



**Texas Department
of Insurance**

**Quarterly Legislative Report
on Market Conditions**

*3rd Quarter
2004*

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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 2004

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	56 / 156	49,506	\$244,181,059	\$171,488,646	\$147,286,678
GENERAL LIABILITY - OTHER	119 / 299	871,870 ⁺	\$2,509,595,524	\$1,789,075,116	\$1,103,397,093
COMMERCIAL FIRE & ALLIED	70 / 162	182,966	\$572,230,395	\$634,049,227	\$256,583,157
COMMERCIAL MULTIPLE PERIL	76 / 195	315,792	\$1,277,831,905	\$1,419,722,187	\$612,340,908
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	64 / 177	10,748,577	\$6,784,728,579	\$6,458,945,953	\$3,981,159,603
ASSIGNED RISK LIABILITY	16 / 16	75,024	\$47,681,007	\$30,206,923	\$23,971,496
PHYSICAL DAMAGE	61 / 174	8,273,919	\$5,228,444,914	\$5,001,483,714	\$2,647,965,296
TOTAL PPA	64 / 180	19,097,520 ⁺⁺	\$12,060,854,500	\$11,490,636,590	\$6,653,096,395
HOMEOWNERS MULTIPLE PERIL	59 / 91	4,407,050	\$4,849,137,014	\$4,431,350,839	\$1,592,364,439
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		92,219	\$151,360,988	**	**
VOL PREMIUMS \$5,000 - \$100,000		56,541	\$1,154,226,631	**	**
VOL PREMIUMS > \$100,000		5,361	\$1,571,242,320	**	**
TOTAL VOLUNTARY	86 / 227	154,121	\$2,876,829,939	\$2,604,225,867	\$967,302,904
RESIDUAL MARKET ***	1 / 1	333	\$21,699,392	\$19,499,984	\$18,840,700
TOTAL WC	86 / 226	154,455	\$2,898,529,331	\$2,623,725,851	\$986,143,604
BOILER & MACHINERY	29 / 76	28,919	\$63,777,194	\$70,810,593	\$27,935,109
COMMERCIAL CRIME	31 / 68	8,861	\$8,145,132	\$8,477,892	\$1,218,446
COMMERCIAL GLASS	12 / 20	913	\$375,337	\$189,977	\$35,179
PROFESSIONAL LIABILITY	32 / 40	47,028	\$460,819,354	\$477,461,026	\$248,320,162
MISC. PROFESSIONAL LIABILITY	30 / 60	22,661	\$317,911,800	\$322,670,495	\$73,083,839

⁺ The General Electric Group wrote 12,102 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	
	2003	2004	2003	2004	2003	2004	2003	2004
Product Liability	58 / 143	55 / 143	57 / 135	56 / 141	56 / 138	52 / 137	49 / 123	- / -
General Liability	121 / 284	112 / 275	119 / 278	112 / 254	115 / 272	106 / 252	115 / 272	- / -
Commercial Fire & Allied	72 / 159	65 / 149	69 / 147	72 / 174	67 / 149	66 / 141	64 / 134	- / -
Commercial Multiple Peril	80 / 189	72 / 187	76 / 198	67 / 154	72 / 189	71 / 175	72 / 182	- / -
Private Passenger Auto	69 / 177	61 / 166	66 / 180	59 / 154	64 / 178	60 / 151	60 / 168	- / -
Homeowners Multiple Peril	60 / 81	59 / 75	67 / 81	56 / 73	56 / 78	57 / 75	57 / 72	- / -
Workers' Compensation	83 / 216	81 / 202	82 / 215	82 / 199	85 / 209	75 / 188	81 / 204	- / -
Boiler & Machinery	28 / 65	32 / 59	29 / 64	28 / 59	31 / 64	29 / 61	26 / 61	- / -
Commercial Crime	35 / 57	29 / 62	29 / 53	34 / 60	30 / 59	29 / 57	30 / 55	- / -
Commercial Glass	18 / 19	11 / 16	15 / 20	11 / 16	14 / 22	11 / 17	14 / 20	- / -
Medical Professional Liability	36 / 37	29 / 35	29 / 38	28 / 33	31 / 36	27 / 33	29 / 35	- / -
Misc. Professional Liability	31 / 69	31 / 67	31 / 60	28 / 61	29 / 68	31 / 65	31 / 65	- / -

Product Liability

There were 56 groups, 156 companies, that had direct written premium for Product Liability in the third quarter of 2004, as compared to 60 groups, 166 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Zurich Insurance Group	20.89%	\$7,439,742	19.63%	\$35,829,441	57.62%
2	American Financial Group	14.18%	\$7,973,505	18.68%	\$24,318,062	20.02%
3	St. Paul Group	11.80%	\$4,545,825	13.20%	\$20,227,679	7.99%
4	Liberty Mutual Group	7.76%	\$2,263,923	72.17%	\$13,304,880	88.62%
5	Chubb & Son Inc.	4.54%	\$1,679,776	(8.28%)	\$7,780,865	0.93%
6	Electric Insurance Group	3.71%	\$3,613,429	*	\$6,355,834	*
7	ACE Ltd.	3.05%	\$1,396,471	379.65%	\$5,231,914	289.33%
8	Dallas General Group	2.93%	\$1,637,871	59.30%	\$5,020,842	52.92%
9	Allianz Insurance Group	2.60%	\$466,311	(31.41%)	\$4,464,422	57.09%
10	Federated Mutual	2.47%	\$988,455	7.00%	\$4,236,797	1.73%
11	Hartford Fire & Casualty Group	2.33%	\$176,511	(87.08%)	\$3,992,186	(29.55%)
12	CNA Insurance Group	2.31%	\$686,948	112.74%	\$3,962,068	38.23%
13	National American Insurance Company	2.21%	\$792,675	17.90%	\$3,788,220	12.63%
14	Sentry Insurance Group	2.11%	\$994,458	37.91%	\$3,610,767	14.31%
15	American International Group	1.40%	\$126,525	(69.56%)	\$2,407,633	(2.51%)
16	Travelers Property Casualty Corp. Group	1.33%	\$596,534	98.87%	\$2,288,518	(7.51%)
17	Old Republic Group	1.31%	\$429,128	(35.32%)	\$2,241,476	9.10%
18	Fairfax Financial	1.25%	\$503,741	(12.10%)	\$2,151,616	6.93%
19	United Fire & Casualty Group	1.23%	\$47,296	(93.15%)	\$2,101,826	(23.26%)
20	Royal & Sun Alliance USA	1.21%	\$194	(99.84%)	\$2,076,578	20.74%
21	Central Mutual Insurance Company Ohio	1.04%	\$491,334	14.12%	\$1,777,113	8.89%
22	Medmark Insurance Group	0.95%	\$681,329	516.98%	\$1,622,684	86.67%
23	XL America	0.92%	\$302,536	*	\$1,569,989	(19.36%)
24	UNITRIN Group	0.82%	\$627,904	39.58%	\$1,400,338	(4.71%)
25	EMC Insurance Company	0.80%	\$427,240	16.57%	\$1,363,346	3.99%

Top 25 Groups Total	95.12%	\$38,889,661	28.83%	\$163,125,094	31.69%
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Total Market	100.00%	\$40,672,583	25.98%	\$171,488,646	26.36%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$17,001,577	\$16,077,300	\$17,020,093
4th qtr 1999	\$16,676,696	\$14,939,147	\$42,175,911
1st qtr 2000	\$21,631,763	\$20,070,742	\$29,175,725
2nd qtr 2000	\$24,863,722	\$22,270,834	\$36,375,856
3rd qtr 2000	\$23,008,942	\$19,604,388	\$17,808,941
4th qtr 2000	\$22,090,031	\$19,147,733	\$22,275,731
1st qtr 2001	\$29,320,488	\$22,845,690	\$22,799,038
2nd qtr 2001	\$25,674,740	\$26,892,822	\$18,451,817
3rd qtr 2001	\$29,104,072	\$24,349,666	\$23,598,451
4th qtr 2001	\$49,553,240	\$63,700,948	\$50,787,344
1st qtr 2002	\$25,812,727	\$10,368,960	\$24,090,363
2nd qtr 2002	\$25,107,579	\$30,554,591	\$14,348,364
3rd qtr 2002	\$32,987,561	\$33,566,694	\$42,898,905
4th qtr 2002	\$54,386,459	\$39,509,606	\$72,291,341
1st qtr 2003	\$50,349,221	\$30,776,954	\$23,752,695
2nd qtr 2003	\$51,648,244	\$33,145,879	\$37,961,745
3rd qtr 2003	\$55,011,830	\$32,286,147	\$84,564,221
4th qtr 2003	\$64,276,692	\$41,406,225	\$57,933,430
1st qtr 2004	\$59,612,629	\$48,921,774	\$13,635,792
2nd qtr 2004	\$63,656,116	\$40,488,064	\$59,138,201
3rd qtr 2004	\$56,635,622	\$40,672,583	\$16,579,255

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

General Liability

There were 119 groups, 299 companies, that had direct written premium for General Liability in the third quarter of 2004, as compared to 123 groups, 308 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	American International Group	22.39%	\$136,486,280	0.59%	\$400,640,203	12.07%
2	Zurich Insurance Group	10.38%	\$38,860,848	0.99%	\$185,793,724	12.99%
3	ACE Ltd.	8.31%	\$15,649,066	(62.57%)	\$148,743,824	(27.53%)
4	American Financial Group	6.05%	\$20,813,006	(8.56%)	\$108,160,381	3.74%
5	X LAmerica	4.84%	\$23,028,551	(3.77%)	\$86,608,468	21.52%
6	Travelers Property Casualty Corp. Group	4.15%	\$14,419,235	(37.77%)	\$74,265,316	(16.97%)
7	CNA Insurance Group	4.10%	\$19,196,488	16.94%	\$73,293,297	15.76%
8	St. Paul Group	4.04%	\$14,439,265	(11.81%)	\$72,198,482	(2.02%)
9	Liberty Mutual Group	2.87%	\$13,295,058	(24.58%)	\$51,425,366	(5.69%)
10	Chubb & Son Inc.	2.79%	\$13,190,411	9.48%	\$49,884,887	3.55%
11	Hartford Fire & Casualty Group	2.02%	\$10,211,470	35.58%	\$36,122,490	1.37%
12	Allianz Insurance Group	1.90%	\$6,731,968	(15.63%)	\$34,058,022	5.65%
13	Texas Lawyers Insurance Exchange	1.69%	\$7,701,659	16.69%	\$30,166,033	18.12%
14	State Farm IL	1.43%	\$7,025,737	2.80%	\$25,582,587	1.01%
15	Royal & Sun Alliance USA	1.27%	\$61,826	(97.74%)	\$22,791,869	(5.13%)
16	Ohio Casualty Group	1.14%	\$5,045,654	11.06%	\$20,344,412	34.91%
17	Dallas General Group	1.06%	\$5,963,966	54.55%	\$18,882,184	55.39%
18	Old Republic Group	0.89%	\$3,608,609	(16.33%)	\$16,008,248	1.07%
19	United Fire & Casualty Group	0.83%	\$3,980,039	1.14%	\$14,828,627	0.48%
20	Federated Mutual	0.81%	\$3,658,700	(4.11%)	\$14,572,176	2.67%
21	National American Insurance Company	0.80%	\$3,530,419	20.83%	\$14,297,629	4.16%
22	EMC Insurance Company	0.75%	\$3,532,971	23.80%	\$13,490,778	6.62%
23	UNITRIN Group	0.75%	\$5,090,064	(9.66%)	\$13,489,125	(17.79%)
24	Fairfax Financial	0.75%	\$2,821,673	(33.13%)	\$13,423,699	(16.71%)
25	Caterpillar Insurance Company	0.70%	\$3,240,108	67.47%	\$12,577,297	116.19%

Top 25 Groups Total	86.73%	\$381,583,071	(8.72%)	\$1,551,649,124	2.66%
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Total Market	100.00%	\$439,921,026	(8.87%)	\$1,789,075,116	0.60%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$235,390,831	\$360,898,116	\$63,102,021
1st qtr 2002	\$449,177,034	\$460,698,437	\$225,467,551
2nd qtr 2002	\$392,164,368	\$346,705,037	\$245,038,500
3rd qtr 2002	\$293,763,572	\$350,646,211	\$223,245,817
4th qtr 2002	\$296,230,398	\$371,335,756	\$293,588,970
1st qtr 2003	\$473,722,924	\$473,622,327	\$339,023,171
2nd qtr 2003	\$460,723,725	\$450,666,191	\$207,970,445
3rd qtr 2003	\$472,232,226	\$482,725,823	\$269,465,874
4th qtr 2003	\$412,727,499	\$437,066,008	\$393,534,154
1st qtr 2004	\$493,611,177	\$492,876,175	\$285,380,433
2nd qtr 2004	\$460,124,069	\$419,211,907	\$186,499,377
3rd qtr 2004	\$1,143,132,779	\$439,921,026	\$237,983,129

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Fire & Allied

There were 70 groups, 162 companies, that had direct written premium for Commercial Fire & Allied in the third quarter of 2004, as compared to 72 groups, 162 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	FM Global Group	16.03%	\$29,254,414	12.61%	\$101,620,054	(11.60%)
2	Travelers Property Casualty Corp. Group	12.65%	\$17,713,686	(9.27%)	\$80,234,662	3.36%
3	Allianz Insurance Group	7.14%	\$12,309,770	23.84%	\$45,280,797	(17.00%)
4	Zurich Insurance Group	5.93%	\$10,170,850	(12.13%)	\$37,614,677	(3.40%)
5	St. Paul Group	5.02%	\$3,399,703	(63.58%)	\$31,844,590	(26.20%)
6	Texas Windstorm Insurance Association	4.86%	\$8,697,733	(6.33%)	\$30,796,228	5.84%
7	Swiss Re Group	4.85%	\$8,623,736	*	\$30,766,577	*
8	Liberty Mutual Group	4.00%	\$5,784,840	55.59%	\$25,367,461	150.18%
9	CNA Insurance Group	3.62%	\$6,618,787	23.22%	\$22,976,773	32.55%
10	Royal & Sun Alliance USA	3.53%	\$40,078	(96.94%)	\$22,382,018	59.52%
11	United Fire & Casualty Group	3.19%	\$5,168,769	5.73%	\$20,253,214	15.88%
12	American International Group	2.98%	\$5,065,797	(27.75%)	\$18,871,585	(13.68%)
13	Fairfax Financial	2.25%	\$5,498,207	35.87%	\$14,271,758	(8.44%)
14	UNITRIN Group	2.23%	\$5,582,232	34.51%	\$14,138,370	(20.53%)
15	XL America	1.90%	\$6,983,215	(24.41%)	\$12,076,502	(58.39%)
16	AXA Insurance Group	1.86%	\$518,706	(87.31%)	\$11,818,089	(35.04%)
17	Federated Mutual	1.78%	\$3,204,660	21.93%	\$11,309,002	2.86%
18	Hartford Fire & Casualty Group	1.75%	\$2,720,680	(21.71%)	\$11,112,185	(22.74%)
19	Sentry Insurance Group	1.37%	\$2,703,313	43.64%	\$8,669,330	14.98%
20	ACE Ltd.	1.30%	\$712,189	123.57%	\$8,212,293	209.23%
21	Safeco Insurance Group	1.22%	\$2,052,477	(8.55%)	\$7,760,047	(5.77%)
22	GE Global Group	1.13%	\$0	(100.00%)	\$7,163,258	(40.77%)
23	ARX Holding Corp. Group	1.11%	\$1,992,126	30.63%	\$7,069,500	44.25%
24	EMC Insurance Company	1.03%	\$1,751,893	0.49%	\$6,502,932	4.79%
25	Texas Farm Bureau Mutual	1.01%	\$1,641,652	13.87%	\$6,383,666	16.57%

