

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

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

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

Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lines of Insurance

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

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

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

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

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

Summary of Four Quarters

CUMULATIVE TOTALS FOR FOUR QUARTERS ENDING JUNE 1997

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	70 / 196	35,879	\$89,246,599	\$94,155,259	\$75,690,641
GENERAL LIABILITY - OTHER	151 / 353	719,842⁺	\$844,869,405	\$943,907,167	\$716,090,343
COMMERCIAL FIRE & ALLIED	102 / 253	276,593	\$322,017,570	\$326,856,505	\$198,045,044
COMMERCIAL MULTIPLE PERIL	97 / 266	268,259	\$897,917,429	\$933,510,962	\$546,179,805
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	84 / 221	10,394,765	\$5,958,464,949	\$5,466,182,135	\$3,098,851,849
ASSIGNED RISK LIABILITY	37 / 41	182,462	\$147,160,482	\$87,568,884	\$178,851,521
PHYSICAL DAMAGE	85 / 221	7,291,902	\$2,776,827,690	\$2,609,503,650	\$1,873,710,170
TOTAL PPA	91 / 232	17,869,129⁺⁺	\$8,882,453,121	\$8,163,254,669	\$5,151,413,540
HOMEOWNERS MULTIPLE PERIL	73 / 169	3,405,812	\$2,631,284,306	\$2,475,000,964	\$1,274,245,534
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		82,033	\$135,249,280	**	**
VOL PREMIUMS \$5,000 - \$100,000		41,189	\$769,780,771	**	**
VOL PREMIUMS > \$100,000		2,732	\$788,996,900	**	**
TOTAL VOLUNTARY	112 / 263	125,954	\$1,694,026,951	\$1,653,671,980	\$1,009,167,065
RESIDUAL MARKET ***	1 / 1	1,314	\$16,114,402	\$11,584,028	\$87,969,164
TOTAL WC	112 / 263	127,268	\$1,710,141,353	\$1,665,256,008	\$1,097,136,229
BOILER & MACHINERY	43 / 96	11,071	\$44,555,455	\$45,427,651	\$24,492,324
COMMERCIAL CRIME	47 / 98	6,632	\$10,415,522	\$10,484,089	\$1,494,721
COMMERCIAL GLASS	38 / 69	3,328	\$638,990	\$524,219	\$116,424
MEDICAL PROFESSIONAL LIABILITY	40 / 61	34,102	\$284,964,505	\$284,593,228	\$200,182,320
MISC. PROFESSIONAL LIABILITY	38 / 82	18,236	\$95,170,223	\$92,672,274	\$27,348,737

⁺ The General Electric Group wrote 305,417 small premium pre-paid legal policies that were excluded from the above table.

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

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

^{***} Policies reported in this category were written under the START program by the Texas Workers' Compensation Insurance Fund.

NUMBER OF GROUPS / COMPANIES WRITING POLICIES PER QUARTER

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

Product Liability

There were 62 groups, 167 companies, that had direct written premium for Product Liability in the second quarter of 1997, as compared to 64 groups, 183 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Travelers Insurance Group	8.61%	\$1,443,942	24.91%	\$8,107,458	237.98%
2	CNA Insurance Group	8.32%	\$2,082,144	15.77%	\$7,836,490	(5.83%)
3	St. Paul Companies	7.69%	\$1,969,715	(34.87%)	\$7,244,500	(6.66%)
4	Chubb & Son Inc.	7.03%	\$1,571,750	11.70%	\$6,618,450	14.25%
5	American International Group	6.77%	\$3,235,075	(36.88%)	\$6,378,181	(32.80%)
6	Zurich American Insurance Group	6.18%	\$1,776,011	12.61%	\$5,820,287	(27.25%)
7	Liberty Mutual Insurance Group	5.28%	\$1,444,291	2.47%	\$4,967,166	(26.13%)
8	TIG Insurance Group	4.08%	\$761,673	149.33%	\$3,843,597	37.21%
9	Cigna Group	3.69%	\$887,771	0.66%	\$3,474,562	(14.40%)
10	Crum & Forster Insurance Companies	3.45%	\$1,275,826	(36.77%)	\$3,249,869	(26.42%)
11	American Financial Insurance Group	3.40%	\$870,058	44.91%	\$3,203,350	27.46%
12	Lumbermans Mutual Casualty Group	2.97%	\$316,393	*	\$2,799,357	11.05%
13	Reliance Group Incorporated	2.52%	\$233,263	35.50%	\$2,373,212	91.23%
14	Federated Mutual Group	2.16%	\$615,255	(10.06%)	\$2,032,448	(7.45%)
15	Royal & Sun Alliance USA	2.07%	\$521,150	(0.28%)	\$1,947,696	(6.85%)
16	Hartford Fire & Casualty Group	1.84%	\$410,658	(54.01%)	\$1,735,012	(20.23%)
17	UNTRIN Inc.	1.74%	\$499,628	(17.10%)	\$1,633,871	(12.08%)
18	Fairfax Financial	1.39%	\$483,144	0.94%	\$1,313,126	(19.82%)
19	Gerling Global RE Group	1.38%	\$326,334	56.69%	\$1,300,034	199.22%
20	Nationwide Corporation	1.37%	\$198,994	5.72%	\$1,289,386	7.13%
21	Old Republic Group	1.20%	\$222,104	(86.46%)	\$1,131,550	(42.49%)
22	Dallas Fire Insurance Company	1.19%	\$264,501	(0.51%)	\$1,120,305	31.02%
23	Allianz Insurance Group	1.19%	\$259,094	29.44%	\$1,119,289	6.50%
24	Sentry Insurance Group	1.16%	\$222,079	(11.13%)	\$1,092,994	(10.51%)
25	Miller Insurance Group	0.97%	\$231,016	21.01%	\$917,087	(0.03%)

Top 25 Groups Total	87.67%	\$22,121,869	(13.55%)	\$82,549,277	(1.32%)
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Total Market	100.00%	\$24,759,046	(13.91%)	\$94,155,259	(1.63%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$22,087,318	\$26,937,607	\$30,521,010
4th qtr 1992	\$18,857,148	\$21,800,091	\$24,030,076
1st qtr 1993	\$20,817,631	\$25,951,764	\$45,885,933
2nd qtr 1993	\$23,107,019	\$23,472,096	\$24,354,166
3rd qtr 1993	\$17,668,245	\$20,259,804	\$15,830,194
4th qtr 1993	\$22,262,147	\$24,560,244	\$39,305,617
1st qtr 1994	\$20,231,239	\$20,357,429	\$28,282,730
2nd qtr 1994	\$26,967,374	\$26,891,734	\$27,862,495
3rd qtr 1994	\$18,917,614	\$23,384,264	\$8,961,108
4th qtr 1994	\$22,081,038	\$35,792,466	\$23,094,082
1st qtr 1995	\$18,878,258	\$23,402,023	\$26,080,618
2nd qtr 1995	\$22,024,356	\$22,953,841	\$26,164,539
3rd qtr 1995	\$22,052,132	\$21,630,743	\$14,900,318
4th qtr 1995	\$19,560,413	\$22,451,585	\$7,609,800
1st qtr 1996	\$22,937,729	\$22,878,769	\$12,219,407
2nd qtr 1996	\$27,574,425	\$28,758,460	\$19,491,138
3rd qtr 1996	\$19,424,296	\$22,075,380	\$14,044,152
4th qtr 1996	\$19,414,599	\$20,544,777	\$26,084,042
1st qtr 1997	\$24,146,418	\$26,776,056	\$21,389,701
2nd qtr 1997	\$26,261,286	\$24,759,046	\$14,172,746

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

General Liability

There were 145 groups, 329 companies, that had direct written premium for General Liability in the second quarter of 1997, as compared to 147 groups, 338 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	American International Group	16.81%	\$25,333,321	(53.39%)	\$158,631,385	10.37%
2	CNA Insurance Group	7.18%	\$14,977,429	(15.81%)	\$67,745,927	(1.55%)
3	Travelers Insurance Group	6.33%	\$11,535,904	(14.96%)	\$59,752,785	(6.15%)
4	Zurich American Insurance Group	5.78%	\$10,959,419	(13.86%)	\$54,587,233	1.60%
5	Executive Risk Companies	3.79%	\$10,600,853	14.96%	\$35,739,909	48.28%
6	American Financial Insurance Group	3.72%	\$9,125,601	20.53%	\$35,103,470	28.66%
7	St. Paul Companies	3.26%	\$7,469,371	0.20%	\$30,735,465	(6.08%)
8	Chubb & Son Inc.	3.14%	\$8,281,759	(10.06%)	\$29,605,629	(2.44%)
9	Reliance Group Incorporated	2.48%	\$3,707,649	(10.69%)	\$23,378,842	(4.68%)
10	State Farm Group	2.18%	\$5,397,569	7.23%	\$20,594,491	1.99%
11	Allianz Insurance Group	2.09%	\$4,851,113	17.52%	\$19,725,113	23.27%
12	UNITRIN Inc.	2.09%	\$5,863,001	1.33%	\$19,682,227	(13.22%)
13	Transport Holdings Inc.	2.01%	\$364,014	(78.17%)	\$19,019,727	27.13%
14	Liberty Mutual Insurance Group	1.75%	\$2,406,168	(56.25%)	\$16,563,412	1.75%
15	Old Republic Group	1.74%	\$3,863,144	(26.35%)	\$16,461,432	(11.50%)
16	Texas Lawyers Insurance Exchange	1.73%	\$3,231,425	6.70%	\$16,309,097	2.69%
17	Orion Capital Group	1.73%	\$3,741,053	16.67%	\$16,287,318	20.55%
18	General Electric Group	1.50%	\$3,123,445	(3.53%)	\$14,202,546	(4.91%)
19	TIG Insurance Group	1.48%	\$3,094,861	19.44%	\$13,979,041	9.61%
20	Cigna Group	1.45%	\$4,020,433	(7.14%)	\$13,696,393	(23.45%)
21	Hartford Fire & Casualty Group	1.34%	\$3,333,264	93.11%	\$12,650,153	101.28%
22	Royal & Sun Alliance USA	1.28%	\$2,963,585	58.59%	\$12,120,157	(15.95%)
23	Nationwide Corporation	1.11%	\$2,760,062	(3.01%)	\$10,500,954	6.64%
24	Crum & Forster Insurance Companies	1.11%	\$3,093,224	(43.22%)	\$10,498,865	(40.24%)
25	Farmers Insurance Group	1.07%	\$1,308,521	(25.86%)	\$10,091,395	9.95%

Top 25 Groups Total	78.15%	\$155,406,188	(19.66%)	\$737,662,966	3.91%
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Total Market	100.00%	\$202,366,791	(19.39%)	\$943,907,167	1.95%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$178,548,098	\$182,405,659	\$292,080,365
4th qtr 1992	\$176,082,759	\$215,204,019	\$179,788,408
1st qtr 1993	\$190,771,806	\$219,818,735	\$198,489,507
2nd qtr 1993	\$206,375,391	\$304,105,475	\$236,668,509
3rd qtr 1993	\$195,836,841	\$246,929,728	\$185,652,727
4th qtr 1993	\$196,677,010	\$270,371,399	\$237,345,193
1st qtr 1994	\$210,110,210	\$228,697,226	\$184,352,799
2nd qtr 1994	\$214,492,954	\$247,084,229	\$139,328,008
3rd qtr 1994	\$214,217,868	\$325,377,385	\$203,772,691
4th qtr 1994	\$177,497,488	\$352,054,769	\$232,418,046
1st qtr 1995	\$208,131,222	\$204,414,157	\$170,863,929
2nd qtr 1995	\$215,787,868	\$299,959,772	\$167,557,128
3rd qtr 1995	\$213,155,710	\$195,424,165	\$152,226,766
4th qtr 1995	\$222,334,436	\$252,160,703	\$219,597,885
1st qtr 1996	\$205,490,153	\$227,245,090	\$128,506,977
2nd qtr 1996	\$230,602,320	\$251,052,798	\$122,245,785
3rd qtr 1996	\$219,231,298	\$273,801,596	\$278,489,830
4th qtr 1996	\$222,044,567	\$264,003,831	\$173,930,401
1st qtr 1997	\$177,029,952	\$203,734,949	\$129,900,992
2nd qtr 1997	\$226,563,588	\$202,366,791	\$133,769,120

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Fire & Allied

There were 97 groups, 238 companies, that had direct written premium for Commercial Fire & Allied in the second quarter of 1997, as compared to 99 groups, 241 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Travelers Insurance Group	15.03%	\$12,770,288	(5.29%)	\$49,136,903	(20.88%)
2	Zurich American Insurance Group	6.22%	\$6,432,022	43.43%	\$20,320,002	31.05%
3	UNITRIN Inc.	5.19%	\$4,514,680	(0.95%)	\$16,963,342	(2.21%)
4	Texas Catastrophe Property Ins. Assoc.	4.83%	\$4,624,517	13.35%	\$15,783,915	1.98%
5	Allendale Group	4.81%	\$5,003,335	(8.33%)	\$15,735,803	(10.60%)
6	Allianz Insurance Group	4.76%	\$4,685,991	22.25%	\$15,564,109	(7.56%)
7	Arkwright Boston Group	4.70%	\$2,309,580	(30.73%)	\$15,374,190	(1.79%)
8	St. Paul Companies	4.62%	\$3,966,094	20.32%	\$15,116,631	11.59%
9	Royal & Sun Alliance USA	3.45%	\$2,726,481	4.72%	\$11,290,889	85.02%
10	Protection Mutual Insurance Company	3.44%	\$3,231,009	(11.14%)	\$11,252,844	0.68%
11	Mortgage Bankers Group	2.47%	\$2,282,766	17.99%	\$8,083,080	130.25%
12	CNA Insurance Group	2.46%	\$1,478,452	(49.96%)	\$8,049,362	(46.42%)
13	Nationwide Corporation	2.44%	\$2,679,604	110.20%	\$7,977,282	31.54%
14	American International Group	2.21%	\$1,476,966	(48.38%)	\$7,225,615	(51.28%)
15	Lincoln National Corporation	2.04%	\$1,828,546	(6.93%)	\$6,665,713	(22.40%)
16	Bankers Insurance Group	1.90%	\$1,750,422	10.89%	\$6,195,646	29.33%
17	Cigna Group	1.83%	\$289,752	199.40%	\$5,979,213	(12.85%)
18	Hartford Fire & Casualty Group	1.71%	\$681,989	(7.68%)	\$5,605,469	95.04%
19	State Farm Group	1.42%	\$1,269,218	10.17%	\$4,646,161	11.58%
20	American Financial Insurance Group	1.39%	\$2,978,498	(14.41%)	\$4,551,957	(30.08%)
21	Everest Reinsurance Holdings Inc.	1.34%	\$828,193	*	\$4,378,578	*
22	Texas Farm Bureau Mutual	1.34%	\$1,204,803	(3.90%)	\$4,370,802	(1.50%)
23	Crum & Forster Insurance Companies	1.26%	\$1,449,048	(9.73%)	\$4,108,959	9.26%
24	Federated Mutual Group	1.18%	\$1,072,900	2.31%	\$3,847,145	10.69%
25	Acceptance Insurance Group	1.13%	\$2,354,905	*	\$3,705,789	119.95%

Top 25 Groups Total	83.20%	\$73,890,059	4.26%	\$271,929,399	(2.16%)
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Total Market	100.00%	\$86,381,570	1.96%	\$326,856,505	(1.48%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$70,735,102	\$77,916,004	\$96,163,528
4th qtr 1992	\$55,064,047	\$72,146,890	\$58,779,191
1st qtr 1993	\$57,422,660	\$69,388,151	\$28,759,857
2nd qtr 1993	\$61,842,052	\$79,888,854	\$47,739,398
3rd qtr 1993	\$70,393,773	\$81,458,493	\$39,898,258
4th qtr 1993	\$82,076,105	\$87,081,326	\$88,817,704
1st qtr 1994	\$70,892,138	\$71,165,404	\$25,157,261
2nd qtr 1994	\$76,751,485	\$83,445,946	\$37,084,310
3rd qtr 1994	\$86,808,182	\$89,538,987	\$39,209,578
4th qtr 1994	\$87,927,774	\$105,348,631	\$53,697,890
1st qtr 1995	\$68,915,469	\$75,587,966	\$40,973,765
2nd qtr 1995	\$84,082,608	\$89,450,574	\$69,884,695
3rd qtr 1995	\$84,231,340	\$83,943,064	\$88,823,326
4th qtr 1995	\$79,027,494	\$91,913,918	\$88,563,479
1st qtr 1996	\$69,705,990	\$71,176,002	\$53,392,028
2nd qtr 1996	\$82,622,348	\$84,722,614	\$47,910,206
3rd qtr 1996	\$78,756,443	\$89,232,789	\$54,245,819
4th qtr 1996	\$79,498,023	\$84,401,758	\$54,816,796
1st qtr 1997	\$68,224,149	\$66,840,388	\$44,053,356
2nd qtr 1997	\$95,538,955	\$86,381,570	\$44,929,073

