

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 SEPTEMBER 1997

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	72 / 195	36,657	\$94,109,753	\$94,870,165	\$75,392,845
GENERAL LIABILITY - OTHER	154 / 353	740,275 ⁺	\$886,844,632	\$931,967,544	\$593,602,700
COMMERCIAL FIRE & ALLIED	103 / 253	284,763	\$341,931,022	\$322,277,128	\$182,967,841
COMMERCIAL MULTIPLE PERIL	99 / 265	276,894	\$925,780,277	\$912,275,420	\$503,450,930
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	84 / 220	10,600,100	\$6,043,795,953	\$5,536,881,423	\$3,134,096,714
ASSIGNED RISK LIABILITY	37 / 39	145,190	\$115,332,885	\$71,475,610	\$148,757,483
PHYSICAL DAMAGE	85 / 221	7,460,861	\$2,867,694,490	\$2,679,812,357	\$1,895,683,904
TOTAL PPA	91 / 230	18,206,151 ⁺⁺	\$9,026,823,328	\$8,288,169,390	\$5,178,538,101
HOMEOWNERS MULTIPLE PERIL	73 / 167	3,456,059	\$2,692,531,971	\$2,521,553,365	\$1,222,321,988
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		81,289	\$135,527,826	**	**
VOL PREMIUMS \$5,000 - \$100,000		41,790	\$782,600,375	**	**
VOL PREMIUMS > \$100,000		2,654	\$765,900,250	**	**
TOTAL VOLUNTARY	114 / 267	125,733	\$1,684,028,451	\$1,700,064,586	\$1,017,357,124
RESIDUAL MARKET ***	1 / 1	1,138	\$14,304,835	\$9,721,384	\$81,072,839
TOTAL WC	114 / 267	126,871	\$1,698,333,286	\$1,709,785,970	\$1,098,429,963
BOILER & MACHINERY	44 / 96	11,554	\$44,418,688	\$43,875,180	\$44,692,206
COMMERCIAL CRIME	47 / 100	6,948	\$10,193,455	\$10,873,011	\$1,241,678
COMMERCIAL GLASS	38 / 66	3,322	\$657,011	\$535,095	\$108,735
MEDICAL PROFESSIONAL LIABILITY	44 / 66	34,739	\$291,284,724	\$291,353,629	\$196,124,150
MISC. PROFESSIONAL LIABILITY	40 / 81	18,979	\$98,732,295	\$95,668,097	\$28,238,084

⁺ The General Electric Group wrote 215,814 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	Third quarter		Third quarter		Third Quarter		Fourth Quarter	
	'96	'97	'96	'97	'96	'97	'96	'97
Product Liability	63 / 155	63 / 149	65 / 167	60 / 149	65 / 158	66 / 152	64 / 154	-- / --
General Liability	130 / 290	136 / 302	134 / 303	138 / 307	130 / 302	143 / 305	139 / 303	-- / --
Commercial Fire & Allied	95 / 207	94 / 212	95 / 204	95 / 216	99 / 213	95 / 212	96 / 216	-- / --
Commercial Multiple Peril	85 / 221	95 / 236	87 / 225	95 / 243	86 / 220	97 / 239	89 / 230	-- / --
Private Passenger Auto	85 / 217	84 / 211	82 / 207	85 / 213	84 / 215	85 / 211	83 / 211	-- / --
Homeowners Multiple Peril	66 / 156	69 / 154	70 / 158	69 / 155	69 / 159	70 / 153	67 / 159	-- / --
Workers' Compensation	93 / 214	99 / 237	94 / 210	99 / 230	90 / 215	100 / 233	95 / 225	-- / --
Boiler & Machinery	34 / 67	36 / 72	34 / 66	34 / 75	34 / 66	37 / 75	36 / 73	-- / --
Commercial Crime	38 / 69	38 / 73	43 / 73	41 / 74	42 / 75	41 / 75	39 / 70	-- / --
Commercial Glass	34 / 50	32 / 48	35 / 49	28 / 43	33 / 53	29 / 43	28 / 42	-- / --
Medical Prof. Liability	33 / 45	37 / 52	32 / 42	35 / 45	33 / 47	38 / 51	36 / 52	-- / --
Misc. Professional Liability	33 / 59	33 / 54	32 / 57	35 / 63	32 / 61	34 / 60	31 / 58	-- / --

Product Liability

There were 68 groups, 176 companies, that had direct written premium for Product Liability in the third quarter of 1997, as compared to 67 groups, 184 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Travelers Insurance Group	8.44%	\$1,641,053	(5.82%)	\$8,005,996	115.06%
2	St. Paul Companies	8.21%	\$1,626,793	50.32%	\$7,789,060	1.60%
3	CNA Insurance Group	7.84%	\$1,525,621	(20.86%)	\$7,434,306	(10.14%)
4	Chubb & Son Inc.	6.75%	\$1,289,235	(14.53%)	\$6,399,235	6.33%
5	American International Group	6.74%	\$2,208,206	0.73%	\$6,394,234	(39.55%)
6	Zurich American Insurance Group	6.51%	\$1,334,924	36.60%	\$6,177,967	(3.00%)
7	Liberty Mutual Insurance Group	5.23%	\$1,367,681	(0.18%)	\$4,964,634	(22.38%)
8	TIG Insurance Group	4.14%	\$847,026	10.52%	\$3,924,244	29.71%
9	Cigna Group	3.69%	\$613,507	4.71%	\$3,502,148	1.01%
10	American Financial Insurance Group	3.69%	\$990,581	41.93%	\$3,495,984	29.67%
11	Crum & Forster Insurance Co's.	3.06%	\$335,079	(50.79%)	\$2,904,099	(29.96%)
12	Reliance Group Incorporated	2.63%	\$372,038	46.65%	\$2,491,560	80.78%
13	Lumbermans Mutual Casualty Group	2.33%	\$1,092,142	(35.13%)	\$2,208,035	(13.71%)
14	Hartford Fire & Casualty Group	2.15%	\$489,776	158.66%	\$2,035,437	14.03%
15	Federated Mutual Group	2.11%	\$494,991	(5.85%)	\$2,001,704	(8.31%)
16	Royal & Sun Alliance USA	2.09%	\$507,510	8.41%	\$1,987,050	(8.69%)
17	UNITRIN Inc.	1.79%	\$437,993	15.97%	\$1,694,194	(5.51%)
18	Fairfax Financial	1.55%	\$392,671	69.86%	\$1,474,620	(3.71%)
19	Winterthur US Holding Group	1.28%	\$915,580	838.86%	\$1,217,797	110.47%
20	Old Republic Group	1.23%	\$186,897	23.69%	\$1,167,347	(31.71%)
21	Nationwide Corporation	1.19%	\$144,027	(52.35%)	\$1,131,139	(20.04%)
22	Dallas Fire Insurance Company	1.19%	\$231,083	2.43%	\$1,125,796	20.70%
23	Sentry Insurance Group	1.10%	\$250,245	(15.52%)	\$1,047,019	(9.63%)
24	Gerling Global RE Group	1.06%	\$224,334	(56.99%)	\$1,002,816	15.07%
25	Allianz Insurance Group	1.00%	\$172,960	(49.18%)	\$951,890	(10.26%)
Top 25 Groups Total		86.99%	\$19,691,953	2.59%	\$82,528,311	(1.15%)
Total Market		100.00%	\$22,790,286	3.24%	\$94,870,165	(1.35%)

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	\$14,169,286
3rd qtr 1997	\$24,287,450	\$22,790,286	\$13,749,816

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 149 groups, 326 companies, that had direct written premium for General Liability in the third quarter of 1997, as compared to 143 groups, 336 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	American International Group	17.40%	\$71,166,941	5.22%	\$162,158,932	(27.84%)
2	Travelers Insurance Group	6.84%	\$18,338,240	27.54%	\$63,713,054	6.97%
3	CNA Insurance Group	6.51%	\$9,905,469	(41.70%)	\$60,662,232	(6.62%)
4	Zurich American Insurance Group	6.04%	\$15,040,716	13.08%	\$56,326,784	5.00%
5	Executive Risk Companies	3.95%	\$10,000,911	11.66%	\$36,783,987	36.96%
6	American Financial Insurance Group	3.82%	\$8,324,174	6.08%	\$35,580,203	23.73%
7	St. Paul Companies	3.29%	\$7,264,822	(0.47%)	\$30,701,382	(4.18%)
8	Chubb & Son Inc.	3.23%	\$7,150,114	7.51%	\$30,105,315	0.59%
9	Reliance Group Incorporated	2.58%	\$4,682,672	16.11%	\$24,028,699	(4.45%)
10	State Farm Group	2.23%	\$5,454,804	4.50%	\$20,829,374	3.48%
11	Allianz Insurance Group	2.16%	\$4,813,919	8.32%	\$20,094,895	24.06%
12	UNITRIN Inc.	2.09%	\$5,491,577	(3.82%)	\$19,464,064	(14.20%)
13	Orion Capital Group	1.78%	\$3,647,545	10.12%	\$16,622,631	32.28%
14	Texas Lawyers Insurance Exchange	1.71%	\$4,855,932	(7.09%)	\$15,938,427	(1.41%)
15	Old Republic Group	1.61%	\$3,342,415	(30.76%)	\$14,976,591	(11.36%)
16	Liberty Mutual Insurance Group	1.60%	\$2,032,997	(45.25%)	\$14,882,837	(17.98%)
17	Hartford Fire & Casualty Group	1.54%	\$3,456,287	98.77%	\$14,367,588	95.84%
18	TIG Insurance Group	1.54%	\$3,803,755	10.10%	\$14,327,907	8.67%
19	General Electric Group	1.43%	\$3,368,238	(20.62%)	\$13,327,435	(6.25%)
20	Transport Holdings Inc.	1.39%	\$5,382,438	(52.85%)	\$12,986,381	(31.69%)
21	Cigna Group	1.34%	\$2,818,740	(30.08%)	\$12,483,821	(37.70%)
22	Royal & Sun Alliance USA	1.23%	\$2,571,758	(21.05%)	\$11,434,617	(17.87%)
23	Nationwide Corporation	1.15%	\$3,467,315	5.93%	\$10,695,168	1.57%
24	Farmers Insurance Group	1.12%	\$3,742,339	8.90%	\$10,397,194	9.72%
25	Lumbermans Mutual Casualty Group	1.11%	\$3,464,589	76.69%	\$10,316,174	50.08%

Top 25 Groups Total	78.67%	\$213,588,707	(1.28%)	\$733,205,692	(6.36%)
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Total Market	100.00%	\$261,893,548	(4.35%)	\$931,967,544	(7.20%)
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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	\$131,566,702
2nd qtr 1997	\$226,539,856	\$202,335,216	\$132,831,200
3rd qtr 1997	\$261,230,257	\$261,893,548	\$155,274,397

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 99 groups, 234 companies, that had direct written premium for Commercial Fire & Allied in the third quarter of 1997, as compared to 99 groups, 239 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Travelers Insurance Group	14.71%	\$12,783,545	(11.96%)	\$47,399,630	(19.36%)
2	Zurich American Insurance Group	5.48%	\$3,923,642	(40.41%)	\$17,658,979	(2.04%)
3	UNITRIN Inc.	5.33%	\$4,348,380	4.91%	\$17,166,916	1.58%
4	Texas Windstorm Insurance Assoc.	5.28%	\$5,605,458	28.52%	\$17,027,744	6.37%
5	Allianz Insurance Group	4.88%	\$3,610,153	4.57%	\$15,721,962	(13.45%)
6	Arkwright Boston Group	4.72%	\$3,630,703	(4.39%)	\$15,207,515	(3.21%)
7	Allendale Group	4.68%	\$4,732,399	(11.98%)	\$15,091,403	(11.52%)
8	St. Paul Companies	4.57%	\$3,395,136	(9.91%)	\$14,743,353	2.66%
9	Protection Mutual Insurance Co.	4.01%	\$3,613,114	85.28%	\$12,915,870	27.65%
10	Royal & Sun Alliance USA	2.99%	\$2,163,140	(43.44%)	\$9,629,595	6.49%
11	Mortgage Bankers Group	2.52%	\$2,108,778	2.64%	\$8,137,410	46.22%
12	American International Group	2.48%	\$2,274,887	50.55%	\$7,989,435	(35.46%)
13	Nationwide Corporation	2.39%	\$1,419,408	(17.00%)	\$7,686,477	(7.92%)
14	Lincoln National Corporation	2.17%	\$1,910,735	19.99%	\$6,983,999	(18.11%)
15	Bankers Insurance Group	1.99%	\$2,517,861	9.37%	\$6,411,348	17.40%
16	CNA Insurance Group	1.94%	\$1,252,947	(59.07%)	\$6,240,790	(48.20%)
17	Cigna Group	1.62%	\$78,960	(90.58%)	\$5,219,978	(28.13%)
18	Crum & Forster Insurance Co's.	1.47%	\$1,399,509	80.18%	\$4,731,745	25.95%
19	State Farm Group	1.44%	\$1,139,188	(0.66%)	\$4,638,599	10.56%
20	Texas Farm Bureau Mutual	1.44%	\$1,261,035	25.78%	\$4,629,293	7.34%
21	Acceptance Insurance Group	1.40%	\$1,986,346	66.61%	\$4,499,897	174.46%
22	American Financial Insurance Group	1.36%	\$1,014,818	(13.94%)	\$4,387,523	(40.50%)
23	Federated Mutual Group	1.23%	\$1,023,094	12.62%	\$3,961,770	10.28%
24	Commercial Union Insurance Co's.	1.05%	\$861,175	(19.36%)	\$3,386,872	(5.07%)
25	Hartford Fire & Casualty Group	1.02%	\$427,511	(84.36%)	\$3,299,544	(31.09%)

