

**T**he 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.

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

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

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

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

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

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

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

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

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

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

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

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

## *Lines of Insurance*

---

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

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

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

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

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

## Summary of Four Quarters

### CUMULATIVE TOTALS FOR FOUR QUARTERS ENDING DECEMBER 1997

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	<b>70 / 189</b>	<b>36,475</b>	<b>\$103,245,576</b>	<b>\$98,014,449</b>	<b>\$74,104,835</b>
GENERAL LIABILITY - OTHER	<b>154 / 356</b>	<b>755,330 <sup>+</sup></b>	<b>\$916,003,588</b>	<b>\$912,867,335</b>	<b>\$604,054,207</b>
COMMERCIAL FIRE & ALLIED	<b>104 / 252</b>	<b>273,541</b>	<b>\$365,482,961</b>	<b>\$325,911,082</b>	<b>\$163,578,471</b>
COMMERCIAL MULTIPLE PERIL	<b>99 / 266</b>	<b>293,216</b>	<b>\$970,622,602</b>	<b>\$909,195,802</b>	<b>\$469,601,109</b>
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	83 / 217	10,771,243	\$6,050,555,621	\$5,497,435,904	\$3,052,449,103
ASSIGNED RISK LIABILITY	36 / 38	124,954	\$97,651,150	\$64,216,365	\$121,288,870
PHYSICAL DAMAGE	84 / 217	7,541,738	\$2,932,655,750	\$2,703,683,619	\$1,836,890,512
TOTAL PPA	<b>90 / 227</b>	<b>18,437,935 <sup>++</sup></b>	<b>\$9,080,862,521</b>	<b>\$8,265,335,888</b>	<b>\$5,010,628,485</b>
HOMEOWNERS MULTIPLE PERIL	<b>72 / 160</b>	<b>3,483,428</b>	<b>\$2,737,034,362</b>	<b>\$2,561,978,127</b>	<b>\$1,141,472,977</b>
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		81,375	\$137,720,984	**	**
VOL PREMIUMS \$5,000 - \$100,000		42,785	\$789,628,310	**	**
VOL PREMIUMS > \$100,000		2,651	\$783,378,320	**	**
TOTAL VOLUNTARY	113 / 266	126,811	\$1,710,727,614	\$1,737,673,645	\$1,018,701,792
RESIDUAL MARKET ***	1 / 1	970	\$13,619,230	\$3,165,633	\$75,330,393
TOTAL WC	<b>113 / 266</b>	<b>127,781</b>	<b>\$1,724,346,844</b>	<b>\$1,740,839,278</b>	<b>\$1,094,032,185</b>
BOILER & MACHINERY	<b>42 / 93</b>	<b>12,409</b>	<b>\$48,178,289</b>	<b>\$42,963,162</b>	<b>\$40,948,201</b>
COMMERCIAL CRIME	<b>51 / 103</b>	<b>7,557</b>	<b>\$10,366,710</b>	<b>\$10,727,044</b>	<b>\$2,404,513</b>
COMMERCIAL GLASS	<b>38 / 66</b>	<b>3,444</b>	<b>\$671,590</b>	<b>\$533,746</b>	<b>\$148,760</b>
MEDICAL PROFESSIONAL LIABILITY	<b>45 / 66</b>	<b>36,535</b>	<b>\$286,445,422</b>	<b>\$286,711,811</b>	<b>\$175,986,415</b>
MISC. PROFESSIONAL LIABILITY	<b>41 / 78</b>	<b>20,026</b>	<b>\$95,292,645</b>	<b>\$91,694,408</b>	<b>\$26,860,082</b>

<sup>+</sup> The General Electric Group wrote 209,197 small premium pre-paid legal policies that were excluded from the above table.

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

<sup>\*\*</sup> Companies were not required to report the Direct Losses Paid by policy size.

<sup>\*\*\*</sup> 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	Third quarter		Third quarter		Third Quarter		Fourth Quarter	
	'96	'97	'96	'97	'96	'97	'96	'97
Product Liability	63 / 155	63 / 149	65 / 167	60 / 149	65 / 158	66 / 152	64 / 154	61 / 149
General Liability	130 / 290	136 / 302	134 / 303	138 / 307	130 / 302	143 / 305	139 / 303	142 / 314
Commercial Fire & Allied	95 / 207	94 / 212	95 / 204	95 / 216	99 / 213	95 / 212	96 / 216	97 / 209
Commercial Multiple Peril	85 / 221	95 / 236	87 / 225	95 / 243	86 / 220	97 / 239	89 / 230	98 / 243
Private Passenger Auto	85 / 217	84 / 211	82 / 207	85 / 213	84 / 215	85 / 211	83 / 211	83 / 205
Homeowners Multiple Peril	66 / 156	69 / 154	70 / 158	69 / 155	69 / 159	70 / 153	67 / 159	69 / 149
Workers' Compensation	93 / 214	99 / 237	94 / 210	99 / 230	90 / 215	100 / 233	95 / 225	100 / 231
Boiler & Machinery	34 / 67	36 / 72	34 / 66	34 / 75	34 / 66	37 / 75	36 / 73	36 / 73
Commercial Crime	38 / 69	38 / 73	43 / 73	41 / 74	42 / 75	41 / 75	39 / 70	42 / 72
Commercial Glass	34 / 50	32 / 48	35 / 49	28 / 43	33 / 53	29 / 43	28 / 42	27 / 42
Medical Prof. Liability	33 / 45	37 / 52	32 / 42	35 / 45	33 / 47	38 / 51	36 / 52	40 / 52
Misc. Professional Liability	33 / 59	33 / 54	32 / 57	35 / 63	32 / 61	34 / 60	31 / 58	36 / 62

## *Product Liability*

There were 66 groups, 169 companies, that had direct written premium for Product Liability in the fourth quarter of 1997, as compared to 66 groups, 181 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Travelers Insurance Group	10.63%	\$4,387,309	122.19%	\$10,418,771	188.10%
2	American International Group	8.12%	\$1,056,902	306.66%	\$7,962,552	(4.03%)
3	St. Paul Companies	8.11%	\$2,072,119	8.57%	\$7,952,691	0.06%
4	Zurich American Insurance Group	6.97%	\$2,579,027	33.71%	\$6,828,212	23.39%
5	CNA Insurance Group	6.83%	\$1,183,805	(38.55%)	\$6,691,521	(19.98%)
6	Chubb & Son Inc.	6.50%	\$1,523,919	(2.10%)	\$6,366,480	3.02%
7	Liberty Mutual Insurance Group	5.13%	\$896,824	7.49%	\$5,027,126	(17.15%)
8	TIG Insurance Group	4.14%	\$1,028,600	14.41%	\$4,053,805	21.92%
9	American Financial Insurance Group	3.53%	\$622,516	(5.43%)	\$3,460,240	28.59%
10	Cigna Group	3.52%	\$977,573	(4.92%)	\$3,451,565	(0.92%)
11	Crum & Forster Insurance Companies	2.88%	\$122,996	(41.14%)	\$2,818,116	(14.64%)
12	Hartford Fire & Casualty Group	2.29%	\$755,776	37.30%	\$2,240,750	11.03%
13	Federated Mutual Group	2.08%	\$419,028	9.80%	\$2,039,089	(3.03%)
14	Lumbermans Mutual Casualty Group	2.02%	\$175,757	(56.38%)	\$1,980,899	(30.62%)
15	Royal & Sun Alliance U.S.A.	1.98%	\$388,539	(9.76%)	\$1,945,017	(16.04%)
16	Reliance Group Incorporated	1.96%	(\$8,216)	(101.47%)	\$1,925,911	6.54%
17	UNITRIN Inc.	1.75%	\$352,777	6.76%	\$1,716,547	(0.71%)
18	Fairfax Financial	1.59%	\$414,393	25.55%	\$1,558,954	8.33%
19	Winterthur US Holding Group	1.30%	\$110,932	123.42%	\$1,279,077	123.44%
20	Dallas Fire Insurance Company	1.12%	\$232,897	(12.16%)	\$1,093,555	4.74%
21	Sentry Insurance Group	1.07%	\$282,303	0.08%	\$1,047,234	(7.94%)
22	Nationwide Corporation	1.07%	\$510,027	(14.58%)	\$1,044,115	(21.76%)
23	Gerling Global RE Group	1.00%	\$265,111	(7.46%)	\$981,444	(11.67%)
24	Deere & Company Group	0.97%	\$294,248	30.95%	\$952,110	13.90%
25	EMC Insurance Companies	0.93%	\$232,081	11.79%	\$909,336	19.57%

<b>Top 25 Groups Total</b>	<b>87.48%</b>	<b>\$20,877,243</b>	<b>20.62%</b>	<b>\$85,745,117</b>	<b>7.35%</b>
----------------------------	---------------	---------------------	---------------	---------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$23,717,615</b>	<b>15.44%</b>	<b>\$98,014,449</b>	<b>3.99%</b>
---------------------	----------------	---------------------	---------------	---------------------	--------------

## 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
1st qtr 1997	\$24,110,801	\$26,744,882	\$21,241,495
2nd qtr 1997	\$26,219,023	\$24,735,908	\$13,692,581
3rd qtr 1997	\$24,250,597	\$22,816,044	\$13,786,634
4th qtr 1997	\$28,665,155	\$23,717,615	\$25,384,125

### 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	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 149 groups, 340 companies, that had direct written premium for General Liability in the fourth quarter of 1997, as compared to 144 groups, 340 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share ( 4 Qtrs)	Written 4th Quarter 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	American International Group	15.66%	\$39,200,444	(32.83%)	\$143,000,343	(33.90%)
2	Travelers Insurance Group	6.93%	\$16,600,001	(2.76%)	\$63,241,041	6.92%
3	CNA Insurance Group	6.62%	\$17,022,211	(16.81%)	\$60,472,954	(18.13%)
4	Zurich American Insurance Group	6.08%	\$16,886,616	(4.70%)	\$55,494,575	0.16%
5	American Financial Insurance Group	3.91%	\$9,066,176	1.72%	\$35,733,252	17.10%
6	Executive Risk Companies	3.68%	\$6,690,660	(32.14%)	\$33,615,719	2.73%
7	St. Paul Companies	3.47%	\$9,010,510	12.45%	\$31,698,851	2.64%
8	Chubb & Son Inc.	3.44%	\$7,426,128	21.35%	\$31,411,740	5.32%
9	Reliance Group Incorporated	2.67%	\$8,059,360	4.02%	\$24,340,022	(3.73%)
10	UNITRIN Inc.	2.37%	\$4,901,602	82.51%	\$21,679,999	6.52%
11	State Farm Group	2.27%	\$4,565,328	(3.20%)	\$20,678,341	2.22%
12	Allianz Insurance Group	2.15%	\$4,696,281	(9.72%)	\$19,589,193	9.11%
13	Hartford Fire & Casualty Group	1.82%	\$5,082,204	81.52%	\$16,649,991	78.02%
14	Texas Lawyers Insurance Exchange	1.78%	\$3,638,255	10.30%	\$16,278,040	3.19%
15	Liberty Mutual Insurance Group	1.76%	\$5,599,852	27.60%	\$16,094,004	(11.01%)
16	Orion Capital Group	1.75%	\$3,778,799	(15.44%)	\$15,932,408	15.02%
17	TIG Insurance Group	1.57%	\$2,592,990	0.65%	\$14,344,746	12.71%
18	General Electric Group	1.51%	\$3,368,948	(0.52%)	\$13,740,236	(3.46%)
19	Old Republic Group	1.49%	\$3,053,320	(31.28%)	\$13,586,934	(23.26%)
20	Cigna Group	1.44%	\$4,624,311	9.85%	\$13,158,445	(23.15%)
21	Royal & Sun Alliance U.S.A.	1.35%	\$3,943,885	28.87%	\$12,318,185	(8.75%)
22	Nationwide Corporation	1.20%	\$2,231,029	12.31%	\$10,939,731	3.14%
23	Farmers Insurance Group	1.16%	\$2,453,439	6.47%	\$10,546,386	7.28%
24	Lumbermans Mutual Casualty Group	1.03%	\$922,302	(49.93%)	\$9,396,514	38.52%
25	Winterthur US Holding Group	1.02%	\$8,288,406	348.56%	\$9,300,024	5.93%

<b>Top 25 Groups Total</b>	<b>78.13%</b>	<b>\$193,703,057</b>	<b>-6.64%</b>	<b>\$713,241,674</b>	<b>-8.66%</b>
----------------------------	---------------	----------------------	---------------	----------------------	---------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$239,287,594</b>	<b>-9.36%</b>	<b>\$912,867,335</b>	<b>-10.16%</b>
---------------------	----------------	----------------------	---------------	----------------------	----------------



## 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	\$222,334,436	\$252,160,703	\$219,597,885
1st qtr 1996	\$205,490,153	\$227,245,090	\$128,506,977
2nd qtr 1996	\$230,602,320	\$251,052,798	\$122,245,785
3rd qtr 1996	\$219,231,298	\$273,801,596	\$278,489,830
4th qtr 1996	\$222,044,567	\$264,003,831	\$173,930,401
1st qtr 1997	\$177,753,828	\$204,638,696	\$148,166,569
2nd qtr 1997	\$228,362,089	\$205,395,879	\$131,473,244
3rd qtr 1997	\$262,776,430	\$263,545,166	\$167,841,550
4th qtr 1997	\$247,111,241	\$239,287,594	\$156,572,844