Top 25 Groups Total	93.76%	\$148,209,513	0.17%	\$594,495,568	0.28%
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Total Market	100.00%	\$158,601,471	(4.83%)	\$634,049,227	(1.96%)
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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 1999	\$70,060,718	\$74,379,518	\$54,354,899
4th qtr 1999	\$73,126,681	\$77,149,382	\$82,832,214
1st qtr 2000	\$60,367,305	\$65,714,031	\$30,457,236
2nd qtr 2000	\$72,570,831	\$81,310,228	\$73,567,014
3rd qtr 2000	\$80,712,117	\$85,253,815	\$59,757,514
4th qtr 2000	\$98,236,961	\$109,394,459	\$113,958,620
1st qtr 2001	\$92,863,589	\$92,099,454	\$41,677,493
2nd qtr 2001	\$98,078,697	\$101,065,593	\$58,283,160
3rd qtr 2001	\$92,741,263	\$98,276,060	\$244,258,829
4th qtr 2001	\$110,652,458	\$136,274,047	\$106,360,613
1st qtr 2002	\$121,765,027	\$144,529,151	\$87,595,818
2nd qtr 2002	\$142,072,436	\$147,304,541	\$101,597,550
3rd qtr 2002	\$142,288,616	\$173,299,909	\$50,900,077
4th qtr 2002	\$149,281,329	\$175,544,341	\$63,757,351
1st qtr 2003	\$150,575,522	\$150,510,180	\$52,417,619
2nd qtr 2003	\$149,459,207	\$154,045,193	\$73,322,891
3rd qtr 2003	\$156,429,967	\$166,651,464	\$85,200,157
4th qtr 2003	\$157,575,182	\$194,283,221	\$60,940,889
1st qtr 2004	\$134,395,632	\$144,769,080	\$86,561,378
2nd qtr 2004	\$131,024,101	\$136,395,455	\$44,134,539
3rd qtr 2004	\$149,235,480	\$158,601,471	\$64,946,351

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Multiple Peril

There were 76 groups, 195 companies, that had direct written premium for Commercial Multiple Peril in the third quarter of 2004, as compared to 77 groups, 219 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Zurich Insurance Group	12.54%	\$47,352,275	8.04%	\$178,005,581	8.64%
2	Travelers Property Casualty Corp Group	10.88%	\$39,182,233	2.00%	\$154,520,105	4.82%
3	Hartford Fire & Casualty Group	7.87%	\$28,155,699	8.41%	\$111,775,201	12.75%
4	Chubb & Son Inc.	6.25%	\$23,019,411	14.67%	\$88,754,634	8.35%
5	CNA Insurance Group	6.23%	\$20,376,384	(17.34%)	\$88,481,809	(21.54%)
6	State Farm IL	4.55%	\$16,741,615	8.14%	\$64,661,398	3.70%
7	Safeco Insurance Group	4.54%	\$16,461,310	14.92%	\$64,441,194	23.76%
8	Liberty Mutual Group	4.07%	\$13,508,422	(14.63%)	\$57,824,150	12.37%
9	Church Mutual Insurance Company	2.93%	\$9,652,189	18.82%	\$41,533,734	20.14%
10	Allianz Insurance Group	2.65%	\$11,847,561	36.18%	\$37,616,877	30.22%
11	Maguire Corp. Group	2.58%	\$10,552,497	10.58%	\$36,629,749	8.84%
12	WR Berkley Corp.	2.57%	\$8,331,931	35.17%	\$36,479,604	26.67%
13	Guideone Insurance Group	2.20%	\$7,896,994	6.00%	\$31,290,652	6.74%
14	Allstate Insurance Group	2.20%	\$7,517,666	(3.80%)	\$31,198,134	5.42%
15	St. Paul Group	2.10%	\$5,395,568	(31.30%)	\$29,883,519	1.98%
16	Credit Suisse Group	2.08%	\$7,401,359	(19.02%)	\$29,546,878	(9.14%)
17	ACE Ltd.	2.03%	\$5,542,393	53.55%	\$28,826,513	67.16%
18	Ohio Casualty Group	1.93%	\$6,969,316	5.72%	\$27,416,934	12.68%
19	Central Mutual Insurance Company Ohio	1.77%	\$5,873,544	0.43%	\$25,086,815	9.44%
20	Nationwide Corp.	1.76%	\$7,418,636	75.69%	\$24,958,820	82.63%
21	Old Republic Group	1.72%	\$4,541,502	(33.67%)	\$24,383,674	(5.25%)
22	Amerisure Company	1.68%	\$7,758,516	36.82%	\$23,864,472	16.47%
23	American International Group	1.58%	\$7,216,586	33.43%	\$22,381,621	1.06%
24	Royal & Sun Alliance USA	1.48%	\$70,068	(93.93%)	\$20,979,871	201.89%
25	Hannover Group	1.00%	\$4,766,953	*	\$14,204,863	221.12%

Top 25 Groups Total	91.20%	\$323,550,628	6.83%	\$1,294,746,802	10.14%
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Total Market	100.00%	\$352,387,748	5.27%	\$1,419,722,187	6.18%
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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 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	\$294,721,061	\$330,504,083	\$175,072,730
2nd qtr 2002	\$298,739,904	\$277,160,208	\$182,769,240
3rd qtr 2002	\$302,860,146	\$332,693,541	\$215,367,089
4th qtr 2002	\$325,691,823	\$343,217,776	\$159,953,409
1st qtr 2003	\$312,373,288	\$323,997,599	\$197,453,601
2nd qtr 2003	\$310,339,353	\$335,111,601	\$197,135,720
3rd qtr 2003	\$317,313,938	\$334,740,459	\$202,029,594
4th qtr 2003	\$322,146,304	\$375,868,718	\$173,532,706
1st qtr 2004	\$319,793,893	\$347,295,103	\$136,149,628
2nd qtr 2004	\$316,728,916	\$344,170,618	\$153,615,495
3rd qtr 2004	\$319,162,792	\$352,387,748	\$149,043,079

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Private Passenger Auto (All Companies, All Coverages)

There were 64 groups, 180 companies, that had direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 67 groups, 203 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	22.79%	\$668,418,486	(3.23%)	\$2,618,284,096	(0.62%)
2	Allstate Insurance Group	14.83%	\$434,492,626	(1.15%)	\$1,704,308,292	1.52%
3	Zurich Insurance Group	12.42%	\$369,024,386	5.29%	\$1,427,193,780	6.13%
4	Progressive Group	9.02%	\$265,101,052	0.90%	\$1,036,966,318	7.35%
5	United Services Automobile Assn. Group	5.78%	\$173,542,952	(5.86%)	\$663,988,861	(4.97%)
6	Nationwide Corp.	4.31%	\$128,574,970	0.92%	\$495,340,276	9.72%
7	Old American County Mutual Fire Ins. Co.	4.02%	\$120,053,794	27.35%	\$461,897,880	31.09%
8	Berkshire Hathaway	3.65%	\$113,533,255	7.11%	\$419,210,634	9.18%
9	Southern Farm Bureau Casualty	3.49%	\$105,459,074	4.35%	\$401,561,663	6.83%
10	Home State Insurance Group	2.99%	\$91,292,916	24.24%	\$343,283,635	19.65%
11	Safeco Insurance Group	1.76%	\$53,382,464	(0.82%)	\$202,316,641	(3.19%)
12	Texas State National Group	1.74%	\$45,393,314	(9.44%)	\$199,459,861	(7.33%)
13	Titus Group	1.45%	\$48,562,885	29.69%	\$166,481,942	51.40%
14	UNITRIN Group	1.44%	\$39,833,908	(5.91%)	\$165,677,751	7.64%
15	Liberty Mutual Group	1.31%	\$43,107,713	10.63%	\$150,304,913	7.20%
16	Travelers Property Casualty Corp. Group	1.12%	\$30,504,206	(12.97%)	\$129,205,480	(14.48%)
17	Credit Suisse Group	1.06%	\$30,872,451	33.57%	\$122,013,335	20.57%
18	Mercury General Group	0.82%	\$27,012,956	20.05%	\$93,831,434	11.08%
19	Hartford Fire & Casualty Group	0.66%	\$18,025,814	(19.59%)	\$75,714,961	(13.85%)
20	Interins Exchange of the Automobile Club	0.59%	\$17,978,719	(1.10%)	\$68,332,229	16.74%
21	Sentry Insurance Group	0.49%	\$12,850,198	(17.73%)	\$56,777,043	(10.38%)
22	American National Financial Group	0.47%	\$12,585,788	(18.70%)	\$53,865,770	(5.64%)
23	Metropolitan Group	0.45%	\$13,250,091	(3.16%)	\$51,714,683	(2.72%)
24	Amica Mutual Group	0.45%	\$15,171,976	(1.19%)	\$51,696,688	2.77%
25	Germania Insurance Group	0.45%	\$13,492,697	3.33%	\$51,448,284	(5.35%)

Top 25 Groups Total	97.57%	\$2,891,518,691	1.56%	\$11,210,876,450	4.16%
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Total Market	100.00%	\$2,957,349,794	1.05%	\$11,490,636,590	4.00%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$2,310,778,314	\$2,108,258,416	\$1,406,017,588
4th qtr 1999	\$2,182,308,863	\$1,984,324,294	\$1,440,876,134
1st qtr 2000	\$2,287,114,585	\$2,161,022,529	\$1,516,565,809
2nd qtr 2000	\$2,214,040,576	\$2,067,800,565	\$1,727,433,045
3rd qtr 2000	\$2,346,352,009	\$2,217,093,042	\$1,446,692,136
4th qtr 2000	\$2,133,476,469	\$1,926,579,984	\$1,649,277,676
1st qtr 2001	\$2,479,776,275	\$2,364,978,653	\$1,608,864,432
2nd qtr 2001	\$2,381,884,799	\$2,218,599,142	\$1,764,471,091
3rd qtr 2001	\$2,601,335,227	\$2,418,790,333	\$1,904,688,875
4th qtr 2001	\$2,448,928,343	\$2,320,483,155	\$1,687,667,681
1st qtr 2002	\$2,868,833,850	\$2,672,814,060	\$1,679,834,023
2nd qtr 2002	\$2,825,505,496	\$2,591,123,687	\$1,896,294,072
3rd qtr 2002	\$3,001,045,878	\$2,749,095,031	\$1,679,170,055
4th qtr 2002	\$2,773,416,367	\$2,457,170,529	\$1,688,163,691
1st qtr 2003	\$3,100,617,381	\$2,924,121,925	\$1,602,582,885
2nd qtr 2003	\$2,916,379,355	\$2,741,087,516	\$2,098,762,515
3rd qtr 2003	\$3,087,789,849	\$2,926,507,123	\$1,682,022,598
4th qtr 2003	\$2,850,599,167	\$2,735,086,984	\$1,638,953,802
1st qtr 2004	\$3,143,126,001	\$3,005,873,859	\$1,802,972,724
2nd qtr 2004	\$2,947,661,608	\$2,792,325,953	\$1,608,357,761
3rd qtr 2004	\$3,119,467,724	\$2,957,349,794	\$1,602,812,108

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Private Passenger Auto (All Rate-Regulated Companies)

There were 54 groups, 156 rate-regulated companies, that had direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 60 groups, 180 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	38.25%	\$627,856,974	(3.43%)	\$2,457,466,491	(1.16%)
2	Allstate Insurance Group	15.73%	\$256,899,262	(8.25%)	\$1,010,498,196	(5.25%)
3	Zurich Insurance Group	12.03%	\$197,627,423	1.90%	\$772,919,188	2.07%
4	Berkshire Hathaway	6.53%	\$113,533,255	7.11%	\$419,210,634	9.18%
5	Southern Farm Bureau Casualty	5.10%	\$85,955,026	4.56%	\$327,514,299	6.45%
6	United Services Automobile Assn. Group	4.94%	\$85,827,840	1.85%	\$317,184,356	0.43%
7	Nationwide Corp.	3.54%	\$61,029,241	10.66%	\$227,301,446	7.64%
8	Safeco Insurance Group	3.15%	\$53,382,464	(0.82%)	\$202,316,641	(3.19%)
9	Travelers Property Casualty Corp Group	2.01%	\$30,504,206	(12.97%)	\$129,205,480	(14.48%)
10	Hartford Fire & Casualty Group	1.18%	\$18,025,814	(19.59%)	\$75,714,961	(13.85%)
11	UNITRIN Group	0.95%	\$15,353,857	(7.07%)	\$61,123,364	19.08%
12	Metropolitan Group	0.80%	\$13,250,091	(3.16%)	\$51,714,683	(2.72%)
13	Amica Mutual Group	0.80%	\$15,171,976	(1.19%)	\$51,696,688	2.77%
14	Germania Insurance Group	0.80%	\$13,492,697	3.33%	\$51,448,284	(5.35%)
15	Chubb & Son Inc.	0.59%	\$10,428,153	11.72%	\$37,671,187	6.93%
16	Agricultural Workers Insurance Group	0.53%	\$9,736,831	1.49%	\$33,855,617	2.97%
17	CNA Insurance Group	0.53%	\$5,538,174	(42.68%)	\$33,813,799	(18.78%)
18	Interins Exchange of the Automobile Club	0.41%	\$6,241,381	(41.41%)	\$26,088,220	(25.81%)
19	Central Mutual Insurance Casualty Ohio	0.31%	\$4,932,053	0.60%	\$19,675,498	7.84%
20	Hochheim Prairie Group	0.26%	\$4,175,026	(7.24%)	\$16,477,912	(12.38%)
21	Liberty Mutual Group	0.24%	(\$21,874)	(100.30%)	\$15,467,114	(73.21%)
22	American International Group	0.23%	\$3,564,025	(15.56%)	\$14,603,955	127.74%
23	Beacon Insurance Group	0.20%	\$3,481,563	(11.78%)	\$12,875,779	(9.45%)
24	Horace Mann Group	0.15%	\$2,504,646	(16.58%)	\$9,924,879	(22.13%)
25	American Express Group	0.13%	\$2,213,140	8.53%	\$8,155,361	16.66%

