,022,558	\$168,709,011	\$128,142,660
3rd qtr 1995	\$163,913,975	\$143,373,709	\$105,317,058
4th qtr 1995	\$171,099,141	\$144,246,628	\$99,027,904
1st qtr 1996	\$195,727,938	\$177,166,371	\$105,196,788
2nd qtr 1996	\$208,161,125	\$190,613,608	\$122,172,926
3rd qtr 1996	\$218,467,432	\$202,441,128	\$119,863,297
4th qtr 1996	\$217,587,389	\$192,850,477	\$126,742,142

Homeowners Multiple Peril (All Companies)

There were 73 groups, 173 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the fourth quarter of 1996, as compared to 78 groups, 183 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for premiums on policies written based on a sum of the most recent four quarters. Also included is a comparison of premiums on policies written in the fourth quarter of 1996 to premiums on policies written in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	33.80%	\$186,432,890	4.62%	\$812,530,351	6.73%
2	Farmers Insurance Group	17.18%	\$99,843,181	3.62%	\$412,908,698	7.68%
3	Allstate Insurance Group	12.84%	\$74,910,903	9.44%	\$308,648,953	16.45%
4	USAA Group	6.29%	\$35,069,736	6.29%	\$151,231,593	5.63%
5	Travelers Insurance Group	4.68%	\$28,995,973	22.66%	\$112,399,777	23.77%
6	Nationwide Corporation	2.10%	\$13,695,572	30.23%	\$50,471,817	41.65%
7	Safeco Insurance Group	1.91%	\$9,948,258	4.42%	\$45,832,991	8.85%
8	Texas Farm Bureau Mutual	1.80%	\$10,287,445	3.70%	\$43,154,057	5.17%
9	Titus Group	1.78%	\$9,913,791	(10.98%)	\$42,677,003	(9.69%)
10	Winterthur US Holding Group	1.66%	\$7,799,462	(26.57%)	\$39,880,203	(14.32%)
11	Chubb & Son Inc.	1.61%	\$9,743,835	11.59%	\$38,710,048	9.15%
12	CNA Insurance Group	1.18%	\$7,764,660	16.16%	\$28,471,967	(7.39%)
13	UNINTRIN Inc.	1.18%	\$6,163,871	(8.49%)	\$28,439,440	(12.76%)
14	Liberty Mutual Insurance Group	1.01%	\$5,622,476	12.84%	\$24,267,815	13.69%
15	Hartford Fire & Casualty Group	0.89%	\$5,404,965	9.34%	\$21,429,617	9.52%
16	Amica Mutual Group	0.77%	\$4,124,783	6.69%	\$18,403,784	10.74%
17	Lumbermans Mutual Casualty Group	0.76%	\$4,292,568	0.83%	\$18,291,663	(0.38%)
18	Allianz Insurance Group	0.73%	\$4,684,538	22.90%	\$17,576,268	14.82%
19	Metropolitan Group	0.69%	\$3,941,255	(23.20%)	\$16,541,480	(33.83%)
20	American National Financial Group	0.65%	\$4,227,269	42.50%	\$15,635,418	31.73%
21	Lincoln National Corporation	0.56%	\$2,876,420	(8.15%)	\$13,404,701	(6.32%)
22	Commercial Union Ins. Co's.	0.46%	\$2,502,512	5.26%	\$11,052,109	9.91%
23	Central Mutual Ins. Co. of Ohio	0.40%	\$2,427,034	20.27%	\$9,733,020	19.67%
24	General Accident Insurance Group	0.40%	\$2,526,382	25.27%	\$9,616,281	17.63%
25	Mutual Assurance Group	0.38%	\$2,298,555	0.81%	\$9,174,812	1.60%
Top 25 Groups Total		95.70%	\$545,498,334	5.86%	\$2,300,483,866	7.86%
Total Market		100.00%	\$569,123,474	4.47%	\$2,403,748,601	6.29%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$537,610,143	\$509,123,907	\$567,048,419
4th qtr 1992	\$471,357,082	\$411,525,292	\$376,258,831
1st qtr 1993	\$470,543,684	\$442,186,296	\$286,193,406
2nd qtr 1993	\$554,660,445	\$518,767,754	\$410,541,425
3rd qtr 1993	\$598,360,601	\$555,192,226	\$307,695,463
4th qtr 1993	\$529,999,658	\$482,257,180	\$321,328,737
1st qtr 1994	\$532,541,239	\$489,509,443	\$276,372,563
2nd qtr 1994	\$621,560,643	\$577,721,290	\$542,624,658
3rd qtr 1994	\$633,996,205	\$584,424,492	\$394,990,949
4th qtr 1994	\$544,112,881	\$506,794,681	\$317,850,063
1st qtr 1995	\$534,583,419	\$504,912,643	\$295,828,219
2nd qtr 1995	\$630,924,160	\$601,610,199	\$780,554,937
3rd qtr 1995	\$646,709,555	\$610,273,315	\$511,610,477
4th qtr 1995	\$581,348,145	\$544,747,718	\$416,544,143
1st qtr 1996	\$571,892,751	\$536,605,208	\$306,300,976
2nd qtr 1996	\$679,944,846	\$644,031,987	\$414,718,637
3rd qtr 1996	\$691,782,488	\$653,987,932	\$352,051,094
4th qtr 1996	\$605,650,991	\$569,123,474	\$317,853,967

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>
1987	61.3%
1988	66.7%
1989	112.7%
1990	84.8%
1991	67.2%
1992	107.6%
1993	66.1%
1994	73.3%
1995	92.6%
1996	59.4%

Homeowners Multiple Peril (Rate-Regulated Companies)

There were 56 groups, 131 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 1996, as compared to 59 groups, 137 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	30.11%	\$48,869,325	1.91%	\$214,845,761	1.41%
2	Allstate Insurance Group	11.69%	\$18,962,317	(4.64%)	\$83,438,388	5.21%
3	Travelers Insurance Group	9.13%	\$16,841,524	19.31%	\$65,137,163	17.12%
4	Farmers Insurance Group	7.34%	\$12,399,635	(0.73%)	\$52,414,083	(1.73%)
5	USAA Group	6.07%	\$10,334,520	13.69%	\$43,306,187	13.22%
6	Winterthur US Holding Group	5.02%	\$6,811,290	(27.87%)	\$35,825,184	(17.13%)
7	UNITRIN Inc.	3.93%	\$6,073,201	(8.35%)	\$28,068,121	(12.10%)
8	Liberty Mutual Insurance Group	3.40%	\$5,622,476	12.84%	\$24,267,815	13.69%
9	Amica Mutual Group	2.58%	\$4,124,783	6.69%	\$18,403,784	10.74%
10	Lumbermans Mutual Casualty Group	2.56%	\$4,292,568	0.83%	\$18,291,663	(0.38%)
11	CNA Insurance Group	2.41%	\$4,890,316	16.34%	\$17,219,948	(12.70%)
12	Lincoln National Corporation	1.88%	\$2,876,420	(8.15%)	\$13,404,701	(6.32%)
13	Commercial Union Ins. Companies	1.55%	\$2,502,512	5.26%	\$11,052,797	9.92%
14	General Accident Insurance	1.35%	\$2,526,382	25.27%	\$9,616,281	17.63%
15	Mutual Assurance Group	1.29%	\$2,298,555	0.81%	\$9,174,812	1.60%
16	American National Financial Group	1.24%	\$1,815,071	(9.48%)	\$8,858,023	(14.38%)
17	Beacon Insurance Group	1.13%	\$1,907,988	8.59%	\$8,037,997	2.66%
18	Nationwide Corporation	1.10%	\$2,057,505	15.02%	\$7,822,612	20.84%
19	Zurich American Insurance Group	0.91%	\$1,475,086	(13.13%)	\$6,491,345	(17.26%)
20	Horace Mann Group	0.90%	\$1,611,513	7.81%	\$6,394,722	3.45%
21	American Indemnity Financial	0.49%	\$796,770	(5.17%)	\$3,527,038	(5.93%)
22	Allmerica Financial Corporation	0.47%	\$860,747	7.43%	\$3,366,595	9.06%
23	W R Berkley Corporation	0.44%	\$620,062	(34.62%)	\$3,170,808	(11.86%)
24	Germania Insurance Group	0.37%	\$704,829	3.91%	\$2,625,330	4.86%
25	Preferred Risk Group	0.33%	\$493,207	(17.88%)	\$2,354,220	(7.15%)
Top 25 Groups Total		97.68%	\$161,768,602	1.53%	\$697,115,378	1.72%
Total Market		100.00%	\$165,157,360	(1.36%)	\$713,641,144	(2.05%)

