



**2012 Report on the Use of Territory
as a Rating Factor in Establishing
Private Passenger Automobile
Insurance Rates**

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Preface

Section 11-339 of the Insurance Article (Chapter 410, Laws of Maryland 2006) requires the Insurance Commissioner to submit a report to the General Assembly on or before July 1 of each year about the use of territory as a factor in establishing rates for private passenger automobile insurance by insurers and the Maryland Automobile Insurance Fund (“MAIF”). The report must contain information on (1) the number of insurers actively engaged in providing private passenger automobile insurance coverage in the State; and (2) the number of insurers that use territory as a factor in establishing private passenger automobile insurance rates.

For this report, the Maryland Insurance Administration (“the Administration”) uses the National Association of Insurance Commissioners (“NAIC”) definition of private passenger automobile insurance for premium-reporting purposes. Whereas an automobile may be considered to be a four-wheeled, motorized vehicle that can be operated lawfully on public highways, the NAIC definition of private passenger automobile for premium-reporting purposes is broader. That definition includes not only automobiles, but also includes recreational vehicles (“RVs”), trailers (both travel and utility), motorcycles, scooters, all terrain vehicles (“ATVs”), and antique and collector cars. Certain types of mobile homes, warranties and mechanical breakdown coverages also may be included. Thus, the NAIC definition for private passenger automobile insurance includes coverage written for all motor vehicles as defined in Maryland Code Annotated, Transportation, Sections 11-134 through 11-136. Any motor vehicles other than automobiles will be described as specialty vehicles or coverages in this report.

Use of Territory as a Rating Factor in the 2011 Private Passenger Automobile Market

For calendar year 2011, 162 insurers reported direct premiums written for the private passenger automobile insurance lines of business. (Exhibit 1) Those lines of business are: 19.1 – Private passenger auto no-fault (personal injury protection); 19.2 – Other private passenger auto liability; and 21.1 – Private passenger auto physical damage. Five of the 162 insurers included in Exhibit 1 reflect negative written premium for 2011.

All carriers insuring automobiles use territories for rating purposes. Additionally, territories may be used when insuring RV’s, motorcycles, and scooters. For other specialty coverages, such as antique and collector vehicles, ATV’s and trailers (travel and utility), the use of territories depends on the particular insurer and type of product/program that it is offering. Exhibit 2 summarizes the number of insurance companies providing coverage for automobiles and specialty vehicles. As shown in Exhibit 2, 136 carriers representing 99.67% of the Maryland automobile insurance market by premium volume insure automobiles, and all of those carriers use territory as a rating factor.

Certifications of Compliance

Sections 11-216 and 11-319 of the Insurance Article (Chapter 410, Laws of Maryland 2006) require any insurer using territory as a factor in establishing automobile insurance rates to submit a statement to the Insurance Commissioner certifying that: (1) the territories used by the insurer have been reviewed within the previous three years and (2) the use of the territories is actuarially justified.

In 2007, the Insurance Commissioner adopted regulations governing compliance with Sections 11-216 and 11-319.¹ Among other things, those regulations contain a Certification Statement for use by MAIF and authorized insurance companies to certify that their territories have been reviewed in the past three years and that the use of those territories is actuarially justified. The Administration has developed a database to track the filing of those Certification Statements. That information is summarized in Exhibit 4. The summary includes the name of the insurer, 2011 premium written, whether a Certification Statement has been submitted within a rolling three-year period from 2009 through May 2012, and if so, when. In those instances where the Administration has no record of receipt of a Certification Statement from an insurer within a three-year period, additional action will be taken to determine compliance with the applicable laws and regulations.

Summary

As in prior years, every company that insures automobiles in Maryland utilized territory as a rating factor in calendar year 2011. The Maryland Insurance Administration's rate guide for Private Passenger Automobiles, available at: <http://www.mdinsurance.state.md.us/sa/docs/documents/consumer/publicnew/autorateguide.pdf>, shows how territorial rating is applied in certain scenarios within certain zip codes.

¹ COMAR 31.07.03, Review of Automobile Rating Territories. See Exhibit 3.

List of Exhibits

- ❖ Exhibit 1: Private Passenger Automobile Insurers 2011 Market Share and Use of Territory as a Rating Factor
- ❖ Exhibit 2: 2011 Market Share for Insurers Writing Automobile Insurance
- ❖ Exhibit 3: COMAR 31.07.03 Review of Automobile Rating Territories
- ❖ Exhibit 4: 2011 Private Passenger Automobile Insurers Filing Certifications in Accordance with COMAR 31.07.03

Private Passenger Automobile Insurers 2011 Market Share and Use of Territory as a Rating Factor