Top 25 Groups Total	99.37%	\$1,640,703,244	(2.96%)	\$6,383,924,032	(0.36%)
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Total Market	100.00%	\$1,648,700,701	(3.28%)	\$6,424,474,838	(1.23%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$1,654,500,947	\$1,566,084,096	\$1,028,004,498
4th qtr 1999	\$1,582,229,889	\$1,479,746,240	\$1,067,991,532
1st qtr 2000	\$1,647,551,794	\$1,573,620,775	\$1,145,517,607
2nd qtr 2000	\$1,593,613,164	\$1,524,585,720	\$1,298,712,750
3rd qtr 2000	\$1,724,969,778	\$1,654,841,965	\$1,058,585,157
4th qtr 2000	\$1,556,526,868	\$1,442,640,173	\$1,260,189,254
1st qtr 2001	\$1,805,529,259	\$1,741,071,546	\$1,258,573,228
2nd qtr 2001	\$1,691,937,548	\$1,613,010,293	\$1,357,454,971
3rd qtr 2001	\$1,820,036,784	\$1,753,988,077	\$1,531,197,749
4th qtr 2001	\$1,668,668,495	\$1,636,210,953	\$1,141,954,488
1st qtr 2002	\$1,736,769,104	\$1,779,217,672	\$1,240,702,443
2nd qtr 2002	\$1,672,411,050	\$1,699,616,391	\$1,406,069,637
3rd qtr 2002	\$1,759,192,706	\$1,748,794,772	\$1,162,255,945
4th qtr 2002	\$1,578,375,146	\$1,482,342,764	\$1,138,619,756
1st qtr 2003	\$1,730,588,905	\$1,726,123,500	\$1,057,673,052
2nd qtr 2003	\$1,613,323,431	\$1,591,367,708	\$1,432,429,988
3rd qtr 2003	\$1,723,417,481	\$1,704,691,634	\$1,070,374,424
4th qtr 2003	\$1,579,380,030	\$1,555,659,351	\$1,013,929,386
1st qtr 2004	\$1,690,244,858	\$1,673,121,586	\$955,079,929
2nd qtr 2004	\$1,576,187,842	\$1,546,993,200	\$967,247,992
3rd qtr 2004	\$1,686,768,309	\$1,648,700,701	\$949,029,677

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

There were 23 groups, 24 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 22 groups, 23 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Progressive Group	20.47%	\$265,101,052	0.90%	\$1,036,966,318	7.35%
2	Allstate Insurance Group	13.69%	\$177,593,364	11.31%	\$693,810,096	13.32%
3	Zurich Insurance Group	12.91%	\$171,396,963	9.48%	\$654,274,592	11.35%
4	Old American County Mutual Fire Ins. Co.	9.12%	\$120,053,794	27.35%	\$461,897,880	31.09%
5	United Services Automobile Assn. Group	6.85%	\$87,715,112	(12.36%)	\$346,804,505	(9.43%)
6	Home State Insurance Group	6.78%	\$91,292,916	24.24%	\$343,283,635	19.65%
7	Nationwide Corp	5.29%	\$67,545,729	(6.52%)	\$268,038,830	11.55%
8	Texas State National Group	3.94%	\$45,393,314	(9.44%)	\$199,459,861	(7.33%)
9	Titus Group	3.29%	\$48,562,885	29.69%	\$166,481,942	51.40%
10	State Farm IL	3.17%	\$40,561,512	(0.09%)	\$160,817,605	8.45%
11	Liberty Mutual Group	2.66%	\$43,129,587	35.89%	\$134,837,799	63.48%
12	Credit Suisse Group	2.41%	\$30,872,451	33.57%	\$122,013,426	20.57%
13	UNITRIN Group	2.06%	\$24,480,051	(5.18%)	\$104,554,387	1.92%
14	Mercury General Group	1.83%	\$26,812,354	20.03%	\$92,793,088	11.99%
15	Southern Farm Bureau Casualty	1.46%	\$19,504,048	3.43%	\$74,047,364	8.59%
16	Sentry Insurance Group	1.10%	\$12,607,651	(17.71%)	\$55,775,221	(10.23%)
17	American National Financial Group	1.06%	\$12,585,788	(18.75%)	\$53,867,148	(2.20%)
18	Interins Exchange of the Automobile Club	0.83%	\$11,737,338	55.96%	\$42,244,009	80.76%
19	Safeway Insurance Group	0.38%	\$3,824,631	(44.24%)	\$19,274,684	(39.79%)
20	American Financial Group	0.33%	\$5,274,316	41.28%	\$16,666,623	(11.61%)
21	Royal & Sun Alliance USA	0.24%	\$913,153	(52.62%)	\$11,909,317	98.04%
22	Allianz Insurance Group	0.13%	\$1,691,035	(14.87%)	\$6,338,361	(18.91%)
23	ACE Ltd.	0.00%	\$49	*	\$5,061	*
Top Groups Total		100.00%	\$1,308,649,093	7.11%	\$5,066,161,752	11.48%
Total Market		100.00%	\$1,308,649,093	7.11%	\$5,066,161,752	11.48%

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

Note: A list of groups and corresponding County Mutual Companies can be found on page 57 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$656,277,367	\$542,174,320	\$378,013,090
4th qtr 1999	\$600,078,974	\$504,578,054	\$372,884,602
1st qtr 2000	\$639,562,791	\$587,401,754	\$371,048,202
2nd qtr 2000	\$620,427,412	\$543,214,845	\$428,720,295
3rd qtr 2000	\$621,382,231	\$562,251,077	\$388,106,979
4th qtr 2000	\$576,949,601	\$483,939,811	\$389,088,422
1st qtr 2001	\$674,247,016	\$623,907,107	\$350,291,204
2nd qtr 2001	\$689,947,251	\$605,588,849	\$407,016,120
3rd qtr 2001	\$781,298,443	\$664,802,256	\$373,491,126
4th qtr 2001	\$780,259,848	\$684,272,202	\$545,713,193
1st qtr 2002	\$1,132,064,746	\$893,596,388	\$439,131,580
2nd qtr 2002	\$1,153,094,446	\$891,507,296	\$490,224,435
3rd qtr 2002	\$1,241,853,172	\$1,000,300,259	\$516,914,110
4th qtr 2002	\$1,195,041,221	\$974,827,765	\$549,543,935
1st qtr 2003	\$1,370,028,476	\$1,197,998,425	\$544,909,833
2nd qtr 2003	\$1,303,055,924	\$1,149,719,808	\$666,332,527
3rd qtr 2003	\$1,364,372,368	\$1,221,815,489	\$611,648,174
4th qtr 2003	\$1,271,219,137	\$1,179,427,633	\$625,024,416
1st qtr 2004	\$1,452,881,143	\$1,332,752,273	\$847,892,795
2nd qtr 2004	\$1,371,473,766	\$1,245,332,753	\$641,109,769
3rd qtr 2004	\$1,432,699,415	\$1,308,649,093	\$653,782,431

Private Passenger Auto (All Voluntary Liability)

There were 63 groups, 177 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 65 groups, 199 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	22.44%	\$372,421,210	(2.89%)	\$1,449,230,690	(1.39%)
2	Allstate Insurance Group	14.43%	\$233,264,570	(4.18%)	\$932,253,543	(0.27%)
3	Zurich Insurance Group	12.30%	\$205,578,136	3.97%	\$794,715,486	6.14%
4	Progressive Group	8.60%	\$143,118,773	2.20%	\$555,242,074	8.01%
5	United Services Automobile Assn. Group	5.86%	\$99,180,925	(5.41%)	\$378,476,237	(4.95%)
6	Old American County Mutual Fire Ins. Co.	4.63%	\$75,817,706	25.12%	\$299,281,825	35.34%
7	Nationwide Corp.	4.48%	\$74,048,669	(0.95%)	\$289,114,474	3.90%
8	Berkshire Hathaway	3.70%	\$64,658,483	6.57%	\$238,997,224	8.70%
9	Southern Farm Bureau Casualty	3.32%	\$56,116,645	3.54%	\$214,368,618	6.35%
10	Home State Insurance Group	3.09%	\$54,420,045	30.27%	\$199,291,804	16.37%
11	Texas State National Group	2.47%	\$35,428,701	(10.77%)	\$159,541,443	0.81%
12	Safeco Insurance Group	1.75%	\$30,466,260	0.76%	\$113,248,353	(3.49%)
13	UNITRIN Group	1.44%	\$22,510,956	(4.22%)	\$93,158,604	11.16%
14	Liberty Mutual Group	1.28%	\$23,606,220	11.28%	\$82,507,965	7.73%
15	Travelers Property Casualty Corp. Group	1.14%	\$17,774,062	(10.60%)	\$73,954,357	(13.91%)
16	Credit Suisse Group	1.14%	\$18,464,682	37.90%	\$73,493,292	25.05%
17	Titus Group	1.02%	\$19,977,668	47.81%	\$65,941,455	78.57%
18	Mercury General Group	0.80%	\$14,063,464	11.61%	\$51,979,455	9.15%
19	Hartford Fire & Casualty Group	0.67%	\$10,380,255	(19.78%)	\$43,426,674	(15.50%)
20	Interins Exchange of the Automobile Club	0.57%	\$9,859,260	0.12%	\$36,603,298	15.66%
21	Sentry Insurance Group	0.56%	\$8,090,747	(19.43%)	\$36,383,531	(11.69%)
22	American National Financial Group	0.53%	\$8,046,777	(12.69%)	\$34,180,956	0.08%
23	Amica Mutual Group	0.48%	\$8,979,985	(2.00%)	\$30,692,845	1.86%
24	Metropolitan Group	0.44%	\$7,234,073	(2.69%)	\$28,155,258	(2.63%)
25	Germania Insurance Group	0.43%	\$7,309,000	1.78%	\$28,073,088	(6.81%)

Top 25 Groups Total	97.57%	\$1,620,817,272	1.21%	\$6,302,312,549	3.82%
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Total Market	100.00%	\$1,657,348,180	0.68%	\$6,458,945,953	4.09%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$1,338,375,394	\$1,215,078,834	\$831,240,896
4th qtr 1999	\$1,272,444,029	\$1,150,496,913	\$863,590,455
1st qtr 2000	\$1,326,706,485	\$1,252,524,313	\$873,001,219
2nd qtr 2000	\$1,269,992,298	\$1,185,965,899	\$844,730,507
3rd qtr 2000	\$1,342,229,296	\$1,272,459,508	\$836,868,067
4th qtr 2000	\$1,211,356,514	\$1,093,856,843	\$958,476,760
1st qtr 2001	\$1,422,421,450	\$1,354,714,123	\$914,127,105
2nd qtr 2001	\$1,352,189,807	\$1,258,371,277	\$906,258,206
3rd qtr 2001	\$1,459,719,337	\$1,361,690,166	\$840,171,110
4th qtr 2001	\$1,379,295,208	\$1,305,335,597	\$970,029,517
1st qtr 2002	\$1,606,318,038	\$1,513,140,256	\$981,906,602
2nd qtr 2002	\$1,590,558,659	\$1,474,062,620	\$1,070,390,058
3rd qtr 2002	\$1,680,894,368	\$1,546,620,167	\$962,685,922
4th qtr 2002	\$1,554,205,465	\$1,364,681,127	\$949,408,579
1st qtr 2003	\$1,748,560,932	\$1,649,198,567	\$930,288,533
2nd qtr 2003	\$1,635,686,421	\$1,545,253,717	\$940,676,080
3rd qtr 2003	\$1,736,176,675	\$1,646,201,715	\$947,133,974
4th qtr 2003	\$1,597,308,702	\$1,540,237,588	\$949,002,521
1st qtr 2004	\$1,778,015,351	\$1,693,305,537	\$1,169,433,431
2nd qtr 2004	\$1,657,833,934	\$1,568,054,648	\$927,963,958
3rd qtr 2004	\$1,751,570,592	\$1,657,348,180	\$934,759,693

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 54 groups, 153 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 2004, as compared to 58 groups, 176 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	37.86%	\$348,821,693	(3.13%)	\$1,356,588,644	(1.98%)
2	Allstate Insurance Group	15.92%	\$142,441,484	(10.54%)	\$570,328,982	(6.43%)
3	Zurich Insurance Group	12.15%	\$111,238,339	(0.27%)	\$435,335,589	2.60%
4	Berkshire Hathaway	6.67%	\$64,658,483	6.57%	\$238,997,224	8.70%
5	United Services Automobile Assn. Group	5.00%	\$48,908,387	4.85%	\$179,097,603	2.02%
6	Southern Farm Bureau Casualty	4.87%	\$45,720,943	3.80%	\$174,667,465	5.86%
7	Nationwide Corp.	3.61%	\$33,896,142	6.18%	\$129,406,205	5.80%
8	Safeco Insurance Group	3.16%	\$30,466,260	0.76%	\$113,248,353	(3.49%)
9	Travelers Property Casualty Corp. Group	2.06%	\$17,774,062	(10.60%)	\$73,954,357	(13.91%)
10	Hartford Fire & Casualty Group	1.21%	\$10,380,255	(19.78%)	\$43,426,674	(15.50%)
11	UNITRIN Group	0.97%	\$8,807,076	(5.70%)	\$34,936,199	22.01%
12	Amica Mutual Group	0.86%	\$8,979,985	(2.00%)	\$30,692,845	1.86%
13	Metropolitan Group	0.79%	\$7,234,073	(2.69%)	\$28,155,258	(2.63%)
14	Germania Insurance Group	0.78%	\$7,309,000	1.78%	\$28,073,088	(6.81%)
15	Chubb & Son Inc.	0.59%	\$5,790,680	7.62%	\$21,112,423	3.91%
16	CNA Insurance Group	0.54%	\$3,163,298	(40.72%)	\$19,180,498	(18.77%)
17	Agricultural Workers Insurance Group	0.48%	\$4,991,699	0.23%	\$17,320,697	1.34%
18	Interins Exchange of the Automobile Club	0.38%	\$3,552,968	(37.48%)	\$13,675,844	(26.77%)
19	Central Mutual Insurance Company Ohio	0.31%	\$2,785,885	(0.46%)	\$11,192,564	6.53%
20	Liberty Mutual Group	0.24%	(\$32,170)	(100.78%)	\$8,702,828	(72.79%)
21	Hochheim Prairie Group	0.24%	\$2,148,949	(8.67%)	\$8,590,971	(14.05%)
22	Beacon Insurance Group	0.20%	\$1,905,458	(13.37%)	\$7,033,474	(11.50%)
23	American International Group	0.20%	\$1,442,071	(28.23%)	\$6,989,044	112.21%
24	Horace Mann Group	0.15%	\$1,332,705	(17.37%)	\$5,279,779	(23.30%)
25	American Express Group	0.14%	\$1,362,124	7.78%	\$5,054,360	16.30%