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$216,234,731	\$204,068,379	\$226,819,368
4th qtr 1992	\$193,526,153	\$175,727,873	\$150,503,532
1st qtr 1993	\$192,954,685	\$180,931,583	\$116,312,487
2nd qtr 1993	\$218,431,355	\$202,850,231	\$157,726,557
3rd qtr 1993	\$224,357,457	\$206,338,238	\$112,311,598
4th qtr 1993	\$187,224,520	\$169,608,716	\$120,857,223
1st qtr 1994	\$190,370,776	\$174,098,266	\$103,310,814
2nd qtr 1994	\$218,982,630	\$197,086,754	\$172,948,979
3rd qtr 1994	\$214,592,708	\$189,673,807	\$132,320,512
4th qtr 1994	\$181,369,312	\$169,322,107	\$107,207,059
1st qtr 1995	\$182,993,759	\$172,484,830	\$103,753,971
2nd qtr 1995	\$207,217,269	\$196,039,192	\$250,996,642
3rd qtr 1995	\$205,384,123	\$192,609,387	\$163,504,705
4th qtr 1995	\$178,599,733	\$167,430,221	\$122,077,376
1st qtr 1996	\$178,116,425	\$167,421,166	\$95,359,982
2nd qtr 1996	\$201,706,278	\$191,730,434	\$118,565,329
3rd qtr 1996	\$197,441,833	\$189,332,184	\$99,681,001
4th qtr 1996	\$175,490,221	\$165,157,360	\$94,731,554

Homeowners Multiple Peril (Non-Rate-Regulated Companies)

There were 40 groups, 42 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 1996, as compared to 43 groups, 46 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	State Farm Group	35.36%	\$137,563,565	5.61%	\$597,684,590	8.79%
2	Farmers Insurance Group	21.33%	\$87,443,546	4.27%	\$360,494,615	9.20%
3	Allstate Insurance Group	13.33%	\$55,948,586	15.21%	\$225,210,565	21.24%
4	USAA Group	6.39%	\$24,735,216	3.48%	\$107,925,406	2.86%
5	Travelers Insurance Group	2.80%	\$12,154,449	27.61%	\$47,262,614	34.28%
6	Safeco Insurance Group	2.71%	\$9,948,258	4.42%	\$45,832,991	8.85%
7	Texas Farm Bureau Mutual	2.55%	\$10,287,445	3.70%	\$43,154,057	5.17%
8	Titus Group	2.53%	\$9,913,791	(10.98%)	\$42,677,003	(9.69%)
9	Nationwide Corporation	2.52%	\$11,638,067	33.35%	\$42,649,205	46.26%
10	Chubb & Son Inc.	2.29%	\$9,743,835	11.59%	\$38,710,048	9.16%
11	Hartford Fire & Casualty Group	1.27%	\$5,404,841	9.28%	\$21,430,663	9.67%
12	Allianz Insurance Group	1.04%	\$4,684,538	22.90%	\$17,574,679	14.82%
13	Metropolitan Group	0.98%	\$3,937,942	(23.07%)	\$16,538,303	(20.93%)
14	CNA Insurance Group	0.67%	\$2,874,344	15.84%	\$11,252,019	2.11%
15	Central Mutual Ins. Co. of Ohio	0.58%	\$2,426,547	20.25%	\$9,732,533	19.66%
16	American National Financial Group	0.40%	\$2,412,198	150.95%	\$6,777,395	*
17	Apex Lloyds Insurance Company	0.40%	\$651,167	(53.34%)	\$6,714,129	(3.63%)
18	W R Berkley Corporation	0.31%	\$1,154,020	(10.45%)	\$5,307,098	(6.89%)
19	Mortgage Bankers Group	0.30%	\$1,449,132	(5.03%)	\$5,132,357	144.58%
20	National Group Insurance Companies	0.29%	\$1,229,616	40.78%	\$4,891,534	52.08%
21	Armed Forces Insurance Exchange	0.29%	\$1,128,306	8.42%	\$4,867,307	4.74%
22	American Bankers Florida Group	0.25%	\$1,062,752	(21.66%)	\$4,193,800	(12.19%)
23	Winterthur US Holding Group	0.24%	\$988,172	(16.19%)	\$4,055,019	22.33%
24	Midland-Guardian Group	0.19%	\$719,550	(30.78%)	\$3,293,960	(34.56%)
25	Vesta Insurance Group	0.17%	\$876,171	36.90%	\$2,876,841	145.68%

Top 25 Groups Total	99.18%	\$400,376,054	7.10%	\$1,676,238,731	10.73%
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Total Market	100.00%	\$403,966,114	7.06%	\$1,690,107,457	10.25%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$321,375,412	\$305,055,528	\$340,229,051
4th qtr 1992	\$277,830,929	\$235,797,419	\$225,755,299
1st qtr 1993	\$277,588,999	\$261,254,713	\$169,880,919
2nd qtr 1993	\$336,229,090	\$315,917,523	\$252,814,868
3rd qtr 1993	\$374,003,144	\$348,853,988	\$195,383,865
4th qtr 1993	\$342,775,138	\$312,648,464	\$200,471,514
1st qtr 1994	\$342,170,463	\$315,411,177	\$173,061,749
2nd qtr 1994	\$402,578,013	\$380,634,536	\$369,675,679
3rd qtr 1994	\$419,403,497	\$394,750,685	\$262,670,437
4th qtr 1994	\$362,743,569	\$337,472,574	\$210,643,004
1st qtr 1995	\$351,589,660	\$332,427,813	\$192,074,248
2nd qtr 1995	\$423,706,891	\$405,571,007	\$529,558,295
3rd qtr 1995	\$441,325,432	\$417,663,928	\$348,105,772
4th qtr 1995	\$402,748,412	\$377,317,497	\$294,466,767
1st qtr 1996	\$393,776,326	\$369,184,042	\$210,940,994
2nd qtr 1996	\$478,238,568	\$452,301,553	\$296,153,308
3rd qtr 1996	\$494,340,655	\$464,655,748	\$252,370,093
4th qtr 1996	\$430,160,770	\$403,966,114	\$223,122,413

Workers' Compensation (All Companies)

