



**Texas Department
of Insurance**

**Quarterly Legislative Report
on Market Conditions**

*1st Quarter
2007*

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

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

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

Terms

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

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

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

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

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

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

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

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

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

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

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

Private Passenger Auto coverages include liability, PIP, uninsured motorist and physical damage.

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.

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 MARCH 2007

	Number Of Groups/Companies	Number Of Policies Written	Premiums On Policies Written	Direct Written Premiums	Direct Losses Paid
PRODUCT LIABILITY	55 / 150	35,139	\$217,288,744	\$159,332,680	\$44,042,678
GENERAL LIABILITY - OTHER	132 / 308	897,356	\$1,869,271,967	\$2,034,559,620	\$1,068,756,816
COMMERCIAL FIRE & ALLIED	77 / 169	138,833	\$675,016,964	\$804,071,638	\$628,019,889
COMMERCIAL MULTIPLE PERIL	77 / 192	399,170	\$1,589,334,102	\$1,683,737,023	\$760,927,579
PRIVATE PASSENGER AUTO					
VOLUNTARY (VOL) LIABILITY	73 / 161	12,426,038	\$6,986,181,904	\$6,504,360,031	\$3,790,202,840
ASSIGNED RISK LIABILITY	14 / 16	23,472	\$14,545,502	\$9,492,446	\$9,097,437
PHYSICAL DAMAGE	72 / 163	9,329,007	\$5,400,873,212	\$5,129,938,388	\$3,151,739,336
TOTAL PPA	73 / 169	21,778,516 ⁺	\$12,401,600,618	\$11,643,790,865	\$6,951,039,613
HOMEOWNERS MULTIPLE PERIL	63 / 97	5,208,626	\$5,307,719,979	\$4,846,375,233	\$1,653,445,793
WORKERS' COMPENSATION					
VOL PREMIUMS < \$5,000		95,716	\$162,006,377	**	**
VOL PREMIUMS \$5,000 - \$100,000		56,843	\$1,128,126,260	**	**
VOL PREMIUMS > \$100,000		5,872	\$1,423,036,494	**	**
TOTAL VOLUNTARY	93 / 231	158,431	\$2,713,169,131	\$2,760,648,182	\$805,887,382
RESIDUAL MARKET ***	1 / 1	151	\$6,881,573	\$5,912,742	\$6,841,219
TOTAL WC	93 / 231	158,582	\$2,720,050,704	\$2,766,560,924	\$812,728,601
BOILER & MACHINERY	39 / 94	34,610	\$61,575,356	\$82,197,677	\$51,972,249
COMMERCIAL CRIME	32 / 69	8,065	\$5,727,884	\$7,481,196	\$614,747
COMMERCIAL GLASS	5 / 6	185	\$67,316	\$40,196	\$4,967
MEDICAL PROFESSIONAL LIABILITY	32 / 40	40,931	\$259,035,897	\$282,985,606	\$101,677,515
MISC. PROFESSIONAL LIABILITY	31 / 63	19,568	\$375,743,224	\$392,341,023	\$125,630,317

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

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

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

NUMBER OF GROUPS / COMPANIES WRITING POLICIES PER QUARTER

Line of Business	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2006	2007	2006	2007	2006	2007	2006	2007
Product Liability	50 / 132	50 / 131	55 / 133	- / -	51 / 138	- / -	50 / 136	- / -
General Liability	128 / 285	124 / 286	129 / 287	- / -	125 / 279	- / -	125 / 282	- / -
Commercial Fire & Allied	75 / 160	76 / 153	75 / 157	- / -	69 / 149	- / -	74 / 151	- / -
Commercial Multiple Peril	74 / 176	75 / 181	74 / 181	- / -	72 / 171	- / -	73 / 174	- / -
Private Passenger Auto	61 / 142	72 / 162	65 / 149	- / -	67 / 152	- / -	67 / 158	- / -
Homeowners Multiple Peril	61 / 86	59 / 89	60 / 87	- / -	58 / 86	- / -	57 / 85	- / -
Workers' Compensation	81 / 203	88 / 207	84 / 202	- / -	81 / 205	- / -	83 / 200	- / -
Boiler & Machinery	36 / 70	38 / 85	37 / 75	- / -	33 / 65	- / -	38 / 72	- / -
Commercial Crime	30 / 64	30 / 62	28 / 58	- / -	27 / 59	- / -	27 / 58	- / -
Commercial Glass	6 / 10	5 / 7	6 / 9	- / -	6 / 10	- / -	8 / 10	- / -
Medical Professional Liability	29 / 36	31 / 37	27 / 33	- / -	27 / 34	- / -	29 / 36	- / -
Misc. Professional Liability	27 / 59	32 / 67	28 / 61	- / -	29 / 57	- / -	24 / 59	- / -

Product Liability

There were 55 groups, 150 companies, that had direct written premium for Product Liability in the first quarter of 2007, as compared to 59 groups, 154 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRODUCT LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	American Financial Group	21.29%	\$5,930,093	(17.38%)	\$33,927,585	20.16%
2	Zurich Insurance Group	12.56%	\$3,043,497	(36.33%)	\$20,015,457	(20.36%)
3	St. Paul Travelers Group	9.45%	\$4,107,729	14.92%	\$15,058,930	2.83%
4	Liberty Mutual Group	9.00%	\$4,129,954	(7.63%)	\$14,332,495	11.93%
5	ACE Ltd.	6.84%	\$3,156,492	(45.29%)	\$10,892,554	(21.88%)
6	Chubb & Son Inc.	6.15%	\$3,163,260	(14.42%)	\$9,792,570	0.73%
7	Hartford Fire & Casualty Group	4.83%	\$1,986,890	59.12%	\$7,692,953	38.47%
8	Federated Mutual	2.48%	\$1,043,912	(5.08%)	\$3,953,458	(2.21%)
9	Sentry Insurance Group	2.27%	\$1,224,779	19.73%	\$3,613,896	9.50%
10	United Fire & Casualty Group	2.10%	\$903,188	(15.22%)	\$3,352,487	5.72%
11	Fairfax Financial	2.06%	\$661,117	(31.87%)	\$3,290,053	(7.52%)
12	Electric Insurance Group	1.69%	\$0	*	\$2,699,857	(16.77%)
13	American International Group	1.67%	\$648,158	226.28%	\$2,662,902	(2.25%)
14	Central Mutual Insurance Company Ohio	1.49%	\$697,591	42.22%	\$2,366,432	3.39%
15	Old Republic Group	1.48%	\$374,717	(66.00%)	\$2,359,850	14.35%
16	EMC Insurance Company	1.34%	\$411,223	7.93%	\$2,129,007	59.92%
17	CNA Insurance Group	1.31%	\$452,913	(4.15%)	\$2,084,239	18.42%
18	National American Insurance Company	1.23%	\$496,999	(15.79%)	\$1,952,553	(20.65%)
19	Unitrin Group	1.17%	\$443,375	8.04%	\$1,859,924	19.81%
20	Medmark Insurance Group	1.04%	\$809,057	171.70%	\$1,656,171	34.68%
21	Nationwide Corp.	1.00%	\$540,978	(2.21%)	\$1,593,353	(6.83%)
22	Ohio Casualty Group	1.00%	\$462,342	43.57%	\$1,590,825	40.84%
23	Allianz Insurance Group	0.85%	\$327,876	(71.98%)	\$1,348,650	(45.37%)
24	Indiana Lumbermens	0.65%	\$384,954	4.75%	\$1,043,029	(5.37%)
25	WR Berkley Corp.	0.64%	\$265,951	(14.29%)	\$1,018,912	5.22%

Top 25 Groups Total	95.58%	\$35,667,045	(14.14%)	\$152,288,142	1.43%
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Total Market	100.00%	\$37,388,778	(13.89%)	\$159,332,680	(1.34%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$25,812,727	10,368,960	\$24,090,363
2nd qtr 2002	\$25,107,579	30,554,591	\$14,348,364
3rd qtr 2002	\$32,987,561	33,566,694	\$42,898,905
4th qtr 2002	\$54,386,459	39,509,606	\$72,291,341
1st qtr 2003	\$50,349,221	31,216,417	\$23,752,695
2nd qtr 2003	\$51,648,244	31,977,119	\$37,961,745
3rd qtr 2003	\$55,011,830	32,688,880	\$84,564,221
4th qtr 2003	\$64,276,692	48,008,507	\$57,933,430
1st qtr 2004	\$59,601,182	48,610,314	\$13,046,283
2nd qtr 2004	\$63,656,660	39,190,779	\$59,471,931
3rd qtr 2004	\$57,250,949	39,501,613	\$16,782,694
4th qtr 2004	\$71,100,716	40,485,016	\$43,446,411
1st qtr 2005	\$59,579,406	36,994,120	\$97,688,241
2nd qtr 2005	\$56,230,850	37,217,878	\$32,123,365
3rd qtr 2005	\$51,108,883	42,466,267	\$36,337,905
4th qtr 2005	\$47,688,104	38,393,965	\$36,773,871
1st qtr 2006	\$55,287,591	43,417,571	\$16,986,885
2nd qtr 2006	\$53,027,882	34,740,247	\$26,098,985
3rd qtr 2006	\$65,733,209	41,416,463	\$7,433,214
4th qtr 2006	\$51,262,901	45,787,192	(\$3,974,498)
1st qtr 2007	\$47,264,752	37,388,778	\$14,484,977

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>
1995	113.4%
1996	178.0%
1997	60.4%
1998	90.4%
1999	68.3%
2000	104.4%
2001	201.3%
2002	275.2%
2003	219.9%
2004	138.3%
2005	35.9%
2006	26.3%

General Liability

There were 132 groups, 308 companies, that had direct written premium for General Liability in the first quarter of 2007, as compared to 136 groups, 312 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR GENERAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	American International Group	23.61%	\$92,063,469	32.18%	\$480,453,338	14.86%
2	Zurich Insurance Group	9.53%	\$39,925,078	5.04%	\$193,894,359	5.05%
3	St. Paul Travelers Group	8.39%	\$41,591,664	7.98%	\$170,740,601	6.96%
4	ACE Ltd.	7.00%	\$46,389,575	8.48%	\$142,389,023	50.53%
5	American Financial Group	4.81%	\$29,561,310	(6.37%)	\$97,914,366	(7.78%)
6	Hartford Fire & Casualty Group	4.31%	\$9,830,110	(45.03%)	\$87,595,562	73.99%
7	Liberty Mutual Group	3.41%	\$19,260,928	77.08%	\$69,378,055	33.94%
8	CNA Insurance Group	3.20%	\$15,993,898	(2.74%)	\$65,061,440	(2.01%)
9	Chubb & Son Inc.	2.74%	\$13,759,575	7.38%	\$55,843,959	1.01%
10	Dallas General Group	2.47%	\$13,934,456	14.51%	\$50,225,907	65.17%
11	Alleghany Group	1.67%	\$8,857,213	(6.74%)	\$34,075,882	(3.65%)
12	State Farm IL	1.64%	\$8,556,546	23.11%	\$33,341,966	23.91%
13	Texas Lawyers Insurance Exchange	1.35%	\$7,934,653	3.21%	\$27,552,967	2.53%
14	Allianz Insurance Group	1.14%	\$6,636,619	(7.26%)	\$23,258,564	(2.77%)
15	Unitrin Group	1.05%	\$5,249,361	34.21%	\$21,430,312	51.40%
16	Arch Insurance Group	1.02%	\$5,006,487	(11.88%)	\$20,842,624	(28.68%)
17	Nationwide Corp.	1.01%	\$6,062,007	27.97%	\$20,563,086	24.65%
18	Highmark Inc.	0.95%	\$3,791,291	(6.88%)	\$19,234,060	7.54%
19	Ohio Casualty Group	0.94%	\$4,818,386	10.20%	\$19,186,099	1.84%
20	Old Republic Group	0.93%	\$3,523,025	(15.20%)	\$18,921,520	8.23%
21	Philadelphia Consolidated Holding Group	0.89%	\$4,348,101	42.96%	\$18,135,574	52.66%
22	Federated Mutual	0.75%	\$3,838,352	3.53%	\$15,171,963	5.38%
23	EMC Insurance Company	0.75%	\$4,435,036	5.76%	\$15,158,699	12.58%
24	United Fire & Casualty Group	0.73%	\$3,413,909	(6.89%)	\$14,902,798	4.25%
25	WR Berkley Corp.	0.64%	\$3,204,640	10.48%	\$13,105,476	12.66%
Top 25 Groups Total		84.95%	\$401,985,689	9.70%	\$1,728,378,200	14.44%
Total Market		100.00%	\$472,610,924	5.91%	\$2,034,559,620	12.98%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	449,177,034	\$460,594,022	225,467,551
2nd qtr 2002	392,164,368	\$346,584,414	245,038,500
3rd qtr 2002	293,763,572	\$350,566,838	223,245,817
4th qtr 2002	296,230,398	\$371,238,580	293,588,970
1st qtr 2003	473,722,924	\$473,509,831	339,023,171
2nd qtr 2003	460,000,875	\$450,544,223	207,970,445
3rd qtr 2003	471,126,731	\$482,640,180	269,465,874
4th qtr 2003	412,727,499	\$436,933,412	393,534,154
1st qtr 2004	493,759,655	\$493,758,137	285,017,073
2nd qtr 2004	467,058,967	\$424,331,005	187,188,675
3rd qtr 2004	452,021,439	\$441,580,967	238,041,282
4th qtr 2004	473,414,898	\$425,215,480	302,351,456
1st qtr 2005	528,494,689	\$446,829,044	239,281,520
2nd qtr 2005	433,621,815	\$432,710,837	233,189,003
3rd qtr 2005	426,986,451	\$498,301,487	205,392,237
4th qtr 2005	429,159,506	\$423,634,799	287,946,218
1st qtr 2006	421,696,238	\$446,246,301	213,971,187
2nd qtr 2006	505,876,407	\$491,526,564	195,131,093
3rd qtr 2006	496,580,231	\$588,708,694	251,085,318
4th qtr 2006	446,838,771	\$481,713,438	373,533,228
1st qtr 2007	419,976,558	\$472,610,924	247,960,450