## 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%

## Commercial Fire & Allied

There were 100 groups, 236 companies, that had direct written premium for Commercial Fire & Allied in the fourth quarter of 1997, as compared to 97 groups, 240 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 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 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Travelers Insurance Group	14.90%	\$11,591,562	11.06%	\$48,553,941	(0.79%)
2	Zurich American Insurance Group	6.23%	\$6,106,429	76.52%	\$20,306,013	10.10%
3	Allendale Group	5.30%	\$5,453,843	66.41%	\$17,267,883	0.34%
4	UNITRIN Inc.	5.27%	\$3,908,306	(0.19%)	\$17,159,526	2.04%
5	Texas Windstorm Insurance Assoc.	5.18%	\$3,257,124	(4.03%)	\$16,891,126	8.40%
6	Allianz Insurance Group	4.78%	\$4,914,544	(2.70%)	\$15,585,579	(15.90%)
7	Arkwright Boston Group	4.72%	\$6,206,122	2.92%	\$15,383,819	(0.13%)
8	St. Paul Companies	4.28%	\$3,608,707	(17.91%)	\$13,956,283	(1.11%)
9	Protection Mutual Insurance Company	3.87%	\$3,917,692	(7.46%)	\$12,600,267	28.25%
10	Royal & Sun Alliance U.S.A.	3.86%	\$6,586,434	81.05%	\$12,578,096	12.75%
11	American International Group	3.16%	\$4,878,877	90.26%	\$10,284,636	(21.61%)
12	Mortgage Bankers Group	2.47%	\$1,811,934	(5.11%)	\$8,039,844	7.56%
13	Lincoln National Corporation	2.17%	\$1,538,120	5.39%	\$7,062,712	6.63%
14	Nationwide Corporation	2.12%	\$972,315	(44.86%)	\$6,895,502	17.65%
15	CNA Insurance Group	1.89%	\$2,529,593	(3.50%)	\$6,149,165	(49.60%)
16	Crum & Forster Insurance Companies	1.69%	\$1,556,492	101.83%	\$5,517,043	43.65%
17	Texas Farm Bureau Mutual	1.44%	\$1,110,079	5.17%	\$4,683,900	6.92%
18	American Financial Insurance Group	1.43%	\$589,157	79.36%	\$4,648,202	(10.37%)
19	State Farm Group	1.42%	\$1,107,005	(1.52%)	\$4,621,554	4.83%
20	Acceptance Insurance Group	1.28%	\$138,038	105.07%	\$4,180,371	178.29%
21	Federated Mutual Group	1.20%	\$794,976	(6.51%)	\$3,906,444	6.58%
22	Farmers Insurance Group	1.03%	\$905,123	23.19%	\$3,344,353	20.54%
23	Commercial Union Insurance Co's.	1.01%	\$794,890	(12.13%)	\$3,277,099	(11.34%)
24	Cigna Group	1.00%	\$2,272,673	(52.43%)	\$3,247,449	(49.43%)
25	Reliance Group Incorporated	0.90%	\$874,150	19.15%	\$2,926,056	(4.88%)

<b>Top 25 Groups Total</b>	<b>82.56%</b>	<b>\$77,424,185</b>	<b>11.41%</b>	<b>\$269,066,863</b>	<b>(0.44%)</b>
----------------------------	---------------	---------------------	---------------	----------------------	----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$93,754,151</b>	<b>11.08%</b>	<b>\$325,911,082</b>	<b>(1.10%)</b>
---------------------	----------------	---------------------	---------------	----------------------	----------------

## 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	\$84,231,340	\$83,943,064	\$88,823,326
4th qtr 1995	\$79,027,494	\$91,913,918	\$88,563,479
1st qtr 1996	\$69,705,990	\$71,176,002	\$53,392,028
2nd qtr 1996	\$82,622,348	\$84,722,614	\$47,910,206
3rd qtr 1996	\$78,756,443	\$89,232,789	\$54,245,819
4th qtr 1996	\$79,498,023	\$84,401,758	\$54,816,796
1st qtr 1997	\$67,972,488	\$65,562,666	\$41,950,656
2nd qtr 1997	\$94,878,881	\$84,236,023	\$44,283,078
3rd qtr 1997	\$93,203,794	\$82,358,242	\$38,480,829
4th qtr 1997	\$109,427,798	\$93,754,151	\$38,863,908

## 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 97 groups, 266 companies, that had direct written premium for Commercial Multiple Peril in the fourth quarter of 1997, as compared to 91 groups, 253 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 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 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	CNA Insurance Group	10.32%	\$23,478,948	(3.12%)	\$93,810,562	12.45%
2	Travelers Insurance Group	8.24%	\$16,314,374	(25.34%)	\$74,873,450	(9.35%)
3	State Farm Group	7.01%	\$14,582,008	(16.61%)	\$63,732,478	(15.08%)
4	Farmers Insurance Group	4.55%	\$9,164,571	(15.77%)	\$41,358,174	(0.25%)
5	Hartford Fire & Casualty Group	4.22%	\$9,855,951	1.31%	\$38,377,136	4.21%
6	Zurich American Insurance Group	4.21%	\$8,467,731	0.13%	\$38,313,979	(1.33%)
7	Lumbermans Mutual Casualty Group	3.78%	\$8,668,163	(12.70%)	\$34,329,232	(15.31%)
8	Chubb & Son Inc.	3.73%	\$8,191,389	20.27%	\$33,885,175	13.76%
9	Commercial Union Insurance Co's.	3.66%	\$7,953,680	5.63%	\$33,234,342	(6.44%)
10	General Accident Insurance	3.34%	\$7,377,099	(28.47%)	\$30,334,940	(8.21%)
11	Allianz Insurance Group	2.85%	\$8,557,577	(6.38%)	\$25,885,702	1.27%
12	Cigna Group	2.24%	\$4,563,733	(34.10%)	\$20,370,382	(47.51%)
13	Lincoln National Corporation	2.04%	\$4,067,479	(1.11%)	\$18,532,795	12.89%
14	Old Republic Group	1.90%	\$4,952,504	3.86%	\$17,241,405	(8.56%)
15	Church Mutual Insurance Company	1.88%	\$4,196,098	15.17%	\$17,132,233	30.34%
16	American Financial Insurance Group	1.83%	\$5,333,964	40.43%	\$16,609,787	74.37%
17	Crum & Forster Insurance Companies	1.73%	\$3,559,361	5.66%	\$15,743,504	5.60%
18	Liberty Mutual Insurance Group	1.65%	\$4,644,572	10.29%	\$14,981,542	(7.75%)
19	American Indemnity Financial	1.55%	\$3,362,876	(25.47%)	\$14,126,507	(7.04%)
20	Utica National Insurance Group	1.48%	\$3,975,669	(27.79%)	\$13,443,219	(8.88%)
21	Ohio Casualty Group	1.41%	\$4,013,943	34.14%	\$12,825,711	22.84%
22	Allstate Insurance Group	1.37%	\$3,317,052	25.15%	\$12,461,231	26.64%
23	Preferred Risk Group	1.37%	\$3,207,419	16.78%	\$12,432,047	4.09%
24	Reliance Group Incorporated	1.37%	\$3,816,942	23.59%	\$12,425,361	8.51%
25	Royal & Sun Alliance U.S.A.	1.35%	\$4,187,920	(5.26%)	\$12,299,768	(21.19%)

<b>Top 25 Groups Total</b>	<b>79.05%</b>	<b>\$179,811,023</b>	<b>(6.89%)</b>	<b>\$718,760,662</b>	<b>(2.84%)</b>
----------------------------	---------------	----------------------	----------------	----------------------	----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$227,200,083</b>	<b>(5.95%)</b>	<b>\$909,195,802</b>	<b>(2.24%)</b>
---------------------	----------------	----------------------	----------------	----------------------	----------------

## 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	\$211,922,064	\$227,572,367	\$245,078,699
4th qtr 1995	\$222,621,890	\$205,094,011	\$157,508,677
1st qtr 1996	\$204,491,933	\$216,580,221	\$139,187,222
2nd qtr 1996	\$224,998,043	\$234,684,985	\$148,362,523
3rd qtr 1996	\$219,366,065	\$237,222,314	\$164,569,429
4th qtr 1996	\$223,598,956	\$241,571,163	\$149,166,884
1st qtr 1997	\$214,121,970	\$223,593,397	\$106,796,221
2nd qtr 1997	\$244,649,813	\$240,470,849	\$122,510,895
3rd qtr 1997	\$248,256,271	\$217,931,473	\$118,296,742
4th qtr 1997	\$263,594,548	\$227,200,083	\$121,997,251

### 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	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 89 groups, 223 companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 1997, as compared to 87 groups, 232 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	25.80%	\$501,859,140	(8.05%)	\$2,132,763,472	(0.04%)
2	Allstate Insurance Group	14.46%	\$294,328,084	0.30%	\$1,195,040,943	6.88%
3	Farmers Insurance Group	13.76%	\$268,204,360	1.16%	\$1,137,171,421	1.83%
4	Progressive Group	5.64%	\$117,836,300	32.92%	\$466,406,622	50.73%
5	USAA Group	5.56%	\$112,687,175	9.40%	\$459,806,567	2.31%
6	Texas State National Group	2.85%	\$37,495,153	(41.32%)	\$235,824,247	(4.82%)
7	Nationwide Corporation	2.68%	\$54,946,705	9.90%	\$221,652,364	15.63%
8	Southern Farm Bureau Casualty	2.49%	\$50,214,575	(1.55%)	\$205,746,030	5.85%
9	Berkshire-Hathaway (GEICO)	2.25%	\$40,905,467	(0.39%)	\$186,357,263	12.21%
10	Home State County Mutual Ins. Co.	2.21%	\$42,075,291	(6.96%)	\$182,442,396	(12.93%)
11	Chartwell Group	2.08%	\$28,638,073	(18.78%)	\$171,981,940	2.20%
12	Travelers Insurance Group	1.42%	\$29,073,409	5.69%	\$117,775,701	4.66%
13	Sentry Insurance Group	1.20%	\$20,178,847	(25.24%)	\$99,231,403	(13.69%)
14	Titus Group	1.02%	\$24,696,709	104.28%	\$84,697,729	94.17%
15	Safeco Insurance Group	1.02%	\$20,997,115	6.11%	\$84,670,730	7.72%
16	UNITRIN Inc.	1.00%	\$19,852,847	0.51%	\$82,553,872	(3.45%)
17	Winterthur U.S. Holding Group	0.84%	\$15,165,387	(23.56%)	\$69,728,443	(4.48%)
18	White Mountains Insurance Group	0.79%	\$15,707,136	7.41%	\$65,452,996	(8.34%)
19	Texas Farm Bureau Mutual	0.79%	\$14,237,899	(30.27%)	\$65,184,360	(19.41%)
20	American Financial Insurance Group	0.79%	\$15,674,534	(19.10%)	\$65,050,931	(34.06%)
21	Safeway Insurance Group	0.78%	\$13,754,793	16.17%	\$64,499,536	155.13%
22	Hartford Fire & Casualty Group	0.75%	\$15,717,699	4.72%	\$61,906,527	(0.54%)
23	Liberty Mutual Insurance Group	0.71%	\$14,060,204	6.95%	\$58,912,882	3.59%
24	CNA Insurance Group	0.58%	\$12,511,765	(3.13%)	\$48,082,002	12.05%
25	Vesta Insurance Group	0.51%	\$17,644,347	*	\$41,769,223	*

<b>Top 25 Groups Total</b>	<b>92.01%</b>	<b>\$1,798,463,014</b>	<b>(0.95%)</b>	<b>\$7,604,709,600</b>	<b>4.87%</b>
----------------------------	---------------	------------------------	----------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$1,960,444,169</b>	<b>(1.25%)</b>	<b>\$8,265,335,888</b>	<b>4.40%</b>
---------------------	----------------	------------------------	----------------	------------------------	--------------

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$2,053,044,626	\$1,912,370,440	\$1,198,580,142
2nd qtr 1995	\$1,995,115,657	\$1,868,117,962	\$1,604,219,663
3rd qtr 1995	\$2,056,887,655	\$1,908,754,632	\$1,280,107,609
4th qtr 1995	\$1,995,177,681	\$1,829,547,520	\$1,262,790,164
1st qtr 1996	\$2,159,009,100	\$1,983,931,941	\$1,216,101,135
2nd qtr 1996	\$2,102,208,805	\$1,954,191,865	\$1,277,540,110
3rd qtr 1996	\$2,175,273,732	\$1,993,707,194	\$1,242,758,476
4th qtr 1996	\$2,173,860,092	\$1,985,290,353	\$1,357,470,066
1st qtr 1997	\$2,320,966,088	\$2,138,831,068	\$1,228,828,688
2nd qtr 1997	\$2,239,989,715	\$2,051,444,865	\$1,277,845,763
3rd qtr 1997	\$2,312,417,636	\$2,114,615,786	\$1,266,342,373
4th qtr 1997	\$2,207,489,082	\$1,960,444,169	\$1,237,611,661

### 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	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 75 groups, 201 rate-regulated companies, that had direct written premium for Private Passenger Auto in the fourth quarter of 1997, as compared to 77 groups, 210 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	35.43%	\$488,644,886	(7.44%)	\$2,071,133,464	0.41%
2	Farmers Insurance Group	17.17%	\$240,315,440	3.77%	\$1,003,439,684	2.57%
3	Allstate Insurance Group	14.17%	\$209,116,284	(1.54%)	\$828,024,180	0.87%
4	USAA Group	4.61%	\$67,734,591	11.99%	\$269,325,579	(14.20%)
5	Southern Farm Bureau Casualty	3.35%	\$50,214,575	7.61%	\$195,558,938	12.89%
6	Berkshire-Hathaway (GEICO)	3.19%	\$40,905,467	(0.39%)	\$186,357,263	12.21%
7	Nationwide Corporation	3.00%	\$43,873,004	13.03%	\$175,292,035	17.56%
8	Travelers Insurance Group	2.01%	\$29,073,409	5.69%	\$117,775,701	4.66%
9	Safeco Insurance Group	1.45%	\$20,997,115	6.11%	\$84,670,730	7.72%
10	UNITRIN Inc.	1.41%	\$19,852,847	0.51%	\$82,553,872	(3.45%)
11	Texas Farm Bureau Mutual	1.12%	\$14,237,899	(30.27%)	\$65,184,360	(19.41%)
12	Hartford Fire & Casualty Group	1.06%	\$15,717,699	4.72%	\$61,906,527	(0.54%)
13	Liberty Mutual Insurance Group	1.01%	\$14,060,204	6.95%	\$58,912,882	3.59%
14	CNA Insurance Group	0.82%	\$12,511,765	(3.13%)	\$48,082,002	12.05%
15	Amica Mutual Group	0.69%	\$9,156,966	(0.05%)	\$40,319,566	4.30%
16	Prudential of America Group	0.66%	\$8,880,251	(14.48%)	\$38,753,000	(18.96%)
17	Lincoln National Corporation	0.62%	\$8,826,140	2.54%	\$36,385,441	3.03%
18	Metropolitan Group	0.60%	\$8,403,217	(2.86%)	\$35,065,144	0.43%
19	Germania Insurance Group	0.56%	\$9,650,844	42.30%	\$32,521,444	26.94%
20	American National Financial Group	0.52%	\$7,487,723	15.29%	\$30,522,439	16.32%
21	Lumbermans Mutual Casualty Group	0.48%	\$6,728,258	(7.22%)	\$27,936,609	(7.38%)
22	Agricultural Workers Mut. Auto Ins. Co.	0.45%	\$6,206,849	2.40%	\$26,341,743	0.03%
23	Horace Mann Group	0.45%	\$6,263,533	(2.99%)	\$26,322,157	7.37%
24	Winterthur U.S. Holding Group	0.41%	\$6,483,778	34.85%	\$23,838,948	25.77%
25	Motors Insurance Corporation	0.34%	\$5,092,622	(3.05%)	\$20,026,611	(3.19%)