Top 25 Groups Total	82.16%	\$68,481,922	(8.52%)	\$264,767,647	(7.74%)
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Total Market	100.00%	\$85,052,813	(4.68%)	\$322,277,128	(4.38%)
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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	\$69,325,969	\$66,635,399	\$44,053,356
2nd qtr 1997	\$97,022,753	\$86,187,158	\$44,991,569
3rd qtr 1997	\$96,084,277	\$85,052,813	\$39,106,120

EARNED TO INCURRED LOSS RATIO BY YEAR

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

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

Commercial Multiple Peril

There were 97 groups, 260 companies, that had direct written premium for Commercial Multiple Peril in the third quarter of 1997, as compared to 88 groups, 248 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	CNA Insurance Group	10.37%	\$20,530,253	(10.57%)	\$94,566,983	17.56%
2	Travelers Insurance Group	8.81%	\$20,773,022	(2.07%)	\$80,410,917	2.34%
3	State Farm Group	7.30%	\$14,704,110	(27.85%)	\$66,637,400	(9.21%)
4	Farmers Insurance Group	4.72%	\$4,923,735	(50.21%)	\$43,074,416	6.50%
5	Zurich American Insurance Group	4.20%	\$10,727,695	8.22%	\$38,302,889	(5.75%)
6	Hartford Fire & Casualty Group	4.19%	\$9,174,680	(3.70%)	\$38,249,624	4.71%
7	Lumbermans Mutual Casualty Group	3.90%	\$10,369,259	(9.99%)	\$35,590,577	(11.45%)
8	General Accident Insurance	3.65%	\$9,337,939	25.12%	\$33,270,682	36.28%
9	Commercial Union Insurance Co's.	3.60%	\$8,826,121	(20.87%)	\$32,810,236	(7.74%)
10	Chubb & Son Inc.	3.56%	\$8,547,279	11.84%	\$32,504,600	13.67%
11	Allianz Insurance Group	2.90%	\$5,005,272	2.85%	\$26,468,725	26.49%
12	Lincoln National Corporation	2.04%	\$5,125,437	25.63%	\$18,578,537	15.18%
13	Old Republic Group	1.87%	\$3,897,323	(16.98%)	\$17,057,171	(8.94%)
14	Church Mutual Insurance Company	1.82%	\$4,295,133	34.71%	\$16,579,602	33.98%
15	Cigna Group	1.80%	\$1,302,213	(88.71%)	\$16,405,261	(55.38%)
16	Crum & Forster Insurance Co's.	1.70%	\$4,067,138	4.46%	\$15,552,700	7.31%
17	American Indemnity Financial	1.67%	\$3,410,822	7.85%	\$15,275,812	10.71%
18	Utica National Insurance Group	1.64%	\$3,240,779	(4.28%)	\$14,973,058	26.18%
19	Liberty Mutual Insurance Group	1.59%	\$3,209,244	(21.96%)	\$14,548,019	(6.23%)
20	Royal & Sun Alliance USA	1.37%	\$2,247,014	(52.36%)	\$12,532,358	(15.86%)
21	Preferred Risk Group	1.31%	\$2,675,139	(12.87%)	\$11,971,251	(0.65%)
22	Ohio Casualty Group	1.29%	\$3,957,376	57.28%	\$11,804,091	12.84%
23	Allstate Insurance Group	1.29%	\$3,187,822	34.52%	\$11,794,549	30.92%
24	American Financial Insurance Group	1.28%	\$2,810,651	10.29%	\$11,718,436	32.67%
25	Reliance Group Incorporated	1.28%	\$2,458,293	24.34%	\$11,696,803	14.02%

Top 25 Groups Total	79.18%	\$168,803,749	(11.98%)	\$722,374,697	2.48%
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Total Market	100.00%	\$215,587,666	(9.12%)	\$912,275,420	2.09%
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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	\$218,652,767	\$105,892,954
2nd qtr 1997	\$242,931,702	\$236,463,824	\$126,690,729
3rd qtr 1997	\$248,103,250	\$215,587,666	\$121,700,363

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 86 groups, 229 companies, that had direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 89 groups, 235 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	26.26%	\$544,515,684	6.16%	\$2,176,709,794	3.50%
2	Allstate Insurance Group	14.41%	\$283,573,490	2.53%	\$1,194,150,945	11.43%
3	Farmers Insurance Group	13.68%	\$290,087,177	0.27%	\$1,134,090,404	1.21%
4	USAA Group	5.42%	\$120,950,467	0.69%	\$449,107,733	(2.73%)
5	Progressive Group	5.28%	\$115,449,860	36.85%	\$437,225,701	51.92%
6	Texas State National Group	3.16%	\$70,183,355	39.51%	\$262,222,539	14.36%
7	Nationwide Corporation	2.61%	\$58,747,390	20.01%	\$216,700,391	17.91%
8	Southern Farm Bureau Casualty	2.32%	\$51,357,414	17.38%	\$192,005,946	14.46%
9	Berkshire-Hathaway	2.25%	\$52,493,859	20.28%	\$186,518,409	13.69%
10	Home State County Mutual Ins. Co.	2.24%	\$43,326,769	(19.58%)	\$185,592,264	(9.83%)
11	Chartwell Group	2.15%	\$42,895,990	(22.52%)	\$178,602,384	15.18%
12	Travelers Insurance Group	1.40%	\$31,246,562	7.66%	\$116,209,709	4.03%
13	Sentry Insurance Group	1.28%	\$24,192,361	(19.13%)	\$106,044,079	(5.21%)
14	Safeco Insurance Group	1.03%	\$21,787,908	7.01%	\$85,677,596	11.72%
15	UNITRIN Inc.	0.98%	\$21,429,047	(1.29%)	\$81,452,987	(9.80%)
16	Winterthur US Holding Group	0.90%	\$16,109,379	(14.06%)	\$74,402,789	9.41%
17	Titus Group	0.87%	\$27,007,557	122.54%	\$72,090,849	88.11%
18	Texas Farm Bureau Mutual	0.86%	\$15,317,692	(25.67%)	\$71,364,921	(12.54%)
19	American Financial Insurance Group	0.83%	\$14,845,300	(27.35%)	\$68,752,345	(37.64%)
20	White Mountains Insurance Group	0.78%	\$16,066,809	5.28%	\$64,369,479	(11.41%)
21	Hartford Fire & Casualty Group	0.74%	\$16,330,888	1.51%	\$61,098,552	(6.99%)
22	Safeway Insurance Group	0.73%	\$16,415,056	70.70%	\$60,174,909	347.72%
23	Liberty Mutual Insurance Group	0.70%	\$16,139,644	3.29%	\$57,999,723	2.80%
24	CNA Insurance Group	0.59%	\$11,503,867	69.20%	\$48,486,939	32.50%
25	Amica Mutual Group	0.49%	\$12,019,322	5.25%	\$40,324,201	6.12%

Top 25 Groups Total	91.95%	\$1,933,992,847	5.86%	\$7,621,375,588	7.01%
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Total Market	100.00%	\$2,112,784,694	5.97%	\$8,288,169,390	6.79%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,743,388,248	\$1,618,048,993	\$1,090,263,772
4th qtr 1992	\$1,687,070,362	\$1,552,328,617	\$1,061,707,868
1st qtr 1993	\$1,788,176,959	\$1,670,177,794	\$986,876,101
2nd qtr 1993	\$1,770,457,333	\$1,632,149,532	\$1,115,859,288
3rd qtr 1993	\$1,943,814,030	\$1,776,460,082	\$1,073,188,674
4th qtr 1993	\$1,793,822,636	\$1,650,368,721	\$1,155,739,987
1st qtr 1994	\$1,955,266,902	\$1,827,210,592	\$1,090,456,016
2nd qtr 1994	\$1,896,421,968	\$1,740,208,597	\$1,241,533,949
3rd qtr 1994	\$1,952,642,206	\$1,824,893,294	\$1,177,728,454
4th qtr 1994	\$1,891,370,124	\$1,766,292,039	\$1,264,469,772
1st qtr 1995	\$2,053,044,626	\$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	\$2,175,273,732	\$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	\$2,320,204,963	\$2,140,285,797	\$1,232,411,019
2nd qtr 1997	\$2,239,159,049	\$2,049,908,546	\$1,319,023,421
3rd qtr 1997	\$2,311,599,224	\$2,112,784,694	\$1,269,633,595

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 74 groups, 206 rate-regulated companies, that had direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 78 groups, 213 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.98%	\$528,679,615	6.54%	\$2,110,412,002	3.89%
2	Farmers Insurance Group	16.96%	\$256,270,024	1.12%	\$994,704,343	0.94%
3	Allstate Insurance Group	14.17%	\$186,297,954	(5.34%)	\$831,297,347	3.59%
4	USAA Group	4.45%	\$70,045,093	(3.79%)	\$261,059,993	(27.75%)
5	Southern Farm Bureau Casualty	3.27%	\$51,357,414	17.38%	\$192,005,946	14.46%
6	Berkshire-Hathaway	3.18%	\$52,493,859	20.28%	\$186,518,409	13.69%
7	Nationwide Corporation	2.90%	\$46,081,303	17.33%	\$170,232,951	21.07%
8	Travelers Insurance Group	1.98%	\$31,246,562	7.66%	\$116,209,709	4.03%
9	Safeco Insurance Group	1.46%	\$21,787,908	7.01%	\$85,677,596	11.72%
10	UNITRIN Inc.	1.39%	\$21,429,047	(1.29%)	\$81,452,987	(9.80%)
11	Texas Farm Bureau Mutual	1.22%	\$15,317,692	(25.67%)	\$71,364,921	(12.54%)
12	Hartford Fire & Casualty Group	1.04%	\$16,330,888	1.51%	\$61,098,552	(6.99%)
13	Liberty Mutual Insurance Group	0.99%	\$16,139,644	3.29%	\$57,999,723	2.80%
14	CNA Insurance Group	0.83%	\$11,503,867	69.20%	\$48,486,939	32.50%
15	Amica Mutual Group	0.69%	\$12,019,322	5.25%	\$40,324,201	6.12%
16	Prudential of America Group	0.69%	\$9,742,056	(17.10%)	\$40,255,989	(21.14%)
17	Lincoln National Corporation	0.62%	\$9,453,072	5.40%	\$36,166,951	2.06%
18	Metropolitan Group	0.60%	\$8,910,702	0.15%	\$35,312,908	1.45%
19	Germania Insurance Group	0.51%	\$8,063,473	19.27%	\$29,652,681	21.04%
20	American National Financial Group	0.50%	\$8,060,386	20.36%	\$29,529,247	15.56%
21	Lumbermans Mutual Casualty Group	0.49%	\$7,327,105	(8.14%)	\$28,460,363	(5.84%)
22	Horace Mann Group	0.45%	\$6,830,416	10.35%	\$26,514,937	9.97%
23	Agricultural Workers Mut. Auto Ins. Co.	0.45%	\$7,523,541	(0.79%)	\$26,196,389	(0.84%)
24	Winterthur US Holding Group	0.38%	\$6,331,431	29.45%	\$22,163,386	19.40%
25	Motors Insurance Corporation	0.34%	\$4,897,416	(6.09%)	\$20,186,954	(4.05%)

Top 25 Groups Total	95.53%	\$1,414,139,790	3.79%	\$5,603,285,424	1.84%
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Total Market	100.00%	\$1,480,480,748	3.50%	\$5,865,343,275	1.55%
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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	\$1,542,622,784	\$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	\$1,607,138,755	\$1,517,380,005	\$906,407,412
2nd qtr 1997	\$1,521,416,968	\$1,437,481,965	\$929,653,698
3rd qtr 1997	\$1,574,395,365	\$1,480,480,748	\$922,279,971