EARNED TO INCURRED LOSS RATIO BY YEAR

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

<u>Year</u>	<u>Loss Ratio</u>
1987	51.3%
1988	54.7%
1989	130.7%
1990	106.1%
1991	67.1%
1992	84.3%
1993	58.4%
1994	69.6%
1995	97.1%
1996	49.9%

Commercial Multiple Peril

There were 95 groups, 262 companies, that had direct written premium for Commercial Multiple Peril in the second quarter of 1997, as compared to 90 groups, 249 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	CNA Insurance Group	10.39%	\$28,199,771	33.63%	\$96,992,561	18.11%
2	Travelers Insurance Group	8.66%	\$19,049,484	(1.06%)	\$80,849,335	3.65%
3	State Farm Group	7.75%	\$16,128,023	(14.06%)	\$72,314,113	4.78%
4	Farmers Insurance Group	5.15%	\$18,895,649	56.00%	\$48,039,670	17.14%
5	Hartford Fire & Casualty Group	4.14%	\$9,422,051	3.51%	\$38,602,216	5.29%
6	Zurich American Insurance Group	4.02%	\$10,801,112	(11.70%)	\$37,488,239	(6.62%)
7	Lumbermans Mutual Casualty Group	3.94%	\$7,847,745	(8.32%)	\$36,741,295	(8.13%)
8	Commercial Union Insurance Co's.	3.76%	\$7,799,338	(1.97%)	\$35,138,203	7.56%
9	Chubb & Son Inc.	3.39%	\$8,536,581	6.84%	\$31,599,589	9.66%
10	General Accident Insurance	3.36%	\$8,224,103	5.16%	\$31,396,080	29.03%
11	Cigna Group	2.85%	\$4,130,399	(61.95%)	\$26,641,067	(20.71%)
12	Allianz Insurance Group	2.82%	\$6,619,166	(4.32%)	\$26,329,936	22.54%
13	Old Republic Group	1.91%	\$3,814,174	(20.97%)	\$17,854,209	(1.87%)
14	Lincoln National Corporation	1.88%	\$4,691,945	10.59%	\$17,533,007	6.82%
15	Church Mutual Insurance Company	1.66%	\$4,355,156	33.98%	\$15,472,796	35.65%
16	Liberty Mutual Insurance Group	1.66%	\$2,963,619	(10.84%)	\$15,451,283	(0.26%)
17	Crum & Forster Insurance Companies	1.65%	\$4,220,958	(6.03%)	\$15,378,951	3.25%
18	Utica National Insurance Group	1.62%	\$2,955,728	11.70%	\$15,118,009	37.13%
19	American Indemnity Financial	1.61%	\$3,937,150	5.20%	\$15,027,538	4.34%
20	Royal & Sun Alliance USA	1.61%	\$2,315,841	(40.18%)	\$15,002,391	8.78%
21	St. Paul Companies	1.33%	\$2,247,077	(48.21%)	\$12,441,002	(12.02%)
22	Preferred Risk Group	1.32%	\$2,682,197	(9.73%)	\$12,366,364	5.72%
23	Amerisure Companies	1.27%	\$3,181,364	(5.05%)	\$11,852,458	(6.21%)
24	American Financial Insurance Group	1.23%	\$2,841,757	54.87%	\$11,456,315	67.36%
25	W R Berkley Corporation	1.23%	\$2,935,022	5.44%	\$11,446,931	4.45%

Top 25 Groups Total	80.18%	\$188,795,410	0.24%	\$748,533,558	6.97%
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Total Market	100.00%	\$236,259,293	0.67%	\$933,510,962	5.61%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$154,337,231	\$185,216,295	\$155,699,766
4th qtr 1992	\$174,095,291	\$189,425,027	\$154,485,710
1st qtr 1993	\$176,406,149	\$185,398,263	\$106,716,641
2nd qtr 1993	\$179,137,284	\$193,536,514	\$142,176,177
3rd qtr 1993	\$180,321,872	\$187,642,648	\$103,242,145
4th qtr 1993	\$186,269,229	\$192,758,872	\$134,167,977
1st qtr 1994	\$191,752,683	\$197,167,950	\$89,728,402
2nd qtr 1994	\$191,492,489	\$206,572,731	\$134,971,763
3rd qtr 1994	\$194,856,544	\$213,520,070	\$143,303,430
4th qtr 1994	\$209,887,874	\$215,131,389	\$123,693,241
1st qtr 1995	\$208,792,368	\$209,682,860	\$122,622,567
2nd qtr 1995	\$221,148,851	\$225,562,005	\$219,445,390
3rd qtr 1995	\$211,922,064	\$227,572,367	\$245,078,699
4th qtr 1995	\$222,621,890	\$205,094,011	\$157,508,677
1st qtr 1996	\$204,491,933	\$216,580,221	\$139,187,222
2nd qtr 1996	\$224,998,043	\$234,684,985	\$148,362,523
3rd qtr 1996	\$219,366,065	\$237,222,314	\$164,569,429
4th qtr 1996	\$223,598,956	\$241,571,163	\$149,166,884
1st qtr 1997	\$211,146,369	\$218,458,192	\$105,829,583
2nd qtr 1997	\$243,806,039	\$236,259,293	\$126,613,909

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Private Passenger Auto (All Companies, All Coverages)

There were 89 groups, 238 companies, that had direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 89 groups, 236 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	26.28%	\$526,426,824	0.51%	\$2,145,137,369	0.64%
2	Allstate Insurance Group	14.54%	\$300,651,481	10.85%	\$1,187,160,962	13.30%
3	Farmers Insurance Group	13.88%	\$283,280,543	1.12%	\$1,133,299,547	2.35%
4	USAA Group	5.49%	\$107,039,171	(0.59%)	\$448,281,410	(3.88%)
5	Progressive Group	4.98%	\$116,635,831	64.11%	\$406,136,583	51.28%
6	Texas State National Group	2.90%	\$58,348,699	(18.53%)	\$236,613,796	(0.12%)
7	Nationwide Corporation	2.53%	\$53,608,130	15.67%	\$206,904,262	17.05%
8	Home State County Mutual Ins. Co.	2.40%	\$44,655,149	(19.73%)	\$196,139,299	2.57%
9	Chartwell Group	2.34%	\$54,340,889	27.52%	\$191,068,352	66.91%
10	Southern Farm Bureau Casualty	2.26%	\$48,147,216	15.94%	\$184,402,764	12.99%
11	Berkshire-Hathaway (GEICO)	2.18%	\$46,048,625	16.47%	\$177,665,952	9.62%
12	Travelers Insurance Group	1.40%	\$28,431,351	1.88%	\$113,986,066	2.26%
13	Sentry Insurance Group	1.37%	\$29,008,862	(5.00%)	\$111,767,962	6.55%
14	Safeco Insurance Group	1.03%	\$20,253,393	7.92%	\$84,250,453	12.17%
15	UNITRIN Inc.	1.00%	\$18,920,854	(9.64%)	\$81,732,156	(11.65%)
16	Winterthur US Holding Group	0.94%	\$17,299,520	(1.15%)	\$77,038,951	22.91%
17	Texas Farm Bureau Mutual	0.94%	\$15,994,570	(16.92%)	\$76,655,183	(8.35%)
18	American Financial Insurance Group	0.91%	\$17,574,475	(39.77%)	\$74,340,304	(44.36%)
19	White Mountains Insurance Group	0.78%	\$13,439,608	(38.02%)	\$63,563,929	(16.59%)
20	Hartford Fire & Casualty Group	0.75%	\$14,800,214	(2.52%)	\$60,855,632	(9.18%)
21	Liberty Mutual Insurance Group	0.70%	\$14,292,636	1.56%	\$57,485,629	2.19%
22	Titus Group	0.70%	\$18,577,454	76.91%	\$57,219,443	71.80%
23	Safeway Insurance Group	0.65%	\$16,656,329	*	\$53,375,947	*
24	CNA Insurance Group	0.54%	\$11,456,752	28.42%	\$43,782,201	4.40%
25	Prudential of America Group	0.52%	\$9,672,887	(20.04%)	\$42,265,855	(22.21%)

Top 25 Groups Total	92.01%	\$1,885,561,463	4.67%	\$7,511,130,007	6.35%
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Total Market	100.00%	\$2,043,606,949	4.57%	\$8,163,254,669	6.34%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,743,388,248	\$1,618,048,993	\$1,090,263,772
4th qtr 1992	\$1,687,070,362	\$1,552,328,617	\$1,061,707,868
1st qtr 1993	\$1,788,176,959	\$1,670,177,794	\$986,876,101
2nd qtr 1993	\$1,770,457,333	\$1,632,149,532	\$1,115,859,288
3rd qtr 1993	\$1,943,814,030	\$1,776,460,082	\$1,073,188,674
4th qtr 1993	\$1,793,822,636	\$1,650,368,721	\$1,155,739,987
1st qtr 1994	\$1,955,266,902	\$1,827,210,592	\$1,090,456,016
2nd qtr 1994	\$1,896,421,968	\$1,740,208,597	\$1,241,533,949
3rd qtr 1994	\$1,952,642,206	\$1,824,893,294	\$1,177,728,454
4th qtr 1994	\$1,891,370,124	\$1,766,292,039	\$1,264,469,772
1st qtr 1995	\$2,053,044,626	\$1,912,370,440	\$1,198,580,142
2nd qtr 1995	\$1,995,115,657	\$1,868,117,962	\$1,604,219,663
3rd qtr 1995	\$2,056,887,655	\$1,908,754,632	\$1,280,107,609
4th qtr 1995	\$1,995,177,681	\$1,829,547,520	\$1,262,790,164
1st qtr 1996	\$2,159,009,100	\$1,983,931,941	\$1,216,101,135
2nd qtr 1996	\$2,102,208,805	\$1,954,291,865	\$1,277,540,110
3rd qtr 1996	\$2,173,273,732	\$1,993,707,194	\$1,242,758,476
4th qtr 1996	\$2,155,860,092	\$1,985,190,353	\$1,357,470,066
1st qtr 1997	\$2,320,546,945	\$2,140,750,173	\$1,232,409,616
2nd qtr 1997	\$2,232,772,352	\$2,043,606,949	\$1,318,775,382

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Private Passenger Auto (All Rate-Regulated Companies)

There were 77 groups, 215 rate-regulated companies, that had direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 78 groups, 214 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.73%	\$511,183,516	0.99%	\$2,077,963,306	1.05%
2	Farmers Insurance Group	17.06%	\$249,685,525	1.37%	\$991,866,606	1.98%
3	Allstate Insurance Group	14.48%	\$210,031,458	4.17%	\$841,814,937	4.34%
4	USAA Group	4.54%	\$61,918,320	(27.12%)	\$263,817,935	(35.50%)
5	Southern Farm Bureau Casualty	3.17%	\$48,147,216	15.94%	\$184,402,764	12.99%
6	Berkshire-Hathaway (GEICO)	3.06%	\$46,048,625	16.47%	\$177,665,952	9.62%
7	Nationwide Corporation	2.81%	\$42,199,872	19.62%	\$163,425,978	24.58%
8	Travelers Insurance Group	1.96%	\$28,431,351	1.88%	\$113,986,066	2.26%
9	Safeco Insurance Group	1.45%	\$20,253,393	7.92%	\$84,250,453	12.17%
10	UNITRIN Inc.	1.41%	\$18,920,854	(9.64%)	\$81,732,156	(11.65%)
11	Texas Farm Bureau Mutual	1.32%	\$15,994,570	(16.92%)	\$76,655,183	(8.35%)
12	Hartford Fire & Casualty Group	1.05%	\$14,800,214	(2.52%)	\$60,855,632	(9.18%)
13	Liberty Mutual Insurance Group	0.99%	\$14,292,636	1.56%	\$57,485,629	2.19%
14	CNA Insurance Group	0.75%	\$11,456,752	28.42%	\$43,782,201	4.40%
15	Prudential of America Group	0.73%	\$9,672,887	(20.04%)	\$42,265,855	(22.21%)
16	Amica Mutual Group	0.68%	\$9,697,326	6.53%	\$39,724,892	4.92%
17	Lincoln National Corporation	0.61%	\$8,894,735	2.99%	\$35,683,035	0.41%
18	Metropolitan Group	0.61%	\$8,654,958	0.65%	\$35,299,227	1.95%
19	Lumbermans Mutual Casualty Group	0.50%	\$6,505,063	(9.49%)	\$29,109,981	(2.78%)
20	Germania Insurance Group	0.49%	\$7,358,049	24.78%	\$28,350,160	19.71%
21	American National Financial Group	0.48%	\$7,563,020	17.98%	\$28,165,669	14.25%
22	Agricultural Workers Mut. Auto Ins. Co.	0.45%	\$6,290,685	(1.10%)	\$26,256,128	0.07%
23	Horace Mann Group	0.44%	\$6,808,787	18.22%	\$25,874,430	8.13%
24	Winterthur US Holding Group	0.36%	\$5,391,866	21.15%	\$20,722,891	5.68%
25	Motors Insurance Corporation	0.35%	\$5,065,742	(2.14%)	\$20,463,559	(5.15%)

Top 25 Groups Total	95.47%	\$1,375,267,420	1.11%	\$5,551,620,625	(0.17%)
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Total Market	100.00%	\$1,437,379,214	0.50%	\$5,815,220,495	(0.35%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,410,874,192	\$1,313,601,197	\$892,808,049
4th qtr 1992	\$1,328,397,528	\$1,256,357,604	\$864,523,415
1st qtr 1993	\$1,400,773,755	\$1,344,807,012	\$801,349,618
2nd qtr 1993	\$1,372,418,467	\$1,293,676,023	\$915,050,012
3rd qtr 1993	\$1,518,376,359	\$1,412,085,548	\$876,412,103
4th qtr 1993	\$1,407,622,338	\$1,307,588,074	\$937,566,494
1st qtr 1994	\$1,542,604,294	\$1,445,361,368	\$883,056,566
2nd qtr 1994	\$1,481,066,558	\$1,375,194,024	\$1,005,639,591
3rd qtr 1994	\$1,546,026,153	\$1,443,303,487	\$964,231,383
4th qtr 1994	\$1,481,106,839	\$1,389,914,506	\$1,017,728,145
1st qtr 1995	\$1,602,309,779	\$1,507,766,432	\$959,650,992
2nd qtr 1995	\$1,519,192,019	\$1,437,840,293	\$1,324,602,290
3rd qtr 1995	\$1,595,570,564	\$1,489,944,898	\$1,009,272,591
4th qtr 1995	\$1,510,641,621	\$1,424,047,686	\$997,305,435
1st qtr 1996	\$1,593,598,399	\$1,491,158,360	\$948,404,098
2nd qtr 1996	\$1,519,968,128	\$1,430,232,814	\$988,591,314
3rd qtr 1996	\$1,540,622,784	\$1,430,452,780	\$940,246,766
4th qtr 1996	\$1,518,582,495	\$1,430,000,557	\$1,035,748,512
1st qtr 1997	\$1,607,024,300	\$1,517,387,944	\$906,406,009
2nd qtr 1997	\$1,521,267,431	\$1,437,379,214	\$929,405,659