<b>Top 25 Groups Total</b>	<b>95.57%</b>	<b>\$1,350,435,366</b>	<b>-1.23%</b>	<b>\$5,586,250,319</b>	<b>1.33%</b>
----------------------------	---------------	------------------------	---------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$1,410,168,655</b>	<b>-1.39%</b>	<b>\$5,845,308,199</b>	<b>1.10%</b>
---------------------	----------------	------------------------	---------------	------------------------	--------------



## 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	\$1,602,309,779	\$1,507,766,432	\$959,650,992
2nd qtr 1995	\$1,519,192,019	\$1,437,840,293	\$1,324,602,290
3rd qtr 1995	\$1,595,570,564	\$1,489,944,898	\$1,009,272,591
4th qtr 1995	\$1,510,641,621	\$1,424,047,686	\$997,305,435
1st qtr 1996	\$1,593,598,399	\$1,491,158,360	\$948,404,098
2nd qtr 1996	\$1,519,968,128	\$1,430,232,814	\$988,591,314
3rd qtr 1996	\$1,542,622,784	\$1,430,452,780	\$940,246,766
4th qtr 1996	\$1,536,582,495	\$1,430,000,557	\$1,035,748,512
1st qtr 1997	\$1,607,138,755	\$1,515,164,151	\$905,825,081
2nd qtr 1997	\$1,521,416,968	\$1,438,481,965	\$924,094,108
3rd qtr 1997	\$1,574,395,365	\$1,481,493,428	\$918,988,749
4th qtr 1997	\$1,512,331,077	\$1,410,168,655	\$901,766,944

## *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 1997, as compared to 22 groups, 22 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Progressive Group	19.27%	\$117,836,300	32.92%	\$466,406,518	50.73%
2	Allstate Insurance Group	15.16%	\$85,211,800	5.14%	\$367,016,763	23.47%
3	Texas State National Group	9.74%	\$37,495,153	(41.32%)	\$235,824,247	(4.82%)
4	USAA Group	7.87%	\$44,952,584	5.72%	\$190,480,988	40.54%
5	Home State County Mutual Ins. Co.	7.54%	\$42,075,291	(6.96%)	\$182,442,396	(12.93%)
6	Chartwell Group	7.11%	\$28,638,073	(18.78%)	\$171,981,940	2.20%
7	Farmers Insurance Group	5.53%	\$27,888,920	(16.86%)	\$133,731,737	(3.39%)
8	Sentry Insurance Group	3.97%	\$19,467,608	(26.01%)	\$96,040,543	(14.82%)
9	Titus Group	3.50%	\$24,696,709	104.28%	\$84,697,729	94.17%
10	White Mountains Insurance Group	2.70%	\$15,707,136	7.41%	\$65,452,996	(8.34%)
11	American Financial Insurance Group	2.69%	\$15,674,534	(19.10%)	\$65,046,840	(34.06%)
12	Safeway Insurance Group	2.67%	\$13,754,793	16.17%	\$64,499,536	155.13%
13	State Farm Group	2.55%	\$13,214,254	(26.10%)	\$61,630,008	(12.98%)
14	Nationwide Corporation	1.92%	\$11,073,701	(0.96%)	\$46,360,329	8.88%
15	Winterthur U.S. Holding Group	1.90%	\$8,681,609	(42.24%)	\$45,889,495	(15.09%)
16	Vesta Insurance Group	1.73%	\$17,644,347	*	\$41,769,223	*
17	General Agents Group	1.54%	\$8,694,403	(6.61%)	\$37,329,451	35.60%
18	TIG Insurance Group	0.92%	\$9,391,261	(42.82%)	\$22,294,864	(33.17%)
19	Orion Capital Group	0.46%	\$2,730,345	8.75%	\$11,102,081	6.82%
20	Southern Farm Bureau Casualty	0.42%	\$0	(100.00%)	\$10,187,092	(51.82%)
21	Allianz Insurance Group	0.34%	\$1,923,288	(16.08%)	\$8,153,302	(0.90%)
22	Independent County Mutual Ins. Co.	0.31%	\$2,473,435	122.24%	\$7,543,419	44.88%
23	Foremost Corporation America	0.18%	\$920,760	27.67%	\$4,311,329	7.07%

<b>Top Groups Total</b>	<b>100.00%</b>	<b>\$550,146,304</b>	<b>(0.91%)</b>	<b>\$2,420,192,826</b>	<b>13.34%</b>
-------------------------	----------------	----------------------	----------------	------------------------	---------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$550,146,304</b>	<b>(0.91%)</b>	<b>\$2,420,192,826</b>	<b>13.34%</b>
---------------------	----------------	----------------------	----------------	------------------------	---------------

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

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
1st qtr 1997	\$713,827,333	\$623,666,917	\$323,003,607
2nd qtr 1997	\$718,572,747	\$613,257,247	\$353,751,655
3rd qtr 1997	\$738,022,271	\$633,122,358	\$347,353,624
4th qtr 1997	\$695,158,005	\$550,146,304	\$335,844,717

## *Private Passenger Auto (All Voluntary Liability)*

There were 82 groups, 215 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1997, as compared to 82 groups, 225 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	26.33%	\$339,422,296	(9.24%)	\$1,447,745,643	0.92%
2	Farmers Insurance Group	14.08%	\$181,238,535	(1.49%)	\$773,912,585	2.70%
3	Allstate Insurance Group	14.00%	\$193,263,502	(0.72%)	\$769,769,564	5.00%
4	USAA Group	5.56%	\$74,224,344	6.96%	\$305,515,440	1.79%
5	Progressive Group	5.22%	\$71,053,898	25.96%	\$287,063,723	47.23%
6	Nationwide Corporation	2.79%	\$37,620,577	10.06%	\$153,169,294	16.74%
7	Texas State National Group	2.73%	\$24,383,359	(44.92%)	\$149,854,516	(8.32%)
8	Home State County Mutual Ins. Co.	2.46%	\$31,395,797	(6.30%)	\$135,348,609	(10.77%)
9	Southern Farm Bureau Casualty	2.37%	\$31,875,777	(0.58%)	\$130,450,293	5.87%
10	Berkshire-Hathaway (GEICO)	2.18%	\$23,688,461	(13.12%)	\$119,945,046	11.49%
11	Chartwell Group	1.83%	\$17,003,251	(18.20%)	\$100,333,360	7.31%
12	Travelers Insurance Group	1.51%	\$20,402,155	1.34%	\$83,121,740	7.10%
13	Sentry Insurance Group	1.32%	\$14,854,463	(26.32%)	\$72,763,421	(14.71%)
14	Safeco Insurance Group	1.03%	\$13,911,618	2.48%	\$56,669,228	9.87%
15	UNITRIN Inc.	1.01%	\$13,393,188	(0.66%)	\$55,753,335	(0.71%)
16	Safeway Insurance Group	0.95%	\$11,217,574	17.24%	\$52,336,383	157.13%
17	Hartford Fire & Casualty Group	0.81%	\$11,252,034	5.61%	\$44,701,722	1.80%
18	White Mountains Insurance Group	0.81%	\$10,688,458	6.10%	\$44,316,892	(8.88%)
19	Winterthur U.S. Holding Group	0.81%	\$9,795,702	(15.78%)	\$44,263,656	(0.49%)
20	American Financial Insurance Group	0.78%	\$10,086,645	(13.58%)	\$43,051,070	(33.64%)
21	Texas Farm Bureau Mutual	0.77%	\$9,089,226	(34.12%)	\$42,524,507	(21.92%)
22	Liberty Mutual Insurance Group	0.74%	\$9,389,095	3.45%	\$40,558,628	6.96%
23	CNA Insurance Group	0.62%	\$8,915,847	(3.26%)	\$33,916,155	13.92%
24	Titus Group	0.57%	\$10,717,507	203.24%	\$31,468,065	384.31%
25	Amica Mutual Group	0.54%	\$6,659,081	1.40%	\$29,509,897	7.92%
<b>Top 25 Groups Total</b>		<b>91.83%</b>	<b>\$1,185,542,390</b>	<b>(3.90%)</b>	<b>\$5,048,062,772</b>	<b>4.39%</b>
<b>Total Market</b>		<b>100.00%</b>	<b>\$1,302,257,306</b>	<b>(3.03%)</b>	<b>\$5,497,435,904</b>	<b>4.86%</b>

---



---

## 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	\$1,273,529,988	\$1,188,306,165	\$733,246,469
2nd qtr 1995	\$1,231,055,611	\$1,151,084,100	\$726,804,810
3rd qtr 1995	\$1,348,649,594	\$1,275,973,876	\$723,597,168
4th qtr 1995	\$1,313,885,160	\$1,209,226,907	\$755,036,499
1st qtr 1996	\$1,420,233,554	\$1,306,132,631	\$720,860,232
2nd qtr 1996	\$1,370,514,207	\$1,273,010,549	\$720,987,502
3rd qtr 1996	\$1,441,420,117	\$1,320,632,707	\$740,095,071
4th qtr 1996	\$1,465,871,724	\$1,342,909,854	\$828,019,416
1st qtr 1997	\$1,564,462,607	\$1,438,201,062	\$737,672,033
2nd qtr 1997	\$1,494,017,837	\$1,367,360,922	\$763,680,249
3rd qtr 1997	\$1,521,853,988	\$1,389,616,614	\$773,454,184
4th qtr 1997	\$1,470,221,189	\$1,302,257,306	\$777,642,637

## *Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)*

There were 68 groups, 193 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 1997, as compared to 71 groups, 203 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	35.66%	\$330,269,125	(8.61%)	\$1,404,729,896	1.43%
2	Farmers Insurance Group	17.29%	\$161,836,906	0.54%	\$681,118,471	3.46%
3	Allstate Insurance Group	13.85%	\$139,170,145	(4.60%)	\$545,547,683	(2.20%)
4	USAA Group	4.52%	\$44,390,431	9.91%	\$177,923,122	(14.45%)
5	Southern Farm Bureau Casualty	3.13%	\$31,875,777	9.93%	\$123,282,274	13.60%
6	Nationwide Corporation	3.10%	\$30,355,155	10.34%	\$122,234,890	19.11%
7	Berkshire-Hathaway (GEICO)	3.05%	\$23,688,461	(13.12%)	\$119,945,046	11.49%
8	Travelers Insurance Group	2.11%	\$20,402,155	1.34%	\$83,121,740	7.10%
9	Safeco Insurance Group	1.44%	\$13,911,618	2.48%	\$56,669,228	9.87%
10	UNITRIN Inc.	1.42%	\$13,393,188	(0.66%)	\$55,753,335	(0.71%)
11	Hartford Fire & Casualty Group	1.13%	\$11,252,034	5.61%	\$44,701,722	1.80%
12	Texas Farm Bureau Mutual	1.08%	\$9,089,226	(34.12%)	\$42,524,507	(21.92%)
13	Liberty Mutual Insurance Group	1.03%	\$9,389,095	3.45%	\$40,558,628	6.96%
14	CNA Insurance Group	0.86%	\$8,915,847	(3.26%)	\$33,916,155	13.92%
15	Amica Mutual Group	0.75%	\$6,659,081	1.40%	\$29,509,897	7.92%
16	Prudential of America Group	0.71%	\$6,503,859	(11.66%)	\$27,971,188	(13.16%)
17	Lincoln National Corporation	0.62%	\$5,952,259	0.50%	\$24,539,395	5.27%
18	Metropolitan Group	0.60%	\$5,673,814	(3.30%)	\$23,779,085	0.40%
19	Germania Insurance Group	0.57%	\$6,623,403	40.29%	\$22,382,256	26.96%
20	American National Financial Group	0.54%	\$5,158,548	12.65%	\$21,179,851	17.31%
21	Lumbermans Mutual Casualty Group	0.51%	\$4,759,586	(9.51%)	\$19,958,631	(3.98%)
22	Horace Mann Group	0.46%	\$4,256,124	(3.55%)	\$18,018,979	11.24%
23	Agricultural Workers Mut. Auto Ins. Co.	0.43%	\$3,962,945	1.62%	\$17,047,143	4.91%
24	Winterthur U.S. Holding Group	0.42%	\$4,457,430	32.57%	\$16,492,208	26.59%
25	Hochheim Prairie Group	0.34%	\$2,909,306	(9.89%)	\$13,216,480	(1.97%)

<b>Top 25 Groups Total</b>	<b>95.61%</b>	<b>\$904,855,518</b>	<b>(3.48%)</b>	<b>\$3,766,121,810</b>	<b>1.75%</b>
----------------------------	---------------	----------------------	----------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$946,372,603</b>	<b>(3.49%)</b>	<b>\$3,938,901,082</b>	<b>1.77%</b>
---------------------	----------------	----------------------	----------------	------------------------	--------------

---



---

## 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	\$989,447,532	\$941,701,479	\$576,779,658
2nd qtr 1995	\$931,154,531	\$889,515,442	\$575,330,097
3rd qtr 1995	\$1,051,246,478	\$1,000,537,851	\$558,079,208
4th qtr 1995	\$1,000,448,241	\$947,973,701	\$588,579,674
1st qtr 1996	\$1,050,550,791	\$990,525,421	\$558,359,983
2nd qtr 1996	\$996,434,655	\$939,565,106	\$554,211,632
3rd qtr 1996	\$1,027,236,601	\$959,819,421	\$557,446,658
4th qtr 1996	\$1,046,181,516	\$980,570,535	\$633,040,004
1st qtr 1997	\$1,094,951,038	\$1,032,910,941	\$544,785,462
2nd qtr 1997	\$1,031,122,699	\$971,538,127	\$545,653,841
3rd qtr 1997	\$1,052,626,921	\$988,079,411	\$559,166,890
4th qtr 1997	\$1,018,492,824	\$946,372,603	\$563,109,351