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>
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%
2002	114.5%
2003	77.0%
2004	74.8%
2005	77.6%
2006	52.3%

Commercial Fire & Allied

There were 77 groups, 169 companies, that had direct written premium for Commercial Fire & Allied in the first quarter of 2007, as compared to 79 groups, 172 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL FIRE & ALLIED

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	FM Global Group	16.80%	\$33,505,302	2.05%	\$135,036,898	21.68%
2	St. Paul Travelers Group	13.00%	\$25,425,183	(4.71%)	\$104,528,052	(3.03%)
3	Texas Windstorm Insurance Association	10.78%	\$19,813,271	97.43%	\$86,625,537	123.11%
4	Liberty Mutual Group	6.89%	\$14,488,846	15.73%	\$55,388,587	37.85%
5	Zurich Insurance Group	6.02%	\$12,308,449	(26.59%)	\$48,411,586	27.20%
6	Fairfax Financial	5.55%	\$6,793,392	(11.69%)	\$44,637,119	46.90%
7	Allianz Insurance Group	4.43%	\$10,042,299	48.92%	\$35,632,611	24.29%
8	XLAmerica	4.05%	\$7,925,960	(2.75%)	\$32,556,934	6.64%
9	American International Group	3.95%	\$6,711,049	75.57%	\$31,763,178	52.41%
10	CNA Insurance Group	3.33%	\$5,265,007	12.11%	\$26,743,287	27.60%
11	Alleghany Group	3.00%	\$6,141,502	42.12%	\$24,092,535	(21.29%)
12	United Fire & Casualty Group	2.54%	\$4,715,284	0.94%	\$20,418,609	8.25%
13	Swiss Re Group	2.34%	\$4,073,358	76.70%	\$18,838,561	105.51%
14	Unitrin Group	1.74%	\$3,558,359	9.23%	\$14,002,297	14.05%
15	Sentry Insurance Group	1.23%	\$3,122,632	5.72%	\$9,894,111	7.64%
16	Federated Mutual	1.19%	\$2,450,139	1.69%	\$9,594,808	(1.80%)
17	Safeco Insurance Group	1.12%	\$2,580,130	37.52%	\$9,017,042	23.18%
18	Hartford Fire & Casualty Group	1.04%	(\$138,860)	(111.56%)	\$8,384,790	(41.14%)
19	Texas Farm Bureau Mutual	0.93%	\$1,893,909	4.57%	\$7,497,022	5.67%
20	AXIS Capital Group	1.00%	\$962,485	(0.71%)	\$8,013,973	16.83%
21	ACE Ltd.	0.80%	\$196,116	(0.17%)	\$6,422,709	(17.39%)
22	American Modern Insurance Group	0.75%	\$1,537,607	14.54%	\$6,053,481	5.40%
23	EMC Insurance Company	0.59%	\$1,648,022	(8.19%)	\$4,764,702	(24.45%)
24	Central Mutual Insurance Company of Ohio	0.58%	\$1,330,884	6.11%	\$4,629,653	16.97%
25	WR Berkley Corp.	0.56%	\$1,059,340	26.80%	\$4,515,607	11.10%

Top 25 Groups Total	94.22%	\$177,409,665	10.10%	\$757,463,689	22.08%
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Total Market	100.00%	\$188,928,751	8.18%	\$804,071,638	20.85%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$121,765,027	144,529,151	\$87,595,818
2nd qtr 2002	\$142,072,436	147,304,541	\$101,597,550
3rd qtr 2002	\$142,288,616	173,299,909	\$50,900,077
4th qtr 2002	\$149,281,329	175,544,341	\$63,757,351
1st qtr 2003	\$150,575,522	150,510,180	\$52,417,619
2nd qtr 2003	\$149,459,207	154,045,193	\$73,322,891
3rd qtr 2003	\$156,429,967	166,651,464	\$85,200,157
4th qtr 2003	\$157,575,182	194,283,221	\$60,940,889
1st qtr 2004	\$134,224,476	144,604,148	\$86,505,791
2nd qtr 2004	\$139,660,137	143,999,941	\$44,266,295
3rd qtr 2004	\$149,274,509	158,633,773	\$64,946,351
4th qtr 2004	\$159,276,932	149,694,785	\$41,045,200
1st qtr 2005	\$131,595,520	140,498,795	\$39,127,065
2nd qtr 2005	\$142,548,701	166,400,075	\$97,172,178
3rd qtr 2005	\$126,386,251	159,953,424	\$92,935,446
4th qtr 2005	\$135,073,221	164,333,350	\$149,287,503
1st qtr 2006	\$142,987,428	174,639,020	\$182,333,401
2nd qtr 2006	\$183,247,499	210,583,956	\$195,511,527
3rd qtr 2006	\$170,261,627	213,754,706	\$169,009,779
4th qtr 2006	\$156,505,914	190,804,225	\$155,949,921
1st qtr 2007	\$165,001,924	188,928,751	\$107,548,662

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>
1995	97.1%
1996	49.9%
1997	38.3%
1998	57.4%
1999	53.1%
2000	81.9%
2001	107.7%
2002	55.8%
2003	48.9%
2004	32.4%
2005	109.7%
2006	39.7%

Commercial Multiple Peril

There were 77 groups, 192 companies, that had direct written premium for Commercial Multiple Peril in the first quarter of 2007, as compared to 80 groups, 194 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	Zurich Insurance Group	11.87%	\$49,436,117	9.39%	\$199,786,062	8.14%
2	St. Paul Travelers Group	11.09%	\$45,588,884	(4.76%)	\$186,644,142	0.93%
3	Hartford Fire & Casualty Group	9.26%	\$40,030,970	14.07%	\$155,888,258	19.76%
4	Chubb & Son Inc.	5.32%	\$23,015,548	3.75%	\$89,512,341	5.82%
5	Liberty Mutual Group	5.25%	\$15,838,056	(24.85%)	\$88,376,262	17.54%
6	CNA Insurance Group	5.13%	\$19,989,766	(9.69%)	\$86,376,535	(0.84%)
7	Safeco Insurance Group	4.19%	\$17,418,818	11.58%	\$70,624,132	12.32%
8	State Farm IL	4.16%	\$19,210,999	9.68%	\$70,043,804	6.06%
9	Nationwide Corp.	4.07%	\$18,074,228	37.42%	\$68,570,365	37.14%
10	ACE Ltd.	3.78%	\$12,652,530	75.84%	\$63,678,094	137.82%
11	Philadelphia Consolidated Holding Group	3.41%	\$14,932,019	28.60%	\$57,371,708	19.66%
12	Allianz Insurance Group	3.37%	\$13,102,903	14.01%	\$56,686,513	26.81%
13	Church Mutual Insurance Company	3.17%	\$18,320,517	18.96%	\$53,425,384	11.98%
14	WR Berkley Corp.	2.42%	\$10,131,766	(0.87%)	\$40,671,990	2.09%
15	Delek Group	2.10%	\$9,595,010	10.88%	\$35,323,403	10.08%
16	Amerisure Company	1.79%	\$7,708,594	6.86%	\$30,202,126	11.73%
17	Guideone Insurance Group	1.75%	\$8,070,420	(9.83%)	\$29,470,709	(4.73%)
18	Allstate Insurance Group	1.59%	\$5,733,018	(16.79%)	\$26,689,831	(9.06%)
19	Ohio Casualty Group	1.51%	\$6,298,073	(3.03%)	\$25,392,648	2.32%
20	Central Mutual Insurance Company Ohio	1.46%	\$6,732,446	11.44%	\$24,617,600	5.59%
21	Old Republic Group	1.30%	\$5,166,290	(28.94%)	\$21,905,366	(16.34%)
22	The Hanover Insurance Group	0.92%	\$3,732,834	(10.34%)	\$15,551,526	7.71%
23	American International Group	0.92%	\$2,814,206	(22.72%)	\$15,490,435	5.25%
24	American Financial Group	0.83%	\$4,325,035	(10.25%)	\$14,017,164	3.54%
25	American Hallmark Ins. Company of Texas	0.80%	\$2,451,828	(25.50%)	\$13,428,541	46.45%

Top 25 Groups Total	91.45%	\$380,370,875	4.73%	\$1,539,744,939	11.72%
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Total Market	100.00%	\$414,867,108	5.39%	\$1,683,737,023	11.79%
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QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$294,721,061	\$330,504,083	\$175,072,730
2nd qtr 2002	\$298,739,904	\$277,160,208	\$182,769,240
3rd qtr 2002	\$302,860,146	\$332,693,541	\$215,367,089
4th qtr 2002	\$325,691,823	\$343,217,776	\$159,953,409
1st qtr 2003	\$312,373,288	\$323,997,599	\$197,453,601
2nd qtr 2003	\$310,339,353	\$335,111,601	\$197,135,720
3rd qtr 2003	\$317,313,938	\$334,740,459	\$202,029,594
4th qtr 2003	\$322,146,304	\$375,868,718	\$173,532,706
1st qtr 2004	\$319,759,466	\$347,252,304	\$136,183,192
2nd qtr 2004	\$316,652,533	\$344,012,546	\$151,816,651
3rd qtr 2004	\$319,893,569	\$353,710,833	\$149,406,964
4th qtr 2004	\$413,998,130	\$364,497,009	\$147,217,410
1st qtr 2005	\$347,173,478	\$353,804,319	\$128,881,468
2nd qtr 2005	\$360,167,502	\$372,484,461	\$145,118,895
3rd qtr 2005	\$364,455,186	\$371,387,386	\$143,782,433
4th qtr 2005	\$348,682,107	\$368,645,363	\$242,997,366
1st qtr 2006	\$363,152,000	\$393,646,773	\$217,096,280
2nd qtr 2006	\$399,021,376	\$428,002,464	\$213,502,320
3rd qtr 2006	\$403,480,584	\$435,968,163	\$190,725,911
4th qtr 2006	\$385,264,510	\$404,899,288	\$192,586,790
1st qtr 2007	\$401,567,632	\$414,867,108	\$164,112,558

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>
1995	97.5%
1996	59.0%
1997	54.1%
1998	51.2%
1999	67.1%
2000	89.8%
2001	85.6%
2002	59.8%
2003	58.0%
2004	47.0%
2005	69.4%
2006	45.4%

Private Passenger Auto (All Companies, All Coverages)

