



**Texas Department
of Insurance**

**Quarterly Legislative Report
on Market Conditions**

*3rd Quarter
2002*

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

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

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

Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lines of Insurance

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

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

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

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

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

Summary of Four Quarters

CUMULATIVE TOTALS FOR FOUR QUARTERS ENDING SEPTEMBER 2002

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	64 / 157	48,865	\$133,407,195	\$142,934,148	\$140,345,645
GENERAL LIABILITY - OTHER	131 / 315	745,812 ⁺	\$1,344,802,757	\$1,467,142,914	\$746,839,705
COMMERCIAL FIRE & ALLIED	80 / 183	163,026	\$505,024,767	\$579,963,469	\$343,819,145
COMMERCIAL MULTIPLE PERIL	84 / 219	311,059	\$1,137,036,144	\$1,211,351,984	\$761,497,833
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	69 / 184	13,052,383	\$6,195,656,175	\$5,797,864,908	\$3,965,300,429
ASSIGNED RISK LIABILITY	16 / 17	70,970	\$40,869,361	\$29,432,477	\$18,941,151
PHYSICAL DAMAGE	67 / 182	9,258,858	\$4,810,317,129	\$4,382,170,711	\$3,222,377,506
TOTAL PPA	70 / 207	22,382,211 ⁺⁺	\$11,046,842,665	\$10,209,468,096	\$7,206,619,086
HOMEOWNERS MULTIPLE PERIL	63 / 117	4,102,674	\$4,468,187,511	\$4,069,360,834	\$3,943,821,659
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		85,538	\$144,239,083	**	**
VOL PREMIUMS \$5,000 - \$100,000		51,849	\$1,083,526,998	**	**
VOL PREMIUMS > \$100,000		4,861	\$1,508,863,680	**	**
TOTAL VOLUNTARY	81 / 211	142,248	\$2,736,629,761	\$2,508,182,698	\$1,340,650,491
RESIDUAL MARKET ***	2 / 2	632	\$35,212,276	\$32,383,136	\$34,300,022
TOTAL WC	91 / 251	142,880	\$2,771,842,037	\$2,540,565,834	\$1,374,950,513
BOILER & MACHINERY	38 / 84	18,623	\$68,089,391	\$77,926,924	\$18,144,453
COMMERCIAL CRIME	34 / 72	9,591	\$8,096,257	\$8,746,401	\$3,513,706
COMMERCIAL GLASS	15 / 22	875	\$460,513	\$311,657	(\$158,567)
PROFESSIONAL LIABILITY	35 / 44	40,180	\$420,071,192	\$451,187,331	\$299,562,779
MISC. PROFESSIONAL LIABILITY	31 / 70	30,446	\$180,353,027	\$182,628,233	\$105,196,406

⁺ The General Electric Group wrote 63,242 small premium pre-paid legal policies that were excluded from the above table.

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

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

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

NUMBER OF GROUPS / COMPANIES WRITING POLICIES PER QUARTER

Line of Business	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2001	2002	2001	2002	2001	2002	2001	2002
Product Liability	63 / 162	58 / 146	62 / 153	57 / 131	63 / 139	56 / 125	62 / 148	- / -
General Liability	133 / 312	121 / 301	135 / 318	119 / 285	128 / 306	117 / 274	129 / 310	- / -
Commercial Fire & Allied	79 / 185	72 / 159	76 / 190	69 / 155	73 / 173	69 / 148	74 / 166	- / -
Commercial Multiple Peril	89 / 233	80 / 211	85 / 226	76 / 197	82 / 218	76 / 187	81 / 207	- / -
Private Passenger Auto	76 / 211	69 / 200	75 / 206	66 / 191	74 / 204	65 / 185	69 / 195	- / -
Homeowners Multiple Peril	62 / 111	60 / 103	62 / 106	67 / 100	61 / 105	59 / 97	61 / 102	- / -
Workers' Compensation	98 / 247	83 / 223	94 / 242	82 / 216	93 / 241	81 / 212	86 / 230	- / -
Boiler & Machinery	33 / 73	28 / 69	29 / 72	29 / 72	32 / 68	34 / 66	33 / 77	- / -
Commercial Crime	39 / 77	35 / 65	40 / 68	29 / 59	37 / 65	33 / 59	33 / 59	- / -
Commercial Glass	22 / 35	18 / 26	19 / 29	15 / 22	18 / 29	15 / 21	17 / 26	- / -
Medical Professional Liability	32 / 50	36 / 47	33 / 49	29 / 41	30 / 45	33 / 40	31 / 43	- / -
Misc. Professional Liability	36 / 75	31 / 73	34 / 73	31 / 68	31 / 71	28 / 63	32 / 71	- / -

Product Liability

There were 64 groups, 157 companies, that had direct written premium for Product Liability in the third quarter of 2002, as compared to 65 groups, 185 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Zurich Insurance Group	15.67%	\$5,928,114	(8.57%)	\$22,398,319	79.39%
2	Great American E&S Insurance Co	11.21%	\$5,873,264	108.70%	\$16,026,143	56.46%
3	ACE Ltd.	10.90%	\$413,854	(37.63%)	\$15,575,603	690.51%
4	St. Paul Group	9.55%	\$3,430,052	22.19%	\$13,644,732	46.01%
5	Liberty Mutual Group	6.34%	\$3,624,970	121.93%	\$9,064,289	38.61%
6	Lumbermens Mutual Casualty Group	4.69%	\$1,280,353	42.66%	\$6,698,472	4.76%
7	Chubb & Son Inc.	4.59%	\$1,181,739	14.09%	\$6,564,206	32.43%
8	Hartford Fire & Casualty Group	3.58%	\$1,362,614	54.38%	\$5,121,704	33.61%
9	National American Insurance Company	2.83%	\$891,915	(23.44%)	\$4,037,913	(9.37%)
10	Federated Mutual	2.79%	\$978,549	22.44%	\$3,994,816	26.97%
11	Royal & Sun Alliance USA	2.66%	\$464,066	333.82%	\$3,795,792	180.70%
12	Medmark Insurance Group	2.39%	\$912,314	9.55%	\$3,410,419	60.36%
13	Sentry Insurance Group	2.29%	\$623,701	(16.44%)	\$3,271,609	0.86%
14	Allianz Insurance Group	2.26%	\$123,462	(75.10%)	\$3,223,240	(3.54%)
15	United Fire & Casualty Group	1.90%	\$849,626	32.93%	\$2,709,032	28.69%
16	Old Republic Group	1.50%	\$99,926	(66.31%)	\$2,141,477	33.76%
17	Fairfax Financial	1.46%	\$810,991	33.98%	\$2,092,445	2.70%
18	Kingsway Group	1.34%	\$841,050	*	\$1,913,606	*
19	Travelers Property Casualty Corp Group	1.31%	\$921,743	115.56%	\$1,866,868	57.94%
20	UNITRIN Group	1.30%	\$567,224	16.84%	\$1,856,177	15.64%
21	CNA Insurance Group	1.27%	\$907,500	831.45%	\$1,814,370	566.75%
22	Dallas General Group	1.25%	\$483,084	49.50%	\$1,789,176	73.50%
23	XLAmerica	0.95%	\$297,698	(5.00%)	\$1,359,569	(1.49%)
24	Central Mutual Insurance Company of Ohio	0.74%	\$267,930	16.09%	\$1,057,709	9.17%
25	EMC Insurance Company	0.74%	\$263,891	20.08%	\$1,053,547	4.97%

Top 25 Groups Total	95.49%	\$33,399,630	34.78%	\$136,481,233	58.77%
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Total Market	100.00%	\$33,762,134	38.66%	\$142,934,148	53.30%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$24,250,597	\$23,072,180	\$13,786,634
4th qtr 1997	\$28,665,155	\$23,792,071	\$25,384,125
1st qtr 1998	\$30,305,951	\$31,150,080	\$12,516,980
2nd qtr 1998	\$22,772,526	\$24,229,677	\$16,493,164
3rd qtr 1998	\$18,370,183	\$12,259,609	\$29,891,014
4th qtr 1998	\$17,829,084	\$18,806,453	\$24,506,989
1st qtr 1999	\$19,542,821	\$19,151,191	\$16,999,724
2nd qtr 1999	\$21,001,448	\$18,282,562	\$25,948,053
3rd qtr 1999	\$17,001,577	\$16,077,300	\$17,020,093
4th qtr 1999	\$16,676,696	\$14,939,147	\$42,175,911
1st qtr 2000	\$21,631,763	\$20,070,742	\$29,175,725
2nd qtr 2000	\$24,863,722	\$22,270,834	\$36,375,856
3rd qtr 2000	\$23,008,942	\$19,604,388	\$17,808,941
4th qtr 2000	\$22,090,031	\$19,147,733	\$22,275,731
1st qtr 2001	\$29,320,488	\$22,845,690	\$22,799,038
2nd qtr 2001	\$25,674,740	\$26,892,822	\$18,451,817
3rd qtr 2001	\$29,104,072	\$24,349,666	\$23,598,451
4th qtr 2001	\$49,553,240	\$63,700,948	\$50,787,344
1st qtr 2002	\$25,748,265	\$15,649,210	\$24,194,888
2nd qtr 2002	\$25,591,902	\$29,821,856	\$15,138,939
3rd qtr 2002	\$32,513,788	\$33,762,134	\$50,224,474

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1990	93.6%
1991	83.2%
1992	122.7%
1993	164.5%
1994	152.1%
1995	113.4%
1996	178.0%
1997	60.4%
1998	90.4%
1999	68.3%
2000	104.4%
2001	201.3%

General Liability

There were 131 groups, 315 companies, that had direct written premium for General Liability in the third quarter of 2002, as compared to 135 groups, 348 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	American International Group	19.91%	\$54,689,951	24.40%	\$292,090,845	(5.40%)
2	Zurich Insurance Group	9.94%	\$30,854,174	63.62%	\$145,820,793	56.63%
3	ACE Ltd.	7.95%	\$13,557,624	*	\$116,639,565	40.21%
4	Great American E&S Ins Co	6.18%	\$20,968,637	73.55%	\$90,658,603	50.29%
5	Royal & Sun Alliance USA	4.16%	\$12,174,191	109.27%	\$61,064,658	67.39%
6	Travelers Property Casualty Corp Group	4.13%	\$17,718,930	37.97%	\$60,530,796	7.70%
7	St. Paul Group	3.93%	\$11,996,087	13.40%	\$57,729,048	31.16%
8	Lumbermens Mutual Casualty Group	3.56%	\$10,267,257	42.83%	\$52,245,211	(2.25%)
9	Hartford Fire & Casualty Group	2.95%	\$14,748,634	145.00%	\$43,249,613	4.67%
10	CNA Insurance Group	2.76%	\$1,419,586	(88.30%)	\$40,420,322	(11.29%)
11	Chubb & Son Inc.	2.66%	\$10,139,895	4.57%	\$39,070,417	11.05%
12	Liberty Mutual Group	2.18%	\$9,157,631	(7.15%)	\$32,026,827	(13.18%)
13	UNITRIN Group	1.97%	\$6,815,040	15.81%	\$28,878,076	39.78%
14	Fairfax Financial	1.89%	\$5,418,426	(11.97%)	\$27,699,024	6.34%
15	Allianz Insurance Group	1.45%	\$2,936,100	(70.68%)	\$21,240,866	(41.82%)
16	XL American	1.43%	\$18,119,962	613.82%	\$21,009,120	23.65%
17	State Farm IL	1.24%	\$245,947	(96.22%)	\$18,230,571	(16.45%)
18	Kingsway Group	1.16%	\$9,155,261	*	\$16,999,111	*
19	Texas Lawyers Insurance Exchange	1.14%	\$5,226,845	7.99%	\$16,693,508	13.44%
20	National American Insurance Company	1.02%	\$3,512,960	(8.17%)	\$15,036,603	(4.21%)
21	United Fire & Casualty Group	0.99%	\$4,406,511	49.21%	\$14,536,140	29.13%
22	Old Republic Group	0.98%	\$18,716	(99.44%)	\$14,363,580	4.57%
23	Federated Mutual	0.89%	\$3,263,165	15.83%	\$13,007,635	7.13%
24	EMC Insurance Company	0.82%	\$2,966,870	2.00%	\$12,039,567	(0.80%)
25	Credit Suisse Group	0.81%	\$4,085,814	17.22%	\$11,888,637	1.26%

Top 25 Groups Total	86.10%	\$273,864,214	33.32%	\$1,263,169,136	14.01%
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Total Market	100.00%	\$325,921,713	26.29%	\$1,467,142,914	11.32%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$249,568,281	\$253,887,370	\$166,148,627
4th qtr 1997	\$239,217,274	\$232,936,693	\$154,278,350
1st qtr 1998	\$210,915,913	\$202,459,275	\$144,243,276
2nd qtr 1998	\$284,842,750	\$270,114,359	\$160,084,077
3rd qtr 1998	\$242,297,791	\$290,698,189	\$169,439,120
4th qtr 1998	\$218,876,381	\$201,348,307	\$168,009,779
1st qtr 1999	\$198,897,883	\$208,534,860	\$186,662,320
2nd qtr 1999	\$189,418,170	\$241,953,257	\$165,005,082
3rd qtr 1999	\$198,994,737	\$326,261,926	\$204,622,227
4th qtr 1999	\$302,336,709	\$235,083,506	\$195,064,133
1st qtr 2000	\$197,334,268	\$265,422,016	\$149,145,225
2nd qtr 2000	\$216,413,256	\$232,382,943	\$207,287,930
3rd qtr 2000	\$236,439,379	\$253,095,910	\$139,279,827
4th qtr 2000	\$256,405,425	\$404,183,305	\$277,383,640
1st qtr 2001	\$255,026,997	\$282,422,588	\$279,102,702
2nd qtr 2001	\$317,939,865	\$373,227,828	\$172,787,203
3rd qtr 2001	\$228,382,661	\$258,073,934	\$195,733,705
4th qtr 2001	\$232,253,663	\$357,760,948	\$62,915,403
1st qtr 2002	\$450,015,450	\$442,527,553	\$223,825,504
2nd qtr 2002	\$391,887,756	\$340,932,700	\$244,986,601
3rd qtr 2002	\$270,645,888	\$325,921,713	\$215,112,197

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>
1990	89.2%
1991	91.3%
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%

Commercial Fire & Allied

There were 80 groups, 183 companies, that had direct written premium for Commercial Fire & Allied in the third quarter of 2002, as compared to 77 groups, 204 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	FM Global Group	15.25%	\$33,881,583	119.56%	\$88,446,415	49.78%
2	Travelers Property Casualty Corp Group	12.08%	\$16,010,906	21.87%	\$70,033,087	25.88%
3	Zurich Insurance Group	10.13%	\$10,292,665	79.10%	\$58,767,982	142.18%
4	Royal & Sun Alliance USA	7.90%	\$9,127,684	84.04%	\$45,796,405	179.26%
5	Allianz Insurance Group	6.75%	\$8,707,837	38.44%	\$39,163,467	31.72%
6	St. Paul Group	5.96%	\$5,456,871	10.61%	\$34,586,561	91.45%
7	American International Group	4.40%	\$4,846,894	51.91%	\$25,494,459	112.09%
8	UNITRIN Group	3.93%	\$6,015,705	22.34%	\$22,766,994	21.42%
9	Texas Windstorm Insurance Association	3.72%	\$6,989,701	19.71%	\$21,569,982	22.93%
10	CNA Insurance Group	3.12%	\$912,688	(78.70%)	\$18,076,481	20.48%
11	Hartford Fire & Casualty Group	2.77%	\$6,880,978	99.26%	\$16,081,935	111.55%
12	United Fire & Casualty Group	2.42%	\$3,934,320	57.07%	\$14,016,649	49.70%
13	Fairfax Financial	1.78%	\$2,539,374	45.10%	\$10,296,746	107.30%
14	Everest Reinsurance Holding Inc	1.60%	\$9,270,429	*	\$9,261,661	*
15	Federated Mutual	1.55%	\$2,275,473	19.47%	\$8,979,988	28.93%
16	GE Global Group	1.49%	\$3,863,328	103.52%	\$8,637,797	(48.96%)
17	AXA Insurance Group	1.37%	\$3,404,519	*	\$7,926,557	*
18	EMC Insurance Company	1.00%	\$1,512,616	17.49%	\$5,801,713	16.59%
19	Sentry Insurance Group	0.95%	\$1,347,474	28.32%	\$5,511,270	22.87%
20	Great American E&S Ins Co	0.87%	\$455,377	8.14%	\$5,037,376	6.14%
21	Texas Farm Bureau Mutual	0.80%	\$1,206,336	10.67%	\$4,643,773	17.92%
22	Kingsway Group	0.67%	\$1,899,519	*	\$3,857,677	*
23	American Modern Insurance Group	0.63%	\$1,054,338	7.22%	\$3,664,173	25.84%
24	Credit Suisse Group	0.59%	\$904,533	(12.31%)	\$3,427,158	8.24%
25	W.R. Berkley Corporation	0.55%	\$781,947	55.82%	\$3,165,800	37.49%