## *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 1997, as compared to 22 groups, 22 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Progressive Group	18.42%	\$71,053,898	25.96%	\$287,063,723	47.23%
2	Allstate Insurance Group	14.39%	\$54,093,357	10.85%	\$224,221,881	27.92%
3	Texas State National Group	9.62%	\$24,383,359	(44.92%)	\$149,854,516	(8.32%)
4	Home State County Mutual Ins. Co.	8.68%	\$31,395,797	(6.30%)	\$135,348,609	(10.77%)
5	USAA Group	8.19%	\$29,833,913	2.86%	\$127,592,318	38.42%
6	Chartwell Group	6.44%	\$17,003,251	(18.20%)	\$100,333,360	7.31%
7	Farmers Insurance Group	5.95%	\$19,401,629	(15.66%)	\$92,794,114	(2.54%)
8	Sentry Insurance Group	4.52%	\$14,348,696	(27.06%)	\$70,499,000	(15.83%)
9	Safeway Insurance Group	3.36%	\$11,217,574	17.24%	\$52,336,383	157.13%
10	White Mountains Insurance Group	2.84%	\$10,688,458	6.10%	\$44,316,892	(8.88%)
11	American Financial Insurance Group	2.76%	\$10,086,645	(13.58%)	\$43,047,961	(33.65%)
12	State Farm Group	2.76%	\$9,153,171	(27.38%)	\$43,015,747	(13.34%)
13	Titus Group	2.02%	\$10,717,507	203.24%	\$31,468,065	384.31%
14	Nationwide Corporation	1.98%	\$7,265,422	8.89%	\$30,934,404	8.22%
15	Vesta Insurance Group	1.87%	\$12,184,181	*	\$29,123,249	*
16	Winterthur U.S. Holding Group	1.78%	\$5,338,272	(35.45%)	\$27,771,448	(11.70%)
17	General Agents Group	1.54%	\$5,323,905	(14.44%)	\$24,028,363	31.42%
18	TIG Insurance Group	1.04%	\$6,860,882	(36.59%)	\$16,186,703	(20.85%)
19	Orion Capital Group	0.60%	\$2,286,628	11.10%	\$9,289,520	8.89%
20	Southern Farm Bureau Casualty	0.46%	\$0	(100.00%)	\$7,168,019	(51.23%)
21	Allianz Insurance Group	0.37%	\$1,348,272	(4.94%)	\$5,758,308	6.50%
22	Independent County Mutual Ins. Co.	0.31%	\$1,571,545	125.06%	\$4,855,590	43.48%
23	Foremost Corporation America	0.10%	\$328,341	55.68%	\$1,526,649	13.16%

<b>Top Groups Total</b>	<b>100.00%</b>	<b>\$355,884,703</b>	<b>(1.78%)</b>	<b>\$1,558,534,822</b>	<b>13.58%</b>
-------------------------	----------------	----------------------	----------------	------------------------	---------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$355,884,703</b>	<b>(1.78%)</b>	<b>\$1,558,534,822</b>	<b>13.58%</b>
---------------------	----------------	----------------------	----------------	------------------------	---------------

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

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



---



---

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
1st qtr 1997	\$469,511,569	\$405,290,121	\$192,886,571
2nd qtr 1997	\$462,895,138	\$395,822,795	\$218,026,408
3rd qtr 1997	\$469,227,067	\$401,537,203	\$214,287,294
4th qtr 1997	\$451,728,365	\$355,884,703	\$214,533,286

## *Private Passenger Auto (All Assigned Risk)*

There were 34 groups, 41 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the fourth quarter of 1997, as compared to 36 groups, 42 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	36.34%	\$3,331,996	(47.96%)	\$23,338,590	(59.38%)
2	Farmers Insurance Group	18.92%	\$1,027,740	(57.92%)	\$12,150,774	(46.29%)
3	Allstate Insurance Group	10.04%	\$880,493	2.32%	\$6,448,697	(63.17%)
4	Southern Farm Bureau Casualty	8.57%	\$764,428	(64.38%)	\$5,506,002	(53.02%)
5	Leucadia Group	4.40%	\$104,102	(78.93%)	\$2,823,480	(72.34%)
6	Eagle Insurance Group	3.67%	\$244,570	140.81%	\$2,359,715	(24.22%)
7	American International Group	3.25%	\$513,486	12.56%	\$2,087,147	(63.54%)
8	Berkshire-Hathaway (GEICO)	2.65%	\$254,324	(50.17%)	\$1,703,174	(37.59%)
9	Nationwide Corporation	2.39%	\$193,600	(42.67%)	\$1,536,200	(46.01%)
10	Safeco Insurance Group	1.11%	\$122,075	76.07%	\$714,015	(56.77%)
11	Travelers Insurance Group	1.09%	\$71,935	(40.54%)	\$701,639	(56.85%)
12	Prudential of America Group	0.97%	(\$40,149)	(118.77%)	\$624,088	(68.68%)
13	Liberty Mutual Insurance Group	0.97%	\$78,260	(24.87%)	\$620,708	(52.30%)
14	Beacon Insurance Group	0.80%	\$59,922	(41.21%)	\$514,892	(47.28%)
15	UNITRIN Inc.	0.78%	\$16,487	(82.10%)	\$500,729	(73.79%)
16	AEGON U.S.A. Incorporated	0.70%	\$95,379	(3.42%)	\$448,841	(32.80%)
17	Lincoln National Corporation	0.63%	\$47,919	(16.71%)	\$403,687	(66.75%)
18	American National Financial Group	0.55%	\$58,825	43.43%	\$352,322	(37.77%)
19	Lumbermans Mutual Casualty Group	0.49%	\$54,156	(4.17%)	\$315,695	(67.57%)
20	Hartford Fire & Casualty Group	0.48%	\$93,283	(15.56%)	\$307,521	(71.49%)
21	Commercial Union Insurance Co's.	0.38%	\$45,745	48.59%	\$246,730	(63.33%)
22	American Indemnity Financial	0.30%	\$21,487	(41.86%)	\$193,017	(64.41%)
23	Allmerica Financial Corporation	0.28%	\$25,053	(41.43%)	\$178,691	(52.17%)
24	W. R. Berkley Corporation	0.14%	\$32,781	(6.88%)	\$90,882	(77.47%)
25	Royal & Sun Alliance U.S.A.	0.11%	\$17,055	322.82%	\$69,610	(54.87%)

<b>Top 25 Groups Total</b>	<b>100.03%*</b>	<b>\$8,114,952</b>	<b>(45.74%)</b>	<b>\$64,236,846</b>	<b>(57.19%)</b>
----------------------------	-----------------	--------------------	-----------------	---------------------	-----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$8,125,956</b>	<b>(46.51%)</b>	<b>\$64,216,365</b>	<b>(57.86%)</b>
---------------------	----------------	--------------------	-----------------	---------------------	-----------------

\* The inception of Limited Assignment Distribution (LAD) Program buyout agreements within the last four quarters resulted in a percentage greater than 100% for the Top 25 groups.

---



---

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$57,303,490	\$69,677,406
3rd qtr 1996	\$52,886,905	\$27,904,317	\$58,544,626
4th qtr 1996	\$33,281,834	\$15,190,854	\$49,967,021
1st qtr 1997	\$32,483,574	\$21,902,975	\$37,599,798
2nd qtr 1997	\$28,508,169	\$22,377,752	\$32,763,924
3rd qtr 1997	\$21,059,308	\$11,809,682	\$28,456,385
4th qtr 1997	\$15,600,099	\$8,125,956	\$22,468,763

## *Private Passenger Auto (All Physical Damage)*

There were 83 groups, 210 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the fourth quarter of 1997, as compared to 81 groups, 218 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	24.47%	\$159,104,848	(3.82%)	\$661,679,239	3.13%
2	Allstate Insurance Group	15.49%	\$100,184,089	2.33%	\$418,822,682	13.96%
3	Farmers Insurance Group	12.99%	\$85,938,085	9.19%	\$351,108,062	3.12%
4	Progressive Group	6.63%	\$46,782,402	45.09%	\$179,342,899	56.70%
5	USAA Group	5.71%	\$38,462,831	14.44%	\$154,291,127	3.36%
6	Texas State National Group	3.18%	\$13,111,794	(33.20%)	\$85,969,731	1.97%
7	Chartwell Group	2.65%	\$11,634,822	(19.60%)	\$71,648,580	(4.18%)
8	Southern Farm Bureau Casualty	2.58%	\$17,574,370	4.65%	\$69,789,735	17.43%
9	Nationwide Corporation	2.48%	\$17,132,528	10.72%	\$66,946,870	16.15%
10	Berkshire-Hathaway (GEICO)	2.39%	\$16,962,682	27.62%	\$64,709,043	16.04%
11	Titus Group	1.97%	\$13,979,202	63.40%	\$53,229,664	43.39%
12	Home State County Mutual Ins. Co.	1.74%	\$10,679,494	(8.87%)	\$47,093,787	(18.60%)
13	Travelers Insurance Group	1.26%	\$8,599,319	18.53%	\$33,952,322	1.97%
14	Safeco Insurance Group	1.01%	\$6,963,422	13.35%	\$27,287,487	7.54%
15	Sentry Insurance Group	0.98%	\$5,324,384	(22.06%)	\$26,467,982	(10.77%)
16	UNITRIN Inc.	0.97%	\$6,443,172	4.29%	\$26,299,808	(4.16%)
17	Winterthur US Holding Group	0.94%	\$5,369,685	(34.58%)	\$25,464,787	(10.70%)
18	Texas Farm Bureau Mutual	0.84%	\$5,148,673	(22.25%)	\$22,659,853	(14.24%)
19	American Financial Insurance Group	0.81%	\$5,587,889	(27.47%)	\$21,999,220	(34.85%)
20	White Mountains Insurance Group	0.78%	\$5,018,678	10.30%	\$21,136,104	(7.20%)
21	Liberty Mutual Insurance Group	0.66%	\$4,592,849	15.79%	\$17,733,546	0.47%
22	Hartford Fire & Casualty Group	0.62%	\$4,372,382	3.00%	\$16,897,284	(2.04%)
23	CNA Insurance Group	0.52%	\$3,595,918	(2.83%)	\$14,165,847	7.79%
24	General Agents Group	0.49%	\$3,370,498	9.15%	\$13,301,088	43.86%
25	Vesta Insurance Group	0.47%	\$5,460,166	*	\$12,645,974	*

<b>Top 25 Groups Total</b>	<b>92.64%</b>	<b>\$601,394,182</b>	<b>4.35%</b>	<b>\$2,504,642,721</b>	<b>7.74%</b>
----------------------------	---------------	----------------------	--------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$650,060,907</b>	<b>3.65%</b>	<b>\$2,703,683,619</b>	<b>7.20%</b>
---------------------	----------------	----------------------	--------------	------------------------	--------------

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

---



---

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$637,827,790	\$613,453,011	\$337,473,760
2nd qtr 1995	\$621,395,221	\$604,533,300	\$750,747,191
3rd qtr 1995	\$622,519,229	\$587,314,749	\$442,378,479
4th qtr 1995	\$603,741,059	\$572,129,110	\$399,789,332
1st qtr 1996	\$662,580,957	\$625,822,592	\$408,445,812
2nd qtr 1996	\$658,566,625	\$623,877,826	\$486,875,202
3rd qtr 1996	\$680,966,710	\$645,170,170	\$444,118,779
4th qtr 1996	\$674,706,534	\$627,189,645	\$479,483,629
1st qtr 1997	\$724,019,907	\$678,727,031	\$453,556,857
2nd qtr 1997	\$717,463,709	\$661,706,191	\$481,401,590
3rd qtr 1997	\$769,504,340	\$713,189,490	\$464,431,804
4th qtr 1997	\$721,667,794	\$650,060,907	\$437,500,261

## *Private Passenger Auto (Physical Damage Rate-Regulated Companies)*

There were 69 groups, 188 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 1997, as compared to 71 groups, 196 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	34.91%	\$155,043,765	(3.18%)	\$643,064,978	3.66%
2	Farmers Insurance Group	16.84%	\$77,450,794	13.61%	\$310,170,439	4.34%
3	Allstate Insurance Group	14.99%	\$69,065,646	5.19%	\$276,027,800	12.41%
4	USAA Group	4.96%	\$23,344,160	16.18%	\$91,402,457	(13.70%)
5	Southern Farm Bureau Casualty	3.62%	\$17,574,370	13.25%	\$66,770,662	26.01%
6	Berkshire-Hathaway (GEICO)	3.51%	\$16,962,682	27.62%	\$64,709,043	16.04%
7	Nationwide Corporation	2.80%	\$13,324,249	21.50%	\$51,520,945	18.05%
8	Travelers Insurance Group	1.84%	\$8,599,319	18.53%	\$33,952,322	1.97%
9	Safeco Insurance Group	1.48%	\$6,963,422	13.35%	\$27,287,487	7.54%
10	UNITRIN Inc.	1.43%	\$6,443,172	4.29%	\$26,299,808	(4.16%)
11	Texas Farm Bureau Mutual	1.23%	\$5,148,673	(22.25%)	\$22,659,853	(14.24%)
12	Liberty Mutual Insurance Group	0.96%	\$4,592,849	15.79%	\$17,733,546	0.47%
13	Hartford Fire & Casualty Group	0.92%	\$4,372,382	3.00%	\$16,897,284	(2.04%)
14	CNA Insurance Group	0.77%	\$3,595,918	(2.83%)	\$14,165,847	7.79%
15	Lincoln National Corporation	0.62%	\$2,825,962	7.56%	\$11,442,359	6.02%
16	Metropolitan Group	0.61%	\$2,729,403	(1.95%)	\$11,286,059	0.49%
17	Amica Mutual Group	0.59%	\$2,497,885	(3.73%)	\$10,809,669	(4.45%)
18	Prudential of America Group	0.55%	\$2,416,541	(13.91%)	\$10,157,724	(25.40%)
19	Germania Insurance Group	0.55%	\$3,027,441	46.87%	\$10,139,208	26.58%
20	Agricultural Workers Mut. Auto Ins. Co.	0.51%	\$2,244,991	6.69%	\$9,322,684	2.23%
21	American National Financial Group	0.49%	\$2,270,350	21.14%	\$8,990,266	18.01%
22	Horace Mann Group	0.45%	\$2,010,625	3.07%	\$8,325,205	5.85%
23	Lumbermans Mutual Casualty Group	0.42%	\$1,914,516	(1.10%)	\$7,662,283	(8.81%)
24	Winterthur U.S. Holding Group	0.40%	\$2,026,348	40.14%	\$7,346,740	23.99%
25	Motors Insurance Corporation	0.37%	\$1,761,137	1.16%	\$6,823,829	(2.03%)

<b>Top 25 Groups Total</b>	<b>95.82%</b>	<b>\$438,206,600</b>	<b>5.37%</b>	<b>\$1,764,968,497</b>	<b>4.87%</b>
----------------------------	---------------	----------------------	--------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$455,799,306</b>	<b>4.94%</b>	<b>\$1,842,025,615</b>	<b>4.72%</b>
---------------------	----------------	----------------------	--------------	------------------------	--------------