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 third quarter of 1997, as compared to 22 groups, 22 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	18.05%	\$115,449,860	36.85%	\$437,225,493	51.92%
2	Allstate Insurance Group	14.98%	\$97,275,536	21.95%	\$362,853,598	34.80%
3	Texas State National Group	10.82%	\$70,183,355	39.51%	\$262,222,539	14.36%
4	USAA Group	7.76%	\$50,905,374	7.57%	\$188,047,740	87.27%
5	Home State County Mutual Ins. Co.	7.66%	\$43,326,769	(19.58%)	\$185,592,264	(9.83%)
6	Chartwell Group	7.37%	\$42,895,990	(22.52%)	\$178,602,384	15.18%
7	Farmers Insurance Group	5.75%	\$33,817,153	(5.71%)	\$139,386,061	3.20%
8	Sentry Insurance Group	4.25%	\$23,307,800	(19.91%)	\$102,883,352	(6.21%)
9	Titus Group	2.98%	\$27,007,557	122.54%	\$72,090,849	88.11%
10	American Financial Insurance Group	2.84%	\$14,842,493	(27.36%)	\$68,748,062	(37.64%)
11	State Farm Group	2.74%	\$15,836,069	(5.24%)	\$66,297,792	(7.52%)
12	White Mountains Insurance Group	2.66%	\$16,066,809	5.28%	\$64,369,479	(11.41%)
13	Safeway Insurance Group	2.48%	\$16,415,056	70.70%	\$60,174,909	347.72%
14	Winterthur US Holding Group	2.16%	\$9,777,948	(29.42%)	\$52,239,403	5.65%
15	Nationwide Corporation	1.92%	\$12,666,087	30.89%	\$46,467,440	7.61%
16	General Agents Group	1.57%	\$10,805,524	62.15%	\$37,945,320	78.74%
17	TIG Insurance Group	1.21%	\$6,915,527	(42.70%)	\$29,327,164	44.21%
18	Vesta Insurance Group	1.00%	\$14,243,507	*	\$24,124,876	*
19	Transport Holdings Inc.	0.60%	\$2,383,490	(40.97%)	\$14,528,482	(39.86%)
20	Orion Capital Group	0.45%	\$2,748,193	7.18%	\$10,882,362	1.54%
21	Allianz Insurance Group	0.35%	\$2,174,074	6.86%	\$8,521,862	8.28%
22	Independent County Mutual Ins. Co.	0.26%	\$2,192,714	66.84%	\$6,182,926	8.47%
23	Foremost Corporation America	0.17%	\$1,067,061	15.92%	\$4,111,758	(3.16%)
Top Groups Total		100.00%	\$632,303,946	12.26%	\$2,422,826,115	22.02%
Total Market		100.00%	\$632,303,946	12.26%	\$2,422,826,115	22.02%

* 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	\$713,066,208	\$622,905,792	\$326,003,607
2nd qtr 1997	\$717,742,081	\$612,426,581	\$389,369,723
3rd qtr 1997	\$737,203,859	\$632,303,946	\$347,353,624

Private Passenger Auto (All Voluntary Liability)

There were 80 groups, 220 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 82 groups, 224 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	26.77%	\$369,703,782	6.74%	\$1,482,304,436	5.18%
2	Farmers Insurance Group	14.03%	\$196,444,049	(0.13%)	\$776,646,241	4.94%
3	Allstate Insurance Group	13.93%	\$170,334,592	(5.82%)	\$771,178,609	9.85%
4	USAA Group	5.41%	\$79,847,408	(0.27%)	\$299,670,267	(2.84%)
5	Progressive Group	4.92%	\$70,423,457	32.71%	\$272,421,422	50.02%
6	Texas State National Group	3.07%	\$42,956,341	24.10%	\$169,737,127	13.85%
7	Nationwide Corporation	2.70%	\$40,549,635	19.63%	\$149,731,338	18.73%
8	Home State County Mutual Ins. Co.	2.48%	\$32,241,441	(16.48%)	\$137,458,801	(6.75%)
9	Berkshire-Hathaway	2.23%	\$34,532,012	22.66%	\$123,521,788	16.78%
10	Southern Farm Bureau Casualty	2.17%	\$32,606,344	16.88%	\$120,403,414	13.44%
11	Chartwell Group	1.88%	\$24,209,019	(20.74%)	\$104,117,336	23.65%
12	Travelers Insurance Group	1.50%	\$22,021,759	13.32%	\$82,851,145	9.35%
13	Sentry Insurance Group	1.41%	\$17,460,917	(20.94%)	\$78,069,209	(5.88%)
14	Safeco Insurance Group	1.06%	\$14,586,075	9.90%	\$58,548,752	17.66%
15	UNITRIN Inc.	1.01%	\$14,454,598	2.03%	\$55,841,836	(2.81%)
16	Safeway Insurance Group	0.87%	\$13,081,289	69.70%	\$48,276,963	347.59%
17	Texas Farm Bureau Mutual	0.85%	\$9,794,976	(29.16%)	\$47,232,052	(14.29%)
18	Winterthur US Holding Group	0.83%	\$10,206,693	(9.36%)	\$46,099,680	9.34%
19	American Financial Insurance Group	0.81%	\$9,739,912	(29.11%)	\$44,636,429	(39.55%)
20	Hartford Fire & Casualty Group	0.80%	\$11,817,651	4.16%	\$44,103,799	(2.76%)
21	White Mountains Insurance Group	0.79%	\$10,884,807	4.08%	\$43,701,965	(12.23%)
22	Liberty Mutual Insurance Group	0.73%	\$11,185,146	8.10%	\$40,245,890	7.77%
23	CNA Insurance Group	0.62%	\$8,006,766	72.90%	\$34,216,262	36.32%
24	Amica Mutual Group	0.53%	\$8,775,300	9.41%	\$29,417,764	9.39%
25	Prudential of America Group	0.52%	\$6,985,316	(10.48%)	\$28,829,713	(14.73%)

Top 25 Groups Total	91.92%	\$1,262,849,285	3.61%	\$5,089,262,238	7.68%
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Total Market	100.00%	\$1,387,785,522	5.08%	\$5,536,881,423	8.37%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$1,009,963,706	\$946,183,608	\$642,818,757
4th qtr 1992	\$968,470,020	\$900,027,769	\$675,033,816
1st qtr 1993	\$1,003,249,054	\$952,360,489	\$628,198,150
2nd qtr 1993	\$985,685,091	\$909,767,336	\$645,956,649
3rd qtr 1993	\$1,153,261,606	\$1,076,706,550	\$660,584,789
4th qtr 1993	\$1,089,976,377	\$1,020,213,844	\$707,537,725
1st qtr 1994	\$1,173,980,445	\$1,096,345,846	\$679,671,501
2nd qtr 1994	\$1,127,329,586	\$1,042,886,582	\$689,901,120
3rd qtr 1994	\$1,190,834,566	\$1,125,951,270	\$707,722,268
4th qtr 1994	\$1,162,594,127	\$1,105,617,576	\$752,654,979
1st qtr 1995	\$1,273,529,988	\$1,188,306,165	\$733,246,469
2nd qtr 1995	\$1,231,055,611	\$1,151,084,100	\$726,804,810
3rd qtr 1995	\$1,348,649,594	\$1,275,973,876	\$723,597,168
4th qtr 1995	\$1,313,885,160	\$1,209,226,907	\$755,036,499
1st qtr 1996	\$1,420,233,554	\$1,306,132,631	\$720,860,232
2nd qtr 1996	\$1,370,514,207	\$1,273,010,549	\$720,987,502
3rd qtr 1996	\$1,441,420,117	\$1,320,632,707	\$740,095,071
4th qtr 1996	\$1,465,871,724	\$1,342,909,854	\$828,019,416
1st qtr 1997	\$1,563,701,482	\$1,439,655,791	\$742,000,562
2nd qtr 1997	\$1,493,187,171	\$1,366,530,256	\$788,934,834
3rd qtr 1997	\$1,521,035,576	\$1,387,785,522	\$775,141,902

Private Passenger Auto (Voluntary Liability Rate-Regulated Companies)

There were 68 groups, 197 rate-regulated companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 70 groups, 202 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	36.13%	\$358,705,653	7.16%	\$1,435,837,417	5.66%
2	Farmers Insurance Group	17.12%	\$172,962,938	0.50%	\$680,248,429	5.08%
3	Allstate Insurance Group	13.90%	\$112,615,498	(15.82%)	\$552,251,497	1.33%
4	USAA Group	4.35%	\$45,852,868	(4.56%)	\$172,907,895	(28.00%)
5	Berkshire-Hathaway	3.11%	\$34,532,012	22.66%	\$123,521,788	16.78%
6	Southern Farm Bureau Casualty	3.03%	\$32,606,344	16.88%	\$120,403,414	13.44%
7	Nationwide Corporation	3.00%	\$32,064,242	19.79%	\$119,389,858	25.07%
8	Travelers Insurance Group	2.08%	\$22,021,759	13.32%	\$82,851,145	9.35%
9	Safeco Insurance Group	1.47%	\$14,586,075	9.90%	\$58,548,752	17.66%
10	UNITRIN Inc.	1.41%	\$14,454,598	2.03%	\$55,841,836	(2.81%)
11	Texas Farm Bureau Mutual	1.19%	\$9,794,976	(29.16%)	\$47,232,052	(14.29%)
12	Hartford Fire & Casualty Group	1.11%	\$11,817,651	4.16%	\$44,103,799	(2.76%)
13	Liberty Mutual Insurance Group	1.01%	\$11,185,146	8.10%	\$40,245,890	7.77%
14	CNA Insurance Group	0.86%	\$8,006,766	72.90%	\$34,216,262	36.32%
15	Amica Mutual Group	0.74%	\$8,775,300	9.41%	\$29,417,764	9.39%
16	Prudential of America Group	0.73%	\$6,985,316	(10.48%)	\$28,829,713	(14.73%)
17	Lincoln National Corporation	0.62%	\$6,344,754	7.43%	\$24,509,804	5.14%
18	Metropolitan Group	0.60%	\$6,022,294	0.27%	\$23,972,698	1.06%
19	American National Financial Group	0.52%	\$5,577,677	21.39%	\$20,600,654	18.06%
20	Germania Insurance Group	0.52%	\$5,530,294	19.32%	\$20,480,039	21.95%
21	Lumbermans Mutual Casualty Group	0.51%	\$5,235,203	(4.32%)	\$20,458,677	(1.09%)
22	Horace Mann Group	0.46%	\$4,661,709	14.39%	\$18,175,794	16.85%
23	Agricultural Workers Mut. Auto Ins. Co.	0.43%	\$4,871,304	2.75%	\$16,983,987	5.61%
24	Winterthur US Holding Group	0.39%	\$4,378,486	30.36%	\$15,397,029	20.99%
25	Hochheim Prairie Group	0.34%	\$3,461,472	(1.35%)	\$13,535,684	1.23%

Top 25 Groups Total	95.61%	\$943,050,335	2.88%	\$3,799,961,877	3.68%
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Total Market	100.00%	\$987,066,731	2.84%	\$3,974,302,188	3.55%
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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	\$1,027,236,601	\$959,819,421	\$557,446,658
4th qtr 1996	\$1,046,181,516	\$980,570,535	\$633,040,004
1st qtr 1997	\$1,094,951,038	\$1,035,126,795	\$546,113,991
2nd qtr 1997	\$1,031,122,699	\$971,538,127	\$549,125,328
3rd qtr 1997	\$1,052,626,921	\$987,066,731	\$560,854,608