There were 73 groups, 169 companies, that had direct written premium for Private Passenger Auto in the first quarter of 2007, as compared to 64 groups, 171 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2006	% Change 4 Qtrs Ending 2006 to 2007
1	State Farm IL	21.31%	\$636,723,648	(2.92%)	\$2,481,783,170	(0.98%)
2	Allstate Insurance Group	14.50%	\$429,541,220	(2.19%)	\$1,688,839,870	(1.28%)
3	Zurich Insurance Group	12.62%	\$382,040,009	1.96%	\$1,469,593,776	(0.20%)
4	Progressive Group	7.94%	\$242,079,407	(5.58%)	\$924,497,996	(4.85%)
5	Berkshire Hathaway	6.02%	\$195,304,633	13.64%	\$700,749,390	18.34%
6	United Services Automobile Assn. Group	5.42%	\$164,663,441	(3.72%)	\$631,520,987	1.51%
7	Old American County Mutual Fire Ins. Co.	3.68%	\$114,430,930	4.85%	\$428,896,286	(19.96%)
8	Southern Farm Bureau Casualty	3.30%	\$99,328,371	(0.69%)	\$384,780,904	0.26%
9	Nationwide Corp.	3.25%	\$98,483,334	(2.73%)	\$378,885,836	(3.26%)
10	Home State Insurance Group	2.66%	\$82,677,479	(6.39%)	\$309,350,794	(7.42%)
11	Titus Group	2.44%	\$77,973,032	14.87%	\$284,005,173	9.75%
12	Loya Group	1.91%	\$60,806,940	260.20%	\$221,861,246	*
13	Safeco Insurance Group	1.62%	\$49,456,353	0.58%	\$189,068,060	(4.51%)
14	Unitrin Group	1.52%	\$46,087,893	0.55%	\$177,458,593	13.93%
15	Liberty Mutual Group	1.35%	\$38,049,708	16.01%	\$156,805,812	8.95%
16	Delek Group	1.31%	\$39,113,561	12.78%	\$152,800,845	14.39%
17	Auto Club Enterprises Insurance Group	0.83%	\$24,847,849	18.50%	\$96,342,323	17.02%
18	American International Group	0.80%	(\$4,234,697)	(116.20%)	\$92,696,163	31.03%
19	Mercury General Group	0.76%	\$22,119,179	(12.63%)	\$88,631,074	(10.07%)
20	St. Paul Travelers Group	0.61%	\$17,955,976	(16.76%)	\$71,591,277	(18.42%)
21	Metropolitan Group	0.59%	\$19,257,554	21.80%	\$68,208,904	20.56%
22	Germania Insurance Group	0.54%	\$16,038,103	10.34%	\$62,521,180	10.35%
23	Sentry Insurance Group	0.49%	\$14,811,038	(7.33%)	\$57,500,238	(4.55%)
24	Amica Mutual Group	0.47%	\$13,549,875	14.93%	\$54,868,258	11.22%
25	State National Group	0.41%	\$13,928,748	(43.16%)	\$47,597,390	(49.76%)

Top 25 Groups Total	96.37%	\$2,895,033,584	0.12%	\$11,220,855,545	1.23%
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Total Market	100.00%	\$3,004,175,363	0.32%	\$11,643,790,865	1.53%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$2,868,833,850	\$2,672,814,060	\$1,679,834,023
2nd qtr 2002	\$2,825,505,496	\$2,591,123,687	\$1,896,294,072
3rd qtr 2002	\$3,001,045,878	\$2,749,095,031	\$1,679,170,055
4th qtr 2002	\$2,773,416,367	\$2,457,170,529	\$1,688,163,691
1st qtr 2003	\$3,100,617,381	\$2,924,121,925	\$1,602,582,885
2nd qtr 2003	\$2,916,379,355	\$2,741,087,516	\$2,098,762,515
3rd qtr 2003	\$3,087,789,849	\$2,926,507,123	\$1,682,022,598
4th qtr 2003	\$2,850,599,167	\$2,735,086,984	\$1,638,953,802
1st qtr 2004	\$3,144,326,853	\$3,007,086,941	\$1,804,166,491
2nd qtr 2004	\$2,947,729,931	\$2,792,861,085	\$1,606,658,907
3rd qtr 2004	\$3,119,399,801	\$2,956,845,728	\$1,604,332,880
4th qtr 2004	\$2,900,265,185	\$2,728,013,653	\$1,595,587,508
1st qtr 2005	\$3,103,271,206	\$2,974,668,675	\$1,563,989,740
2nd qtr 2005	\$2,936,532,493	\$2,765,341,841	\$1,884,963,993
3rd qtr 2005	\$3,105,148,346	\$2,989,589,211	\$1,675,759,014
4th qtr 2005	\$2,895,029,366	\$2,718,222,529	\$1,653,167,287
1st qtr 2006	\$3,237,304,011	\$2,994,701,190	\$1,685,075,447
2nd qtr 2006	\$3,010,331,321	\$2,813,716,206	\$1,819,021,713
3rd qtr 2006	\$3,204,799,983	\$3,003,761,280	\$1,675,272,115
4th qtr 2006	\$2,997,424,763	\$2,822,138,016	\$1,715,432,959
1st qtr 2007	\$3,189,044,551	\$3,004,175,363	\$1,741,312,826

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>
1995	72.3%
1996	62.9%
1997	58.7%
1998	60.8%
1999	66.6%
2000	74.9%
2001	78.2%
2002	66.8%
2003	67.6%
2004	54.4%
2005	58.4%
2006	58.5%

Private Passenger Auto (All Voluntary Liability)

There were 73 groups, 161 companies, that had voluntary liability (no assigned risk nor physical damage) direct written premium for Private Passenger Auto in the first quarter of 2007, as compared to 62 groups, 164 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	State Farm IL	20.66%	\$343,626,326	(4.62%)	\$1,343,668,771	(3.47%)
2	Allstate Insurance Group	14.21%	\$233,770,468	(1.96%)	\$924,102,873	(1.11%)
3	Zurich Insurance Group	12.84%	\$218,492,285	3.93%	\$835,202,788	4.75%
4	Progressive Group	7.58%	\$128,834,783	(7.46%)	\$493,009,147	(6.55%)
5	Berkshire Hathaway	5.98%	\$108,136,837	11.15%	\$388,678,488	15.55%
6	United Services Automobile Assn. Group	5.53%	\$93,696,027	(3.65%)	\$359,587,008	1.53%
7	Old American County Mutual Fire Ins. Co.	4.29%	\$71,526,126	1.39%	\$279,308,757	(20.18%)
8	Nationwide Corp.	3.25%	\$55,605,096	(1.92%)	\$211,447,370	(3.82%)
9	Southern Farm Bureau Casualty	3.08%	\$51,492,123	(2.19%)	\$200,273,024	(1.15%)
10	Home State Insurance Group	2.73%	\$47,077,275	(10.52%)	\$177,821,704	(8.66%)
11	Loya Group	2.37%	\$41,475,266	196.37%	\$154,256,936	*
12	Titus Group	2.21%	\$40,601,193	18.76%	\$144,024,536	15.42%
13	Safeco Insurance Group	1.57%	\$25,798,571	(8.07%)	\$101,915,015	(10.18%)
14	Unitrin Group	1.53%	\$25,718,700	(0.01%)	\$99,733,421	12.69%
15	Delek Group	1.39%	\$23,012,680	10.87%	\$90,491,301	16.50%
16	Liberty Mutual Group	1.34%	\$20,963,098	14.08%	\$87,219,848	8.13%
17	American International Group	0.80%	\$19,560,658	39.52%	\$51,977,203	32.77%
18	Auto Club Enterprises Insurance Group	0.78%	\$13,004,090	16.90%	\$50,566,635	17.53%
19	Mercury General Group	0.76%	\$12,433,012	(13.29%)	\$49,719,900	(10.71%)
20	St. Paul Travelers Group	0.63%	\$10,281,696	(17.42%)	\$41,011,430	(19.07%)
21	Sentry Insurance Group	0.60%	\$9,894,027	(13.70%)	\$38,965,666	(7.79%)
22	Metropolitan Group	0.59%	\$10,888,875	20.42%	\$38,675,859	20.31%
23	State National Group	0.52%	\$10,126,010	(48.30%)	\$33,976,208	(51.67%)
24	Amica Mutual Group	0.52%	\$8,316,536	13.65%	\$33,891,082	9.97%
25	Germania Insurance Group	0.50%	\$8,297,535	7.77%	\$32,619,808	8.02%

Top 25 Groups Total	96.28%	\$1,632,629,293	0.57%	\$6,262,144,778	0.96%
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Total Market	100.00%	\$1,695,277,918	0.67%	\$6,504,360,031	1.18%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$1,606,318,038	\$1,513,140,256	\$981,906,602
2nd qtr 2002	\$1,590,558,659	\$1,474,062,620	\$1,070,390,058
3rd qtr 2002	\$1,680,894,368	\$1,546,620,167	\$962,685,922
4th qtr 2002	\$1,554,205,465	\$1,364,681,127	\$949,408,579
1st qtr 2003	\$1,748,560,932	\$1,649,198,567	\$930,288,533
2nd qtr 2003	\$1,635,686,421	\$1,545,253,717	\$940,676,080
3rd qtr 2003	\$1,736,176,675	\$1,646,201,715	\$947,133,974
4th qtr 2003	\$1,597,308,702	\$1,540,237,588	\$949,002,521
1st qtr 2004	\$1,778,736,180	\$1,694,026,366	\$1,170,500,420
2nd qtr 2004	\$1,657,819,149	\$1,568,037,833	\$927,789,409
3rd qtr 2004	\$1,751,591,077	\$1,657,373,307	\$934,579,333
4th qtr 2004	\$1,645,319,107	\$1,553,468,955	\$951,410,649
1st qtr 2005	\$1,766,455,541	\$1,686,982,703	\$923,428,190
2nd qtr 2005	\$1,638,765,846	\$1,563,745,477	\$1,124,509,875
3rd qtr 2005	\$1,747,242,711	\$1,656,707,946	\$978,989,204
4th qtr 2005	\$1,636,150,324	\$1,524,298,123	\$936,367,719
1st qtr 2006	\$1,851,687,384	\$1,684,045,515	\$975,584,216
2nd qtr 2006	\$1,691,843,890	\$1,574,483,210	\$963,181,981
3rd qtr 2006	\$1,813,421,088	\$1,681,781,813	\$846,252,294
4th qtr 2006	\$1,689,436,358	\$1,552,817,090	\$985,427,753
1st qtr 2007	\$1,791,480,568	\$1,695,277,918	\$995,340,812

Private Passenger Auto (All Assigned Risk)

There were 14 groups, 16 companies, that had assigned risk (no voluntary liability nor physical damage) direct written premium for Private Passenger Auto in the first quarter of 2007, as compared to 15 groups, 17 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	State Farm IL	27.22%	\$610,674	(41.83%)	\$2,583,816	(33.09%)
2	Southern Farm Bureau Casualty	5.67%	\$135,285	(38.25%)	\$538,084	(30.01%)
3	White Mountains Group	20.58%	\$640,005	(32.45%)	\$1,953,160	(4.76%)
4	Allstate Insurance Group	12.93%	\$349,860	10.93%	\$1,227,723	(40.85%)
5	Zurich Insurance Group	11.80%	\$419,544	4.89%	\$1,120,246	(25.38%)
6	Berkshire Hathaway	4.72%	\$92,452	(24.76%)	\$448,392	(7.96%)
7	Kingsway Group	3.60%	\$213,972	3.03%	\$341,789	64.57%
8	Nationwide Corp.	3.32%	\$82,482	(51.35%)	\$315,329	(41.28%)
9	Home State Insurance Group	0.30%	(\$4,407)	(118.51%)	\$28,174	(93.73%)
10	St. Paul Travelers Group	1.26%	\$15,948	(73.00%)	\$119,657	(43.76%)
11	Liberty Mutual Group	1.52%	\$44,586	(2.75%)	\$144,509	(47.02%)
12	Safeco Insurance Group	1.30%	(\$16,790)	(124.45%)	\$122,989	(54.75%)
13	American International Group	4.65%	(\$5,309)	(102.78%)	\$441,871	(64.73%)
14	Mercury General Group	1.12%	\$32,041	7.43%	\$106,467	(9.46%)
15	Service Life Group	0.00%	\$0	*	\$240	(82.14%)