Exhibit 1

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2011 Rank	Group Code	NAIC Cocode	Company Name	2011 Premium	2011 Market Share	Cumulative Market Share	Writes Autos	Uses Territories	% Change in Premium from 2010	Write New Business
1	176	25178	STATE FARM MUT AUTO INS CO	655,088,813	17.14%	17.14%	Y	Y	0.6%	Y
2	31	35882	GEICO GEN INS CO	354,587,013	9.28%	26.41%	Y	Y	4.0%	N
3	31	22063	GOVERNMENT EMPLOYEES INS CO	274,430,331	7.18%	33.59%	Y	Y	1.0%	N
4	213	26271	ERIE INS EXCH	250,437,391	6.55%	40.14%	Y	Y	2.9%	Y
5	8	19232	ALLSTATE INS CO	211,091,110	5.52%	45.66%	Y	Y	-8.3%	N
6	31	22055	GEICO IND CO	153,729,313	4.02%	49.68%	Y	Y	36.3%	N
7	140	23787	NATIONWIDE MUT INS CO	133,943,586	3.50%	53.19%	Y	Y	-14.8%	N
8	200	25941	UNITED SERV AUTOMOBILE ASSN	128,775,070	3.37%	56.56%	Y	Y	4.2%	Y
9	140	23760	NATIONWIDE GEN INS CO	125,482,636	3.28%	59.84%	Y	Y	-5.4%	N
10	8	19240	ALLSTATE IND CO	101,646,245	2.66%	62.50%	Y	Y	94.5%	Y
11	8	17230	ALLSTATE PROP & CAS INS CO	101,074,362	2.64%	65.14%	Y	Y	-17.3%	N
12	111	23035	LIBERTY MUT FIRE INS CO	92,120,331	2.41%	67.55%	Y	Y	0.6%	N
13	200	25968	USAA CAS INS CO	87,725,797	2.29%	69.84%	Y	Y	5.5%	Y
14	176	25143	STATE FARM FIRE & CAS CO	85,234,650	2.23%	72.07%	Y	Y	1.6%	Y
15	0	34800	MAIF	78,509,015	2.05%	74.13%	Y	Y	-23.3%	Y
16	155	11851	PROGRESSIVE ADVANCED INS CO	75,186,727	1.97%	76.09%	Y	Y	-28.3%	N
17	140	23779	NATIONWIDE MUT FIRE INS CO	51,097,192	1.34%	77.43%	Y	Y	-1.0%	N
18	3548	27998	TRAVELERS HOME & MARINE INS CO	42,551,291	1.11%	78.54%	Y	Y	3.8%	Y
19	111	37214	AMERICAN STATES PREFERRED INS CO	39,947,124	1.04%	79.59%	Y	Y	24.7%	Y
20	155	32786	PROGRESSIVE SPECIALTY INS CO	39,441,835	1.03%	80.62%	Y	Y	-6.4%	Y
21	155	10192	* PROGRESSIVE SELECT INS CO	32,979,743	0.86%	81.48%	Y	Y	n/a	Y
22	31	41491	GEICO CAS CO	29,539,121	0.77%	82.26%	Y	Y	-26.4%	Y
23	8	11252	ENCOMPASS HOME & AUTO INS CO	29,516,947	0.77%	83.03%	Y	Y	22.6%	Y
24	155	16322	PROGRESSIVE DIRECT INS CO	27,940,886	0.73%	83.76%	Y	Y	-14.9%	N
25	0	35173	AGENCY INS CO OF MD INC	23,303,443	0.61%	84.37%	Y	Y	11.9%	Y
26	200	21253	GARRISON PROP & CAS INS CO	22,641,805	0.59%	84.96%	Y	Y	71.5%	Y
27	155	24252	PROGRESSIVE AMER INS CO	20,597,184	0.54%	85.50%	Y	Y	-27.3%	N
28	155	42994	PROGRESSIVE CLASSIC INS CO	20,087,165	0.53%	86.03%	Y	Y	-17.1%	N
29	1278	11681	KEYSTONE INS CO	20,069,525	0.52%	86.55%	Y	Y	18.5%	Y
30	91	27120	TRUMBULL INS CO	19,291,364	0.50%	87.06%	Y	Y	17.6%	N
31	200	18600	USAA GEN IND CO	19,057,386	0.50%	87.55%	Y	Y	22.9%	Y
32	28	19976	AMICA MUT INS CO	18,221,657	0.48%	88.03%	Y	Y	7.9%	Y
33	250	14958	PENINSULA INS CO	18,032,079	0.47%	88.50%	Y	Y	3.1%	Y
34	140	26093	* NATIONWIDE AFFINITY CO OF AMER	16,054,056	0.42%	88.92%	Y	Y	n/a	Y
35	8	10071	ENCOMPASS INS CO OF AMER	15,720,475	0.41%	89.33%	Y	Y	-16.1%	N

Private Passenger Automobile Insurers 2011 Market Share and Use of Territory as a Rating Factor