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 third quarter of 1997, as compared to 22 groups, 22 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	17.43%	\$70,423,457	32.71%	\$272,421,422	50.02%
2	Allstate Insurance Group	14.01%	\$57,719,094	22.58%	\$218,927,112	39.42%
3	Texas State National Group	10.86%	\$42,956,341	24.10%	\$169,737,127	13.85%
4	Home State County Mutual Ins. Co.	8.80%	\$32,241,441	(16.48%)	\$137,458,801	(6.75%)
5	USAA Group	8.11%	\$33,994,540	6.17%	\$126,762,372	85.67%
6	Chartwell Group	6.66%	\$24,209,019	(20.74%)	\$104,117,336	23.65%
7	Farmers Insurance Group	6.17%	\$23,481,111	(4.51%)	\$96,397,812	3.97%
8	Sentry Insurance Group	4.85%	\$16,835,352	(21.77%)	\$75,821,704	(6.89%)
9	Safeway Insurance Group	3.09%	\$13,081,289	69.70%	\$48,276,963	347.59%
10	State Farm Group	2.97%	\$10,998,129	(5.47%)	\$46,467,019	(7.78%)
11	American Financial Insurance Group	2.86%	\$9,737,105	(29.13%)	\$44,633,247	(39.56%)
12	White Mountains Insurance Group	2.80%	\$10,884,807	4.08%	\$43,701,965	(12.23%)
13	Winterthur US Holding Group	1.96%	\$5,828,207	(26.25%)	\$30,702,651	4.31%
14	Nationwide Corporation	1.94%	\$8,485,393	19.04%	\$30,341,480	(1.01%)
15	General Agents Group	1.60%	\$6,644,049	50.50%	\$24,926,803	77.18%
16	Titus Group	1.55%	\$11,119,402	764.70%	\$24,284,947	688.01%
17	TIG Insurance Group	1.29%	\$4,787,997	(31.96%)	\$20,146,164	76.89%
18	Vesta Insurance Group	1.08%	\$10,005,184	*	\$16,939,068	*
19	Transport Holdings Inc.	0.65%	\$1,629,942	(42.36%)	\$10,234,297	(38.74%)
20	Orion Capital Group	0.58%	\$2,298,314	9.77%	\$9,061,036	2.88%
21	Allianz Insurance Group	0.37%	\$1,539,764	11.91%	\$5,828,372	9.69%
22	Independent County Mutual Ins. Co.	0.25%	\$1,400,355	63.32%	\$3,982,323	6.84%
23	Foremost Corporation America	0.09%	\$418,499	38.13%	\$1,409,214	0.14%

Top Groups Total	100.00%	\$400,718,791	11.06%	\$1,562,579,235	22.93%
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Total Market	100.00%	\$400,718,791	11.06%	\$1,562,579,235	22.93%
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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	\$468,750,444	\$404,528,996	\$195,886,571
2nd qtr 1997	\$462,064,472	\$394,992,129	\$239,809,506
3rd qtr 1997	\$468,408,655	\$400,718,791	\$214,287,294

Private Passenger Auto (All Assigned Risk)

There were 34 groups, 40 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 37 groups, 44 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	36.95%	\$4,196,056	(51.76%)	\$26,409,274	(62.40%)
2	Farmers Insurance Group	18.98%	\$2,205,460	(30.41%)	\$13,565,530	(55.58%)
3	Southern Farm Bureau Casualty	9.64%	\$1,059,867	(53.25%)	\$6,887,493	(44.48%)
4	Allstate Insurance Group	8.99%	\$1,074,374	(72.12%)	\$6,428,768	(70.09%)
5	Leucadia Group	4.91%	\$306,739	(88.20%)	\$3,507,728	(68.42%)
6	Eagle Insurance Group	3.10%	\$572,294	(23.98%)	\$2,216,708	(31.46%)
7	American International Group	2.84%	\$271,269	(76.57%)	\$2,029,841	(70.41%)
8	Berkshire-Hathaway	2.74%	\$316,992	(20.83%)	\$1,959,225	(40.04%)
9	Nationwide Corporation	2.35%	\$394,200	(50.38%)	\$1,680,300	(45.49%)
10	Prudential of America Group	1.23%	\$221,231	(54.31%)	\$878,168	(67.22%)
11	Travelers Insurance Group	1.05%	\$74,380	(82.88%)	\$750,686	(64.99%)
12	Safeco Insurance Group	0.93%	\$89,646	(74.52%)	\$661,272	(67.69%)
13	Liberty Mutual Insurance Group	0.90%	\$122,786	(66.37%)	\$646,613	(61.20%)
14	UNITRIN Inc.	0.81%	\$75,655	(83.39%)	\$576,351	(74.78%)
15	Beacon Insurance Group	0.78%	\$151,253	(3.76%)	\$556,904	(53.21%)
16	AEGON USA Incorporated	0.63%	\$117,333	(43.59%)	\$452,221	(49.95%)
17	Lincoln National Corporation	0.58%	\$90,772	(68.07%)	\$413,299	(68.81%)
18	American National Financial Group	0.47%	\$92,305	(11.23%)	\$334,509	(55.36%)
19	Lumbermans Mutual Casualty Group	0.44%	\$81,023	(64.68%)	\$318,052	(71.07%)
20	Commercial Union Insurance Co's.	0.32%	\$226,951	69.77%	\$231,772	(75.97%)
21	Hartford Fire & Casualty Group	0.31%	\$4,647	(98.17%)	\$224,704	(81.09%)
22	American Indemnity Financial	0.29%	\$47,651	(65.50%)	\$208,490	(68.52%)
23	Allmerica Financial Corporation	0.27%	\$34,690	(62.79%)	\$196,411	(54.93%)
24	W R Berkley Corporation	0.13%	\$1,943	(96.27%)	\$93,304	(83.29%)
25	General Accident Insurance	0.12%	(\$5,184)	(114.37%)	\$87,919	(70.84%)

Top 25 Groups Total	99.78%	\$11,824,333	(56.96%)	\$71,315,542	(60.91%)
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Total Market	100.00%	\$11,809,682	(57.68%)	\$71,475,610	(61.46%)
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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	\$22,672,099	\$32,740,076
3rd qtr 1997	\$21,059,308	\$11,809,682	\$28,450,588

Private Passenger Auto (All Physical Damage)

There were 80 groups, 218 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 83 groups, 220 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	24.93%	\$170,615,846	8.06%	\$667,996,084	7.11%
2	Allstate Insurance Group	15.54%	\$112,164,524	22.10%	\$416,543,568	19.66%
3	Farmers Insurance Group	12.83%	\$91,437,668	2.25%	\$343,878,633	(1.71%)
4	Progressive Group	6.15%	\$45,026,403	43.88%	\$164,804,279	55.16%
5	USAA Group	5.58%	\$41,103,059	2.60%	\$149,437,466	(2.52%)
6	Texas State National Group	3.45%	\$27,227,014	73.50%	\$92,485,412	15.30%
7	Chartwell Group	2.78%	\$18,686,971	(24.70%)	\$74,485,048	5.10%
8	Nationwide Corporation	2.44%	\$17,803,555	24.84%	\$65,288,753	19.58%
9	Southern Farm Bureau Casualty	2.41%	\$17,691,203	30.19%	\$64,715,039	31.52%
10	Berkshire-Hathaway	2.28%	\$17,644,855	16.94%	\$61,037,396	10.96%
11	Home State County Mutual Ins. Co.	1.80%	\$11,085,328	(27.40%)	\$48,133,463	(17.62%)
12	Titus Group	1.78%	\$15,888,155	46.43%	\$47,805,902	35.65%
13	Travelers Insurance Group	1.22%	\$9,150,423	(0.05%)	\$32,607,878	(3.51%)
14	Winterthur US Holding Group	1.06%	\$5,902,686	(21.14%)	\$28,303,109	9.51%
15	Sentry Insurance Group	1.04%	\$6,731,444	(14.03%)	\$27,974,870	(3.29%)
16	Safeco Insurance Group	0.99%	\$7,112,187	5.57%	\$26,467,572	6.37%
17	UNINTRIN Inc.	0.93%	\$6,898,794	(2.63%)	\$25,034,800	(18.09%)
18	Texas Farm Bureau Mutual	0.90%	\$5,522,716	(18.55%)	\$24,132,869	(8.88%)
19	American Financial Insurance Group	0.90%	\$5,105,388	(23.73%)	\$24,115,275	(33.76%)
20	White Mountains Insurance Group	0.77%	\$5,182,002	7.90%	\$20,667,514	(9.63%)
21	Liberty Mutual Insurance Group	0.64%	\$4,831,712	(1.67%)	\$17,107,220	(1.74%)
22	Hartford Fire & Casualty Group	0.63%	\$4,508,590	0.44%	\$16,770,049	(12.41%)
23	CNA Insurance Group	0.53%	\$3,497,101	61.28%	\$14,270,677	24.15%
24	General Agents Group	0.49%	\$4,161,475	85.03%	\$13,018,517	81.80%
25	Safeway Insurance Group	0.44%	\$3,333,767	74.74%	\$11,897,946	348.24%

Top 25 Groups Total	92.51%	\$658,312,866	11.13%	\$2,478,979,339	9.09%
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Total Market	100.00%	\$713,189,490	10.54%	\$2,679,812,357	8.63%
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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	\$724,019,907	\$678,727,031	\$452,810,659
2nd qtr 1997	\$717,463,709	\$660,706,191	\$497,348,511
3rd qtr 1997	\$769,504,340	\$713,189,490	\$466,041,105

Private Passenger Auto (Physical Damage Rate-Regulated Companies)

There were 67 groups, 195 rate-regulated companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the third quarter of 1997, as compared to 72 groups, 198 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	35.62%	\$165,777,906	8.49%	\$648,165,311	7.61%
2	Farmers Insurance Group	16.54%	\$81,101,626	3.77%	\$300,890,384	(2.15%)
3	Allstate Insurance Group	14.98%	\$72,608,082	22.69%	\$272,617,082	15.54%
4	USAA Group	4.84%	\$24,192,225	(2.29%)	\$88,152,098	(27.25%)
5	Southern Farm Bureau Casualty	3.56%	\$17,691,203	30.19%	\$64,715,039	31.52%
6	Berkshire-Hathaway	3.35%	\$17,644,855	16.94%	\$61,037,396	10.96%
7	Nationwide Corporation	2.70%	\$13,622,861	16.32%	\$49,162,793	16.87%
8	Travelers Insurance Group	1.79%	\$9,150,423	(0.05%)	\$32,607,878	(3.51%)
9	Safeco Insurance Group	1.45%	\$7,112,187	5.57%	\$26,467,572	6.37%
10	UNITRIN Inc.	1.38%	\$6,898,794	(2.63%)	\$25,034,800	(18.09%)
11	Texas Farm Bureau Mutual	1.33%	\$5,522,716	(18.55%)	\$24,132,869	(8.88%)
12	Liberty Mutual Insurance Group	0.94%	\$4,831,712	(1.67%)	\$17,107,220	(1.74%)
13	Hartford Fire & Casualty Group	0.92%	\$4,508,590	0.44%	\$16,770,049	(12.41%)
14	CNA Insurance Group	0.78%	\$3,497,101	61.28%	\$14,270,677	24.15%
15	Metropolitan Group	0.62%	\$2,888,408	(0.09%)	\$11,340,210	2.29%
16	Lincoln National Corporation	0.62%	\$3,017,546	8.59%	\$11,243,848	4.13%
17	Amica Mutual Group	0.60%	\$3,244,022	(4.58%)	\$10,906,437	(1.82%)
18	Prudential of America Group	0.58%	\$2,535,509	(26.82%)	\$10,548,108	(27.56%)
19	Agricultural Workers Mut. Auto Ins. Co.	0.50%	\$2,658,246	2.97%	\$9,181,883	0.66%
20	Germania Insurance Group	0.50%	\$2,533,179	19.01%	\$9,173,045	19.62%
21	American National Financial Group	0.47%	\$2,390,404	19.63%	\$8,594,084	16.85%
22	Horace Mann Group	0.45%	\$2,182,339	7.04%	\$8,265,316	6.45%
23	Lumbermans Mutual Casualty Group	0.42%	\$2,010,879	(11.64%)	\$7,683,634	(8.99%)
24	Motors Insurance Corporation	0.37%	\$1,677,042	(3.45%)	\$6,803,566	(1.80%)
25	Winterthur US Holding Group	0.37%	\$1,952,945	27.46%	\$6,766,357	15.92%

Top 25 Groups Total	95.72%	\$461,250,800	8.93%	\$1,741,637,656	3.81%
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Total Market	100.00%	\$481,604,335	8.78%	\$1,819,565,477	3.82%
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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	\$479,704,143	\$460,350,235	\$322,693,623
2nd qtr 1997	\$461,786,100	\$443,271,739	\$347,788,294
3rd qtr 1997	\$500,709,136	\$481,604,335	\$332,974,775