Top Groups Total	100.00%	\$2,610,343	(32.20%)	\$9,492,446	(32.52%)
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Total Market	100.00%	\$2,610,343	(32.20%)	\$9,492,446	(32.52%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$9,794,574	\$7,502,321	\$4,586,255
2nd qtr 2002	\$10,741,534	\$8,026,375	\$4,805,222
3rd qtr 2002	\$11,502,967	\$8,446,502	\$4,706,617
4th qtr 2002	\$11,768,796	\$8,289,878	\$5,585,323
1st qtr 2003	\$13,353,726	\$10,175,717	\$6,003,752
2nd qtr 2003	\$13,825,070	\$9,966,442	\$6,648,031
3rd qtr 2003	\$13,653,011	\$9,654,128	\$6,201,386
4th qtr 2003	\$12,535,481	\$8,767,404	\$6,042,045
1st qtr 2004	\$14,161,892	\$9,411,287	\$5,871,602
2nd qtr 2004	\$10,987,812	\$6,444,568	\$5,541,173
3rd qtr 2004	\$9,995,822	\$5,583,538	\$6,672,840
4th qtr 2004	\$7,198,957	\$4,860,681	\$4,665,648
1st qtr 2005	\$8,862,413	\$5,933,005	\$4,635,125
2nd qtr 2005	\$6,826,404	\$3,728,229	\$2,971,067
3rd qtr 2005	\$6,106,080	\$3,497,978	\$3,717,430
4th qtr 2005	\$5,558,905	\$2,991,348	\$3,120,298
1st qtr 2006	\$5,259,122	\$3,849,816	\$3,109,521
2nd qtr 2006	\$3,881,898	\$2,509,235	\$2,414,931
3rd qtr 2006	\$4,001,003	\$2,562,838	\$2,276,877
4th qtr 2006	\$3,221,996	\$1,810,030	\$2,517,631
1st qtr 2007	\$3,440,605	\$2,610,343	\$1,887,998

Private Passenger Auto (All Physical Damage)

There were 72 groups, 163 companies, that had physical damage (no voluntary liability nor assigned risk) direct written premium for Private Passenger Auto in the first quarter of 2007, as compared to 60 groups, 162 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR PRIVATE PASSENGER AUTO

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	State Farm IL	22.14%	\$292,486,648	(0.71%)	\$1,135,530,583	2.26%
2	Allstate Insurance Group	14.88%	\$195,420,892	(2.48%)	\$763,509,274	(1.37%)
3	Zurich Insurance Group	12.34%	\$163,128,180	(0.57%)	\$633,270,742	(6.00%)
4	Progressive Group	8.41%	\$113,244,624	(3.34%)	\$431,488,849	(2.83%)
5	Berkshire Hathaway	6.07%	\$87,075,344	16.95%	\$311,622,510	22.06%
6	United Services Automobile Assn. Group	5.30%	\$70,967,414	(3.82%)	\$271,933,979	1.49%
7	Southern Farm Bureau Casualty	3.59%	\$47,700,963	1.15%	\$183,969,796	1.97%
8	Nationwide Corp.	3.26%	\$42,795,756	(3.57%)	\$167,123,137	(2.42%)
9	Old American County Mutual Fire Ins. Co.	2.92%	\$42,904,804	11.17%	\$149,587,529	(19.54%)
10	Titus Group	2.73%	\$37,371,839	10.91%	\$139,980,637	4.48%
11	Home State Insurance Group	2.56%	\$35,604,611	(0.24%)	\$131,500,916	(5.40%)
12	Safeco Insurance Group	1.70%	\$23,674,572	12.52%	\$87,030,056	3.28%
13	Unitrin Group	1.52%	\$20,369,193	1.26%	\$77,725,172	15.55%
14	Liberty Mutual Group	1.35%	\$17,042,024	18.54%	\$69,441,455	10.24%
15	Loya Group	1.32%	\$19,331,674	569.57%	\$67,604,310	*
16	Delek Group	1.21%	\$16,100,881	15.62%	\$62,309,544	11.47%
17	Auto Club Enterprises Insurance Group	0.89%	\$11,843,759	20.31%	\$45,775,688	16.46%
18	American International Group	0.79%	(\$23,790,046)	(299.33%)	\$40,277,089	32.73%
19	Mercury General Group	0.76%	\$9,654,126	(11.83%)	\$38,804,707	(9.22%)
20	St. Paul Travelers Group	0.59%	\$7,658,332	(15.48%)	\$30,460,190	(17.37%)
21	Germania Insurance Group	0.58%	\$7,740,568	13.23%	\$29,901,372	13.01%
22	Metropolitan Group	0.58%	\$8,368,679	23.63%	\$29,533,045	20.88%
23	Amica Mutual Group	0.41%	\$5,233,339	17.03%	\$20,977,176	13.30%
24	Infinity Property & Casualty Insurance Group	0.39%	\$5,722,421	52.93%	\$19,889,768	61.58%
25	Hartford Fire & Casualty Group	0.36%	\$4,296,575	(19.11%)	\$18,539,826	(19.42%)

Top 25 Groups Total	96.64%	\$1,261,947,172	(0.26%)	\$4,957,787,350	1.94%
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Total Market	100.00%	\$1,306,287,102	(0.04%)	\$5,129,938,388	2.09%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$1,252,721,238	\$1,152,171,483	\$693,341,166
2nd qtr 2002	\$1,224,205,303	\$1,109,034,692	\$821,098,792
3rd qtr 2002	\$1,308,648,543	\$1,194,028,362	\$711,777,516
4th qtr 2002	\$1,207,442,106	\$1,084,199,524	\$733,169,789
1st qtr 2003	\$1,338,702,723	\$1,264,747,641	\$666,290,600
2nd qtr 2003	\$1,266,867,864	\$1,185,867,357	\$1,151,438,404
3rd qtr 2003	\$1,337,960,163	\$1,270,651,280	\$728,687,238
4th qtr 2003	\$1,240,754,984	\$1,186,081,992	\$683,909,236
1st qtr 2004	\$1,351,428,781	\$1,303,649,288	\$627,794,469
2nd qtr 2004	\$1,278,922,970	\$1,218,378,684	\$673,328,325
3rd qtr 2004	\$1,357,812,902	\$1,293,888,883	\$663,080,707
4th qtr 2004	\$1,247,747,121	\$1,169,684,017	\$639,511,211
1st qtr 2005	\$1,327,953,252	\$1,281,752,967	\$635,926,425
2nd qtr 2005	\$1,290,940,243	\$1,197,868,135	\$757,483,051
3rd qtr 2005	\$1,351,799,555	\$1,329,383,287	\$693,052,380
4th qtr 2005	\$1,253,320,137	\$1,190,933,058	\$713,679,270
1st qtr 2006	\$1,380,357,505	\$1,306,805,859	\$706,381,710
2nd qtr 2006	\$1,314,605,533	\$1,236,723,761	\$853,424,801
3rd qtr 2006	\$1,387,377,892	\$1,319,416,629	\$826,742,944
4th qtr 2006	\$1,304,766,409	\$1,267,510,896	\$727,487,575
1st qtr 2007	\$1,394,123,378	\$1,306,287,102	\$744,084,016

Homeowners Multiple Peril (All Companies)

There were 63 groups, 97 companies, that had premiums on policies written for Homeowners Multiple Peril (includes renters' insurance) in the first quarter of 2007, as compared to 65 groups, 98 companies, in the first quarter of 2006.

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 first quarter of 2007 to premiums on policies written in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR HOMEOWNERS MULTIPLE PERIL

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	State Farm IL	28.46%	\$307,331,835	5.81%	\$1,379,164,977	5.33%
2	Allstate Insurance Group	16.24%	\$162,921,371	14.67%	\$786,887,161	0.87%
3	Zurich Insurance Group	12.67%	\$138,533,996	13.47%	\$613,905,569	14.97%
4	United Services Automobile Assn. Group	7.65%	\$79,781,645	11.38%	\$370,817,727	10.38%
5	St. Paul Travelers Group	5.81%	\$63,349,050	1.88%	\$281,487,196	8.94%
6	Nationwide Corp.	4.10%	\$43,000,618	14.45%	\$198,559,835	9.11%
7	Texas Farm Bureau Mutual	2.74%	\$33,424,180	13.74%	\$132,574,743	16.68%
8	Chubb & Son Inc.	2.39%	\$25,544,945	(0.22%)	\$115,894,410	0.54%
9	Liberty Mutual Group	1.94%	\$20,615,574	10.90%	\$93,782,977	8.86%
10	Hartford Fire & Casualty Group	1.69%	\$18,163,610	41.25%	\$81,902,059	33.55%
11	Delek Group	1.50%	\$12,697,903	19.17%	\$72,868,534	50.13%
12	Safeco Insurance Group	1.40%	\$14,344,582	50.55%	\$67,745,793	43.56%
13	Texas Fair Plan Association	1.09%	\$14,482,116	50.78%	\$52,754,501	19.60%
14	NLASCO	1.04%	\$12,554,624	(1.86%)	\$50,200,587	(4.94%)
15	ARX Holding Corp. Group	1.03%	\$10,236,100	41.01%	\$50,135,269	43.81%
16	Amica Mutual Group	0.93%	\$9,159,147	(3.60%)	\$45,122,146	(2.22%)
17	Auto Club Enterprises Insurane Group	0.78%	\$8,651,712	20.12%	\$37,753,504	20.79%
18	Cypress Holdings Group	0.74%	\$8,011,593	12.69%	\$35,897,970	29.10%
19	Unitrin Group	0.71%	\$7,593,876	(7.11%)	\$34,318,391	(2.43%)
20	State National Group	0.61%	\$3,754,708	16.39%	\$29,704,178	255.44%
21	American National Financial Group	0.58%	\$5,705,941	(10.10%)	\$27,949,932	(13.22%)
22	Metropolitan Group	0.54%	\$5,592,007	26.31%	\$26,178,967	36.46%
23	Allianz Insurance Group	0.52%	\$5,136,956	(1.14%)	\$25,269,721	(0.24%)
24	Dallas General Group	0.49%	\$3,451,040	*	\$23,856,093	*
25	Colonial Savings Group	0.47%	\$5,236,431	24.20%	\$22,683,397	29.84%

Top 25 Groups Total	96.10%	\$1,019,275,560	11.07%	\$4,657,415,637	9.67%
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Total Market	100.00%	\$1,059,274,834	5.15%	\$4,846,375,233	5.37%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$1,014,695,847	\$937,862,631	\$877,653,109
2nd qtr 2002	\$1,332,392,207	\$1,199,465,123	\$1,230,023,431
3rd qtr 2002	\$1,315,122,445	\$1,170,560,367	\$1,032,308,999
4th qtr 2002	\$1,069,629,533	\$866,207,429	\$780,590,201
1st qtr 2003	\$1,076,518,514	\$955,798,410	\$592,842,440
2nd qtr 2003	\$1,394,667,461	\$1,234,667,479	\$1,265,565,377
3rd qtr 2003	\$1,363,295,561	\$1,229,850,588	\$656,718,201
4th qtr 2003	\$1,127,403,509	\$992,576,934	\$417,580,410
1st qtr 2004	\$1,054,104,798	\$957,201,670	\$342,798,690
2nd qtr 2004	\$1,321,221,143	\$1,211,261,069	\$404,637,138
3rd qtr 2004	\$1,353,624,923	\$1,223,961,659	\$429,572,002
4th qtr 2004	\$1,148,310,976	\$1,062,604,303	\$284,080,246
1st qtr 2005	\$1,080,593,528	\$999,413,785	\$279,275,465
2nd qtr 2005	\$1,360,884,551	\$1,253,169,617	\$445,858,432
3rd qtr 2005	\$1,369,785,140	\$1,254,536,726	\$348,938,521
4th qtr 2005	\$1,174,051,166	\$1,084,214,908	\$1,219,355,935
1st qtr 2006	\$1,128,452,630	\$1,007,367,516	\$584,031,392
2nd qtr 2006	\$1,394,547,262	\$1,278,875,097	\$592,083,806
3rd qtr 2006	\$1,552,505,276	\$1,428,599,429	\$410,738,798
4th qtr 2006	\$1,195,376,889	\$1,079,625,873	\$318,620,906
1st qtr 2007	\$1,165,290,553	\$1,059,274,834	\$332,002,283