Top 25 Groups Total	92.25%	\$143,573,095	65.72%	\$535,012,106	57.86%
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Total Market	100.00%	\$156,065,003	58.80%	\$579,963,469	44.69%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$93,203,794	\$82,379,493	\$38,505,580
4th qtr 1997	\$107,617,754	\$91,328,917	\$38,357,499
1st qtr 1998	\$68,907,273	\$66,601,703	\$35,359,774
2nd qtr 1998	\$74,389,829	\$76,974,177	\$49,081,540
3rd qtr 1998	\$77,094,976	\$79,063,229	\$42,188,779
4th qtr 1998	\$70,381,513	\$67,742,113	\$39,909,630
1st qtr 1999	\$71,320,972	\$68,350,829	\$33,802,576
2nd qtr 1999	\$77,274,152	\$78,487,919	\$39,140,917
3rd qtr 1999	\$70,060,718	\$74,379,518	\$54,354,899
4th qtr 1999	\$73,126,681	\$77,149,382	\$82,832,214
1st qtr 2000	\$60,367,305	\$65,714,031	\$30,457,236
2nd qtr 2000	\$72,570,831	\$81,310,228	\$73,567,014
3rd qtr 2000	\$80,712,117	\$85,253,815	\$59,757,514
4th qtr 2000	\$98,236,961	\$109,394,459	\$113,958,620
1st qtr 2001	\$92,863,589	\$92,099,454	\$41,677,493
2nd qtr 2001	\$98,078,697	\$101,065,593	\$58,283,160
3rd qtr 2001	\$92,741,263	\$98,276,060	\$244,258,829
4th qtr 2001	\$110,652,458	\$136,274,047	\$106,360,613
1st qtr 2002	\$121,473,330	\$140,598,437	\$85,894,685
2nd qtr 2002	\$141,831,233	\$147,025,982	\$100,765,687
3rd qtr 2002	\$131,067,746	\$156,065,003	\$50,798,160

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>
1990	106.1%
1991	67.1%
1992	84.3%
1993	58.4%
1994	69.6%
1995	97.1%
1996	49.9%
1997	38.3%
1998	57.4%
1999	53.1%
2000	81.9%
2001	107.7%

Commercial Multiple Peril

There were 84 groups, 219 companies, that had direct written premium for Commercial Multiple Peril in the third quarter of 2002, as compared to 92 groups, 252 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Zurich Insurance Group	14.43%	\$48,131,332	19.58%	\$174,855,816	20.30%
2	Travelers Property Casualty Corp Group	10.14%	\$35,827,077	20.89%	\$122,780,943	9.69%
3	CNA Insurance Group	7.27%	\$1,395,454	(95.12%)	\$88,109,281	(16.83%)
4	Hartford Fire & Casualty Group	6.70%	\$21,291,797	22.94%	\$81,134,918	19.40%
5	Chubb & Son Inc.	5.62%	\$18,414,137	46.91%	\$68,112,433	51.42%
6	State Farm IL	5.09%	\$17,445,692	13.96%	\$61,653,057	10.50%
7	Liberty Mutual Group	3.80%	\$12,755,191	19.31%	\$46,047,552	80.81%
8	Royal & Sun Alliance USA	2.93%	\$7,284,850	549.79%	\$35,551,193	110.15%
9	Allianz Insurance Group	2.70%	\$4,678,973	(47.40%)	\$32,684,331	(16.19%)
10	Credit Suisse Group	2.68%	\$7,931,971	2.82%	\$32,506,777	22.66%
11	White Mountains Group	2.42%	\$10,922,968	8.65%	\$29,335,275	(45.22%)
12	St. Paul Group	2.29%	\$5,855,253	37.08%	\$27,714,544	31.67%
13	Church Mutual Insurance Company	2.16%	\$6,595,613	49.68%	\$26,169,391	36.22%
14	Allstate Insurance Group	2.14%	\$7,077,020	22.61%	\$25,923,295	16.19%
15	W.R. Berkley Corporation	2.05%	\$6,103,021	31.31%	\$24,831,031	39.43%
16	Lumbermens Mutual Casualty Group	1.97%	\$4,727,800	(20.02%)	\$23,861,338	(4.79%)
17	Safeco Insurance Group	1.96%	\$11,170,984	0.01%	\$23,732,049	(46.11%)
18	Guideone Insurance Group	1.86%	\$5,179,917	17.48%	\$22,488,086	20.51%
19	Old Republic Group	1.64%	\$1,728,838	(69.48%)	\$19,879,997	(4.49%)
20	American International Group	1.62%	\$6,072,199	37.78%	\$19,633,047	42.79%
21	Ohio Casualty Group	1.54%	\$4,661,470	27.60%	\$18,596,505	19.07%
22	Maguire Corporation Group	1.50%	\$5,152,334	77.66%	\$18,221,273	103.26%
23	Central Mutual Insurance Company of Ohio	1.48%	\$4,645,528	49.52%	\$17,911,357	38.34%
24	Hannover Group	1.30%	\$8,624,193	85.37%	\$15,779,623	44.69%
25	Amerisure Company	1.28%	\$4,299,994	58.89%	\$15,474,225	46.11%

Top 25 Groups Total	88.58%	\$267,973,606	7.28%	\$1,072,987,337	12.34%
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Total Market	100.00%	\$301,967,867	4.60%	\$1,211,351,984	8.42%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$248,380,424	\$217,959,546	\$118,272,489
4th qtr 1997	\$264,003,023	\$227,796,168	\$122,000,210
1st qtr 1998	\$222,600,898	\$231,461,613	\$118,739,450
2nd qtr 1998	\$223,828,260	\$239,364,858	\$137,485,345
3rd qtr 1998	\$222,287,379	\$233,466,396	\$127,403,913
4th qtr 1998	\$222,420,875	\$235,980,204	\$125,083,469
1st qtr 1999	\$215,552,459	\$229,247,463	\$118,479,566
2nd qtr 1999	\$216,168,054	\$227,464,958	\$169,300,495
3rd qtr 1999	\$218,128,260	\$226,721,250	\$147,914,389
4th qtr 1999	\$223,556,331	\$241,176,043	\$147,201,261
1st qtr 2000	\$221,592,156	\$238,501,246	\$141,927,253
2nd qtr 2000	\$234,589,678	\$239,375,265	\$214,498,664
3rd qtr 2000	\$231,760,927	\$266,860,771	\$201,776,374
4th qtr 2000	\$258,005,253	\$269,671,752	\$203,011,991
1st qtr 2001	\$257,145,796	\$276,716,048	\$174,818,070
2nd qtr 2001	\$257,191,069	\$282,196,084	\$194,230,163
3rd qtr 2001	\$272,821,007	\$288,700,461	\$247,376,264
4th qtr 2001	\$279,841,512	\$321,838,153	\$219,799,574
1st qtr 2002	\$293,285,359	\$311,850,691	\$163,235,330
2nd qtr 2002	\$296,831,854	\$275,695,273	\$166,526,633
3rd qtr 2002	\$267,077,419	\$301,967,867	\$211,936,296

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1990	81.1%
1991	75.3%
1992	88.4%
1993	77.8%
1994	61.8%
1995	97.5%
1996	59.0%
1997	54.1%
1998	51.2%
1999	67.1%
2000	89.8%
2001	85.6%

Private Passenger Auto (All Companies, All Coverages)

There were 70 groups, 207 companies, that had direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 76 groups, 228 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	23.62%	\$654,021,254	13.65%	\$2,411,349,519	18.38%
2	Allstate Insurance Group	16.83%	\$441,702,265	9.46%	\$1,718,434,387	13.77%
3	Zurich Insurance Group	12.81%	\$346,430,233	9.32%	\$1,308,292,050	11.41%
4	Progressive Group	6.57%	\$203,901,459	56.99%	\$671,247,913	43.42%
5	United Services Automobile Assoc. Group	5.83%	\$178,750,819	12.90%	\$594,845,121	4.45%
6	Nationwide Corporation	3.49%	\$92,938,561	17.30%	\$355,858,933	17.76%
7	Berkshire-Hathaway (GEICO)	3.20%	\$90,709,054	8.84%	\$326,577,979	0.38%
8	Southern Farm Bureau Casualty	2.84%	\$85,009,395	39.18%	\$290,355,902	27.90%
9	Old American County Mutual Fire Ins. Co.	2.59%	\$79,222,607	74.01%	\$264,274,682	49.12%
10	Texas State National Group	2.44%	\$34,592,313	(55.16%)	\$248,862,342	(12.49%)
11	Home State Insurance Group	2.33%	\$64,860,102	22.74%	\$238,209,660	8.62%
12	UNITRIN Group	1.62%	\$39,911,674	(14.64%)	\$165,149,349	(3.14%)
13	Travelers Property Casualty Corp Group	1.61%	\$41,325,927	(1.74%)	\$164,172,820	10.09%
14	Safeco Insurance Group	1.38%	\$45,912,807	63.67%	\$140,727,696	29.52%
15	Liberty Mutual Group	0.97%	\$28,661,283	5.77%	\$99,329,680	8.98%
16	Credit Suisse Group	0.93%	\$27,475,809	27.79%	\$94,543,778	32.05%
17	American International Group	0.88%	\$14,073,202	141.97%	\$90,336,231	287.26%
18	Hartford Fire & Casualty Group	0.83%	\$18,464,113	(24.75%)	\$84,784,919	(5.00%)
19	Sentry Insurance Group	0.65%	\$16,471,572	1.17%	\$65,997,859	3.04%
20	American National Financial Group	0.62%	\$13,904,030	(7.86%)	\$63,496,816	17.49%
21	Mercury General Group	0.57%	\$15,105,403	16.57%	\$57,883,001	65.76%
22	Titus Group	0.56%	\$17,898,476	38.27%	\$56,796,054	(8.83%)
23	Germania Insurance Group	0.54%	\$14,333,370	13.16%	\$55,416,578	30.25%
24	Metropolitan Group	0.52%	\$13,876,525	3.68%	\$53,329,766	10.49%
25	Prudential Of America	0.50%	\$12,076,644	(7.37%)	\$50,569,969	2.10%

Top 25 Groups Total	94.72%	\$2,591,628,897	13.89%	\$9,670,843,004	15.76%
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Total Market	100.00%	\$2,726,545,291	12.72%	\$10,209,468,096	14.34%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$2,311,406,256	\$2,118,990,242	\$1,266,342,373
4th qtr 1997	\$2,216,786,301	\$1,968,187,976	\$1,234,058,511
1st qtr 1998	\$2,367,289,515	\$2,213,506,518	\$1,278,521,972
2nd qtr 1998	\$2,180,640,043	\$2,019,446,805	\$1,275,568,012
3rd qtr 1998	\$2,318,019,920	\$2,124,228,337	\$1,273,942,149
4th qtr 1998	\$2,151,157,497	\$1,983,338,736	\$1,389,965,891
1st qtr 1999	\$2,320,518,475	\$2,136,424,353	\$1,327,541,349
2nd qtr 1999	\$2,188,958,364	\$2,028,787,943	\$1,436,070,422
3rd qtr 1999	\$2,310,778,314	\$2,108,258,416	\$1,406,017,588
4th qtr 1999	\$2,182,308,863	\$1,984,324,294	\$1,440,876,134
1st qtr 2000	\$2,287,114,585	\$2,161,022,529	\$1,516,565,809
2nd qtr 2000	\$2,214,040,576	\$2,067,800,565	\$1,727,433,045
3rd qtr 2000	\$2,346,352,009	\$2,217,093,042	\$1,446,692,136
4th qtr 2000	\$2,133,476,469	\$1,926,579,984	\$1,649,277,676
1st qtr 2001	\$2,479,776,275	\$2,364,978,653	\$1,608,864,432
2nd qtr 2001	\$2,381,884,799	\$2,218,599,142	\$1,764,471,091
3rd qtr 2001	\$2,601,335,227	\$2,418,790,333	\$1,904,688,875
4th qtr 2001	\$2,448,928,343	\$2,320,483,155	\$1,687,667,681
1st qtr 2002	\$2,835,650,136	\$2,651,842,371	\$1,962,513,568
2nd qtr 2002	\$2,792,355,202	\$2,510,597,279	\$1,886,814,109
3rd qtr 2002	\$2,969,908,984	\$2,726,545,291	\$1,669,623,728

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>
1990	82.4%
1991	74.8%
1992	72.8%
1993	70.0%
1994	70.9%
1995	72.3%
1996	62.9%
1997	58.7%
1998	60.8%
1999	66.6%
2000	74.9%
2001	78.2%

Private Passenger Auto (All Rate-Regulated Companies)

There were 63 groups, 184 rate-regulated companies, that had direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 67 groups, 205 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	34.02%	\$620,917,835	10.98%	\$2,313,137,927	16.52%
2	Allstate Insurance Group	17.23%	\$295,727,115	(1.56%)	\$1,171,279,774	(0.10%)
3	Zurich Insurance Group	12.49%	\$209,387,366	(12.13%)	\$848,831,098	(11.83%)
4	United Services Automobile Assoc. Group	5.35%	\$81,588,829	(40.27%)	\$363,703,411	(26.97%)
5	Berkshire-Hathaway (GEICO)	4.80%	\$90,709,054	8.84%	\$326,577,979	0.38%
6	Southern Farm Bureau Casualty	3.89%	\$73,890,153	25.61%	\$264,579,313	20.60%
7	Nationwide Corporation	3.37%	\$54,368,913	(13.68%)	\$229,138,853	(2.54%)
8	Travelers Property Casualty Corp Group	2.41%	\$41,325,927	(1.74%)	\$164,172,820	10.09%
9	Safeco Insurance Group	2.07%	\$45,912,807	63.67%	\$140,727,696	29.52%
10	American International Group	1.33%	\$14,073,202	141.97%	\$90,336,231	287.26%
11	Liberty Mutual Group	1.30%	\$26,325,839	11.28%	\$88,550,567	14.44%
12	Hartford Fire & Casualty Group	1.25%	\$18,464,113	(24.75%)	\$84,784,919	(5.00%)
13	UNITRIN Group	0.98%	\$16,986,411	(28.98%)	\$66,550,017	(14.88%)
14	Germania Insurance Group	0.82%	\$14,333,370	13.16%	\$55,416,578	30.25%
15	Metropolitan Group	0.78%	\$13,876,525	3.68%	\$53,329,766	10.49%
16	Prudential Of America	0.74%	\$12,076,644	(7.37%)	\$50,569,969	2.10%
17	CNA Insurance Group	0.73%	\$12,604,855	(14.81%)	\$49,700,895	(12.75%)
18	Amica Mutual Group	0.64%	\$13,809,289	31.16%	\$43,477,557	26.18%
19	Interins Exchange Of The Automobile Club	0.50%	\$11,212,641	86.98%	\$34,107,751	97.61%
20	Chubb & Son Inc.	0.48%	\$9,403,617	16.98%	\$32,383,487	15.52%
21	American National Financial Group	0.46%	\$3,658,802	(61.44%)	\$31,305,524	(20.53%)
22	Agricultural Workers Insurance Group	0.45%	\$9,108,556	13.55%	\$30,652,577	11.56%
23	Beacon Insurance Group	0.40%	\$5,741,823	(29.38%)	\$27,290,454	(9.77%)
24	Hochheim Prairie Group	0.35%	\$5,661,860	(1.51%)	\$23,698,205	12.50%
25	Texas Farm Bureau Mutual	0.35%	\$3,629,253	(52.81%)	\$23,675,785	(20.42%)