---



---

## 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	\$471,175,399	\$455,453,689	\$255,011,421
2nd qtr 1995	\$445,372,663	\$435,824,289	\$622,604,531
3rd qtr 1995	\$458,605,254	\$443,941,040	\$337,061,421
4th qtr 1995	\$432,641,918	\$427,882,482	\$300,761,428
1st qtr 1996	\$466,853,019	\$448,656,221	\$303,249,024
2nd qtr 1996	\$450,405,500	\$433,264,218	\$364,702,276
3rd qtr 1996	\$462,499,278	\$442,729,042	\$324,255,482
4th qtr 1996	\$457,119,145	\$434,339,168	\$352,741,487
1st qtr 1997	\$479,704,143	\$460,350,235	\$323,439,821
2nd qtr 1997	\$461,786,100	\$444,271,739	\$345,676,343
3rd qtr 1997	\$500,709,136	\$481,604,335	\$331,365,474
4th qtr 1997	\$478,238,154	\$455,799,306	\$316,188,830

## *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 1997, as compared to 22 groups, 22 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Progressive Group	20.81%	\$46,782,402	45.09%	\$179,342,795	56.70%
2	Allstate Insurance Group	16.57%	\$31,118,443	(3.51%)	\$142,794,882	17.09%
3	Texas State National Group	9.98%	\$13,111,794	(33.20%)	\$85,969,731	1.97%
4	Chartwell Group	8.32%	\$11,634,822	(19.60%)	\$71,648,580	(4.18%)
5	USAA Group	7.30%	\$15,118,671	11.86%	\$62,888,670	45.03%
6	Titus Group	6.18%	\$13,979,202	63.40%	\$53,229,664	43.39%
7	Home State County Mutual Ins. Co.	5.47%	\$10,679,494	(8.87%)	\$47,093,787	(18.60%)
8	Farmers Insurance Group	4.75%	\$8,487,291	(19.46%)	\$40,937,623	(5.27%)
9	Sentry Insurance Group	2.96%	\$5,118,912	(22.90%)	\$25,541,543	(11.90%)
10	American Financial Insurance Group	2.55%	\$5,587,889	(27.47%)	\$21,998,879	(34.85%)
11	White Mountains Insurance Group	2.45%	\$5,018,678	10.30%	\$21,136,104	(7.20%)
12	State Farm Group	2.16%	\$4,061,083	(23.05%)	\$18,614,261	(12.14%)
13	Winterthur U.S. Holding Group	2.10%	\$3,343,337	(50.56%)	\$18,118,047	(19.80%)
14	Nationwide Corporation	1.79%	\$3,808,279	(15.53%)	\$15,425,925	10.23%
15	General Agents Group	1.54%	\$3,370,498	9.15%	\$13,301,088	43.86%
16	Vesta Insurance Group	1.47%	\$5,460,166	*	\$12,645,974	*
17	Safeway Insurance Group	1.41%	\$2,537,219	11.67%	\$12,163,153	146.90%
18	TIG Insurance Group	0.71%	\$2,530,379	(54.84%)	\$6,108,161	(52.70%)
19	Southern Farm Bureau Casualty	0.35%	\$0	(100.00%)	\$3,019,073	(53.16%)
20	Foremost Corporation America	0.32%	\$592,419	16.10%	\$2,784,680	4.00%
21	Independent County Mutual Ins. Co.	0.31%	\$901,890	117.50%	\$2,687,829	47.49%
22	Allianz Insurance Group	0.28%	\$575,016	(34.17%)	\$2,394,994	(15.08%)
23	Orion Capital Group	0.21%	\$443,717	(1.94%)	\$1,812,561	(2.64%)

<b>Top Groups Total</b>	<b>100.00%</b>	<b>\$194,261,601</b>	<b>0.73%</b>	<b>\$861,658,004</b>	<b>12.92%</b>
-------------------------	----------------	----------------------	--------------	----------------------	---------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$194,261,601</b>	<b>0.73%</b>	<b>\$861,658,004</b>	<b>12.92%</b>
---------------------	----------------	----------------------	--------------	----------------------	---------------

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

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



---



---

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
1st qtr 1997	\$244,315,764	\$218,376,796	\$130,117,036
2nd qtr 1997	\$255,677,609	\$217,434,452	\$135,725,247
3rd qtr 1997	\$268,795,204	\$231,585,155	\$133,066,330
4th qtr 1997	\$243,429,640	\$194,261,601	\$121,311,431

## *Homeowners Multiple Peril (All Companies)*

There were 69 groups, 166 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the fourth quarter of 1997, as compared to 73 groups, 173 companies, in the fourth quarter of 1996.

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 1997 to premiums on policies written in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	33.04%	\$192,412,424	3.21%	\$846,432,496	4.17%
2	Farmers Insurance Group	17.31%	\$107,740,032	7.91%	\$443,497,491	7.41%
3	Allstate Insurance Group	13.63%	\$89,313,424	19.23%	\$349,294,068	13.17%
4	USAA Group	6.34%	\$37,680,925	7.45%	\$162,518,197	7.46%
5	Travelers Insurance Group	4.80%	\$31,180,545	7.53%	\$123,006,762	9.44%
6	Nationwide Corporation	2.61%	\$17,373,795	26.86%	\$66,815,588	32.38%
7	Safeco Insurance Group	1.97%	\$11,214,662	12.73%	\$50,363,190	9.88%
8	Texas Farm Bureau Mutual	1.72%	\$10,394,438	1.04%	\$44,011,302	1.99%
9	Chubb & Son Inc.	1.72%	\$11,135,186	14.28%	\$43,939,711	13.51%
10	Titus Group	1.46%	\$8,683,474	(12.41%)	\$37,434,588	(12.28%)
11	Winterthur US Holding Group	1.39%	\$8,410,559	7.84%	\$35,606,644	(10.72%)
12	CNA Insurance Group	1.25%	\$7,020,097	(9.59%)	\$32,096,075	12.73%
13	Liberty Mutual Insurance Group	1.09%	\$6,884,993	22.45%	\$27,918,221	15.04%
14	UNITRIN Inc.	1.06%	\$6,006,548	(2.55%)	\$27,256,661	(4.16%)
15	Hartford Fire & Casualty Group	0.90%	\$5,504,205	1.84%	\$23,060,015	7.61%
16	Amica Mutual Group	0.80%	\$4,591,194	11.31%	\$20,573,852	11.79%
17	Allianz Insurance Group	0.79%	\$4,858,983	3.72%	\$20,128,494	14.52%
18	American National Financial Group	0.79%	\$5,028,731	18.96%	\$20,112,314	28.63%
19	Lumbermans Mutual Casualty Group	0.65%	\$3,929,599	(8.46%)	\$16,630,957	(9.08%)
20	Metropolitan Group	0.57%	\$3,239,295	(17.81%)	\$14,700,051	(11.13%)
21	Lincoln National Corporation	0.49%	\$2,475,141	(13.95%)	\$12,605,364	(5.96%)
22	Central Mutual Insurance Co. of Ohio	0.44%	\$2,752,418	13.41%	\$11,227,500	15.35%
23	Service Life Group	0.41%	\$3,564,088	*	\$10,585,997	*
24	General Accident Insurance	0.41%	\$2,217,736	(12.22%)	\$10,438,678	8.55%
25	Beacon Insurance Group	0.39%	\$2,626,941	37.68%	\$9,864,662	22.73%

<b>Top 25 Groups Total</b>	<b>96.02%</b>	<b>\$586,239,433</b>	<b>8.04%</b>	<b>\$2,460,118,878</b>	<b>7.51%</b>
----------------------------	---------------	----------------------	--------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$609,548,236</b>	<b>7.10%</b>	<b>\$2,561,978,127</b>	<b>6.58%</b>
---------------------	----------------	----------------------	--------------	------------------------	--------------

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$536,873,920	\$504,912,643	\$295,828,219
2nd qtr 1995	\$633,519,474	\$601,610,199	\$780,554,937
3rd qtr 1995	\$649,398,755	\$610,273,315	\$511,610,477
4th qtr 1995	\$583,421,900	\$544,747,718	\$416,544,143
1st qtr 1996	\$574,036,357	\$536,605,208	\$306,300,976
2nd qtr 1996	\$682,266,879	\$644,031,987	\$414,718,637
3rd qtr 1996	\$694,357,203	\$653,987,932	\$352,051,094
4th qtr 1996	\$607,523,506	\$569,123,474	\$317,853,967
1st qtr 1997	\$599,934,278	\$562,586,275	\$278,683,614
2nd qtr 1997	\$731,602,774	\$689,303,283	\$323,621,986
3rd qtr 1997	\$753,471,413	\$700,540,333	\$305,541,485
4th qtr 1997	\$652,025,897	\$609,548,236	\$233,625,892

### 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 52 groups, 123 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 1997, as compared to 56 groups, 131 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Allstate Insurance Group	15.56%	\$24,912,855	31.38%	\$86,126,956	3.22%
2	State Farm Group	15.09%	\$674,066	(98.62%)	\$83,541,025	(61.12%)
3	Travelers Insurance Group	12.31%	\$17,354,290	3.04%	\$68,126,265	4.59%
4	USAA Group	8.99%	\$11,995,942	16.08%	\$49,756,057	14.89%
5	Farmers Insurance Group	8.97%	\$11,054,562	(10.85%)	\$49,673,854	(5.23%)
6	Liberty Mutual Insurance Group	5.04%	\$6,884,993	22.45%	\$27,918,221	15.04%
7	UNITRIN Inc.	4.83%	\$5,868,744	(3.37%)	\$26,730,930	(4.76%)
8	Amica Mutual Group	3.72%	\$4,591,194	11.31%	\$20,573,852	11.79%
9	Lumbermans Mutual Casualty Group	3.00%	\$3,929,599	(8.46%)	\$16,630,957	(9.08%)
10	CNA Insurance Group	3.00%	\$3,649,335	(25.38%)	\$16,627,174	(3.44%)
11	Winterthur U.S. Holding Group	2.61%	(\$119,894)	(101.76%)	\$14,437,658	(59.70%)
12	Lincoln National Corporation	2.28%	\$2,475,141	(13.95%)	\$12,605,364	(5.96%)
13	General Accident Insurance	1.89%	\$2,217,736	(12.22%)	\$10,438,678	8.55%
14	Beacon Insurance Group	1.78%	\$2,626,941	37.68%	\$9,864,662	22.73%
15	Nationwide Corporation	1.62%	\$2,230,483	8.41%	\$8,981,818	14.82%
16	American National Financial Group	1.43%	\$1,565,081	(13.77%)	\$7,919,224	(10.60%)
17	Horace Mann Group	1.32%	\$1,867,030	15.86%	\$7,327,495	14.59%
18	Zurich American Insurance Group	0.91%	\$1,048,025	(28.95%)	\$5,063,859	(21.99%)
19	Commercial Union Insurance Co's.	0.68%	(\$50,277)	(102.01%)	\$3,743,339	(66.13%)
20	American Indemnity Financial	0.59%	\$782,050	(1.85%)	\$3,284,079	(6.89%)
21	Germania Insurance Group	0.49%	\$708,461	0.52%	\$2,725,950	3.83%
22	Allmerica Financial Corporation	0.49%	\$517,925	(39.83%)	\$2,720,603	(19.19%)
23	American Bankers Florida Group	0.45%	\$587,934	(5.04%)	\$2,476,773	15.64%
24	W. R. Berkley Corporation	0.41%	\$82,521	(86.69%)	\$2,264,290	(28.59%)
25	Preferred Risk Group	0.36%	\$445,288	(9.72%)	\$1,997,580	(15.15%)

<b>Top 25 Groups Total</b>	<b>97.82%</b>	<b>\$107,900,025</b>	<b>(32.60%)</b>	<b>\$541,556,663</b>	<b>(21.52%)</b>
----------------------------	---------------	----------------------	-----------------	----------------------	-----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$110,545,470</b>	<b>(33.07%)</b>	<b>\$553,632,607</b>	<b>(22.42%)</b>
---------------------	----------------	----------------------	-----------------	----------------------	-----------------

---



---

## 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	\$185,284,260	\$172,484,830	\$103,753,971
2nd qtr 1995	\$209,812,583	\$196,039,192	\$250,996,642
3rd qtr 1995	\$208,073,323	\$192,609,387	\$163,504,705
4th qtr 1995	\$180,673,488	\$167,430,221	\$122,077,376
1st qtr 1996	\$180,260,031	\$167,421,166	\$95,359,982
2nd qtr 1996	\$204,028,311	\$191,730,434	\$118,565,329
3rd qtr 1996	\$200,016,548	\$189,332,184	\$99,681,001
4th qtr 1996	\$177,362,736	\$165,157,360	\$94,731,554
1st qtr 1997	\$159,480,463	\$147,419,925	\$84,056,283
2nd qtr 1997	\$179,139,562	\$167,295,430	\$98,305,532
3rd qtr 1997	\$141,301,692	\$128,371,782	\$89,511,100
4th qtr 1997	\$120,850,580	\$110,545,470	\$65,243,600