There were 105 groups, 263 companies, that had direct written premium for Workers' Compensation in the fourth quarter of 1996, as compared to 96 groups, 251 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Texas Workers Compensation Ins. Fund	22.57%	\$82,222,645	(27.99%)	\$381,467,713	(26.63%)
2	American International Group	8.58%	\$28,393,164	11.59%	\$145,087,067	44.62%
3	CNA Insurance Group	6.31%	\$40,296,673	47.18%	\$106,652,048	(24.33%)
4	Lumbermans Mutual Casualty Group	5.28%	\$22,455,198	42.27%	\$89,171,297	26.55%
5	Reliance Group Incorporated	4.79%	\$13,346,782	(5.07%)	\$80,942,786	14.84%
6	Liberty Mutual Insurance Group	3.87%	(\$9,674,339)	(133.78%)	\$65,441,371	(38.29%)
7	Travelers Insurance Group	3.38%	\$21,878,241	(10.29%)	\$57,167,715	(35.09%)
8	Hartford Fire & Casualty Group	2.97%	\$9,119,508	(4.99%)	\$50,153,578	17.72%
9	Transport Holdings Inc.	2.42%	\$9,686,618	8.10%	\$40,942,042	(8.44%)
10	Orion Capital Group	2.33%	\$9,428,533	(17.60%)	\$39,412,825	(23.84%)
11	Zenith National Insurance Group	2.02%	\$7,757,920	(7.63%)	\$34,113,878	(0.32%)
12	Old Republic Group	1.83%	\$8,393,459	(21.79%)	\$30,891,718	(8.71%)
13	Nationwide Corporation	1.78%	\$7,673,107	193.20%	\$30,093,738	(16.14%)
14	Zurich American Insurance Group	1.70%	\$5,272,206	68.21%	\$28,805,601	6.67%
15	Cigna Group	1.61%	\$25,076,630	539.62%	\$27,127,702	(4.39%)
16	Allianz Insurance Group	1.51%	\$6,671,075	32.57%	\$25,499,837	12.74%
17	Service Life Group	1.50%	(\$210,072)	(132.14%)	\$25,339,883	(2.16%)
18	Mortgage Bankers Group	1.47%	\$6,324,504	(44.57%)	\$24,909,711	(8.43%)
19	St. Paul Companies	1.44%	\$5,952,273	(5.68%)	\$24,255,484	64.95%
20	Crum & Forster Insurance Companies	1.40%	\$3,789,323	(28.55%)	\$23,743,796	7.63%
21	General Accident Insurance Group	1.30%	\$6,837,161	149.78%	\$21,921,826	121.08%
22	Association Casualty Group	1.15%	\$4,736,335	15.60%	\$19,398,589	31.34%
23	Farmers Insurance Group	1.04%	\$4,205,397	16.15%	\$17,644,529	29.01%
24	Amerisure Companies	1.03%	\$4,160,373	(21.00%)	\$17,403,991	(17.57%)
25	Royal Insurance Group	0.95%	\$3,779,366	(15.54%)	\$16,089,365	3.73%

Top 25 Groups Total	84.23%	\$327,572,080	(5.65%)	\$1,423,678,090	(10.01%)
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Total Market	100.00%	\$395,129,224	(1.60%)	\$1,690,164,164	(6.11%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$798,062,503	\$634,833,499	\$555,138,480
4th qtr 1992	\$611,406,456	\$448,197,519	\$526,470,725
1st qtr 1993	\$651,341,766	\$581,628,560	\$456,578,899
2nd qtr 1993	\$541,731,426	\$534,139,479	\$425,510,814
3rd qtr 1993	\$564,433,127	\$569,136,516	\$361,113,470
4th qtr 1993	\$534,631,999	\$496,039,169	\$340,634,109
1st qtr 1994	\$561,608,543	\$555,113,578	\$304,252,933
2nd qtr 1994	\$564,765,056	\$472,902,994	\$293,759,081
3rd qtr 1994	\$490,402,099	\$486,126,245	\$288,584,623
4th qtr 1994	\$519,438,875	\$491,491,380	\$275,369,102
1st qtr 1995	\$510,842,803	\$508,795,889	\$258,197,622
2nd qtr 1995	\$441,674,516	\$433,896,159	\$259,507,992
3rd qtr 1995	\$472,279,944	\$455,870,633	\$259,707,366
4th qtr 1995	\$402,271,691	\$401,568,994	\$266,005,328
1st qtr 1996	\$574,778,625	\$508,585,809	\$282,521,923
2nd qtr 1996	\$409,309,687	\$377,555,634	\$276,044,807
3rd qtr 1996	\$403,648,296	\$408,893,497	\$270,840,378
4th qtr 1996	\$375,404,416	\$395,129,224	\$303,053,536

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	104.7%
1988	109.6%
1989	104.2%
1990	95.0%
1991	79.6%
1992	71.5%
1993	63.3%
1994	38.7%
1995	61.3%
1996	68.5%

Workers' Compensation (Voluntary Market)

There were 105 groups, 263 companies, that had voluntary direct written premium for Workers' Compensation in the fourth quarter of 1996, as compared to 96 groups, 250 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Texas Workers' Compensation Ins. Fund	21.63%	\$79,087,835	(23.93%)	\$361,719,530	(26.72%)
2	American International Group	8.67%	\$28,393,164	11.59%	\$145,087,067	44.63%
3	CNA Insurance Group	6.38%	\$40,296,673	47.17%	\$106,653,169	(24.27%)
4	Lumbermans Mutual Casualty Group	5.35%	\$22,490,912	42.23%	\$89,474,374	25.34%
5	Reliance Group Incorporated	4.84%	\$13,346,782	(5.07%)	\$80,942,786	14.84%
6	Liberty Mutual Insurance Group	3.92%	(\$9,681,816)	(133.81%)	\$65,537,390	(38.11%)
7	Travelers Insurance Group	3.51%	\$23,326,917	(3.74%)	\$58,778,495	(35.10%)
8	Hartford Fire & Casualty Group	3.00%	\$9,172,314	(5.19%)	\$50,206,384	18.67%
9	Transport Holdings Inc.	2.45%	\$9,686,618	8.10%	\$40,942,042	(8.44%)
10	Orion Capital Group	2.36%	\$9,428,533	(17.60%)	\$39,412,825	(23.84%)
11	Zenith National Insurance Group	2.04%	\$7,757,920	(7.63%)	\$34,113,878	(0.32%)
12	Old Republic Group	1.85%	\$8,393,459	(21.79%)	\$30,891,718	(8.71%)
13	Nationwide Corporation	1.80%	\$7,674,039	186.23%	\$30,178,279	(15.76%)
14	Zurich American Insurance Group	1.72%	\$5,272,206	68.21%	\$28,805,601	6.67%
15	Cigna Group	1.62%	\$25,076,630	539.62%	\$27,127,702	(4.39%)
16	Allianz Insurance Group	1.52%	\$6,671,075	32.57%	\$25,499,837	12.74%
17	Service Life Group	1.52%	(\$210,072)	(132.14%)	\$25,339,883	(2.16%)
18	Mortgage Bankers Group	1.49%	\$6,324,504	(44.57%)	\$24,909,711	(8.43%)
19	St. Paul Companies	1.45%	\$5,952,273	(5.68%)	\$24,255,484	64.95%
20	Crum & Forster Insurance Companies	1.42%	\$3,785,784	(29.13%)	\$23,753,165	4.17%
21	General Accident Insurance Group	1.31%	\$6,837,161	149.78%	\$21,921,826	121.08%
22	Association Casualty Group	1.16%	\$4,736,335	15.60%	\$19,398,589	31.34%
23	Farmers Insurance Group	1.05%	\$4,205,397	16.15%	\$17,644,529	29.01%
24	Amerisure Companies	1.04%	\$4,160,373	(21.00%)	\$17,403,991	(17.57%)
25	Royal Insurance Group	0.96%	\$3,779,366	(15.54%)	\$16,089,365	3.73%