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

There were 23 groups, 23 non-rate-regulated (County Mutual) companies, that had direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 22 groups, 22 companies, in the second quarter of 1996.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	17.30%	\$116,635,831	64.11%	\$406,136,271	51.27%
2	Allstate Insurance Group	14.71%	\$90,620,023	30.19%	\$345,346,025	43.30%
3	Texas State National Group	10.08%	\$58,348,699	(18.53%)	\$236,613,796	(0.12%)
4	Home State County Mutual Ins. Co.	8.35%	\$44,655,149	(19.73%)	\$196,139,299	2.57%
5	Chartwell Group	8.14%	\$54,340,889	27.52%	\$191,068,352	66.91%
6	USAA Group	7.86%	\$45,120,851	98.63%	\$184,463,475	221.75%
7	Farmers Insurance Group	6.02%	\$33,595,018	(0.69%)	\$141,432,941	4.96%
8	Sentry Insurance Group	4.63%	\$28,257,308	(7.42%)	\$108,679,041	5.78%
9	American Financial Insurance Group	3.17%	\$17,573,832	(39.77%)	\$74,338,828	(44.36%)
10	State Farm Group	2.86%	\$15,243,308	(13.30%)	\$67,174,063	(10.57%)
11	White Mountains Insurance Group	2.71%	\$13,439,608	(38.02%)	\$63,563,929	(16.59%)
12	Titus Group	2.44%	\$18,577,454	76.91%	\$57,219,443	71.80%
13	Winterthur US Holding Group	2.40%	\$11,907,654	(8.75%)	\$56,316,060	30.75%
14	Safeway Insurance Group	2.27%	\$16,656,329	*	\$53,375,947	*
15	Nationwide Corporation	1.85%	\$11,408,258	3.08%	\$43,478,284	(4.62%)
16	TIG Insurance Group	1.47%	\$3,336,895	33.98%	\$34,480,964	222.40%
17	General Agents Group	1.44%	\$7,141,763	36.23%	\$33,803,500	128.07%
18	Transport Holdings Inc.	0.69%	\$3,086,082	(36.61%)	\$16,182,427	(41.02%)
19	Orion Capital Group	0.46%	\$2,339,763	(8.75%)	\$10,688,226	(10.15%)
20	Vesta Insurance Group	0.42%	\$9,470,443	*	\$9,881,369	*
21	Allianz Insurance Group	0.36%	\$1,988,520	1.52%	\$8,382,258	6.77%
22	Independent County Mutual Ins. Co.	0.23%	\$1,397,131	6.49%	\$5,304,459	(18.94%)
23	Foremost Corporation America	0.17%	\$1,086,927	(3.59%)	\$3,965,217	(7.77%)

Top Groups Total	100.00%	\$606,227,735	15.68%	\$2,348,034,174	27.53%
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Total Market	100.00%	\$606,227,735	15.68%	\$2,348,034,174	27.53%
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* Insignificant premiums written in one quarter.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$332,514,056	\$304,447,796	\$197,455,723
4th qtr 1992	\$358,672,834	\$295,971,013	\$197,184,453
1st qtr 1993	\$387,403,204	\$325,370,782	\$185,526,483
2nd qtr 1993	\$398,038,866	\$338,473,509	\$200,809,276
3rd qtr 1993	\$425,437,671	\$364,374,534	\$196,776,571
4th qtr 1993	\$386,200,298	\$342,780,647	\$218,173,493
1st qtr 1994	\$412,662,608	\$381,849,224	\$207,399,450
2nd qtr 1994	\$415,355,410	\$365,014,573	\$235,894,358
3rd qtr 1994	\$406,616,053	\$381,589,807	\$213,497,071
4th qtr 1994	\$410,263,285	\$376,377,533	\$246,741,627
1st qtr 1995	\$450,734,847	\$404,604,008	\$238,929,150
2nd qtr 1995	\$475,923,638	\$430,277,669	\$279,617,373
3rd qtr 1995	\$461,317,091	\$418,809,734	\$270,835,018
4th qtr 1995	\$484,536,060	\$405,499,834	\$265,484,729
1st qtr 1996	\$565,410,701	\$492,773,581	\$267,697,037
2nd qtr 1996	\$582,240,677	\$524,059,051	\$288,948,796
3rd qtr 1996	\$632,650,948	\$563,254,414	\$302,511,710
4th qtr 1996	\$637,277,597	\$555,189,796	\$321,721,554
1st qtr 1997	\$713,522,645	\$623,362,229	\$326,003,607
2nd qtr 1997	\$711,504,921	\$606,227,735	\$389,369,723

Private Passenger Auto (All Voluntary Liability)

There were 81 groups, 227 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 83 groups, 226 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	26.69%	\$357,251,482	2.86%	\$1,458,961,189	2.02%
2	Allstate Insurance Group	14.30%	\$197,314,971	12.51%	\$781,712,108	13.75%
3	Farmers Insurance Group	14.21%	\$191,965,034	4.20%	\$776,900,978	6.45%
4	USAA Group	5.49%	\$71,263,551	(0.29%)	\$299,883,855	(4.23%)
5	Progressive Group	4.67%	\$72,363,398	64.61%	\$255,065,277	50.08%
6	Texas State National Group	2.89%	\$37,370,133	(19.09%)	\$157,935,915	0.90%
7	Home State County Mutual Ins. Co.	2.63%	\$33,033,650	(17.78%)	\$143,822,233	6.12%
8	Nationwide Corporation	2.62%	\$36,961,913	17.81%	\$143,077,604	18.45%
9	Berkshire-Hathaway (GEICO)	2.14%	\$30,541,572	20.04%	\$117,142,029	12.11%
10	Southern Farm Bureau Casualty	2.12%	\$30,122,850	17.79%	\$115,695,529	10.38%
11	Chartwell Group	2.02%	\$32,923,821	40.25%	\$110,451,954	81.57%
12	Sentry Insurance Group	1.51%	\$21,218,156	(5.98%)	\$82,694,988	6.62%
13	Travelers Insurance Group	1.47%	\$20,054,284	7.10%	\$80,262,480	5.94%
14	Safeco Insurance Group	1.05%	\$13,481,182	12.22%	\$57,235,008	17.27%
15	UNITRIN Inc.	1.02%	\$13,440,054	(0.52%)	\$55,554,875	(5.98%)
16	Texas Farm Bureau Mutual	0.94%	\$10,470,824	(19.07%)	\$51,264,363	(9.54%)
17	American Financial Insurance Group	0.89%	\$11,711,752	(39.83%)	\$48,636,111	(46.57%)
18	Winterthur US Holding Group	0.86%	\$10,693,408	(0.43%)	\$47,153,898	23.20%
19	Hartford Fire & Casualty Group	0.80%	\$10,679,054	1.48%	\$43,631,530	(4.33%)
20	White Mountains Insurance Group	0.79%	\$9,030,388	(38.50%)	\$43,275,757	(18.90%)
21	Safeway Insurance Group	0.78%	\$13,365,911	*	\$42,903,946	*
22	Liberty Mutual Insurance Group	0.72%	\$9,876,359	7.89%	\$39,407,576	5.48%
23	CNA Insurance Group	0.56%	\$8,023,327	32.63%	\$30,840,284	6.35%
24	Prudential of America Group	0.54%	\$6,892,301	(12.67%)	\$29,647,418	(17.43%)
25	Amica Mutual Group	0.52%	\$7,105,707	10.87%	\$28,662,916	6.64%

Top 25 Groups Total	92.24%	\$1,257,155,082	6.33%	\$5,041,819,821	7.47%
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Total Market	100.00%	\$1,362,521,916	7.03%	\$5,466,182,135	7.93%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,009,963,706	\$946,183,608	\$642,818,757
4th qtr 1992	\$968,470,020	\$900,027,769	\$675,033,816
1st qtr 1993	\$1,003,249,054	\$952,360,489	\$628,198,150
2nd qtr 1993	\$985,685,091	\$909,767,336	\$645,956,649
3rd qtr 1993	\$1,153,261,606	\$1,076,706,550	\$660,584,789
4th qtr 1993	\$1,089,976,377	\$1,020,213,844	\$707,537,725
1st qtr 1994	\$1,173,980,445	\$1,096,345,846	\$679,671,501
2nd qtr 1994	\$1,127,329,586	\$1,042,886,582	\$689,901,120
3rd qtr 1994	\$1,190,834,566	\$1,125,951,270	\$707,722,268
4th qtr 1994	\$1,162,594,127	\$1,105,617,576	\$752,654,979
1st qtr 1995	\$1,273,529,988	\$1,188,306,165	\$733,246,469
2nd qtr 1995	\$1,231,055,611	\$1,151,084,100	\$726,804,810
3rd qtr 1995	\$1,348,649,594	\$1,275,973,876	\$723,597,168
4th qtr 1995	\$1,313,885,160	\$1,209,226,907	\$755,036,499
1st qtr 1996	\$1,420,233,554	\$1,306,132,631	\$720,860,232
2nd qtr 1996	\$1,370,514,207	\$1,273,010,549	\$720,987,502
3rd qtr 1996	\$1,439,420,117	\$1,320,632,707	\$740,095,071
4th qtr 1996	\$1,465,871,724	\$1,342,909,854	\$828,019,416
1st qtr 1997	\$1,564,075,984	\$1,440,117,658	\$742,000,562
2nd qtr 1997	\$1,489,097,124	\$1,362,521,916	\$788,736,800

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 69 groups, 204 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 71 groups, 204 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.77%	\$346,579,110	3.45%	\$1,411,857,193	2.54%
2	Farmers Insurance Group	17.21%	\$168,633,715	4.77%	\$679,393,705	6.66%
3	Allstate Insurance Group	14.53%	\$142,211,736	5.17%	\$573,416,227	4.57%
4	USAA Group	4.44%	\$40,948,975	(27.00%)	\$175,098,363	(35.99%)
5	Berkshire-Hathaway (GEICO)	2.97%	\$30,541,572	20.04%	\$117,142,029	12.11%
6	Southern Farm Bureau Casualty	2.93%	\$30,122,850	17.79%	\$115,695,529	10.38%
7	Nationwide Corporation	2.89%	\$29,390,614	22.81%	\$114,093,581	28.69%
8	Travelers Insurance Group	2.03%	\$20,054,284	7.10%	\$80,262,480	5.94%
9	Safeco Insurance Group	1.45%	\$13,481,182	12.22%	\$57,235,008	17.27%
10	UNITRIN Inc.	1.41%	\$13,440,054	(0.52%)	\$55,554,875	(5.98%)
11	Texas Farm Bureau Mutual	1.30%	\$10,470,824	(19.07%)	\$51,264,363	(9.54%)
12	Hartford Fire & Casualty Group	1.11%	\$10,679,054	1.48%	\$43,631,530	(4.33%)
13	Liberty Mutual Insurance Group	1.00%	\$9,876,359	7.89%	\$39,407,576	5.48%
14	CNA Insurance Group	0.78%	\$8,023,327	32.63%	\$30,840,284	6.35%
15	Prudential of America Group	0.75%	\$6,892,301	(12.67%)	\$29,647,418	(17.43%)
16	Amica Mutual Group	0.73%	\$7,105,707	10.87%	\$28,662,916	6.64%
17	Lincoln National Corporation	0.61%	\$5,993,788	8.30%	\$24,071,027	2.44%
18	Metropolitan Group	0.61%	\$5,891,424	0.96%	\$23,956,458	(0.53%)
19	Lumbermans Mutual Casualty Group	0.52%	\$4,641,110	(2.18%)	\$20,694,967	0.25%
20	American National Financial Group	0.50%	\$5,287,921	21.38%	\$19,617,643	16.52%
21	Germania Insurance Group	0.50%	\$5,072,075	25.55%	\$19,584,529	20.84%
22	Horace Mann Group	0.45%	\$4,669,669	22.70%	\$17,589,227	14.72%
23	Agricultural Workers Mut. Auto Ins. Co.	0.43%	\$4,092,523	7.98%	\$16,853,749	5.51%
24	Winterthur US Holding Group	0.36%	\$3,755,249	23.86%	\$14,377,264	15.24%
25	Motors Insurance Corporation	0.34%	\$3,358,441	(1.18%)	\$13,616,497	(5.33%)

Top 25 Groups Total	95.61%	\$931,213,864	3.70%	\$3,773,564,438	1.76%
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Total Market	100.00%	\$971,455,718	3.39%	\$3,946,977,899	1.76%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$806,484,193	\$757,560,038	\$512,017,122
4th qtr 1992	\$748,479,531	\$715,280,837	\$536,628,404
1st qtr 1993	\$786,188,305	\$765,799,351	\$502,282,171
2nd qtr 1993	\$762,813,440	\$713,187,276	\$518,225,327
3rd qtr 1993	\$912,498,618	\$862,871,680	\$532,744,236
4th qtr 1993	\$854,617,447	\$804,578,963	\$564,322,947
1st qtr 1994	\$922,028,673	\$871,134,306	\$543,570,518
2nd qtr 1994	\$870,007,187	\$817,380,807	\$544,808,115
3rd qtr 1994	\$939,991,375	\$893,393,554	\$572,314,192
4th qtr 1994	\$911,071,026	\$874,300,299	\$592,432,511
1st qtr 1995	\$989,447,532	\$941,701,479	\$576,779,658
2nd qtr 1995	\$931,154,531	\$889,515,442	\$575,330,097
3rd qtr 1995	\$1,051,246,478	\$1,000,537,851	\$558,079,208
4th qtr 1995	\$1,000,448,241	\$947,973,701	\$588,579,674
1st qtr 1996	\$1,050,550,791	\$990,525,421	\$558,359,983
2nd qtr 1996	\$996,434,655	\$939,565,106	\$554,211,632
3rd qtr 1996	\$1,025,236,601	\$959,819,421	\$557,446,658
4th qtr 1996	\$1,046,181,516	\$980,570,535	\$633,040,004
1st qtr 1997	\$1,094,869,103	\$1,035,132,225	\$546,113,991
2nd qtr 1997	\$1,031,019,471	\$971,455,718	\$548,927,294

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

There were 23 groups, 23 non-rate-regulated (County Mutual) companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 22 groups, 22 companies, in the second quarter of 1996.

The table below represents the top groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	16.79%	\$72,363,398	64.61%	\$255,065,277	50.08%
2	Allstate Insurance Group	13.71%	\$55,103,235	37.26%	\$208,295,881	50.00%
3	Texas State National Group	10.40%	\$37,370,133	(19.09%)	\$157,935,915	0.90%
4	Home State County Mutual Ins. Co.	9.47%	\$33,033,650	(17.78%)	\$143,822,233	6.12%
5	USAA Group	8.21%	\$30,314,576	97.11%	\$124,785,492	215.17%
6	Chartwell Group	7.27%	\$32,923,821	40.25%	\$110,451,954	81.57%
7	Farmers Insurance Group	6.42%	\$23,331,319	0.27%	\$97,507,273	5.03%
8	Sentry Insurance Group	5.30%	\$20,678,201	(8.34%)	\$80,505,575	5.85%
9	American Financial Insurance Group	3.20%	\$11,711,450	(39.83%)	\$48,635,736	(46.57%)
10	State Farm Group	3.10%	\$10,672,372	(13.38%)	\$47,103,996	(11.34%)
11	White Mountains Insurance Group	2.85%	\$9,030,388	(38.50%)	\$43,275,757	(18.90%)
12	Safeway Insurance Group	2.82%	\$13,365,911	*	\$42,903,946	*
13	Winterthur US Holding Group	2.16%	\$6,938,159	(9.98%)	\$32,776,634	27.05%
14	Nationwide Corporation	1.91%	\$7,571,299	1.72%	\$28,984,023	(9.79%)
15	General Agents Group	1.49%	\$4,729,259	36.66%	\$22,697,368	131.12%
16	TIG Insurance Group	1.47%	\$2,515,669	101.96%	\$22,395,633	290.86%
17	Titus Group	0.95%	\$6,052,273	*	\$14,451,466	*
18	Transport Holdings Inc.	0.75%	\$2,168,896	(34.64%)	\$11,432,074	(39.20%)
19	Orion Capital Group	0.58%	\$1,877,235	(11.09%)	\$8,846,524	(9.51%)
20	Vesta Insurance Group	0.46%	\$6,633,394	*	\$6,933,884	*
21	Allianz Insurance Group	0.37%	\$1,390,012	6.45%	\$5,664,505	6.51%
22	Independent County Mutual Ins. Co.	0.23%	\$918,679	6.18%	\$3,439,390	(19.87%)
23	Foremost Corporation America	0.09%	\$372,869	(8.09%)	\$1,293,700	(9.85%)