Top 25 Groups Total	99.37%	\$915,079,849	(3.48%)	\$3,561,040,968	(0.17%)
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Total Market	100.00%	\$919,630,043	(3.76%)	\$3,583,548,996	(1.01%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$962,402,171	\$906,013,012	\$600,847,201
4th qtr 1999	\$915,065,420	\$850,700,349	\$630,063,457
1st qtr 2000	\$947,873,011	\$903,829,265	\$650,981,096
2nd qtr 2000	\$911,719,387	\$869,434,038	\$612,643,847
3rd qtr 2000	\$983,300,253	\$939,424,175	\$603,620,069
4th qtr 2000	\$876,288,874	\$821,037,512	\$729,822,469
1st qtr 2001	\$1,031,833,276	\$993,605,295	\$723,376,670
2nd qtr 2001	\$960,927,886	\$915,522,168	\$686,459,498
3rd qtr 2001	\$1,028,165,690	\$991,220,645	\$704,801,926
4th qtr 2001	\$936,644,923	\$915,192,460	\$609,687,658
1st qtr 2002	\$962,721,320	\$1,004,128,970	\$731,791,951
2nd qtr 2002	\$933,756,261	\$968,489,605	\$807,186,698
3rd qtr 2002	\$977,634,358	\$978,875,129	\$673,499,993
4th qtr 2002	\$879,326,359	\$801,019,094	\$645,421,128
1st qtr 2003	\$970,322,476	\$970,041,120	\$627,421,955
2nd qtr 2003	\$901,304,589	\$893,470,705	\$619,769,452
3rd qtr 2003	\$961,394,096	\$955,532,315	\$611,007,523
4th qtr 2003	\$877,949,126	\$869,372,869	\$596,078,009
1st qtr 2004	\$939,552,115	\$932,534,913	\$577,518,995
2nd qtr 2004	\$875,655,819	\$862,011,171	\$557,716,087
3rd qtr 2004	\$939,170,783	\$919,630,043	\$555,511,279

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

There were 23 groups, 24 non-rate-regulated (County Mutual) companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 22 groups, 23 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Progressive Group	19.31%	\$143,118,773	2.20%	\$555,242,074	8.01%
2	Allstate Insurance Group	12.59%	\$90,823,086	7.83%	\$361,924,561	11.27%
3	Zurich Insurance Group	12.50%	\$94,339,797	9.46%	\$359,379,897	10.76%
4	Old American County Mutual Fire Ins. Co.	10.41%	\$75,817,706	25.12%	\$299,281,825	35.34%
5	United Services Automobile Assn. Group	6.93%	\$50,272,538	(13.64%)	\$199,378,634	(10.44%)
6	Home State Insurance Group	6.93%	\$54,420,045	30.27%	\$199,291,804	16.37%
7	Nationwide Corp.	5.55%	\$40,152,527	(6.26%)	\$159,708,269	2.41%
8	Texas State National Group	5.55%	\$35,428,701	(10.77%)	\$159,541,443	0.81%
9	State Farm IL	3.22%	\$23,599,517	0.71%	\$92,642,046	8.19%
10	Liberty Mutual Group	2.57%	\$23,638,390	38.33%	\$73,805,137	65.47%
11	Credit Suisse Group	2.56%	\$18,464,682	37.90%	\$73,493,333	25.05%
12	Titus Group	2.29%	\$19,977,668	47.81%	\$65,941,455	78.57%
13	UNITRIN Group	2.02%	\$13,703,880	(3.24%)	\$58,222,405	5.53%
14	Mercury General Group	1.79%	\$13,956,649	11.61%	\$51,381,253	9.95%
15	Southern Farm Bureau Casualty	1.38%	\$10,395,702	2.41%	\$39,701,153	8.55%
16	Sentry Insurance Group	1.24%	\$7,946,834	(19.43%)	\$35,790,742	(11.57%)
17	American National Financial Group	1.19%	\$8,046,777	(12.74%)	\$34,181,662	3.50%
18	Interins Exchange of the Automobile Club	0.80%	\$6,306,292	51.43%	\$22,927,454	76.72%
19	Safeway Insurance Group	0.46%	\$2,661,040	(42.52%)	\$13,172,724	(37.89%)
20	American Financial Group	0.31%	\$2,817,030	41.19%	\$8,941,342	(11.96%)
21	Royal & Sun Alliance USA	0.27%	\$865,470	(52.62%)	\$7,875,090	41.33%
22	Allianz Insurance Group	0.12%	\$964,984	(15.75%)	\$3,566,457	(19.97%)
23	ACE Ltd.	0.00%	\$49	*	\$6,197	*
Top Groups Total		100.00%	\$737,718,137	6.81%	\$2,875,396,957	11.22%
Total Market		100.00%	\$737,718,137	6.81%	\$2,875,396,957	11.22%

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

Note: A list of groups and corresponding County Mutual Companies can be found on page 57 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$375,973,223	\$309,065,822	\$230,393,695
4th qtr 1999	\$357,378,609	\$299,796,564	\$233,526,998
1st qtr 2000	\$378,833,474	\$348,695,048	\$222,020,123
2nd qtr 2000	\$358,272,911	\$316,531,861	\$232,086,660
3rd qtr 2000	\$358,929,043	\$333,035,333	\$233,247,998
4th qtr 2000	\$335,067,640	\$272,819,331	\$228,654,291
1st qtr 2001	\$390,588,174	\$361,108,828	\$190,750,435
2nd qtr 2001	\$391,261,921	\$342,849,109	\$219,798,708
3rd qtr 2001	\$431,553,647	\$370,469,521	\$135,369,184
4th qtr 2001	\$442,650,285	\$390,143,137	\$360,341,859
1st qtr 2002	\$643,596,718	\$509,011,286	\$250,114,651
2nd qtr 2002	\$656,802,398	\$505,573,015	\$263,203,360
3rd qtr 2002	\$703,260,010	\$567,745,038	\$289,185,929
4th qtr 2002	\$674,879,106	\$563,662,033	\$303,987,451
1st qtr 2003	\$778,238,456	\$679,157,447	\$302,866,578
2nd qtr 2003	\$734,381,832	\$651,783,012	\$320,906,628
3rd qtr 2003	\$774,782,579	\$690,669,400	\$336,126,451
4th qtr 2003	\$719,359,576	\$670,864,719	\$352,924,512
1st qtr 2004	\$838,463,236	\$760,770,624	\$591,914,436
2nd qtr 2004	\$782,178,115	\$706,043,477	\$370,247,871
3rd qtr 2004	\$812,399,809	\$737,718,137	\$379,248,414

Private Passenger Auto (All Assigned Risk)

There were 16 groups, 16 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 17 groups, 17 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	37.34%	\$2,002,051	(37.25%)	\$11,278,337	(16.86%)
2	Allstate Insurance Group	13.30%	\$1,127,500	(39.99%)	\$4,016,278	(19.06%)
3	Zurich Insurance Group	10.89%	\$363,996	(47.63%)	\$3,288,810	(15.76%)
4	American International Group	9.22%	\$1,059,783	38.68%	\$2,785,074	1.22%
5	GE Global Group	7.63%	\$410,034	(66.97%)	\$2,304,869	(58.38%)
6	Southern Farm Bureau Casualty	7.04%	\$381,459	(39.42%)	\$2,126,250	(12.58%)
7	Berkshire Hathaway	4.50%	\$233,857	(34.52%)	\$1,360,237	(2.15%)
8	Nationwide Corp.	3.16%	\$294,923	(13.33%)	\$954,313	(28.88%)
9	Safeco Insurance Group	2.89%	\$116,237	(46.88%)	\$871,633	25.20%
10	Travelers Property Casualty Corp. Group	2.36%	\$81,541	(62.62%)	\$713,656	(17.71%)
11	Liberty Mutual Group	1.09%	\$27,692	(50.88%)	\$330,378	8.67%
12	UNITRIN Group	0.32%	\$21,876	(45.86%)	\$96,015	(51.77%)
13	Mercury General Group	0.11%	(\$1,143)	(111.53%)	\$33,999	(58.64%)
14	American Express Group	0.09%	\$13,565	118.26%	\$25,921	27.03%
15	Service Life Group	0.07%	\$5,282	(24.13%)	\$20,829	(25.94%)
16	Southland Lloyds Insurance Company	0.00%	\$513	90.00%	\$396	(89.66%)
17	Lumbermens Mutual Casualty Group	0.00%	\$0	*	\$261	(75.47%)
18	Hartford Fire & Casualty Group	0.00%	\$0	*	(\$333)	(128.39%)

Top Groups Total	100.00%	\$6,139,166	(36.41%)	\$30,207,256	(20.69%)
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Total Market	100.00%	\$6,139,166	(36.41%)	\$30,206,923	(20.69%)
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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 1999	\$7,007,292	\$4,650,001	\$6,895,534
4th qtr 1999	\$5,842,435	\$3,738,536	\$5,706,459
1st qtr 2000	\$6,643,310	\$4,965,888	\$5,598,735
2nd qtr 2000	\$6,875,267	\$5,010,033	\$5,602,266
3rd qtr 2000	\$6,680,445	\$4,602,957	\$4,833,817
4th qtr 2000	\$6,304,544	\$4,120,840	\$4,171,526
1st qtr 2001	\$7,500,341	\$5,449,953	\$5,114,494
2nd qtr 2001	\$7,707,585	\$6,720,769	\$5,138,512
3rd qtr 2001	\$7,973,791	\$5,309,138	\$4,480,938
4th qtr 2001	\$8,829,104	\$5,584,345	\$4,363,346
1st qtr 2002	\$9,794,574	\$7,502,321	\$4,586,255
2nd qtr 2002	\$10,741,534	\$8,026,375	\$4,805,222
3rd qtr 2002	\$11,502,967	\$8,446,502	\$4,706,617
4th qtr 2002	\$11,768,796	\$8,289,878	\$5,585,323
1st qtr 2003	\$13,353,726	\$10,175,717	\$6,003,752
2nd qtr 2003	\$13,825,070	\$9,966,442	\$6,648,031
3rd qtr 2003	\$13,653,011	\$9,654,128	\$6,201,386
4th qtr 2003	\$12,535,481	\$8,767,404	\$6,042,045
1st qtr 2004	\$14,161,892	\$9,411,287	\$5,871,602
2nd qtr 2004	\$10,887,901	\$5,889,066	\$7,105,262
3rd qtr 2004	\$10,095,733	\$6,139,166	\$4,952,587

Private Passenger Auto (All Physical Damage)

There were 61 groups, 174 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 2004, as compared to 80 groups, 195 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	23.15%	\$293,995,225	(3.30%)	\$1,157,775,069	0.55%
2	Allstate Insurance Group	15.36%	\$200,100,556	3.02%	\$768,038,471	3.92%
3	Zurich Insurance Group	12.58%	\$163,082,254	7.23%	\$629,189,484	6.26%
4	Progressive Group	9.63%	\$121,982,279	(0.59%)	\$481,724,244	6.60%
5	United Services Automobile Assn. Group	5.71%	\$74,362,027	(6.45%)	\$285,512,624	(5.00%)
6	Nationwide Corp.	4.10%	\$54,231,378	3.68%	\$205,271,489	19.44%
7	Southern Farm Bureau Casualty	3.70%	\$48,960,970	5.89%	\$185,066,795	7.68%
8	Berkshire Hathaway	3.58%	\$48,640,915	8.17%	\$178,853,173	9.94%
9	Old American County Mutual Fire Ins. Co.	3.25%	\$44,236,088	31.36%	\$162,616,055	23.93%
10	Home State Insurance Group	2.88%	\$36,872,871	16.30%	\$143,991,831	24.52%
11	Titus Group	2.01%	\$28,585,217	19.45%	\$100,540,487	37.67%
12	Safeco Insurance Group	1.76%	\$22,799,967	(2.44%)	\$88,196,655	(3.02%)
13	UNTRIN GRP	1.45%	\$17,301,076	(7.95%)	\$72,423,132	3.59%
14	Liberty Mutual Group	1.35%	\$19,473,801	10.05%	\$67,466,570	6.55%
15	Travelers Property Casualty Corp Group	1.09%	\$12,648,603	(15.40%)	\$54,537,467	(15.20%)
16	Credit Suisse Group	0.97%	\$12,407,769	27.61%	\$48,520,043	14.35%
17	Mercury General Group	0.84%	\$12,950,635	30.92%	\$41,817,980	13.73%
18	Texas State National Group	0.80%	\$9,964,613	(4.38%)	\$39,918,418	(29.94%)
19	Hartford Fire & Casualty Group	0.65%	\$7,645,559	(19.34%)	\$32,288,287	(11.52%)
20	Interins Exchange of the Automobile Club	0.63%	\$8,119,459	(2.53%)	\$31,728,931	18.02%
21	Metropolitan Group	0.47%	\$6,016,018	(3.71%)	\$23,559,425	(2.82%)
22	Germania Insurance Group	0.47%	\$6,183,697	5.21%	\$23,375,196	(3.54%)
23	Amica Mutual Group	0.42%	\$6,191,991	0.01%	\$21,003,843	4.12%
24	Sentry Insurance Group	0.41%	\$4,759,451	(14.65%)	\$20,393,512	(7.94%)
25	American National Financial Group	0.39%	\$4,539,011	(27.54%)	\$19,684,814	(14.16%)

Top 25 Groups Total	97.64%	\$1,266,051,430	2.25%	\$4,883,493,995	4.72%
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Total Market	100.00%	\$1,293,862,448	1.83%	\$5,001,483,714	4.08%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$965,395,628	\$888,529,581	\$567,881,158
4th qtr 1999	\$904,022,399	\$830,088,845	\$571,579,220
1st qtr 2000	\$953,764,790	\$903,532,328	\$637,965,855
2nd qtr 2000	\$937,173,011	\$876,824,633	\$877,100,272
3rd qtr 2000	\$997,442,268	\$940,030,577	\$604,990,252
4th qtr 2000	\$915,815,411	\$828,602,301	\$686,629,390
1st qtr 2001	\$1,049,854,484	\$1,004,814,577	\$689,622,833
2nd qtr 2001	\$1,021,987,407	\$953,507,096	\$853,074,373
3rd qtr 2001	\$1,133,642,099	\$1,051,791,029	\$1,060,036,827
4th qtr 2001	\$1,060,804,031	\$1,009,563,213	\$713,274,818
1st qtr 2002	\$1,252,721,238	\$1,152,171,483	\$693,341,166
2nd qtr 2002	\$1,224,205,303	\$1,109,034,692	\$821,098,792
3rd qtr 2002	\$1,308,648,543	\$1,194,028,362	\$711,777,516
4th qtr 2002	\$1,207,442,106	\$1,084,199,524	\$733,169,789
1st qtr 2003	\$1,338,702,723	\$1,264,747,641	\$666,290,600
2nd qtr 2003	\$1,266,867,864	\$1,185,867,357	\$1,151,438,404
3rd qtr 2003	\$1,337,960,163	\$1,270,651,280	\$728,687,238
4th qtr 2003	\$1,240,754,984	\$1,186,081,992	\$683,909,236
1st qtr 2004	\$1,350,948,758	\$1,303,157,035	\$627,667,691
2nd qtr 2004	\$1,278,939,773	\$1,218,382,239	\$673,288,541
3rd qtr 2004	\$1,357,801,399	\$1,293,862,448	\$663,099,828