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>
1995	92.6%
1996	59.4%
1997	45.3%
1998	45.4%
1999	50.7%
2000	82.4%
2001	115.4%
2002	108.7%
2003	58.7%
2004	27.8%
2006	56.8%
2006	34.0%

Workers' Compensation (All Companies)

There were 93 groups, 231 companies, that had direct written premium for Workers' Compensation in the first quarter of 2007, as compared to 85 groups, 227 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	Texas Mutual Insurance Company	26.76%	\$207,584,225	(1.94%)	\$738,989,605	2.73%
2	American International Group	16.50%	\$88,020,686	(8.19%)	\$455,834,486	24.22%
3	Liberty Mutual Group	8.80%	\$65,075,716	(38.75%)	\$242,920,912	(11.55%)
4	Zurich Insurance Group	7.49%	\$60,658,224	25.77%	\$206,993,351	2.81%
5	Hartford Fire & Casualty Group	6.68%	\$45,126,205	(11.74%)	\$184,566,106	(19.13%)
6	St. Paul Travelers Group	5.61%	\$39,159,174	13.47%	\$154,889,620	(1.26%)
7	ACE Ltd.	4.57%	\$47,582,277	62.45%	\$126,145,827	13.65%
8	CNA Insurance Group	2.81%	\$20,381,821	(13.13%)	\$77,602,531	(16.64%)
9	Old Republic Group	1.99%	\$12,651,586	(9.28%)	\$55,100,098	(8.51%)
10	Chubb & Son Inc.	1.86%	\$13,987,910	(0.23%)	\$51,353,875	1.22%
11	Service Life Group	1.64%	\$17,659,189	(7.43%)	\$45,171,626	(3.16%)
12	Amerisure Company	1.54%	\$9,530,061	(1.44%)	\$42,438,041	(2.84%)
13	Zenith National Insurance Group	1.40%	\$9,497,161	(5.91%)	\$38,687,177	5.04%
14	Amcomp Group	1.04%	\$8,761,592	0.16%	\$28,755,148	4.55%
15	Amerisafe Group	0.71%	\$4,315,749	12.92%	\$19,688,496	50.53%
16	Sentry Insurance Group	0.70%	\$6,140,396	20.17%	\$19,371,661	(14.09%)
17	Delek Group	0.68%	\$5,701,553	91.26%	\$18,653,957	50.25%
18	Fairfax Financial	0.45%	\$2,067,061	(14.39%)	\$12,377,400	(3.77%)
19	Federated Mutual	0.44%	\$3,226,176	7.85%	\$12,155,763	6.25%
20	Utica National Insurance Group	0.41%	\$2,867,954	(18.38%)	\$11,419,153	(8.66%)
21	WR Berkley Corp.	0.40%	\$2,631,670	(8.50%)	\$11,035,969	3.52%
22	AON Corp.	0.39%	\$102,537	(76.66%)	\$10,673,024	191.16%
23	Unitrin Group	0.37%	\$2,189,455	(3.27%)	\$10,311,393	0.44%
24	EMC Insurance Company	0.35%	\$1,814,732	(17.01%)	\$9,541,170	(9.51%)
25	Safeco Insurance Group	0.33%	\$2,674,506	22.11%	\$9,063,152	6.93%
Top 25 Groups Total		93.75%	\$679,407,616	(3.87%)	\$2,593,739,541	1.89%
Total Market		100.00%	\$728,037,240	(3.33%)	\$2,766,560,924	2.27%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$766,626,824	\$706,745,028	\$365,176,885
2nd qtr 2002	\$636,859,255	\$606,925,653	\$384,335,883
3rd qtr 2002	\$761,150,461	\$610,519,387	\$332,945,669
4th qtr 2002	\$679,826,862	\$651,098,886	\$431,854,746
1st qtr 2003	\$796,149,213	\$707,747,906	\$316,874,393
2nd qtr 2003	\$706,219,464	\$613,925,986	\$336,901,199
3rd qtr 2003	\$704,043,168	\$609,081,068	\$294,735,473
4th qtr 2003	\$707,896,917	\$660,639,744	\$243,790,651
1st qtr 2004	\$784,464,632	\$760,481,464	\$237,434,415
2nd qtr 2004	\$735,090,648	\$600,764,258	\$250,008,705
3rd qtr 2004	\$660,662,627	\$641,679,414	\$259,068,273
4th qtr 2004	\$677,655,366	\$637,502,857	\$208,172,067
1st qtr 2005	\$715,844,213	\$701,739,909	\$248,862,256
2nd qtr 2005	\$675,246,053	\$622,070,351	\$246,527,826
3rd qtr 2005	\$608,614,039	\$623,825,962	\$244,820,427
4th qtr 2005	\$653,492,954	\$706,051,732	\$213,953,112
1st qtr 2006	\$694,800,854	\$753,124,492	\$254,429,955
2nd qtr 2006	\$694,826,696	\$674,938,563	\$198,140,330
3rd qtr 2006	\$666,179,569	\$648,724,522	\$179,234,022
4th qtr 2006	\$670,753,243	\$714,860,599	\$201,918,096
1st qtr 2007	\$688,291,196	\$728,037,240	\$235,082,743

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>
1995	61.3%
1996	68.5%
1997	72.9%
1998	70.7%
1999	79.5%
2000	78.3%
2001	89.2%
2002	74.2%
2003	68.0%
2004	51.3%
2005	57.0%
2006	50.6%

Workers' Compensation (Voluntary Market)

There were 93 groups, 231 companies, that had voluntary direct written premium for Workers' Compensation in the first quarter of 2007, as compared to 85 groups, 227 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR WORKERS' COMPENSATION

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	Texas Mutual Insurance Company	26.60%	\$205,713,004	(1.81%)	\$733,033,440	2.93%
2	American International Group	16.54%	\$88,020,686	(8.19%)	\$455,834,486	24.22%
3	Liberty Mutual Group	8.81%	\$65,075,716	(38.75%)	\$242,920,912	(11.55%)
4	Zurich Insurance Group	7.51%	\$60,658,224	25.77%	\$206,993,351	2.81%
5	Hartford Fire & Casualty Group	6.70%	\$45,126,205	(11.74%)	\$184,566,106	(19.13%)
6	St. Paul Travelers Group	5.62%	\$39,159,174	13.47%	\$154,889,620	(1.26%)
7	ACE Ltd.	4.58%	\$47,582,277	62.45%	\$126,145,827	13.65%
8	CNA Insurance Group	2.82%	\$20,425,244	(12.94%)	\$77,645,954	(16.60%)
9	Old Republic Group	2.00%	\$12,651,586	(9.28%)	\$55,100,098	(8.51%)
10	Chubb & Son Inc.	1.86%	\$13,987,910	(0.23%)	\$51,353,875	1.22%
11	Service Life Group	1.64%	\$17,659,189	(7.43%)	\$45,171,626	(3.16%)
12	Amerisure Company	1.54%	\$9,530,061	(1.44%)	\$42,438,041	(2.84%)
13	Zenith National Insurance Group	1.40%	\$9,497,161	(5.91%)	\$38,687,177	5.04%
14	Amcomp Group	1.04%	\$8,761,592	0.16%	\$28,755,148	4.55%
15	Amerisafe Group	0.71%	\$4,315,749	12.92%	\$19,688,496	50.53%
16	Sentry Insurance Group	0.70%	\$6,140,396	20.17%	\$19,371,661	(14.09%)
17	Delek Group	0.68%	\$5,701,553	91.26%	\$18,653,957	50.25%
18	Fairfax Financial	0.45%	\$2,067,061	(14.39%)	\$12,377,400	(3.77%)
19	Federated Mutual	0.44%	\$3,226,176	7.85%	\$12,155,763	6.25%
20	Utica National Insurance Group	0.41%	\$2,867,954	(18.38%)	\$11,419,153	(8.66%)
21	WR Berkley Corp.	0.40%	\$2,631,670	(8.50%)	\$11,035,969	3.52%
22	AON Corp.	0.39%	\$102,537	(76.66%)	\$10,673,024	191.16%
23	Unitrin Group	0.37%	\$2,189,455	(3.27%)	\$10,311,393	0.44%
24	EMC Insurance Company	0.35%	\$1,814,732	(17.01%)	\$9,541,170	(9.51%)
25	Safeco Insurance Group	0.33%	\$2,674,506	22.11%	\$9,063,152	6.93%
Top 25 Groups Total		93.74%	\$677,579,818	(3.83%)	\$2,587,826,799	1.95%
Total Market		100.00%	\$726,209,442	(3.29%)	\$2,760,648,182	2.38%

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$755,250,563	\$696,980,465	\$355,755,245
2nd qtr 2002	\$629,517,339	\$599,681,728	\$374,773,029
3rd qtr 2002	\$754,654,609	\$604,474,384	\$323,727,575
4th qtr 2002	\$672,090,898	\$644,287,382	\$422,738,235
1st qtr 2003	\$789,303,161	\$702,878,917	\$312,423,735
2nd qtr 2003	\$698,820,581	\$607,330,529	\$332,424,290
3rd qtr 2003	\$697,425,752	\$605,434,822	\$290,359,509
4th qtr 2003	\$703,053,211	\$656,032,121	\$237,963,992
1st qtr 2004	\$775,143,328	\$751,980,050	\$235,457,643
2nd qtr 2004	\$730,500,348	\$595,579,582	\$246,761,999
3rd qtr 2004	\$657,718,545	\$640,473,143	\$251,277,710
4th qtr 2004	\$674,509,968	\$634,513,919	\$208,914,706
1st qtr 2005	\$712,653,851	\$699,498,680	\$245,859,536
2nd qtr 2005	\$672,084,966	\$620,520,059	\$245,070,604
3rd qtr 2005	\$606,964,507	\$620,411,714	\$242,926,580
4th qtr 2005	\$651,678,557	\$704,507,634	\$206,376,037
1st qtr 2006	\$692,527,666	\$750,940,446	\$252,870,063
2nd qtr 2006	\$692,414,073	\$672,738,070	\$196,644,999
3rd qtr 2006	\$665,177,777	\$647,216,297	\$177,407,261
4th qtr 2006	\$669,584,370	\$714,484,373	\$200,007,661
1st qtr 2007	\$685,992,911	\$726,209,442	\$233,474,051

Workers' Compensation (Residual Market)

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

For the four quarters ending with the first quarter of 2007, the START program reported \$5,956,165 in direct premiums written. This accounted for 100% of all Residual Market experience reported and was a decrease of (17.26%) over the same period one year prior. Of this amount \$1,871,221 was written in the first quarter of 2007 which was a (14.32%) decrease from the first quarter of 2006.

The balance of all Workers' Compensation (page 24) minus the Voluntary Market (page 26) minus Residual Market experience reported above is due to runoff business, including retro adjustments and policy audits, reported on policies written prior to and including 12/31/93.