Exhibit 1

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2011 Rank	Group Code	NAIC Cocode	Company Name	2011 Premium	2011 Market Share	Cumulative Market Share	Writes Autos	Uses Territories	% Change in Premium from 2010	Write New Business
36	0	13501	BRETHREN MUT INS CO	15,359,419	0.40%	89.73%	Y	Y	2.5%	Y
37	175	25135	STATE AUTOMOBILE MUT INS CO	13,547,987	0.35%	90.09%	Y	Y	-4.0%	Y
38	4	29068	IDS PROP CAS INS CO	12,944,195	0.34%	90.43%	Y	Y	3.4%	Y
39	175	25127	STATE AUTO PROP & CAS INS CO	12,931,240	0.34%	90.77%	Y	Y	-14.2%	N
40	241	34339	METROPOLITAN GRP PROP & CAS INS CO	12,622,962	0.33%	91.10%	Y	Y	6.4%	Y
41	215	16063	UNITRIN AUTO & HOME INS CO	12,540,458	0.33%	91.42%	Y	Y	-5.0%	Y
42	140	13242	TITAN IND CO	12,462,195	0.33%	91.75%	Y	Y	-23.4%	Y
43	271	14990	PENNSYLVANIA NATL MUT CAS INS CO	12,436,863	0.33%	92.08%	Y	Y	1.8%	Y
44	8	30210	ESURANCE PROP & CAS INS CO	11,147,438	0.29%	92.37%	Y	Y	103.2%	Y
45	212	11185	FOREMOST INS CO GRAND RAPIDS MI	10,453,636	0.27%	92.64%	Y	Y	6.8%	Y
46	111	33588	FIRST LIBERTY INS CORP	10,330,347	0.27%	92.91%	Y	Y	4.2%	N
47	242	19259	SELECTIVE INS CO OF SC	10,096,410	0.26%	93.17%	Y	Y	3.1%	Y
48	640	14664	MUTUAL BENEFIT INS CO	9,715,785	0.25%	93.43%	Y	Y	-4.5%	Y
49	169	21164	DAIRYLAND INS CO	9,383,791	0.25%	93.67%	Y	Y	97.8%	Y
50	3548	25658	TRAVELERS IND CO	9,104,947	0.24%	93.91%	Y	Y	-15.1%	N
51	91	34690	PROPERTY & CAS INS CO OF HARTFORD	8,802,621	0.23%	94.14%	Y	Y	-12.5%	N
52	91	30104	HARTFORD UNDERWRITERS INS CO	8,094,780	0.21%	94.35%	Y	Y	-9.8%	N
53	3548	36137	TRAVELERS COMMERCIAL INS CO	8,012,882	0.21%	94.56%	Y	Y	-3.4%	Y
54	111	36447	* LM GEN INS CO	7,391,452	0.19%	94.76%	Y	Y	n/a	Y
55	0	16128	PARAMOUNT INS CO	7,092,171	0.19%	94.94%	Y	Y	-20.4%	Y
56	8	15130	ENCOMPASS IND CO	6,772,046	0.18%	95.12%	Y	Y	-28.9%	N
57	111	39012	SAFECO INS CO OF IL	6,738,874	0.18%	95.30%	Specialty		-10.2%	(3)
58	212	32220	21ST CENTURY N AMER INS CO	6,628,443	0.17%	95.47%	Y	Y	-10.5%	N
59	111	24740	SAFECO INS CO OF AMER	6,610,967	0.17%	95.64%	Y	Y	-31.5%	Y
60	111	14613	MONTGOMERY MUT INS CO	6,405,228	0.17%	95.81%	Y	Y	-25.9%	N
61	0	13688	* ELEPHANT INS CO	6,213,868	0.16%	95.97%	Y	Y	n/a	Y
62	111	24074	OHIO CAS INS CO	5,955,555	0.16%	96.13%	Y	Y	-10.1%	N
63	33	20117	CALIFORNIA CAS IND EXCH	5,929,005	0.16%	96.28%	Y	Y	-3.6%	(1)
64	241	25321	METROPOLITAN DRT PROP & CAS INS CO	5,435,478	0.14%	96.43%	Y	Y	0.9%	Y
65	213	26263	ERIE INS CO	4,926,487	0.13%	96.55%	Y	Y	-13.1%	Y
66	212	10806	FARMERS NEW CENTURY INS CO	4,676,890	0.12%	96.68%	Y	Y	-27.7%	N
67	91	11000	SENTINEL INS CO LTD	4,675,755	0.12%	96.80%	Y	Y	-36.8%	N
68	8	25712	ESURANCE INS CO	4,567,072	0.12%	96.92%	Y	Y	-46.0%	N
69	0	40720	INTERSTATE AUTO INS CO INC	4,342,755	0.11%	97.03%	Y	Y	-14.5%	Y
70	38	20303	GREAT NORTHERN INS CO	4,341,574	0.11%	97.15%	Y	Y	-7.4%	N