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 third quarter of 1997, as compared to 22 groups, 22 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Progressive Group	19.16%	\$45,026,403	43.89%	\$164,804,071	55.16%
2	Allstate Insurance Group	16.73%	\$39,556,442	21.04%	\$143,926,486	28.34%
3	Texas State National Group	10.75%	\$27,227,014	73.50%	\$92,485,412	15.30%
4	Chartwell Group	8.66%	\$18,686,971	(24.70%)	\$74,485,048	5.10%
5	USAA Group	7.12%	\$16,910,834	10.50%	\$61,285,368	90.68%
6	Home State County Mutual Ins. Co.	5.60%	\$11,085,328	(27.40%)	\$48,133,463	(17.62%)
7	Titus Group	5.56%	\$15,888,155	46.43%	\$47,805,902	35.65%
8	Farmers Insurance Group	5.00%	\$10,336,042	(8.32%)	\$42,988,249	1.50%
9	Sentry Insurance Group	3.15%	\$6,472,448	(14.66%)	\$27,061,648	(4.23%)
10	American Financial Insurance Group	2.80%	\$5,105,388	(23.73%)	\$24,114,815	(33.76%)
11	Winterthur US Holding Group	2.50%	\$3,949,741	(33.64%)	\$21,536,752	7.63%
12	White Mountains Insurance Group	2.40%	\$5,182,002	7.90%	\$20,667,514	(9.63%)
13	State Farm Group	2.31%	\$4,837,940	(4.71%)	\$19,830,773	(6.89%)
14	Nationwide Corporation	1.87%	\$4,180,694	64.01%	\$16,125,960	28.67%
15	General Agents Group	1.51%	\$4,161,475	85.03%	\$13,018,517	81.80%
16	Safeway Insurance Group	1.38%	\$3,333,767	74.74%	\$11,897,946	348.24%
17	TIG Insurance Group	1.07%	\$2,127,530	(57.72%)	\$9,181,000	2.61%
18	Vesta Insurance Group	0.84%	\$4,238,323	*	\$7,185,808	*
19	Transport Holdings Inc.	0.50%	\$753,548	(37.71%)	\$4,294,185	(42.37%)
20	Foremost Corporation America	0.31%	\$648,562	5.02%	\$2,702,544	(4.80%)
21	Allianz Insurance Group	0.31%	\$634,310	(3.68%)	\$2,693,490	5.35%
22	Independent County Mutual Ins. Co.	0.26%	\$792,359	73.45%	\$2,200,603	11.55%
23	Orion Capital Group	0.21%	\$449,879	(4.33%)	\$1,821,326	(4.65%)
Top Groups Total		100.00%	\$231,585,155	14.40%	\$860,246,880	20.40%
Total Market		100.00%	\$231,585,155	14.40%	\$860,246,880	20.40%

* 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	\$255,677,609	\$217,434,452	\$149,560,217
3rd qtr 1997	\$268,795,204	\$231,585,155	\$133,066,330

Homeowners Multiple Peril (All Companies)

There were 71 groups, 167 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the third quarter of 1997, as compared to 75 groups, 173 companies, in the third 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 third quarter of 1997 to premiums on policies written in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	33.33%	\$230,421,017	4.71%	\$840,452,962	4.49%
2	Farmers Insurance Group	17.28%	\$121,309,198	7.51%	\$435,600,640	6.39%
3	Allstate Insurance Group	13.28%	\$96,356,310	11.23%	\$334,891,547	10.82%
4	USAA Group	6.34%	\$47,165,411	7.36%	\$159,907,008	7.21%
5	Travelers Insurance Group	4.79%	\$33,710,834	10.67%	\$120,822,190	12.87%
6	Nationwide Corporation	2.50%	\$18,301,289	28.25%	\$63,137,365	33.50%
7	Safeco Insurance Group	1.95%	\$14,371,641	10.93%	\$49,096,786	8.11%
8	Texas Farm Bureau Mutual	1.74%	\$11,874,662	1.37%	\$43,904,309	2.61%
9	Chubb & Son Inc.	1.69%	\$11,679,484	21.03%	\$42,548,360	12.87%
10	Titus Group	1.53%	\$10,090,101	(11.11%)	\$38,664,905	(11.92%)
11	Winterthur US Holding Group	1.39%	\$9,832,661	3.64%	\$34,995,547	(18.05%)
12	CNA Insurance Group	1.30%	\$7,744,742	51.30%	\$32,840,638	19.89%
13	UNINTRIN Inc.	1.09%	\$6,946,727	(4.39%)	\$27,413,984	(5.51%)
14	Liberty Mutual Insurance Group	1.06%	\$7,459,298	8.83%	\$26,655,704	12.81%
15	Hartford Fire & Casualty Group	0.91%	\$5,985,545	7.19%	\$22,960,775	9.50%
16	Amica Mutual Group	0.80%	\$6,034,542	10.81%	\$20,107,441	10.81%
17	Allianz Insurance Group	0.79%	\$5,595,444	17.08%	\$19,954,049	19.46%
18	American National Financial Group	0.77%	\$5,897,621	29.39%	\$19,310,852	34.34%
19	Lumbermans Mutual Casualty Group	0.67%	\$4,280,451	(13.26%)	\$16,993,926	(6.92%)
20	Metropolitan Group	0.61%	\$3,796,024	(16.98%)	\$15,402,011	(13.14%)
21	Lincoln National Corporation	0.52%	\$3,598,343	2.81%	\$13,006,643	(4.78%)
22	Central Mutual Ins. Co. of Ohio	0.43%	\$2,940,465	14.67%	\$10,902,116	16.93%
23	General Accident Insurance	0.43%	\$2,846,116	16.44%	\$10,747,324	18.02%
24	Commercial Union Insurance Co's.	0.40%	\$2,474,500	(17.31%)	\$10,163,322	(6.99%)
25	Beacon Insurance Group	0.36%	\$2,642,714	30.84%	\$9,145,709	15.96%

Top 25 Groups Total	95.96%	\$673,355,140	7.57%	\$2,419,626,113	6.64%
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Total Market	100.00%	\$700,540,333	7.12%	\$2,521,553,365	5.98%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$537,610,143	\$509,123,907	\$567,048,419
4th qtr 1992	\$471,357,082	\$411,525,292	\$376,258,831
1st qtr 1993	\$470,543,684	\$442,186,296	\$286,193,406
2nd qtr 1993	\$554,660,445	\$518,767,754	\$410,541,425
3rd qtr 1993	\$598,360,601	\$555,192,226	\$307,695,463
4th qtr 1993	\$529,999,658	\$482,257,180	\$321,328,737
1st qtr 1994	\$532,541,239	\$489,509,443	\$276,372,563
2nd qtr 1994	\$621,560,643	\$577,721,290	\$542,624,658
3rd qtr 1994	\$633,996,205	\$584,424,492	\$394,990,949
4th qtr 1994	\$544,112,881	\$506,794,681	\$317,850,063
1st qtr 1995	\$536,873,920	\$504,912,643	\$295,828,219
2nd qtr 1995	\$633,519,474	\$601,610,199	\$780,554,937
3rd qtr 1995	\$649,398,755	\$610,273,315	\$511,610,477
4th qtr 1995	\$583,421,900	\$544,747,718	\$416,544,143
1st qtr 1996	\$574,036,357	\$536,605,208	\$306,300,976
2nd qtr 1996	\$682,266,879	\$644,031,987	\$414,718,637
3rd qtr 1996	\$694,357,203	\$653,987,932	\$352,051,094
4th qtr 1996	\$607,523,506	\$569,123,474	\$317,853,967
1st qtr 1997	\$599,934,278	\$562,586,275	\$278,683,614
2nd qtr 1997	\$731,602,774	\$689,303,283	\$325,659,859
3rd qtr 1997	\$753,471,413	\$700,540,333	\$300,124,548

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, 124 rate-regulated (no Lloyds or Reciprocal) companies, that had direct written premium for Homeowners Multiple Peril in the third quarter of 1997, as compared to 56 groups, 130 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	21.66%	\$7,188,110	(87.38%)	\$131,736,284	(38.42%)
2	Allstate Insurance Group	13.18%	\$21,734,414	(5.73%)	\$80,176,418	(4.96%)
3	Travelers Insurance Group	11.12%	\$18,296,721	5.89%	\$67,613,499	8.34%
4	Farmers Insurance Group	8.39%	\$13,607,752	(2.79%)	\$51,018,927	(2.83%)
5	USAA Group	7.91%	\$14,301,155	15.55%	\$48,094,635	14.34%
6	UNITRIN Inc.	4.43%	\$6,813,262	(4.99%)	\$26,935,387	(5.89%)
7	Liberty Mutual Insurance Group	4.38%	\$7,459,298	8.83%	\$26,655,704	12.81%
8	Winterthur US Holding Group	3.51%	\$293,467	(96.65%)	\$21,368,842	(44.43%)
9	Amica Mutual Group	3.31%	\$6,034,542	10.81%	\$20,107,441	10.81%
10	CNA Insurance Group	2.94%	\$4,051,256	31.83%	\$17,868,155	8.08%
11	Lumbermans Mutual Casualty Group	2.79%	\$4,280,451	(13.26%)	\$16,993,926	(6.92%)
12	Lincoln National Corporation	2.14%	\$3,598,343	2.81%	\$13,006,643	(4.78%)
13	General Accident Insurance	1.77%	\$2,846,116	16.44%	\$10,747,324	18.02%
14	Beacon Insurance Group	1.50%	\$2,642,714	30.84%	\$9,145,709	15.96%
15	Nationwide Corporation	1.45%	\$2,325,099	11.44%	\$8,808,840	16.61%
16	American National Financial Group	1.34%	\$2,344,859	(12.20%)	\$8,169,214	(9.71%)
17	Horace Mann Group	1.16%	\$2,108,389	12.51%	\$7,071,978	12.65%
18	Commercial Union Insurance Co's.	1.04%	(\$105,451)	(103.52%)	\$6,296,128	(42.38%)
19	Zurich American Insurance Group	0.90%	\$987,270	(31.29%)	\$5,490,920	(18.22%)
20	American Indemnity Financial	0.54%	\$820,118	(10.18%)	\$3,298,799	(7.61%)
21	Allmerica Financial Corporation	0.50%	\$740,518	(21.54%)	\$3,063,425	(7.37%)
22	W R Berkley Corporation	0.46%	\$674,713	(20.14%)	\$2,801,831	(19.93%)
23	Germania Insurance Group	0.45%	\$732,353	2.80%	\$2,722,318	4.75%
24	American Bankers Florida Group	0.41%	\$760,297	58.65%	\$2,508,006	25.24%
25	Mutual Assurance Group	0.38%	(\$12,361)	(100.54%)	\$2,307,830	(74.80%)

Top 25 Groups Total	97.66%	\$124,523,405	(32.74%)	\$594,008,183	(14.44%)
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Total Market	100.00%	\$128,371,782	(32.20%)	\$608,244,497	(15.04%)
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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	\$98,305,532
3rd qtr 1997	\$141,301,692	\$128,371,782	\$89,511,100

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 third quarter of 1997, as compared to 41 groups, 43 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	State Farm Group	37.04%	\$223,232,907	36.89%	\$708,716,678	20.05%
2	Farmers Insurance Group	20.10%	\$107,701,446	8.97%	\$384,581,713	7.75%
3	Allstate Insurance Group	13.31%	\$74,621,896	17.38%	\$254,715,129	16.94%
4	USAA Group	5.84%	\$32,864,256	4.15%	\$111,812,373	4.41%
5	Nationwide Corporation	2.84%	\$15,976,190	31.13%	\$54,328,525	36.72%
6	Travelers Insurance Group	2.78%	\$15,414,113	16.93%	\$53,208,691	19.22%
7	Safeco Insurance Group	2.57%	\$14,372,291	10.93%	\$49,097,436	8.12%
8	Texas Farm Bureau Mutual	2.29%	\$11,874,662	1.37%	\$43,904,309	2.61%
9	Chubb & Son Inc.	2.22%	\$11,684,299	21.08%	\$42,553,175	12.88%
10	Titus Group	2.02%	\$10,090,101	(11.11%)	\$38,664,905	(11.92%)
11	Hartford Fire & Casualty Group	1.20%	\$5,985,602	7.19%	\$22,962,609	9.49%
12	Allianz Insurance Group	1.04%	\$5,595,444	17.11%	\$19,954,049	19.47%
13	Metropolitan Group	0.80%	\$3,795,318	(16.99%)	\$15,394,020	(13.12%)
14	CNA Insurance Group	0.78%	\$3,693,486	80.56%	\$14,972,483	37.88%
15	Winterthur US Holding Group	0.71%	\$9,539,194	*	\$13,626,705	220.94%
16	American National Financial Group	0.58%	\$3,552,762	88.26%	\$11,141,638	109.18%
17	Central Mutual Ins. Co. of Ohio	0.57%	\$2,940,465	14.67%	\$10,901,629	16.92%
18	Service Life Group	0.37%	\$3,002,718	*	\$7,021,909	*
19	Mortgage Bankers Group	0.35%	\$1,800,892	28.52%	\$6,657,302	27.80%
20	National Group Insurance Companies	0.28%	\$1,505,860	12.54%	\$5,384,712	18.73%
21	W R Berkley Corporation	0.26%	\$1,255,309	(6.87%)	\$5,065,051	(6.92%)
22	Armed Forces Insurance Exchange	0.26%	\$1,455,652	(3.15%)	\$4,939,494	3.34%
23	Apex Lloyds Insurance Company	0.25%	\$1,083,833	(44.67%)	\$4,719,332	(36.73%)
24	Commercial Union Insurance Co's.	0.20%	\$2,579,951	*	\$3,867,194	*
25	Delta Lloyds Ins. Co. of Houston	0.18%	\$937,075	49.34%	\$3,483,355	47.83%