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

QUARTERLY EXPERIENCE **All Groups**

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$11,376,261	\$9,764,563	\$9,421,640
2nd qtr 2002	\$7,341,916	\$7,243,925	\$9,562,854
3rd qtr 2002	\$6,495,852	\$6,045,003	\$9,218,094
4th qtr 2002	\$7,735,964	\$6,811,504	\$9,116,511
1st qtr 2003	\$6,846,052	\$4,868,989	\$4,450,658
2nd qtr 2003	\$7,398,883	\$6,595,457	\$4,476,909
3rd qtr 2003	\$6,617,416	\$3,646,246	\$4,375,964
4th qtr 2003	\$4,843,706	\$4,607,623	\$5,826,659
1st qtr 2004	\$9,321,304	\$8,501,414	\$1,976,772
2nd qtr 2004	\$4,590,300	\$5,184,676	\$3,246,706
3rd qtr 2004	\$2,944,082	\$1,206,271	\$7,790,563
4th qtr 2004	\$3,145,398	\$2,988,938	(\$742,639)
1st qtr 2005	\$3,190,362	\$2,241,229	\$3,002,720
2nd qtr 2005	\$3,161,087	\$1,550,292	\$1,457,222
3rd qtr 2005	\$1,649,532	\$3,414,248	\$1,893,847
4th qtr 2005	\$1,814,397	\$1,544,098	\$7,577,075
1st qtr 2006	\$2,273,188	\$2,184,046	\$1,559,892
2nd qtr 2006	\$2,412,623	\$2,200,493	\$1,495,331
3rd qtr 2006	\$1,001,792	\$1,508,225	\$1,826,761
4th qtr 2006	\$1,168,873	\$376,226	\$1,910,435
1st qtr 2007	\$2,298,285	\$1,827,798	\$1,608,692

QUARTERLY EXPERIENCE
Texas Mutual Insurance Company

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$11,376,261	\$9,737,212	\$1,479,063
2nd qtr 2002	\$7,341,916	\$7,147,894	\$2,001,118
3rd qtr 2002	\$6,495,852	\$5,992,338	\$1,844,449
4th qtr 2002	\$7,735,964	\$6,597,702	\$2,346,245
1st qtr 2003	\$6,846,052	\$4,852,376	\$2,079,484
2nd qtr 2003	\$7,398,883	\$6,594,934	\$1,622,476
3rd qtr 2003	\$6,617,416	\$3,646,246	\$2,084,985
4th qtr 2003	\$4,843,706	\$4,607,100	\$2,093,003
1st qtr 2004	\$9,321,304	\$8,501,414	\$1,988,494
2nd qtr 2004	\$4,590,300	\$5,184,676	\$1,904,942
3rd qtr 2004	\$2,944,082	\$1,206,271	\$2,186,906
4th qtr 2004	\$3,145,398	\$2,988,938	\$1,625,440
1st qtr 2005	\$3,190,362	\$2,241,229	\$1,856,570
2nd qtr 2005	\$3,161,087	\$1,550,292	\$2,205,266
3rd qtr 2005	\$1,649,532	\$1,920,420	\$2,068,334
4th qtr 2005	\$1,814,397	\$1,544,098	\$1,682,701
1st qtr 2006	\$2,273,188	\$2,184,046	\$1,916,106
2nd qtr 2006	\$2,412,623	\$2,200,493	\$1,504,557
3rd qtr 2006	\$1,001,792	\$1,508,225	\$1,356,660
4th qtr 2006	\$1,168,873	\$376,226	\$1,253,731
1st qtr 2007	\$2,298,285	\$1,871,221	\$1,092,585

Workers' Compensation (Deductible Plans)

There were 93 groups, 231 companies which wrote voluntary policies for Workers' Compensation in the first quarter of 2007, as compared to 85 groups, 227 companies in the first quarter of 2006.

The data contained in the following table represents direct policies written as new or renewal policies in the first quarter of 2007. 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 31. 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 1st Qtr 2007	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	77	\$499,307	\$437,496	12.38%
Premium of \$10,000 - \$24,999	93	\$1,526,900	\$1,325,595	13.18%
Premium of \$25,000 - \$49,999	62	\$2,269,048	\$1,950,923	14.02%
Premium of \$50,000 - \$74,999	23	\$1,393,520	\$1,148,471	17.58%
Premium of \$75,000 - \$100,000	21	\$1,998,453	\$1,649,239	17.47%
Total Per Accident Plan	276	\$7,687,228	\$6,511,724	15.29%
Aggregate Deductible Plan				
Premium of \$5,000 - \$9,999	13	\$94,439	\$81,298	13.91%
Premium of \$10,000 - \$24,999	34	\$550,061	\$476,120	13.44%
Premium of \$25,000 - \$49,999	14	\$465,547	\$380,014	18.37%
Premium of \$50,000 - \$74,999	8	\$469,835	\$374,210	20.35%
Premium of \$75,000 - \$100,000	7	\$664,647	\$527,742	20.60%
Total Aggregate Plan	76	\$2,244,529	\$1,839,384	18.05%
Per Accident/Aggregate Combination Deductible Plan				
Premium of \$5,000 - \$9,999	10	\$211,789	\$177,381	16.25%
Premium of \$10,000 - \$24,999	10	\$167,268	\$129,535	22.56%
Premium of \$25,000 - \$49,999	3	\$98,737	\$82,180	16.77%
Premium of \$50,000 - \$74,999	1	\$56,751	\$52,566	7.37%
Premium of \$75,000 - \$100,000	3	\$285,075	\$186,919	34.43%
Total Combination Plan	27	\$819,620	\$628,581	23.31%
Negotiated Deductible Plan				
Premium Up To \$100,000	1,251	\$20,135,786	\$7,242,950	64.03%
Premium of \$100,001 - \$150,000	90	\$11,280,016	\$4,379,874	61.17%
Premium of \$150,001 - \$250,000	114	\$22,631,943	\$6,721,244	70.30%
Premium of \$250,001 - \$350,000	60	\$18,087,653	\$5,104,513	71.78%
Premium of \$350,001 - \$500,000	73	\$30,548,778	\$8,477,848	72.25%
Premium of \$500,001 - \$750,000	71	\$43,343,863	\$10,683,476	75.35%
Premium of \$750,001 - \$1,000,000	40	\$34,252,446	\$8,343,191	75.64%
Premium of \$1,000,001 - \$2,500,000	73	\$117,320,277	\$23,897,603	79.63%
Premium of \$2,500,001 - \$5,000,000	20	\$66,288,027	\$13,298,889	79.94%
Premium of \$5,000,001 and above	5	\$39,296,063	\$11,761,740	70.07%
Total Negotiated Plan	1,797	\$403,184,851	\$99,911,327	75.22%
No Deductible Plan				
Premium Less Than \$5,000	25,108	\$42,336,054	\$42,336,054	0.00%
Premium of \$5,000 - \$9,999	5,923	\$41,746,072	\$41,746,072	0.00%
Premium of \$10,000 - \$24,999	5,012	\$79,472,540	\$79,472,540	0.00%
Premium of \$25,000 - \$49,999	2,146	\$75,112,143	\$75,112,143	0.00%
Premium of \$50,000 - \$74,999	759	\$46,218,472	\$46,218,472	0.00%
Premium of \$75,000 - \$100,000	397	\$34,410,373	\$34,410,373	0.00%
Premium Greater Than \$100,000	970	\$257,806,241	\$257,806,241	0.00%
Total No Deductible Plan	40,314	\$577,101,896	\$577,101,896	0.00%
TOTAL	42,490	\$991,038,124	\$685,992,912	30.78%

Boiler & Machinery

There were 39 groups, 94 companies, that had direct written premium for Boiler & Machinery in the first quarter of 2007, as compared to 38 groups, 89 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR BOILER & MACHINERY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	FM Global Group	31.36%	\$5,117,639	21.21%	\$25,775,840	28.03%
2	American International Group	15.65%	\$2,956,384	41.62%	\$12,862,695	12.66%
3	St. Paul Travelers Group	12.61%	\$2,318,097	(21.84%)	\$10,365,821	(4.44%)
4	Zurich Insurance Group	9.16%	\$1,850,687	9.40%	\$7,527,385	13.40%
5	Chubb & Son Inc.	7.80%	\$1,263,155	(13.81%)	\$6,412,288	(4.53%)
6	Liberty Mutual Group	5.62%	\$717,029	8.88%	\$4,622,636	16.39%
7	CNA Insurance Group	4.96%	\$974,475	36.06%	\$4,076,643	1.24%
8	XLAmerica	2.11%	\$1,843,350	728.96%	\$1,734,567	217.27%
9	Allianz Insurance Group	1.82%	\$532,514	(10.93%)	\$1,495,699	(15.80%)
10	Central Mutual Insurance Company of Ohio	1.36%	\$286,025	1.27%	\$1,121,990	23.31%
11	Nationwide Corp.	1.14%	\$266,603	63.71%	\$941,119	61.57%
12	Federated Mutual	1.00%	\$218,019	2.39%	\$824,458	(4.29%)
13	Swiss Re Group	0.86%	\$227,006	26.17%	\$709,098	41.38%
14	EMC Insurance Company	0.65%	\$145,648	11.10%	\$535,397	12.47%
15	American Financial Group	0.62%	\$299,380	2.40%	\$512,369	30.44%
16	Millea Holdings Inc	0.56%	\$103,556	(8.85%)	\$457,619	52.66%
17	Triangle Insurance Company Inc.	0.49%	\$7,430	(67.77%)	\$402,448	22.57%
18	Allstate Insurance Group	0.35%	\$71,478	(2.84%)	\$286,887	(10.60%)
19	United Fire & Casualty Group	0.33%	\$60,682	22.97%	\$270,480	33.11%
20	AXIS Capital Group	0.21%	\$0	(100.00%)	\$174,125	(8.94%)
21	Hartford Fire & Casualty Group	0.20%	\$30,513	(33.58%)	\$166,680	9.97%
22	Safeco Insurance Group	0.19%	\$51,670	64.22%	\$160,060	408.72%
23	Bancinsure Inc.	0.18%	\$57,136	7.80%	\$145,953	6.17%
24	Hannover Group	0.17%	\$54,281	*	\$138,652	27.81%
25	Lumbermen's Underwriting Alliance	0.15%	\$10,680	(30.71%)	\$121,372	27.24%

Top 25 Groups Total	99.56%	\$19,463,437	19.22%	\$81,842,281	14.20%
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Total Market	100.00%	\$19,521,749	19.11%	\$82,202,932	14.26%
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$14,135,435	\$18,237,147	\$3,762,748
2nd qtr 2002	\$23,340,551	\$21,437,169	\$3,650,728
3rd qtr 2002	\$18,658,119	\$24,062,071	\$10,173,007
4th qtr 2002	\$33,136,501	\$18,433,282	\$7,566,513
1st qtr 2003	\$17,637,255	\$19,160,434	\$2,609,649
2nd qtr 2003	\$18,174,135	\$19,667,485	\$2,628,907
3rd qtr 2003	\$16,781,415	\$18,589,775	\$21,170,824
4th qtr 2003	\$16,973,598	\$18,739,582	\$4,007,116
1st qtr 2004	\$15,243,995	\$16,259,983	\$1,988,536
2nd qtr 2004	\$15,247,946	\$16,327,909	\$17,676,387
3rd qtr 2004	\$16,318,317	\$19,417,778	\$4,121,378
4th qtr 2004	\$17,604,771	\$14,452,601	\$15,415,284
1st qtr 2005	\$14,222,180	\$15,291,463	\$1,454,857
2nd qtr 2005	\$14,320,385	\$16,667,555	\$4,596,582
3rd qtr 2005	\$15,899,068	\$20,779,919	\$1,553,656
4th qtr 2005	\$14,395,254	\$18,108,727	\$2,876,379
1st qtr 2006	\$14,240,688	\$16,389,717	\$2,942,034
2nd qtr 2006	\$15,116,521	\$18,416,711	\$2,632,101
3rd qtr 2006	\$16,244,883	\$27,145,816	\$4,561,400
4th qtr 2006	\$15,565,571	\$17,118,656	\$42,723,542
1st qtr 2007	\$14,648,381	\$19,521,749	\$2,055,206

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>
1995	43.4%
1996	71.1%
1997	74.2%
1998	39.2%
1999	186.8%
2000	53.4%
2001	66.9%
2002	12.3%
2003	65.8%
2004	5.6%
2005	31.8%
2006	107.3%

Commercial Crime

There were 32 groups, 69 companies, that had direct written premium for Commercial Crime in the first quarter of 2007, as compared to 35 groups, 75 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL CRIME