Top 25 Groups Total	97.20%	\$1,704,794,799	(0.04%)	\$6,607,979,153	4.08%
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Total Market	100.00%	\$1,747,509,286	(0.37%)	\$6,798,672,046	3.79%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$1,574,395,365	\$1,486,649,228	\$918,988,749
4th qtr 1997	\$1,512,331,077	\$1,415,163,554	\$901,766,944
1st qtr 1998	\$1,634,669,231	\$1,557,486,104	\$920,931,252
2nd qtr 1998	\$1,505,509,505	\$1,438,660,117	\$923,619,770
3rd qtr 1998	\$1,622,657,907	\$1,537,472,267	\$924,818,298
4th qtr 1998	\$1,535,905,483	\$1,452,500,112	\$1,021,333,168
1st qtr 1999	\$1,611,517,598	\$1,531,201,343	\$986,662,418
2nd qtr 1999	\$1,549,030,969	\$1,465,668,093	\$1,058,267,920
3rd qtr 1999	\$1,654,500,947	\$1,566,084,096	\$1,028,004,498
4th qtr 1999	\$1,582,229,889	\$1,479,746,240	\$1,067,991,532
1st qtr 2000	\$1,647,551,794	\$1,573,620,775	\$1,145,517,607
2nd qtr 2000	\$1,593,613,164	\$1,524,585,720	\$1,298,712,750
3rd qtr 2000	\$1,724,969,778	\$1,654,841,965	\$1,058,585,157
4th qtr 2000	\$1,556,526,868	\$1,442,640,173	\$1,260,189,254
1st qtr 2001	\$1,805,529,259	\$1,741,071,546	\$1,258,573,228
2nd qtr 2001	\$1,691,937,548	\$1,613,010,293	\$1,357,454,971
3rd qtr 2001	\$1,820,036,784	\$1,753,988,077	\$1,531,197,749
4th qtr 2001	\$1,668,668,495	\$1,636,210,953	\$1,141,954,488
1st qtr 2002	\$1,734,680,810	\$1,777,356,488	\$1,530,954,568
2nd qtr 2002	\$1,668,520,890	\$1,637,595,319	\$1,406,664,850
3rd qtr 2002	\$1,759,374,330	\$1,747,509,286	\$1,162,775,080

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

There were 22 groups, 23 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 22 groups, 23 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Progressive Group	19.68%	\$203,901,459	56.99%	\$671,247,913	43.42%
2	Allstate Insurance Group	16.04%	\$145,975,150	41.54%	\$547,154,613	61.85%
3	Zurich Insurance Group	13.47%	\$137,042,867	74.33%	\$459,460,952	117.19%
4	Old American County Mutual Fire Ins. Co.	7.75%	\$79,222,607	74.01%	\$264,274,682	49.12%
5	Texas State National Group	7.30%	\$34,592,313	(55.16%)	\$248,862,342	(12.49%)
6	Home State Insurance Group	6.98%	\$64,860,102	22.74%	\$238,209,660	8.62%
7	United Services Automobile Assoc. Group	6.78%	\$97,161,990	347.41%	\$231,141,710	223.54%
8	Nationwide Corporation	3.72%	\$38,569,648	137.34%	\$126,720,080	88.90%
9	UNITRIN Group	2.89%	\$22,925,263	0.38%	\$98,599,332	6.80%
10	State Farm IL	2.88%	\$33,103,419	107.24%	\$98,211,592	89.64%
11	Credit Suisse Group	2.77%	\$27,475,809	27.79%	\$94,524,841	31.96%
12	Sentry Insurance Group	1.87%	\$15,932,316	1.52%	\$63,818,048	3.55%
13	Titus Group	1.67%	\$17,898,476	38.27%	\$56,796,054	(8.83%)
14	Mercury General Group	1.44%	\$14,233,898	39.05%	\$49,256,624	83.24%
15	Safeway Insurance Group	1.33%	\$11,257,882	(25.34%)	\$45,215,661	(11.54%)
16	American National Financial Group	0.94%	\$10,245,228	82.90%	\$32,191,292	119.70%
17	Great American E&S Insurance Co	0.87%	\$6,678,462	(28.40%)	\$29,817,968	(10.44%)
18	Southern Farm Bureau Casualty	0.76%	\$11,119,242	393.18%	\$25,776,589	237.93%
19	Liberty Mutual Group	0.32%	\$2,335,444	(32.14%)	\$10,779,113	(21.70%)
20	Allianz Insurance Group	0.30%	\$2,427,173	1.66%	\$10,112,483	(59.15%)
21	Royal & Sun Alliance USA	0.28%	\$2,073,786	(22.60%)	\$9,401,123	(7.78%)
Top Groups Total		* 100.02%	\$979,032,534	47.21%	\$3,411,572,672	44.62%
Total Market		100.00%	\$979,036,005	47.27%	\$3,410,796,050	43.42%

* Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top Groups
 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 1997	\$737,010,891	\$632,341,014	\$347,353,624
4th qtr 1997	\$704,455,224	\$553,024,422	\$332,291,567
1st qtr 1998	\$732,620,284	\$656,020,414	\$357,590,720
2nd qtr 1998	\$675,130,538	\$580,786,688	\$351,948,242
3rd qtr 1998	\$695,362,013	\$586,756,070	\$349,123,851
4th qtr 1998	\$615,252,014	\$530,838,624	\$368,632,723
1st qtr 1999	\$709,000,877	\$605,223,010	\$340,878,931
2nd qtr 1999	\$639,927,395	\$563,119,850	\$377,802,502
3rd qtr 1999	\$656,277,367	\$542,174,320	\$378,013,090
4th qtr 1999	\$600,078,974	\$504,578,054	\$372,884,602
1st qtr 2000	\$639,562,791	\$587,401,754	\$371,048,202
2nd qtr 2000	\$620,427,412	\$543,214,845	\$428,720,295
3rd qtr 2000	\$621,382,231	\$562,251,077	\$388,106,979
4th qtr 2000	\$576,949,601	\$483,939,811	\$389,088,422
1st qtr 2001	\$674,247,016	\$623,907,107	\$350,291,204
2nd qtr 2001	\$689,947,251	\$605,588,849	\$407,016,120
3rd qtr 2001	\$781,298,443	\$664,802,256	\$373,491,126
4th qtr 2001	\$780,259,848	\$684,272,202	\$545,713,193
1st qtr 2002	\$1,100,969,326	\$874,485,883	\$431,559,000
2nd qtr 2002	\$1,123,834,312	\$873,001,960	\$480,149,259
3rd qtr 2002	\$1,210,534,654	\$979,036,005	\$506,848,648

Private Passenger Auto (All Voluntary Liability)

There were 69 groups, 204 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 73 groups, 222 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	23.25%	\$368,434,529	14.95%	\$1,348,134,952	18.18%
2	Allstate Insurance Group	16.23%	\$240,397,328	5.88%	\$941,200,556	10.03%
3	Zurich Insurance Group	12.77%	\$195,196,570	8.56%	\$740,132,445	8.40%
4	United Services Automobile Assoc. Group	6.23%	\$100,013,679	14.09%	\$361,424,076	14.86%
5	Progressive Group	6.16%	\$108,086,815	56.74%	\$356,942,956	41.24%
6	Nationwide Corporation	3.78%	\$55,666,491	16.96%	\$219,283,467	23.90%
7	Berkshire Hathaway	3.23%	\$51,862,141	7.09%	\$187,560,072	(1.13%)
8	Texas State National Group	2.84%	\$26,303,186	(44.65%)	\$164,533,347	(7.48%)
9	Old American County Mutual Fire Ins. Co.	2.75%	\$47,461,369	86.62%	\$159,508,354	57.60%
10	Southern Farm Bureau Casualty	2.67%	\$45,388,781	37.53%	\$154,918,935	25.07%
11	Home State Insurance Group	2.56%	\$39,648,395	19.55%	\$148,340,384	7.79%
12	Travelers Property Casualty Corp Group	1.61%	\$23,428,583	(3.35%)	\$93,457,886	8.72%
13	UNITRIN Group	1.53%	\$21,494,897	(15.85%)	\$88,493,869	(7.51%)
14	Safeco Insurance Group	1.36%	\$25,676,341	63.00%	\$78,753,792	29.82%
15	American International Group	1.35%	\$10,907,105	259.05%	\$78,501,352	568.16%
16	Liberty Mutual Group	0.92%	\$15,109,098	(1.02%)	\$53,408,034	5.43%
17	Credit Suisse Group	0.88%	\$15,383,480	35.85%	\$50,813,385	33.92%
18	Hartford Fire & Casualty Group	0.87%	\$11,062,938	(25.22%)	\$50,378,039	(5.81%)
19	Sentry Insurance Group	0.73%	\$10,738,572	5.83%	\$42,456,536	6.46%
20	American National Financial Group	0.64%	\$8,192,630	(5.55%)	\$37,008,608	18.31%
21	Mercury General Group	0.56%	\$8,321,342	7.62%	\$32,259,821	51.45%
22	Germania Insurance Group	0.53%	\$7,890,745	9.78%	\$30,972,983	27.69%
23	Prudential Of America	0.52%	\$7,033,821	(10.64%)	\$29,932,643	(0.45%)
24	Safeway Insurance Group	0.51%	\$7,645,557	(18.77%)	\$29,771,118	(9.58%)
25	Metropolitan Group	0.51%	\$7,682,514	0.97%	\$29,766,765	7.85%

Top 25 Groups Total	95.00%	\$1,459,026,907	13.30%	\$5,507,954,375	15.79%
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Total Market	100.00%	\$1,533,092,976	12.59%	\$5,797,864,908	14.39%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$1,520,842,608	\$1,390,873,699	\$773,454,184
4th qtr 1997	\$1,476,266,002	\$1,305,940,027	\$776,051,574
1st qtr 1998	\$1,555,172,996	\$1,447,564,923	\$772,358,975
2nd qtr 1998	\$1,382,075,917	\$1,270,949,424	\$764,262,073
3rd qtr 1998	\$1,447,147,521	\$1,318,618,910	\$764,520,919
4th qtr 1998	\$1,330,046,794	\$1,221,483,877	\$812,576,838
1st qtr 1999	\$1,441,718,954	\$1,318,619,390	\$785,832,104
2nd qtr 1999	\$1,305,348,332	\$1,200,611,616	\$810,887,691
3rd qtr 1999	\$1,338,375,394	\$1,215,078,834	\$831,240,896
4th qtr 1999	\$1,272,444,029	\$1,150,496,913	\$863,590,455
1st qtr 2000	\$1,326,706,485	\$1,252,524,313	\$873,001,219
2nd qtr 2000	\$1,269,992,298	\$1,185,965,899	\$844,730,507
3rd qtr 2000	\$1,342,229,296	\$1,272,459,508	\$836,868,067
4th qtr 2000	\$1,211,356,514	\$1,093,856,843	\$958,476,760
1st qtr 2001	\$1,422,421,450	\$1,354,714,123	\$914,127,105
2nd qtr 2001	\$1,352,189,807	\$1,258,371,277	\$906,258,206
3rd qtr 2001	\$1,459,719,337	\$1,361,690,166	\$840,171,110
4th qtr 2001	\$1,379,295,208	\$1,305,335,597	\$970,029,517
1st qtr 2002	\$1,585,160,912	\$1,500,277,106	\$975,333,690
2nd qtr 2002	\$1,570,178,468	\$1,459,159,229	\$1,064,125,278
3rd qtr 2002	\$1,661,021,587	\$1,533,092,976	\$955,811,944

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 62 groups, 181 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 65 groups, 199 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	33.42%	\$349,102,948	12.21%	\$1,290,631,976	16.27%
2	Allstate Insurance Group	16.64%	\$160,286,213	(5.85%)	\$642,500,429	(3.80%)
3	Zurich Insurance Group	12.57%	\$118,498,975	(14.44%)	\$485,319,020	(13.71%)
4	United Services Automobile Assoc. Group	5.94%	\$44,745,900	(40.05%)	\$229,313,657	(15.67%)
5	Berkshire-Hathaway (GEICO)	4.86%	\$51,862,141	7.09%	\$187,560,072	(1.13%)
6	Southern Farm Bureau Casualty	3.65%	\$39,475,719	24.27%	\$140,993,392	17.79%
7	Nationwide Corporation	3.51%	\$32,015,882	(14.79%)	\$135,495,323	(5.07%)
8	Travelers Property Casualty Corp Group	2.42%	\$23,428,583	(3.35%)	\$93,457,886	8.72%
9	Safeco Insurance Group	2.04%	\$25,676,341	63.00%	\$78,753,792	29.82%
10	American International Group	2.03%	\$10,907,105	259.05%	\$78,501,352	568.16%
11	Hartford Fire & Casualty Group	1.30%	\$11,062,938	(25.22%)	\$50,378,039	(5.81%)
12	Liberty Mutual Group	1.23%	\$13,859,029	3.74%	\$47,549,683	10.98%
13	UNITRIN Group	0.95%	\$9,356,184	(29.92%)	\$36,583,847	(17.75%)
14	Germania Insurance Group	0.80%	\$7,890,745	9.78%	\$30,972,983	27.69%
15	Prudential Of America	0.78%	\$7,033,821	(10.64%)	\$29,932,643	(0.45%)
16	Metropolitan Group	0.77%	\$7,682,514	0.97%	\$29,766,765	7.85%
17	CNA Insurance Group	0.71%	\$6,943,861	(16.13%)	\$27,540,300	(14.71%)
18	Amica Mutual Group	0.68%	\$8,333,325	30.00%	\$26,294,239	24.90%
19	Interins Exchange Of The Automobile Club	0.50%	\$6,366,017	78.67%	\$19,495,012	90.70%
20	Chubb & Son Inc.	0.48%	\$5,555,178	17.94%	\$18,672,410	12.16%
21	American National Financial Group	0.47%	\$2,112,574	(61.20%)	\$18,258,387	(20.44%)
22	Agricultural Workers Insurance Group	0.42%	\$4,796,621	11.54%	\$16,165,134	10.02%
23	Beacon Insurance Group	0.37%	\$3,078,016	(30.03%)	\$14,473,234	(12.05%)
24	Hochheim Prairie Group	0.33%	\$3,029,420	(4.45%)	\$12,921,452	11.40%
25	Texas Farm Bureau Mutual	0.32%	\$1,888,700	(53.76%)	\$12,467,757	(21.50%)

Top 25 Groups Total	97.21%	\$954,988,750	(0.92%)	\$3,753,998,784	4.07%
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Total Market	100.00%	\$978,408,228	(1.29%)	\$3,861,633,068	3.77%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$1,052,626,921	\$990,137,088	\$559,166,890
4th qtr 1997	\$1,018,492,824	\$948,239,907	\$563,109,351
1st qtr 1998	\$1,086,069,966	\$1,030,078,349	\$554,722,335
2nd qtr 1998	\$957,481,520	\$909,828,715	\$548,632,317
3rd qtr 1998	\$1,014,297,312	\$957,618,127	\$547,404,680
4th qtr 1998	\$953,460,466	\$897,995,503	\$596,370,189
1st qtr 1999	\$998,173,986	\$945,299,913	\$575,806,421
2nd qtr 1999	\$920,566,067	\$865,996,287	\$584,648,447
3rd qtr 1999	\$962,402,171	\$906,013,012	\$600,847,201
4th qtr 1999	\$915,065,420	\$850,700,349	\$630,063,457
1st qtr 2000	\$947,873,011	\$903,829,265	\$650,981,096
2nd qtr 2000	\$911,719,387	\$869,434,038	\$612,643,847
3rd qtr 2000	\$983,300,253	\$939,424,175	\$603,620,069
4th qtr 2000	\$876,288,874	\$821,037,512	\$729,822,469
1st qtr 2001	\$1,031,833,276	\$993,605,295	\$723,376,670
2nd qtr 2001	\$960,927,886	\$915,522,168	\$686,459,498
3rd qtr 2001	\$1,028,165,690	\$991,220,645	\$704,801,926
4th qtr 2001	\$936,644,923	\$915,192,460	\$609,687,658
1st qtr 2002	\$961,530,353	\$1,003,164,263	\$730,585,846
2nd qtr 2002	\$931,679,081	\$964,868,117	\$807,517,440
3rd qtr 2002	\$977,590,776	\$978,408,228	\$673,351,360