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 50 groups, 151 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 2004, as compared to 58 groups, 172 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	38.77%	\$277,033,230	(3.42%)	\$1,089,599,510	0.08%
2	Allstate Insurance Group	15.52%	\$113,330,278	(4.69%)	\$436,152,936	(3.52%)
3	Zurich Insurance Group	11.89%	\$86,025,088	5.27%	\$334,294,789	1.61%
4	Berkshire Hathaway	6.36%	\$48,640,915	8.17%	\$178,853,173	9.94%
5	Southern Farm Bureau Casualty	5.36%	\$39,852,624	6.19%	\$150,720,584	7.47%
6	United Services Automobile Assn. Group	4.91%	\$36,919,453	(1.87%)	\$138,086,753	(1.56%)
7	Nationwide Corp.	3.45%	\$26,838,176	17.28%	\$96,940,928	10.76%
8	Safeco Insurance Group	3.14%	\$22,799,967	(2.44%)	\$88,196,655	(3.02%)
9	Travelers Property Casualty Corp. Group	1.94%	\$12,648,603	(15.40%)	\$54,537,467	(15.20%)
10	Hartford Fire & Casualty Group	1.15%	\$7,645,559	(19.34%)	\$32,288,287	(11.52%)
11	UNITRIN Group	0.93%	\$6,524,905	(8.63%)	\$26,091,150	15.97%
12	Metropolitan Group	0.84%	\$6,016,018	(3.71%)	\$23,559,425	(2.82%)
13	Germania Insurance Group	0.83%	\$6,183,697	5.21%	\$23,375,196	(3.54%)
14	Amica Mutual Group	0.75%	\$6,191,991	0.01%	\$21,003,843	4.12%
15	Chubb & Son Inc.	0.59%	\$4,637,473	17.31%	\$16,558,764	11.04%
16	Agricultural Workers Insurance Group	0.59%	\$4,745,132	2.85%	\$16,534,920	4.74%
17	CNA Insurance Group	0.52%	\$2,374,876	(45.09%)	\$14,633,301	(18.80%)
18	Interins Exchange of the Automobile Club	0.44%	\$2,688,413	(45.89%)	\$12,412,376	(24.72%)
19	Central Mutual Insurance Company of Ohio	0.30%	\$2,146,168	2.01%	\$8,482,934	9.63%
20	Hochheim Prairie Group	0.28%	\$2,026,077	(5.68%)	\$7,886,941	(10.47%)
21	Liberty Mutual Group	0.23%	(\$17,396)	(100.57%)	\$6,433,908	(74.71%)
22	Beacon Insurance Group	0.21%	\$1,576,105	(9.78%)	\$5,842,305	(6.86%)
23	American International Group	0.17%	\$1,062,171	(26.61%)	\$4,829,837	162.98%
24	Horace Mann Group	0.17%	\$1,171,941	(15.66%)	\$4,645,100	(20.76%)
25	American Express Group	0.11%	\$837,451	8.87%	\$3,075,080	17.19%

Top 25 Groups Total	99.44%	\$719,898,915	(1.95%)	\$2,795,036,162	(0.43%)
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Total Market	100.00%	\$722,931,492	(2.24%)	\$2,810,718,919	(1.25%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$685,091,484	\$655,421,083	\$420,261,763
4th qtr 1999	\$661,322,034	\$625,307,355	\$432,221,616
1st qtr 2000	\$693,035,473	\$664,825,622	\$488,937,776
2nd qtr 2000	\$675,018,510	\$650,141,649	\$680,466,637
3rd qtr 2000	\$734,989,080	\$710,814,833	\$450,131,271
4th qtr 2000	\$673,933,450	\$617,481,821	\$526,195,259
1st qtr 2001	\$766,195,642	\$742,016,298	\$530,082,064
2nd qtr 2001	\$723,302,077	\$690,767,356	\$665,856,961
3rd qtr 2001	\$783,897,303	\$757,458,294	\$821,914,885
4th qtr 2001	\$723,194,468	\$715,434,148	\$527,903,484
1st qtr 2002	\$764,253,210	\$767,586,381	\$504,324,237
2nd qtr 2002	\$727,913,255	\$723,100,411	\$594,077,717
3rd qtr 2002	\$770,055,381	\$761,473,141	\$484,049,335
4th qtr 2002	\$687,279,991	\$673,033,792	\$487,613,305
1st qtr 2003	\$746,912,703	\$745,906,663	\$424,247,345
2nd qtr 2003	\$698,193,772	\$687,930,561	\$806,012,505
3rd qtr 2003	\$748,370,374	\$739,505,191	\$453,165,515
4th qtr 2003	\$688,895,423	\$677,519,078	\$411,809,332
1st qtr 2004	\$736,530,851	\$731,175,386	\$371,689,332
2nd qtr 2004	\$689,644,122	\$679,092,963	\$402,426,643
3rd qtr 2004	\$737,501,793	\$722,931,492	\$388,565,811

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 2004, as compared to 22 groups, 23 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Progressive Group	21.99%	\$121,982,279	(0.59%)	\$481,724,244	6.60%
2	Allstate Insurance Group	15.15%	\$86,770,278	15.19%	\$331,885,535	15.63%
3	Zurich Insurance Group	13.46%	\$77,057,166	9.51%	\$294,894,695	12.07%
4	Old American County Mutual Fire Ins. Co.	7.42%	\$44,236,088	31.36%	\$162,616,055	23.93%
5	United Services Automobile Assn. Group	6.73%	\$37,442,574	(10.57%)	\$147,425,871	(8.02%)
6	Home State Insurance Group	6.57%	\$36,872,871	16.30%	\$143,991,831	24.52%
7	Nationwide Corp.	4.94%	\$27,393,202	(6.90%)	\$108,330,561	28.44%
8	Titus Group	4.59%	\$28,585,217	19.45%	\$100,540,487	37.67%
9	State Farm IL	3.11%	\$16,961,995	(1.18%)	\$68,175,559	8.80%
10	Liberty Mutual Group	2.79%	\$19,491,197	33.04%	\$61,032,662	61.13%
11	Credit Suisse Group	2.21%	\$12,407,769	27.61%	\$48,520,093	14.35%
12	UNITRIN Group	2.11%	\$10,776,171	(7.53%)	\$46,331,982	(2.28%)
13	Mercury General Group	1.89%	\$12,855,705	30.74%	\$41,411,835	14.63%
14	Texas State National Group	1.82%	\$9,964,613	(4.38%)	\$39,918,418	(29.94%)
15	Southern Farm Bureau Casualty	1.57%	\$9,108,346	4.62%	\$34,346,211	8.63%
16	Sentry Insurance Group	0.91%	\$4,660,817	(14.59%)	\$19,984,479	(7.73%)
17	American National Financial Group	0.90%	\$4,539,011	(27.59%)	\$19,685,486	(10.74%)
18	Interins Exchange of the Automobile Club	0.88%	\$5,431,046	61.58%	\$19,316,555	85.79%
19	American Financial Group	0.35%	\$2,457,286	41.37%	\$7,725,281	(11.20%)
20	Safeway Insurance Group	0.28%	\$1,163,591	(47.83%)	\$6,101,960	(43.50%)
21	Royal & Sun Alliance USA	0.18%	\$47,683	(52.65%)	\$4,034,227	813.76%
22	Allianz Insurance Group	0.13%	\$726,051	(13.67%)	\$2,771,904	(17.50%)
23	ACE Ltd.	0.00%	\$0	*	(\$1,136)	*

Top Groups Total	100.00%	\$570,930,956	7.49%	\$2,190,764,795	11.83%
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Total Market	100.00%	\$570,930,956	7.49%	\$2,190,764,795	11.83%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

Note: A list of groups and corresponding County Mutual Companies can be found on page 57 of this report.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$280,304,144	\$233,108,498	\$147,619,395
4th qtr 1999	\$242,700,365	\$204,781,490	\$139,357,604
1st qtr 2000	\$260,729,317	\$238,706,706	\$149,028,079
2nd qtr 2000	\$262,154,501	\$226,682,984	\$196,633,635
3rd qtr 2000	\$262,453,188	\$229,215,744	\$154,858,981
4th qtr 2000	\$241,881,961	\$211,120,480	\$160,434,131
1st qtr 2001	\$283,658,842	\$262,798,279	\$159,540,769
2nd qtr 2001	\$298,685,330	\$262,739,740	\$187,217,412
3rd qtr 2001	\$349,744,796	\$294,332,735	\$238,121,942
4th qtr 2001	\$337,609,563	\$294,129,065	\$185,371,334
1st qtr 2002	\$488,468,028	\$384,585,102	\$189,016,929
2nd qtr 2002	\$496,292,048	\$385,934,281	\$227,021,075
3rd qtr 2002	\$538,593,162	\$432,555,221	\$227,728,181
4th qtr 2002	\$520,162,115	\$411,165,732	\$245,556,484
1st qtr 2003	\$591,790,020	\$518,840,978	\$242,043,255
2nd qtr 2003	\$568,674,092	\$497,936,796	\$345,425,899
3rd qtr 2003	\$589,589,789	\$531,146,089	\$275,521,723
4th qtr 2003	\$551,859,561	\$508,562,914	\$272,099,904
1st qtr 2004	\$614,417,907	\$571,981,649	\$255,978,359
2nd qtr 2004	\$589,295,651	\$539,289,276	\$270,861,898
3rd qtr 2004	\$620,299,606	\$570,930,956	\$274,534,017

Homeowners Multiple Peril (All Companies)

There were 59 groups, 91 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the third quarter of 2004, as compared to 78 groups, 103 companies, in the third quarter of 2003.

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 2004 to premiums on policies written in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	State Farm IL	28.30%	\$351,268,649	1.49%	\$1,253,895,042	1.52%
2	Allstate Insurance Group	15.64%	\$202,643,825	(6.22%)	\$693,258,808	(7.41%)
3	Zurich Insurance Group	11.64%	\$157,068,679	3.96%	\$515,854,281	34.62%
4	United Services Automobile Assn. Group	8.21%	\$91,064,242	11.61%	\$363,773,023	26.15%
5	Travelers Property Casualty Corp. Group	5.23%	\$63,095,122	3.02%	\$231,752,403	4.89%
6	Vesta Insurance Group	4.68%	\$40,134,415	2.58%	\$207,472,731	(3.75%)
7	Nationwide Corp.	3.65%	\$45,738,451	3.27%	\$161,561,097	(1.72%)
8	Chubb & Son Inc	2.64%	\$31,766,688	(1.42%)	\$117,179,389	(4.69%)
9	Texas Farm Bureau Mutual	2.29%	\$27,708,377	13.94%	\$101,377,270	18.75%
10	Texas FAIR Plan Association	2.07%	\$27,711,769	(10.21%)	\$91,929,133	48.51%
11	Liberty Mutual Group	1.66%	\$22,749,628	31.24%	\$73,456,738	28.14%
12	NLASCO	1.21%	\$12,898,638	(5.52%)	\$53,411,841	(0.38%)
13	Safeco Insurance Group	1.16%	\$14,141,523	(12.99%)	\$51,253,345	(17.43%)
14	Hartford Fire & Casualty Group	1.15%	\$15,176,102	(9.07%)	\$50,835,163	(7.28%)
15	Amica Mutual Group	1.07%	\$13,726,519	(7.38%)	\$47,420,555	(6.06%)
16	Credit Suisse Group	0.97%	\$10,811,629	(29.51%)	\$43,015,083	(20.51%)
17	American National Financial Group	0.81%	\$9,495,959	(18.97%)	\$35,926,431	(20.33%)
18	UNITRIN Group	0.72%	\$8,432,390	(5.77%)	\$31,750,725	10.65%
19	Allianz Insurance Group	0.64%	\$7,633,277	(6.25%)	\$28,328,291	(20.08%)
20	ARX Holding Corp Group	0.61%	\$7,952,668	21.23%	\$27,111,169	4.34%
21	Interins Exchange of the Automobile Club	0.57%	\$7,332,934	20.20%	\$25,401,960	30.10%
22	CNA Insurance Group	0.56%	\$5,920,217	(22.83%)	\$25,027,024	(15.43%)
23	Service Life Group	0.42%	\$2,631,324	(51.75%)	\$18,622,352	(21.58%)
24	Colonial Savings Group	0.38%	\$4,632,651	(14.76%)	\$17,038,990	(21.29%)
25	Central Mutual Insurance Company of Ohio	0.38%	\$4,519,398	2.84%	\$16,924,809	7.71%

Top 25 Groups Total	96.67%	\$1,186,255,074	0.07%	\$4,283,577,653	4.37%
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Total Market	100.00%	\$1,223,528,525	(0.51%)	\$4,431,350,839	3.38%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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	\$691,706,910	\$503,586,791
2nd qtr 2001	\$929,634,302	\$863,249,536	\$834,551,881
3rd qtr 2001	\$972,458,027	\$879,995,299	\$823,438,558
4th qtr 2001	\$841,023,405	\$810,336,096	\$801,350,605
1st qtr 2002	\$1,014,695,847	\$937,862,631	\$877,653,109
2nd qtr 2002	\$1,332,392,207	\$1,199,465,123	\$1,230,023,431
3rd qtr 2002	\$1,315,122,445	\$1,170,560,367	\$1,032,308,999
4th qtr 2002	\$1,069,629,533	\$866,207,429	\$780,590,201
1st qtr 2003	\$1,076,518,514	\$955,798,410	\$592,842,440
2nd qtr 2003	\$1,394,667,461	\$1,234,667,479	\$1,265,565,377
3rd qtr 2003	\$1,363,295,561	\$1,229,850,588	\$656,718,201
4th qtr 2003	\$1,127,403,509	\$992,576,934	\$417,580,410
1st qtr 2004	\$1,049,805,500	\$1,006,902,372	\$341,434,729
2nd qtr 2004	\$1,318,303,082	\$1,208,343,008	\$403,775,548
3rd qtr 2004	\$1,353,624,923	\$1,223,528,525	\$429,573,752

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Workers' Compensation (All Companies)