Top 25 Groups Total	84.07%	\$325,964,382	(3.29%)	\$1,406,087,620	(9.83%)
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Total Market	100.00%	\$394,708,689	1.39%	\$1,672,538,585	(6.01%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$669,032,844	\$392,683,195	\$363,068,359
4th qtr 1992	\$517,493,883	\$303,491,075	\$355,070,058
1st qtr 1993	\$574,890,312	\$454,528,011	\$313,227,080
2nd qtr 1993	\$472,109,429	\$423,661,580	\$294,794,251
3rd qtr 1993	\$507,508,855	\$484,922,584	\$258,420,593
4th qtr 1993	\$498,034,258	\$442,770,748	\$246,898,632
1st qtr 1994	\$556,524,252	\$528,861,443	\$221,491,441
2nd qtr 1994	\$557,098,658	\$455,732,983	\$238,330,685
3rd qtr 1994	\$483,106,382	\$471,587,659	\$209,727,272
4th qtr 1994	\$514,174,416	\$485,215,899	\$239,877,979
1st qtr 1995	\$504,395,626	\$503,795,920	\$214,640,626
2nd qtr 1995	\$434,650,136	\$432,487,193	\$225,639,769
3rd qtr 1995	\$464,514,814	\$453,866,468	\$224,489,104
4th qtr 1995	\$396,073,053	\$389,308,726	\$232,077,588
1st qtr 1996	\$568,509,041	\$507,672,838	\$251,336,706
2nd qtr 1996	\$402,518,184	\$364,921,572	\$239,952,438
3rd qtr 1996	\$398,464,879	\$405,235,486	\$245,030,294
4th qtr 1996	\$372,665,996	\$394,708,689	\$282,157,556

Workers' Compensation (Residual Market)

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

For the four quarters ending with the fourth quarter of 1996 the START program reported \$19,748,183 in direct premiums written. This accounted for 112.04% of all Residual Market experience reported and was an decrease of 25.02% over the same period one year prior. Of this amount \$3,134,810 was written in the fourth quarter of 1996 which was a 69.31% decrease from the fourth quarter of 1995.

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 Fund. The table on the following page contains data solely for the Fund. 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
3rd qtr 1992	\$129,029,659	\$242,150,304	\$192,070,121
4th qtr 1992	\$93,912,573	\$144,706,444	\$171,400,667
1st qtr 1993	\$76,451,454	\$127,100,549	\$143,351,819
2nd qtr 1993	\$69,621,997	\$110,477,899	\$130,716,563
3rd qtr 1993	\$56,924,272	\$84,213,932	\$102,692,877
4th qtr 1993	\$36,597,741	\$53,268,421	\$93,735,477
1st qtr 1994	\$5,084,291	\$26,252,135	\$82,761,492
2nd qtr 1994	\$7,666,398	\$17,170,011	\$55,428,396
3rd qtr 1994	\$7,295,717	\$14,538,586	\$78,857,351
4th qtr 1994	\$5,264,459	\$6,275,481	\$35,491,123
1st qtr 1995	\$6,447,177	\$4,999,969	\$43,556,996
2nd qtr 1995	\$7,024,380	\$1,408,966	\$33,868,223
3rd qtr 1995	\$7,765,130	\$2,004,165	\$35,218,262
4th qtr 1995	\$6,198,638	\$12,260,268	\$33,927,740
1st qtr 1996	\$6,269,584	\$912,971	\$31,185,217
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

QUARTERLY EXPERIENCE
The Texas Workers' Compensation Insurance Fund

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$0	\$0	\$0
4th qtr 1992	\$0	\$0	\$0
1st qtr 1993	\$0	\$0	\$0
2nd qtr 1993	\$0	\$0	\$0
3rd qtr 1993	\$0	\$0	\$0
4th qtr 1993	\$0	\$0	\$0
1st qtr 1994	\$5,084,291	\$5,084,291	\$7,298
2nd qtr 1994	\$7,666,398	\$7,666,398	\$232,318
3rd qtr 1994	\$7,295,717	\$5,623,596	\$555,306
4th qtr 1994	\$5,264,459	\$6,326,840	\$1,454,285
1st qtr 1995	\$6,447,177	\$6,766,829	\$1,104,601
2nd qtr 1995	\$7,024,380	\$4,424,113	\$1,985,824
3rd qtr 1995	\$7,765,130	\$4,932,138	\$2,124,768
4th qtr 1995	\$6,198,638	\$10,213,355	\$2,256,434
1st qtr 1996	\$6,269,584	\$985,350	\$4,402,318
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

Workers' Compensation (Deductible Plans)

There were 95 groups, 225 companies which wrote voluntary policies for Workers' Compensation in the fourth quarter of 1996, as compared to 93 groups, 219 companies in the fourth quarter of 1995.

The data contained in the following table represents direct policies written as new or renewal policies in the fourth quarter of 1996. 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 illustrates the volume of Workers' Compensation insurance written on policies which do not include a deductible plan.

WORKERS' COMPENSATION DEDUCTIBLE PLANS

	Policies Written 4th Qtr 1996	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	20	\$144,229	\$127,308	11.73%
Premium of \$10,000 - \$24,999	24	\$463,605	\$428,641	7.54%
Premium of \$25,000 - \$49,999	12	\$477,819	\$408,701	14.47%
Premium of \$50,000 - \$74,999	6	\$347,452	\$277,912	20.01%
Premium of \$75,000 - \$100,000	7	\$593,779	\$473,068	20.33%
Total Per Accident Plan	69	\$2,026,884	\$1,715,630	15.36%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	12	\$90,117	\$80,405	10.78%
Premium of \$10,000 - \$24,999	18	\$284,527	\$243,174	14.53%
Premium of \$25,000 - \$49,999	8	\$295,206	\$253,846	14.01%
Premium of \$50,000 - \$74,999	1	\$64,867	\$50,542	22.08%
Premium of \$75,000 - \$100,000	2	\$184,343	\$155,617	15.58%
Total Aggregate Plan	41	\$919,060	\$783,584	14.74%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	11	\$88,583	\$83,595	5.63%
Premium of \$10,000 - \$24,999	10	\$171,357	\$153,644	10.34%
Premium of \$25,000 - \$49,999	3	\$126,619	\$111,822	11.69%
Premium of \$50,000 - \$74,999	2	\$124,357	\$103,647	16.65%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	26	\$510,916	\$452,708	11.39%
Negotiated Deductible Plan				
Premium Up To \$100,000	451	\$11,810,648	\$2,651,362	77.55%
Premium of \$100,001 - \$150,000	64	\$7,918,363	\$2,241,266	71.70%
Premium of \$150,001 - \$250,000	87	\$17,238,804	\$3,927,134	77.22%
Premium of \$250,001 - \$350,000	51	\$15,172,264	\$3,434,959	77.36%
Premium of \$350,001 - \$500,000	52	\$21,727,945	\$3,896,290	82.07%
Premium of \$500,001 - \$750,000	38	\$23,558,036	\$4,094,135	82.62%
Premium of \$750,001 - \$1,000,000	30	\$25,757,334	\$4,234,654	83.56%
Premium of \$1,000,001 - \$2,500,000	59	\$95,696,903	\$15,047,438	84.28%
Premium of \$2,500,001 - \$5,000,000	17	\$55,124,139	\$14,807,134	73.14%
Premium of \$5,000,001 and above	10	\$70,418,669	\$11,564,012	83.58%
Total Negotiated Plan	859	\$344,423,105	\$65,898,384	80.87%
No Deductible Plan				
Premium Less Than \$5,000	18,137	\$28,830,325	\$28,830,325	0.00%
Premium of \$5,000 - \$9,999	3,549	\$25,191,982	\$25,191,982	0.00%
Premium of \$10,000 - \$24,999	2,992	\$46,294,139	\$46,294,139	0.00%
Premium of \$25,000 - \$49,999	1,257	\$44,016,034	\$44,016,034	0.00%
Premium of \$50,000 - \$74,999	435	\$26,386,687	\$26,386,687	0.00%
Premium of \$75,000 - \$100,000	231	\$19,978,747	\$19,978,747	0.00%
Premium Greater Than \$100,000	391	\$113,117,776	\$113,117,776	0.00%
Total No Deductible Plan	26,992	\$303,815,690	\$303,815,690	0.00%
TOTAL ALL PLANS	27,987	\$651,695,655	\$372,665,996	42.82%