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

There were 22 groups, 23 non-rate-regulated (County Mutual) companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 22 groups, 23 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Progressive Group	18.43%	\$108,086,815	56.74%	\$356,942,956	41.24%
2	Allstate Insurance Group	15.43%	\$80,111,115	41.01%	\$298,700,127	59.29%
3	Zurich Insurance Group	13.16%	\$76,697,595	85.71%	\$254,813,425	111.81%
4	Texas State National Group	8.50%	\$26,303,186	(44.65%)	\$164,533,347	(7.48%)
5	Old American County Mutual Fire Ins. Co.	8.24%	\$47,461,369	86.62%	\$159,508,354	57.60%
6	Home State Insurance Group	7.66%	\$39,648,395	19.55%	\$148,340,384	7.79%
7	United Services Automobile Assoc. Group	6.82%	\$55,267,779	324.43%	\$132,110,419	209.20%
8	Nationwide Corporation	4.33%	\$23,650,609	135.97%	\$83,788,144	144.69%
9	State Farm IL	2.97%	\$19,331,581	105.59%	\$57,502,976	87.25%
10	UNITRIN Group	2.68%	\$12,138,713	(0.45%)	\$51,910,022	1.39%
11	Credit Suisse Group	2.62%	\$15,383,480	35.85%	\$50,811,863	33.81%
12	Sentry Insurance Group	2.12%	\$10,409,656	6.43%	\$41,129,466	7.15%
13	Safeway Insurance Group	1.54%	\$7,645,557	(18.77%)	\$29,771,118	(9.58%)
14	Mercury General Group	1.42%	\$7,858,118	26.08%	\$27,564,688	63.68%
15	American National Financial Group	0.97%	\$6,080,056	88.27%	\$18,750,221	124.99%
16	Great American E&S Insurance Company	0.82%	\$3,517,560	(32.04%)	\$15,795,395	(16.04%)
17	Southern Farm Bureau Casualty	0.72%	\$5,913,062	378.06%	\$13,925,543	233.77%
18	Titus Group	0.55%	\$4,645,229	495.75%	\$10,678,002	(3.35%)
19	Royal & Sun Alliance USA	0.42%	\$1,873,052	(13.48%)	\$8,055,148	1.26%
20	Allianz Insurance Group	0.30%	\$1,407,994	0.39%	\$5,886,785	(60.06%)
21	Liberty Mutual Group	0.30%	\$1,250,069	(34.41%)	\$5,858,351	(25.01%)
Top Groups Total		* 100.01%	\$554,680,990	49.72%	\$1,936,376,734	45.04%
Total Market		100.00%	\$554,684,748	49.72%	\$1,936,231,840	43.72%

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

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 1997	\$468,215,687	\$400,736,611	\$214,287,294
4th qtr 1997	\$457,773,178	\$357,700,120	\$212,942,223
1st qtr 1998	\$469,103,030	\$417,486,574	\$217,636,640
2nd qtr 1998	\$424,594,397	\$361,120,709	\$215,629,756
3rd qtr 1998	\$432,850,209	\$361,000,783	\$217,116,239
4th qtr 1998	\$376,586,328	\$323,488,374	\$216,206,649
1st qtr 1999	\$443,544,968	\$373,319,477	\$210,025,683
2nd qtr 1999	\$384,782,265	\$334,615,329	\$226,239,244
3rd qtr 1999	\$375,973,223	\$309,065,822	\$230,393,695
4th qtr 1999	\$357,378,609	\$299,796,564	\$233,526,998
1st qtr 2000	\$378,833,474	\$348,695,048	\$222,020,123
2nd qtr 2000	\$358,272,911	\$316,531,861	\$232,086,660
3rd qtr 2000	\$358,929,043	\$333,035,333	\$233,247,998
4th qtr 2000	\$335,067,640	\$272,819,331	\$228,654,291
1st qtr 2001	\$390,588,174	\$361,108,828	\$190,750,435
2nd qtr 2001	\$391,261,921	\$342,849,109	\$219,798,708
3rd qtr 2001	\$431,553,647	\$370,469,521	\$135,369,184
4th qtr 2001	\$442,650,285	\$390,143,137	\$360,341,859
1st qtr 2002	\$623,630,559	\$497,112,843	\$244,747,844
2nd qtr 2002	\$638,499,387	\$494,291,112	\$256,607,838
3rd qtr 2002	\$683,430,811	\$554,684,748	\$282,460,584

Private Passenger Auto (All Assigned Risk)

There were 16 groups, 18 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 20 groups, 21 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	33.48%	\$2,478,405	39.20%	\$9,854,532	52.30%
2	Allstate Insurance Group	15.83%	\$1,783,033	144.88%	\$4,660,420	63.95%
3	GE Global Group	12.55%	\$1,152,211	79.93%	\$3,693,263	70.78%
4	Zurich Insurance Group	11.80%	\$1,188,272	95.84%	\$3,474,225	11.80%
5	Southern Farm Bureau Casualty	5.76%	\$522,803	33.60%	\$1,695,833	20.87%
6	American International Group	4.99%	\$232,600	177.59%	\$1,467,378	133.31%
7	Berkshire-Hathaway (GEICO)	3.65%	\$293,958	51.01%	\$1,073,399	39.39%
8	Nationwide Corporation	3.06%	\$237,545	8.69%	\$900,672	19.24%
9	Unitrin Group	2.62%	\$186,852	27.16%	\$771,781	88.81%
10	Travelers Property Casualty Corp Group	2.14%	\$195,480	114.03%	\$630,530	48.20%
11	Safeco Insurance Group	1.68%	\$57,920	(19.22%)	\$494,948	26.69%
12	Eagle Insurance Group	1.34%	\$0	(100.00%)	\$394,528	(60.53%)
13	Liberty Mutual Group	0.77%	\$81,253	91.20%	\$225,766	34.28%
14	Mercury General Group	0.12%	\$8,139	(17.91%)	\$35,183	12.43%
15	Lumbermens Mutual Casualty Group	0.08%	\$0	(100.00%)	\$23,030	(77.73%)
16	Great American E&S Insurance Co	0.06%	\$23	(99.17%)	\$18,661	(95.40%)
17	Service Life Group	0.04%	\$2,589	(75.51%)	\$13,073	(66.18%)
18	American Express Group	0.03%	\$1,556	*	\$8,712	*
19	Ohio Casualty Group	0.01%	\$0	(100.00%)	\$2,094	(53.54%)

Top Groups Total	** 100.02%	\$8,422,639	58.52%	\$29,438,028	39.41%
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Total Market	100.00%	\$8,422,639	58.64%	\$29,432,477	36.26%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$21,059,308	\$12,374,849	\$28,456,385
4th qtr 1997	\$15,600,099	\$8,667,694	\$22,468,763
1st qtr 1998	\$14,921,030	\$11,487,913	\$15,833,804
2nd qtr 1998	\$12,491,004	\$9,174,025	\$14,609,996
3rd qtr 1998	\$10,015,632	\$5,511,144	\$11,385,129
4th qtr 1998	\$7,111,160	\$4,372,103	\$9,925,712
1st qtr 1999	\$6,709,493	\$5,404,154	\$8,247,472
2nd qtr 1999	\$8,384,997	\$6,041,007	\$6,569,934
3rd qtr 1999	\$7,007,292	\$4,650,001	\$6,895,534
4th qtr 1999	\$5,842,435	\$3,738,536	\$5,706,459
1st qtr 2000	\$6,643,310	\$4,965,888	\$5,598,735
2nd qtr 2000	\$6,875,267	\$5,010,033	\$5,602,266
3rd qtr 2000	\$6,680,445	\$4,602,957	\$4,833,817
4th qtr 2000	\$6,304,544	\$4,120,840	\$4,171,526
1st qtr 2001	\$7,500,341	\$5,449,953	\$5,114,494
2nd qtr 2001	\$7,707,585	\$6,720,769	\$5,138,512
3rd qtr 2001	\$7,973,791	\$5,309,138	\$4,480,938
4th qtr 2001	\$8,829,104	\$5,584,345	\$4,363,346
1st qtr 2002	\$9,795,705	\$7,441,054	\$4,559,604
2nd qtr 2002	\$10,742,151	\$7,984,439	\$5,033,071
3rd qtr 2002	\$11,502,401	\$8,422,639	\$4,985,130

Private Passenger Auto (All Physical Damage)

There were 67 groups, 197 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 71 groups, 214 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	24.04%	\$283,108,320	11.83%	\$1,053,360,035	18.39%
2	Allstate Insurance Group	17.63%	\$199,521,904	13.52%	\$772,573,411	18.45%
3	Zurich Insurance Group	12.89%	\$150,045,391	9.94%	\$564,685,380	15.61%
4	Progressive Group	7.17%	\$95,814,644	57.27%	\$314,304,957	45.97%
5	United Services Automobile Assoc. Group	5.33%	\$78,737,140	11.43%	\$233,421,045	(8.41%)
6	Berkshire-Hathaway (GEICO)	3.15%	\$38,552,955	11.03%	\$137,944,508	2.27%
7	Nationwide Corporation	3.10%	\$37,034,525	17.87%	\$135,674,794	9.02%
8	Southern Farm Bureau Casualty	3.05%	\$39,097,811	41.22%	\$133,741,134	31.44%
9	Old American County Mutual Fire Ins. Co.	2.39%	\$31,761,238	58.05%	\$104,766,328	37.82%
10	Home State Insurance Group	2.05%	\$25,211,707	28.12%	\$89,869,276	10.03%
11	Texas State National Group	1.92%	\$8,289,127	(72.01%)	\$84,328,995	(20.86%)
12	UNITRIN Group	1.73%	\$18,229,925	(13.47%)	\$75,883,699	1.96%
13	Travelers Property Casualty Corp Group	1.60%	\$17,701,864	(0.13%)	\$70,084,404	11.70%
14	Safeco Insurance Group	1.40%	\$20,178,546	65.03%	\$61,478,956	29.17%
15	Titus Group	1.05%	\$13,253,247	8.94%	\$46,118,052	(10.01%)
16	Liberty Mutual Group	1.04%	\$13,470,932	14.24%	\$45,695,880	13.34%
17	Credit Suisse Group	1.00%	\$12,092,329	18.82%	\$43,730,393	29.94%
18	Hartford Fire & Casualty Group	0.79%	\$7,401,175	(24.08%)	\$34,412,290	(3.65%)
19	American National Financial Group	0.60%	\$5,711,400	(10.99%)	\$26,488,208	16.36%
20	Mercury General Group	0.58%	\$6,775,922	29.90%	\$25,587,997	88.32%
21	Germania Insurance Group	0.56%	\$6,442,625	17.61%	\$24,443,595	33.63%
22	Metropolitan Group	0.54%	\$6,194,011	7.27%	\$23,563,001	14.03%
23	Sentry Insurance Group	0.54%	\$5,733,000	(6.54%)	\$23,541,323	(2.60%)
24	CNA Insurance Group	0.51%	\$5,660,994	(13.12%)	\$22,160,595	(10.19%)
25	Prudential Of America	0.47%	\$5,042,823	(2.39%)	\$20,637,326	6.03%

Top 25 Groups Total	95.12%	\$1,131,063,555	13.58%	\$4,168,495,582	15.30%
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Total Market	100.00%	\$1,185,029,676	12.67%	\$4,382,170,711	14.16%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$769,504,340	\$715,741,694	\$464,431,804
4th qtr 1997	\$724,920,200	\$653,580,255	\$435,538,174
1st qtr 1998	\$797,195,489	\$754,453,682	\$490,329,193
2nd qtr 1998	\$786,073,122	\$739,323,356	\$496,695,943
3rd qtr 1998	\$860,856,767	\$800,098,283	\$498,036,101
4th qtr 1998	\$813,999,543	\$757,482,756	\$567,463,341
1st qtr 1999	\$872,090,028	\$812,400,809	\$533,461,773
2nd qtr 1999	\$875,225,035	\$822,135,320	\$618,612,797
3rd qtr 1999	\$965,395,628	\$888,529,581	\$567,881,158
4th qtr 1999	\$904,022,399	\$830,088,845	\$571,579,220
1st qtr 2000	\$953,764,790	\$903,532,328	\$637,965,855
2nd qtr 2000	\$937,173,011	\$876,824,633	\$877,100,272
3rd qtr 2000	\$997,442,268	\$940,030,577	\$604,990,252
4th qtr 2000	\$915,815,411	\$828,602,301	\$686,629,390
1st qtr 2001	\$1,049,854,484	\$1,004,814,577	\$689,622,833
2nd qtr 2001	\$1,021,987,407	\$953,507,096	\$853,074,373
3rd qtr 2001	\$1,133,642,099	\$1,051,791,029	\$1,060,036,827
4th qtr 2001	\$1,060,804,031	\$1,009,563,213	\$713,274,818
1st qtr 2002	\$1,240,693,519	\$1,144,124,211	\$982,620,274
2nd qtr 2002	\$1,211,434,583	\$1,043,453,611	\$817,655,760
3rd qtr 2002	\$1,297,384,996	\$1,185,029,676	\$708,826,654

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 59 groups, 174 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 63 groups, 190 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	34.83%	\$269,336,482	9.22%	\$1,012,651,419	16.58%
2	Allstate Insurance Group	18.03%	\$133,657,869	3.26%	\$524,118,925	4.47%
3	Zurich Insurance Group	12.38%	\$89,700,119	(9.55%)	\$360,037,853	(9.36%)
4	Berkshire-Hathaway (GEICO)	4.74%	\$38,552,955	11.03%	\$137,944,508	2.27%
5	United Services Automobile Assoc. Group	4.62%	\$36,842,929	(40.54%)	\$134,389,754	(40.57%)
6	Southern Farm Bureau Casualty	4.19%	\$33,891,631	27.09%	\$121,890,088	24.01%
7	Nationwide Corporation	3.19%	\$22,115,486	(12.21%)	\$92,742,858	1.23%
8	Travelers Property Casualty Corp Group	2.41%	\$17,701,864	(0.13%)	\$70,084,404	11.70%
9	Safeco Insurance Group	2.11%	\$20,178,546	65.03%	\$61,478,956	29.17%
10	Liberty Mutual Group	1.40%	\$12,385,557	20.77%	\$40,775,118	18.66%
11	Hartford Fire & Casualty Group	1.18%	\$7,401,175	(24.08%)	\$34,412,290	(3.65%)
12	UNITRIN Group	1.00%	\$7,443,375	(28.58%)	\$29,194,389	(12.33%)
13	Germania Insurance Group	0.84%	\$6,442,625	17.61%	\$24,443,595	33.63%
14	Metropolitan Group	0.81%	\$6,194,011	7.27%	\$23,563,001	14.03%
15	CNA Insurance Group	0.76%	\$5,660,994	(13.12%)	\$22,160,595	(10.19%)
16	Prudential Of America	0.71%	\$5,042,823	(2.39%)	\$20,637,326	6.03%
17	Amica Mutual Group	0.59%	\$5,475,964	32.98%	\$17,183,318	28.18%
18	Interins Exchange Of The Automobile Club	0.50%	\$4,846,624	99.14%	\$14,612,739	107.64%
19	Agricultural Workers Insurance Group	0.50%	\$4,311,935	15.87%	\$14,487,443	13.34%
20	Chubb & Son Inc.	0.47%	\$3,848,439	15.61%	\$13,711,077	25.25%
21	American National Financial Group	0.45%	\$1,546,228	(61.77%)	\$13,047,137	(20.67%)
22	Beacon Insurance Group	0.44%	\$2,663,807	(28.61%)	\$12,817,220	(7.04%)
23	Texas Farm Bureau Mutual	0.39%	\$1,740,553	(51.73%)	\$11,208,028	(19.18%)
24	Hochheim Prairie Group	0.37%	\$2,632,440	2.10%	\$10,776,753	13.85%
25	American International Group	0.36%	\$2,933,497	8.87%	\$10,367,501	(5.32%)

Top 25 Groups Total	97.29%	\$742,547,928	0.71%	\$2,828,736,295	3.85%
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Total Market	100.00%	\$760,678,419	0.43%	\$2,907,606,501	3.56%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$500,709,136	\$484,137,291	\$331,365,474
4th qtr 1997	\$478,238,154	\$458,255,953	\$316,188,830
1st qtr 1998	\$533,678,235	\$515,919,842	\$350,375,113
2nd qtr 1998	\$535,536,981	\$519,657,377	\$360,377,457
3rd qtr 1998	\$598,344,963	\$574,342,996	\$366,028,489
4th qtr 1998	\$575,333,857	\$550,132,506	\$415,037,267
1st qtr 1999	\$606,634,119	\$580,497,276	\$402,608,525
2nd qtr 1999	\$620,079,905	\$593,630,799	\$467,049,539
3rd qtr 1999	\$685,091,484	\$655,421,083	\$420,261,763
4th qtr 1999	\$661,322,034	\$625,307,355	\$432,221,616
1st qtr 2000	\$693,035,473	\$664,825,622	\$488,937,776
2nd qtr 2000	\$675,018,510	\$650,141,649	\$680,466,637
3rd qtr 2000	\$734,989,080	\$710,814,833	\$450,131,271
4th qtr 2000	\$673,933,450	\$617,481,821	\$526,195,259
1st qtr 2001	\$766,195,642	\$742,016,298	\$530,082,064
2nd qtr 2001	\$723,302,077	\$690,767,356	\$665,856,961
3rd qtr 2001	\$783,897,303	\$757,458,294	\$821,914,885
4th qtr 2001	\$723,194,468	\$715,434,148	\$527,903,484
1st qtr 2002	\$763,354,752	\$766,751,171	\$795,809,118
2nd qtr 2002	\$726,099,658	\$664,742,763	\$594,114,339
3rd qtr 2002	\$770,281,153	\$760,678,419	\$484,438,590