There were 86 groups, 227 companies, that had direct written premium for Workers' Compensation in the third quarter of 2004, as compared to 91 groups, 251 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Texas Mutual Insurance Company	27.29%	\$159,826,939	6.08%	\$716,011,460	6.89%
2	American International Group	13.41%	\$91,434,819	20.24%	\$351,925,954	22.45%
3	Liberty Mutual Group	8.88%	\$59,671,380	10.26%	\$232,923,053	3.32%
4	Zurich Insurance Group	7.84%	\$48,832,570	5.86%	\$205,713,988	2.17%
5	Hartford Fire & Casualty Group	4.96%	\$40,401,633	3.86%	\$130,104,710	(9.53%)
6	CNA Insurance Group	4.20%	\$27,100,013	(25.51%)	\$110,216,748	(22.70%)
7	ACE Ltd.	3.86%	\$22,565,205	59.04%	\$101,225,602	17.07%
8	Travelers Property Casualty Corp. Group	3.28%	\$21,813,975	(9.22%)	\$86,167,245	(16.63%)
9	St. Paul Group	2.58%	\$13,566,913	18.05%	\$67,720,928	4.84%
10	Old Republic Group	2.27%	\$16,237,929	2.47%	\$59,525,786	12.76%
11	Service Life Group	2.04%	\$9,366,674	2.95%	\$53,510,487	(9.19%)
12	Chubb & Son Inc.	1.89%	\$12,133,471	10.72%	\$49,655,958	20.08%
13	Amerisure Company	1.69%	\$12,546,848	16.77%	\$44,463,633	6.21%
14	Amcomp Group	1.56%	\$17,683,543	275.45%	\$40,844,484	119.09%
15	Royal & Sun Alliance USA	1.13%	\$296,727	(62.37%)	\$29,588,835	(2.97%)
16	Zenith National Insurance Group	1.13%	\$8,390,511	17.74%	\$29,540,880	11.22%
17	Sentry Insurance Group	1.02%	\$8,795,210	23.32%	\$26,802,297	11.95%
18	Amerisafe Group	0.67%	\$4,486,809	(5.69%)	\$17,523,192	5.87%
19	Utica National Insurance Group	0.53%	\$3,484,575	(4.34%)	\$13,984,996	(2.56%)
20	Fairfax Financial	0.50%	\$4,455,661	(4.13%)	\$13,137,320	(23.07%)
21	EMC Insurance Company	0.50%	\$2,619,128	(0.83%)	\$13,123,765	(7.15%)
22	Safeco Insurance Group	0.47%	\$2,700,348	(26.07%)	\$12,342,370	(12.74%)
23	Credit Suisse Group	0.44%	\$3,474,232	1.79%	\$11,564,931	(6.68%)
24	Atlantic America	0.41%	\$2,483,565	(12.07%)	\$10,714,710	(19.33%)
25	Federated Mutual	0.39%	\$2,903,123	(3.78%)	\$10,209,819	(39.45%)

Top 25 Groups Total	92.94%	\$597,271,801	9.20%	\$2,438,543,151	4.29%
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Total Market	100.00%	\$638,967,151	4.91%	\$2,623,725,851	1.60%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$428,140,839	\$463,038,243	\$345,982,634
4th qtr 1999	\$427,037,725	\$411,558,142	\$331,789,221
1st qtr 2000	\$516,899,162	\$528,020,151	\$345,311,192
2nd qtr 2000	\$505,361,686	\$478,347,000	\$343,362,455
3rd qtr 2000	\$510,651,195	\$521,503,663	\$357,931,520
4th qtr 2000	\$536,927,546	\$498,835,430	\$401,934,512
1st qtr 2001	\$667,391,751	\$627,473,225	\$424,623,557
2nd qtr 2001	\$635,546,771	\$564,194,893	\$345,330,892
3rd qtr 2001	\$597,467,225	\$619,493,592	\$355,384,435
4th qtr 2001	\$617,545,100	\$634,497,498	\$308,549,397
1st qtr 2002	\$768,044,281	\$708,007,441	\$366,225,328
2nd qtr 2002	\$637,448,920	\$607,898,696	\$385,529,414
3rd qtr 2002	\$761,779,998	\$613,468,787	\$333,914,604
4th qtr 2002	\$680,249,951	\$651,709,895	\$432,491,023
1st qtr 2003	\$796,155,879	\$707,747,906	\$316,874,393
2nd qtr 2003	\$706,231,424	\$613,925,986	\$336,901,199
3rd qtr 2003	\$704,043,168	\$609,081,068	\$294,735,473
4th qtr 2003	\$707,896,917	\$660,639,744	\$243,790,651
1st qtr 2004	\$784,453,187	\$756,685,713	\$236,476,539
2nd qtr 2004	\$734,707,705	\$567,433,243	\$249,036,255
3rd qtr 2004	\$671,471,522	\$638,967,151	\$256,840,159

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Workers' Compensation (Voluntary Market)

There were 86 groups, 227 companies, that had voluntary direct written premium for Workers' Compensation in the third quarter of 2004, as compared to 91 groups, 251 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Texas Mutual Insurance Company	26.75%	\$158,620,668	7.89%	\$696,511,999	7.46%
2	American International Group	13.51%	\$91,434,819	20.24%	\$351,925,954	22.48%
3	Liberty Mutual Group	8.94%	\$59,671,380	10.26%	\$232,923,053	3.33%
4	Zurich Insurance Group	7.90%	\$48,832,570	5.86%	\$205,713,988	2.17%
5	Hartford Fire & Casualty Group	5.00%	\$40,401,633	3.86%	\$130,104,710	(9.53%)
6	CNA Insurance Group	4.23%	\$27,100,013	(25.51%)	\$110,216,748	(22.70%)
7	ACE Ltd.	3.89%	\$22,565,205	59.04%	\$101,225,602	17.07%
8	Travelers Property Casualty Corp. Group	3.31%	\$21,813,975	(9.22%)	\$86,167,245	(16.63%)
9	St. Paul Group	2.60%	\$13,566,913	18.05%	\$67,720,928	4.84%
10	Old Republic Group	2.29%	\$16,237,929	2.47%	\$59,525,786	12.76%
11	Service Life Group	2.05%	\$9,366,674	2.95%	\$53,510,487	(9.19%)
12	Chubb & Son Inc.	1.91%	\$12,133,471	10.72%	\$49,655,958	20.08%
13	Amerisure Company	1.71%	\$12,546,848	16.77%	\$44,463,633	6.21%
14	Amcomp Group	1.57%	\$17,683,543	275.45%	\$40,844,484	119.09%
15	Royal & Sun Alliance USA	1.14%	\$296,727	(62.37%)	\$29,588,835	(2.97%)
16	Zenith National Insurance Group	1.13%	\$8,390,511	17.74%	\$29,540,880	11.22%
17	Sentry Insurance Group	1.03%	\$8,795,210	23.32%	\$26,802,297	11.95%
18	Amerisafe Group	0.67%	\$4,486,809	(5.69%)	\$17,523,192	5.87%
19	Utica National Insurance Group	0.54%	\$3,484,575	(4.34%)	\$13,984,996	(2.56%)
20	Fairfax Financial	0.50%	\$4,455,661	(4.13%)	\$13,137,320	(23.07%)
21	EMC Insurance Company	0.50%	\$2,619,128	(0.83%)	\$13,123,765	(7.15%)
22	Safeco Insurance Group	0.47%	\$2,700,348	(26.07%)	\$12,342,370	(12.74%)
23	Credit Suisse Group	0.44%	\$3,474,232	1.79%	\$11,564,931	(6.68%)
24	Atlantic America	0.41%	\$2,483,565	(12.07%)	\$10,714,710	(19.33%)
25	Federated Mutual	0.39%	\$2,903,123	(3.78%)	\$10,209,819	(39.45%)

Top 25 Groups Total	92.89%	\$596,065,530	9.71%	\$2,419,043,690	4.43%
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Total Market	100.00%	\$637,760,880	5.34%	\$2,604,225,867	1.71%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$425,970,994	\$460,972,985	\$337,164,883
4th qtr 1999	\$423,333,897	\$409,633,529	\$321,851,381
1st qtr 2000	\$513,395,948	\$525,877,539	\$337,383,478
2nd qtr 2000	\$501,354,578	\$475,604,283	\$334,849,482
3rd qtr 2000	\$505,814,683	\$516,560,373	\$348,866,375
4th qtr 2000	\$532,210,760	\$493,985,273	\$392,480,934
1st qtr 2001	\$657,195,673	\$618,832,510	\$415,126,742
2nd qtr 2001	\$625,096,723	\$553,257,708	\$335,333,000
3rd qtr 2001	\$589,615,725	\$613,986,964	\$345,242,399
4th qtr 2001	\$607,546,853	\$625,167,853	\$302,389,408
1st qtr 2002	\$756,668,020	\$698,242,878	\$356,803,688
2nd qtr 2002	\$630,107,004	\$600,654,771	\$375,966,560
3rd qtr 2002	\$755,284,146	\$607,423,784	\$324,696,510
4th qtr 2002	\$672,513,987	\$644,898,391	\$423,374,512
1st qtr 2003	\$789,309,827	\$702,878,917	\$312,423,735
2nd qtr 2003	\$698,832,541	\$607,330,529	\$332,424,290
3rd qtr 2003	\$697,425,752	\$605,434,822	\$290,359,509
4th qtr 2003	\$703,053,211	\$656,032,121	\$237,963,992
1st qtr 2004	\$775,131,883	\$748,184,299	\$234,499,767
2nd qtr 2004	\$730,117,405	\$562,248,567	\$245,789,549
3rd qtr 2004	\$668,527,440	\$637,760,880	\$249,049,596

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 2004, the START program reported \$19,499,461 in direct premiums written. This accounted for 100% of all Residual Market experience reported and was a decrease of (10.10%) over the same period one year prior. Of this amount \$1,206,271 was written in the third quarter of 2004 which was a (66.92%) decrease from the third quarter of 2003.

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 1999	\$2,169,845	\$2,065,258	\$8,817,751
4th qtr 1999	\$3,703,828	\$1,924,613	\$9,937,840
1st qtr 2000	\$3,503,214	\$2,142,612	\$7,927,714
2nd qtr 2000	\$4,007,108	\$2,742,717	\$8,512,973
3rd qtr 2000	\$4,836,512	\$4,943,290	\$9,065,145
4th qtr 2000	\$4,716,786	\$4,850,157	\$9,453,578
1st qtr 2001	\$10,196,078	\$8,640,715	\$9,496,815
2nd qtr 2001	\$10,450,048	\$10,937,185	\$9,997,892
3rd qtr 2001	\$7,851,500	\$5,506,628	\$10,142,036
4th qtr 2001	\$9,998,247	\$9,329,645	\$6,159,989
1st qtr 2002	\$11,376,261	\$9,764,563	\$9,421,640
2nd qtr 2002	\$7,341,916	\$7,243,925	\$9,562,854
3rd qtr 2002	\$6,495,852	\$6,045,003	\$9,218,094
4th qtr 2002	\$7,735,964	\$6,811,504	\$9,116,511
1st qtr 2003	\$6,846,052	\$4,868,989	\$4,450,658
2nd qtr 2003	\$7,398,883	\$6,595,457	\$4,476,909
3rd qtr 2003	\$6,617,416	\$3,646,246	\$4,375,964
4th qtr 2003	\$4,843,706	\$4,607,623	\$5,826,659
1st qtr 2004	\$9,321,304	\$8,501,414	\$1,976,772
2nd qtr 2004	\$4,590,300	\$5,184,676	\$3,246,706
3rd qtr 2004	\$2,944,082	\$1,206,271	\$7,790,563

QUARTERLY EXPERIENCE
Texas Mutual Insurance Company

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
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
4th qtr 2002	\$7,735,964	\$6,597,702	\$2,093,003
1st qtr 2003	\$6,846,052	\$4,852,376	\$1,988,494
2nd qtr 2003	\$7,398,883	\$6,594,934	\$1,904,942
3rd qtr 2003	\$6,617,416	\$3,646,246	\$2,186,906
4th qtr 2003	\$4,843,706	\$4,607,100	\$1,625,440
1st qtr 2004	\$9,321,304	\$8,501,414	\$1,856,570
2nd qtr 2004	\$4,590,300	\$5,184,676	\$2,205,266
3rd qtr 2004	\$2,944,082	\$1,206,271	\$2,068,334

Workers' Compensation (Deductible Plans)

There were 86 groups, 227 companies which wrote voluntary policies for Workers' Compensation in the third quarter of 2004, as compared to 91 groups, 251 companies in the third quarter of 2003.

The data contained in the following table represents direct policies written as new or renewal policies in the third quarter of 2004. 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 third 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 2004	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	47	\$330,658	\$303,377	8.25%
Premium of \$10,000 - \$24,999	45	\$750,431	\$656,891	12.46%
Premium of \$25,000 - \$49,999	33	\$1,151,470	\$1,015,675	11.79%
Premium of \$50,000 - \$74,999	14	\$902,376	\$801,068	11.23%
Premium of \$75,000 - \$100,000	4	\$355,341	\$318,601	10.34%
Total Per Accident Plan	143	\$3,490,276	\$3,095,612	11.31%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	17	\$129,956	\$110,931	14.64%
Premium of \$10,000 - \$24,999	18	\$299,346	\$259,580	13.28%
Premium of \$25,000 - \$49,999	14	\$488,220	\$397,971	18.49%
Premium of \$50,000 - \$74,999	4	\$236,919	\$217,475	8.21%
Premium of \$75,000 - \$100,000	2	\$168,207	\$113,460	32.55%
Total Aggregate Plan	55	\$1,322,648	\$1,099,417	16.88%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	22	\$122,697	\$91,428	25.48%
Premium of \$10,000 - \$24,999	6	\$107,951	\$44,052	59.19%
Premium of \$25,000 - \$49,999	3	\$119,163	\$71,685	39.84%
Premium of \$50,000 - \$74,999	3	\$187,222	\$92,548	50.57%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	34	\$537,033	\$299,713	44.19%
Negotiated Deductible Plan				
Premium Up To \$100,000	683	\$20,736,709	\$6,598,288	68.18%
Premium of \$100,001 - \$150,000	67	\$8,842,980	\$3,017,691	65.87%
Premium of \$150,001 - \$250,000	96	\$18,213,879	\$6,559,246	63.99%
Premium of \$250,001 - \$350,000	51	\$15,072,717	\$5,001,686	66.82%
Premium of \$350,001 - \$500,000	36	\$14,907,914	\$4,630,856	68.94%
Premium of \$500,001 - \$750,000	70	\$40,924,537	\$10,861,637	73.46%
Premium of \$750,001 - \$1,000,000	33	\$32,759,428	\$7,006,187	78.61%
Premium of \$1,000,001 - \$2,500,000	70	\$107,489,008	\$29,410,629	72.64%
Premium of \$2,500,001 - \$5,000,000	35	\$115,193,647	\$25,989,298	77.44%
Premium of \$5,000,001 and above	20	\$201,593,195	\$30,915,735	84.66%
Total Negotiated Plan	1,161	\$575,734,014	\$129,991,253	77.42%
No Deductible Plan				
Premium Less Than \$5,000	20,783	\$35,974,188	\$35,974,188	0.00%
Premium of \$5,000 - \$9,999	5,294	\$37,726,115	\$37,726,115	0.00%
Premium of \$10,000 - \$24,999	4,464	\$70,036,340	\$70,036,340	0.00%
Premium of \$25,000 - \$49,999	2,020	\$69,787,732	\$69,787,732	0.00%
Premium of \$50,000 - \$74,999	665	\$40,873,355	\$40,873,355	0.00%
Premium of \$75,000 - \$100,000	369	\$31,437,590	\$31,437,590	0.00%
Premium Greater Than \$100,000	1,057	\$248,206,125	\$248,206,125	0.00%
Total No Deductible Plan	34,652	\$534,041,445	\$534,041,445	0.00%
TOTAL	36,045	\$1,115,125,416	\$668,527,440	40.05%