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71	3548	25666	TRAVELERS IND CO OF AMER	4,269,705	0.11%	97.26%	Y	Y	-13.6%	N
72	140	25453	NATIONWIDE INS CO OF AMER	4,252,425	0.11%	97.37%	Y	Y	-19.5%	N
73	626	18279	BANKERS STANDARD INS CO	4,208,390	0.11%	97.48%	Y	Y	42.4%	Y
74	215	10914	KEMPER INDEPENDENCE INS CO	4,192,829	0.11%	97.59%	Y	Y	-14.5%	N
75	761	21873	FIREMANS FUND INS CO	4,133,473	0.11%	97.70%	Y	Y	-20.9%	Y
76	2538	42447	NATIONAL GEN ASSUR CO	3,790,218	0.10%	97.80%	Y	Y	-0.5%	Y
77	91	29459	TWIN CITY FIRE INS CO CO	3,566,274	0.09%	97.89%	Y	Y	2.8%	Y
78	250	13692	DONEGAL MUT INS CO	3,502,124	0.09%	97.98%	Y	Y	-14.3%	Y
79	140	19100	AMCO INS CO	3,212,357	0.08%	98.07%	Y	Y	177.2%	Y
80	3548	19070	STANDARD FIRE INS CO	3,191,423	0.08%	98.15%	Y	Y	-15.2%	N
81	3478	19530	** HALLMARK NATL INS CO	3,181,028	0.08%	98.23%	Y	Y	5.0%	Y
82	212	34789	* 21ST CENTURY CENTENNIAL INS CO	2,633,825	0.07%	98.30%	Y	Y	n/a	Y
83	212	20796	21ST CENTURY PREMIER INS CO	2,402,028	0.06%	98.36%	Y	Y	-12.5%	N
84	253	14168	HARLEYSVILLE MUT INS CO	2,357,042	0.06%	98.43%	Y	Y	-9.1%	(2)
85	241	40169	METROPOLITAN CAS INS CO	2,344,656	0.06%	98.49%	Y	Y	-9.3%	Y
86	250	22586	ATLANTIC STATES INS CO	2,285,332	0.06%	98.55%	Y	Y	4.5%	Y
87	12	19402	CHARTIS PROP CAS CO	2,267,867	0.06%	98.61%	Y	Y	-2.3%	Y
88	54	10448	CUMBERLAND INS CO INC	2,240,134	0.06%	98.66%	Y	Y	-10.2%	Y
89	212	21709	TRUCK INS EXCH	2,232,178	0.06%	98.72%	Y	Y	-44.1%	N
90	408	29963	UNITED FARM FAMILY INS CO	2,047,680	0.05%	98.78%	Y	Y	-6.7%	Y
91	253	35696	HARLEYSVILLE PREFERRED INS CO	1,956,856	0.05%	98.83%	Y	Y	66.0%	Y
92	215	10226	UNITRIN DIRECT INS CO	1,843,310	0.05%	98.88%	Y	Y	-37.1%	Y
93	111	42404	LIBERTY INS CORP	1,832,075	0.05%	98.92%	Y	Y	-9.2%	N
94	311	40231	OLD DOMINION INS CO	1,781,681	0.05%	98.97%	Y	Y	37.4%	Y
95	0	21261	ELECTRIC INS CO	1,686,215	0.04%	99.01%	Y	Y	-9.3%	(1)
96	300	22683	TEACHERS INS CO	1,680,235	0.04%	99.06%	Y	Y	5.1%	Y
97	215	10915	UNITRIN DIRECT PROP & CAS CO	1,658,508	0.04%	99.10%	Y	Y	-7.7%	Y
98	244	10677	CINCINNATI INS CO	1,571,727	0.04%	99.14%	Y	Y	138.5%	Y
99	242	39926	SELECTIVE INS CO OF THE SOUTHEAST	1,555,595	0.04%	99.18%	Y	Y	-33.9%	N
100	155	24260	PROGRESSIVE CAS INS CO	1,520,255	0.04%	99.22%	Y	Y	-18.4%	N
101	111	44393	WEST AMER INS CO	1,505,366	0.04%	99.26%	Y	Y	-21.8%	N
102	300	22756	HORACE MANN PROP & CAS INS CO	1,447,828	0.04%	99.30%	Y	Y	2.4%	N
103	1278	10675	AAA MID ATLANTIC INS CO	1,428,712	0.04%	99.34%	Y	Y	-14.1%	N
104	761	21881	NATIONAL SURETY CORP	1,338,741	0.04%	99.37%	Y	Y	3.3%	Y
105	3098	18058	PHILADELPHIA IND INS CO	1,328,375	0.03%	99.41%	Specialty		2.4%	(3)

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2011 Rank	Group Code	NAIC Cocode	Company Name	2011 Premium	2011 Market Share	Cumulative Market Share	Writes Autos	Uses Territories	% Change in Premium from 2010	Write New Business
106	91	19682	HARTFORD FIRE IN CO	1,300,513	0.03%	99.44%	Y	Y	-21.4%	N
107	38	10052	CHUBB NATL INS CO	1,214,065	0.03%	99.47%	Y	Y	70.6%	Y
108	38	20281	FEDERAL INS CO	1,151,861	0.03%	99.50%	Y	Y	-7.6%	N
109	361	23469	AMERICAN MODERN HOME INS CO	1,054,788	0.03%	99.53%	Specialty		0.8%	(3)
110	111	33600	* LM INS CORP	999,117	0.03%	99.56%	Y	Y	n/a	Y
111	19	10111	AMERICAN BANKERS INS CO OF FL	954,208	0.02%	99.58%	Specialty	Y	8.8%	(3)
112	215	26085	WARNER INS CO	947,059	0.02%	99.61%	Y	Y	-32.6%	N
113	311	14788	NGM INS CO	911,669	0.02%	99.63%	Y	Y	-12.6%	N
114	140	42889	VICTORIA FIRE & CAS CO	844,384	0.02%	99.65%	Y	Y	17.4%	Y
115	140	37877	NATIONWIDE PROP & CAS INS CO	835,390	0.02%	99.67%	Y	Y	-42.6%	N
116	91	37478	HARTFORD INS CO OF THE MIDWEST	817,894	0.02%	99.70%	Y	Y	135.8%	N
117	241	40649	ECONOMY PREMIER ASSUR CO	814,955	0.02%	99.72%	Y	Y	-11.7%	N
118	300	22578	HORACE MANN INS CO	773,510	0.02%	99.74%	Y	Y	-23.4%	Y
119	3548	28188	TRAVCO INS CO	719,254	0.02%	99.76%	Y	Y	-16.8%	N
120	140	42579	ALLIED PROP & CAS INS CO	700,726	0.02%	99.77%	Y	Y	191.9%	N
121	311	29939	MAIN ST AMER ASSUR CO	682,377	0.02%	99.79%	Y	Y	-11.4%	N
122	155	38628	PROGRESSIVE NORTHERN INS CO	594,912	0.02%	99.81%	Y	Y	-17.6%	N
123	1129	37915	ESSENTIA INS CO	585,692	0.02%	99.82%	Specialty		8.7%	(3)
124	38	20397	VIGILANT INS CO	507,623	0.01%	99.84%	Y	Y	-12.0%	N
125	0	34509	RIDER INS CO	463,478	0.01%	99.85%	Specialty		589.2%	(3)
126	38	20346	PACIFIC IND CO	454,396	0.01%	99.86%	Y	Y	-3.2%	N
127	215	43044	RESPONSE INS CO	446,191	0.01%	99.87%	Y	Y	-21.9%	N
128	91	29424	HARTFORD CAS INS CO	398,956	0.01%	99.88%	Y	Y	21.0%	Y
129	0	31062	IFA INS CO	355,441	0.01%	99.89%	Y	Y	405.0%	Y
130	215	31968	MERASTAR INS CO	352,404	0.01%	99.90%	Y	Y	-15.1%	N
131	0	41459	ARMED FORCES INS EXCH	350,718	0.01%	99.91%	Y	Y	5.5%	(1)
132	241	26298	METROPOLITAN PROP & CAS INS CO	324,799	0.01%	99.92%	Y	Y	-53.2%	N
133	4509	23647	* IRONSHORE IND INC	314,977	0.01%	99.93%	Specialty		n/a	(3)
134	140	10723	NATIONWIDE ASSUR CO	303,764	0.01%	99.94%	Y	Y	-33.4%	N
135	4664	12873	PRIVILEGE UNDERWRITERS RECP EXCH	292,513	0.01%	99.94%	Y	Y	237.8%	Y
136	212	43974	21ST CENTURY IND INS CO	288,833	0.01%	99.95%	Y	Y	-19.9%	N
137	0	44229	TRUSTSTAR INS CO	260,711	0.01%	99.96%	Specialty		-20.0%	(3)
138	91	22357	HARTFORD ACCIDENT & IND CO	219,724	0.01%	99.96%	Y	Y	-7.4%	N
139	361	23450	AMERICAN FAMILY HOME INS CO	196,962	0.01%	99.97%	Specialty		-33.9%	(3)
140	88	22292	HANOVER INS CO	174,615	0.00%	99.97%	Y	Y	-12.0%	N