Top 25 Groups Total	98.87%	\$566,555,722	23.59%	\$1,891,674,416	15.25%
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Total Market	100.00%	\$572,168,551	23.14%	\$1,913,308,868	15.02%
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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	\$440,453,815	\$415,166,350	\$194,627,331
2nd qtr 1997	\$552,463,212	\$522,007,853	\$227,354,327
3rd qtr 1997	\$612,169,721	\$572,168,551	\$210,613,448

Workers' Compensation (All Companies)

There were 106 groups, 265 companies, that had direct written premium for Workers' Compensation in the third quarter of 1997, as compared to 99 groups, 253 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Texas Workers Comp. Ins. Fund	16.04%	\$56,944,916	(26.54%)	\$274,281,757	(33.66%)
2	CNA Insurance Group	8.84%	\$32,408,158	45.07%	\$151,060,896	61.16%
3	American International Group	6.71%	\$34,114,139	13.99%	\$114,710,696	(19.30%)
4	Lumbermans Mutual Casualty Group	5.33%	\$23,296,231	1.01%	\$91,062,087	10.38%
5	Travelers Insurance Group	5.28%	\$30,045,326	112.16%	\$90,231,166	51.20%
6	Liberty Mutual Insurance Group	4.71%	\$35,597,053	(0.31%)	\$80,555,251	(22.36%)
7	Reliance Group Incorporated	3.53%	\$8,860,255	(62.40%)	\$60,401,975	(26.03%)
8	Hartford Fire & Casualty Group	2.98%	\$12,880,966	(2.61%)	\$51,014,102	0.75%
9	Nationwide Corporation	2.43%	\$14,099,633	38.06%	\$41,622,705	66.24%
10	Zurich American Insurance Group	2.39%	\$14,744,014	56.87%	\$40,848,240	53.04%
11	Orion Capital Group	2.27%	\$11,214,701	10.43%	\$38,793,827	(6.35%)
12	Transport Holdings Inc.	1.87%	\$7,528,452	(12.45%)	\$31,932,447	(20.60%)
13	Cigna Group	1.80%	\$3,249,124	132.95%	\$30,697,661	*
14	Zenith National Insurance Group	1.72%	\$6,750,845	(27.04%)	\$29,479,825	(15.18%)
15	Colonial Casualty Insurance Company	1.65%	\$8,790,210	23.35%	\$28,236,004	(5.87%)
16	Old Republic Group	1.57%	\$6,978,592	(0.38%)	\$26,808,386	(19.32%)
17	Clarendon Insurance Group	1.56%	\$13,260,274	389.59%	\$26,672,141	127.75%
18	Allianz Insurance Group	1.54%	\$7,080,613	24.29%	\$26,335,840	10.37%
19	General Accident Insurance	1.53%	\$7,391,113	10.50%	\$26,212,541	47.08%
20	St. Paul Companies	1.35%	\$6,238,872	(9.28%)	\$23,017,997	(10.27%)
21	Association Casualty	1.18%	\$4,983,324	(2.58%)	\$20,140,610	7.36%
22	Amerisure Companies	1.14%	\$5,219,900	(10.54%)	\$19,457,125	5.12%
23	Service Life Group	1.14%	(\$184,078)	(6.78%)	\$19,422,536	(23.71%)
24	Farmers Insurance Group	1.12%	\$5,477,351	31.86%	\$19,067,304	11.77%
25	Chubb & Son Inc.	1.05%	\$5,026,606	30.27%	\$17,868,974	11.19%

Top 25 Groups Total	80.71%	\$361,996,590	8.98%	\$1,379,932,093	(3.51%)
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Total Market	100.00%	\$452,110,428	10.33%	\$1,709,785,970	0.61%
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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	\$798,062,503	\$634,833,499	\$555,138,480
4th qtr 1992	\$611,406,456	\$448,197,519	\$526,470,725
1st qtr 1993	\$651,341,766	\$581,628,560	\$456,578,899
2nd qtr 1993	\$541,731,426	\$534,139,479	\$425,510,814
3rd qtr 1993	\$564,433,127	\$569,136,516	\$361,113,470
4th qtr 1993	\$534,631,999	\$496,039,169	\$340,634,109
1st qtr 1994	\$561,608,543	\$555,113,578	\$304,252,933
2nd qtr 1994	\$563,048,156	\$472,902,994	\$293,759,081
3rd qtr 1994	\$490,402,099	\$486,126,245	\$288,584,623
4th qtr 1994	\$519,438,875	\$491,491,380	\$275,369,102
1st qtr 1995	\$510,842,803	\$508,795,889	\$258,197,622
2nd qtr 1995	\$438,857,516	\$433,896,159	\$259,507,992
3rd qtr 1995	\$469,589,330	\$455,898,476	\$259,707,366
4th qtr 1995	\$402,555,729	\$401,696,092	\$266,005,328
1st qtr 1996	\$579,559,857	\$509,511,182	\$282,536,912
2nd qtr 1996	\$409,563,674	\$378,400,229	\$276,137,126
3rd qtr 1996	\$403,782,391	\$409,781,331	\$271,110,812
4th qtr 1996	\$375,796,251	\$395,841,983	\$303,408,073
1st qtr 1997	\$517,118,957	\$453,456,391	\$233,919,594
2nd qtr 1997	\$410,950,854	\$408,377,168	\$286,730,474
3rd qtr 1997	\$394,467,224	\$452,110,428	\$274,371,822

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 106 groups, 265 companies, that had voluntary direct written premium for Workers' Compensation in the third quarter of 1997, as compared to 99 groups, 253 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Texas Workers Comp. Ins. Fund	15.38%	\$54,934,763	(26.55%)	\$261,529,653	(32.35%)
2	CNA Insurance Group	8.89%	\$32,459,946	45.30%	\$151,113,111	61.21%
3	American International Group	6.75%	\$34,114,139	13.99%	\$114,710,696	(19.30%)
4	Travelers Insurance Group	5.39%	\$30,022,114	112.00%	\$91,676,294	53.60%
5	Lumbermans Mutual Casualty Group	5.36%	\$23,296,231	1.13%	\$91,081,613	10.01%
6	Liberty Mutual Insurance Group	4.74%	\$35,595,130	(0.37%)	\$80,544,476	(22.45%)
7	Reliance Group Incorporated	3.55%	\$8,860,255	(62.40%)	\$60,401,975	(26.03%)
8	Hartford Fire & Casualty Group	3.01%	\$12,880,966	(2.61%)	\$51,174,305	0.92%
9	Nationwide Corporation	2.45%	\$14,088,819	36.78%	\$41,612,828	65.23%
10	Zurich American Insurance Group	2.40%	\$14,744,014	56.87%	\$40,847,564	53.04%
11	Orion Capital Group	2.28%	\$11,214,701	10.43%	\$38,793,827	(6.35%)
12	Transport Holdings Inc.	1.88%	\$7,528,452	(12.45%)	\$31,932,447	(20.60%)
13	Cigna Group	1.81%	\$3,249,124	132.95%	\$30,697,661	*
14	Zenith National Insurance Group	1.73%	\$6,750,845	(27.04%)	\$29,479,825	(15.18%)
15	Colonial Casualty Insurance Company	1.66%	\$8,790,210	23.35%	\$28,236,004	(5.87%)
16	Old Republic Group	1.58%	\$6,978,592	(0.38%)	\$26,808,386	(19.32%)
17	Clarendon Insurance Group	1.57%	\$13,260,274	389.59%	\$26,672,141	127.75%
18	Allianz Insurance Group	1.55%	\$7,080,613	24.29%	\$26,335,840	10.37%
19	General Accident Insurance	1.54%	\$7,391,113	10.50%	\$26,212,541	47.08%
20	St. Paul Companies	1.35%	\$6,238,872	(9.28%)	\$23,017,997	(10.27%)
21	Association Casualty	1.18%	\$4,983,324	(2.58%)	\$20,140,610	7.36%
22	Amerisure Companies	1.14%	\$5,219,900	(10.54%)	\$19,457,125	5.12%
23	Service Life Group	1.14%	(\$184,078)	(6.78%)	\$19,422,536	(23.71%)
24	Farmers Insurance Group	1.12%	\$5,477,351	31.86%	\$19,067,304	11.77%
25	Chubb & Son Inc.	1.05%	\$5,026,606	30.27%	\$17,868,974	11.19%

Top 25 Groups Total	80.52%	\$360,002,276	9.25%	\$1,368,835,733	(2.50%)
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Total Market	100.00%	\$450,315,061	10.88%	\$1,700,064,586	1.80%
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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	\$669,032,844	\$392,683,195	\$363,068,359
4th qtr 1992	\$517,493,883	\$303,491,075	\$355,070,058
1st qtr 1993	\$574,890,312	\$454,528,011	\$313,227,080
2nd qtr 1993	\$472,109,429	\$423,661,580	\$294,794,251
3rd qtr 1993	\$507,508,855	\$484,922,584	\$258,420,593
4th qtr 1993	\$498,034,258	\$442,770,748	\$246,898,632
1st qtr 1994	\$556,524,252	\$528,861,443	\$221,491,441
2nd qtr 1994	\$555,381,758	\$455,732,983	\$238,330,685
3rd qtr 1994	\$483,106,382	\$471,587,659	\$209,727,272
4th qtr 1994	\$514,174,416	\$485,215,899	\$239,877,979
1st qtr 1995	\$504,395,626	\$503,795,920	\$214,640,626
2nd qtr 1995	\$431,833,136	\$432,487,193	\$225,639,769
3rd qtr 1995	\$461,824,200	\$453,894,311	\$224,489,104
4th qtr 1995	\$396,357,091	\$389,435,824	\$232,077,588
1st qtr 1996	\$573,290,273	\$508,598,211	\$251,351,695
2nd qtr 1996	\$402,772,171	\$365,766,167	\$240,044,757
3rd qtr 1996	\$398,598,974	\$406,123,320	\$245,300,728
4th qtr 1996	\$373,057,831	\$395,421,448	\$282,512,093
1st qtr 1997	\$511,923,843	\$449,846,413	\$213,717,979
2nd qtr 1997	\$407,953,403	\$404,481,664	\$265,668,989
3rd qtr 1997	\$391,093,374	\$450,315,061	\$255,458,063

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 third quarter of 1997 the START program reported \$12,752,104 in direct premiums written. This accounted for 131.18% of all Residual Market experience reported and was a decrease of 52.46% over the same period one year prior. Of this amount \$2,010,153 was written in the third quarter of 1997 which was a 26.16% decrease from the third 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
3rd qtr 1997	\$3,373,850	\$1,795,367	\$18,913,759

QUARTERLY EXPERIENCE
Texas Workers' Compensation Insurance Fund

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
3rd qtr 1992	\$0	\$0	\$0
4th qtr 1992	\$0	\$0	\$0
1st qtr 1993	\$0	\$0	\$0
2nd qtr 1993	\$0	\$0	\$0
3rd qtr 1993	\$0	\$0	\$0
4th qtr 1993	\$0	\$0	\$0
1st qtr 1994	\$5,084,291	\$5,084,291	\$7,298
2nd qtr 1994	\$7,666,398	\$7,666,398	\$232,318
3rd qtr 1994	\$7,295,717	\$5,623,596	\$555,306
4th qtr 1994	\$5,264,459	\$6,326,840	\$1,454,285
1st qtr 1995	\$6,447,177	\$6,766,829	\$1,104,601
2nd qtr 1995	\$7,024,380	\$4,424,113	\$1,985,824
3rd qtr 1995	\$7,765,130	\$4,932,138	\$2,124,768
4th qtr 1995	\$6,198,638	\$10,213,355	\$2,256,434
1st qtr 1996	\$6,269,584	\$985,350	\$4,402,318
2nd qtr 1996	\$6,791,503	\$12,905,623	\$758,010
3rd qtr 1996	\$5,183,417	\$2,722,400	\$2,354,828
4th qtr 1996	\$2,738,420	\$3,134,810	\$2,435,900
1st qtr 1997	\$5,195,114	\$3,709,751	\$2,085,326
2nd qtr 1997	\$2,997,451	\$3,897,390	\$1,965,869
3rd qtr 1997	\$3,373,850	\$2,010,153	\$2,380,981

Workers' Compensation (Deductible Plans)

There were 99 groups, 233 companies which wrote voluntary policies for Workers' Compensation in the third quarter of 1997, as compared to 90 groups, 218 companies in the third quarter of 1996.