Boiler & Machinery

There were 29 groups, 76 companies, that had direct written premium for Boiler & Machinery in the third quarter of 2004, as compared to 34 groups, 86 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	FM Global Group	27.26%	\$7,054,291	23.68%	\$19,300,632	(26.86%)
2	American International Group	16.89%	\$2,801,046	(2.62%)	\$11,956,684	6.32%
3	Travelers Property Casualty Corp. Group	16.71%	\$3,059,713	(7.65%)	\$11,830,493	(1.80%)
4	Chubb & Son Inc.	10.08%	\$1,746,627	13.30%	\$7,137,130	12.86%
5	CNA Insurance Group	7.07%	\$897,622	(37.46%)	\$5,005,606	(12.01%)
6	Zurich Insurance Group	6.63%	\$766,078	(52.33%)	\$4,692,073	(2.59%)
7	Liberty Mutual Group	4.13%	\$1,009,537	374.15%	\$2,926,966	565.26%
8	Allianz Insurance Group	2.58%	\$401,559	0.79%	\$1,829,287	(3.00%)
9	St. Paul Group	2.25%	\$287,895	(34.49%)	\$1,594,136	0.54%
10	Federated Mutual	1.40%	\$269,015	9.09%	\$992,365	(2.34%)
11	GE Global Group	0.98%	\$0	(100.00%)	\$692,825	(60.32%)
12	EMC Insurance Company	0.60%	\$117,494	5.19%	\$423,443	21.15%
13	Millea Holdings Inc.	0.52%	\$199,479	408.85%	\$371,718	80.78%
14	Allstate Insurance Group	0.51%	\$82,749	1.20%	\$357,955	8.45%
15	Nationwide Corp.	0.37%	\$76,397	216.34%	\$264,990	149.78%
16	Central Mutual Insurance Company of Ohio	0.30%	\$194,461	*	\$215,954	596.36%
17	United Fire & Casualty Group	0.30%	\$60,052	39.29%	\$212,660	30.19%
18	Triangle Insurance Company Inc.	0.30%	\$213,311	(3.74%)	\$211,120	(13.10%)
19	Hartford Fire & Casualty Group	0.24%	\$22,425	7.98%	\$170,735	66.58%
20	X L American	0.16%	\$76,190	292.37%	\$115,610	(33.66%)
21	Bancinsure Inc.	0.14%	\$696	(97.97%)	\$102,126	(12.18%)
22	Lumbermens Underwriting Alliance	0.12%	\$39,200	6.70%	\$87,043	(6.12%)
23	American Financial Group	0.12%	\$8,226	*	\$85,759	(10.97%)
24	National American Insurance Company	0.09%	\$11,881	22.09%	\$63,818	(8.92%)
25	Nipponkoa Insurance Company Ltd.	0.06%	\$44	*	\$40,294	59.58%

Top 25 Groups Total	99.82%	\$19,395,988	4.62%	\$70,681,422	(6.12%)
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Total Market	100.00%	\$19,417,778	4.45%	\$70,810,593	(6.65%)
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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 1999	\$5,998,330	\$8,429,018	\$13,747,315
4th qtr 1999	\$5,739,554	\$11,594,584	\$26,973,664
1st qtr 2000	\$6,824,984	\$7,104,170	\$7,608,679
2nd qtr 2000	\$7,621,282	\$9,008,884	\$3,444,292
3rd qtr 2000	\$9,496,878	\$11,092,448	\$8,553,001
4th qtr 2000	\$11,021,834	\$14,813,929	\$15,462,968
1st qtr 2001	\$9,322,472	\$10,668,808	\$6,262,083
2nd qtr 2001	\$11,069,306	\$13,060,159	\$2,488,479
3rd qtr 2001	\$11,513,713	\$12,945,869	\$4,346,902
4th qtr 2001	\$13,681,067	\$16,172,430	\$1,178,246
1st qtr 2002	\$14,135,435	\$18,237,147	\$3,762,748
2nd qtr 2002	\$23,340,551	\$21,437,169	\$3,650,728
3rd qtr 2002	\$18,658,119	\$24,062,071	\$10,173,007
4th qtr 2002	\$33,136,501	\$18,433,282	\$7,566,513
1st qtr 2003	\$17,637,255	\$19,160,434	\$2,609,649
2nd qtr 2003	\$18,174,135	\$19,667,485	\$2,628,907
3rd qtr 2003	\$16,781,415	\$18,589,775	\$21,170,824
4th qtr 2003	\$16,973,598	\$18,739,582	\$4,007,116
1st qtr 2004	\$15,243,995	\$16,325,983	\$1,988,536
2nd qtr 2004	\$15,247,946	\$16,327,250	\$17,818,079
3rd qtr 2004	\$16,311,655	\$19,417,778	\$4,121,378

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Crime

There were 31 groups, 68 companies, that had direct written premium for Commercial Crime in the third quarter of 2004, as compared to 32 groups, 70 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Zurich Insurance Group	17.05%	\$440,341	15.15%	\$1,445,462	20.57%
2	Chubb & Son Inc.	16.23%	\$406,630	50.27%	\$1,375,724	41.50%
3	American International Group	15.93%	\$212,563	(33.41%)	\$1,350,567	(10.32%)
4	Travelers Property Casualty Corp. Group	14.25%	\$198,866	(14.04%)	\$1,208,509	25.35%
5	Hartford Fire & Casualty Group	12.05%	\$636,259	422.88%	\$1,021,401	122.23%
6	CNA Insurance Group	10.50%	\$502,096	71.69%	\$890,065	37.40%
7	St. Paul Group	3.91%	\$35,574	(48.61%)	\$331,253	(13.28%)
8	Bancinsure Inc.	1.82%	\$49,338	24.50%	\$154,142	51.00%
9	United Fire & Casualty Group	1.21%	\$26,437	(13.35%)	\$102,495	(4.15%)
10	Sentry Insurance Group	1.08%	\$28,633	36.02%	\$91,449	69.27%
11	Harco National Insurance Company	1.02%	\$24,480	(33.48%)	\$86,264	(30.46%)
12	Federated Mutual	0.97%	\$20,647	38.74%	\$82,541	42.70%
13	Liberty Mutual Group	0.57%	\$10,177	(12.31%)	\$48,618	254.62%
14	Allstate Insurance Group	0.48%	\$28,671	(59.96%)	\$40,684	(75.26%)
15	Atlantic America	0.38%	\$6,860	(27.92%)	\$32,444	19.24%
16	American Financial Group	0.38%	\$9,162	15.27%	\$32,377	48.12%
17	UNITRIN Group	0.25%	\$6,886	(13.39%)	\$21,205	17.86%
18	Nationwide Corp.	0.23%	\$7,426	82.46%	\$19,457	85.80%
19	RLI Insurance Group	0.22%	\$3,257	(5.37%)	\$18,495	(53.11%)
20	Benchmark Insurance Company	0.21%	\$12,085	135.12%	\$18,024	30.79%
21	EMC Insurance Company	0.21%	\$9,202	*	\$17,961	140.09%
22	Hannover Group	0.18%	\$5,961	143.01%	\$14,942	3.23%
23	National American Insurance Company	0.14%	\$974	*	\$11,730	3.99%
24	XL America	0.11%	\$0	*	\$9,302	194.37%
25	Central Mutual Insurance Company of Ohio	0.09%	\$3,945	(80.23%)	\$7,917	(86.25%)

Top 25 Groups Total	99.47%	\$2,686,470	36.09%	\$8,433,028	20.85%
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Total Market	100.00%	\$2,690,230	36.53%	\$8,477,892	17.75%
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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 1999	\$1,913,296	\$2,375,385	\$826,469
4th qtr 1999	\$1,453,101	\$3,093,898	\$847,735
1st qtr 2000	\$2,298,539	\$2,395,113	\$144,981
2nd qtr 2000	\$2,764,361	\$2,835,158	\$503,188
3rd qtr 2000	\$2,447,445	\$2,665,016	\$443,652
4th qtr 2000	\$2,932,337	\$3,189,332	(\$55,027)
1st qtr 2001	\$2,645,328	\$1,940,058	\$216,427
2nd qtr 2001	\$2,958,524	\$2,118,598	\$214,678
3rd qtr 2001	\$1,948,083	\$1,883,478	\$392,359
4th qtr 2001	\$2,550,031	\$2,490,497	\$3,137,605
1st qtr 2002	\$2,403,953	\$2,309,009	(\$134,651)
2nd qtr 2002	\$1,546,219	\$2,030,210	\$280,434
3rd qtr 2002	\$1,341,198	\$1,529,291	\$214,282
4th qtr 2002	\$1,616,520	\$1,782,790	\$419,686
1st qtr 2003	\$1,428,028	\$1,478,357	\$220,185
2nd qtr 2003	\$1,811,097	\$1,968,234	\$77,561
3rd qtr 2003	\$1,455,764	\$1,970,424	\$201,681
4th qtr 2003	\$1,485,574	\$1,867,930	\$424,135
1st qtr 2004	\$3,345,164	\$1,749,368	\$376,949
2nd qtr 2004	\$1,898,917	\$2,170,364	\$48,845
3rd qtr 2004	\$1,415,477	\$2,690,230	\$368,517

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Glass

There were 12 groups, 20 companies, that had direct written premium for Commercial Glass in the third quarter of 2004, as compared to 14 groups, 23 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 3rd Quarter 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Zurich Insurance Group	34.42%	\$6,403	10.97%	\$65,385	(14.41%)
2	UNITRIN Group	24.87%	\$20,758	4.51%	\$47,256	(34.11%)
3	United Fire & Casualty Group	12.85%	(\$168)	(102.31%)	\$24,409	(33.97%)
4	Ohio Casualty Group	8.19%	\$4,164	17.59%	\$15,552	(20.00%)
5	Usplate Glass Insurance Company	7.23%	\$6,131	*	\$13,731	344.80%
6	Federated Mutual	4.45%	\$884	(10.25%)	\$8,445	33.79%
7	Liberty Mutual Group	3.19%	\$929	(72.27%)	\$6,053	19.74%
8	Safeco Insurance Group	1.44%	\$569	*	\$2,732	16.45%
9	ACE Ltd.	0.82%	\$296	*	\$1,553	(22.77%)
10	Travelers Property Casualty Corp. Group	0.79%	\$0	(100.00%)	\$1,506	(81.25%)
11	St. Paul Group	0.79%	\$846	239.60%	\$1,493	(41.70%)
12	State Farm IL	0.76%	\$271	0.00%	\$1,450	11.28%
13	Allmerica Financial Corp.	0.10%	\$0	(100.00%)	\$182	*
14	EMC Insurance Company	0.08%	\$0	(100.00%)	\$150	(99.25%)
15	Nationwide Corp.	0.07%	\$218	*	\$142	150.35%
16	Utica National Insurance Group	(0.03%)	\$0	(100.00%)	(\$62)	(107.79%)

Top Groups Total	100.00%	\$41,301	(17.54%)	\$189,977	(28.54%)
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Total Market	100.00%	\$41,301	(17.54%)	\$189,977	(28.54%)
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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 1999	\$132,087	\$92,232	\$13,833
4th qtr 1999	\$120,348	\$86,001	\$30,482
1st qtr 2000	\$127,941	\$87,786	\$29,669
2nd qtr 2000	\$128,064	\$103,528	\$225,475
3rd qtr 2000	\$154,216	\$116,377	\$22,938
4th qtr 2000	\$106,321	\$77,656	\$10,619
1st qtr 2001	\$101,722	\$75,433	\$13,403
2nd qtr 2001	\$152,748	\$114,752	\$14,740
3rd qtr 2001	\$97,993	\$70,296	\$9,134
4th qtr 2001	\$94,672	\$76,658	\$14,463
1st qtr 2002	\$125,940	\$85,995	\$10,470
2nd qtr 2002	\$132,904	\$84,391	(\$191,664)
3rd qtr 2002	\$106,180	\$69,425	\$9,409
4th qtr 2002	\$118,781	\$87,929	\$17,945
1st qtr 2003	\$94,109	\$65,760	\$8,488
2nd qtr 2003	\$81,840	\$62,094	\$13,141
3rd qtr 2003	\$76,628	\$50,084	\$14,061
4th qtr 2003	\$112,205	\$55,552	\$7,445
1st qtr 2004	\$96,722	\$52,661	\$20,377
2nd qtr 2004	\$85,438	\$40,463	\$4,143
3rd qtr 2004	\$80,972	\$41,301	\$3,214

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

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

Medical Professional Liability

There were 32 groups, 40 companies, that had direct written premium for Medical Professional Liability (includes regulated and non-rate-regulated companies) in the third quarter of 2004, as compared to 34 groups, 43 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	GE Global Group	25.26%	\$41,413,721	(24.14%)	\$120,600,365	(18.08%)
2	Health Care Indemnity Inc.	22.88%	\$1,666,931	124.67%	\$109,227,878	(13.61%)
3	Texas Medical Liability Underwriting Assoc.	15.31%	\$23,348,809	(8.75%)	\$73,088,012	(0.86%)
4	American Physicians Ins. Exchange	14.02%	\$24,863,530	12.44%	\$66,958,335	27.30%
5	CNA Insurance Group	3.88%	\$1,666,252	(27.95%)	\$18,517,009	319.39%
6	Doctors Company Group	3.12%	\$3,491,990	(56.65%)	\$14,876,848	(5.41%)
7	Everest Rein Holding Inc.	1.80%	\$80,224	(98.74%)	\$8,595,275	(74.93%)
8	Texas Hospital Insurance Exchange	1.80%	\$2,329,159	25.25%	\$8,586,020	10.47%
9	Allianz Insurance Group	1.69%	\$1,560,705	(44.53%)	\$8,088,545	(40.30%)
10	Proassurance Corp. Group	1.54%	\$1,574,452	(20.13%)	\$7,366,790	5.41%
11	Preferred Professional Insurance Company	1.40%	\$1,554,458	(5.31%)	\$6,673,694	(5.58%)
12	Bancinsure Inc.	1.28%	\$470,281	(88.05%)	\$6,119,864	(46.96%)
13	American International Group	1.26%	\$1,900,428	(11.88%)	\$6,022,180	7.00%
14	FPIC Insurance Group Inc.	1.16%	\$751,803	(20.31%)	\$5,539,750	(39.95%)
15	Texas Medical Insurance Company	0.76%	\$1,683,120	*	\$3,619,451	151.69%
16	Podiatry Insurance Co. of America RRG	0.72%	\$1,990,231	0.52%	\$3,459,561	(3.44%)
17	National Group	0.68%	\$1,397,577	2.86%	\$3,256,934	29.97%
18	NCMIC Group	0.64%	\$882,022	(5.04%)	\$3,040,489	(36.68%)
19	Travelers Property Casualty Corp. Group	0.33%	\$651,042	(2.84%)	\$1,597,971	69.56%
20	American Re Group	0.21%	\$188,433	1.04%	\$993,159	44.27%
21	ACE Ltd.	0.10%	\$273,614	(61.26%)	\$490,537	(74.58%)
22	Markel Corp. Group	0.08%	\$38,414	(9.46%)	\$364,684	67.94%
23	Berkshire Hathaway	0.05%	\$236,518	1.95%	\$236,749	(42.77%)
24	Paco Assurance Company Inc.	0.02%	\$26,405	(37.77%)	\$108,120	(6.57%)
25	American Healthcare Specialty	0.02%	\$0	(100.00%)	\$107,157	(77.07%)