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141	3495	22268	INFINITY INS CO	174,470	0.00%	99.98%	Specialty		-10.0%	(3)
142	785	28932	MARKEL AMER INS CO	163,358	0.00%	99.98%	Specialty		-11.7%	(3)
143	212	11800	FOREMOST PROP & CAS INS CO	162,417	0.00%	99.99%	Specialty		14.6%	(3)
144	111	24724	FIRST NATL INS CO OF AMER	154,792	0.00%	99.99%	Y	Y	-19.0%	N
145	17	10051	LYNDON SOUTHERN INS CO	138,363	0.00%	99.99%	Specialty		16.7%	(3)
146	4254	40827	VIRGINIA SURETY CO INC	73,409	0.00%	100.00%	Specialty		29.2%	(3)
147	2538	23728	NATIONAL GEN INS CO	64,553	0.00%	100.00%	Specialty	Y	-18.2%	N
148	140	42587	DEPOSITORS INS CO	47,607	0.00%	100.00%	Y	Y	65.3%	Y
149	19	19615	AMERICAN RELIABLE INS CO	45,644	0.00%	100.00%	Specialty		-5.3%	(3)
150	775	13714	PHARMACISTS MUT INS CO	21,417	0.00%	100.00%	Y	Y	-11.6%	(1)
151	0	27502	WESTERN GEN INS CO	17,147	0.00%	100.00%	Y		-42.0%	N
152	1281	24821	MERITPLAN INS CO	17,009	0.00%	100.00%	Y	Y	-86.8%	N
153	84	32620	NATIONAL INTERSTATE INS CO	12,614	0.00%	100.00%	Specialty		-18.4%	(3)
154	4716	26220	YOSEMITE INS CO	11,596	0.00%	100.00%	Specialty		-78.4%	(3)
155	84	41106	TRIUMPHE CAS CO	3,710	0.00%	100.00%	Specialty		-10.1%	(3)
156	2898	37850	PACIFIC SPECIALTY INS CO	3,477	0.00%	100.00%	Specialty		-36.1%	(3)
157	313	33898	AEGIS SECURITY INS CO	2,230	0.00%	100.00%	Specialty		4.6%	(3)
158	212	23795	21ST CENTURY PACIFIC INS CO	-878	0.00%	100.00%	n/a	n/a	n/a	n/a
159	212	36587	21ST CENTURY NATL INS CO	-3,193	0.00%	100.00%	n/a	n/a	n/a	n/a
160	3678	13455	BANKERS INDEPENDENT INS CO	-4,137	0.00%	100.00%	n/a	n/a	n/a	n/a
161	761	21849	AMERICAN AUTOMOBILE INS CO	-19,472	0.00%	100.00%	n/a	n/a	n/a	n/a
162	12	19445	NATIONAL UNION FIRE INS CO OF PITTS	-42,061	0.00%	100.00%	n/a	n/a	n/a	n/a
INDUSTRY TOTALS				3,822,943,262						

SEE NEXT PAGE FOR NOTES

* Indicates 2011 is the first year with reported premium.

** Indicates a company name change. This company was formerly known as State Auto National Insurance Company.

- (1) These companies target a select market, and do not sell to the general public.
- (2) This company is merging with Nationwide Mutual in 2012.
- (3) These companies write specialty coverages only.