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

There were 22 groups, 23 non-rate-regulated (County Mutual) companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 2002, as compared to 22 groups, 23 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Progressive Group	21.32%	\$95,814,644	57.27%	\$314,304,957	45.97%
2	Allstate Insurance Group	16.85%	\$65,864,035	42.20%	\$248,454,486	65.03%
3	Zurich Insurance Group	13.88%	\$60,345,272	61.74%	\$204,647,527	124.30%
4	Old American County Mutual Fire Ins. Co.	7.10%	\$31,761,238	58.05%	\$104,766,328	37.82%
5	United Services Automobile Assoc. Group	6.72%	\$41,894,211	381.83%	\$99,031,291	244.87%
6	Home State Insurance Group	6.09%	\$25,211,707	28.12%	\$89,869,276	10.03%
7	Texas State National Group	5.72%	\$8,289,127	(72.01%)	\$84,328,995	(20.86%)
8	UNINTRIN Group	3.17%	\$10,786,550	1.33%	\$46,689,310	13.54%
9	Titus Group	3.13%	\$13,253,247	8.94%	\$46,118,052	(10.01%)
10	Credit Suisse Group	2.96%	\$12,092,329	18.82%	\$43,712,978	29.86%
11	Nationwide Corporation	2.91%	\$14,919,039	139.54%	\$42,931,936	30.73%
12	State Farm IL	2.76%	\$13,771,838	109.59%	\$40,708,616	93.13%
13	Sentry Insurance Group	1.54%	\$5,522,660	(6.60%)	\$22,688,582	(2.38%)
14	Mercury General Group	1.47%	\$6,375,780	59.23%	\$21,691,936	116.05%
15	Safeway Insurance Group	1.05%	\$3,612,325	(36.24%)	\$15,444,543	(15.08%)
16	Great American E&S Insurance Co	0.95%	\$3,160,902	(23.85%)	\$14,022,573	(3.17%)
17	American National Financial Group	0.91%	\$4,165,172	75.60%	\$13,441,071	112.73%
18	Southern Farm Bureau Casualty	0.80%	\$5,206,180	411.56%	\$11,851,046	242.95%
19	Liberty Mutual Group	0.33%	\$1,085,375	(29.32%)	\$4,920,762	(17.37%)
20	Allianz Insurance Group	0.29%	\$1,019,179	3.46%	\$4,225,698	(57.80%)
21	Royal & Sun Alliance USA	0.09%	\$200,734	(61.00%)	\$1,345,975	(39.89%)
Top Groups Total		* 100.04%	\$424,351,544	44.05%	\$1,475,195,938	44.07%
Total Market		100.00%	\$424,351,257	44.17%	\$1,474,564,210	43.02%

* Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top Groups
 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 1997	\$268,795,204	\$231,604,403	\$133,066,330
4th qtr 1997	\$246,682,046	\$195,324,302	\$119,349,344
1st qtr 1998	\$263,517,254	\$238,533,840	\$139,954,080
2nd qtr 1998	\$250,536,141	\$219,665,979	\$136,318,486
3rd qtr 1998	\$262,511,804	\$225,755,287	\$132,007,612
4th qtr 1998	\$238,665,686	\$207,350,250	\$152,426,074
1st qtr 1999	\$265,455,909	\$231,903,533	\$130,853,248
2nd qtr 1999	\$255,145,130	\$228,504,521	\$151,563,258
3rd qtr 1999	\$280,304,144	\$233,108,498	\$147,619,395
4th qtr 1999	\$242,700,365	\$204,781,490	\$139,357,604
1st qtr 2000	\$260,729,317	\$238,706,706	\$149,028,079
2nd qtr 2000	\$262,154,501	\$226,682,984	\$196,633,635
3rd qtr 2000	\$262,453,188	\$229,215,744	\$154,858,981
4th qtr 2000	\$241,881,961	\$211,120,480	\$160,434,131
1st qtr 2001	\$283,658,842	\$262,798,279	\$159,540,769
2nd qtr 2001	\$298,685,330	\$262,739,740	\$187,217,412
3rd qtr 2001	\$349,744,796	\$294,332,735	\$238,121,942
4th qtr 2001	\$337,609,563	\$294,129,065	\$185,371,334
1st qtr 2002	\$477,338,767	\$377,373,040	\$186,811,156
2nd qtr 2002	\$485,334,925	\$378,710,848	\$223,541,421
3rd qtr 2002	\$527,103,843	\$424,351,257	\$224,388,064

Homeowners Multiple Peril (All Companies)

There were 63 groups, 117 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the third quarter of 2002, as compared to 64 groups, 132 companies, in the third quarter of 2001.

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 third quarter of 2002 to premiums on policies written in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	29.75%	\$352,210,170	29.48%	\$1,210,550,640	31.30%
2	Allstate Insurance Group	17.85%	\$200,158,434	25.61%	\$726,194,026	35.05%
3	Zurich Insurance Group	16.00%	\$168,714,594	16.68%	\$651,251,881	14.26%
4	United Services Automobile Assoc. Group	6.28%	\$80,626,685	25.04%	\$255,487,016	15.75%
5	Travelers Property Casualty Corp Group	4.51%	\$48,433,763	25.60%	\$183,411,247	32.69%
6	Nationwide Corporation	3.31%	\$40,523,105	61.55%	\$134,805,008	52.29%
7	Chubb & Son Inc.	2.38%	\$29,824,433	69.75%	\$96,746,652	53.10%
8	Vesta Insurance Group	2.12%	\$34,871,613	*	\$86,109,115	*
9	Texas Farm Bureau Mutual	1.88%	\$23,105,625	58.56%	\$76,320,497	52.43%
10	Safeco Insurance Group	1.60%	\$16,762,215	4.51%	\$64,987,662	8.26%
11	Liberty Mutual Group	1.12%	\$12,969,958	20.05%	\$45,768,425	18.13%
12	Hartford Fire & Casualty Group	1.10%	\$14,177,890	46.83%	\$44,732,755	28.76%
13	American National Financial Group	1.09%	\$13,967,368	70.51%	\$44,171,218	50.41%
14	Credit Suisse Group	0.99%	\$12,563,214	61.35%	\$40,453,164	37.40%
15	Service Life Group	0.94%	\$11,229,140	77.78%	\$38,436,828	82.45%
16	CNA Insurance Group	0.87%	\$8,769,281	6.03%	\$35,204,661	12.07%
17	Allianz Insurance Group	0.86%	\$10,351,050	35.71%	\$34,915,038	26.35%
18	Amica Mutual Group	0.85%	\$11,289,326	68.95%	\$34,478,762	54.01%
19	Titus Group	0.77%	\$8,740,404	5.98%	\$31,250,462	7.35%
20	UNITRIN Group	0.72%	\$7,402,767	11.68%	\$29,132,723	14.58%
21	Metropolitan Group	0.59%	\$6,849,669	26.40%	\$23,835,780	26.93%
22	Colonial Savings Group	0.39%	\$5,543,929	112.46%	\$16,022,413	64.70%
23	Beacon Insurance Group	0.37%	\$2,208,307	(58.77%)	\$15,191,336	(21.99%)
24	Central Mutual Insurance Company of Ohio	0.37%	\$4,178,840	41.04%	\$15,074,902	38.51%
25	Lumbermens Mutual Casualty Group	0.36%	\$3,454,803	(11.12%)	\$14,676,252	2.28%

Top 25 Groups Total	97.05%	\$1,128,926,583	31.89%	\$3,949,208,463	30.83%
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Total Market	100.00%	\$1,167,601,524	32.26%	\$4,069,360,834	30.80%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$753,034,751	\$699,349,132	\$305,395,347
4th qtr 1997	\$651,833,039	\$601,867,911	\$233,428,098
1st qtr 1998	\$631,953,651	\$591,847,224	\$298,976,673
2nd qtr 1998	\$789,457,650	\$737,239,749	\$312,874,276
3rd qtr 1998	\$827,111,261	\$765,484,095	\$294,538,628
4th qtr 1998	\$705,868,946	\$643,588,698	\$293,922,541
1st qtr 1999	\$680,553,967	\$625,536,282	\$279,072,534
2nd qtr 1999	\$816,031,690	\$762,669,194	\$392,679,247
3rd qtr 1999	\$831,338,777	\$761,920,774	\$402,191,584
4th qtr 1999	\$704,815,768	\$646,548,027	\$301,052,515
1st qtr 2000	\$684,609,138	\$640,313,516	\$402,393,296
2nd qtr 2000	\$849,579,161	\$799,170,784	\$918,697,064
3rd qtr 2000	\$865,804,664	\$797,928,612	\$505,688,391
4th qtr 2000	\$681,582,526	\$672,546,755	\$438,819,100
1st qtr 2001	\$739,357,732	\$691,787,463	\$503,586,791
2nd qtr 2001	\$929,634,302	\$863,989,491	\$834,551,881
3rd qtr 2001	\$972,458,027	\$882,812,387	\$823,438,558
4th qtr 2001	\$841,023,405	\$810,336,096	\$801,350,605
1st qtr 2002	\$979,674,924	\$891,986,461	\$876,937,809
2nd qtr 2002	\$1,332,332,054	\$1,199,436,753	\$1,231,745,303
3rd qtr 2002	\$1,315,157,128	\$1,167,601,524	\$1,033,787,942

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>
1990	84.8%
1991	67.2%
1992	107.6%
1993	66.1%
1994	73.3%
1995	92.6%
1996	59.4%
1997	45.3%
1998	45.4%
1999	50.7%
2000	82.4%
2001	115.4%

Homeowners Multiple Peril (Rate-Regulated Companies)

There were 35 groups, 67 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the third quarter of 2002, as compared to 41 groups, 83 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Allstate Insurance Group	28.96%	\$6,252,981	(0.93%)	\$23,357,642	(50.93%)
2	Beacon Insurance Group	18.83%	\$2,208,307	(58.77%)	\$15,191,336	(21.99%)
3	Zurich Insurance Group	14.00%	\$2,172,998	(52.42%)	\$11,290,970	(53.44%)
4	State Farm IL	10.46%	\$2,255,693	5.17%	\$8,438,936	13.58%
5	Germania Insurance Group	5.32%	\$1,242,948	10.83%	\$4,289,261	17.04%
6	Travelers Property Casualty Corp. Group	4.81%	\$743,930	(33.54%)	\$3,882,455	(33.51%)
7	Farmers Mutual Protection Assoc. Group	4.64%	\$1,017,985	104.59%	\$3,744,004	105.70%
8	American National Financial Group	2.91%	\$92,213	(91.72%)	\$2,346,793	(41.24%)
9	Nationwide Corporation	1.89%	\$419,324	(38.05%)	\$1,521,086	(38.60%)
10	Allianz Insurance Group	1.70%	\$12,592	(98.09%)	\$1,374,037	(20.93%)
11	Sentry Insurance Group	1.45%	\$296,875	(7.07%)	\$1,169,160	(3.51%)
12	Prudential Of America	1.44%	\$293,681	(11.37%)	\$1,159,302	18.94%
13	Guideone Insurance Group	0.91%	(\$6,266)	(100.61%)	\$736,413	(79.91%)
14	Fortis Group	0.90%	\$154,870	(28.43%)	\$724,410	14.37%
15	Ohio Casualty Group	0.83%	\$172,781	9.43%	\$671,842	1.66%
16	GMAC Insurance Holding	0.75%	\$129,822	(17.85%)	\$601,182	(7.99%)
17	American Express Group	0.47%	\$130,255	(11.36%)	\$381,756	(8.94%)
18	Federated Mutual	0.44%	(\$6,645)	(104.69%)	\$351,847	(48.07%)
19	Church Mutual Insurance Company	0.39%	\$82,753	46.05%	\$316,645	21.28%
20	EMC Insurance Company	0.33%	\$57,886	(21.88%)	\$264,458	(12.69%)
21	CNA Insurance Group	0.18%	\$4,652	(89.75%)	\$144,783	(40.66%)
22	Millea Holdings Inc	0.10%	\$19,611	(7.66%)	\$79,576	(7.32%)
23	Allmerica Financial Corp	0.09%	(\$2,173)	(102.78%)	\$73,112	(77.29%)
24	Optimum Group Inc.	0.09%	\$8,876	(84.62%)	\$71,270	(26.36%)
25	Church Pension Fund	0.08%	\$0	(100.00%)	\$67,885	245.61%

Top 25 Groups Total * 101.98% \$17,755,949 (32.73%) \$82,250,161 (35.97%)

Total Market 100.00% \$17,704,425 (62.78%) \$80,655,417 (61.25%)

* Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top 25 Groups.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$141,367,253	\$128,435,107	\$89,565,519
4th qtr 1997	\$120,850,580	\$103,885,946	\$65,243,600
1st qtr 1998	\$109,261,495	\$98,668,603	\$81,174,250
2nd qtr 1998	\$131,977,520	\$117,345,049	\$76,391,087
3rd qtr 1998	\$133,729,938	\$120,361,563	\$63,162,598
4th qtr 1998	\$98,101,087	\$83,420,802	\$59,422,695
1st qtr 1999	\$84,949,921	\$73,805,317	\$51,869,196
2nd qtr 1999	\$97,400,409	\$88,354,725	\$61,295,179
3rd qtr 1999	\$97,759,048	\$85,844,032	\$58,705,527
4th qtr 1999	\$76,937,349	\$69,149,917	\$39,799,794
1st qtr 2000	\$75,077,475	\$67,295,236	\$49,933,856
2nd qtr 2000	\$89,273,573	\$80,689,909	\$94,497,203
3rd qtr 2000	\$78,205,016	\$69,816,666	\$51,784,197
4th qtr 2000	\$56,157,895	\$51,145,700	\$49,347,526
1st qtr 2001	\$57,078,365	\$53,387,108	\$47,918,477
2nd qtr 2001	\$61,952,810	\$56,040,862	\$66,850,430
3rd qtr 2001	\$53,005,655	\$47,561,008	\$63,960,360
4th qtr 2001	\$25,415,468	\$22,371,626	\$54,611,962
1st qtr 2002	\$23,540,393	\$19,692,680	\$49,030,168
2nd qtr 2002	\$27,198,697	\$20,886,686	\$61,243,241
3rd qtr 2002	\$26,200,203	\$17,704,425	\$43,263,219

Homeowners Multiple Peril (Non-Rate-Regulated Companies)

There were 46 groups, 50 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the third quarter of 2002, as compared to 41 groups, 49 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	State Farm IL	30.14%	\$349,954,477	29.67%	\$1,202,111,704	31.45%
2	Allstate Insurance Group	17.62%	\$193,905,453	26.70%	\$702,836,384	43.40%
3	Zurich Insurance Group	16.04%	\$166,541,596	18.93%	\$639,960,911	17.27%
4	United Services Automobile Assoc. Group	6.45%	\$80,700,195	74.82%	\$257,207,683	77.66%
5	Travelers Property Casualty Corp Group	4.50%	\$47,689,833	27.37%	\$179,528,792	35.61%
6	Nationwide Corporation	3.34%	\$40,103,781	64.31%	\$133,283,922	54.91%
7	Chubb & Son Inc.	2.43%	\$29,823,143	70.21%	\$96,742,074	53.29%
8	Vesta Insurance Group	2.16%	\$34,871,613	*	\$86,109,115	*
9	Texas Farm Bureau Mutual	1.91%	\$23,105,625	58.56%	\$76,320,497	52.43%
10	Safeco Insurance Group	1.63%	\$16,762,215	4.51%	\$64,986,809	8.25%
11	Liberty Mutual Group	1.15%	\$12,970,216	19.78%	\$45,790,048	16.46%
12	Hartford Fire & Casualty Group	1.12%	\$14,177,890	46.81%	\$44,734,101	28.75%
13	American National Financial Group	1.05%	\$13,875,155	96.03%	\$41,824,425	64.83%
14	Credit Suisse Group	1.01%	\$12,563,214	61.35%	\$40,453,164	37.40%
15	Service Life Group	0.96%	\$11,229,140	77.78%	\$38,436,828	82.45%
16	CNA Insurance Group	0.88%	\$8,764,629	6.56%	\$35,059,878	12.48%
17	Amica Mutual Group	0.86%	\$11,289,326	68.95%	\$34,478,762	54.00%
18	Allianz Insurance Group	0.84%	\$10,338,458	48.36%	\$33,541,001	29.52%
19	Titus Group	0.78%	\$8,740,404	5.98%	\$31,250,462	7.35%
20	UNITRIN Group	0.73%	\$7,403,024	11.41%	\$29,138,252	13.05%
21	Metropolitan Group	0.60%	\$6,849,669	26.40%	\$23,835,780	26.93%
22	Colonial Savings Group	0.40%	\$5,543,929	112.46%	\$16,022,413	64.70%
23	Central Mutual Insurance Company of Ohio	0.38%	\$4,178,840	41.04%	\$15,074,902	38.51%
24	Lumbermens Mutual Casualty Group	0.37%	\$3,454,803	(11.12%)	\$14,676,252	2.28%
25	White Mountains Group	0.36%	\$3,616,234	(1.41%)	\$14,315,023	(5.35%)