Boiler & Machinery

There were 40 groups, 84 companies, that had direct written premium for Boiler & Machinery in the fourth quarter of 1996, as compared to 42 groups, 84 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Hartford Steam Boiler Group	19.59%	\$2,241,484	(13.81%)	\$8,837,934	(6.00%)
2	Lumbermans Mutual Casualty Group	11.66%	\$1,056,281	(9.52%)	\$5,258,984	7.27%
3	Travelers Insurance Group	9.93%	\$1,483,736	28.41%	\$4,477,609	5.06%
4	Arkwright Boston Group	9.51%	\$1,402,353	(33.27%)	\$4,288,454	(6.38%)
5	Protection Mutual Insurance Company	9.15%	\$2,279,520	(15.48%)	\$4,129,359	(19.21%)
6	Chubb & Son Inc.	7.64%	\$806,578	0.00%	\$3,448,013	19.88%
7	Allendale Group	7.37%	\$518,557	(31.06%)	\$3,324,792	(10.52%)
8	Reliance Group Incorporated	5.56%	\$228,906	(68.22%)	\$2,510,046	(52.63%)
9	Zurich American Insurance Group	5.00%	\$678,431	(8.51%)	\$2,253,367	26.76%
10	TIG Insurance Group	3.79%	\$276,257	32.72%	\$1,709,162	715.69%
11	CNA Insurance Group	3.23%	\$128,184	3.51%	\$1,458,554	108.71%
12	Allianz Insurance Group	1.33%	\$60,798	(53.50%)	\$601,681	99.42%
13	American International Group	1.27%	\$458,178	*	\$573,381	*
14	Nationwide Corporation	1.06%	\$142,706	(60.14%)	\$479,792	8.22%
15	Hartford Fire & Casualty Group	0.76%	\$48,209	33.90%	\$341,490	(22.23%)
16	St. Paul Companies	0.63%	\$188,075	(26.07%)	\$283,255	(15.88%)
17	Commercial Union Ins. Companies	0.59%	\$57,376	(58.20%)	\$264,050	(30.55%)
18	Preferred Risk Group	0.45%	\$48,070	(11.12%)	\$202,698	1.98%
19	Cigna Group	0.32%	\$49,972	*	\$146,265	*
20	Allstate Insurance Group	0.19%	\$20,546	5.07%	\$84,437	40.50%
21	Royal Insurance Group	0.13%	\$0	100.00%	\$56,953	(51.29%)
22	Mercury General Group	0.11%	\$17,490	*	\$47,907	*
23	Sentry Insurance Group	0.10%	\$13,689	59.45%	\$47,317	57.83%
24	Federated Mutual Group	0.09%	\$7,051	(16.83%)	\$41,467	1.84%
25	Tokio Marine Consolidated	0.08%	\$15,579	279.98%	\$34,936	88.37%
Top 25 Groups Total		99.54%	\$12,228,026	(13.20%)	\$44,901,903	(0.75%)
Total Market		100.00%	\$12,211,138	(14.72%)	\$45,111,458	(1.11%)

* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$16,353,022	\$15,229,377	\$7,934,921
1st qtr 1994	\$11,237,463	\$9,649,143	\$7,740,284
2nd qtr 1994	\$15,872,695	\$13,375,863	\$9,071,133
3rd qtr 1994	\$12,743,548	\$11,929,997	\$6,267,187
4th qtr 1994	\$18,860,735	\$16,864,685	\$994,800
1st qtr 1995	\$9,279,746	\$8,572,978	\$4,745,626
2nd qtr 1995	\$13,326,698	\$12,929,400	\$3,207,036
3rd qtr 1995	\$12,214,712	\$9,798,039	\$4,014,279
4th qtr 1995	\$15,535,917	\$14,318,246	\$9,245,111
1st qtr 1996	\$10,029,771	\$8,503,251	\$7,323,439
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

* Data not collected prior to the 4th quarter of 1993.

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	16.9%
1988	73.5%
1989	40.8%
1990	225.6%
1991	124.5%
1992	13.0%
1993	79.5%
1994	39.9%
1995	43.4%
1996	71.1%

Commercial Crime

There were 43 groups, 79 companies, that had direct written premium for Commercial Crime in the fourth quarter of 1996, as compared to 45 groups, 82 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Chubb & Son Inc.	56.22%	\$1,776,491	14.58%	\$6,286,452	3.40%
2	Zurich American Insurance Group	11.99%	\$179,180	(57.46%)	\$1,340,275	(4.41%)
3	American International Group	8.90%	\$210,173	(23.99%)	\$995,649	25.13%
4	Reliance Group Incorporated	4.15%	\$116,134	(41.78%)	\$464,423	(22.87%)
5	Travelers Insurance Group	3.18%	\$141,842	58.81%	\$355,478	11.51%
6	Preferred Risk Group	2.79%	\$69,566	(20.92%)	\$311,868	(12.61%)
7	American Financial Insurance Group	1.94%	\$1,432	*	\$216,837	*
8	St. Paul Companies	1.72%	\$125,114	130.82%	\$192,696	39.43%
9	Hartford Fire & Casualty Group	1.64%	\$27,277	(4.39%)	\$183,595	182.50%
10	Crum & Forster Insurance Companies	1.39%	\$41,625	1.62%	\$155,680	0.91%
11	UNITRIN Inc.	0.78%	\$22,272	18.27%	\$86,973	(9.40%)
12	CUNA Mutual Group	0.53%	\$23,877	(16.97%)	\$59,231	(24.23%)
13	Lumbermans Mutual Casualty Group	0.51%	\$10,397	7.71%	\$57,058	36.72%
14	Federated Mutual Group	0.48%	\$10,294	(22.85%)	\$53,490	6.84%
15	Protection Mutual Insurance Company	0.40%	\$1,293	*	\$44,274	85.28%
16	Liberty Mutual Insurance Group	0.39%	\$12,455	128.62%	\$43,081	51.58%
17	CNA Insurance Group	0.38%	\$3,682	112.07%	\$42,186	(47.37%)
18	Deere & Company Group	0.28%	\$4,513	(63.25%)	\$31,770	(21.81%)
19	Chrysler Group	0.28%	\$6,730	(42.00%)	\$31,150	(11.87%)
20	Allendale Group	0.24%	\$174	(99.03%)	\$26,528	(44.16%)
21	Nationwide Corporation	0.23%	(\$5,042)	(153.89%)	\$25,420	(53.58%)
22	Miller Insurance Group	0.20%	\$1,073	(80.67%)	\$21,896	64.59%
23	Royal Insurance Group	0.19%	\$313	(71.05%)	\$21,016	(4.03%)
24	Executive Risk Companies	0.15%	\$9,980	*	\$16,857	*
25	State Farm Group	0.14%	\$4,447	6.51%	\$15,490	10.44%
Top 25 Groups Total		99.09%	\$2,795,292	(2.13%)	\$11,079,373	5.00%
Total Market		100.00%	\$2,817,165	(1.55%)	\$11,180,995	4.54%

* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$1,677,118	\$1,627,562	\$490,506
1st qtr 1994	\$1,324,383	\$1,407,041	\$284,766
2nd qtr 1994	\$1,358,269	\$1,419,309	\$198,911
3rd qtr 1994	\$1,116,845	\$1,196,386	\$354,516
4th qtr 1994	\$1,291,067	\$1,312,913	\$225,445
1st qtr 1995	\$2,276,387	\$2,431,816	\$209,079
2nd qtr 1995	\$2,593,418	\$2,953,801	\$555,103
3rd qtr 1995	\$2,292,688	\$2,448,400	\$662,813
4th qtr 1995	\$2,749,095	\$2,861,398	(\$7,850)
1st qtr 1996	\$1,996,866	\$2,543,225	\$404,653
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)

* Data not collected prior to the 4th quarter of 1993.

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>
1987	23.8%
1988	41.8%
1989	29.9%
1990	27.3%
1991	29.7%
1992	24.6%
1993	18.5%
1994	22.5%
1995	16.1%
1996	19.4%

Commercial Glass

There were 34 groups, 53 companies, that had direct written premium for Commercial Glass in the fourth quarter of 1996, as compared to 39 groups, 64 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	UNITRIN Inc.	39.75%	\$48,161	4.30%	\$210,783	(7.85%)
2	Mercury General Group	6.86%	\$6,786	*	\$36,392	*
3	Zurich American Insurance Group	6.72%	\$7,557	(41.73%)	\$35,646	(34.99%)
4	EMC Insurance Companies	4.47%	\$4,199	(26.31%)	\$23,690	26.19%
5	Federated Mutual Group	4.25%	\$6,450	33.15%	\$22,549	(2.35%)
6	St. Paul Companies	4.24%	\$1,259	(87.13%)	\$22,499	(9.61%)
7	Lincoln National Corporation	3.99%	\$7,481	(5.80%)	\$21,138	(2.44%)
8	Sentry Insurance Group	3.37%	\$3,292	(27.74%)	\$17,846	(27.83%)
9	Farmers Insurance Group	3.08%	\$1,362	(96.65%)	\$16,343	(95.80%)
10	Deere & Company Group	3.01%	\$5,665	(11.77%)	\$15,976	23.34%
11	Royal Insurance Group	2.86%	\$4,305	(62.19%)	\$15,174	(29.33%)
12	Travelers Insurance Group	2.82%	\$4,971	44.59%	\$14,981	4.86%
13	American Indemnity Financial	2.48%	\$3,713	50.87%	\$13,140	48.61%
14	American International Group	2.23%	\$0	(100.00%)	\$11,806	*
15	Ohio Casualty Group	1.55%	\$2,037	17.68%	\$8,203	(23.26%)
16	W R Berkley Corporation	1.51%	\$2,221	(44.15%)	\$8,030	(28.91%)
17	Central Mutual Ins. Co. of Ohio	1.22%	\$5,249	4.40%	\$6,494	11.95%
18	CNA Insurance Group	1.16%	\$483	149.64%	\$6,176	(18.57%)
19	Hartford Fire & Casualty Group	1.05%	\$866	(40.11%)	\$5,594	1.16%
20	Miller Insurance Group	0.86%	\$1,883	62.47%	\$4,544	205.79%
21	Beacon Insurance Group	0.55%	\$668	(16.29%)	\$2,918	12.06%
22	Preferred Risk Group	0.39%	\$1,197	9.82%	\$2,089	(20.30%)
23	Chrysler Group	0.37%	\$787	(10.57%)	\$1,981	(40.79%)
24	Utica National Insurance Group	0.35%	\$0	100.00%	\$1,877	55.90%
25	American Financial Insurance Group	0.34%	\$326	227.34%	\$1,805	1.80%
Top 25 Groups Total		99.50%	\$120,918	(30.09%)	\$527,674	(41.32%)
Total Market		100.00%	\$121,243	(37.32%)	\$530,328	(44.11%)

* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$301,807	\$300,314	\$44,559
1st qtr 1994	\$308,808	\$293,190	\$77,724
2nd qtr 1994	\$360,864	\$370,068	\$91,810
3rd qtr 1994	\$323,022	\$302,674	\$78,742
4th qtr 1994	\$227,999	\$242,272	\$138,473
1st qtr 1995	\$257,568	\$239,536	\$67,507
2nd qtr 1995	\$317,840	\$286,183	\$106,654
3rd qtr 1995	\$245,865	\$229,668	\$78,672
4th qtr 1995	\$233,805	\$193,433	\$41,606
1st qtr 1996	\$141,382	\$127,967	\$30,823
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

* Data not collected prior to the 4th quarter of 1993.

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1987	26.4%
1988	19.3%
1989	30.2%
1990	24.9%
1991	36.9%
1992	8.0%
1993	25.2%
1994	17.4%
1995	32.9%
1996	23.7%

Medical Professional Liability

There were 38 groups, 58 companies, that had direct written premium for Medical Professional Liability (includes regulated and nonregulated companies) in the fourth quarter of 1996, as compared to 30 groups, 45 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Health Care Indemnity Inc.	23.67%	(\$4,848,672)	(137.96%)	\$64,882,831	(35.96%)
2	Medical Protective Company	15.83%	\$6,270,212	(29.08%)	\$43,393,394	(30.31%)
3	American Physicians Ins. Exchange	7.55%	\$2,788,937	(17.92%)	\$20,687,702	(12.85%)
4	Western Indemnity Insurance Company	6.78%	\$2,680,583	(30.34%)	\$18,592,991	60.99%
5	PIE Mutual Insurance Group	6.69%	\$2,855,813	(8.09%)	\$18,344,573	(8.79%)
6	St. Paul Companies	6.26%	\$4,357,644	8.82%	\$17,163,928	0.08%
7	CNA Insurance Group	4.16%	\$2,514,893	(68.35%)	\$11,391,140	(41.70%)
8	Frontier Insurance Group	3.98%	\$3,529,668	236.98%	\$10,913,748	192.10%
9	Mutual Assurance Companies	3.22%	\$1,998,536	20.89%	\$8,817,433	19.09%
10	Texas Hospital Insurance Exchange	2.57%	\$1,756,323	17.72%	\$7,045,836	27.91%
11	Allianz Insurance Group	2.47%	\$2,157,791	19.55%	\$6,773,576	11.71%
12	Farmers Insurance Group	1.93%	\$660,992	(54.18%)	\$5,290,191	(0.83%)
13	MMI Companies Group	1.89%	\$609,458	(61.53%)	\$5,178,880	(38.92%)
14	Texas Medical Liab. Underwriting Assoc.	1.71%	\$828,572	(29.32%)	\$4,693,536	(46.16%)
15	Phico Insurance Company	1.62%	\$4,441,941	*	\$4,441,941	*
16	Doctors Company Group	1.36%	\$1,252,255	208.53%	\$3,733,424	177.07%
17	American International Group	1.33%	\$934,581	*	\$3,637,383	195.81%
18	Travelers Insurance Group	1.31%	\$674,790	(32.24%)	\$3,600,104	136.16%
19	Preferred Physicians Insurance Co.	1.19%	(\$21,728)	(120.50%)	\$3,266,374	77.70%
20	National Chiropractic Mutual Ins. Co.	1.16%	\$562,770	(12.45%)	\$3,187,844	(0.45%)
21	Insurance Western Group	0.97%	\$1,419,726	11.50%	\$2,660,730	3.64%
22	Zurich American Insurance Group	0.46%	\$402,061	7.65%	\$1,270,576	(6.12%)
23	Podiatry Insurance Co. of America RRG	0.45%	\$212,775	(7.05%)	\$1,232,901	3.77%
24	Legion Insurance Company	0.30%	(\$1,068,959)	*	\$811,403	*
25	Parthanon Group	0.27%	\$71,705	*	\$729,045	1.32%