Top Groups Total	100.00%	\$391,066,198	17.28%	\$1,519,204,236	28.12%
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Total Market	100.00%	\$391,066,198	17.28%	\$1,519,204,236	28.12%
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* Insignificant premiums written in one quarter.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$203,479,513	\$188,623,570	\$130,801,635
4th qtr 1992	\$219,990,489	\$184,746,932	\$138,405,412
1st qtr 1993	\$217,060,749	\$186,561,138	\$125,915,979
2nd qtr 1993	\$222,871,651	\$196,580,060	\$127,731,322
3rd qtr 1993	\$240,762,988	\$213,834,870	\$127,840,553
4th qtr 1993	\$235,358,930	\$215,634,881	\$143,214,778
1st qtr 1994	\$251,951,772	\$225,211,540	\$136,100,983
2nd qtr 1994	\$257,322,399	\$225,505,775	\$145,093,005
3rd qtr 1994	\$250,843,191	\$232,557,716	\$135,408,076
4th qtr 1994	\$251,523,101	\$231,317,277	\$160,222,468
1st qtr 1995	\$284,082,456	\$246,604,686	\$156,466,811
2nd qtr 1995	\$299,901,080	\$261,568,658	\$151,474,713
3rd qtr 1995	\$297,403,116	\$275,436,025	\$165,517,960
4th qtr 1995	\$313,436,919	\$261,253,206	\$166,456,825
1st qtr 1996	\$369,682,763	\$315,607,210	\$162,500,249
2nd qtr 1996	\$374,079,552	\$333,445,443	\$166,775,870
3rd qtr 1996	\$414,183,516	\$360,813,286	\$182,648,413
4th qtr 1996	\$419,690,208	\$362,339,319	\$194,979,412
1st qtr 1997	\$469,206,881	\$404,985,433	\$195,886,571
2nd qtr 1997	\$458,077,653	\$391,066,198	\$239,809,506

Private Passenger Auto (All Assigned Risk)

There were 34 groups, 38 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 38 groups, 46 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.30%	\$6,968,129	(65.52%)	\$30,912,020	(61.13%)
2	Farmers Insurance Group	16.59%	\$6,027,009	(40.39%)	\$14,529,124	(59.13%)
3	Allstate Insurance Group	10.52%	\$2,078,715	(70.00%)	\$9,208,124	(58.45%)
4	Southern Farm Bureau Casualty	9.24%	\$1,825,141	(54.99%)	\$8,094,873	(26.64%)
5	Leucadia Group	6.62%	\$1,291,510	(64.68%)	\$5,799,372	(52.50%)
6	American International Group	3.33%	\$702,243	(70.64%)	\$2,916,535	(61.24%)
7	Eagle Insurance Group	2.74%	\$727,541	(45.94%)	\$2,397,237	(8.99%)
8	Nationwide Corporation	2.38%	\$563,400	(37.52%)	\$2,080,600	(29.45%)
9	Berkshire-Hathaway (GEICO)	2.33%	\$506,231	(8.27%)	\$2,042,616	(52.09%)
10	Prudential of America Group	1.30%	\$242,138	(68.30%)	\$1,141,170	(62.92%)
11	Travelers Insurance Group	1.27%	\$319,125	(52.43%)	\$1,110,842	(61.65%)
12	UNITRIN Inc.	1.09%	\$209,856	(71.45%)	\$956,215	(59.30%)
13	Safeco Insurance Group	1.05%	\$262,741	(58.89%)	\$923,424	(58.22%)
14	Liberty Mutual Insurance Group	1.02%	\$218,986	(56.96%)	\$888,917	(51.18%)
15	Lincoln National Corporation	0.69%	\$142,286	(70.11%)	\$606,811	(48.69%)
16	Beacon Insurance Group	0.64%	\$138,863	(69.70%)	\$562,814	(56.00%)
17	AEGON USA Incorporated	0.62%	\$118,452	(57.12%)	\$542,877	(59.14%)
18	Hartford Fire & Casualty Group	0.54%	\$82,518	(83.29%)	\$473,870	(54.94%)
19	Lumbermans Mutual Casualty Group	0.53%	\$89,670	(77.72%)	\$466,447	(51.34%)
20	American National Financial Group	0.40%	\$84,934	(61.10%)	\$346,192	(57.19%)
21	American Indemnity Financial	0.34%	\$43,104	(78.81%)	\$298,966	(60.15%)
22	Agricultural Workers Mut. Auto Ins. Co.	0.34%	(\$15,226)	(104.23%)	\$297,070	(74.84%)
23	Allmerica Financial Corporation	0.29%	\$61,181	(57.62%)	\$254,942	(40.24%)
24	Horace Mann Group	0.19%	\$0	(100.00%)	\$163,496	(82.53%)
25	W R Berkley Corporation	0.16%	\$61,130	(50.21%)	\$143,455	(76.75%)

Top 25 Groups Total	99.53%	\$22,749,677	(59.86%)	\$87,158,009	(56.58%)
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Total Market	100.00%	\$22,670,738	(60.51%)	\$87,568,884	(56.87%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$122,447,473	\$96,404,238	\$62,266,574
4th qtr 1992	\$128,935,185	\$103,413,081	\$76,001,470
1st qtr 1993	\$131,750,804	\$112,661,470	\$75,246,135
2nd qtr 1993	\$153,229,776	\$131,034,818	\$99,546,835
3rd qtr 1993	\$149,871,433	\$115,396,037	\$105,415,578
4th qtr 1993	\$127,431,913	\$93,422,097	\$111,112,087
1st qtr 1994	\$157,420,604	\$128,362,242	\$111,042,039
2nd qtr 1994	\$163,550,340	\$130,231,246	\$118,324,597
3rd qtr 1994	\$145,653,655	\$100,016,648	\$127,905,942
4th qtr 1994	\$139,232,084	\$97,352,374	\$134,117,427
1st qtr 1995	\$141,686,848	\$110,611,264	\$127,859,913
2nd qtr 1995	\$142,664,825	\$112,500,562	\$126,667,662
3rd qtr 1995	\$85,718,832	\$45,466,007	\$114,131,962
4th qtr 1995	\$77,551,462	\$48,191,503	\$107,964,333
1st qtr 1996	\$76,194,589	\$51,976,718	\$86,795,091
2nd qtr 1996	\$73,127,973	\$57,403,490	\$69,677,406
3rd qtr 1996	\$52,886,905	\$27,904,317	\$58,544,626
4th qtr 1996	\$33,281,834	\$15,090,854	\$49,967,021
1st qtr 1997	\$32,483,574	\$21,902,975	\$37,599,798
2nd qtr 1997	\$28,508,169	\$22,670,738	\$32,740,076

Private Passenger Auto (All Physical Damage)

There were 82 groups, 224 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 82 groups, 220 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	25.11%	\$162,207,213	3.83%	\$655,264,160	5.35%
2	Allstate Insurance Group	15.18%	\$101,257,795	13.86%	\$396,240,730	17.09%
3	Farmers Insurance Group	13.10%	\$85,288,500	(0.59%)	\$341,869,445	(0.03%)
4	Progressive Group	5.79%	\$44,272,433	63.29%	\$151,071,306	53.34%
5	USAA Group	5.69%	\$35,775,620	(1.19%)	\$148,397,555	(3.17%)
6	Chartwell Group	3.09%	\$21,417,068	11.91%	\$80,616,398	50.28%
7	Texas State National Group	3.02%	\$20,978,566	(17.53%)	\$78,677,881	(2.11%)
8	Nationwide Corporation	2.37%	\$16,082,817	14.32%	\$61,746,058	16.44%
9	Southern Farm Bureau Casualty	2.32%	\$16,199,225	36.14%	\$60,612,362	27.99%
10	Berkshire-Hathaway (GEICO)	2.24%	\$15,000,822	10.77%	\$58,481,307	9.67%
11	Home State County Mutual Ins. Co.	2.00%	\$11,621,499	(24.79%)	\$52,317,066	(6.06%)
12	Titus Group	1.64%	\$12,525,181	30.22%	\$42,767,977	35.93%
13	Travelers Insurance Group	1.25%	\$8,057,942	(5.31%)	\$32,612,744	(0.58%)
14	Winterthur US Holding Group	1.15%	\$6,606,112	(2.28%)	\$29,885,053	22.44%
15	Sentry Insurance Group	1.11%	\$7,790,706	(2.22%)	\$29,072,974	6.35%
16	Safeco Insurance Group	1.00%	\$6,509,470	6.46%	\$26,092,021	8.29%
17	American Financial Insurance Group	0.98%	\$5,862,723	(39.66%)	\$25,703,552	(39.62%)
18	Texas Farm Bureau Mutual	0.97%	\$5,523,746	(12.54%)	\$25,390,820	(5.85%)
19	UNITRIN Inc.	0.97%	\$5,270,944	(21.26%)	\$25,221,066	(18.84%)
20	White Mountains Insurance Group	0.78%	\$4,409,220	(37.01%)	\$20,288,172	(11.21%)
21	Liberty Mutual Insurance Group	0.66%	\$4,197,291	(4.82%)	\$17,189,136	0.70%
22	Hartford Fire & Casualty Group	0.64%	\$4,038,642	(3.06%)	\$16,750,232	(17.68%)
23	CNA Insurance Group	0.50%	\$3,433,425	19.57%	\$12,941,917	0.04%
24	TIG Insurance Group	0.46%	\$827,948	(33.50%)	\$12,101,246	142.30%
25	Prudential of America Group	0.44%	\$2,538,448	(26.22%)	\$11,477,267	(25.21%)

Top 25 Groups Total	92.46%	\$607,693,356	5.02%	\$2,412,788,445	8.11%
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Total Market	100.00%	\$658,414,295	5.54%	\$2,609,503,650	8.32%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$610,977,069	\$575,461,147	\$385,178,441
4th qtr 1992	\$589,665,157	\$548,887,767	\$310,672,582
1st qtr 1993	\$653,177,101	\$605,155,835	\$283,431,816
2nd qtr 1993	\$631,542,466	\$591,347,378	\$370,355,804
3rd qtr 1993	\$640,680,991	\$584,357,495	\$307,188,307
4th qtr 1993	\$576,414,346	\$536,732,780	\$337,090,175
1st qtr 1994	\$623,865,853	\$602,502,504	\$299,742,476
2nd qtr 1994	\$605,542,042	\$567,090,769	\$433,308,232
3rd qtr 1994	\$616,153,985	\$598,925,376	\$342,100,244
4th qtr 1994	\$589,543,913	\$563,322,089	\$377,697,366
1st qtr 1995	\$637,827,790	\$613,453,011	\$337,473,760
2nd qtr 1995	\$621,395,221	\$604,533,300	\$750,747,191
3rd qtr 1995	\$622,519,229	\$587,314,749	\$442,378,479
4th qtr 1995	\$603,741,059	\$572,129,110	\$399,789,332
1st qtr 1996	\$662,580,957	\$625,822,592	\$408,445,812
2nd qtr 1996	\$658,566,625	\$623,877,826	\$486,875,202
3rd qtr 1996	\$680,966,710	\$645,170,170	\$444,118,779
4th qtr 1996	\$656,706,534	\$627,189,645	\$479,483,629
1st qtr 1997	\$723,987,387	\$678,729,540	\$452,809,256
2nd qtr 1997	\$715,167,059	\$658,414,295	\$497,298,506

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 69 groups, 201 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 70 groups, 198 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.67%	\$157,636,277	4.43%	\$635,194,093	5.87%
2	Farmers Insurance Group	16.73%	\$75,024,801	(0.29%)	\$297,943,777	(0.70%)
3	Allstate Insurance Group	14.56%	\$65,741,007	10.55%	\$259,190,586	9.69%
4	USAA Group	4.98%	\$20,969,345	(27.36%)	\$88,719,572	(34.54%)
5	Southern Farm Bureau Casualty	3.40%	\$16,199,225	36.14%	\$60,612,362	27.99%
6	Berkshire-Hathaway (GEICO)	3.28%	\$15,000,822	10.77%	\$58,481,307	9.67%
7	Nationwide Corporation	2.65%	\$12,245,858	17.25%	\$47,251,797	19.41%
8	Travelers Insurance Group	1.83%	\$8,057,942	(5.31%)	\$32,612,744	(0.58%)
9	Safeco Insurance Group	1.47%	\$6,509,470	6.46%	\$26,092,021	8.29%
10	Texas Farm Bureau Mutual	1.43%	\$5,523,746	(12.54%)	\$25,390,820	(5.85%)
11	UNITRIN Inc.	1.42%	\$5,270,944	(21.26%)	\$25,221,066	(18.84%)
12	Liberty Mutual Insurance Group	0.97%	\$4,197,291	(4.82%)	\$17,189,136	0.70%
13	Hartford Fire & Casualty Group	0.94%	\$4,038,642	(3.06%)	\$16,750,232	(17.68%)
14	CNA Insurance Group	0.73%	\$3,433,425	19.57%	\$12,941,917	0.04%
15	Prudential of America Group	0.64%	\$2,538,448	(26.22%)	\$11,477,267	(25.21%)
16	Metropolitan Group	0.64%	\$2,763,534	(0.00%)	\$11,342,769	3.51%
17	Amica Mutual Group	0.62%	\$2,591,619	(3.81%)	\$11,061,976	0.72%
18	Lincoln National Corporation	0.62%	\$2,758,661	5.06%	\$11,005,197	1.38%
19	Agricultural Workers Mut. Auto Ins. Co.	0.51%	\$2,213,388	0.11%	\$9,105,309	0.23%
20	Germania Insurance Group	0.49%	\$2,285,974	21.53%	\$8,768,340	20.00%
21	American National Financial Group	0.46%	\$2,190,165	19.32%	\$8,201,834	17.06%
22	Horace Mann Group	0.46%	\$2,139,118	12.74%	\$8,121,707	6.02%
23	Lumbermans Mutual Casualty Group	0.45%	\$1,774,283	(13.01%)	\$7,948,567	(4.68%)
24	Motors Insurance Corporation	0.38%	\$1,707,301	(3.99%)	\$6,847,062	(4.82%)
25	Winterthur US Holding Group	0.36%	\$1,636,617	15.34%	\$6,345,627	(11.05%)

Top 25 Groups Total	95.68%	\$424,447,903	2.50%	\$1,703,817,085	1.46%
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Total Market	100.00%	\$443,252,758	2.31%	\$1,780,673,712	1.54%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$481,942,526	\$459,636,921	\$318,524,353
4th qtr 1992	\$450,982,812	\$437,663,686	\$251,893,541
1st qtr 1993	\$482,834,646	\$466,346,191	\$223,821,312
2nd qtr 1993	\$456,375,251	\$449,453,929	\$297,277,850
3rd qtr 1993	\$456,006,308	\$433,817,831	\$238,252,289
4th qtr 1993	\$425,572,978	\$409,587,014	\$262,131,460
1st qtr 1994	\$463,155,017	\$445,864,820	\$228,444,009
2nd qtr 1994	\$447,509,031	\$427,581,971	\$342,506,879
3rd qtr 1994	\$460,381,123	\$449,893,285	\$264,011,249
4th qtr 1994	\$430,803,729	\$418,261,833	\$291,178,207
1st qtr 1995	\$471,175,399	\$455,453,689	\$255,011,421
2nd qtr 1995	\$445,372,663	\$435,824,289	\$622,604,531
3rd qtr 1995	\$458,605,254	\$443,941,040	\$337,061,421
4th qtr 1995	\$432,641,918	\$427,882,482	\$300,761,428
1st qtr 1996	\$466,853,019	\$448,656,221	\$303,249,024
2nd qtr 1996	\$450,405,500	\$433,264,218	\$364,702,276
3rd qtr 1996	\$462,499,278	\$442,729,042	\$324,255,482
4th qtr 1996	\$439,119,145	\$434,339,168	\$352,741,487
1st qtr 1997	\$479,671,623	\$460,352,744	\$322,692,220
2nd qtr 1997	\$461,739,791	\$443,252,758	\$347,738,289

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

There were 23 groups, 23 non-rate-regulated (County Mutual) companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the second quarter of 1997, as compared to 22 groups, 22 companies, in the second quarter of 1996.