Top 25 Groups Total	97.72%	\$1,118,452,862	36.98%	\$3,897,719,182	37.15%
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Total Market	100.00%	\$1,149,897,099	37.67%	\$3,988,705,417	37.40%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$611,667,498	\$570,914,025	\$215,829,828
4th qtr 1997	\$530,982,459	\$497,981,965	\$168,184,498
1st qtr 1998	\$522,692,156	\$493,178,621	\$217,802,423
2nd qtr 1998	\$657,480,130	\$619,894,700	\$236,483,189
3rd qtr 1998	\$693,381,323	\$645,122,532	\$231,376,030
4th qtr 1998	\$607,767,859	\$560,167,896	\$234,499,846
1st qtr 1999	\$595,604,046	\$551,730,965	\$227,203,338
2nd qtr 1999	\$718,631,281	\$674,314,469	\$331,384,068
3rd qtr 1999	\$733,579,729	\$676,076,742	\$343,486,057
4th qtr 1999	\$627,878,419	\$577,398,110	\$261,252,721
1st qtr 2000	\$609,531,663	\$573,018,280	\$352,459,440
2nd qtr 2000	\$760,305,588	\$718,480,875	\$824,199,861
3rd qtr 2000	\$787,599,648	\$728,111,946	\$453,904,194
4th qtr 2000	\$625,424,631	\$621,401,055	\$389,471,574
1st qtr 2001	\$682,279,367	\$638,400,355	\$455,668,314
2nd qtr 2001	\$867,681,492	\$807,948,629	\$767,701,451
3rd qtr 2001	\$919,452,372	\$835,251,379	\$759,478,198
4th qtr 2001	\$815,607,937	\$787,964,470	\$746,738,643
1st qtr 2002	\$956,134,531	\$872,293,781	\$827,907,641
2nd qtr 2002	\$1,305,133,357	\$1,178,550,067	\$1,170,502,062
3rd qtr 2002	\$1,288,956,925	\$1,149,897,099	\$990,524,723

Workers' Compensation (All Companies)

There were 91 groups, 251 companies, that had direct written premium for Workers' Compensation in the third quarter of 2002, as compared to 102 groups, 268 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Texas Mutual Insurance Company	22.07%	\$130,684,460	39.84%	\$560,642,017	47.92%
2	American Internation Group	8.12%	\$56,494,092	31.88%	\$206,237,673	46.60%
3	Zurich Insurance Group	7.97%	\$54,703,784	(11.47%)	\$202,399,356	12.01%
4	Liberty Mutual Group	7.72%	\$50,347,944	(2.32%)	\$196,200,278	6.55%
5	CNA Insurance Group	5.57%	\$38,857,528	(13.99%)	\$141,519,814	(9.94%)
6	Hartford Fire & Casualty Group	4.60%	\$27,991,835	54.26%	\$116,759,637	38.95%
7	Lumbermens Mutual Casualty Group	4.17%	\$20,390,120	(1.22%)	\$105,954,674	(25.47%)
8	Amerisure Company	3.86%	\$9,527,197	38.35%	\$97,994,873	346.32%
9	Royal & Sun Alliance USA	3.85%	\$21,720,190	(38.48%)	\$97,774,201	16.19%
10	ACE Ltd.	2.72%	\$19,364,232	61.59%	\$69,135,014	79.48%
11	Service Life Group	2.45%	\$14,287,996	55.25%	\$62,300,917	65.42%
12	St. Paul Group	2.42%	\$15,031,787	4.34%	\$61,545,402	(0.53%)
13	Travelers Property Casualty Corp Group	2.25%	\$8,535,975	(41.16%)	\$57,222,082	24.28%
14	Old Republic Group	1.88%	\$11,601,597	(12.82%)	\$47,768,943	14.52%
15	Chubb & Son Inc.	1.38%	\$8,340,972	44.75%	\$35,055,558	24.33%
16	UNITRIN Group	1.19%	\$7,629,079	(26.82%)	\$30,236,467	9.92%
17	Zenith National Insurance Group	1.01%	\$7,156,969	29.56%	\$25,608,999	21.88%
18	Arch Insurance Group	0.88%	\$3,355,850	66.67%	\$22,266,957	467.60%
19	Fairfax Financial	0.85%	\$5,425,383	(38.51%)	\$21,687,919	(34.62%)
20	Atlantic American	0.81%	\$4,227,976	(19.97%)	\$20,574,013	(33.21%)
21	Federated Mutual	0.75%	\$4,105,671	3.33%	\$19,053,126	26.13%
22	Sentry Insurance Group	0.73%	\$4,907,098	44.14%	\$18,620,984	(8.97%)
23	Argonaut Group	0.66%	\$5,826,589	(11.12%)	\$16,680,749	(16.54%)
24	Credit Suisse Group	0.64%	\$5,376,680	39.98%	\$16,378,843	21.29%
25	Amerisafe Group	0.64%	\$4,965,681	(36.36%)	\$16,135,236	(50.75%)

Top 25 Groups Total	89.18%	\$540,856,685	7.61%	\$2,265,753,732	22.72%
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Total Market	100.00%	\$611,499,927	(1.29%)	\$2,540,565,834	9.98%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$394,852,366	\$449,776,152	\$263,591,988
4th qtr 1997	\$400,005,300	\$414,469,778	\$265,653,588
1st qtr 1998	\$557,857,165	\$467,054,988	\$262,452,116
2nd qtr 1998	\$478,778,704	\$443,346,159	\$282,539,057
3rd qtr 1998	\$435,518,600	\$485,858,077	\$275,048,344
4th qtr 1998	\$370,192,580	\$397,415,576	\$312,651,143
1st qtr 1999	\$570,639,450	\$466,533,036	\$295,462,569
2nd qtr 1999	\$454,594,676	\$396,153,914	\$311,868,753
3rd qtr 1999	\$428,128,411	\$463,036,006	\$345,982,634
4th qtr 1999	\$427,037,725	\$411,558,142	\$331,789,221
1st qtr 2000	\$516,894,756	\$528,020,151	\$345,311,192
2nd qtr 2000	\$505,361,686	\$478,347,000	\$343,362,455
3rd qtr 2000	\$510,640,302	\$521,503,663	\$357,931,520
4th qtr 2000	\$536,927,546	\$498,835,430	\$401,934,512
1st qtr 2001	\$667,386,665	\$627,473,225	\$424,623,557
2nd qtr 2001	\$635,546,771	\$564,194,893	\$345,330,892
3rd qtr 2001	\$597,455,635	\$619,493,592	\$355,384,435
4th qtr 2001	\$617,545,100	\$634,497,498	\$308,549,397
1st qtr 2002	\$764,795,754	\$690,226,648	\$361,432,585
2nd qtr 2002	\$632,380,671	\$604,341,761	\$381,125,943
3rd qtr 2002	\$757,120,512	\$611,499,927	\$323,842,588

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>
1990	95.0%
1991	79.6%
1992	71.5%
1993	63.3%
1994	38.7%
1995	61.3%
1996	68.5%
1997	72.9%
1998	70.7%
1999	79.5%
2000	78.3%
2001	89.2%

Workers' Compensation (Voluntary Market)

There were 91 groups, 250 companies, that had voluntary direct written premium for Workers' Compensation in the third quarter of 2002, as compared to 102 groups, 268 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Texas Mutual Insurance Company	21.07%	\$124,692,122	41.78%	\$528,529,267	51.38%
2	American International Group	8.22%	\$56,494,092	31.88%	\$206,237,673	46.60%
3	Zurich Insurance Group	8.07%	\$54,703,784	(11.47%)	\$202,432,968	12.03%
4	Liberty Mutual Group	7.82%	\$50,347,944	(2.32%)	\$196,200,278	6.57%
5	CNA Insurance Group	5.64%	\$38,857,528	(13.99%)	\$141,519,814	(9.94%)
6	Hartford Fire & Casualty Group	4.66%	\$27,991,835	54.26%	\$116,759,637	38.95%
7	Lumbermens Mutual Casualty Group	4.22%	\$20,390,120	(1.22%)	\$105,954,674	(25.47%)
8	Amerisure Company	3.91%	\$9,527,197	38.35%	\$97,994,873	346.32%
9	Royal & Sun Alliance USA	3.90%	\$21,720,190	(38.48%)	\$97,774,201	16.19%
10	ACE Ltd.	2.76%	\$19,364,232	61.59%	\$69,135,014	79.48%
11	Service Life Group	2.47%	\$14,235,331	54.68%	\$62,005,903	64.64%
12	St. Paul Group	2.45%	\$15,031,787	4.34%	\$61,545,402	(0.53%)
13	Travelers Property Casualty Corp Group	2.28%	\$8,535,975	(41.16%)	\$57,213,098	24.26%
14	Old Republic Group	1.90%	\$11,601,597	(12.82%)	\$47,768,943	14.52%
15	Chubb & Son Inc.	1.40%	\$8,340,972	44.75%	\$35,055,558	24.33%
16	UNITRIN Group	1.21%	\$7,629,079	(26.82%)	\$30,236,467	9.92%
17	Zenith National Insurance Group	1.02%	\$7,156,969	29.56%	\$25,608,999	21.88%
18	Arch Insurance Group	0.89%	\$3,355,850	66.67%	\$22,266,957	467.60%
19	Fairfax Financial	0.86%	\$5,425,383	(38.51%)	\$21,687,919	(34.62%)
20	Atlantic American	0.82%	\$4,227,976	(19.97%)	\$20,574,013	(33.21%)
21	Federated Mutual	0.76%	\$4,105,671	3.33%	\$19,053,126	26.13%
22	Sentry Insurance Group	0.74%	\$4,907,098	44.14%	\$18,620,984	(8.97%)
23	Argonaut Group	0.67%	\$5,826,589	(11.12%)	\$16,680,749	(16.54%)
24	Credit Suisse Group	0.65%	\$5,376,680	39.98%	\$16,378,843	21.29%
25	Amerisafe Group	0.64%	\$4,965,681	(36.36%)	\$16,135,236	(50.75%)

Top 25 Groups Total	89.04%	\$534,811,682	7.59%	\$2,233,370,596	22.96%
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Total Market	100.00%	\$605,454,924	(1.39%)	\$2,508,182,698	10.00%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$391,478,516	\$447,980,785	\$244,678,229
4th qtr 1997	\$397,952,485	\$420,604,994	\$250,380,511
1st qtr 1998	\$556,266,030	\$465,501,888	\$246,760,536
2nd qtr 1998	\$477,501,777	\$442,954,870	\$267,500,956
3rd qtr 1998	\$434,267,316	\$484,423,364	\$259,934,181
4th qtr 1998	\$369,355,592	\$396,584,847	\$299,920,299
1st qtr 1999	\$569,077,654	\$464,808,763	\$287,558,101
2nd qtr 1999	\$452,971,565	\$394,383,247	\$301,623,599
3rd qtr 1999	\$425,958,566	\$460,970,748	\$337,164,883
4th qtr 1999	\$423,333,897	\$409,633,529	\$321,851,381
1st qtr 2000	\$513,391,542	\$525,877,539	\$337,383,478
2nd qtr 2000	\$501,354,578	\$475,604,283	\$334,849,482
3rd qtr 2000	\$505,803,790	\$516,560,373	\$348,866,375
4th qtr 2000	\$532,210,760	\$493,985,273	\$392,480,934
1st qtr 2001	\$657,190,587	\$618,832,510	\$415,126,742
2nd qtr 2001	\$625,096,723	\$553,257,708	\$335,333,000
3rd qtr 2001	\$589,604,135	\$613,986,964	\$345,242,399
4th qtr 2001	\$607,546,853	\$625,167,853	\$302,389,408
1st qtr 2002	\$753,419,493	\$680,462,085	\$352,010,945
2nd qtr 2002	\$625,038,755	\$597,097,836	\$371,563,089
3rd qtr 2002	\$750,624,660	\$605,454,924	\$314,687,049

Workers' Compensation (Residual Market)

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

For the four quarters ending with the third quarter of 2002, the START program reported \$32,112,750 in direct premiums written. This accounted for 99.17% of all Residual Market experience reported and was an increase of 7.43% over the same period one year prior. Of this amount \$5,992,338 was written in the third quarter of 2002 which was a 8.82% increase from the third quarter of 2001.

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

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

QUARTERLY EXPERIENCE **All Groups**

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$3,373,850	\$1,795,367	\$18,913,759
4th qtr 1997	\$2,052,815	(\$6,135,216)	\$15,273,077
1st qtr 1998	\$1,591,135	\$1,553,100	\$15,691,580
2nd qtr 1998	\$1,276,927	\$391,289	\$15,038,101
3rd qtr 1998	\$1,251,284	\$1,434,713	\$15,114,163
4th qtr 1998	\$836,988	\$830,729	\$12,730,844
1st qtr 1999	\$1,561,796	\$1,724,273	\$7,904,468
2nd qtr 1999	\$1,623,111	\$1,770,667	\$10,245,154
3rd qtr 1999	\$2,169,845	\$2,065,258	\$8,817,751
4th qtr 1999	\$3,703,828	\$1,924,613	\$9,937,840
1st qtr 2000	\$3,503,214	\$2,142,612	\$7,927,714
2nd qtr 2000	\$4,007,108	\$2,742,717	\$8,512,973
3rd qtr 2000	\$4,836,512	\$4,943,290	\$9,065,145
4th qtr 2000	\$4,716,786	\$4,850,157	\$9,453,578
1st qtr 2001	\$10,196,078	\$8,640,715	\$9,496,815
2nd qtr 2001	\$10,450,048	\$10,937,185	\$9,997,892
3rd qtr 2001	\$7,851,500	\$5,506,628	\$10,142,036
4th qtr 2001	\$9,998,247	\$9,329,645	\$6,159,989
1st qtr 2002	\$11,376,261	\$9,764,563	\$9,421,640
2nd qtr 2002	\$7,341,916	\$7,243,925	\$9,562,854
3rd qtr 2002	\$6,495,852	\$6,045,003	\$9,155,539

QUARTERLY EXPERIENCE
Texas Mutual Insurance Company

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$3,373,850	\$2,010,153	\$2,380,981
4th qtr 1997	\$2,052,815	(\$6,127,062)	\$1,904,944
1st qtr 1998	\$1,591,135	\$1,440,596	\$1,607,940
2nd qtr 1998	\$1,276,927	\$433,992	\$1,465,267
3rd qtr 1998	\$1,251,284	\$1,371,071	\$1,663,833
4th qtr 1998	\$836,988	\$596,807	\$1,440,169
1st qtr 1999	\$1,561,796	\$1,972,223	\$1,332,155
2nd qtr 1999	\$1,623,111	\$1,876,459	\$1,130,990
3rd qtr 1999	\$2,169,845	\$2,068,199	\$1,028,397
4th qtr 1999	\$3,703,828	\$1,914,890	\$1,046,307
1st qtr 2000	\$3,503,214	\$2,142,612	\$848,612
2nd qtr 2000	\$4,007,108	\$2,747,725	\$982,492
3rd qtr 2000	\$4,836,512	\$4,967,684	\$1,169,864
4th qtr 2000	\$4,716,786	\$4,806,301	\$1,217,504
1st qtr 2001	\$10,196,078	\$8,640,715	\$1,479,063
2nd qtr 2001	\$10,450,048	\$10,937,185	\$2,001,118
3rd qtr 2001	\$7,851,500	\$5,506,628	\$1,844,449
4th qtr 2001	\$9,998,247	\$9,235,306	\$2,346,245
1st qtr 2002	\$11,376,261	\$9,737,212	\$2,079,484
2nd qtr 2002	\$7,341,916	\$7,147,894	\$1,622,476
3rd qtr 2002	\$6,495,852	\$5,992,338	\$2,084,985

Workers' Compensation (Deductible Plans)

There were 91 groups, 251 companies which wrote voluntary policies for Workers' Compensation in the third quarter of 2002, as compared to 102 groups, 268 companies in the third quarter of 2001.