Top 25 Groups Total	99.14%	\$37,042,667	(36.29%)	\$271,741,484	(13.98%)
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Total Market	100.00%	\$37,857,465	(35.25%)	\$274,097,843	(13.58%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$36,934,978	\$37,758,945	\$46,810,592
1st qtr 1994	\$57,343,312	\$51,175,364	\$50,776,887
2nd qtr 1994	\$77,251,913	\$77,474,973	\$51,492,736
3rd qtr 1994	\$68,985,647	\$70,360,691	\$2,553,192
4th qtr 1994	\$40,468,946	\$43,092,539	\$74,035,442
1st qtr 1995	\$68,407,858	\$72,349,215	\$48,282,784
2nd qtr 1995	\$54,151,497	\$75,080,486	\$40,820,995
3rd qtr 1995	\$69,941,692	\$111,278,955	\$47,612,275
4th qtr 1995	\$43,393,254	\$58,463,507	\$67,315,494
1st qtr 1996	\$114,239,952	\$114,809,164	\$56,684,025
2nd qtr 1996	\$45,530,009	\$54,744,430	\$47,353,607
3rd qtr 1996	\$63,869,420	\$66,686,784	\$49,184,495
4th qtr 1996	\$44,509,068	\$37,857,465	\$62,185,305

* Data not collected prior to the 4th quarter of 1993.

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>
1987	123.4%
1988	118.6%
1989	100.5%
1990	131.2%
1991	113.6%
1992	105.9%
1993	102.5%
1994	92.0%
1995	87.7%
1996	80.1%

Miscellaneous Professional Liability

There were 34 groups, 66 companies, that had direct written premium for Miscellaneous Professional Liability in the fourth quarter of 1996, as compared to 31 groups, 67 companies, in the fourth quarter of 1995.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the fourth quarter of 1996 to direct written premium in the fourth quarter of 1995 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1996	% Change 4th Quarter 1995 to 1996	4 Quarters Ending 4th Qtr 1996	% Change 4 Qtrs Ending 1995 to 1996
1	Chubb & Son Inc.	34.76%	\$9,199,726	28.66%	\$31,381,710	31.62%
2	Reliance Group Incorporated	19.52%	\$4,222,875	18.49%	\$17,620,361	7.72%
3	St. Paul Companies	12.38%	\$3,476,106	(14.48%)	\$11,173,537	(1.05%)
4	General Electric Group	9.04%	\$2,023,865	(22.35%)	\$8,160,027	(20.32%)
5	Nationwide Corporation	5.28%	\$1,357,841	(21.85%)	\$4,766,474	(21.98%)
6	CNA Insurance Group	5.19%	\$1,239,884	(36.19%)	\$4,686,467	(37.91%)
7	Titan Group of Companies	2.51%	\$724,199	7.97%	\$2,261,805	(1.96%)
8	Mt. Hawley Insurance Group	1.92%	\$445,320	47.62%	\$1,734,767	(7.29%)
9	Utica National Insurance Group	1.70%	\$332,887	(29.54%)	\$1,536,355	(24.19%)
10	AON Corporation	1.53%	\$318,220	18.19%	\$1,381,774	6.27%
11	Executive Risk Companies	1.32%	\$717,774	*	\$1,195,972	*
12	Union Labor Group	1.28%	\$209,561	(6.86%)	\$1,154,728	23.19%
13	Allianz Insurance Group	1.00%	\$218,023	(8.33%)	\$899,211	(7.71%)
14	Legion Insurance Company	0.55%	\$410,576	*	\$497,282	*
15	Oakley Insurance Group	0.50%	\$154,623	*	\$450,955	*
16	Northland Group	0.36%	\$122,299	(8.99%)	\$321,786	25.15%
17	Lumbermans Mutual Casualty Group	0.30%	\$69,861	72.57%	\$267,162	83.96%
18	American RE Group	0.17%	\$153,762	*	\$153,762	*
19	Travelers Insurance Group	0.17%	\$2,047	78.93%	\$151,836	*
20	Zurich American Insurance Group	0.11%	\$37,406	(80.07%)	\$99,009	(83.90%)
21	Old Republic Group	0.09%	\$0	*	\$82,864	*
22	Safeco Insurance Group	0.07%	\$31,955	11.75%	\$66,461	12.60%
23	Gryphon Holdings Inc.	0.05%	\$0	*	\$43,573	(35.54%)
24	Hartford Fire & Casualty Group	0.05%	\$5,428	(69.04%)	\$40,833	(20.93%)
25	UNITRIN Inc.	0.04%	\$18,145	(77.87%)	\$37,218	(63.63%)
Top 25 Groups Total		99.88%	\$25,492,383	6.95%	\$90,165,929	4.44%
Total Market		100.00%	\$25,527,764	5.88%	\$90,272,218	3.69%

* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$20,324,250	\$15,362,507	\$11,018,151
1st qtr 1994	\$18,707,583	\$21,325,110	\$6,229,518
2nd qtr 1994	\$19,240,620	\$22,841,578	\$3,700,887
3rd qtr 1994	\$22,065,616	\$21,347,076	\$6,146,661
4th qtr 1994	\$22,095,790	\$20,963,889	\$16,514,895
1st qtr 1995	\$22,080,891	\$20,526,056	\$13,948,832
2nd qtr 1995	\$21,914,469	\$22,212,007	\$12,204,127
3rd qtr 1995	\$20,230,545	\$20,209,532	\$15,784,680
4th qtr 1995	\$23,742,729	\$24,108,975	\$10,623,777
1st qtr 1996	\$18,960,106	\$18,938,530	\$6,150,305
2nd qtr 1996	\$24,677,778	\$23,514,629	\$1,746,023
3rd qtr 1996	\$22,670,456	\$22,291,295	\$3,952,673
4th qtr 1996	\$25,372,332	\$25,527,764	\$8,184,171

* Data not collected prior to the 4th quarter of 1993.

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>
1987	86.1%
1988	78.9%
1989	77.6%
1990	89.2%
1991	91.3%
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%

“Miscellaneous Professional Liability” is reported under “General Liability” on the Annual Statement.

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the fourth quarter of 1996 and the fourth quarter of 1995. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	4TH QUARTER 1996			4TH QUARTER 1995		
	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	4	9,261	0.04319%	0	7,791	0.00000%
General Liability - Other ⁺	100	156,611	0.06385%	87	133,199	0.06532%
Fire & Allied Lines	23	64,915	0.03543%	23	62,069	0.03706%
Commercial Mutli Peril	36	64,685	0.05565%	25	67,890	0.03682%
Private Passenger Auto ⁺⁺	2,050	4,325,256	0.04740%	1,997	3,769,826	0.05297%
Homeowners	455	793,777	0.05732%	444	768,095	0.05781%
Workers' Compensation	44	28,290	0.15553%	91	28,139	0.32339%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	6	8,259	0.07265%	1	7,969	0.01255%
Misc. Professional Liability	6	3,961	0.15148%	3	4,264	0.07036%

⁺ The General Electric Group wrote 56,661 small premium pre-paid legal policies in the 4th quarter of 1996 and 158,336 policies in the 4th quarter of 1995 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 are not tracked for this line of business.