## *Homeowners Multiple Peril (Non-Rate-Regulated Companies)*

There were 41 groups, 43 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the fourth quarter of 1997, as compared to 40 groups, 42 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	State Farm Group	37.99%	\$191,738,358	39.38%	\$762,891,471	27.64%
2	Farmers Insurance Group	19.61%	\$96,685,470	10.57%	\$393,823,637	9.25%
3	Allstate Insurance Group	13.10%	\$64,400,569	15.11%	\$263,167,112	16.85%
4	USAA Group	5.61%	\$25,684,983	3.84%	\$112,762,140	4.48%
5	Nationwide Corporation	2.88%	\$15,143,312	30.12%	\$57,833,770	35.60%
6	Travelers Insurance Group	2.73%	\$13,826,255	13.75%	\$54,880,497	16.12%
7	Safeco Insurance Group	2.51%	\$11,214,662	12.73%	\$50,363,840	9.89%
8	Texas Farm Bureau Mutual	2.19%	\$10,394,438	1.04%	\$44,011,302	1.99%
9	Chubb & Son Inc.	2.19%	\$11,132,464	14.25%	\$43,941,804	13.52%
10	Titus Group	1.86%	\$8,683,474	(12.41%)	\$37,434,588	(12.28%)
11	Hartford Fire & Casualty Group	1.15%	\$5,504,335	1.84%	\$23,062,103	7.61%
12	Winterthur U.S. Holding Group	1.05%	\$8,530,453	763.26%	\$21,168,986	422.04%
13	Allianz Insurance Group	1.00%	\$4,858,983	3.72%	\$20,128,494	14.53%
14	CNA Insurance Group	0.77%	\$3,370,762	17.27%	\$15,468,901	37.48%
15	Metropolitan Group	0.73%	\$3,240,871	(17.70%)	\$14,696,949	(11.13%)
16	American National Financial Group	0.61%	\$3,463,650	43.59%	\$12,193,090	79.91%
17	Central Mutual Insurance Co. of Ohio	0.56%	\$2,752,418	13.43%	\$11,227,500	15.36%
18	Service Life Group	0.53%	\$3,564,088	*	\$10,585,997	*
19	Mortgage Bankers Group	0.34%	\$1,687,986	16.48%	\$6,896,156	34.37%
20	Commercial Union Insurance Co's.	0.30%	\$2,152,862	*	\$6,020,056	*
21	National Group Insurance Companies	0.28%	\$1,402,313	14.04%	\$5,557,409	13.61%
22	W. R. Berkley Corporation	0.27%	\$1,552,242	34.51%	\$5,463,273	2.94%
23	Apex Lloyds Insurance Company	0.25%	\$967,996	48.66%	\$5,036,161	(24.99%)
24	Armed Forces Insurance Exchange	0.24%	\$1,070,488	(5.12%)	\$4,881,676	0.30%
25	Delta Lloyds Insurance Co. of Houston	0.18%	\$776,178	10.15%	\$3,554,878	42.74%

<b>Top 25 Groups Total</b>	<b>98.94%</b>	<b>\$493,799,610</b>	<b>23.94%</b>	<b>\$1,987,051,790</b>	<b>19.10%</b>
----------------------------	---------------	----------------------	---------------	------------------------	---------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$499,002,766</b>	<b>23.53%</b>	<b>\$2,008,345,520</b>	<b>18.83%</b>
---------------------	----------------	----------------------	---------------	------------------------	---------------

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
1st qtr 1997	\$440,453,815	\$415,166,350	\$194,627,331
2nd qtr 1997	\$552,463,212	\$522,007,853	\$225,316,454
3rd qtr 1997	\$612,169,721	\$572,168,551	\$216,030,385
4th qtr 1997	\$531,175,317	\$499,002,766	\$168,382,292

## *Workers' Compensation (All Companies)*

There were 110 groups, 274 companies, that had direct written premium for Workers' Compensation in the fourth quarter of 1997, as compared to 106 groups, 268 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Texas Workers Comp. Ins. Fund	13.42%	\$41,567,205	(49.45%)	\$233,626,317	(38.76%)
2	Liberty Mutual Insurance Group	8.50%	\$57,740,122	696.84%	\$147,969,712	126.11%
3	CNA Insurance Group	8.42%	\$35,842,370	(11.05%)	\$146,606,593	37.46%
4	American International Group	6.47%	\$16,373,463	(42.33%)	\$112,690,995	(22.33%)
5	Lumbermans Mutual Casualty Group	5.66%	\$29,900,278	33.16%	\$98,507,167	10.47%
6	Travelers Insurance Group	4.97%	\$18,194,336	(16.84%)	\$86,547,261	51.39%
7	Reliance Group Incorporated	3.91%	\$21,048,811	57.71%	\$68,104,004	(15.86%)
8	Hartford Fire & Casualty Group	3.07%	\$11,489,697	25.99%	\$53,384,291	6.44%
9	Zurich American Insurance Group	2.50%	\$7,961,265	50.04%	\$43,503,381	50.72%
10	Nationwide Corporation	2.33%	\$6,675,997	(12.99%)	\$40,625,595	35.00%
11	Orion Capital Group	2.27%	\$10,080,249	6.91%	\$39,445,543	0.08%
12	Transport Holdings Inc.	1.79%	\$8,947,250	(7.66%)	\$31,190,386	(23.83%)
13	Old Republic Group	1.74%	\$11,815,818	40.77%	\$30,230,745	(2.14%)
14	Colonial Casualty Insurance Company	1.58%	\$5,604,939	(11.38%)	\$27,516,439	10.46%
15	Zenith National Insurance Group	1.56%	\$5,494,192	(29.18%)	\$27,216,097	(20.22%)
16	General Accident Insurance	1.48%	\$6,373,232	(6.79%)	\$25,748,612	17.46%
17	Clarendon Insurance Group	1.47%	\$4,476,701	29.72%	\$25,603,178	112.08%
18	Allianz Insurance Group	1.33%	\$3,487,867	(47.72%)	\$23,152,632	(9.20%)
19	Service Life Group	1.12%	(\$96,656)	53.99%	\$19,535,952	(22.90%)
20	Association Casualty	1.12%	\$4,071,533	(14.04%)	\$19,475,808	0.40%
21	Foundation Health Corporation	1.11%	\$4,505,135	19.39%	\$19,360,716	35.37%
22	St. Paul Companies	1.10%	\$2,147,188	(64.65%)	\$19,091,056	(23.12%)
23	Amerisure Companies	1.08%	\$3,460,752	(16.82%)	\$18,757,504	7.78%
24	Farmers Insurance Group	1.05%	\$3,344,152	(20.48%)	\$18,206,059	3.18%
25	Chubb & Son Inc.	1.02%	\$3,784,068	(2.09%)	\$17,788,085	11.53%

<b>Top 25 Groups Total</b>	<b>80.07%</b>	<b>\$324,289,964</b>	<b>5.92%</b>	<b>\$1,393,884,128</b>	<b>(0.41%)</b>
----------------------------	---------------	----------------------	--------------	------------------------	----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$414,469,778</b>	<b>4.71%</b>	<b>\$1,740,839,278</b>	<b>2.79%</b>
---------------------	----------------	----------------------	--------------	------------------------	--------------



## 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	\$563,048,156	\$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	\$438,857,516	\$433,896,159	\$259,507,992
3rd qtr 1995	\$469,589,330	\$455,898,476	\$259,707,366
4th qtr 1995	\$402,555,729	\$401,696,092	\$266,005,328
1st qtr 1996	\$579,559,857	\$509,511,182	\$282,536,912
2nd qtr 1996	\$409,563,674	\$378,400,229	\$276,137,126
3rd qtr 1996	\$403,782,391	\$409,781,331	\$271,110,812
4th qtr 1996	\$375,796,251	\$395,841,983	\$303,408,073
1st qtr 1997	\$518,369,386	\$456,591,310	\$233,440,227
2nd qtr 1997	\$411,119,792	\$420,002,038	\$303,851,171
3rd qtr 1997	\$394,852,366	\$449,776,152	\$277,058,294
4th qtr 1997	\$400,005,300	\$414,469,778	\$279,682,493

## 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	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 110 groups, 274 companies, that had voluntary direct written premium for Workers' Compensation in the fourth quarter of 1997, as compared to 106 groups, 268 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### **DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION**

<b>4 Qtrs Rank</b>	<b>Group Name</b>	<b>Market Share (4 Qtrs)</b>	<b>Written 4th Quarter 1997</b>	<b>% Change 4th Quarter 1996 to 1997</b>	<b>4 Quarters Ending 4th Qtr 1997</b>	<b>% Change 4 Qtrs Ending 1996 to 1997</b>
1	Texas Workers Comp. Ins. Fund	13.24%	\$47,694,267	(39.69%)	\$230,136,085	(36.38%)
2	Liberty Mutual Insurance Group	8.52%	\$57,740,106	696.38%	\$147,966,398	125.77%
3	CNA Insurance Group	8.44%	\$35,842,461	(11.05%)	\$146,658,899	37.51%
4	American International Group	6.49%	\$16,373,463	(42.33%)	\$112,690,995	(22.33%)
5	Lumbermans Mutual Casualty Group	5.67%	\$29,900,278	32.94%	\$98,490,979	10.08%
6	Travelers Insurance Group	4.98%	\$18,191,022	(22.02%)	\$86,540,399	47.23%
7	Reliance Group Incorporated	3.92%	\$21,048,811	57.71%	\$68,104,004	(15.86%)
8	Hartford Fire & Casualty Group	3.08%	\$11,489,697	25.26%	\$53,491,688	6.54%
9	Zurich American Insurance Group	2.50%	\$7,961,265	50.04%	\$43,502,705	50.72%
10	Nationwide Corporation	2.34%	\$6,686,811	(12.86%)	\$40,625,600	34.62%
11	Orion Capital Group	2.27%	\$10,080,249	6.91%	\$39,445,543	0.08%
12	Transport Holdings Inc.	1.79%	\$8,947,250	(7.66%)	\$31,190,386	(23.83%)
13	Old Republic Group	1.74%	\$11,815,818	40.77%	\$30,230,745	(2.14%)
14	Colonial Casualty Insurance Company	1.58%	\$5,604,939	(11.38%)	\$27,516,439	10.46%
15	Zenith National Insurance Group	1.57%	\$5,494,192	(29.18%)	\$27,216,097	(20.22%)
16	General Accident Insurance	1.48%	\$6,373,232	(6.79%)	\$25,748,612	17.46%
17	Clarendon Insurance Group	1.47%	\$4,476,701	29.72%	\$25,603,178	112.08%
18	Allianz Insurance Group	1.33%	\$3,487,867	(47.72%)	\$23,152,632	(9.20%)
19	Service Life Group	1.12%	(\$96,656)	53.99%	\$19,535,952	(22.90%)
20	Association Casualty	1.12%	\$4,071,533	(14.04%)	\$19,475,808	0.40%
21	Foundation Health Corporation	1.11%	\$4,505,135	19.39%	\$19,360,716	35.37%
22	St. Paul Companies	1.10%	\$2,147,188	(64.65%)	\$19,091,056	(23.12%)
23	Amerisure Companies	1.08%	\$3,460,752	(16.82%)	\$18,757,504	7.78%
24	Farmers Insurance Group	1.05%	\$3,344,152	(20.48%)	\$18,206,059	3.18%
25	Chubb & Son Inc.	1.02%	\$3,784,068	(2.09%)	\$17,788,085	11.53%

<b>Top 25 Groups Total</b>	<b>80.02%</b>	<b>\$330,424,601</b>	<b>8.49%</b>	<b>\$1,390,526,564</b>	<b>0.61%</b>
----------------------------	---------------	----------------------	--------------	------------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$420,604,994</b>	<b>6.37%</b>	<b>\$1,737,673,645</b>	<b>3.69%</b>
---------------------	----------------	----------------------	--------------	------------------------	--------------

## 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	\$555,381,758	\$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	\$431,833,136	\$432,487,193	\$225,639,769
3rd qtr 1995	\$461,824,200	\$453,894,311	\$224,489,104
4th qtr 1995	\$396,357,091	\$389,435,824	\$232,077,588
1st qtr 1996	\$573,290,273	\$508,598,211	\$251,351,695
2nd qtr 1996	\$402,772,171	\$365,766,167	\$240,044,757
3rd qtr 1996	\$398,598,974	\$406,123,320	\$245,300,728
4th qtr 1996	\$373,057,831	\$395,421,448	\$282,512,093
1st qtr 1997	\$513,174,272	\$452,981,332	\$213,358,155
2nd qtr 1997	\$408,122,341	\$416,106,534	\$282,789,686
3rd qtr 1997	\$391,478,516	\$447,980,785	\$258,144,535
4th qtr 1997	\$397,952,485	\$420,604,994	\$264,409,416

## ***Workers' Compensation (Residual Market)***

---

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

For the four quarters ending with the fourth quarter of 1997 the START program reported \$3,490,232 in direct premiums written. This accounted for 110.25% of all Residual Market experience reported and was a decrease of 82.33% over the same period one year prior. Of this amount (\$6,127,062) was written in the fourth quarter of 1997 which was a 325.06% decrease from the fourth quarter of 1996.

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**

<b>Reporting Period</b>	<b>Premiums on Policies Written</b>	<b>Direct Written Premium</b>	<b>Direct Losses Paid</b>
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
1st qtr 1997	\$5,195,114	\$3,609,978	\$20,082,072
2nd qtr 1997	\$2,997,451	\$3,895,504	\$21,061,485
3rd qtr 1997	\$3,373,850	\$1,795,367	\$18,913,759
4th qtr 1997	\$2,052,815	(\$6,135,216)	\$15,273,077

**QUARTERLY EXPERIENCE**  
**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
1st qtr 1997	\$5,195,114	\$3,709,751	\$2,085,326
2nd qtr 1997	\$2,997,451	\$3,897,390	\$1,965,869
3rd qtr 1997	\$3,373,850	\$2,010,153	\$2,380,981
4th qtr 1997	\$2,052,815	(\$6,127,062)	\$1,904,944

## ***Workers' Compensation (Deductible Plans)***

---

There were 99 groups, 231 companies which wrote voluntary policies for Workers' Compensation in the fourth quarter of 1997, as compared to 95 groups, 227 companies in the fourth quarter of 1996.

The data contained in the following table represents direct policies written as new or renewal policies in the fourth quarter of 1997. The policies are adjusted to an annual basis (a six month policy is reported as 0.5). The premiums on direct policies written are total premiums (estimated if initial premium collected was a deposit or first installment premium).