The data contained in the following table represents direct policies written as new or renewal policies in the third quarter of 2002. 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 3rd Qtr 2002	Premium on Direct Policies Written Prior to Deductible Credit	Premium on Direct Policies Written After Deductible Credit	Percent of Reduction in Premiums
Per Accident Deductible Plan				
Premium of \$5,000 - \$9,999	24	\$153,924	\$139,147	9.60%
Premium of \$10,000 - \$24,999	48	\$805,833	\$678,436	15.81%
Premium of \$25,000 - \$49,999	22	\$793,362	\$697,407	12.09%
Premium of \$50,000 - \$74,999	10	\$581,791	\$504,254	13.33%
Premium of \$75,000 - \$100,000	8	\$725,122	\$584,785	19.35%
Total 'Per Accident' Plan	112	\$3,060,032	\$2,604,029	14.90%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	17	\$130,193	\$111,031	14.72%
Premium of \$10,000 - \$24,999	11	\$173,621	\$146,860	15.41%
Premium of \$25,000 - \$49,999	14	\$472,140	\$398,901	15.51%
Premium of \$50,000 - \$74,999	4	\$222,412	\$189,256	14.91%
Premium of \$75,000 - \$100,000	1	\$90,827	\$46,056	49.29%
Total 'Aggregate' Plan	47	\$1,089,193	\$892,104	18.09%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	9	\$59,824	\$49,793	16.77%
Premium of \$10,000 - \$24,999	4	\$58,176	\$43,229	25.69%
Premium of \$25,000 - \$49,999	4	\$177,900	\$48,690	72.63%
Premium of \$50,000 - \$74,999	6	\$387,637	\$266,435	31.27%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	23	\$683,537	\$408,147	40.29%
Negotiated Deductible Plan				
Premium Up To \$100,000	621	\$25,685,961	\$5,879,850	77.11%
Premium of \$100,001 - \$150,000	77	\$9,126,273	\$4,080,732	55.29%
Premium of \$150,001 - \$250,000	88	\$17,520,780	\$8,336,206	52.42%
Premium of \$250,001 - \$350,000	39	\$11,405,577	\$4,951,976	56.58%
Premium of \$350,001 - \$500,000	47	\$19,163,092	\$9,639,989	49.70%
Premium of \$500,001 - \$750,000	31	\$20,861,338	\$6,622,417	68.26%
Premium of \$750,001 - \$1,000,000	33	\$28,342,686	\$9,820,491	65.35%
Premium of \$1,000,001 - \$2,500,000	65	\$119,904,465	\$29,828,501	75.12%
Premium of \$2,500,001 - \$5,000,000	19	\$63,292,296	\$15,657,491	75.26%
Premium of \$5,000,001 and above	6	\$66,215,225	\$13,374,711	79.80%
Total Negotiated Plan	1,026	\$381,517,693	\$108,192,364	71.64%
No Deductible Plan				
Premium Less Than \$5,000	21,820	\$35,990,418	\$35,990,418	0.00%
Premium of \$5,000 - \$9,999	5,275	\$37,566,172	\$37,566,172	0.00%
Premium of \$10,000 - \$24,999	4,874	\$77,280,545	\$77,280,545	0.00%
Premium of \$25,000 - \$49,999	2,209	\$76,969,337	\$76,969,337	0.00%
Premium of \$50,000 - \$74,999	777	\$47,974,461	\$47,974,461	0.00%
Premium of \$75,000 - \$100,000	425	\$36,788,910	\$36,788,910	0.00%
Premium Greater Than \$100,000	1,096	\$325,958,174	\$325,958,174	0.00%
Total No Deductible Plan	36,476	\$638,528,017	\$638,528,017	0.00%
TOTAL	37,683	\$1,024,878,472	\$750,624,660	26.76%

Boiler & Machinery

There were 38 groups, 84 companies, that had direct written premium for Boiler & Machinery in the third quarter of 2002, as compared to 35 groups, 89 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	FM Global Group	32.01%	\$9,795,142	239.01%	\$24,942,057	127.09%
2	American International Group	19.28%	\$3,264,533	36.34%	\$15,023,221	33.27%
3	Travelers Property Casualty Corp Group	15.91%	\$3,140,160	61.30%	\$12,399,293	37.00%
4	Chubb & Son Inc.	8.94%	\$2,313,930	55.37%	\$6,965,735	77.83%
5	Zurich Insurance Group	6.97%	\$1,661,999	42.28%	\$5,429,368	64.53%
6	CNA Insurance Group	6.59%	\$20,954	(98.41%)	\$5,137,707	33.56%
7	GE Global Group	2.39%	\$364,183	(38.11%)	\$1,862,793	(59.47%)
8	St. Paul Group	2.05%	\$322,922	8.80%	\$1,594,276	67.75%
9	Allianz Insurance Group	1.65%	\$323,928	37.49%	\$1,284,437	74.07%
10	Federated Mutual	1.14%	\$224,617	24.53%	\$885,190	66.86%
11	Royal & Sun Alliance USA	0.50%	\$42,026	77.26%	\$392,949	329.48%
12	Allstate Insurance Group	0.40%	\$92,712	26.71%	\$313,785	11.92%
13	Millea Holdings Inc.	0.32%	\$73,217	177.81%	\$251,484	31.44%
14	Triangle Insurance Company Inc	0.28%	\$217,397	*	\$217,397	*
15	Liberty Mutual Group	0.22%	\$88,578	182.92%	\$175,208	(70.16%)
16	Fairfax Financial	0.18%	\$31,219	(34.95%)	\$142,234	(20.19%)
17	United Fire & Casualty Group	0.18%	\$44,250	90.20%	\$142,220	289.41%
18	Sentry Insurance Group	0.15%	(\$1,181)	(103.90%)	\$119,385	(21.54%)
19	Gerling Global Re Group	0.14%	\$49,390	*	\$107,058	*
20	Hartford Fire & Casualty Group	0.13%	\$24,319	41.62%	\$101,164	40.58%
21	Great American E&S Insurance Co	0.11%	\$884	(79.63%)	\$82,138	77.83%
22	National American Insurance Company	0.10%	\$12,704	(31.85%)	\$76,553	(20.03%)
23	Bancinsure Inc.	0.09%	\$26,290	69.41%	\$70,858	24.15%
24	Beacon Insurance Group	0.07%	\$50,889	*	\$50,889	*
25	Lumbermens Mutual Casualty Group	0.06%	\$20,974	99.47%	\$50,166	27.11%
Top 25 Groups Total		99.86%	\$22,206,036	73.13%	\$77,817,565	52.54%
Total Market		100.00%	\$22,276,210	72.07%	\$77,926,924	51.35%

* 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 1997	\$11,503,183	\$11,059,002	\$24,580,956
4th qtr 1997	\$16,282,971	\$12,296,349	\$9,237,517
1st qtr 1998	\$8,896,257	\$7,931,500	\$3,685,255
2nd qtr 1998	\$10,047,430	\$11,019,793	\$2,794,826
3rd qtr 1998	\$11,531,122	\$9,697,962	\$5,615,512
4th qtr 1998	\$10,471,900	\$13,372,498	\$4,468,434
1st qtr 1999	\$10,225,174	\$6,885,262	\$4,521,389
2nd qtr 1999	\$5,499,763	\$8,003,887	\$6,693,625
3rd qtr 1999	\$5,998,330	\$8,429,018	\$13,747,315
4th qtr 1999	\$5,739,554	\$11,594,584	\$26,973,664
1st qtr 2000	\$6,824,984	\$7,104,170	\$7,608,679
2nd qtr 2000	\$7,621,282	\$9,008,884	\$3,444,292
3rd qtr 2000	\$9,496,878	\$11,092,448	\$8,553,001
4th qtr 2000	\$11,021,834	\$14,813,929	\$15,462,968
1st qtr 2001	\$9,322,472	\$10,668,808	\$6,262,083
2nd qtr 2001	\$11,069,306	\$13,060,159	\$2,488,479
3rd qtr 2001	\$11,525,949	\$12,945,869	\$4,346,902
4th qtr 2001	\$13,681,067	\$16,172,430	\$1,178,246
1st qtr 2002	\$14,135,442	\$18,084,428	\$3,725,547
2nd qtr 2002	\$23,339,874	\$21,393,856	\$3,622,235
3rd qtr 2002	\$16,933,008	\$22,276,210	\$9,645,520

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>
1990	225.6%
1991	124.5%
1992	13.0%
1993	79.5%
1994	39.9%
1995	43.4%
1996	71.1%
1997	74.2%
1998	39.2%
1999	186.8%
2000	53.4%
2001	66.9%

Commercial Crime

There were 34 groups, 72 companies, that had direct written premium for Commercial Crime in the third quarter of 2002, as compared to 41 groups, 80 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Chubb & Son Inc	33.61%	\$250,138	(57.66%)	\$2,939,772	(20.33%)
2	Zurich Insurance Group	16.44%	\$315,532	30.59%	\$1,437,571	41.43%
3	Travelers Property Casualty Corp Group	10.38%	\$287,484	51.28%	\$907,940	4.98%
4	American International Group	6.91%	\$114,099	(18.89%)	\$604,541	(10.59%)
5	St. Paul Group	4.80%	\$111,938	12.13%	\$419,552	(11.39%)
6	CNA Insurance Group	4.36%	\$115,889	12.04%	\$381,295	(11.66%)
7	Hartford Fire & Casualty Group	4.35%	\$86,013	0.30%	\$380,554	11.60%
8	Guideone Insurance Group	4.06%	\$67,480	(9.01%)	\$355,078	(2.31%)
9	Royal & Sun Alliance USA	2.40%	\$54,702	160.73%	\$210,336	212.20%
10	Federated Mutual	2.33%	\$56,872	4.03%	\$203,807	4.38%
11	Bancinsure Inc.	1.82%	\$57,670	67.92%	\$158,885	17.16%
12	United Fire & Casualty Group	1.25%	\$34,149	18.84%	\$109,656	48.01%
13	Liberty Mutual Group	1.24%	\$20,743	(38.76%)	\$108,031	17.93%
14	Sentry Insurance Group	1.19%	\$27,442	17.60%	\$104,208	34.24%
15	UNITRIN Group	1.03%	\$15,925	(14.62%)	\$89,864	(12.57%)
16	Lumbermens Mutual Casualty Group	0.76%	\$5,527	(70.03%)	\$66,212	(10.27%)
17	Great American E&S Insurance Co	0.58%	\$4,350	(91.68%)	\$50,913	(70.23%)
18	RLI Insurance Group	0.35%	\$7,442	*	\$30,976	*
19	FM Global Group	0.31%	(\$17,735)	(670.81%)	\$27,052	(68.52%)
20	Daimler Chrysler Group	0.29%	\$0	(100.00%)	\$25,345	(41.16%)
21	EMC Insurance Co	0.27%	\$3,450	7.64%	\$23,603	15.87%
22	Federated Rural Electric Insurance Corp	0.25%	\$2,457	127.50%	\$22,070	503.01%
23	Benchmark Insurance Company	0.19%	\$2,850	(22.26%)	\$16,752	177.86%
24	Central Mutual Insurance Company of Ohio	0.17%	\$3,965	*	\$15,277	*
25	Atlantic American	0.13%	\$9,394	*	\$11,151	600.44%

Top 25 Groups Total	99.47%	\$1,637,776	(11.51%)	\$8,700,441	(3.41%)
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Total Market	100.00%	\$1,657,341	(12.01%)	\$8,746,401	(4.22%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$2,452,389	\$3,084,964	\$330,136
4th qtr 1997	\$2,992,214	\$2,659,011	\$887,154
1st qtr 1998	\$2,494,468	\$2,609,493	\$1,503,650
2nd qtr 1998	\$2,689,070	\$2,755,087	\$496,520
3rd qtr 1998	\$3,196,591	\$3,372,786	\$523,331
4th qtr 1998	\$3,275,081	\$3,706,197	\$1,205,416
1st qtr 1999	\$2,305,794	\$2,607,287	\$247,406
2nd qtr 1999	\$1,407,701	\$2,919,957	\$1,153,393
3rd qtr 1999	\$1,913,296	\$2,375,385	\$826,469
4th qtr 1999	\$1,453,101	\$3,093,898	\$847,735
1st qtr 2000	\$2,298,539	\$2,395,113	\$144,981
2nd qtr 2000	\$2,764,361	\$2,835,158	\$503,188
3rd qtr 2000	\$2,447,445	\$2,665,016	\$443,652
4th qtr 2000	\$2,932,337	\$3,189,332	(\$55,027)
1st qtr 2001	\$2,645,328	\$1,940,058	\$216,427
2nd qtr 2001	\$2,958,524	\$2,118,598	\$214,678
3rd qtr 2001	\$1,948,083	\$1,883,478	\$392,359
4th qtr 2001	\$2,550,031	\$2,490,497	\$3,137,605
1st qtr 2002	\$2,506,521	\$2,432,894	(\$134,651)
2nd qtr 2002	\$1,628,511	\$2,165,669	\$280,434
3rd qtr 2002	\$1,411,194	\$1,657,341	\$230,318

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>
1990	27.3%
1991	29.7%
1992	24.6%
1993	18.5%
1994	22.5%
1995	16.1%
1996	19.4%
1997	13.2%
1998	13.3%
1999	19.6%
2000	21.2%
2001	34.7%

Commercial Glass

There were 15 groups, 22 companies, that had direct written premium for Commercial Glass in the third quarter of 2002, as compared to 18 groups, 33 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	UNITRIN Group	34.29%	\$24,277	1.68%	\$106,865	5.94%
2	Zurich Insurance Group	23.73%	\$11,733	10.41%	\$73,954	47.52%
3	United Fire & Casualty Group	11.04%	\$6,731	(18.44%)	\$34,398	(8.34%)
4	Sentry Insurance Group	8.80%	\$6,535	4.06%	\$27,415	29.59%
5	Ohio Casualty Group	7.57%	\$5,557	1.87%	\$23,607	(11.22%)
6	EMC Insurance Co	5.33%	\$5,474	6.48%	\$16,607	(13.07%)
7	St. Paul Group	2.69%	\$1,978	(15.11%)	\$8,391	(18.18%)
8	Federated Mutual	2.29%	\$1,621	(20.77%)	\$7,141	(18.98%)
9	Travelers Property Casualty Corp Group	1.71%	\$1,710	19.66%	\$5,324	51.16%
10	Beacon Insurance Group	0.73%	\$965	(25.37%)	\$2,267	(41.69%)
11	ACE Ltd.	0.65%	\$493	(15.73%)	\$2,019	(93.51%)
12	Royal & Sun Alliance USA	0.59%	\$0	*	\$1,828	(22.38%)
13	Guideone Insurance Group	0.30%	\$391	88.89%	\$929	(48.82%)
14	Hartford Fire & Casualty Group	0.29%	\$750	(1.06%)	\$910	(21.21%)
15	State Farm IL	0.27%	\$0	(100.00%)	\$850	(38.36%)
16	Mercury General Group	0.06%	\$0	*	\$200	*
17	Utica National Insurance Group	0.04%	\$100	*	\$133	411.54%
18	Swiss Re Group	0.03%	\$0	*	\$95	(93.55%)

Top Groups Total	** 100.41%	\$68,315	(1.76%)	\$312,933	(4.00%)
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Total Market	100.00%	\$69,442	(1.21%)	\$311,657	(7.83%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

**Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top 25 Groups

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$183,474	\$148,195	\$29,200
4th qtr 1997	\$178,081	\$127,958	\$78,633
1st qtr 1998	\$152,653	\$131,204	\$30,881
2nd qtr 1998	\$156,004	\$122,852	\$12,492
3rd qtr 1998	\$137,403	\$121,708	\$31,776
4th qtr 1998	\$126,047	\$110,220	\$22,533
1st qtr 1999	\$130,797	\$99,480	\$24,088
2nd qtr 1999	\$126,187	\$96,525	\$97,073
3rd qtr 1999	\$132,087	\$92,232	\$13,833
4th qtr 1999	\$120,348	\$86,001	\$30,482
1st qtr 2000	\$127,941	\$87,786	\$29,669
2nd qtr 2000	\$128,064	\$103,528	\$225,475
3rd qtr 2000	\$154,216	\$116,377	\$22,938
4th qtr 2000	\$106,321	\$77,656	\$10,619
1st qtr 2001	\$101,722	\$75,433	\$13,403
2nd qtr 2001	\$152,748	\$114,752	\$14,740
3rd qtr 2001	\$97,993	\$70,296	\$9,134
4th qtr 2001	\$94,672	\$76,658	\$14,463
1st qtr 2002	\$126,121	\$80,534	\$9,031
2nd qtr 2002	\$133,445	\$85,023	(\$191,477)
3rd qtr 2002	\$106,275	\$69,442	\$9,416

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>
1990	24.9%
1991	36.9%
1992	8.0%
1993	25.2%
1994	17.4%
1995	32.9%
1996	23.7%
1997	31.2%*
1998	56.3%
1999	60.9%
2000	98.9%
2001	155.0%