The table below represents the top groups based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	18.23%	\$44,272,433	63.29%	\$151,070,994	53.33%
2	Allstate Insurance Group	16.54%	\$35,516,788	20.56%	\$137,050,144	34.20%
3	Chartwell Group	9.73%	\$21,417,068	11.91%	\$80,616,398	50.28%
4	Texas State National Group	9.49%	\$20,978,566	(17.53%)	\$78,677,881	(2.11%)
5	USAA Group	7.20%	\$14,806,275	101.81%	\$59,677,983	236.46%
6	Home State County Mutual Ins. Co.	6.31%	\$11,621,499	(24.79%)	\$52,317,066	(6.06%)
7	Farmers Insurance Group	5.30%	\$10,263,699	(2.79%)	\$43,925,668	4.81%
8	Titus Group	5.16%	\$12,525,181	30.22%	\$42,767,977	35.93%
9	Sentry Insurance Group	3.40%	\$7,579,107	(4.83%)	\$28,173,466	5.59%
10	American Financial Insurance Group	3.10%	\$5,862,382	(39.66%)	\$25,703,092	(39.62%)
11	Winterthur US Holding Group	2.84%	\$4,969,495	(6.97%)	\$23,539,426	36.28%
12	White Mountains Insurance Group	2.45%	\$4,409,220	(37.01%)	\$20,288,172	(11.21%)
13	State Farm Group	2.42%	\$4,570,936	(13.12%)	\$20,070,067	(8.70%)
14	Nationwide Corporation	1.75%	\$3,836,959	5.88%	\$14,494,261	7.71%
15	TIG Insurance Group	1.46%	\$821,226	(34.04%)	\$12,085,331	143.40%
16	General Agents Group	1.34%	\$2,412,504	35.40%	\$11,106,132	122.09%
17	Safeway Insurance Group	1.26%	\$3,290,418	*	\$10,472,001	*
18	Transport Holdings Inc.	0.57%	\$917,186	(40.82%)	\$4,750,353	(45.01%)
19	Vesta Insurance Group	0.36%	\$2,837,049	*	\$2,947,485	*
20	Allianz Insurance Group	0.33%	\$598,508	(8.35%)	\$2,717,753	7.32%
21	Foremost Corporation America	0.32%	\$714,058	(1.06%)	\$2,671,517	(6.73%)
22	Independent County Mutual Ins. Co.	0.23%	\$478,452	7.11%	\$1,865,069	(17.16%)
23	Orion Capital Group	0.22%	\$462,528	2.21%	\$1,841,702	(13.09%)
Top Groups Total		100.00%	\$215,161,537	12.88%	\$828,829,938	26.46%
Total Market		100.00%	\$215,161,537	12.88%	\$828,829,938	26.46%

* Insignificant premiums written in one quarter.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$129,034,543	\$115,824,226	\$66,654,088
4th qtr 1992	\$138,682,345	\$111,224,081	\$58,779,041
1st qtr 1993	\$170,342,455	\$138,809,644	\$59,610,504
2nd qtr 1993	\$175,167,215	\$141,893,449	\$73,077,954
3rd qtr 1993	\$184,674,683	\$150,539,664	\$68,936,018
4th qtr 1993	\$150,841,368	\$127,145,766	\$74,958,715
1st qtr 1994	\$160,710,836	\$156,637,684	\$71,298,467
2nd qtr 1994	\$158,033,011	\$139,508,798	\$90,801,353
3rd qtr 1994	\$155,772,862	\$149,032,091	\$78,088,995
4th qtr 1994	\$158,740,184	\$145,060,256	\$86,519,159
1st qtr 1995	\$166,652,391	\$157,999,322	\$82,462,339
2nd qtr 1995	\$176,022,558	\$168,709,011	\$128,142,660
3rd qtr 1995	\$163,913,975	\$143,373,709	\$105,317,058
4th qtr 1995	\$171,099,141	\$144,246,628	\$99,027,904
1st qtr 1996	\$195,727,938	\$177,166,371	\$105,196,788
2nd qtr 1996	\$208,161,125	\$190,613,608	\$122,172,926
3rd qtr 1996	\$218,467,432	\$202,441,128	\$119,863,297
4th qtr 1996	\$217,587,389	\$192,850,477	\$126,742,142
1st qtr 1997	\$244,315,764	\$218,376,796	\$130,117,036
2nd qtr 1997	\$253,427,268	\$215,161,537	\$149,560,217

Homeowners Multiple Peril (All Companies)

There were 73 groups, 169 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the second quarter of 1997, as compared to 72 groups, 170 companies, in the second quarter of 1996.

The table below represents the top 25 groups for premiums on policies written based on a sum of the most recent four quarters. Also included is a comparison of premiums on policies written in the second quarter of 1997 to premiums on policies written in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	33.54%	\$235,409,960	5.92%	\$830,080,181	5.55%
2	Farmers Insurance Group	17.26%	\$116,968,953	6.82%	\$427,126,641	6.40%
3	Allstate Insurance Group	13.14%	\$90,805,296	13.03%	\$325,164,626	12.49%
4	USAA Group	6.33%	\$44,160,742	7.97%	\$156,671,925	6.69%
5	Travelers Insurance Group	4.75%	\$32,027,507	11.32%	\$117,573,015	16.25%
6	Nationwide Corporation	2.39%	\$16,619,157	37.59%	\$59,105,952	38.16%
7	Safeco Insurance Group	1.93%	\$13,850,554	9.27%	\$47,681,067	7.77%
8	Texas Farm Bureau Mutual	1.77%	\$11,757,875	3.26%	\$43,744,378	4.05%
9	Chubb & Son Inc.	1.64%	\$11,372,764	10.77%	\$40,518,898	8.58%
10	Titus Group	1.61%	\$10,439,101	(12.78%)	\$39,925,515	(13.18%)
11	Winterthur US Holding Group	1.40%	\$9,544,405	(19.36%)	\$34,650,210	(21.66%)
12	CNA Insurance Group	1.22%	\$8,642,146	18.68%	\$30,214,590	0.78%
13	UNINTRIN Inc.	1.12%	\$7,683,376	(3.82%)	\$27,733,151	(7.62%)
14	Liberty Mutual Insurance Group	1.05%	\$7,674,086	16.43%	\$26,050,573	14.70%
15	Hartford Fire & Casualty Group	0.91%	\$6,236,659	10.22%	\$22,559,384	8.91%
16	Amica Mutual Group	0.79%	\$5,803,601	13.29%	\$19,518,525	11.30%
17	Allianz Insurance Group	0.77%	\$5,467,610	13.45%	\$19,137,687	20.20%
18	American National Financial Group	0.73%	\$5,124,324	33.20%	\$17,971,137	36.70%
19	Lumbermans Mutual Casualty Group	0.71%	\$4,330,497	(8.92%)	\$17,648,201	(2.57%)
20	Metropolitan Group	0.65%	\$3,948,677	(3.96%)	\$16,178,379	(18.03%)
21	Lincoln National Corporation	0.52%	\$3,529,130	(5.47%)	\$12,908,267	(7.89%)
22	Commercial Union Insurance Co's.	0.43%	\$2,744,036	(6.33%)	\$10,681,345	1.72%
23	Central Mutual Insurance Co. of Ohio	0.43%	\$3,069,699	17.09%	\$10,525,907	18.55%
24	General Accident Insurance	0.42%	\$2,700,753	7.95%	\$10,345,422	19.30%
25	Beacon Insurance Group	0.34%	\$2,510,152	16.31%	\$8,522,786	8.31%
Top 25 Groups Total		95.85%	\$662,421,060	7.52%	\$2,372,237,762	6.89%
Total Market		100.00%	\$689,303,283	7.03%	\$2,475,000,964	5.97%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$537,610,143	\$509,123,907	\$567,048,419
4th qtr 1992	\$471,357,082	\$411,525,292	\$376,258,831
1st qtr 1993	\$470,543,684	\$442,186,296	\$286,193,406
2nd qtr 1993	\$554,660,445	\$518,767,754	\$410,541,425
3rd qtr 1993	\$598,360,601	\$555,192,226	\$307,695,463
4th qtr 1993	\$529,999,658	\$482,257,180	\$321,328,737
1st qtr 1994	\$532,541,239	\$489,509,443	\$276,372,563
2nd qtr 1994	\$621,560,643	\$577,721,290	\$542,624,658
3rd qtr 1994	\$633,996,205	\$584,424,492	\$394,990,949
4th qtr 1994	\$544,112,881	\$506,794,681	\$317,850,063
1st qtr 1995	\$536,873,920	\$504,912,643	\$295,828,219
2nd qtr 1995	\$633,519,474	\$601,610,199	\$780,554,937
3rd qtr 1995	\$649,398,755	\$610,273,315	\$511,610,477
4th qtr 1995	\$583,421,900	\$544,747,718	\$416,544,143
1st qtr 1996	\$574,036,357	\$536,605,208	\$306,300,976
2nd qtr 1996	\$682,266,879	\$644,031,987	\$414,718,637
3rd qtr 1996	\$694,357,203	\$653,987,932	\$352,051,094
4th qtr 1996	\$607,523,506	\$569,123,474	\$317,853,967
1st qtr 1997	\$599,075,961	\$562,586,275	\$278,683,614
2nd qtr 1997	\$730,327,636	\$689,303,283	\$325,656,859

EARNED TO INCURRED LOSS RATIO BY YEAR

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

<u>Year</u>	<u>Loss Ratio</u>
1987	61.3%
1988	66.7%
1989	112.7%
1990	84.8%
1991	67.2%
1992	107.6%
1993	66.1%
1994	73.3%
1995	92.6%
1996	59.4%

Homeowners Multiple Peril (Rate-Regulated Companies)

There were 54 groups, 126 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the second quarter of 1997, as compared to 54 groups, 126 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	27.12%	\$38,950,192	(32.90%)	\$181,517,656	(14.53%)
2	Allstate Insurance Group	12.18%	\$20,932,480	(5.02%)	\$81,497,744	(1.88%)
3	Travelers Insurance Group	9.95%	\$17,524,243	7.27%	\$66,595,562	11.21%
4	Farmers Insurance Group	7.68%	\$13,369,661	(4.44%)	\$51,409,730	(2.93%)
5	USAA Group	6.90%	\$13,436,784	14.52%	\$46,170,291	13.88%
6	Winterthur US Holding Group	4.46%	\$7,566,514	(28.28%)	\$29,824,150	(26.76%)
7	UNITRIN Inc.	4.08%	\$7,527,046	(4.38%)	\$27,293,504	(7.62%)
8	Liberty Mutual Insurance Group	3.89%	\$7,674,086	16.43%	\$26,050,573	14.70%
9	Amica Mutual Group	2.92%	\$5,803,601	13.29%	\$19,518,525	11.30%
10	Lumbermans Mutual Casualty Group	2.64%	\$4,330,497	(8.92%)	\$17,648,201	(2.57%)
11	CNA Insurance Group	2.52%	\$4,535,744	(1.48%)	\$16,890,069	(7.92%)
12	Lincoln National Corporation	1.93%	\$3,529,130	(5.47%)	\$12,908,267	(7.89%)
13	General Accident Insurance	1.55%	\$2,700,753	7.95%	\$10,345,422	19.30%
14	Commercial Union Insurance Co's.	1.40%	\$1,456,793	(50.28%)	\$9,394,102	(10.54%)
15	Nationwide Corporation	1.28%	\$2,363,780	20.02%	\$8,570,244	19.36%
16	Beacon Insurance Group	1.27%	\$2,510,152	16.31%	\$8,522,786	8.31%
17	American National Financial Group	1.27%	\$2,247,172	(7.55%)	\$8,495,118	(10.01%)
18	Horace Mann Group	1.02%	\$1,825,527	13.16%	\$6,837,500	6.62%
19	Zurich American Insurance Group	0.89%	\$1,591,156	(19.61%)	\$5,940,506	(16.95%)
20	Mutual Assurance Group	0.69%	(\$40,385)	(101.76%)	\$4,619,969	(49.33%)
21	American Indemnity Financial	0.51%	\$867,318	(11.49%)	\$3,391,771	(5.76%)
22	Allmerica Financial Corporation	0.49%	\$805,516	(7.81%)	\$3,266,747	1.62%
23	W R Berkley Corporation	0.44%	\$799,598	(9.76%)	\$2,971,998	(16.11%)
24	Germania Insurance Group	0.40%	\$694,472	6.29%	\$2,702,390	6.23%
25	American Bankers Florida Group	0.33%	\$589,751	5.19%	\$2,226,926	7.97%

Top 25 Groups Total	97.82%	\$163,591,581	(12.61%)	\$654,609,751	(5.28%)
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Total Market	100.00%	\$167,295,430	(12.74%)	\$669,204,899	(6.95%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$216,234,731	\$204,068,379	\$226,819,368
4th qtr 1992	\$193,526,153	\$175,727,873	\$150,503,532
1st qtr 1993	\$192,954,685	\$180,931,583	\$116,312,487
2nd qtr 1993	\$218,431,355	\$202,850,231	\$157,726,557
3rd qtr 1993	\$224,357,457	\$206,338,238	\$112,311,598
4th qtr 1993	\$187,224,520	\$169,608,716	\$120,857,223
1st qtr 1994	\$190,370,776	\$174,098,266	\$103,310,814
2nd qtr 1994	\$218,982,630	\$197,086,754	\$172,948,979
3rd qtr 1994	\$214,592,708	\$189,673,807	\$132,320,512
4th qtr 1994	\$181,369,312	\$169,322,107	\$107,207,059
1st qtr 1995	\$185,284,260	\$172,484,830	\$103,753,971
2nd qtr 1995	\$209,812,583	\$196,039,192	\$250,996,642
3rd qtr 1995	\$208,073,323	\$192,609,387	\$163,504,705
4th qtr 1995	\$180,673,488	\$167,430,221	\$122,077,376
1st qtr 1996	\$180,260,031	\$167,421,166	\$95,359,982
2nd qtr 1996	\$204,028,311	\$191,730,434	\$118,565,329
3rd qtr 1996	\$200,016,548	\$189,332,184	\$99,681,001
4th qtr 1996	\$177,362,736	\$165,157,360	\$94,731,554
1st qtr 1997	\$159,480,463	\$147,419,925	\$84,056,283
2nd qtr 1997	\$179,139,562	\$167,295,430	\$98,302,532

Homeowners Multiple Peril (Non-Rate-Regulated Companies)

There were 41 groups, 43 non-rate-regulated (Lloyds and Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the second quarter of 1997, as compared to 41 groups, 44 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.92%	\$196,459,768	19.65%	\$648,562,525	12.98%
2	Farmers Insurance Group	20.81%	\$103,599,292	8.47%	\$375,716,911	7.82%
3	Allstate Insurance Group	13.49%	\$69,872,816	19.85%	\$243,666,882	18.29%
4	USAA Group	6.12%	\$30,723,958	5.34%	\$110,501,634	3.95%
5	Travelers Insurance Group	2.82%	\$14,503,264	16.63%	\$50,977,453	23.58%
6	Nationwide Corporation	2.80%	\$14,255,377	41.01%	\$50,535,708	41.95%
7	Safeco Insurance Group	2.64%	\$13,850,554	9.27%	\$47,681,067	7.77%
8	Texas Farm Bureau Mutual	2.42%	\$11,757,875	3.26%	\$43,744,378	4.05%
9	Chubb & Son Inc.	2.24%	\$11,372,764	10.77%	\$40,518,898	8.58%
10	Titus Group	2.21%	\$10,439,101	(12.78%)	\$39,925,515	(13.18%)
11	Hartford Fire & Casualty Group	1.25%	\$6,236,690	10.20%	\$22,561,363	9.06%
12	Allianz Insurance Group	1.06%	\$5,467,610	13.47%	\$19,136,577	20.21%
13	Metropolitan Group	0.90%	\$3,947,358	(4.00%)	\$16,171,094	(18.02%)
14	CNA Insurance Group	0.74%	\$4,106,402	53.34%	\$13,324,521	14.47%
15	Central Mutual Insurance Co. of Ohio	0.58%	\$3,069,699	17.09%	\$10,525,420	18.54%
16	American National Financial Group	0.52%	\$2,877,152	103.12%	\$9,476,019	155.64%
17	Mortgage Bankers Group	0.35%	\$1,961,750	38.71%	\$6,257,640	42.85%
18	Apex Lloyds Insurance Company	0.31%	\$1,633,443	(16.62%)	\$5,594,473	(19.15%)
19	National Group Insurance Companies	0.29%	\$1,455,011	12.89%	\$5,216,899	27.74%
20	W R Berkley Corporation	0.29%	\$1,487,045	(6.20%)	\$5,157,695	(7.34%)
21	Armed Forces Insurance Exchange	0.28%	\$1,347,608	4.53%	\$4,986,865	6.12%
22	Winterthur US Holding Group	0.27%	\$1,977,891	53.90%	\$4,826,060	37.60%
23	Service Life Group	0.22%	\$1,827,276	*	\$4,019,191	*
24	American Bankers Florida Group	0.21%	\$783,895	(23.65%)	\$3,780,756	(17.92%)
25	Vesta Insurance Group	0.19%	\$773,916	13.22%	\$3,468,248	102.28%