The following 14 companies wrote private passenger automobile insurance in 2010, but not in 2011.

212	43699	AMERICAN FEDERATION INS CO
169	24988	SENTRY INS A MUT CO
8	37907	DEERBROOK INS CO
1281	24813	BALBOA INS CO
12	23841	NEW HAMPSHIRE INS CO
12	19399	AIU INS CO
3098	12904	TOKIO MARINE & NICHIDO FIRE INS CO
250	39900	PENINSULA IND CO
458	35769	LYNDON PROP INS CO
0	31240	COMMONWEALTH MUT INS CO OF AMER
212	39306	FIDELITY & DEPOSIT CO OF MD
1129	20648	EMPLOYERS FIRE INS CO
212	19356	MARYLAND CAS CO
0	33545	SEMINOLE CAS INS CO

There were seven new companies writing private passenger automobile insurance in 2011; therefore, there was a net reduction of seven insurers writing private passenger automobile insurance in Maryland.

Market Share For Insurers Writing Automobile Insurance

Exhibit 2

<u>Type of Insurer</u>	<u>Number</u>	<u>2011 Market Share</u>
Automobile*	136	99.67%
Specialty Only	21	0.33%
All Other**	5	0.00%
TOTAL	162	100.00%

*Automobile Insurers may also write specialty coverages, such as motorcycles, RV's, antique autos, trailers, scooters and ATV's.

** All Other includes five companies with negative premium.

Title 31 MARYLAND INSURANCE ADMINISTRATION

Subtitle 07 INSURANCE RATING LAW

Chapter 03 Review of Automobile Rating Territories

Authority: Insurance Article, §§2-109, 11-216, 11-319, and 11-339, Annotated Code of Maryland

.01 Purpose.

The purpose of this chapter is to ensure that all insurers that use territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, file statements with the Commissioner that satisfy the requirements of Insurance Article, §§11-216 and 11-319, Annotated Code of Maryland.

.02 Triannual Review of Territories.

Each insurer that uses territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, shall conduct a review of its territories every 3 years.

.03 Filing Requirements.

A. Each insurer that uses territory as a factor in establishing automobile insurance rates in the State, including the Maryland Automobile Insurance Fund, shall file with the Commissioner a certification statement.

B. The certification statement shall be on the form adopted by the Commissioner in Regulation .04 of this chapter.

C. The certification statement shall be filed:

- (1) On or before June 1, 2007;
- (2) Upon completion of each review required by the Commissioner pursuant to Regulation .02 of this chapter; and
- (3) Contemporaneously with each rate filing that indicates a modification of territorial rating factors.

.04 Certification Statement for Automobile Insurers.

A. Certification Statement for Insurers and Rating Organizations.

CERTIFICATION STATEMENT
REVIEW OF AUTOMOBILE RATING TERRITORIES

EXHIBIT 3 -Page 2

I, _____, a duly authorized representative of _____ (insurer or rating organization), NAIC # _____ (if applicable), do hereby certify that the following information is true to the best of my knowledge and belief.

1. The use of territories as a factor in rating by the above-named (insurer or rating organization) has been reviewed within the previous 3 years; and
2. Use of the territories on file, or as set forth in this filing, are actuarially justified. I understand that the Maryland Insurance Administration will rely on this certification, and if it is determined that this certification is materially false or incorrect, the insurer may be subject to administrative action, including appropriate penalties.

Date Signature of Authorized Representative

Name of Authorized Representative:

Title: _____

Address of Insurer: _____

Mail certification statement to: P & C Rate and Form Unit, Maryland Insurance Administration, 200 St. Paul Place, Baltimore, MD 21202.

B. Certification Statement for Insurers Adopting the Certification Statement of a Rating Organization.

**CERTIFICATION STATEMENT
REVIEW OF AUTOMOBILE RATING TERRITORIES**

I, _____, a duly authorized representative of _____ (insurer), NAIC # _____, do hereby certify that the following information is true to the best of my knowledge and belief.

1. #032; _____ (insurer) is a member of or subscriber to _____ (rating organization), a licensed rating organization, and has authorized the Commissioner to accept filings from _____ (rating organization) on its behalf or has filed to adopt _____ (rating organization's) filings.
2. #032; _____ (insurer) has filed no deviations relating to territory from the automobile rate filings submitted by _____ (rating organization).
3. #032; _____ (rating organization) has filed with the Commissioner the certification statement required by Insurance Article, §11-216 or 11-319, Annotated Code of Maryland, and COMAR 31.07.03.03.
4. #032; _____ (insurer) hereby adopts the statements made in the certification statement.

I understand that the Maryland Insurance Administration will rely on this certification, and if it is determined that this certification is materially false or incorrect, the insurer may be subject to administrative action, including appropriate penalties.

Date Signature of Authorized Representative

Name of Authorized Representative:

Title: _____

Address of Insurer: _____

Mail certification statement to: P&C Rate and Form Unit, Maryland Insurance Administration, 200 St. Paul Place, Baltimore, MD 21202.

.05 Filings Made By Rating Organizations.

A. A licensed rating organization that files on behalf of its members or subscribers automobile insurance rates that use territory as a factor in establishing automobile insurance rates in the State shall comply with the provisions of Regulations .02—.04 of this chapter.