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

Medical Professional Liability

There were 32 groups, 38 companies, that had direct written premium for Medical Professional Liability (includes regulated and non-rate-regulated companies) in the third quarter of 2002, as compared to 37 groups, 61 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Health Care Indemnity Inc.	25.62%	\$2,606,974	411.64%	\$115,610,900	23.20%
2	GE Global Group	18.32%	\$29,505,229	28.48%	\$82,667,514	38.67%
3	Texas Medical Liability Underwriting Assoc.	9.05%	\$17,690,716	*	\$40,849,477	870.19%
4	American Physicians Ins. Exchange	6.58%	\$15,877,287	141.58%	\$29,694,112	90.63%
5	FPIC Insurance Group Inc.	5.77%	\$682,045	(90.07%)	\$26,029,794	17.36%
6	Everest Reinsurance Holding Inc	4.36%	\$11,518,894	*	\$19,668,817	*
7	Doctors Company Group	3.49%	\$10,986,791	40.26%	\$15,740,871	13.86%
8	Allianz Insurance Group	3.32%	\$132,538	(98.66%)	\$14,979,409	(40.93%)
9	St. Paul Group	2.93%	\$1,083,520	(87.62%)	\$13,214,496	(38.18%)
10	Zurich Insurance Group	2.64%	\$4,465,212	72.19%	\$11,908,558	232.54%
11	Medical International Ins. Exchange Group	2.40%	(\$561,178)	(110.61%)	\$10,848,132	(44.09%)
12	Hannover Group	2.40%	\$9,666,656	*	\$10,824,227	30.40%
13	Mutual Assurance Company	1.99%	\$2,108,305	183.13%	\$8,962,036	71.63%
14	Bancinsure Inc.	1.68%	\$3,540,861	106.32%	\$7,581,922	341.79%
15	Fairfax Financial	1.61%	\$3,282,705	132.62%	\$7,267,710	63.69%
16	Texas Hospital Insurance Exchange	1.58%	\$2,383,025	24.57%	\$7,124,278	49.77%
17	American Healthcare Specialty	1.36%	\$1,115,410	(53.09%)	\$6,128,080	(58.09%)
18	American International Group	0.85%	\$770,886	305.46%	\$3,838,620	594.09%
19	Preferred Professional Insurance Company	0.80%	\$256,450	660.51%	\$3,620,542	114.17%
20	ACE Ltd.	0.80%	\$804,494	2.68%	\$3,607,345	87.69%
21	National Chiropractic Mutual Insurance Co.	0.79%	\$873,399	14.27%	\$3,544,331	17.53%
22	Texas Medical Insurance Company	0.65%	\$1,530,027	150.00%	\$2,913,365	128.22%
23	Podiatry Insurance Co. Of America RRG	0.63%	\$1,467,681	20.60%	\$2,821,663	19.01%
24	CNA Insurance Group	0.58%	\$485,489	(32.37%)	\$2,624,694	(71.82%)
25	National Group	0.31%	\$1,014,409	*	\$1,400,967	374.11%

Top 25 Groups Total	** 100.51%	\$123,287,825	46.18%	\$453,471,860	33.98%
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Total Market	100.00%	\$123,450,355	39.72%	\$451,187,331	21.98%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

**Policy cancellations (negative premium written) resulted in a percentage greater than 100% for the Top 25 Groups

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$69,152,199	\$67,960,393	\$45,288,575
4th qtr 1997	\$40,887,870	\$38,739,726	\$39,743,157
1st qtr 1998	\$140,239,837	\$152,219,574	\$59,734,296
2nd qtr 1998	\$39,867,221	\$46,328,066	\$45,995,696
3rd qtr 1998	\$63,699,946	\$65,433,921	\$72,182,018
4th qtr 1998	\$44,926,900	\$49,931,661	\$65,687,566
1st qtr 1999	\$143,714,378	\$153,831,660	\$45,490,283
2nd qtr 1999	\$35,833,747	\$35,442,419	\$102,810,102
3rd qtr 1999	\$74,001,990	\$69,189,438	\$50,252,064
4th qtr 1999	\$41,930,065	\$40,483,584	\$79,374,396
1st qtr 2000	\$137,093,402	\$139,488,404	\$96,644,607
2nd qtr 2000	\$42,351,811	\$44,844,296	\$107,273,832
3rd qtr 2000	\$65,378,912	\$68,942,814	\$69,209,753
4th qtr 2000	\$52,031,103	\$48,828,768	\$113,524,381
1st qtr 2001	\$152,152,204	\$167,131,473	\$83,573,570
2nd qtr 2001	\$54,416,843	\$65,578,948	\$75,456,511
3rd qtr 2001	\$94,994,593	\$88,354,507	\$79,548,188
4th qtr 2001	\$55,994,442	\$56,808,234	\$81,626,254
1st qtr 2002	\$180,624,424	\$193,856,688	\$72,176,570
2nd qtr 2002	\$65,971,252	\$77,072,054	\$80,805,678
3rd qtr 2002	\$117,481,074	\$123,450,355	\$64,954,277

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1990	131.2%
1991	113.6%
1992	105.9%
1993	102.5%
1994	92.0%
1995	87.7%
1996	80.1%
1997	69.2%
1998	90.5%
1999	98.1%
2000	98.3%
2001	91.2%

Miscellaneous Professional Liability

There were 29 groups, 65 companies, that had direct written premium for Miscellaneous Professional Liability in the third quarter of 2002, as compared to 33 groups, 73 companies, in the third quarter of 2001.

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 third quarter of 2002 to direct written premium in the third quarter of 2001 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2002	% Change 3rd Quarter 2001 to 2002	4 Quarters Ending 3rd Qtr 2002	% Change 4 Qtrs Ending 2001 to 2002
1	Chubb & Son Inc.	45.85%	\$26,095,646	25.76%	\$83,731,772	9.69%
2	St. Paul Group	13.48%	\$6,410,114	(2.85%)	\$24,610,745	23.91%
3	Allianz Insurance Group	8.65%	\$807,772	47.21%	\$15,804,523	330.77%
4	RLI Insurance Group	5.02%	\$2,773,100	127.63%	\$9,172,428	111.82%
5	ACE Ltd.	4.40%	(\$24,248)	(104.07%)	\$8,044,293	427.47%
6	Lumbermens Mutual Casualty Group	4.10%	\$2,135,091	88.18%	\$7,491,472	78.08%
7	HCC Insurance Holdings Group	3.38%	\$2,397,372	*	\$6,172,740	*
8	Berkshire-Hathaway (GEICO)	2.97%	\$1,207,814	102.65%	\$5,431,766	28.12%
9	GE Global Group	2.69%	\$143,081	(76.18%)	\$4,918,002	(40.16%)
10	Nationwide Corporation	2.56%	\$909,187	111.79%	\$4,667,075	56.14%
11	Travelers Property Casualty Corp Group	1.26%	\$619,743	*	\$2,309,499	3.29%
12	Safeco Insurance Group	1.13%	\$850,522	97.81%	\$2,071,722	(13.01%)
13	Markel Corp Group	0.75%	\$448,463	207.74%	\$1,363,577	(0.27%)
14	W.R. Berkley Corporation	0.54%	\$0	(100.00%)	\$983,732	5.08%
15	American Re Group	0.52%	\$228,165	(22.24%)	\$947,727	190.65%
16	Old Republic Group	0.41%	\$0	(100.00%)	\$748,157	(40.71%)
17	AON Corporation	0.37%	\$289,471	(66.87%)	\$677,660	(86.93%)
18	Utica National Insurance Group	0.32%	\$108,899	30.62%	\$587,468	28.87%
19	Allmerica Financial Corporation	0.30%	\$0	(100.00%)	\$541,124	1.17%
20	American Healthcare Specialty	0.29%	\$227,066	*	\$528,364	*
21	Zurich Insurance Group	0.15%	\$68,677	21.77%	\$281,244	44.68%
22	Legion Insurance Group	0.15%	(\$16,523)	(107.57%)	\$275,104	(98.73%)
23	Fairfax Financial	0.14%	\$27,369	(80.03%)	\$259,368	(44.79%)
24	Union Labor Group	0.10%	\$0	*	\$180,760	(7.37%)
25	United National Group	0.09%	\$131,559	*	\$167,879	*

Top 25 Groups Total	99.64%	\$45,838,340	30.14%	\$181,968,201	11.98%
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Total Market	100.00%	\$45,955,622	30.01%	\$182,628,233	10.83%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1997	\$37,815,158	\$33,745,952	\$6,644,389
4th qtr 1997	\$33,119,109	\$31,800,346	\$9,039,612
1st qtr 1998	\$27,705,025	\$26,154,794	\$9,246,158
2nd qtr 1998	\$33,711,307	\$31,193,925	\$4,729,190
3rd qtr 1998	\$46,612,471	\$35,971,950	\$5,595,642
4th qtr 1998	\$35,907,691	\$36,056,575	\$13,397,168
1st qtr 1999	\$27,749,694	\$27,841,362	\$6,070,417
2nd qtr 1999	\$34,283,279	\$32,201,481	\$5,840,753
3rd qtr 1999	\$39,816,439	\$35,085,917	\$10,638,238
4th qtr 1999	\$33,294,548	\$31,278,739	\$13,470,874
1st qtr 2000	\$28,787,985	\$32,539,979	\$15,208,574
2nd qtr 2000	\$34,839,821	\$35,060,607	\$9,638,111
3rd qtr 2000	\$40,383,080	\$29,206,486	\$25,472,831
4th qtr 2000	\$35,972,379	\$34,102,932	\$30,697,566
1st qtr 2001	\$33,317,718	\$35,426,450	\$18,503,137
2nd qtr 2001	\$27,379,296	\$59,910,926	\$13,146,912
3rd qtr 2001	\$32,672,023	\$35,346,828	\$14,591,556
4th qtr 2001	\$46,744,141	\$47,766,265	\$25,510,077
1st qtr 2002	\$44,004,446	\$38,528,562	\$20,621,769
2nd qtr 2002	\$45,596,468	\$50,377,784	\$29,315,214
3rd qtr 2002	\$44,007,972	\$45,955,622	\$29,749,346

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> *
1990	89.2%
1991	91.3%
1992	102.9%
1993	102.8%
1994	64.8%
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%

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

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the third quarter of 2002 and the third quarter of 2001. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	3RD QUARTER 2002			3RD QUARTER 2001		
	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	2	10,034	0.01993%	0	10,034	0.00000%
General Liability - Other+	75	218,312	0.03435%	77	218,312	0.03527%
Fire & Allied Lines	18	46,266	0.03891%	20	46,266	0.04323%
Commercial Multiple Peril	24	76,711	0.03129%	35	76,711	0.04563%
Private Passenger Auto++	3,090	4,877,812	0.06335%	3,275	4,851,623	0.06750%
Homeowners	2,565	1,140,457	0.22491%	1,109	1,140,457	0.09724%
Workers' Compensation+++	25	37,819	0.06610%	40	37,819	0.10577%
Boiler & Machinery		**	**		**	**
Commercial Crime		**	**		**	**
Commercial Glass		**	**		**	**
Medical Professional Liability	8	15,436	0.05183%	9	15,436	0.05831%
Misc. Professional Liability	19	7,025	0.27046%	5	7,025	0.07117%

⁺ The General Electric Group wrote 14,683 small premium pre-paid legal policies in the 3rd quarter of 2002 and 17,982 policies in the 3rd quarter of 2001 that were excluded from the above table.

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

⁺⁺⁺ Complaints generally relate to rates, class codes, and experience modifiers. Complaints regarding adjusting and benefits are processed by the Texas Mutual Insurance Company 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 third quarter of 2002) for these two lines of insurance are presented on the next two pages.

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

2002 Policies Written Rank	Group Name	3RD QUARTER 2002			3RD QUARTER 2001		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
10	Nationwide Corp	178	106,817	0.16664%	124	110,459	0.11226%
9	Old American County Mutual Fire Ins Co	242	147,724	0.16382%	196	92,532	0.21182%
11	Home State Insurance Group	128	85,118	0.15038%	253	100,119	0.25270%
25	Prudential Of America	22	15,182	0.14491%	20	23,671	0.08449%
17	Hartford Fire & Casualty Group	38	27,609	0.13764%	30	36,936	0.08122%
23	Mercury General Group	29	22,202	0.13062%	48	22,296	0.21529%
12	Unitrin Group	64	50,639	0.12638%	93	123,018	0.07560%
16	Liberty Mutual Group	39	32,640	0.11949%	46	32,950	0.13961%
20	Safeway Insurance Group	28	27,857	0.10051%	52	24,446	0.21271%
15	Credit Suisse Group	41	40,812	0.10046%	41	44,532	0.09207%
13	Travelers Property Casualty Corp Group	57	57,186	0.09967%	40	65,112	0.06143%
24	CNA Insurance Group	17	19,685	0.08636%	20	23,143	0.08642%
4	Allstate Insurance Group	455	550,033	0.08272%	388	584,547	0.06638%
2	Zurich Insurance Group	471	924,978	0.05092%	398	922,549	0.04314%
14	Safeco Insurance Group	25	56,597	0.04417%	26	37,886	0.06863%
22	Germania Insurance Group	10	23,422	0.04269%	8	21,883	0.03656%
6	United Services Automobile Assn Group	87	217,045	0.04008%	79	216,513	0.03649%
18	Titus Group	14	35,288	0.03967%	44	25,181	0.17473%
19	Sentry Insurance Group	15	39,062	0.03840%	16	17,401	0.09195%
5	Texas State National Group	226	618,304	0.03655%	294	180,583	0.16281%
7	Berkshire Hathaway	50	276,647	0.01807%	82	121,079	0.06772%
1	State Farm IL	211	1,477,146	0.01428%	187	1,434,680	0.01303%
3	Progressive Group	181	1,339,792	0.01351%	200	208,698	0.09583%
8	Southern Farm Bureau Casualty	19	141,693	0.01341%	30	121,252	0.02474%
21	National Unity Insurance Company	1	24,988	0.00400%	2	27,111	0.00738%
	(All other licensed insurers)	439	225,986	0.13187%	554	233,046	0.15018%
	(No company identified)*	3			4		
TOTALS		3,090	6,584,452	0.04479%	3,275	4,851,623	0.06330%

* 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 THIRD QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

2002 Policies Written Rank	Group Name	3RD QUARTER 2002			3RD QUARTER 2001		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
3	Zurich Insurance Group	760	143,203	0.53072%	287	199,644	0.14376%
24	Metropolitan Group	27	5,378	0.50205%	7	6,615	0.10582%
20	Unitrin Group	22	6,457	0.34072%	2	8,219	0.02433%
16	Beacon Insurance Group	21	7,622	0.27552%	9	9,396	0.09579%
6	Nationwide Corp	99	37,197	0.26615%	27	37,096	0.07278%
13	Hartford Fire & Cas Group	30	11,916	0.25176%	14	11,857	0.11807%
2	Allstate Insurance Group	493	214,681	0.22964%	194	221,614	0.08754%
8	Vesta Insurance Group	91	41,082	0.22151%	2	4,436	0.04509%
5	Travelers Property Cas Corp Group	97	49,203	0.19714%	48	51,132	0.09387%
10	Safeco Insurance Group	29	15,676	0.18500%	17	17,366	0.09789%
18	CNA Insurance Group	13	7,317	0.17767%	3	8,623	0.03479%
11	Liberty Mutual Group	21	13,723	0.15303%	17	13,588	0.12511%
21	Chubb & Son Inc	10	6,686	0.14957%	1	6,677	0.01498%
14	Service Life Group	19	13,357	0.14225%	18	10,270	0.17527%
12	Credit Suisse Group	17	13,635	0.12468%	13	10,395	0.12506%
23	NLASCO	10	8,885	0.11255%	13	3,171	0.40997%
1	State Farm IL	359	336,802	0.10659%	138	352,953	0.03910%
17	Amica Mutual Group	8	9,604	0.08330%	5	6,832	0.07319%
9	American Nationa Financial Group	26	36,412	0.07141%	11	636	1.72956%
19	Colonial Savings Group	7	10,167	0.06885%	11	5,037	0.21838%
4	United Services Automobile Asn Group	52	77,314	0.06726%	28	76,322	0.03669%
15	Titus Group	5	8,079	0.06189%	4	9,460	0.04228%
7	Tx Farm Bureau Mutual	13	33,105	0.03927%	9	20,735	0.04340%
25	White Mountains Group	1	3,434	0.02912%	3	5,124	0.05855%
22	Progressive Group	2	11,007	0.01817%	3	1,741	0.17231%
(All other licensed insurers)		329	41,831	0.78650%	224	41,518	0.53953%
(No company identified)*		4			1		

TOTALS

2,565

1,163,773

0.22040%

1,109

1,140,457

0.09724%

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

County Mutual Companies

NAMES OF GROUPS AND CORRESPONDING COUNTY MUTUAL COMPANIES

GROUPS

COUNTY MUTUAL COMPANIES

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

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