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

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

## WORKERS' COMPENSATION DEDUCTIBLE PLANS

	Policies Written 4th Qtr 1997	Premium on Direct Policies Written Prior to Deductible Credit	Premium on Direct Policies Written After Deductible Credit	Percent of Reduction in Premiums
<b>Per Accident Deductible Plan</b>				
Premium of \$5,000 - \$9,999	36	\$233,938	\$217,826	6.89%
Premium of \$10,000 - \$24,999	27	\$469,862	\$411,170	12.49%
Premium of \$25,000 - \$49,999	5	\$179,902	\$163,025	9.38%
Premium of \$50,000 - \$74,999	10	\$609,610	\$479,929	21.27%
Premium of \$75,000 - \$100,000	5	\$419,751	\$291,487	30.56%
<b>Total Per Accident Plan</b>	<b>83</b>	<b>\$1,913,063</b>	<b>\$1,563,437</b>	<b>18.28%</b>
<b>Aggregate Deductible Plan</b>				
Premium of \$5,000 - \$9,999	15	\$110,197	\$96,543	12.39%
Premium of \$10,000 - \$24,999	21	\$324,095	\$283,166	12.63%
Premium of \$25,000 - \$49,999	15	\$532,565	\$432,492	18.79%
Premium of \$50,000 - \$74,999	5	\$307,309	\$211,352	31.22%
Premium of \$75,000 - \$100,000	1	\$76,427	\$66,582	12.88%
<b>Total Aggregate Plan</b>	<b>57</b>	<b>\$1,350,593</b>	<b>\$1,090,135</b>	<b>19.28%</b>
<b>Per Accident/Aggregate Combination Deductible Plan</b>				
Premium of \$5,000 - \$9,999	12	\$87,358	\$80,921	7.37%
Premium of \$10,000 - \$24,999	8	\$131,356	\$119,612	8.94%
Premium of \$25,000 - \$49,999	8	\$263,436	\$198,830	24.52%
Premium of \$50,000 - \$74,999	4	\$235,438	\$198,931	15.51%
Premium of \$75,000 - \$100,000	2	\$172,655	\$105,264	39.03%
<b>Total Combination Plan</b>	<b>34</b>	<b>\$890,243</b>	<b>\$703,558</b>	<b>20.97%</b>
<b>Negotiated Deductible Plan</b>				
Premium Up To \$100,000	410	\$11,167,025	\$2,550,919	77.16%
Premium of \$100,001 - \$150,000	66	\$8,385,404	\$2,591,397	69.10%
Premium of \$150,001 - \$250,000	77	\$15,299,744	\$3,480,113	77.25%
Premium of \$250,001 - \$350,000	38	\$11,037,733	\$1,963,181	82.21%
Premium of \$350,001 - \$500,000	35	\$14,929,364	\$2,577,719	82.73%
Premium of \$500,001 - \$750,000	47	\$28,243,588	\$4,765,901	83.13%
Premium of \$750,001 - \$1,000,000	19	\$16,108,870	\$2,968,559	81.57%
Premium of \$1,000,001 - \$2,500,000	67	\$106,215,574	\$25,242,129	76.24%
Premium of \$2,500,001 - \$5,000,000	23	\$78,524,169	\$11,207,301	85.73%
Premium of \$5,000,001 and above	8	\$68,989,405	\$15,136,473	78.06%
<b>Total Negotiated Plan</b>	<b>790</b>	<b>\$358,900,876</b>	<b>\$72,483,692</b>	<b>79.80%</b>
<b>No Deductible Plan</b>				
Premium Less Than \$5,000	18,116	\$31,226,572	\$31,226,572	0.00%
Premium of \$5,000 - \$9,999	4,415	\$31,023,873	\$31,023,873	0.00%
Premium of \$10,000 - \$24,999	2,994	\$46,997,476	\$46,997,476	0.00%
Premium of \$25,000 - \$49,999	1,280	\$45,128,374	\$45,128,374	0.00%
Premium of \$50,000 - \$74,999	444	\$27,076,641	\$27,076,641	0.00%
Premium of \$75,000 - \$100,000	214	\$18,515,457	\$18,515,457	0.00%
Premium Greater Than \$100,000	406	\$122,143,270	\$122,143,270	0.00%
<b>Total No Deductible Plan</b>	<b>27,869</b>	<b>\$322,111,663</b>	<b>\$322,111,663</b>	<b>0.00%</b>
<b>TOTAL ALL PLANS</b>	<b>28,833</b>	<b>\$685,166,438</b>	<b>\$397,952,485</b>	<b>41.92%</b>

## Boiler & Machinery

There were 38 groups, 84 companies, that had direct written premium for Boiler & Machinery in the fourth quarter of 1997, as compared to 40 groups, 84 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Hartford Steam Boiler Group	18.53%	\$2,177,410	(2.86%)	\$7,962,362	(9.91%)
2	Travelers Insurance Group	11.67%	\$1,088,005	(26.67%)	\$5,011,964	11.93%
3	Lumbermans Mutual Casualty Group	11.34%	\$1,365,755	29.30%	\$4,871,711	(7.36%)
4	Protection Mutual Insurance Company	11.16%	\$2,502,409	9.78%	\$4,794,052	16.10%
5	Arkwright Boston Group	9.67%	\$1,787,207	27.44%	\$4,153,874	(3.14%)
6	Chubb & Son Inc.	7.80%	\$689,267	(14.54%)	\$3,351,779	(2.79%)
7	Allendale Group	7.72%	\$991,775	91.26%	\$3,316,511	(0.25%)
8	Zurich American Insurance Group	5.06%	(\$119,676)	(117.64%)	\$2,172,150	(3.60%)
9	Reliance Group Incorporated	5.02%	\$215,214	(5.98%)	\$2,155,158	(14.14%)
10	Nationwide Corporation	2.35%	\$373,900	162.01%	\$1,010,424	110.60%
11	CNA Insurance Group	2.29%	\$420,549	228.08%	\$985,057	(32.46%)
12	American International Group	2.11%	\$217,280	(52.58%)	\$907,312	58.24%
13	St. Paul Companies	0.86%	\$166,376	(11.54%)	\$371,090	31.01%
14	Hartford Fire & Casualty Group	0.77%	(\$106,581)	(321.08%)	\$329,411	(3.54%)
15	Allianz Insurance Group	0.69%	\$103,809	70.74%	\$298,520	(50.39%)
16	Commercial Union Insurance Co's.	0.67%	\$104,448	82.04%	\$286,532	8.51%
17	Preferred Risk Group	0.55%	\$67,619	40.67%	\$236,429	16.64%
18	Cigna Group	0.32%	\$87,733	75.56%	\$136,857	(6.43%)
19	Allstate Insurance Group	0.27%	\$28,915	40.73%	\$115,420	36.69%
20	Royal & Sun Alliance U.S.A.	0.14%	\$0	(100.00%)	\$61,054	(0.25%)
21	Mercury General Group	0.13%	\$24,792	41.75%	\$57,409	19.83%
22	Deere & Company Group	0.12%	\$16,887	158.45%	\$51,150	101.17%
23	Sentry Insurance Group	0.10%	\$11,291	(17.52%)	\$43,882	(7.26%)
24	Lincoln National Corporation	0.09%	\$14,961	238.56%	\$40,215	781.71%
25	Chrysler Group	0.09%	\$6,881	123.70%	\$38,539	38.59%

<b>Top 25 Groups Total</b>	<b>99.52%</b>	<b>\$12,236,226</b>	<b>2.45%</b>	<b>\$42,758,862</b>	<b>(0.97%)</b>
----------------------------	---------------	---------------------	--------------	---------------------	----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$12,296,349</b>	<b>0.70%</b>	<b>\$42,963,162</b>	<b>(4.76%)</b>
---------------------	----------------	---------------------	--------------	---------------------	----------------



## 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
1st qtr 1997	\$8,908,324	\$8,695,587	\$3,146,684
2nd qtr 1997	\$11,483,811	\$10,912,224	\$3,983,044
3rd qtr 1997	\$11,503,183	\$11,059,002	\$24,580,956
4th qtr 1997	\$16,282,971	\$12,296,349	\$9,237,517

\* 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	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 46 groups, 85 companies, that had direct written premium for Commercial Crime in the fourth quarter of 1997, as compared to 43 groups, 79 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	50.59%	\$994,987	(43.99%)	\$5,427,071	(13.67%)
2	Zurich American Insurance Group	13.59%	\$359,517	100.65%	\$1,457,879	8.77%
3	Reliance Group Incorporated	8.80%	\$343,270	195.58%	\$944,136	103.29%
4	American International Group	6.06%	\$185,229	(11.87%)	\$650,006	(34.72%)
5	Travelers Insurance Group	6.03%	\$193,212	36.22%	\$646,904	81.98%
6	Preferred Risk Group	3.01%	\$82,482	18.57%	\$322,758	3.49%
7	Hartford Fire & Casualty Group	2.53%	\$95,880	251.50%	\$271,395	47.82%
8	St. Paul Companies	1.91%	\$85,137	(31.95%)	\$204,809	6.29%
9	Crum & Forster Insurance Companies	1.71%	\$44,394	6.65%	\$183,525	17.89%
10	CNA Insurance Group	0.96%	\$82,220	*	\$102,554	143.10%
11	UNITRIN Inc.	0.75%	\$25,953	16.53%	\$80,129	(7.87%)
12	Federated Mutual Group	0.63%	\$16,973	64.88%	\$67,928	26.99%
13	Executive Risk Companies	0.54%	\$11,628	16.51%	\$58,035	244.28%
14	Lumbermans Mutual Casualty Group	0.49%	\$9,016	(13.28%)	\$52,363	(8.23%)
15	NUCORP Insurance Group	0.43%	\$18,773	*	\$46,638	*
16	Chrysler Group	0.39%	\$10,543	56.66%	\$41,954	34.68%
17	Allendale Group	0.37%	\$16,088	*	\$40,156	51.37%
18	CUNA Mutual Group	0.37%	\$1,071	(95.51%)	\$39,958	(32.54%)
19	Nationwide Corporation	0.37%	\$16,250	422.29%	\$39,215	54.27%
20	Deere & Company Group	0.33%	\$10,201	126.04%	\$35,042	10.30%
21	Liberty Mutual Insurance Group	0.26%	\$1,384	(88.89%)	\$27,553	(36.04%)
22	Protection Mutual Insurance Company	0.25%	\$772	(40.29%)	\$26,781	(39.51%)
23	Royal & Sun Alliance U.S.A.	0.21%	\$377	20.45%	\$22,239	5.82%
24	EMC Insurance Companies	0.15%	\$2,160	57.89%	\$15,838	130.67%
25	Millers First Insurance Companies	0.12%	\$2,537	199.53%	\$13,327	27.32%

<b>Top 25 Groups Total</b>	<b>100.85%**</b>	<b>\$2,610,054</b>	<b>(6.47%)</b>	<b>\$10,818,193</b>	<b>(0.22%)</b>
----------------------------	------------------	--------------------	----------------	---------------------	----------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$2,643,333</b>	<b>(6.17%)</b>	<b>\$10,727,044</b>	<b>(4.06%)</b>
---------------------	----------------	--------------------	----------------	---------------------	----------------

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

\*\* A large policy cancellation (negative premium written) resulted in a percentage greater than 100% for the Top 25 Groups.

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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)
1st qtr 1997	\$2,326,215	\$2,240,161	\$685,650
2nd qtr 1997	\$2,596,971	\$2,758,586	\$479,870
3rd qtr 1997	\$2,452,389	\$3,084,964	\$337,194
4th qtr 1997	\$2,991,135	\$2,643,333	\$901,799

\* 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 30 groups, 48 companies, that had direct written premium for Commercial Glass in the fourth quarter of 1997, as compared to 34 groups, 53 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 for the same groups.

### DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 4th Quarter 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	UNITRIN Inc.	35.54%	\$32,588	(32.34%)	\$189,686	(10.01%)
2	Zurich American Insurance Group	9.18%	\$18,385	143.28%	\$48,973	37.39%
3	Travelers Insurance Group	9.15%	\$14,918	200.10%	\$48,856	226.12%
4	EMC Insurance Companies	5.72%	\$4,654	10.84%	\$30,551	28.96%
5	Mercury General Group	5.05%	\$4,195	(38.18%)	\$26,977	(25.87%)
6	Federated Mutual Group	4.24%	\$4,720	(26.82%)	\$22,655	0.47%
7	Lincoln National Corporation	3.99%	\$5,934	(20.68%)	\$21,318	0.85%
8	St. Paul Companies	3.86%	\$6,618	425.66%	\$20,613	(8.79%)
9	Ohio Casualty Group	3.44%	\$13,774	576.19%	\$18,351	123.71%
10	Farmers Insurance Group	2.97%	\$3,180	133.48%	\$15,837	(3.10%)
11	Deere & Company Group	2.81%	\$5,111	(9.78%)	\$15,017	(6.00%)
12	Royal & Sun Alliance U.S.A.	2.70%	\$2,945	(31.59%)	\$14,405	(5.07%)
13	W. R. Berkley Corporation	2.42%	\$3,348	50.74%	\$12,917	60.86%
14	American Indemnity Financial	1.91%	\$3,844	3.53%	\$10,217	(22.25%)
15	Chrysler Group	0.74%	\$2,500	217.66%	\$3,974	100.61%
16	CNA Insurance Group	0.71%	\$406	(15.94%)	\$3,802	(38.44%)
17	Beacon Insurance Group	0.66%	\$1,056	58.08%	\$3,540	21.32%
18	General Accident Insurance	0.50%	\$827	85.01%	\$2,660	139.93%
19	Miller Insurance Group	0.49%	\$1,829	(2.87%)	\$2,589	(43.02%)
20	Harco National Insurance Company	0.48%	\$0	*	\$2,541	247.61%
21	Reliance Group Incorporated	0.42%	\$0	*	\$2,233	39.56%
22	American Financial Insurance Group	0.37%	\$326	0.00%	\$1,975	9.42%
23	Preferred Risk Group	0.36%	\$314	(73.77%)	\$1,895	(9.29%)
24	Cigna Group	0.32%	\$208	*	\$1,717	*
25	Hartford Fire & Casualty Group	0.28%	(\$3,302)	(481.29%)	\$1,501	(73.17%)

<b>Top 25 Groups Total</b>	<b>98.32%</b>	<b>\$128,378</b>	<b>13.79%</b>	<b>\$524,800</b>	<b>8.09%</b>
----------------------------	---------------	------------------	---------------	------------------	--------------

<b>Total Market</b>	<b>100.00%</b>	<b>\$128,684</b>	<b>6.14%</b>	<b>\$533,746</b>	<b>0.64%</b>
---------------------	----------------	------------------	--------------	------------------	--------------

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
1st qtr 1997	\$144,373	\$123,484	\$21,580
2nd qtr 1997	\$165,662	\$133,383	\$21,667
3rd qtr 1997	\$183,474	\$148,195	\$29,200
4th qtr 1997	\$178,081	\$128,684	\$76,313