Top 25 Groups Total	98.92%	\$515,787,515	15.17%	\$1,786,333,792	11.83%
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Total Market	100.00%	\$522,007,853	15.41%	\$1,805,796,065	11.71%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$321,375,412	\$305,055,528	\$340,229,051
4th qtr 1992	\$277,830,929	\$235,797,419	\$225,755,299
1st qtr 1993	\$277,588,999	\$261,254,713	\$169,880,919
2nd qtr 1993	\$336,229,090	\$315,917,523	\$252,814,868
3rd qtr 1993	\$374,003,144	\$348,853,988	\$195,383,865
4th qtr 1993	\$342,775,138	\$312,648,464	\$200,471,514
1st qtr 1994	\$342,170,463	\$315,411,177	\$173,061,749
2nd qtr 1994	\$402,578,013	\$380,634,536	\$369,675,679
3rd qtr 1994	\$419,403,497	\$394,750,685	\$262,670,437
4th qtr 1994	\$362,743,569	\$337,472,574	\$210,643,004
1st qtr 1995	\$351,589,660	\$332,427,813	\$192,074,248
2nd qtr 1995	\$423,706,891	\$405,571,007	\$529,558,295
3rd qtr 1995	\$441,325,432	\$417,663,928	\$348,105,772
4th qtr 1995	\$402,748,412	\$377,317,497	\$294,466,767
1st qtr 1996	\$393,776,326	\$369,184,042	\$210,940,994
2nd qtr 1996	\$478,238,568	\$452,301,553	\$296,153,308
3rd qtr 1996	\$494,340,655	\$464,655,748	\$252,370,093
4th qtr 1996	\$430,160,770	\$403,966,114	\$223,122,413
1st qtr 1997	\$439,595,498	\$415,166,350	\$194,627,331
2nd qtr 1997	\$551,188,074	\$522,007,853	\$227,354,327

Workers' Compensation (All Companies)

There were 107 groups, 272 companies, that had direct written premium for Workers' Compensation in the second quarter of 1997, as compared to 102 groups, 257 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Texas Workers' Compensation Ins. Fund	17.71%	\$63,919,279	(39.33%)	\$294,855,691	(35.30%)
2	CNA Insurance Group	8.47%	\$42,617,820	234.29%	\$140,991,922	30.50%
3	American International Group	6.64%	\$21,076,349	(40.64%)	\$110,524,792	(19.62%)
4	Lumbermans Mutual Casualty Group	5.45%	\$21,975,883	25.39%	\$90,828,924	17.90%
5	Liberty Mutual Insurance Group	4.84%	\$26,674,740	290.09%	\$80,664,540	(5.79%)
6	Reliance Group Incorporated	4.51%	\$9,961,993	(7.30%)	\$75,108,580	(17.81%)
7	Travelers Insurance Group	4.46%	\$19,089,994	74.23%	\$74,347,430	15.02%
8	Hartford Fire & Casualty Group	3.08%	\$13,289,168	(6.00%)	\$51,358,974	1.98%
9	Nationwide Corporation	2.27%	\$9,888,609	44.01%	\$37,735,615	31.21%
10	Orion Capital Group	2.27%	\$8,914,591	2.15%	\$37,734,268	(28.22%)
11	Zurich American Insurance Group	2.13%	\$10,435,660	9.40%	\$35,503,387	31.57%
12	Transport Holdings Inc.	1.98%	\$5,323,687	(39.88%)	\$33,003,154	(19.63%)
13	Zenith National Insurance Group	1.92%	\$8,159,048	(10.97%)	\$31,982,113	(7.22%)
14	Old Republic Group	1.61%	\$6,058,762	(29.74%)	\$26,835,152	(20.32%)
15	Colonial Casualty Insurance Company	1.60%	\$7,173,001	31.64%	\$26,571,945	(6.73%)
16	General Accident Insurance	1.53%	\$6,940,741	82.87%	\$25,510,058	87.35%
17	Allianz Insurance Group	1.50%	\$6,311,956	(11.21%)	\$24,952,017	5.37%
18	St. Paul Companies	1.42%	\$4,932,945	(26.23%)	\$23,656,373	4.87%
19	Association Casualty	1.22%	\$5,475,164	8.97%	\$20,272,734	15.83%
20	Amerisure Companies	1.21%	\$5,234,792	13.38%	\$20,072,096	14.21%
21	Service Life Group	1.17%	\$727,971	(35.59%)	\$19,434,225	(24.46%)
22	Farmers Insurance Group	1.07%	\$5,284,773	21.37%	\$17,743,961	7.74%
23	Cigna Group	1.06%	\$1,909,418	304.83%	\$17,588,750	(22.01%)
24	Chubb & Son Inc.	1.00%	\$4,697,340	14.70%	\$16,700,988	1.59%
25	Clarendon Insurance Group	0.97%	\$3,395,608	75.40%	\$16,120,338	28.04%

Top 25 Groups Total	81.07%	\$319,469,292	3.43%	\$1,350,098,027	(10.29%)
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Total Market	100.00%	\$406,192,946	7.34%	\$1,665,256,008	(4.60%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$798,062,503	\$634,833,499	\$555,138,480
4th qtr 1992	\$611,406,456	\$448,197,519	\$526,470,725
1st qtr 1993	\$651,341,766	\$581,628,560	\$456,578,899
2nd qtr 1993	\$541,731,426	\$534,139,479	\$425,510,814
3rd qtr 1993	\$564,433,127	\$569,136,516	\$361,113,470
4th qtr 1993	\$534,631,999	\$496,039,169	\$340,634,109
1st qtr 1994	\$561,608,543	\$555,113,578	\$304,252,933
2nd qtr 1994	\$564,765,056	\$472,902,994	\$293,759,081
3rd qtr 1994	\$490,402,099	\$486,126,245	\$288,584,623
4th qtr 1994	\$519,438,875	\$491,491,380	\$275,369,102
1st qtr 1995	\$510,842,803	\$508,795,889	\$258,197,622
2nd qtr 1995	\$441,674,516	\$433,896,159	\$259,507,992
3rd qtr 1995	\$472,406,330	\$455,898,476	\$259,707,366
4th qtr 1995	\$402,555,729	\$401,696,092	\$266,005,328
1st qtr 1996	\$577,080,257	\$509,511,182	\$282,536,912
2nd qtr 1996	\$409,563,674	\$378,400,229	\$276,137,126
3rd qtr 1996	\$403,782,391	\$409,781,331	\$271,110,812
4th qtr 1996	\$375,796,251	\$395,841,983	\$303,408,073
1st qtr 1997	\$517,118,957	\$453,439,748	\$233,916,178
2nd qtr 1997	\$413,443,754	\$406,192,946	\$288,701,166

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Workers' Compensation (Voluntary Market)

There were 107 groups, 272 companies, that had voluntary direct written premium for Workers' Compensation in the second quarter of 1997, as compared to 102 groups, 257 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Texas Workers' Compensation Ins. Fund	17.02%	\$60,021,889	(35.08%)	\$281,391,340	(34.05%)
2	CNA Insurance Group	8.53%	\$42,617,820	234.26%	\$140,992,349	30.49%
3	American International Group	6.68%	\$21,076,349	(40.64%)	\$110,524,792	(19.62%)
4	Lumbermans Mutual Casualty Group	5.49%	\$21,975,883	24.29%	\$90,822,196	16.17%
5	Liberty Mutual Insurance Group	4.88%	\$26,669,072	289.42%	\$80,675,902	(5.87%)
6	Travelers Insurance Group	4.58%	\$19,109,658	74.41%	\$75,815,770	14.11%
7	Reliance Group Incorporated	4.54%	\$9,961,993	(7.30%)	\$75,108,580	(17.81%)
8	Hartford Fire & Casualty Group	3.12%	\$13,289,168	(6.00%)	\$51,519,177	5.83%
9	Nationwide Corporation	2.29%	\$9,888,609	43.95%	\$37,824,307	31.41%
10	Orion Capital Group	2.28%	\$8,914,591	2.15%	\$37,734,268	(28.22%)
11	Zurich American Insurance Group	2.15%	\$10,434,984	9.39%	\$35,502,711	31.57%
12	Transport Holdings Inc.	2.00%	\$5,323,687	(39.88%)	\$33,003,154	(19.63%)
13	Zenith National Insurance Group	1.93%	\$8,159,048	(10.97%)	\$31,982,113	(7.22%)
14	Old Republic Group	1.62%	\$6,058,762	(29.74%)	\$26,835,152	(20.32%)
15	Colonial Casualty Insurance Company	1.61%	\$7,173,001	31.64%	\$26,571,945	(6.73%)
16	General Accident Insurance	1.54%	\$6,940,741	82.87%	\$25,510,058	87.35%
17	Allianz Insurance Group	1.51%	\$6,311,956	(11.21%)	\$24,952,017	5.37%
18	St. Paul Companies	1.43%	\$4,932,945	(26.23%)	\$23,656,373	4.87%
19	Association Casualty	1.23%	\$5,475,164	8.97%	\$20,272,734	15.83%
20	Amerisure Companies	1.21%	\$5,234,792	13.38%	\$20,072,096	14.21%
21	Service Life Group	1.18%	\$727,971	(35.59%)	\$19,434,225	(24.46%)
22	Farmers Insurance Group	1.07%	\$5,284,773	21.37%	\$17,743,961	7.74%
23	Cigna Group	1.06%	\$1,909,418	304.83%	\$17,588,750	(22.01%)
24	Chubb & Son Inc.	1.01%	\$4,697,340	14.70%	\$16,700,988	1.59%
25	Clarendon Insurance Group	0.97%	\$3,395,608	75.40%	\$16,120,338	28.04%

Top 25 Groups Total	80.93%	\$315,585,222	6.57%	\$1,338,355,296	(9.41%)
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Total Market	100.00%	\$402,297,442	9.99%	\$1,653,671,980	(3.73%)
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$669,032,844	\$392,683,195	\$363,068,359
4th qtr 1992	\$517,493,883	\$303,491,075	\$355,070,058
1st qtr 1993	\$574,890,312	\$454,528,011	\$313,227,080
2nd qtr 1993	\$472,109,429	\$423,661,580	\$294,794,251
3rd qtr 1993	\$507,508,855	\$484,922,584	\$258,420,593
4th qtr 1993	\$498,034,258	\$442,770,748	\$246,898,632
1st qtr 1994	\$556,524,252	\$528,861,443	\$221,491,441
2nd qtr 1994	\$557,098,658	\$455,732,983	\$238,330,685
3rd qtr 1994	\$483,106,382	\$471,587,659	\$209,727,272
4th qtr 1994	\$514,174,416	\$485,215,899	\$239,877,979
1st qtr 1995	\$504,395,626	\$503,795,920	\$214,640,626
2nd qtr 1995	\$434,650,136	\$432,487,193	\$225,639,769
3rd qtr 1995	\$464,641,200	\$453,894,311	\$224,489,104
4th qtr 1995	\$396,357,091	\$389,435,824	\$232,077,588
1st qtr 1996	\$570,810,673	\$508,598,211	\$251,351,695
2nd qtr 1996	\$402,772,171	\$365,766,167	\$240,044,757
3rd qtr 1996	\$398,598,974	\$406,123,320	\$245,300,728
4th qtr 1996	\$373,057,831	\$395,421,448	\$282,512,093
1st qtr 1997	\$511,923,843	\$449,829,770	\$213,714,563
2nd qtr 1997	\$410,446,303	\$402,297,442	\$267,639,681

Workers' Compensation (Residual Market)

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

For the four quarters ending with the second quarter of 1997 the START program reported \$13,464,351 in direct premiums written. This accounted for 116.23% of all Residual Market experience reported and was a decrease of 53.63% over the same period one year prior. Of this amount \$3,897,390 was written in the second quarter of 1997 which was a 69.80% decrease from the second quarter of 1996.

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

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

QUARTERLY EXPERIENCE All Groups

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$129,029,659	\$242,150,304	\$192,070,121
4th qtr 1992	\$93,912,573	\$144,706,444	\$171,400,667
1st qtr 1993	\$76,451,454	\$127,100,549	\$143,351,819
2nd qtr 1993	\$69,621,997	\$110,477,899	\$130,716,563
3rd qtr 1993	\$56,924,272	\$84,213,932	\$102,692,877
4th qtr 1993	\$36,597,741	\$53,268,421	\$93,735,477
1st qtr 1994	\$5,084,291	\$26,252,135	\$82,761,492
2nd qtr 1994	\$7,666,398	\$17,170,011	\$55,428,396
3rd qtr 1994	\$7,295,717	\$14,538,586	\$78,857,351
4th qtr 1994	\$5,264,459	\$6,275,481	\$35,491,123
1st qtr 1995	\$6,447,177	\$4,999,969	\$43,556,996
2nd qtr 1995	\$7,024,380	\$1,408,966	\$33,868,223
3rd qtr 1995	\$7,765,130	\$2,004,165	\$35,218,262
4th qtr 1995	\$6,198,638	\$12,260,268	\$33,927,740
1st qtr 1996	\$6,269,584	\$912,971	\$31,185,217
2nd qtr 1996	\$6,791,503	\$12,634,062	\$36,092,369
3rd qtr 1996	\$5,183,417	\$3,658,011	\$25,810,084
4th qtr 1996	\$2,738,420	\$420,535	\$20,895,980
1st qtr 1997	\$5,195,114	\$3,609,978	\$20,201,615
2nd qtr 1997	\$2,997,451	\$3,895,504	\$21,061,485

QUARTERLY EXPERIENCE
The Texas Workers' Compensation Insurance Fund

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$0	\$0	\$0
4th qtr 1992	\$0	\$0	\$0
1st qtr 1993	\$0	\$0	\$0
2nd qtr 1993	\$0	\$0	\$0
3rd qtr 1993	\$0	\$0	\$0
4th qtr 1993	\$0	\$0	\$0
1st qtr 1994	\$5,084,291	\$5,084,291	\$7,298
2nd qtr 1994	\$7,666,398	\$7,666,398	\$232,318
3rd qtr 1994	\$7,295,717	\$5,623,596	\$555,306
4th qtr 1994	\$5,264,459	\$6,326,840	\$1,454,285
1st qtr 1995	\$6,447,177	\$6,766,829	\$1,104,601
2nd qtr 1995	\$7,024,380	\$4,424,113	\$1,985,824
3rd qtr 1995	\$7,765,130	\$4,932,138	\$2,124,768
4th qtr 1995	\$6,198,638	\$10,213,355	\$2,256,434
1st qtr 1996	\$6,269,584	\$985,350	\$4,402,318
2nd qtr 1996	\$6,791,503	\$12,905,623	\$758,010
3rd qtr 1996	\$5,183,417	\$2,722,400	\$2,354,828
4th qtr 1996	\$2,738,420	\$3,134,810	\$2,435,900
1st qtr 1997	\$5,195,114	\$3,709,751	\$2,085,326
2nd qtr 1997	\$2,997,451	\$3,897,390	\$1,965,869

Workers' Compensation (Deductible Plans)

There were 99 groups, 230 companies which wrote voluntary policies for Workers' Compensation in the second quarter of 1997, as compared to 94 groups, 215 companies in the second quarter of 1996.