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	St. Paul Travelers Group	22.99%	\$432,798	18.93%	\$1,719,775	(0.10%)
2	Chubb & Son Inc.	21.03%	\$322,810	43.18%	\$1,573,007	6.15%
3	American International Group	12.13%	\$157,043	(17.50%)	\$907,621	73.08%
4	Hartford Fire & Casualty Group	11.42%	\$143,877	(34.49%)	\$853,967	(2.46%)
5	Zurich Insurance Group	11.32%	\$82,496	(77.72%)	\$846,737	(28.24%)
6	CNA Insurance Group	10.21%	\$270,695	33.01%	\$764,142	55.42%
7	Nationwide Corp.	2.16%	\$24,728	86.18%	\$161,872	110.95%
8	Sentry Insurance Group	1.29%	\$29,358	(5.15%)	\$96,249	(1.26%)
9	ACE Ltd.	1.23%	\$15,270	17.88%	\$92,092	25.34%
10	United Fire & Casualty Group	1.13%	\$7,333	(48.27%)	\$84,756	(0.98%)
11	Federated Mutual	1.10%	\$18,569	(21.31%)	\$81,991	13.01%
12	XL America	0.67%	\$5,392	(44.77%)	\$49,963	29.43%
13	Liberty Mutual Group	0.62%	\$23,057	(7.78%)	\$46,293	(36.99%)
14	American Financial Group	0.61%	\$16,660	85.94%	\$45,408	(4.36%)
15	Allstate Insurance Group	0.47%	\$7,967	(16.60%)	\$34,961	(12.92%)
16	Harco National Insurance Company	0.35%	\$6,838	26.35%	\$26,315	(26.43%)
17	Benchmark Insurance Company	0.31%	\$0	(100.00%)	\$23,560	(13.72%)
18	Central Mutual Insurance Company of Ohio	0.20%	\$13,524	84.93%	\$15,093	7.66%
19	EMC Insurance Company	0.19%	\$2,062	(11.99%)	\$14,302	(13.79%)
20	North Pointe Holdings Corp. Group	0.16%	\$9,342	141.46%	\$12,036	44.18%
21	Safeco Insurance Group	0.16%	\$2,714	(26.33%)	\$11,924	(1.74%)
22	Motorists Mutual	0.10%	\$0	*	\$7,763	(42.46%)
23	WR Berkley Corp.	0.09%	\$450	(79.30%)	\$6,910	36.51%
24	Federated Rural Electric Insurance Exchange	0.06%	\$2,160	(22.50%)	\$4,320	(28.32%)
25	Daimler Chrysler Group	0.05%	\$0	*	\$3,570	216.49%

Top 25 Groups Total	**100.05%	\$1,595,143	(9.34%)	\$7,484,627	6.61%
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Total Market	100.00%	\$1,599,479	(10.30%)	\$7,480,822	5.86%
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*Premiums from prior reporting period were \$0, less than \$0, or negligible.

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$2,403,953	\$2,309,009	(\$134,651)
2nd qtr 2002	\$1,546,219	\$2,030,210	\$280,434
3rd qtr 2002	\$1,341,198	\$1,529,291	\$214,282
4th qtr 2002	\$1,616,520	\$1,782,790	\$419,686
1st qtr 2003	\$1,428,028	\$1,478,357	\$220,185
2nd qtr 2003	\$1,811,097	\$1,968,234	\$77,561
3rd qtr 2003	\$1,455,764	\$1,970,424	\$201,681
4th qtr 2003	\$1,485,574	\$1,867,930	\$424,135
1st qtr 2004	\$3,342,749	\$1,749,368	\$376,949
2nd qtr 2004	\$1,898,917	\$2,170,364	\$48,845
3rd qtr 2004	\$1,415,602	\$2,690,230	\$368,517
4th qtr 2004	\$1,836,630	\$2,046,419	\$15,145
1st qtr 2005	\$1,442,287	\$1,808,358	\$866,393
2nd qtr 2005	\$1,853,047	\$1,575,124	\$92,132
3rd qtr 2005	\$1,338,039	\$1,915,433	\$1,290,472
4th qtr 2005	\$1,468,162	\$1,793,090	\$364,705
1st qtr 2006	\$1,510,779	\$1,783,082	\$145,432
2nd qtr 2006	\$1,871,268	\$2,219,675	\$176,223
3rd qtr 2006	\$1,408,410	\$2,021,389	\$273,795
4th qtr 2006	\$1,279,076	\$1,640,653	\$130,086
1st qtr 2007	\$1,169,130	\$1,599,479	\$34,643

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>
1995	16.1%
1996	19.4%
1997	13.2%
1998	13.3%
1999	19.6%
2000	21.2%
2001	34.7%
2002	16.3%
2003	27.1%
2004	20.4%
2005	15.3%
2006	16.9%

Commercial Glass

There were 5 groups, 6 companies, that had direct written premium for Commercial Glass in the first quarter of 2007, as compared to 6 groups, 8 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR COMMERCIAL GLASS

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	Motorists Mutual	27.49%	\$0	*	\$11,049	*
2	Ohio Casualty Group	24.52%	\$1,085	(27.62%)	\$9,857	(11.26%)
3	Federated Mutual	15.53%	\$956	(11.48%)	\$6,242	2.34%
4	Usplate Glass Insurance Company	10.99%	\$0	*	\$4,418	*
5	North Pointe Holdings Corp. Group	9.64%	(\$43)	*	\$3,876	*
6	Zurich Insurance Group	6.84%	\$0	(100.00%)	\$2,751	(93.92%)
7	State Farm IL	3.61%	\$124	0.00%	\$1,450	0.00%
8	St. Paul Travelers Group	1.00%	\$0	*	\$400	(13.04%)
9	United Fire & Casualty Group	0.50%	\$0	*	\$200	(1.96%)
10	Liberty Mutual Group	0.13%	\$22	(99.47%)	\$54	(98.99%)
11	Unitrin Group	(0.25%)	\$0	(100.00%)	(\$101)	(101.03%)

Top Groups Total	100.00%	\$2,144	(89.03%)	\$40,196	(49.41%)
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Total Market	100.00%	\$2,144	(89.03%)	\$40,196	(49.41%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$125,940	\$85,995	\$10,470
2nd qtr 2002	\$132,904	\$84,391	(\$191,664)
3rd qtr 2002	\$106,180	\$69,425	\$9,409
4th qtr 2002	\$118,781	\$87,929	\$17,945
1st qtr 2003	\$94,109	\$65,760	\$8,488
2nd qtr 2003	\$81,840	\$62,094	\$13,141
3rd qtr 2003	\$76,628	\$50,084	\$14,061
4th qtr 2003	\$112,205	\$55,552	\$7,445
1st qtr 2004	\$97,082	\$52,661	\$20,377
2nd qtr 2004	\$523,945	\$478,848	\$4,143
3rd qtr 2004	\$81,140	\$41,301	\$3,214
4th qtr 2004	\$81,385	\$32,903	\$6,261
1st qtr 2005	\$70,950	\$31,593	\$2,910
2nd qtr 2005	\$21,527	\$29,140	\$1,326
3rd qtr 2005	\$11,819	\$16,019	(\$1,360)
4th qtr 2005	\$18,836	\$14,753	\$1,334
1st qtr 2006	\$29,364	\$19,549	\$349
2nd qtr 2006	\$19,311	\$11,128	\$330
3rd qtr 2006	\$16,290	\$12,377	\$3,903
4th qtr 2006	\$22,315	\$14,547	\$0
1st qtr 2007	\$9,400	\$2,144	\$734

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>
1995	32.9%
1996	23.7%
1997	31.2%*
1998	56.3%
1999	60.9%
2000	98.9%
2001	155.0%
2002	63.6%
2003	59.5%
2004	40.7%
2005	56.7%
2006	42.4%

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

Medical Professional Liability

There were 32 groups, 40 companies, that had direct written premium for Medical Professional Liability (includes regulated and non-rate-regulated companies) in the first quarter of 2007, as compared to 30 groups, 38 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MEDICAL PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	GE Global Group	24.07%	\$14,586,846	(27.85%)	\$68,114,350	(22.08%)
2	American Physicians Ins. Exchange	22.19%	\$15,465,598	(10.80%)	\$62,796,739	(6.19%)
3	Advocate, MD Ins. Of The Southwest Inc.	7.74%	\$3,303,356	4.31%	\$21,916,560	20.73%
4	Texas Medical Liability Underwriting Assoc.	7.08%	\$4,873,418	(34.77%)	\$20,039,796	(53.88%)
5	Doctors Company Group	5.73%	\$6,404,580	3.29%	\$16,215,683	(27.66%)
6	Health Care Indemnity Inc.	4.93%	\$9,585,555	(87.80%)	\$13,946,531	(82.84%)
7	Everest Reinsurance Holding Inc.	2.89%	\$2,183,508	131.85%	\$8,178,023	17.26%
8	Texas Hospital Insurance Exchange	2.71%	\$1,130,643	(2.53%)	\$7,669,107	3.09%
9	Preferred Professional Insurance Company	2.36%	\$2,756,665	(15.79%)	\$6,685,227	(22.51%)
10	Allianz Insurance Group	2.32%	\$1,481,303	16.26%	\$6,577,971	2.35%
11	CNA Insurance Group	2.12%	\$2,009,779	36.84%	\$5,991,547	(9.31%)
12	American International Group	2.01%	\$1,045,599	(23.33%)	\$5,675,597	(6.51%)
13	PICA Group	1.97%	\$1,349,076	(5.35%)	\$5,584,740	(1.07%)
14	ProAssurance Corp. Group	1.92%	\$73,471	(82.33%)	\$5,427,244	(11.86%)
15	Texas Medical Insurance Company	1.63%	\$1,221,009	30.79%	\$4,625,718	9.25%
16	NCMIC Group	1.54%	\$1,393,277	(3.16%)	\$4,359,000	(4.91%)
17	National Group	1.29%	\$503,770	35.13%	\$3,663,096	19.34%
18	ACE Ltd.	1.06%	\$722,069	(1.70%)	\$3,007,258	(1.70%)
19	Alleghany Group	0.89%	\$477,024	(31.99%)	\$2,524,576	(17.28%)
20	Medical Liability Insurance Co. of America	0.89%	\$366,326	(58.80%)	\$2,513,771	(31.30%)
21	FPIC Insurance Group Inc.	0.80%	\$463,158	(64.91%)	\$2,272,705	(48.77%)
22	Munich American Holding Corp.	0.57%	\$291,578	57.90%	\$1,616,759	12.58%
23	Zurich Insurance Group	0.41%	\$0	*	\$1,163,485	(29.30%)
24	Medicus Insurance Company	0.31%	\$891,055	*	\$891,055	*
25	Nationwide Corp.	0.21%	\$87,839	(0.91%)	\$592,427	30.01%

Top 25 Groups Total	99.67%	\$72,666,502	(51.85%)	\$282,048,965	(30.05%)
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Total Market	100.00%	\$72,935,402	(51.72%)	\$282,985,606	(29.99%)
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* Premiums from prior reporting period were \$0, less than \$0, or negligible.

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$187,765,477	\$194,494,874	\$61,414,577
2nd qtr 2002	\$66,087,372	\$78,286,136	\$79,470,717
3rd qtr 2002	\$117,743,019	\$132,910,095	\$65,631,228
4th qtr 2002	\$85,911,427	\$79,470,653	\$95,769,104
1st qtr 2003	\$227,003,710	\$244,370,356	\$45,576,971
2nd qtr 2003	\$93,947,674	\$88,666,548	\$55,106,913
3rd qtr 2003	\$126,579,512	\$135,323,248	\$57,388,785
4th qtr 2003	\$71,752,834	\$82,927,387	\$93,075,549
1st qtr 2004	\$193,451,843	\$205,340,648	\$41,830,082
2nd qtr 2004	\$82,158,142	\$72,023,021	\$49,479,085
3rd qtr 2004	\$115,940,146	\$103,495,609	\$64,828,248
4th qtr 2004	\$74,360,976	\$64,923,197	\$72,244,880
1st qtr 2005	\$167,300,880	\$177,538,015	\$42,747,053
2nd qtr 2005	\$67,243,302	\$76,862,860	\$41,556,716
3rd qtr 2005	\$103,894,380	\$106,955,899	\$40,278,667
4th qtr 2005	\$60,662,829	\$69,326,700	\$38,064,317
1st qtr 2006	\$150,569,921	\$151,061,293	\$29,286,855
2nd qtr 2006	\$59,661,846	\$68,936,624	\$34,070,598
3rd qtr 2006	\$81,786,940	\$99,218,773	\$26,284,732
4th qtr 2006	\$48,930,307	\$41,894,807	\$21,096,372
1st qtr 2007	\$68,656,804	\$72,935,402	\$20,225,813

EARNED TO INCURRED LOSS RATIO BY YEAR

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

Year	Loss Ratio
1995	87.7%
1996	80.1%
1997	69.2%
1998	90.5%
1999	98.1%
2000	98.3%
2001	91.2%
2002	79.1%
2003	80.3%
2004	44.8%
2005	31.0%
2006	20.3%

Miscellaneous Professional Liability

There were 31 groups, 63 companies, that had direct written premium for Miscellaneous Professional Liability in the first quarter of 2007, as compared to 26 groups, 58 companies, in the first quarter of 2006.