B. An insurer that is required to file a certification statement may utilize the certification statement in Regulation .04B of this chapter if:

(1) The insurer is a member or subscriber of a licensed rating organization which has been authorized to make filings on the insurer's behalf or the insurer has filed to adopt the rating organization's filing; and

(2) The insurer has not filed with the Commissioner a deviation from the rates, loss costs, or both, filed by the rating organization relating to the use of territories.

Administrative History

Effective date: January 15, 2007 (34:1 Md. R. 33)

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
176	25178	STATE FARM MUT AUTO INS CO	655,088,813	Yes	2011
31	35882	GEICO GEN INS CO	354,587,013	Yes	2011
31	22063	GOVERNMENT EMPLOYEES INS CO	274,430,331	Yes	2011
213	26271	ERIE INS EXCH	250,437,391	Yes	2010
8	19232	ALLSTATE INS CO	211,091,110	Yes	2010
31	22055	GEICO IND CO	153,729,313	Yes	2011
140	23787	NATIONWIDE MUT INS CO	133,943,586	Yes	2011
200	25941	UNITED SERV AUTOMOBILE ASSN	128,775,070	Yes	2012
140	23760	NATIONWIDE GEN INS CO	125,482,636	Yes	2011
8	19240	ALLSTATE IND CO	101,646,245	Yes	2011
8	17230	ALLSTATE PROP & CAS INS CO	101,074,362	Yes	2011
111	23035	LIBERTY MUT FIRE INS CO	92,120,331	Yes	2011
200	25968	USAA CAS INS CO	87,725,797	Yes	2012
176	25143	STATE FARM FIRE & CAS CO	85,234,650	Yes	2011
0	34800	MAIF	78,509,015	Yes	2011
155	11851	PROGRESSIVE ADVANCED INS CO	75,186,727	Yes	2010
140	23779	NATIONWIDE MUT FIRE INS CO	51,097,192	Yes	2011
3548	27998	TRAVELERS HOME & MARINE INS CO	42,551,291	Yes	2011
111	37214	AMERICAN STATES PREFERRED INS CO	39,947,124	Yes	2011
155	32786	PROGRESSIVE SPECIALTY INS CO	39,441,835	Yes	2011
155	10192	PROGRESSIVE SELECT INS CO	32,979,743	Yes	2011
31	41491	GEICO CAS CO	29,539,121	Yes	2011
8	11252	ENCOMPASS HOME & AUTO INS CO	29,516,947	Yes	2011
155	16322	PROGRESSIVE DIRECT INS CO	27,940,886	Yes	2010
0	35173	AGENCY INS CO OF MD INC	23,303,443	Yes	2011
200	21253	GARRISON PROP & CAS INS CO	22,641,805	Yes	2012
155	24252	PROGRESSIVE AMER INS CO	20,597,184	Yes	2010
155	42994	PROGRESSIVE CLASSIC INS CO	20,087,165	Yes	2010
1278	11681	KEYSTONE INS CO	20,069,525	Yes	2011

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
91	27120	TRUMBULL INS CO	19,291,364	Yes	2011
200	18600	USAA GEN IND CO	19,057,386	Yes	2011
28	19976	AMICA MUT INS CO	18,221,657	Yes	2011
250	14958	PENINSULA INS CO	18,032,079	Yes	2011
140	26093	NATIONWIDE AFFINITY CO OF AMER	16,054,056	Yes	2011
8	10071	ENCOMPASS INS CO OF AMER	15,720,475	Yes	2010
0	13501	BRETHREN MUT INS CO	15,359,419	Yes	2011
175	25135	STATE AUTOMOBILE MUT INS CO	13,547,987	Yes	2011
4	29068	IDS PROP CAS INS CO	12,944,195	Yes	2009
175	25127	STATE AUTO PROP & CAS INS CO	12,931,240	Yes	2011
241	34339	METROPOLITAN GRP PROP & CAS INS CO	12,622,962	Yes	2011
215	16063	UNITRIN AUTO & HOME INS CO	12,540,458	Yes	2011
140	13242	TITAN IND CO	12,462,195	Yes	2011
271	14990	PENNSYLVANIA NATL MUT CAS INS CO	12,436,863	Yes	2010
8	30210	ESURANCE PROP & CAS INS CO	11,147,438	Yes	2011
212	11185	FOREMOST INS CO GRAND RAPIDS MI	10,453,636	Yes	2012
111	33588	FIRST LIBERTY INS CORP	10,330,347	Yes	2011
242	19259	SELECTIVE INS CO OF SC	10,096,410	Yes	2010
640	14664	MUTUAL BENEFIT INS CO	9,715,785	Yes	2011
169	21164	DAIRYLAND INS CO	9,383,791	Yes	2011
3548	25658	TRAVELERS IND CO	9,104,947	Yes	2011
91	34690	PROPERTY & CAS INS CO OF HARTFORD	8,802,621	Yes	2010
91	30104	HARTFORD UNDERWRITERS INS CO	8,094,780	Yes	2010
3548	36137	TRAVELERS COMMERCIAL INS CO	8,012,882	Yes	2011
111	36447	LM GEN INS CO	7,391,452	Yes	2011
0	16128	PARAMOUNT INS CO	7,092,171	Yes	2011
8	15130	ENCOMPASS IND CO	6,772,046	Yes	2011
111	39012	SAFECO INS CO OF IL	6,738,874	Yes	2011
212	32220	21ST CENTURY N AMER INS CO	6,628,443	Yes	2011