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

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

1996 Policies Written Rank	Group Name	4TH QUARTER 1996			4TH QUARTER 1995		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
21	American Financial Insurance Group	49	24,847	0.19721%	43	74,397	0.05780%
11	Home State County Mutual Ins. Co.	115	71,154	0.16162%	78	63,969	0.12193%
7	Texas State National Group	165	108,410	0.15220%	193	99,835	0.19332%
15	Sentry Insurance Group	30	43,040	0.06970%	21	43,192	0.04862%
14	Travelers Insurance Group	29	43,717	0.06634%	26	40,067	0.06489%
19	UNITRIN Inc.	16	28,791	0.05557%	12	31,575	0.03800%
25	CNA Insurance Group	10	18,194	0.05496%	7	9,386	0.07458%
24	Liberty Mutual Insurance Group	11	20,137	0.05463%	9	18,841	0.04777%
4	Allstate Insurance Group	207	390,073	0.05307%	154	360,677	0.04270%
9	Nationwide Corporation	43	83,194	0.05169%	32	77,570	0.04125%
16	Winterthur US Holding Group	18	39,390	0.04570%	12	32,633	0.03677%
23	Titus Group	10	22,874	0.04372%	2	15,264	0.01310%
22	Hartford Fire & Casualty Group	10	24,633	0.04060%	15	26,270	0.05710%
18	Safeco Insurance Group	11	29,005	0.03792%	14	31,041	0.04510%
12	Berkshire-Hathaway (GEICO)	23	65,764	0.03497%	30	61,564	0.04873%
10	White Mountains Insurance Group	24	71,722	0.03346%	38	83,241	0.04565%
2	Farmers Insurance Group	218	716,117	0.03044%	190	695,787	0.02731%
13	TIG Insurance Group	11	48,059	0.02289%	6	6,768	0.08865%
17	Texas Farm Bureau Mutual	7	33,492	0.02090%	10	35,753	0.02797%
20	Lincoln National Corporation	5	26,929	0.01857%	5	27,068	0.01847%
5	USAA Group	26	145,312	0.01789%	31	146,945	0.02110%
8	Southern Farm Bureau Casualty	16	92,282	0.01734%	24	84,424	0.02843%
3	Progressive Group	86	520,873	0.01651%	62	201,218	0.03081%
1	State Farm Group	197	1,280,200	0.01539%	215	1,224,991	0.01755%
6	Amerisure Companies	0	129,790	0.00000%	1	55,559	0.00180%
	(All other licensed insurers)	308	247,257	0.12457%	233	221,791	0.10505%
	(No company identified)*	405			534		
TOTALS		2,050	4,325,256	0.04740%	1,997	3,769,826	0.05297%

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

Complaint Data

HOMEOWNERS FOURTH QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

1996 Policies Written Rank	Group Name	4TH QUARTER 1996			4TH QUARTER 1995		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
21	Lincoln National Corporation	4	3,413	0.11720%	0	3,674	0.00000%
10	Winterthur US Holding Group	12	11,463	0.10468%	10	12,745	0.07846%
14	Metropolitan Group	7	6,921	0.10114%	5	5,173	0.09666%
9	Safeco Insurance Group	9	11,724	0.07677%	7	11,203	0.06248%
12	UNITRIN Inc.	5	8,528	0.05863%	4	10,049	0.03980%
20	Commercial Union Ins. Companies	2	3,598	0.05559%	1	3,504	0.02854%
16	American National Financial Group	3	5,447	0.05508%	1	4,053	0.02467%
13	CNA Insurance Group	4	8,319	0.04808%	3	7,169	0.04185%
18	Lumbermans Mutual Casualty Group	2	4,297	0.04654%	1	4,260	0.02347%
7	Texas Farm Bureau Mutual	6	13,232	0.04534%	8	13,130	0.06093%
2	Farmers Insurance Group	67	149,465	0.04483%	68	145,590	0.04671%
17	Amica Mutual Group	2	4,630	0.04320%	0	4,496	0.00000%
1	State Farm Group	100	259,513	0.03853%	114	251,784	0.04528%
25	Mortgage Bankers Group	1	2,857	0.03500%	0	2,696	0.00000%
3	Allstate Insurance Group	40	116,542	0.03432%	20	110,040	0.01818%
11	Liberty Mutual Insurance Group	3	8,867	0.03383%	0	8,017	0.00000%
15	Hartford Fire & Casualty Group	2	6,635	0.03014%	4	6,212	0.06439%
22	Beacon Insurance Group	1	3,344	0.02990%	1	3,197	0.03128%
6	Nationwide Corporation	6	21,604	0.02777%	4	17,561	0.02278%
19	Chubb & Son Inc.	1	3,966	0.02521%	1	3,553	0.02815%
5	Travelers Insurance Group	9	40,357	0.02230%	6	32,695	0.01835%
4	USAA Group	10	46,642	0.02144%	8	44,770	0.01787%
8	Titus Group	2	11,728	0.01705%	5	15,479	0.03230%
23	Central Mutual Ins. Co. of Ohio	0	3,272	0.00000%	0	2,804	0.00000%
24	General Accident Insurance	0	2,926	0.00000%	2	2,796	0.07153%
	(All other licensed insurers)	67	34,487	0.19428%	82	41,445	0.19785%
	(No company identified)*	90			89		
TOTALS		455	793,777	0.05732%	444	768,095	0.05781%

* 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 Co.
Allstate Insurance Group -----	Allstate County Mutual Insurance Co.
American Financial Ins. Group -----	Great Texas County Mutual Insurance Co.
Amerisure Companies -----	Old American County Mutual Fire Insurance Co.
Farmers Insurance Group -----	Farmers Texas County Mutual Insurance Co.
Foremost Corporation America -----	Foremost County Mutual Insurance Co.
General Agents Group -----	Gainsco County Mutual Insurance Co.
Guaranty County Mutual Ins. Co. -----	Guaranty County Mutual Insurance Co.
Home State County Mutual Ins. Co. -----	Home State County Mutual Insurance Co.
Independent County Mutual Ins. Co. -----	Independent County Mutual Insurance Co.
Nationwide Corporation -----	Colonial County Mutual Insurance Co.
Orion Capital Group -----	Viking County Mutual Insurance Co.
Progressive Casualty Group -----	Progressive County Mutual Insurance Co.
Safeway Insurance Group -----	Oak Brook County Mutual Insurance Co.
Sentry Insurance Group -----	Dairyland County Mutual Of Texas
State Capital Group -----	Northwestern National County Mutual Insurance Co.
State Farm Group -----	State Farm County Mutual of Texas
Texas State National Group -----	State And County Mutual Fire Insurance Co.
TIG Insurance Group -----	Industrial County Mutual Insurance Co.
Titus Group -----	Consumers County Mutual Insurance Co.
USAA Group -----	USAA County Mutual Insurance Co.
Vesta Insurance Group -----	Vesta County Mutual Insurance Co.
White Mountains Insurance Group -----	Northern County Mutual Insurance Co.
Winterthur US Holding Group -----	Southern County Mutual Insurance Co.