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 first quarter of 2007 to direct written premium in the first quarter of 2006 for the same groups.

DIRECT PREMIUMS WRITTEN MARKET SHARE FOR MISC. PROFESSIONAL LIABILITY

4 Qtrs Rank	Group Name	Market Share (4 Qtrs)	Written 1st Quarter 2007	% Change 1st Quarter 2006 to 2007	4 Quarters Ending 1st Qtr 2007	% Change 4 Qtrs Ending 2006 to 2007
1	Chubb & Son Inc.	23.54%	\$18,586,874	8.83%	\$92,375,966	(0.98%)
2	XL America	19.82%	\$15,981,663	(0.73%)	\$77,754,145	(3.61%)
3	Hartford Fire & Casualty Group	12.79%	\$6,920,672	2.18%	\$50,193,272	6.91%
4	St. Paul Travelers Group	12.12%	\$10,679,881	(13.24%)	\$47,556,295	(6.99%)
5	HCC Insurance Holdings Group	8.90%	\$4,584,791	(4.62%)	\$34,923,244	(5.64%)
6	ACE Ltd.	6.84%	\$6,553,894	20.89%	\$26,822,032	37.27%
7	Swiss Re Group	3.50%	\$5,372,531	*	\$13,718,993	109.05%
8	RLI Insurance Group	3.36%	\$2,232,450	(12.88%)	\$13,186,229	1.32%
9	Nationwide Corp.	1.24%	\$1,035,566	10.69%	\$4,884,183	12.33%
10	CNA Insurance Group	1.17%	\$1,505,061	*	\$4,590,466	*
11	Allianz Insurance Group	1.06%	\$808,425	120.11%	\$4,160,550	(22.05%)
12	Old Republic Group	1.04%	\$711,676	19.09%	\$4,068,228	44.72%
13	Berkshire Hathaway	0.68%	\$643,255	(33.36%)	\$2,648,752	(45.04%)
14	Liberty Mutual Group	0.65%	\$393,415	(26.54%)	\$2,546,982	38.78%
15	Arch Insurance Group	0.54%	\$0	(100.00%)	\$2,108,558	303.67%
16	Markel Corp. Group	0.46%	\$540,266	(4.92%)	\$1,821,995	(20.13%)
17	American Financial Group	0.44%	\$1,730,949	*	\$1,730,949	*
18	United National Group	0.38%	\$1,201,459	100.39%	\$1,491,283	(53.01%)
19	Utica National Insurance Group	0.33%	\$483,891	13.61%	\$1,280,982	2.12%
20	AETNA	0.29%	\$1,146,921	4.95%	\$1,146,921	4.95%
21	Navigators Group Inc.	0.22%	\$0	*	\$847,394	(45.26%)
22	State National Group	0.15%	\$301,715	*	\$595,383	842.88%
23	Alleghany Grp	0.10%	\$132,888	*	\$392,588	*
24	Safeco Insurance Group	0.09%	\$157,501	*	\$349,339	*
25	Fairfax Financial	0.06%	\$0	*	\$252,740	*
Top 25 Groups Total		99.77%	\$81,705,744	13.98%	\$391,447,469	3.76%
Total Market		100.00%	\$81,962,039	13.91%	\$392,341,023	3.36%

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

QUARTERLY EXPERIENCE

Reporting Period	Premiums on Policies Written	Direct Written Premium	Direct Losses Paid
1st qtr 2002	\$44,193,075	\$38,539,396	\$21,611,170
2nd qtr 2002	\$45,639,859	\$50,579,721	\$31,951,912
3rd qtr 2002	\$44,287,561	\$46,129,965	\$32,132,723
4th qtr 2002	\$39,794,746	\$40,468,853	\$24,789,968
1st qtr 2003	\$65,301,029	\$64,300,341	\$23,052,586
2nd qtr 2003	\$72,527,779	\$84,367,349	\$41,720,752
3rd qtr 2003	\$78,673,242	\$80,572,101	\$73,006,385
4th qtr 2003	\$72,099,487	\$78,115,601	\$15,837,639
1st qtr 2004	\$78,583,973	\$78,663,654	\$19,091,166
2nd qtr 2004	\$79,027,029	\$80,952,491	\$25,411,999
3rd qtr 2004	\$88,221,507	\$84,958,945	\$12,873,254
4th qtr 2004	\$70,978,554	\$75,843,090	\$1,731,964
1st qtr 2005	\$62,933,404	\$65,015,052	\$112,729,581
2nd qtr 2005	\$105,738,944	\$102,001,411	\$29,708,476
3rd qtr 2005	\$109,824,539	\$108,786,798	\$19,339,409
4th qtr 2005	\$92,079,636	\$96,843,121	\$52,554,252
1st qtr 2006	\$70,353,199	\$71,955,149	\$31,408,641
2nd qtr 2006	\$96,823,182	\$97,849,485	\$39,078,539
3rd qtr 2006	\$99,908,322	\$102,616,161	\$20,323,311
4th qtr 2006	\$100,416,498	\$109,913,338	\$24,733,858
1st qtr 2007	\$78,595,222	\$81,962,039	\$41,494,609

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> *
1995	96.7%
1996	99.0%
1997	51.8%
1998	58.6%
1999	63.8%
2000	74.1%
2001	74.4%
2002	114.5%
2003	77.0%
2004	74.8%
2005	77.6%
2006	52.3%

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

Complaint Data

The following chart presents a comparison of written complaints received and closed by TDI in the first quarter of 2007 and the first quarter of 2006. Also included are the number of direct policies written and the percent of complaints per policy for each line of business.

Line of Business	1ST QUARTER 2007			1ST QUARTER 2006		
	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
Product Liability	0	8,303	0.00000%	0	9,839	0
General Liability - Other	51	223,914	0.02278%	55	222,707	0.02470%
Fire & Allied Lines	14	31,609	0.04429%	20	36,180	0.05528%
Commercial Multiple Peril	34	115,824	0.02935%	26	86,576	0.03003%
Private Passenger Auto ⁺	1,779	5,637,395	0.03156%	1,767	5,340,725	0.03309%
Homeowners	440	1,134,598	0.03878%	737	1,128,408	0.06531%
Workers' Compensation ⁺⁺	468	42,526	1.10050%	238	41,446	0.57424%
Boiler & Machinery	**	**	**	**	**	**
Commercial Crime	**	**	**	**	**	**
Commercial Glass	**	**	**	**	**	**
Medical Professional Liability	0	8,493	0	5	9,562	0.05229%
Misc. Professional Liability	0	5,622	0	5	4,817	0.10380%

⁺ 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 first quarter of 2007) for these two lines of insurance are presented on the next two pages.

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

2007 Policies Written Rank	Group Name	1ST QUARTER 2007			1ST QUARTER 2006		
		Number of Complaints	Number of Policies Written	Percent of Complaints per Policy	Number of Complaints	Number of Policies Written	Percent of Complaints per Policy
11	Home State Ins Grp	92	81,952	0.11226%	76	104,949	0.07242%
14	Loya Group	102	98,250	0.10382%	81	58,446	0.13859%
20	St. Paul Travelers Grp	25	24,154	0.10350%	19	30,512	0.06227%
5	Old American County Mutual Fire Ins. Co.	270	261,692	0.10317%	274	308,675	0.08877%
22	Mercury General Group	21	23,157	0.09069%	32	26,767	0.11955%
19	Liberty Mutual Group	42	51,778	0.08112%	29	37,459	0.07742%
13	Unitrin Group	39	56,476	0.06906%	42	63,010	0.06666%
21	Auto Club Enterprises Insurance Group	21	33,936	0.06188%	28	29,669	0.09437%
23	Direct General Group	14	23,561	0.05942%	10	26,323	0.03799%
9	Nationwide Corp.	62	128,326	0.04831%	70	129,774	0.05394%
16	State National Group	17	35,922	0.04732%	32	47,054	0.06801%
15	Safeco Insurance Group	26	73,839	0.03521%	32	57,426	0.05572%
10	Titus Group	37	107,408	0.03445%	27	106,920	0.02525%
17	American International Group	31	107,616	0.02881%	21	44,990	0.04668%
6	United Services Automobile Assoc. Group	67	253,969	0.02638%	42	231,132	0.01817%
4	Progressive Group	103	465,301	0.02214%	121	481,942	0.02511%
7	Berkshire Hathaway	54	244,798	0.02206%	75	212,709	0.03526%
2	Zurich Insurance Group	182	836,332	0.02176%	183	858,955	0.02130%
12	Delek Group	21	102,476	0.02049%	25	83,143	0.03007%
8	Southern Farm Bureau Casualty	33	162,437	0.02032%	33	164,774	0.02003%
3	Allstate Insurance Group	136	675,386	0.02014%	158	607,720	0.02600%
18	Sentry Insurance Group	5	39,282	0.01273%	9	40,994	0.02195%
1	State Farm IL	137	1,411,438	0.00971%	140	1,397,565	0.01002%
24	Germania Insurance Group	1	26,190	0.00382%	4	24,258	0.01649%
25	Safeway Insurance Group	9	22,273	0.00000%	3	30,484	0.00000%
	(All other licensed insurers)	232	289,446	0.08015%	201	135,075	0.14881%
	(No company identified)*	0			0		
TOTALS		1,779	5,637,395	0.03156%	1,767	5,340,725	0.03309%

* 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 FIRST QUARTER DATA LISTED BY PERCENT OF COMPLAINTS PER POLICY

2007 Policies Written Rank	Group Name	1ST QUARTER 2007			1ST QUARTER 2006		
		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	Unitrin Group	10	5,684	0.17593%	68	6,442	1.05557%
17	Colonial Savings Group	9	7,727	0.11647%	7	6,209	0.11274%
13	Texas Fair Plan Association	18	17,395	0.10348%	10	13,964	0.00000%
19	American National Financial Group	5	5,808	0.08609%	3	6,478	0.04631%
16	ARX Holding Corp. Group	5	8,644	0.05784%	2	8,461	0.02364%
22	Wellington Insurance Company	3	5,651	0.05309%	0	1,657	0.00000%
9	NLASCO	9	20,041	0.04491%	18	22,103	0.08144%
14	Auto Club Enterprises Insurance Group	4	9,809	0.04078%	5	8,579	0.05828%
8	Hartford Fire & Casualty Group	9	23,087	0.03898%	3	17,269	0.00000%
2	Allstate Insurance Group	76	202,489	0.03753%	192	214,901	0.08934%
21	Assurant Inc. Group	2	5,655	0.03537%	4	5,416	0.07386%
5	St. Paul Travelers Group	22	64,091	0.03433%	36	62,507	0.05759%
3	Zurich Insurance Group	61	179,062	0.03407%	96	149,968	0.06401%
10	Safeco Insurance Group	6	18,678	0.03212%	3	10,574	0.02837%
15	Cypress Holdings Group	3	9,548	0.03142%	5	8,138	0.06144%
6	Nationwide Corporation	15	48,170	0.03114%	11	42,029	0.02617%
18	Amica Mutual Group	2	6,779	0.02950%	1	6,541	0.01529%
1	State Farm IL	50	269,717	0.01854%	63	262,927	0.02396%
12	Delek Group	3	17,811	0.01684%	4	13,582	0.02945%
7	Texas Farm Bureau Mutual	6	36,806	0.01630%	7	34,890	0.02006%
11	Liberty Mutual Group	3	18,677	0.01606%	9	16,407	0.05485%
4	United Services Automobile Assoc. Group	7	85,765	0.00816%	7	77,891	0.00899%
23	Chubb & Son Inc.	0	5,591	0.00000%	0	5,560	0.00000%
24	Metropolitan Group	0	5,066	0.00000%	1	3,970	0.00000%
25	State National Group	1	4,966	0.00000%	5	3,038	0.00000%
	(All other licensed insurers)	75	51,881	0.14456%	177	118,907	0.14886%
	(No company identified)*	0			0		

TOTALS

440

1,134,598

0.03878%

737

1,128,408

0.06531%

* 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.



Texas Department of Insurance

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