\* 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	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 42 groups, 61 companies, that had direct written premium for Medical Professional Liability (includes regulated and nonregulated companies) in the fourth quarter of 1997, as compared to 38 groups, 58 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 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 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Health Care Indemnity Inc.	27.53%	(\$4,565,959)	5.83%	\$78,939,693	21.66%
2	Medical Protective Company	15.88%	\$6,161,153	(1.74%)	\$45,515,712	4.89%
3	Western Indemnity Insurance Co.	6.86%	\$2,556,675	(4.62%)	\$19,681,691	5.86%
4	American Physicians Ins. Exchange	5.81%	\$2,014,412	(27.77%)	\$16,647,085	(19.53%)
5	Frontier Insurance Group	4.85%	\$1,928,044	(45.38%)	\$13,915,582	27.51%
6	St. Paul Companies	4.46%	\$3,748,642	(13.98%)	\$12,776,428	(25.56%)
7	CNA Insurance Group	3.93%	\$5,633,280	124.00%	\$11,277,657	(1.00%)
8	MMI Companies Group	3.25%	(\$440,632)	(172.30%)	\$9,325,846	80.07%
9	Medical Inter-Insurance Exchange Group	2.77%	\$1,288,004	*	\$7,948,225	*
10	Mutual Assurance Companies	2.30%	\$1,042,886	(47.82%)	\$6,601,912	(25.13%)
11	PHICO Insurance Company	2.27%	\$2,633,728	(40.71%)	\$6,517,117	46.72%
12	American International Group	2.27%	\$441,267	(52.78%)	\$6,497,572	78.63%
13	Texas Hospital Insurance Exchange	2.14%	\$1,442,179	(17.89%)	\$6,140,191	(12.85%)
14	Allianz Insurance Group	1.95%	\$2,856,242	32.37%	\$5,576,740	(17.67%)
15	Travelers Insurance Group	1.68%	\$1,511,411	123.98%	\$4,823,527	33.98%
16	Doctors Company Group	1.66%	\$1,407,386	12.39%	\$4,773,546	27.86%
17	Texas Med. Liab. Underwriting Assoc.	1.47%	\$1,457,244	75.87%	\$4,210,352	(10.29%)
18	Preferred Physicians Insurance Company	1.11%	\$11,630	153.53%	\$3,175,005	(2.80%)
19	Farmers Insurance Group	1.10%	\$1,382,012	109.08%	\$3,164,480	(40.18%)
20	National Chiropractic Mutual Ins. Co.	1.07%	\$553,783	(1.60%)	\$3,053,775	(4.21%)
21	Century American Insurance Group	0.94%	\$919,207	*	\$2,685,506	*
22	Florida Physicians Insurance Company	0.82%	\$432,403	*	\$2,358,421	*
23	Zurich American Insurance Group	0.72%	\$1,075,361	167.46%	\$2,068,386	62.79%
24	Podiatry Insurance Co. of America RRG	0.49%	\$218,379	2.63%	\$1,414,934	14.76%
25	Legion Insurance Group	0.45%	\$1,277,335	219.49%	\$1,277,335	57.42%
<b>Top 25 Groups Total</b>		<b>97.79%</b>	<b>\$36,986,072</b>	<b>13.12%</b>	<b>\$280,366,718</b>	<b>12.14%</b>
<b>Total Market</b>		<b>100.00%</b>	<b>\$38,609,962</b>	<b>2.11%</b>	<b>\$286,711,811</b>	<b>4.68%</b>

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

## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$68,464,527	\$72,369,916	\$48,182,784
2nd qtr 1995	\$54,151,497	\$75,090,427	\$40,820,995
3rd qtr 1995	\$69,941,692	\$111,217,428	\$47,612,275
4th qtr 1995	\$43,145,176	\$58,247,051	\$67,315,494
1st qtr 1996	\$114,189,070	\$114,738,793	\$56,684,025
2nd qtr 1996	\$45,514,973	\$54,716,151	\$47,353,607
3rd qtr 1996	\$63,825,546	\$66,636,774	\$49,184,495
4th qtr 1996	\$44,450,328	\$37,813,818	\$62,181,423
1st qtr 1997	\$135,310,159	\$133,934,292	\$43,211,466
2nd qtr 1997	\$41,238,656	\$46,207,164	\$47,743,217
3rd qtr 1997	\$69,152,199	\$67,960,393	\$45,288,575
4th qtr 1997	\$40,744,408	\$38,609,962	\$39,743,157

\* 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 37 groups, 64 companies, that had direct written premium for Miscellaneous Professional Liability in the fourth quarter of 1997, as compared to 35 groups, 67 companies, in the fourth quarter of 1996.

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 1997 to direct written premium in the fourth quarter of 1996 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 1997	% Change 4th Quarter 1996 to 1997	4 Quarters Ending 4th Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	38.33%	\$10,740,277	16.75%	\$35,142,689	11.98%
2	Reliance Group Incorporated	20.62%	\$3,874,512	(8.25%)	\$18,906,028	7.30%
3	St. Paul Companies	10.88%	\$3,144,999	(9.56%)	\$9,977,727	(10.71%)
4	General Electric Group	9.12%	\$2,323,621	14.81%	\$8,365,132	2.51%
5	Nationwide Corporation	4.28%	\$1,007,457	(25.80%)	\$3,925,595	(17.64%)
6	Executive Risk Companies	3.53%	\$1,235,210	72.09%	\$3,236,260	170.60%
7	U.S. Fidelity & Guaranty Group	2.45%	\$642,960	(11.22%)	\$2,245,390	(0.73%)
8	Legion Insurance Group	2.31%	\$331,159	(19.34%)	\$2,114,982	325.31%
9	AON Corporation	1.97%	\$367,560	15.50%	\$1,802,742	30.47%
10	Allianz Insurance Group	1.14%	\$300,391	37.78%	\$1,044,299	16.14%
11	Utica National Insurance Group	1.11%	\$203,896	(38.75%)	\$1,013,962	(34.00%)
12	Mt. Hawley Insurance Group	0.92%	\$50,992	(88.55%)	\$847,884	(51.12%)
13	Oakley Insurance Group	0.82%	\$279,640	80.85%	\$753,333	67.05%
14	Union Labor Group	0.52%	\$22,212	(89.40%)	\$479,331	(58.49%)
15	Northland Group	0.32%	\$120,539	(1.44%)	\$295,578	(8.14%)
16	American RE Group	0.31%	\$67,959	(55.80%)	\$280,481	82.41%
17	Lumbermans Mutual Casualty Group	0.19%	\$60,008	(14.10%)	\$176,733	(33.85%)
18	Zurich American Insurance Group	0.19%	\$79,418	112.31%	\$175,042	76.79%
19	W. R. Berkley Corporation	0.17%	\$4,500	*	\$156,627	*
20	U.S. Investment Corporation	0.15%	\$51,288	*	\$139,115	973.58%
21	Safeco Insurance Group	0.14%	\$37,477	17.28%	\$126,118	89.76%
22	Triangle Insurance Company Inc.	0.13%	\$25,904	*	\$122,437	*
23	UNITRIN Inc.	0.10%	\$19,454	7.21%	\$94,734	154.54%
24	General America Fidelity & Guar. Corp.	0.07%	\$60,000	*	\$65,187	*
25	Hartford Fire & Casualty Group	0.06%	\$10,744	97.94%	\$52,234	27.92%
<b>Top 25 Groups Total</b>		<b>99.83%</b>	<b>\$25,062,177</b>	<b>3.33%</b>	<b>\$91,539,640</b>	<b>7.42%</b>
<b>Total Market</b>		<b>100.00%</b>	<b>\$25,109,686</b>	<b>(1.70%)</b>	<b>\$91,694,408</b>	<b>1.56%</b>

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



## QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$25,545,106	\$8,184,171
1st qtr 1997	\$19,559,679	\$18,157,050	\$11,052,269
2nd qtr 1997	\$25,570,006	\$24,682,631	\$4,111,229
3rd qtr 1997	\$24,690,783	\$23,745,041	\$4,991,591
4th qtr 1997	\$25,472,177	\$25,109,686	\$6,704,993

\* 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**

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

<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%

## Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the fourth quarter of 1997 and the fourth quarter of 1996. 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 1997			4TH QUARTER 1996		
	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
Product Liability	0	9,306	0.00000%	4	9,261	0.04319%
General Liability - Other <sup>+</sup>	88	171,571	0.05129%	101	156,665	0.06447%
Fire & Allied Lines	30	66,642	0.04502%	23	63,970	0.03595%
Commercial Multiple Peril	20	79,645	0.02511%	36	64,700	0.05564%
Private Passenger Auto <sup>++</sup>	1,837	4,546,366	0.04041%	2,057	4,306,524	0.04776%
Homeowners	384	824,320	0.04658%	454	796,951	0.05697%
Workers' Compensation <sup>+++</sup>	31	28,968	0.10701%	44	28,301	0.15547%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	5	10,012	0.04994%	6	8,247	0.07275%
Misc. Professional Liability	4	5,103	0.07839%	6	3,961	0.15148%

<sup>+</sup> The General Electric Group wrote 50,044 small premium pre-paid legal policies in the 4th quarter of 1997 and 56,661 policies in the 4th quarter of 1996 that were excluded from the above table.

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

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

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

The number of complaints attributable to any one insurer was not significant, except for Private Passenger Auto and Homeowners. The complaint data for the top 25 groups (ranking based on number of policies written in the fourth quarter of 1997) 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**

1997 Policies Written Rank	Group Name	4TH QUARTER 1997			4TH QUARTER 1996		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
24	Liberty Mutual Insurance Group	24	20,923	0.11471%	11	20,137	0.05463%
6	Chartwell Group	138	126,024	0.10950%	121	129,526	0.09342%
8	Texas State National Group	99	100,035	0.09897%	165	108,410	0.15220%
11	Home State County Mutual Ins. Co.	58	70,384	0.08241%	115	71,154	0.16162%
17	Titus Group	22	35,853	0.06136%	10	22,874	0.04372%
13	Travelers Insurance Group	30	49,150	0.06104%	29	43,717	0.06634%
16	Winterthur US Holding Group	22	36,737	0.05989%	18	39,390	0.04570%
4	Allstate Insurance Group	242	416,381	0.05812%	207	390,073	0.05307%
15	Sentry Insurance Group	21	37,168	0.05650%	30	43,040	0.06970%
20	Safeco Insurance Group	15	28,240	0.05312%	11	26,400	0.04167%
18	UNITRIN Inc.	14	29,290	0.04780%	15	28,791	0.05210%
22	American International Group	11	25,453	0.04322%	10	8,104	0.12340%
21	Hartford Fire & Casualty Group	11	25,480	0.04317%	10	24,633	0.04060%
10	Berkshire-Hathaway (GEICO)	33	81,331	0.04057%	23	65,764	0.03497%
23	Texas Farm Bureau Mutual	7	22,410	0.03124%	7	33,492	0.02090%
7	Nationwide Corporation	32	103,479	0.03092%	43	83,194	0.05169%
12	White Mountains Insurance Group	21	68,036	0.03087%	25	71,722	0.03486%
19	Lincoln National Corporation	8	28,930	0.02765%	5	26,929	0.01857%
14	Vesta Insurance Group	11	40,334	0.02727%	0	0	0.00000%
3	Farmers Insurance Group	197	723,986	0.02721%	219	716,117	0.03058%
25	CNA Insurance Group	5	18,545	0.02696%	9	18,194	0.04947%
9	Southern Farm Bureau Casualty	19	100,033	0.01899%	23	100,473	0.02289%
1	State Farm Group	161	1,184,646	0.01359%	197	1,280,200	0.01539%
2	Progressive Group	101	753,618	0.01340%	86	520,873	0.01651%
5	USAA Group	15	157,730	0.00951%	26	145,312	0.01789%
	(All other licensed insurers)	229	262,170	0.08735%	231	288,005	0.08021%
	(No company identified)*	291			411		
<b>TOTALS</b>		<b>1,837</b>	<b>4,546,366</b>	<b>0.04041%</b>	<b>2,057</b>	<b>4,306,524</b>	<b>0.04776%</b>

\* 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

1997 Policies Written Rank	Group Name	4TH QUARTER 1997			4TH QUARTER 1996		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
20	Lumbermans Mutual Casualty Group	5	3,934	0.12710%	2	4,297	0.04654%
23	Mortgage Bankers Group	3	3,441	0.08718%	1	2,857	0.03500%
9	Winterthur US Holding Group	9	10,337	0.08707%	12	11,463	0.10468%
8	Safeco Insurance Group	10	12,714	0.07865%	10	11,724	0.08530%
15	Hartford Fire & Casualty Group	4	6,570	0.06088%	2	6,635	0.03014%
22	Metropolitan Group	2	3,610	0.05540%	7	6,919	0.10117%
2	Farmers Insurance Group	71	156,025	0.04551%	67	149,465	0.04483%
17	Amica Mutual Group	2	4,795	0.04171%	2	4,630	0.04320%
6	Nationwide Corporation	10	24,528	0.04077%	6	21,604	0.02777%
10	Liberty Mutual Insurance Group	4	10,318	0.03877%	3	8,867	0.03383%
1	State Farm Group	94	254,998	0.03686%	102	259,513	0.03930%
13	UNITRIN Inc.	3	8,204	0.03657%	5	8,528	0.05863%
5	Travelers Insurance Group	13	44,857	0.02898%	9	40,357	0.02230%
12	CNA Insurance Group	2	8,331	0.02401%	4	8,319	0.04808%
19	Chubb & Son Inc.	1	4,302	0.02325%	1	3,966	0.02521%
18	Beacon Insurance Group	1	4,367	0.02290%	1	3,344	0.02990%
3	Allstate Insurance Group	29	132,375	0.02191%	40	116,542	0.03432%
7	Texas Farm Bureau Mutual	2	13,225	0.01512%	6	13,232	0.04534%
14	American National Financial Group	1	7,228	0.01384%	3	5,447	0.05508%
4	USAA Group	4	50,166	0.00797%	10	46,642	0.02144%
11	Titus Group	0	10,274	0.00000%	2	11,728	0.01705%
16	Service Life Group	0	5,066	0.00000%	0	0	0.00000%
21	Central Mutual Ins. Co. of Ohio	0	3,634	0.00000%	0	3,272	0.00000%
24	Lincoln National Corporation	0	3,416	0.00000%	4	3,413	0.11720%
25	Commercial Union Insurance Co's.	0	3,177	0.00000%	2	3,598	0.05559%
	(All other licensed insurers)	48	34,428	0.13942%	65	40,589	0.16014%
	(No company identified)*	66			88		
<b>TOTALS</b>		<b>384</b>	<b>824,320</b>	<b>0.04658%</b>	<b>454</b>	<b>796,951</b>	<b>0.05697%</b>

\* 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 Insurance Group -----	Great Texas County Mutual Insurance Co.
Chartwell Group -----	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.
Home State County Mutual Ins. Co. -----	Home State County Mutual Insurance Co.
Independent County Mutual Insurance 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
Southern Farm Bureau Casualty -----	Farm Bureau County Mutual Insurance Co. of Texas
State Farm Group -----	State Farm County Mutual Insurance Co. 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 -----	Charter County Mutual Insurance Co.
Winterthur US Holding Group -----	Southern County Mutual Insurance Co.