The data contained in the following table represents direct policies written as new or renewal policies in the third 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 3rd 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	38	\$293,790	\$269,789	8.17%
Premium of \$10,000 - \$24,999	36	\$583,233	\$527,129	9.62%
Premium of \$25,000 - \$49,999	12	\$424,058	\$354,661	16.36%
Premium of \$50,000 - \$74,999	18	\$1,017,693	\$796,948	21.69%
Premium of \$75,000 - \$100,000	9	\$769,467	\$544,988	29.17%
Total Per Accident Plan	113	\$3,088,241	\$2,493,515	19.26%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	26	\$187,048	\$167,794	10.29%
Premium of \$10,000 - \$24,999	25	\$358,570	\$300,360	16.23%
Premium of \$25,000 - \$49,999	9	\$307,985	\$259,130	15.86%
Premium of \$50,000 - \$74,999	12	\$725,763	\$396,345	45.39%
Premium of \$75,000 - \$100,000	3	\$253,520	\$163,391	35.55%
Total Aggregate Plan	75	\$1,832,886	\$1,287,020	29.78%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	10	\$71,252	\$64,436	9.57%
Premium of \$10,000 - \$24,999	10	\$158,982	\$129,864	18.32%
Premium of \$25,000 - \$49,999	9	\$317,745	\$261,953	17.56%
Premium of \$50,000 - \$74,999	5	\$307,979	\$235,588	23.51%
Premium of \$75,000 - \$100,000	0	\$0	\$0	0.00%
Total Combination Plan	34	\$855,958	\$691,841	19.17%
Negotiated Deductible Plan				
Premium Up To \$100,000	578	\$13,666,172	\$3,023,692	77.87%
Premium of \$100,001 - \$150,000	57	\$7,047,435	\$2,398,919	65.96%
Premium of \$150,001 - \$250,000	74	\$14,930,436	\$3,198,928	78.57%
Premium of \$250,001 - \$350,000	55	\$16,400,987	\$3,021,923	81.57%
Premium of \$350,001 - \$500,000	40	\$16,485,829	\$3,060,450	81.44%
Premium of \$500,001 - \$750,000	46	\$28,465,984	\$4,267,506	85.01%
Premium of \$750,001 - \$1,000,000	21	\$18,060,590	\$3,298,260	81.74%
Premium of \$1,000,001 - \$2,500,000	52	\$74,134,694	\$9,798,709	86.78%
Premium of \$2,500,001 - \$5,000,000	16	\$47,713,162	\$6,261,446	86.88%
Premium of \$5,000,001 and above	8	\$83,126,252	\$11,267,043	86.45%
Total Negotiated Plan	947	\$320,031,541	\$49,596,876	84.50%
No Deductible Plan				
Premium Less Than \$5,000	19,955	\$33,508,929	\$33,508,929	0.00%
Premium of \$5,000 - \$9,999	4,185	\$29,446,154	\$29,446,154	0.00%
Premium of \$10,000 - \$24,999	3,487	\$55,600,734	\$55,600,734	0.00%
Premium of \$25,000 - \$49,999	1,322	\$45,794,058	\$45,794,058	0.00%
Premium of \$50,000 - \$74,999	441	\$27,120,938	\$27,120,938	0.00%
Premium of \$75,000 - \$100,000	238	\$20,649,513	\$20,649,513	0.00%
Premium Greater Than \$100,000	479	\$124,903,796	\$124,903,796	0.00%
Total No Deductible Plan	30,107	\$337,024,122	\$337,024,122	0.00%
TOTAL ALL PLANS	31,276	\$662,832,748	\$391,093,374	41.00%

Boiler & Machinery

There were 37 groups, 81 companies, that had direct written premium for Boiler & Machinery in the third quarter of 1997, as compared to 36 groups, 77 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Hartford Steam Boiler Group	18.29%	\$1,927,550	(19.68%)	\$8,026,436	(12.73%)
2	Travelers Insurance Group	12.33%	\$1,662,739	67.55%	\$5,407,695	30.33%
3	Protection Mutual Insurance Company	10.42%	\$925,798	16.32%	\$4,571,163	0.53%
4	Lumbermans Mutual Casualty Group	10.40%	\$1,151,003	(14.77%)	\$4,562,237	(15.04%)
5	Arkwright Boston Group	8.59%	\$1,218,761	(18.94%)	\$3,769,020	(24.43%)
6	Chubb & Son Inc.	7.91%	\$1,110,726	4.83%	\$3,469,090	0.61%
7	Zurich American Insurance Group	6.77%	\$521,498	(53.83%)	\$2,970,257	28.22%
8	Allendale Group	6.48%	\$629,224	(52.37%)	\$2,843,293	(20.10%)
9	Reliance Group Incorporated	4.94%	\$678,544	47.69%	\$2,168,850	(27.74%)
10	TIG Insurance Group	2.91%	\$725,193	(37.23%)	\$1,276,206	(22.23%)
11	American International Group	2.62%	\$395,076	*	\$1,148,210	*
12	Nationwide Corporation	1.78%	\$116,982	11.35%	\$779,230	12.10%
13	CNA Insurance Group	1.58%	\$187,162	(51.35%)	\$692,692	(52.37%)
14	Hartford Fire & Casualty Group	1.10%	\$140,583	16.43%	\$484,201	47.05%
15	St. Paul Companies	0.90%	\$70,044	(4.51%)	\$392,789	12.36%
16	Allianz Insurance Group	0.58%	\$98,170	(12.98%)	\$255,509	(61.96%)
17	Commercial Union Insurance Co's.	0.55%	\$38,267	(46.11%)	\$239,460	(30.38%)
18	Preferred Risk Group	0.49%	\$48,703	(9.94%)	\$216,880	3.91%
19	Allstate Insurance Group	0.24%	\$25,770	14.80%	\$107,051	28.29%
20	Cigna Group	0.23%	\$17,862	(60.11%)	\$99,096	(4.75%)
21	Royal & Sun Alliance USA	0.14%	\$620	(98.92%)	\$61,735	21.42%
22	Mercury General Group	0.11%	\$16,420	(25.13%)	\$50,107	64.73%
23	Sentry Insurance Group	0.11%	\$9,284	(13.75%)	\$46,280	9.63%
24	Deere & Company Group	0.09%	\$10,285	56.97%	\$40,797	85.53%
25	Federated Mutual Group	0.09%	\$7,496	(43.97%)	\$38,446	(10.37%)
Top 25 Groups Total		99.64%	\$11,733,760	(11.64%)	\$43,716,730	(6.52%)
Total Market		100.00%	\$11,783,195	(11.64%)	\$43,875,180	(7.08%)

* 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
3rd qtr 1997	\$12,056,522	\$11,783,195	\$24,873,419

* 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 44 groups, 83 companies, that had direct written premium for Commercial Crime in the third quarter of 1997, as compared to 47 groups, 85 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	57.10%	\$1,543,967	2.82%	\$6,208,575	2.44%
2	Zurich American Insurance Group	11.75%	\$428,909	(10.79%)	\$1,277,542	(19.26%)
3	Reliance Group Incorporated	6.59%	\$323,205	232.44%	\$717,000	30.90%
4	American International Group	6.21%	\$149,252	(26.11%)	\$674,950	(36.44%)
5	Travelers Insurance Group	5.48%	\$195,498	133.88%	\$595,534	96.58%
6	Preferred Risk Group	2.85%	\$64,561	(9.33%)	\$309,842	(6.19%)
7	St. Paul Companies	2.25%	\$33,048	83.21%	\$244,786	101.00%
8	Hartford Fire & Casualty Group	1.87%	\$76,698	28.23%	\$202,792	9.71%
9	Crum & Forster Insurance Co's.	1.66%	\$59,401	111.51%	\$180,756	16.61%
10	UNITRIN Inc.	0.70%	\$17,954	(5.73%)	\$76,448	(8.48%)
11	CUNA Mutual Group	0.58%	\$0	(100.00%)	\$62,764	(2.10%)
12	Federated Mutual Group	0.56%	\$20,483	127.74%	\$61,249	8.33%
13	Executive Risk Companies	0.52%	\$36,116	*	\$56,387	*
14	Lumbermans Mutual Casualty Group	0.49%	\$11,327	146.08%	\$53,744	(4.56%)
15	Liberty Mutual Insurance Group	0.36%	\$6,418	153.94%	\$38,624	7.07%
16	Chrysler Group	0.35%	\$8,480	24.58%	\$38,141	5.88%
17	Deere & Company Group	0.27%	\$5,377	(1.03%)	\$29,354	(25.76%)
18	Protection Mutual Insurance Company	0.25%	\$5,229	(65.08%)	\$27,302	(36.48%)
19	Allendale Group	0.22%	\$12,380	42.77%	\$24,242	(45.29%)
20	CNA Insurance Group	0.22%	\$6,701	(27.17%)	\$24,016	200.09%
21	Royal & Sun Alliance USA	0.20%	\$0	*	\$22,175	1.79%
22	Nationwide Corporation	0.16%	\$15,105	17.69%	\$17,923	(54.99%)
23	EMC Insurance Companies	0.14%	\$5,921	151.10%	\$15,046	118.95%
24	Sentry Insurance Group	0.11%	\$4,048	0.05%	\$12,049	40.06%
25	Millers First Insurance Companies	0.11%	\$2,211	(17.93%)	\$11,637	11.17%

Top 25 Groups Total	101.01%**	\$3,032,289	14.61%	\$10,982,878	0.68%
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Total Market	100.00%	\$3,061,027	14.55%	\$10,873,011	(3.14%)
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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	\$685,650
2nd qtr 1997	\$2,592,943	\$2,754,658	\$479,870
3rd qtr 1997	\$2,408,349	\$3,061,027	\$337,194

* 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, 57 companies, that had direct written premium for Commercial Glass in the third quarter of 1997, as compared to 36 groups, 58 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	UNITRIN Inc.	38.36%	\$58,535	17.56%	\$205,259	(1.69%)
2	Travelers Insurance Group	7.27%	\$14,151	*	\$38,909	189.33%
3	Zurich American Insurance Group	7.13%	\$5,456	(40.25%)	\$38,145	(7.09%)
4	EMC Insurance Companies	5.62%	\$9,848	37.91%	\$30,096	19.48%
5	Mercury General Group	5.53%	\$4,693	(37.10%)	\$29,568	(0.13%)
6	Federated Mutual Group	4.56%	\$7,629	38.18%	\$24,385	16.44%
7	Lincoln National Corporation	4.27%	\$4,991	33.88%	\$22,865	5.86%
8	Royal & Sun Alliance USA	2.95%	\$8,104	(6.31%)	\$15,765	(29.16%)
9	Deere & Company Group	2.91%	\$3,283	69.58%	\$15,571	(6.94%)
10	St. Paul Companies	2.85%	\$4,994	(58.97%)	\$15,254	(50.98%)
11	Farmers Insurance Group	2.62%	\$4,877	(24.96%)	\$14,019	(74.78%)
12	Sentry Insurance Group	2.33%	\$3,141	(43.27%)	\$12,472	(34.74%)
13	W R Berkley Corporation	2.20%	\$5,494	*	\$11,790	20.48%
14	American Indemnity Financial	1.88%	\$1,962	(41.26%)	\$10,086	(15.16%)
15	Ohio Casualty Group	1.24%	\$1,724	(5.27%)	\$6,614	(16.25%)
16	Hartford Fire & Casualty Group	1.06%	\$1,156	55.38%	\$5,669	(8.18%)
17	Central Mutual Ins. Co. of Ohio	1.04%	\$207	(62.90%)	\$5,546	(11.59%)
18	CNA Insurance Group	0.72%	\$2,165	(39.46%)	\$3,879	(17.82%)
19	Beacon Insurance Group	0.59%	\$1,027	(14.70%)	\$3,152	3.41%
20	Preferred Risk Group	0.52%	\$534	208.67%	\$2,778	40.16%
21	Miller Insurance Group	0.49%	\$993	(33.40%)	\$2,643	(30.81%)
22	Harco National Insurance Company	0.47%	\$0	*	\$2,541	247.61%
23	General Accident Insurance	0.43%	\$827	36.92%	\$2,280	6.39%
24	Chrysler Group	0.42%	\$257	(65.03%)	\$2,261	9.02%
25	Reliance Group Incorporated	0.42%	\$0	*	\$2,233	39.56%

Top 25 Groups Total	97.89%	\$146,048	9.33%	\$523,780	(7.72%)
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Total Market	100.00%	\$151,265	7.75%	\$535,095	(11.19%)
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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
3rd qtr 1997	\$183,474	\$151,265	\$29,200