Top 25 Groups Total	**100.02%	\$114,040,119	(14.78%)	\$477,535,377	(10.45%)
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Total Market	100.00%	\$113,745,517	(15.95%)	\$477,461,026	(12.85%)
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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 1999	\$74,001,990	\$69,189,438	\$50,252,064
4th qtr 1999	\$41,930,065	\$40,483,584	\$79,374,396
1st qtr 2000	\$137,093,402	\$139,488,404	\$96,644,607
2nd qtr 2000	\$42,351,811	\$44,844,296	\$107,273,832
3rd qtr 2000	\$65,378,912	\$68,942,814	\$69,209,753
4th qtr 2000	\$52,031,103	\$48,828,768	\$113,524,381
1st qtr 2001	\$152,152,204	\$167,131,473	\$83,573,570
2nd qtr 2001	\$54,416,843	\$65,578,948	\$75,456,511
3rd qtr 2001	\$94,994,593	\$88,354,507	\$79,548,188
4th qtr 2001	\$55,994,442	\$56,808,234	\$81,626,254
1st qtr 2002	\$187,765,477	\$194,494,874	\$61,414,577
2nd qtr 2002	\$66,087,372	\$78,286,136	\$79,470,717
3rd qtr 2002	\$117,743,019	\$132,910,095	\$65,631,228
4th qtr 2002	\$85,911,427	\$79,470,653	\$95,769,104
1st qtr 2003	\$227,003,710	\$244,370,356	\$45,576,971
2nd qtr 2003	\$93,947,674	\$88,666,548	\$55,106,913
3rd qtr 2003	\$126,579,512	\$135,323,248	\$57,388,785
4th qtr 2003	\$71,752,834	\$82,927,387	\$93,075,549
1st qtr 2004	\$193,451,843	\$205,341,248	\$41,830,082
2nd qtr 2004	\$82,494,160	\$75,446,874	\$48,356,552
3rd qtr 2004	\$113,120,517	\$113,745,517	\$65,057,979

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Miscellaneous Professional Liability

There were 30 groups, 60 companies, that had direct written premium for Miscellaneous Professional Liability in the third quarter of 2004, as compared to 31 groups, 66 companies, in the third quarter of 2003.

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 2004 to direct written premium in the third quarter of 2003 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 2004	% Change 3rd Quarter 2003 to 2004	4 Quarters Ending 3rd Qtr 2004	% Change 4 Qtrs Ending 2003 to 2004
1	Chubb & Son Inc.	33.45%	\$35,007,531	27.33%	\$107,922,438	25.55%
2	St. Paul Group	13.89%	\$11,036,066	6.38%	\$44,831,962	14.11%
3	Hartford Fire & Casualty Group	13.76%	\$10,941,622	(25.31%)	\$44,388,211	21.13%
4	HCC Insurance Holdings Group	13.69%	\$10,909,025	22.98%	\$44,171,899	21.43%
5	ACE Ltd.	6.05%	\$4,983,589	35.97%	\$19,520,317	69.58%
6	GE Global Group	4.54%	\$107,453	(96.78%)	\$14,659,877	24.37%
7	RLI Insurance Group	4.04%	\$4,522,405	(11.60%)	\$13,022,044	(26.06%)
8	Allianz Insurance Group	1.84%	\$618,333	(61.75%)	\$5,921,102	3.56%
9	Berkshire Hathaway	1.72%	\$882,987	(52.32%)	\$5,553,304	(16.58%)
10	Nationwide Corp.	1.61%	\$1,423,805	125.08%	\$5,195,464	64.90%
11	Arch Insurance Group	1.24%	\$0	*	\$3,992,813	*
12	AON Corp.	0.91%	\$1,513,743	56.44%	\$2,932,430	63.83%
13	Old Republic Group	0.89%	\$325,001	(54.32%)	\$2,878,050	(1.97%)
14	Liberty Mutual Group	0.57%	\$989,528	*	\$1,852,858	*
15	Markel Corp. Group	0.57%	\$459,343	(2.12%)	\$1,828,249	10.33%
16	Utica National Insurance Group	0.39%	\$173,111	(16.78%)	\$1,246,252	46.93%
17	AETNA	0.31%	\$0	*	\$1,002,043	*
18	United National Group	0.20%	\$480,837	*	\$637,407	*
19	Navigators Group Inc.	0.10%	\$282,375	*	\$322,520	*
20	Zurich Insurance Group	0.09%	\$56,673	(14.93%)	\$286,600	0.06%
21	Union Labor Group	0.03%	\$1,067	(98.68%)	\$97,000	(83.37%)
22	White Mountains Group	0.03%	\$94,000	*	\$94,000	*
23	American Re Group	0.02%	\$9,803	(35.56%)	\$79,106	(83.16%)
24	State Farm IL	0.02%	\$48,977	*	\$75,050	*
25	Florists Mutual	0.02%	\$13,327	6.85%	\$55,554	19.47%

Top 25 Groups Total	99.97%	\$84,880,601	5.88%	\$322,566,550	22.43%
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Total Market	100.00%	\$84,950,945	5.43%	\$322,670,495	19.64%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1999	\$39,816,439	\$35,085,917	\$10,638,238
4th qtr 1999	\$33,294,548	\$31,278,739	\$13,470,874
1st qtr 2000	\$28,787,985	\$32,539,979	\$15,208,574
2nd qtr 2000	\$34,839,821	\$35,060,607	\$9,638,111
3rd qtr 2000	\$40,383,080	\$29,206,486	\$25,472,831
4th qtr 2000	\$35,972,379	\$34,102,932	\$30,697,566
1st qtr 2001	\$33,317,718	\$35,426,450	\$18,503,137
2nd qtr 2001	\$27,379,296	\$59,910,926	\$13,146,912
3rd qtr 2001	\$32,672,023	\$35,346,828	\$14,591,556
4th qtr 2001	\$46,744,141	\$47,766,265	\$25,510,077
1st qtr 2002	\$44,193,075	\$38,539,396	\$21,611,170
2nd qtr 2002	\$45,639,859	\$50,579,721	\$31,951,912
3rd qtr 2002	\$44,287,561	\$46,129,965	\$32,132,723
4th qtr 2002	\$39,794,746	\$40,468,853	\$24,789,968
1st qtr 2003	\$65,301,029	\$64,300,341	\$23,052,586
2nd qtr 2003	\$72,527,779	\$84,367,349	\$41,720,752
3rd qtr 2003	\$78,673,242	\$80,572,101	\$73,006,385
4th qtr 2003	\$72,099,487	\$78,115,601	\$15,837,639
1st qtr 2004	\$78,583,973	\$78,663,654	\$19,088,783
2nd qtr 2004	\$79,014,833	\$80,940,295	\$25,252,374
3rd qtr 2004	\$88,213,507	\$84,950,945	\$12,905,043

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

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

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the third quarter of 2004 and the third quarter of 2003. 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 2004			3RD QUARTER 2003		
	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
Product Liability	0	12,750	0.00000%	0	11,962	0.00000%
General Liability - Other ⁺	55	233,476	0.02356%	75	234,547	0.03198%
Fire & Allied Lines	7	44,534	0.01572%	11	44,713	0.02460%
Commercial Multiple Peril	27	80,183	0.03367%	25	77,949	0.03207%
Private Passenger Auto ⁺⁺	1,974	5,049,924	0.03909%	2,556	4,877,747	0.05240%
Homeowners	677	1,219,993	0.05549%	1,327	1,158,809	0.11451%
Workers' Compensation ⁺⁺⁺	31	36,109	0.08585%	35	43,180	0.08106%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	7	15,396	0.04547%	12	15,365	0.07810%
Misc. Professional Liability	5	4,961	0.10079%	9	5,327	0.16895%

⁺ The General Electric Group wrote 12,102 small premium pre-paid legal policies in the 3rd quarter of 2004 and 12,238 policies in the 3rd quarter of 2003 that were excluded from the above table.

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

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

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

The number of complaints attributable to any one insurer was not significant, except for Private Passenger Auto and Homeowners. The complaint data for the top 25 groups (ranking based on number of policies written in the third quarter of 2004) 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**

2004 Policies Written Rank	Group Name	3RD QUARTER 2004			3RD QUARTER 2003		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
6	Old American County Mutual Fire Ins. Co.	289	193,212	0.14958%	262	153,294	0.17091%
19	Unitrin Group	56	40,413	0.13857%	90	47,389	0.18992%
12	Texas State National Group	83	60,950	0.13618%	163	106,324	0.15330%
23	Interins Exchange Of The Automobile Club	26	19,943	0.13037%	30	18,963	0.15820%
21	Mercury General Group	29	27,512	0.10541%	35	23,695	0.14771%
11	Home State Insurance Group	107	102,374	0.10452%	122	89,268	0.13667%
14	Safeco Insurance Group	41	58,456	0.07014%	49	64,031	0.07653%
22	Safeway Insurance Group	15	22,709	0.06605%	22	26,164	0.08409%
17	Liberty Mutual Group	30	49,471	0.06064%	47	45,281	0.10380%
8	Nationwide Corp	85	152,795	0.05563%	126	149,483	0.08429%
3	Allstate Insurance Group	218	517,785	0.04210%	278	519,924	0.05347%
9	Berkshire Hathaway	59	140,594	0.04196%	58	139,849	0.04147%
4	Progressive Group	158	441,494	0.03579%	195	405,091	0.04814%
24	Germania Insurance Group	6	19,939	0.03009%	5	19,120	0.02615%
16	Hartford Fire & Casualty Group	15	52,573	0.02853%	20	31,018	0.06448%
25	Amica Mutual Group	5	18,392	0.02719%	3	18,764	0.01599%
5	United Services Automobile Assoc. Group	55	216,456	0.02541%	93	215,092	0.04324%
20	Sentry Insurance Group	8	34,682	0.02307%	9	36,866	0.02441%
2	Zurich Insurance Group	201	915,039	0.02197%	310	884,706	0.03504%
7	Southern Farm Bureau Casualty	27	165,513	0.01631%	44	160,001	0.02750%
13	Titus Group	9	60,472	0.01488%	6	48,587	0.01235%
1	State Farm Illinois	157	1,393,616	0.01127%	193	1,432,520	0.01347%
10	American National Financial Corp	5	125,813	0.00397%	10	18,896	0.05292%
15	Credit Suisse Group	0	57,020	0.00000%	1	36,538	0.00274%
18	Travelers Property Casualty Corp Group	0	41,113	0.00000%	0	47,315	0.00000%
	(All other licensed insurers)	290	121,588	0.23851%	385	138,568	0.27585%
	(No company identified)*	0			0		
TOTALS		1,974	5,049,924	0.03909%	2,556	4,877,747	0.05240%

* 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

2004 Policies Written Rank	Group Name	3RD QUARTER 2004			3RD QUARTER 2003		
		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	Liberty Mutual Group	10	20,071	0.10714%	25	15,636	0.15989%
17	Amica Mutual Group	0	8,810	0.10023%	15	9,317	0.16100%
23	Assurant Inc Grp	4	4,909	0.08212%	4	5,201	0.07691%
22	UNITRIN Group	3	5,513	0.08148%	14	7,070	0.19802%
7	Vesta Insurance Group	24	42,855	0.07241%	32	42,933	0.07453%
3	Zurich Insurance Group	107	154,767	0.06914%	215	142,955	0.15040%
24	Beacon Insurance Group	4	4,871	0.06351%	11	5,148	0.21368%
19	Columbia Lloyds Insurance Company	3	6,852	0.06233%	7	5,691	0.12300%
12	Credit Suisse Group	0	15,212	0.05936%	0	16,536	0.00000%
6	Nationwide Corporation	17	44,891	0.05600%	46	43,162	0.10658%
21	CNA Insurance Group	1	5,909	0.05442%	9	5,833	0.15429%
9	Texas Farm Bureau Mutual	10	30,713	0.04982%	10	26,931	0.03713%
2	Allstate Insurance Group	117	244,818	0.04779%	148	228,789	0.06469%
15	ARX Holding Corp Group	4	10,072	0.04383%	7	8,770	0.00000%
18	Colonial Savings Group	7	6,984	0.04378%	13	2,573	0.50525%
25	Interins Exchange Of The Automobile Club	3	4,724	0.04144%	8	6,606	0.12110%
13	Safeco Insurance Group	8	13,478	0.04128%	28	14,219	0.19692%
14	Hartford Fire & Casualty Group	5	12,113	0.03971%	24	11,893	0.00000%
5	Travelers Property Casualty Corp Group	0	59,901	0.03787%	0	53,958	0.00000%
8	Texas Fair Plan Association	27	37,286	0.03256%	19	43,077	0.04411%
1	State Farm Illinois	92	316,354	0.02908%	194	303,812	0.06386%
20	Chubb & Son Inc.	4	6,417	0.01692%	7	6,595	0.10614%
4	United Services Automobile Assoc. Group	15	94,711	0.00000%	34	79,445	0.04280%
11	NLASCO	20	18,667	0.00000%	35	17,962	0.19486%
16	American National Financial Group	4	9,126	0.00000%	19	10,208	0.18613%
	(All other licensed insurers)	188	39,969	0.47036%	403	44,489	0.90584%
	(No company identified)*	0			0		

TOTALS

677

1,219,993

0.05549%

1,327

1,158,809

0.11451%

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

County Mutual Companies

NAMES OF GROUPS AND CORRESPONDING COUNTY MUTUAL COMPANIES

GROUPS

COUNTY MUTUAL COMPANIES

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

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