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

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

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

WORKERS' COMPENSATION DEDUCTIBLE PLANS

	Policies Written 2nd Qtr 1997	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	19	\$125,696	\$103,003	18.05%
Premium of \$10,000 - \$24,999	23	\$355,449	\$231,285	34.93%
Premium of \$25,000 - \$49,999	13	\$500,840	\$411,201	17.90%
Premium of \$50,000 - \$74,999	6	\$367,352	\$263,408	28.30%
Premium of \$75,000 - \$100,000	3	\$260,695	\$159,369	38.87%
Total Per Accident Plan	64	\$1,610,032	\$1,168,266	27.44%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	14	\$101,472	\$90,146	11.16%
Premium of \$10,000 - \$24,999	17	\$248,166	\$202,793	18.28%
Premium of \$25,000 - \$49,999	4	\$152,665	\$129,757	15.01%
Premium of \$50,000 - \$74,999	6	\$359,424	\$248,281	30.92%
Premium of \$75,000 - \$100,000	2	\$173,391	\$126,832	26.85%
Total Aggregate Plan	43	\$1,035,118	\$797,809	22.93%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	12	\$84,921	\$78,624	7.42%
Premium of \$10,000 - \$24,999	20	\$344,468	\$312,688	9.23%
Premium of \$25,000 - \$49,999	19	\$664,316	\$611,040	8.02%
Premium of \$50,000 - \$74,999	5	\$291,789	\$260,083	10.87%
Premium of \$75,000 - \$100,000	6	\$532,160	\$467,892	12.08%
Total Combination Plan	62	\$1,917,654	\$1,730,327	9.77%
Negotiated Deductible Plan				
Premium Up To \$100,000	465	\$11,413,548	\$2,745,884	75.94%
Premium of \$100,001 - \$150,000	76	\$9,667,221	\$3,153,123	67.38%
Premium of \$150,001 - \$250,000	92	\$17,688,654	\$4,421,870	75.00%
Premium of \$250,001 - \$350,000	47	\$13,764,264	\$3,008,373	78.14%
Premium of \$350,001 - \$500,000	50	\$21,305,160	\$5,005,371	76.51%
Premium of \$500,001 - \$750,000	41	\$24,664,224	\$4,494,490	81.78%
Premium of \$750,001 - \$1,000,000	24	\$20,915,540	\$3,481,774	83.35%
Premium of \$1,000,001 - \$2,500,000	59	\$95,223,442	\$15,741,154	83.47%
Premium of \$2,500,001 - \$5,000,000	13	\$48,247,466	\$7,828,269	83.77%
Premium of \$5,000,001 and above	10	\$106,863,536	\$9,475,531	91.13%
Total Negotiated Plan	877	\$369,753,055	\$59,355,839	83.95%
No Deductible Plan				
Premium Less Than \$5,000	20,406	\$34,709,560	\$34,709,560	0.00%
Premium of \$5,000 - \$9,999	4,634	\$32,736,468	\$32,736,468	0.00%
Premium of \$10,000 - \$24,999	3,548	\$55,775,016	\$55,775,016	0.00%
Premium of \$25,000 - \$49,999	1,406	\$48,701,457	\$48,701,457	0.00%
Premium of \$50,000 - \$74,999	429	\$25,983,702	\$25,983,702	0.00%
Premium of \$75,000 - \$100,000	203	\$17,352,989	\$17,352,989	0.00%
Premium Greater Than \$100,000	470	\$132,134,870	\$132,134,870	0.00%
Total No Deductible Plan	31,096	\$347,394,062	\$347,394,062	0.00%
TOTAL ALL PLANS	32,142	\$721,709,921	\$410,446,303	43.13%

Boiler & Machinery

There were 28 groups, 80 companies, that had direct written premium for Boiler & Machinery in the second quarter of 1997, as compared to 27 groups, 77 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Hartford Steam Boiler Group	18.71%	\$1,765,221	(25.34%)	\$8,498,685	(6.99%)
2	Lumbermans Mutual Casualty Group	10.48%	\$927,440	(20.67%)	\$4,761,627	(14.97%)
3	Travelers Insurance Group	10.43%	\$1,164,436	18.45%	\$4,737,327	8.92%
4	Protection Mutual Insurance Company	9.78%	\$757,561	14.77%	\$4,441,273	(4.93%)
5	Arkwright Boston Group	8.92%	\$859,482	(19.11%)	\$4,053,779	(6.87%)
6	Zurich American Insurance Group	7.88%	\$1,552,370	*	\$3,578,353	197.39%
7	Allendale Group	7.78%	\$1,131,286	62.66%	\$3,535,225	7.15%
8	Chubb & Son Inc.	7.52%	\$620,603	(11.76%)	\$3,417,937	16.60%
9	Reliance Group Incorporated	4.29%	\$1,231,850	(5.04%)	\$1,949,756	(36.99%)
10	TIG Insurance Group	3.76%	\$216,532	3.41%	\$1,706,314	251.26%
11	CNA Insurance Group	1.96%	\$232,732	(55.72%)	\$890,234	(34.17%)
12	Nationwide Corporation	1.69%	\$153,428	4.36%	\$767,310	23.38%
13	American International Group	1.69%	\$57,011	(43.79%)	\$765,592	*
14	Hartford Fire & Casualty Group	1.02%	\$142,785	(15.28%)	\$464,359	85.77%
15	St. Paul Companies	0.87%	\$43,737	(20.95%)	\$396,096	30.87%
16	Commercial Union Insurance Co's.	0.60%	\$40,184	(51.22%)	\$272,200	(23.92%)
17	Allianz Insurance Group	0.59%	\$48,626	(85.89%)	\$270,152	(55.75%)
18	Preferred Risk Group	0.49%	\$50,351	(0.24%)	\$222,258	10.71%
19	Cigna Group	0.28%	\$12,272	(76.20%)	\$126,016	66.14%
20	Royal & Sun Alliance USA	0.26%	\$1,594	(10.10%)	\$118,752	*
21	Allstate Insurance Group	0.23%	\$30,789	28.51%	\$103,728	44.41%
22	Mercury General Group	0.12%	\$8,704	383.56%	\$55,618	*
23	Sentry Insurance Group	0.11%	\$10,530	(21.88%)	\$47,760	25.90%
24	Federated Mutual Group	0.10%	\$12,615	17.22%	\$44,329	15.98%
25	Deere & Company Group	0.08%	\$13,069	386.56%	\$37,064	116.90%

Top 25 Groups Total	99.63%	\$11,085,208	0.64%	\$45,261,744	4.79%
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Total Market	100.00%	\$11,128,756	0.61%	\$45,427,651	4.00%
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$16,353,022	\$15,229,377	\$7,934,921
1st qtr 1994	\$11,237,463	\$9,649,143	\$7,740,284
2nd qtr 1994	\$15,872,695	\$13,375,863	\$9,071,133
3rd qtr 1994	\$12,743,548	\$11,929,997	\$6,267,187
4th qtr 1994	\$18,860,735	\$16,864,685	\$994,800
1st qtr 1995	\$9,279,746	\$8,572,978	\$4,745,626
2nd qtr 1995	\$13,326,698	\$12,929,400	\$3,207,036
3rd qtr 1995	\$12,214,712	\$9,798,039	\$4,014,279
4th qtr 1995	\$15,535,917	\$14,318,246	\$9,245,111
1st qtr 1996	\$10,029,771	\$8,503,251	\$7,323,439
2nd qtr 1996	\$12,146,756	\$11,061,403	\$6,202,512
3rd qtr 1996	\$12,193,289	\$13,335,666	\$4,673,537
4th qtr 1996	\$11,635,320	\$12,211,138	\$12,159,442
1st qtr 1997	\$9,159,643	\$8,752,091	\$3,450,807
2nd qtr 1997	\$11,567,203	\$11,128,756	\$4,208,538

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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Crime

There were 43 groups, 78 companies, that had direct written premium for Commercial Crime in the second quarter of 1997, as compared to 45 groups, 85 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	58.82%	\$1,774,236	18.95%	\$6,166,233	3.88%
2	Zurich American Insurance Group	12.68%	\$310,203	(17.15%)	\$1,329,403	(17.90%)
3	American International Group	6.94%	\$192,501	(52.64%)	\$727,685	(29.30%)
4	Reliance Group Incorporated	4.68%	\$4,901	(96.81%)	\$491,018	(4.46%)
5	Travelers Insurance Group	4.61%	\$121,790	27.74%	\$483,624	59.94%
6	Preferred Risk Group	3.02%	\$69,671	(20.99%)	\$316,487	(6.42%)
7	St. Paul Companies	2.19%	\$16,144	(51.43%)	\$229,776	62.45%
8	Hartford Fire & Casualty Group	1.77%	\$62,176	6.37%	\$185,905	29.40%
9	Crum & Forster Insurance Companies	1.43%	\$30,265	(6.36%)	\$149,439	(5.24%)
10	UNITRIN Inc.	0.74%	\$15,417	(6.85%)	\$77,539	(8.87%)
11	CUNA Mutual Group	0.68%	\$15,794	21.36%	\$71,470	9.47%
12	Federated Mutual Group	0.47%	\$18,267	(27.78%)	\$49,760	(10.17%)
13	Lumbermans Mutual Casualty Group	0.45%	\$15,273	4.86%	\$47,020	(15.31%)
14	Protection Mutual Insurance Company	0.35%	\$14,375	(46.19%)	\$37,048	29.73%
15	Chrysler Group	0.35%	\$14,250	72.81%	\$36,468	1.78%
16	Deere & Company Group	0.28%	\$5,952	292.35%	\$29,410	(31.63%)
17	Executive Risk Companies	0.26%	\$7,144	*	\$27,148	*
18	CNA Insurance Group	0.25%	\$903	(69.51%)	\$26,516	199.01%
19	Royal & Sun Alliance USA	0.21%	\$17,599	(13.59%)	\$22,175	*
20	Allendale Group	0.20%	\$8,565	(46.54%)	\$20,533	(52.17%)
21	Liberty Mutual Insurance Group	0.19%	\$12,618	*	\$20,308	45.16%
22	Nationwide Corporation	0.15%	(\$4,801)	(156.80%)	\$15,653	(61.58%)
23	State Farm Group	0.13%	\$3,759	(16.61%)	\$13,911	3.47%
24	Millers First Insurance Companies	0.12%	\$4,945	25.09%	\$12,120	11.38%
25	Sentry Insurance Group	0.11%	\$3,085	95.38%	\$12,047	57.03%

Top 25 Groups Total	101.09% **	\$2,735,032	(5.66%)	\$10,598,696	(0.83%)
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Total Market	100.00%	\$2,754,658	(12.51%)	\$10,484,089	(4.70%)
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* Insignificant premiums written in one quarter.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$1,677,118	\$1,627,562	\$490,506
1st qtr 1994	\$1,324,383	\$1,407,041	\$284,766
2nd qtr 1994	\$1,358,269	\$1,419,309	\$198,911
3rd qtr 1994	\$1,116,845	\$1,196,386	\$354,516
4th qtr 1994	\$1,291,067	\$1,312,913	\$225,445
1st qtr 1995	\$2,276,387	\$2,431,816	\$209,079
2nd qtr 1995	\$2,593,418	\$2,953,801	\$555,103
3rd qtr 1995	\$2,292,688	\$2,448,400	\$662,813
4th qtr 1995	\$2,749,095	\$2,861,398	(\$7,850)
1st qtr 1996	\$1,996,866	\$2,543,225	\$404,653
2nd qtr 1996	\$2,848,677	\$3,148,500	\$395,857
3rd qtr 1996	\$2,630,416	\$2,672,105	\$559,800
4th qtr 1996	\$2,865,948	\$2,817,165	(\$261,036)
1st qtr 1997	\$2,326,215	\$2,240,161	\$687,417
2nd qtr 1997	\$2,592,943	\$2,754,658	\$508,540

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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

<u>Year</u>	<u>Loss Ratio</u>
1987	23.8%
1988	41.8%
1989	29.9%
1990	27.3%
1991	29.7%
1992	24.6%
1993	18.5%
1994	22.5%
1995	16.1%
1996	19.4%

Commercial Glass

There were 34 groups, 56 companies, that had direct written premium for Commercial Glass in the second quarter of 1997, as compared to 36 groups, 55 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	UNITRIN Inc.	37.49%	\$54,688	(3.37%)	\$196,514	(8.49%)
2	Zurich American Insurance Group	7.98%	\$12,560	117.30%	\$41,821	(7.67%)
3	Mercury General Group	6.17%	\$8,873	(38.06%)	\$32,336	46.02%
4	EMC Insurance Companies	5.22%	\$7,718	(1.88%)	\$27,389	20.13%
5	Travelers Insurance Group	4.92%	\$7,164	27.34%	\$25,790	65.87%
6	St. Paul Companies	4.28%	\$6,177	112.41%	\$22,431	(5.18%)
7	Federated Mutual Group	4.25%	\$6,487	9.49%	\$22,277	2.89%
8	Lincoln National Corporation	4.12%	\$5,241	6.44%	\$21,602	3.35%
9	Royal & Sun Alliance USA	3.11%	\$1,845	112.31%	\$16,311	(19.01%)
10	Farmers Insurance Group	2.98%	\$4,624	3.35%	\$15,641	(88.56%)
11	Sentry Insurance Group	2.84%	\$3,285	(31.16%)	\$14,868	(25.02%)
12	Deere & Company Group	2.71%	\$2,311	(34.38%)	\$14,224	(15.57%)
13	American Indemnity Financial	2.19%	\$3,179	(29.62%)	\$11,464	(12.73%)
14	W R Berkley Corporation	1.34%	\$3,195	(31.85%)	\$7,039	(38.09%)
15	Ohio Casualty Group	1.28%	\$941	(35.46%)	\$6,710	(34.15%)
16	Central Mutual Insurance Co. of Ohio	1.12%	(\$125)	(118.12%)	\$5,897	(4.70%)
17	CNA Insurance Group	1.01%	\$884	2.20%	\$5,290	(11.43%)
18	Hartford Fire & Casualty Group	1.00%	\$739	(55.54%)	\$5,257	(26.69%)
19	Beacon Insurance Group	0.64%	\$916	26.69%	\$3,329	17.76%
20	Miller Insurance Group	0.60%	\$36	*	\$3,141	34.86%
21	Chrysler Group	0.52%	\$87	*	\$2,739	(7.90%)
22	Harco National Insurance Company	0.48%	\$891	21.89%	\$2,541	247.61%
23	Preferred Risk Group	0.46%	\$690	22.56%	\$2,417	15.76%
24	Reliance Group Incorporated	0.43%	\$0	*	\$2,233	39.56%
25	General Accident Insurance	0.39%	\$497	110.68%	\$2,057	(12.06%)

Top 25 Groups Total	97.54%	\$132,903	3.16%	\$511,318	(21.24%)
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Total Market	100.00%	\$136,518	(2.99%)	\$524,219	(24.22%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$301,807	\$300,314	\$44,559
1st qtr 1994	\$308,808	\$293,190	\$77,724
2nd qtr 1994	\$360,864	\$370,068	\$91,810
3rd qtr 1994	\$323,022	\$302,674	\$78,742
4th qtr 1994	\$227,999	\$242,272	\$138,473
1st qtr 1995	\$257,568	\$239,536	\$67,507
2nd qtr 1995	\$317,840	\$286,183	\$106,654
3rd qtr 1995	\$245,865	\$229,668	\$78,672
4th qtr 1995	\$233,805	\$193,433	\$41,606
1st qtr 1996	\$141,382	\$127,967	\$30,823
2nd qtr 1996	\$158,795	\$140,729	\$33,810
3rd qtr 1996	\$165,453	\$140,389	\$36,889
4th qtr 1996	\$156,778	\$121,243	\$36,288
1st qtr 1997	\$147,830	\$126,069	\$21,580
2nd qtr 1997	\$168,929	\$136,518	\$21,667

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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Medical Professional Liability