* 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, 56 companies, that had direct written premium for Medical Professional Liability (includes regulated and nonregulated companies) in the third quarter of 1997, as compared to 33 groups, 49 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Health Care Indemnity Inc.	27.00%	(\$457,186)	(154.85%)	\$78,656,980	(4.66%)
2	Medical Protective Company	15.66%	\$16,848,180	10.64%	\$45,624,771	(0.74%)
3	Frontier Insurance Group	7.04%	\$8,869,182	193.44%	\$20,517,206	143.34%
4	Western Indemnity Insurance Co.	6.80%	\$4,234,650	(17.15%)	\$19,805,599	0.23%
5	American Physicians Ins. Exchange	5.98%	\$6,207,001	(32.29%)	\$17,421,610	(18.20%)
6	St. Paul Companies	4.43%	\$2,602,788	(50.62%)	\$12,903,669	(23.24%)
7	MMI Companies Group	3.56%	\$6,832,882	127.59%	\$10,375,936	68.62%
8	PHICO Insurance Company	2.86%	\$3,402,064	*	\$8,325,330	*
9	CNA Insurance Group	2.80%	\$1,699,143	(58.19%)	\$8,159,270	(51.50%)
10	Mutual Assurance Companies	2.59%	\$1,399,979	(19.53%)	\$7,557,562	(10.79%)
11	American International Group	2.40%	\$1,935,708	74.38%	\$6,990,886	158.65%
12	Medical Inter-Ins. Exchange Group	2.29%	\$6,660,221	*	\$6,660,221	*
13	Texas Hospital Insurance Exchange	2.22%	\$1,667,688	(21.36%)	\$6,454,335	(4.82%)
14	Allianz Insurance Group	1.67%	\$1,097,417	(28.69%)	\$4,878,289	(24.02%)
15	Doctors Company Group	1.59%	\$1,217,331	46.48%	\$4,618,415	59.97%
16	Travelers Insurance Group	1.37%	\$1,594,265	71.64%	\$3,986,906	1.67%
17	PIE Mutual Insurance Group	1.24%	\$0	(100.00%)	\$3,613,625	(80.57%)
18	Texas Med. Liab. Underwriting Assoc.	1.23%	\$975,217	(18.46%)	\$3,581,680	(28.90%)
19	Preferred Physicians Insurance Co.	1.08%	\$72,672	(90.33%)	\$3,141,647	(7.44%)
20	National Chiropractic Mutual Ins. Co.	1.05%	\$784,046	0.37%	\$3,062,762	(6.28%)
21	Farmers Insurance Group	0.84%	(\$43,379)	(102.55%)	\$2,443,460	(59.76%)
22	Insurance Western Group	0.74%	\$282,268	(48.58%)	\$2,141,861	(0.34%)
23	Florida Physicians Insurance Co.	0.66%	\$1,133,821	*	\$1,926,018	*
24	Century American Insurance Group	0.61%	\$831,636	*	\$1,766,299	*
25	URC Group	0.55%	\$1,283,115	*	\$1,598,873	*

Top 25 Groups Total	98.24%	\$71,130,709	9.86%	\$286,213,210	(0.43%)
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Total Market	100.00%	\$73,397,175	10.15%	\$291,353,629	(1.01%)
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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
3rd qtr 1997	\$70,145,765	\$73,397,175	\$45,126,325

* 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 36 groups, 58 companies, that had direct written premium for Miscellaneous Professional Liability in the third quarter of 1997, as compared to 34 groups, 69 companies, in the third 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 third quarter of 1997 to direct written premium in the third 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 3rd Quarter 1997	% Change 3rd Quarter 1996 to 1997	4 Quarters Ending 3rd Qtr 1997	% Change 4 Qtrs Ending 1996 to 1997
1	Chubb & Son Inc.	35.12%	\$9,039,002	17.40%	\$33,602,138	14.56%
2	Reliance Group Incorporated	20.13%	\$5,944,419	0.81%	\$19,254,391	13.52%
3	St. Paul Companies	10.78%	\$2,430,534	(9.79%)	\$10,310,232	(12.36%)
4	General Electric Group	8.76%	\$2,027,799	10.40%	\$8,377,546	(4.18%)
5	CNA Insurance Group	4.69%	\$1,170,284	1.85%	\$4,489,210	(16.71%)
6	Nationwide Corporation	4.47%	\$276,958	(55.44%)	\$4,275,979	(16.91%)
7	Executive Risk Companies	2.84%	\$1,026,724	402.79%	\$2,718,824	370.38%
8	Titan Group of Companies	2.43%	\$278,645	(10.70%)	\$2,326,629	5.36%
9	Legion Insurance Group	2.29%	\$1,101,401	*	\$2,194,399	*
10	AON Corporation	1.83%	\$578,135	78.01%	\$1,753,402	31.56%
11	Mt. Hawley Insurance Group	1.30%	\$250,513	9.76%	\$1,242,212	(21.93%)
12	Utica National Insurance Group	1.19%	\$214,982	(44.23%)	\$1,142,953	(31.80%)
13	Allianz Insurance Group	1.01%	\$134,470	(9.49%)	\$961,931	4.67%
14	Union Labor Group	0.70%	\$90,781	(60.67%)	\$666,680	(43.03%)
15	Oakley Insurance Group	0.66%	\$224,748	34.01%	\$628,316	112.03%
16	American RE Group	0.38%	\$59,135	*	\$366,284	*
17	Northland Group	0.31%	\$69,073	(28.07%)	\$297,338	(10.94%)
18	Lumbermans Mutual Casualty Group	0.20%	\$42,974	(31.78%)	\$186,586	(21.53%)
19	Zurich American Insurance Group	0.14%	\$35,337	14.15%	\$133,030	(46.63%)
20	W R Berkley Corporation	0.13%	\$128,900	*	\$128,900	*
21	Safeco Insurance Group	0.13%	\$41,458	101.48%	\$120,596	91.12%
22	Triangle Insurance Company Inc.	0.10%	\$44,399	*	\$96,533	*
23	UNITRIN Inc.	0.10%	\$4,784	(16.00%)	\$93,425	(7.56%)
24	US Investment Corporation	0.09%	\$29,207	*	\$90,092	*
25	Gryphon Holdings Inc.	0.06%	(\$4,673)	(110.93%)	\$53,576	22.96%
Top 25 Groups Total		99.84%	\$25,239,989	13.76%	\$95,511,202	8.24%
Total Market		100.00%	\$25,287,118	13.44%	\$95,668,097	7.67%

* 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	\$4,115,608
3rd qtr 1997	\$26,232,528	\$25,287,118	\$4,847,020

* 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 third quarter of 1997 and the third 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	3RD QUARTER 1997			3RD 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	3	9,077	0.03305%	4	8,299	0.04820%
General Liability - Other ⁺	91	203,231	0.04478%	142	184,042	0.07716%
Fire & Allied Lines	21	80,229	0.02618%	12	72,059	0.01665%
Commercial Multiple Peril	33	75,318	0.04381%	36	66,684	0.05399%
Private Passenger Auto ⁺⁺	2081	4,748,175	0.04383%	2579	4,363,121	0.05911%
Homeowners	567	958,843	0.05913%	565	908,596	0.06218%
Workers' Compensation ⁺⁺⁺	39	31,522	0.12372%	71	31,917	0.22245%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	13	10,972	0.11848%	10	10,335	0.09676%
Misc. Professional Liability	3	5,080	0.05906%	6	4,337	0.13834%

⁺ The General Electric Group wrote 48,465 small premium pre-paid legal policies in the 2nd quarter of 1997 and 136,824 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 generally relate to rates, class codes, and experience modifiers. Complaints regarding adjusting and benefits are processed by the Texas Workers' Compensation Commission and are not reflected in this report.

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

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

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

1997 Policies Written Rank	Group Name	3RD QUARTER 1997			3RD 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
25	Safeway Insurance Group	36	18,894	0.19054%	12	17,311	0.06932%
6	Chartwell Group	150	152,592	0.09830%	163	130,834	0.12459%
24	American Financial Ins. Group	18	19,715	0.09130%	48	30,671	0.15650%
11	Home State County Mutual Ins. Co.	66	74,552	0.08853%	116	77,576	0.14953%
7	Texas State National Group	126	152,205	0.08278%	293	99,916	0.29325%
22	Liberty Mutual Insurance Group	18	23,333	0.07714%	23	23,113	0.09951%
16	Winterthur US Holding Group	26	36,825	0.07060%	20	43,470	0.04601%
14	Sentry Insurance Group	32	47,174	0.06783%	48	57,337	0.08372%
4	Allstate Insurance Group	260	436,530	0.05956%	245	414,247	0.05914%
9	Nationwide Corporation	52	96,534	0.05387%	34	85,246	0.03988%
13	Travelers Insurance Group	27	50,161	0.05383%	30	45,486	0.06595%
18	UNITRIN Inc.	16	30,583	0.05232%	18	31,298	0.05751%
10	Berkshire-Hathaway	39	84,802	0.04599%	29	68,614	0.04227%
17	Safeco Insurance Group	10	32,192	0.03106%	13	29,180	0.04455%
2	Farmers Insurance Group	236	771,341	0.03060%	217	777,064	0.02793%
15	Titus Group	10	38,380	0.02606%	4	23,246	0.01721%
12	White Mountains Insurance Group	17	65,737	0.02586%	26	72,827	0.03570%
21	Texas Farm Bureau Mutual	6	24,732	0.02426%	10	35,480	0.02818%
20	Hartford Fire & Casualty Group	6	26,658	0.02251%	14	27,020	0.05181%
8	Southern Farm Bureau Casualty	23	103,142	0.02230%	23	92,881	0.02476%
19	Lincoln National Corporation	6	29,342	0.02045%	6	28,129	0.02133%
5	USAA Group	33	170,542	0.01935%	36	164,079	0.02194%
23	Vesta Insurance Group	4	21,557	0.01856%	0	0	0.00000%
3	Progressive Group	116	672,507	0.01725%	95	465,980	0.02039%
1	State Farm Group	204	1,281,272	0.01592%	232	1,242,835	0.01867%
	(All other licensed insurers)	203	286,873	0.07076%	268	279,281	0.09596%
	(No company identified)*	341			556		
TOTALS		2,081	4,748,175	0.04383%	2,579	4,363,121	0.05911%

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

Complaint Data

HOMEOWNERS THIRD QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

1997 Policies Written Rank	Group Name	3RD QUARTER 1997			3RD QUARTER 1996		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
20	Metropolitan Group	9	4,269	0.21082%	8	2,836	0.28209%
18	Beacon Insurance Group	8	4,463	0.17925%	2	3,606	0.05546%
8	Safeco Insurance Group	14	15,626	0.08959%	4	14,673	0.02726%
17	Chubb & Son Inc.	4	4,704	0.08503%	0	4,192	0.00000%
10	Winterthur US Holding Group	9	12,636	0.07123%	18	8,684	0.20728%
19	Lumbermans Mutual Casualty Group	3	4,334	0.06922%	2	4,830	0.04141%
2	Farmers Insurance Group	114	174,873	0.06519%	84	168,216	0.04994%
24	Mortgage Bankers Group	2	3,741	0.05346%	2	2,614	0.07651%
6	Nationwide Corporation	11	25,778	0.04267%	10	22,670	0.04411%
12	UNITRIN Inc.	4	9,649	0.04146%	5	10,179	0.04912%
1	State Farm Group	117	303,781	0.03851%	141	302,619	0.04659%
5	Travelers Insurance Group	18	47,976	0.03752%	15	43,001	0.03488%
11	Liberty Mutual Insurance Group	4	11,237	0.03560%	6	10,513	0.05707%
3	Allstate Insurance Group	52	148,850	0.03493%	50	137,658	0.03632%
15	Hartford Fire & Casualty Group	2	7,161	0.02793%	2	7,274	0.02750%
25	Commercial Union Insurance Co's.	1	3,665	0.02729%	0	4,233	0.00000%
14	American National Financial Group	2	7,937	0.02520%	2	5,771	0.03466%
22	Lincoln National Corporation	1	4,226	0.02366%	3	4,262	0.07039%
21	Service Life Group	1	4,248	0.02354%	0	0	0.00000%
13	CNA Insurance Group	2	9,162	0.02183%	0	5,715	0.00000%
9	Texas Farm Bureau Mutual	3	15,308	0.01960%	5	15,568	0.03212%
4	USAA Group	12	66,414	0.01807%	10	59,130	0.01691%
7	Titus Group	2	16,676	0.01199%	1	14,015	0.00714%
16	Amica Mutual Group	0	6,197	0.00000%	1	6,061	0.01650%
23	Central Mutual Ins. Co. of Ohio	0	3,987	0.00000%	1	3,565	0.02805%
	(All other licensed insurers)	81	41,945	0.19311%	90	46,711	0.19267%
	(No company identified)*	91			103		
TOTALS		567	958,843	0.05913%	565	908,596	0.06218%

* 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.