There were 40 groups, 53 companies, that had direct written premium for Medical Professional Liability (includes regulated and nonregulated companies) in the second quarter of 1997, as compared to 34 groups, 50 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Health Care Indemnity Inc.	28.09%	\$394,462	(28.07%)	\$79,947,701	(36.91%)
2	Medical Protective Company	15.46%	\$15,240,237	10.90%	\$44,004,877	(17.04%)
3	Western Indemnity Insurance Company	7.27%	\$3,635,960	(52.16%)	\$20,682,376	13.08%
4	American Physicians Ins. Exchange	7.16%	\$3,555,539	6.33%	\$20,382,041	(8.82%)
5	St. Paul Companies	5.47%	\$3,938,025	(24.46%)	\$15,571,614	4.83%
6	Frontier Insurance Group	5.15%	\$6,241,465	103.94%	\$14,670,492	131.24%
7	CNA Insurance Group	3.70%	\$1,234,732	*	\$10,523,632	(27.00%)
8	PIE Mutual Insurance Group	3.31%	\$5,019	(99.92%)	\$9,412,850	(50.83%)
9	Mutual Assurance Companies	2.77%	\$520,410	(84.15%)	\$7,897,322	(3.76%)
10	Texas Hospital Insurance Exchange	2.43%	\$1,565,763	1.42%	\$6,907,327	13.40%
11	MMI Companies Group	2.30%	\$1,074,386	*	\$6,545,276	(17.65%)
12	American International Group	2.17%	\$1,358,760	(6.88%)	\$6,165,239	154.83%
13	Allianz Insurance Group	1.87%	\$1,532,964	27.88%	\$5,319,823	(14.91%)
14	PHICO Insurance Company	1.73%	\$142,490	*	\$4,923,266	*
15	Doctors Company Group	1.49%	\$1,220,318	42.97%	\$4,232,143	68.39%
16	Farmers Insurance Group	1.47%	\$238,915	(84.80%)	\$4,188,876	(24.05%)
17	Preferred Physicians Insurance Co.	1.34%	\$10,678	117.51%	\$3,820,683	37.69%
18	Texas Medical Liab. Underwriting Assoc.	1.34%	\$563,220	(58.65%)	\$3,802,447	(45.94%)
19	Travelers Insurance Group	1.17%	\$397,050	(12.37%)	\$3,321,504	4.46%
20	National Chiropractic Mutual Ins. Co.	1.08%	\$600,134	2.58%	\$3,059,884	(4.46%)
21	Insurance Western Group	0.85%	\$319,964	(23.44%)	\$2,408,505	5.21%
22	Zurich American Insurance Group	0.50%	\$40,486	(10.35%)	\$1,416,857	24.42%
23	Podiatry Insurance Co. of America RRG	0.44%	\$107,443	1.31%	\$1,240,360	3.27%
24	Century American Insurance Group	0.33%	\$876,820	*	\$934,663	*
25	Florida Physicians Insurance Company	0.28%	\$792,197	*	\$792,197	*

Top 25 Groups Total	99.15%	\$45,607,437	(13.26%)	\$282,171,955	(15.75%)
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Total Market	100.00%	\$46,357,641	(15.28%)	\$284,593,228	(16.03%)
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* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$36,934,978	\$37,758,945	\$46,810,592
1st qtr 1994	\$57,343,312	\$51,175,364	\$50,776,887
2nd qtr 1994	\$77,251,913	\$77,474,973	\$51,492,736
3rd qtr 1994	\$68,985,647	\$70,360,691	\$2,553,192
4th qtr 1994	\$40,468,946	\$43,092,539	\$74,035,442
1st qtr 1995	\$68,464,527	\$72,369,916	\$48,182,784
2nd qtr 1995	\$54,151,497	\$75,090,427	\$40,820,995
3rd qtr 1995	\$69,941,692	\$111,217,428	\$47,612,275
4th qtr 1995	\$43,145,176	\$58,247,051	\$67,315,494
1st qtr 1996	\$114,189,070	\$114,738,793	\$56,684,025
2nd qtr 1996	\$45,514,973	\$54,716,151	\$47,353,607
3rd qtr 1996	\$63,825,546	\$66,636,774	\$49,184,495
4th qtr 1996	\$44,450,328	\$37,813,818	\$62,181,423
1st qtr 1997	\$135,290,238	\$133,784,995	\$43,011,466
2nd qtr 1997	\$41,398,393	\$46,357,641	\$45,804,936

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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

<u>Year</u>	<u>Loss Ratio</u>
1987	123.4%
1988	118.6%
1989	100.5%
1990	131.2%
1991	113.6%
1992	105.9%
1993	102.5%
1994	92.0%
1995	87.7%
1996	80.1%

Miscellaneous Professional Liability

There were 35 groups, 64 companies, that had direct written premium for Miscellaneous Professional Liability in the second quarter of 1997, as compared to 32 groups, 62 companies, in the second quarter of 1996.

The table below represents the top 25 groups for direct written premium based on a sum of the most recent four quarters. Also included is a comparison of direct written premium in the second quarter of 1997 to direct written premium in the second quarter of 1996 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 2nd Quarter 1997	% Change 2nd Quarter 1996 to 1997	4 Quarters Ending 2nd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	34.81%	\$9,615,177	12.53%	\$32,262,663	18.92%
2	Reliance Group Incorporated	20.73%	\$6,031,637	24.81%	\$19,206,694	26.51%
3	St. Paul Companies	11.41%	\$2,088,698	(14.25%)	\$10,574,086	(13.73%)
4	General Electric Group	8.83%	\$1,981,008	28.24%	\$8,186,507	(10.27%)
5	Nationwide Corporation	4.99%	\$1,166,165	(18.27%)	\$4,620,494	(13.38%)
6	CNA Insurance Group	4.82%	\$1,405,968	15.50%	\$4,467,981	(28.37%)
7	Titan Group of Companies	2.55%	\$828,776	18.64%	\$2,360,022	6.69%
8	Executive Risk Companies	2.05%	\$338,605	189.17%	\$1,896,306	371.73%
9	AON Corporation	1.62%	\$507,925	20.33%	\$1,500,051	(1.42%)
10	Utica National Insurance Group	1.42%	\$284,888	(26.18%)	\$1,313,483	(28.73%)
11	Mt. Hawley Insurance Group	1.32%	\$391,621	(46.49%)	\$1,219,931	(29.45%)
12	Legion Insurance Group	1.21%	\$526,291	*	\$1,117,444	*
13	Allianz Insurance Group	1.05%	\$252,322	(18.34%)	\$976,029	(3.24%)
14	Union Labor Group	0.87%	\$156,243	(64.12%)	\$806,690	(30.42%)
15	Oakley Insurance Group	0.62%	\$113,930	77.34%	\$571,281	344.17%
16	Northland Group	0.35%	\$72,620	(15.30%)	\$324,296	36.35%
17	American RE Group	0.33%	\$54,252	*	\$307,149	*
18	Lumbermans Mutual Casualty Group	0.22%	\$39,408	(38.82%)	\$206,605	(7.46%)
19	Travelers Insurance Group	0.16%	\$1,806	(37.94%)	\$148,923	*
20	Zurich American Insurance Group	0.14%	\$29,220	*	\$128,650	(53.83%)
21	Gryphon Holdings Inc.	0.11%	\$13,056	*	\$101,008	121.72%
22	Safeco Insurance Group	0.11%	\$27,417	*	\$99,715	67.39%
23	UNITRIN Inc.	0.10%	\$9,572	5.35%	\$94,336	(5.60%)
24	US Investment Corporation	0.07%	\$35,379	386.71%	\$64,309	*
25	Triangle Insurance Company Inc.	0.06%	\$52,134	*	\$52,134	*
Top 25 Groups Total		99.93%	\$26,024,118	11.31%	\$92,606,787	7.32%
Total Market		100.00%	\$26,045,141	10.76%	\$92,672,274	6.80%

* Insignificant premiums written in one quarter.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	*	*	*
4th qtr 1992	*	*	*
1st qtr 1993	*	*	*
2nd qtr 1993	*	*	*
3rd qtr 1993	*	*	*
4th qtr 1993	\$20,324,250	\$15,362,507	\$11,018,151
1st qtr 1994	\$18,707,583	\$21,325,110	\$6,229,518
2nd qtr 1994	\$19,240,620	\$22,841,578	\$3,700,887
3rd qtr 1994	\$22,065,616	\$21,347,076	\$6,146,661
4th qtr 1994	\$22,095,790	\$20,963,889	\$16,514,895
1st qtr 1995	\$22,080,891	\$20,526,056	\$13,948,832
2nd qtr 1995	\$21,914,469	\$22,212,007	\$12,204,127
3rd qtr 1995	\$20,230,545	\$20,209,532	\$15,784,680
4th qtr 1995	\$23,742,729	\$24,108,975	\$10,623,777
1st qtr 1996	\$18,960,106	\$18,938,530	\$6,150,305
2nd qtr 1996	\$24,677,778	\$23,514,629	\$1,746,023
3rd qtr 1996	\$22,670,456	\$22,291,295	\$3,952,673
4th qtr 1996	\$25,372,332	\$25,545,106	\$8,184,171
1st qtr 1997	\$20,222,193	\$18,790,732	\$11,091,285
2nd qtr 1997	\$26,905,242	\$26,045,141	\$4,120,608

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

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

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

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the second quarter of 1997 and the second quarter of 1996. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	2ND QUARTER 1997			2ND QUARTER 1996		
	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
Product Liability	4	9,328	0.04288%	3	9,407	0.03189%
General Liability - Other ⁺	76	201,554	0.03771%	76	188,259	0.04037%
Fire & Allied Lines	19	75,291	0.02524%	19	69,497	0.02734%
Commercial Multiple Peril	39	70,879	0.05502%	31	66,972	0.04629%
Private Passenger Auto ⁺⁺	1995	4,556,416	0.04378%	2233	4,171,618	0.05353%
Homeowners	522	924,250	0.05648%	510	897,066	0.05685%
Workers' Compensation	38	32,399	0.11729%	55	34,904	0.15758%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	1	8,725	0.01146%	12	9,025	0.13296%
Misc. Professional Liability	5	5,235	0.09551%	2	4,241	0.04716%

⁺ The General Electric Group wrote 53,028 small premium pre-paid legal policies in the 2nd quarter of 1997 and 86,430 policies in the 2nd quarter of 1996 that were excluded from the above table.

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

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

The number of complaints attributable to any one insurer was not significant, except for Private Passenger Auto and Homeowners. The complaint data for the top 25 groups (ranking based on number of policies written in the second quarter of 1997) for these two lines of insurance are presented on the next two pages.

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

1997 Policies Written Rank	Group Name	2ND QUARTER 1997			2ND QUARTER 1996		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
22	American Financial Insurance Group	39	21,339	0.18276%	57	37,942	0.15023%
24	Safeway Insurance Group	34	20,597	0.16507%	0	11,126	0.00000%
10	Home State County Mutual Ins. Co.	89	74,293	0.11980%	117	78,002	0.15000%
23	Liberty Mutual Insurance Group	18	20,990	0.08576%	12	20,760	0.05780%
5	Texas State National Group	140	173,713	0.08059%	286	116,603	0.24528%
14	Travelers Insurance Group	34	44,222	0.07688%	15	44,186	0.03395%
6	Chartwell Group	120	165,076	0.07269%	88	91,113	0.09658%
19	Safeco Insurance Group	15	27,233	0.05508%	3	39,143	0.00766%
16	Titus Group	18	33,090	0.05440%	2	21,130	0.00947%
4	Allstate Insurance Group	208	418,302	0.04972%	194	383,400	0.05060%
21	Hartford Fire & Casualty Group	11	23,761	0.04629%	12	25,136	0.04774%
25	CNA Insurance Group	8	17,729	0.04512%	7	12,745	0.05492%
9	Nationwide Corporation	40	90,234	0.04433%	35	80,692	0.04337%
11	Berkshire-Hathaway (GEICO)	31	73,217	0.04234%	38	62,706	0.06060%
15	Winterthur US Holding Group	16	42,446	0.03769%	22	40,327	0.05455%
20	Texas Farm Bureau Mutual	10	26,992	0.03705%	14	34,211	0.04092%
17	UNITRIN Inc.	10	29,218	0.03423%	13	30,584	0.04251%
13	Sentry Insurance Group	20	59,762	0.03347%	33	60,540	0.05451%
2	Farmers Insurance Group	214	723,068	0.02960%	196	743,791	0.02635%
12	White Mountains Insurance Group	19	66,414	0.02861%	27	78,372	0.03445%
8	Southern Farm Bureau Casualty	22	95,536	0.02303%	29	90,186	0.03216%
18	Lincoln National Corporation	6	27,968	0.02145%	4	26,878	0.01488%
7	USAA Group	28	150,101	0.01865%	40	143,547	0.02787%
3	Progressive Group	113	637,138	0.01774%	85	397,074	0.02141%
1	State Farm Group	212	1,231,692	0.01721%	224	1,254,454	0.01786%
	(All other licensed insurers)	180	262,285	0.06863%	257	246,970	0.10406%
	(No company identified)*	340			423		
TOTALS		1,995	4,556,416	0.04378%	2,233	4,171,618	0.05353%

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

Complaint Data

HOMEOWNERS SECOND QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

1997 Policies Written Rank	Group Name	2ND QUARTER 1997			2ND QUARTER 1996		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
18	Metropolitan Group	9	4,437	0.20284%	4	5,289	0.07563%
23	Mortgage Bankers Group	6	3,792	0.15823%	1	2,641	0.03786%
20	Lumbermans Mutual Casualty Group	4	4,357	0.09181%	1	4,693	0.02131%
10	Winterthur US Holding Group	11	12,018	0.09153%	10	15,735	0.06355%
2	Farmers Insurance Group	115	166,596	0.06903%	80	161,469	0.04955%
11	Liberty Mutual Insurance Group	7	11,560	0.06055%	7	10,258	0.06824%
15	American National Financial Group	4	6,887	0.05808%	3	5,031	0.05963%
24	Commercial Union Insurance Co's.	2	3,653	0.05475%	2	4,213	0.04747%
6	Nationwide Corporation	12	23,822	0.05037%	11	19,529	0.05633%
7	Texas Farm Bureau Mutual	7	15,077	0.04643%	11	14,994	0.07336%
21	Lincoln National Corporation	2	4,336	0.04613%	0	4,261	0.00000%
19	Beacon Insurance Group	2	4,391	0.04555%	5	3,848	0.12994%
13	CNA Insurance Group	4	9,829	0.04070%	2	7,893	0.02534%
3	Allstate Insurance Group	52	139,297	0.03733%	46	128,084	0.03591%
1	State Farm Group	114	307,744	0.03704%	120	305,691	0.03926%
16	Amica Mutual Group	2	5,736	0.03487%	1	5,571	0.01795%
12	UNITRIN Inc.	3	10,196	0.02942%	4	10,626	0.03764%
8	Safeco Insurance Group	4	14,682	0.02724%	11	14,063	0.07822%
22	Central Mutual Ins. Co. of Ohio	1	4,102	0.02438%	1	3,618	0.02764%
5	Travelers Insurance Group	7	45,409	0.01542%	9	40,549	0.02220%
14	Hartford Fire & Casualty Group	1	7,053	0.01418%	4	6,909	0.05790%
4	USAA Group	8	57,205	0.01398%	9	54,113	0.01663%
9	Titus Group	1	12,739	0.00785%	2	14,711	0.01360%
17	Chubb & Son Inc.	0	4,604	0.00000%	4	4,200	0.09524%
25	Service Life Group	0	3,142	0.00000%	0	0	0.00000%
	(All other licensed insurers)	76	41,586	0.18275%	83	49,077	0.16912%
	(No company identified)*	68			79		
TOTALS		522	924,250	0.05648%	510	897,066	0.05685%

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

County Mutual Companies

NAMES OF GROUPS AND CORRESPONDING COUNTY MUTUAL COMPANIES

GROUPS

COUNTY MUTUAL COMPANIES

Allianz Insurance Group -----	Fireman's Fund County Mutual Insurance Co.
Allstate Insurance Group -----	Allstate County Mutual Insurance Co.
American Financial Insurance Group -----	Great Texas County Mutual Insurance Co.
Chartwell Group -----	Old American County Mutual Fire Insurance Co.
Farmers Insurance Group -----	Farmers Texas County Mutual Insurance Co.
Foremost Corporation America -----	Foremost County Mutual Insurance Co.
General Agents Group -----	Gainsco County Mutual Insurance Co.
Home State County Mutual Ins. Co. -----	Home State County Mutual Insurance Co.
Independent County Mutual Insurance Co. -----	Independent County Mutual Insurance Co.
Nationwide Corporation -----	Colonial County Mutual Insurance Co.
Orion Capital Group -----	Viking County Mutual Insurance Co.
Progressive Casualty Group -----	Progressive County Mutual Insurance Co.
Safeway Insurance Group -----	Oak Brook County Mutual Insurance Co.
Sentry Insurance Group -----	Dairyland County Mutual Of Texas
State Farm Group -----	State Farm County Mutual Insurance Co. of Texas
Texas State National Group -----	State And County Mutual Fire Insurance Co.
TIG Insurance Group -----	Industrial County Mutual Insurance Co.
Titus Group -----	Consumers County Mutual Insurance Co.
Transport Holdings Inc. -----	Northwestern National County Mutual Insurance Co.
USAA Group -----	USAA County Mutual Insurance Co.
Vesta Insurance Group -----	Vesta County Mutual Insurance Co.
White Mountains Insurance Group -----	Charter County Mutual Insurance Co.
Winterthur US Holding Group -----	Southern County Mutual Insurance Co.