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
111	24740	SAFECO INS CO OF AMER	6,610,967	Yes	2011
111	14613	MONTGOMERY MUT INS CO	6,405,228	Yes	2011
0	13688	ELEPHANT INS CO	6,213,868	Yes	2010
111	24074	OHIO CAS INS CO	5,955,555	Yes	2011
33	20117	CALIFORNIA CAS IND EXCH	5,929,005	Yes	2011
241	25321	METROPOLITAN DRT PROP & CAS INS CO	5,435,478	Yes	2011
213	26263	ERIE INS CO	4,926,487	Yes	2010
212	10806	FARMERS NEW CENTURY INS CO	4,676,890	No	
91	11000	SENTINEL INS CO LTD	4,675,755	Yes	2011
8	25712	ESURANCE INS CO	4,567,072	Yes	2010
0	40720	INTERSTATE AUTO INS CO INC	4,342,755	Yes	2011
38	20303	GREAT NORTHERN INS CO	4,341,574	Yes	2012
3548	25666	TRAVELERS IND CO OF AMER	4,269,705	Yes	2010
140	25453	NATIONWIDE INS CO OF AMER	4,252,425	Yes	2011
626	18279	BANKERS STANDARD INS CO	4,208,390	Yes	2010
215	10914	KEMPER INDEPENDENCE INS CO	4,192,829	Yes	2011
761	21873	FIREMANS FUND INS CO	4,133,473	Yes	2010
2538	42447	NATIONAL GEN ASSUR CO	3,790,218	Yes	2012
91	29459	TWIN CITY FIRE INS CO CO	3,566,274	Yes	2011
250	13692	DONEGAL MUT INS CO	3,502,124	Yes	2010
140	19100	AMCO INS CO	3,212,357	Yes	2011
3548	19070	STANDARD FIRE INS CO	3,191,423	Yes	2010
3478	19530	HALLMARK NATL INS CO	3,181,028	Yes	2011
212	34789	21ST CENTURY CENTENNIAL INS CO	2,633,825	Yes	2011
212	20796	21ST CENTURY PREMIER INS CO	2,402,028	Yes	2011
253	14168	HARLEYSVILLE MUT INS CO	2,357,042	Yes	2011
241	40169	METROPOLITAN CAS INS CO	2,344,656	Yes	2011
250	22586	ATLANTIC STATES INS CO	2,285,332	Yes	2010

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
12	19402	CHARTIS PROP CAS CO	2,267,867	Yes	2011
54	10448	CUMBERLAND INS CO INC	2,240,134	Yes	2011
212	21709	TRUCK INS EXCH	2,232,178	No	
408	29963	UNITED FARM FAMILY INS CO	2,047,680	Yes	2010
253	35696	HARLEYSVILLE PREFERRED INS CO	1,956,856	Yes	2011
215	10226	UNITRIN DIRECT INS CO	1,843,310	Yes	2011
111	42404	LIBERTY INS CORP	1,832,075	Yes	2011
311	40231	OLD DOMINION INS CO	1,781,681	Yes	2011
0	21261	ELECTRIC INS CO	1,686,215	Yes	2011
300	22683	TEACHERS INS CO	1,680,235	Yes	2012
215	10915	UNITRIN DIRECT PROP & CAS CO	1,658,508	Yes	2011
244	10677	CINCINNATI INS CO	1,571,727	Yes	2011
242	39926	SELECTIVE INS CO OF THE SOUTHEAST	1,555,595	Yes	2010
155	24260	PROGRESSIVE CAS INS CO	1,520,255	Yes	2010
111	44393	WEST AMER INS CO	1,505,366	Yes	2011
300	22756	HORACE MANN PROP & CAS INS CO	1,447,828	Yes	2012
1278	10675	AAA MID ATLANTIC INS CO	1,428,712	No	
761	21881	NATIONAL SURETY CORP	1,338,741	Yes	2010
3098	18058	PHILADELPHIA IND INS CO	1,328,375	n/a	n/a
91	19682	HARTFORD FIRE IN CO	1,300,513	Yes	2010
38	10052	CHUBB NATL INS CO	1,214,065	Yes	2012
38	20281	FEDERAL INS CO	1,151,861	Yes	2012
361	23469	AMERICAN MODERN HOME INS CO	1,054,788	n/a	n/a
111	33600	LM INS CORP	999,117	Yes	2011
19	10111	AMERICAN BANKERS INS CO OF FL	954,208	n/a	n/a
215	26085	WARNER INS CO	947,059	Yes	2010
311	14788	NGM INS CO	911,669	Yes	2011
140	42889	VICTORIA FIRE & CAS CO	844,384	Yes	2011

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
140	37877	NATIONWIDE PROP & CAS INS CO	835,390	Yes	2011
91	37478	HARTFORD INS CO OF THE MIDWEST	817,894	Yes	2010
241	40649	ECONOMY PREMIER ASSUR CO	814,955	Yes	2010
300	22578	HORACE MANN INS CO	773,510	Yes	2012
3548	28188	TRAVCO INS CO	719,254	Yes	2010
140	42579	ALLIED PROP & CAS INS CO	700,726	Yes	2011
311	29939	MAIN ST AMER ASSUR CO	682,377	Yes	2011
155	38628	PROGRESSIVE NORTHERN INS CO	594,912	Yes	2010
1129	37915	ESSENTIA INS CO	585,692	n/a	n/a
38	20397	VIGILANT INS CO	507,623	Yes	2012
0	34509	RIDER INS CO	463,478	n/a	n/a
38	20346	PACIFIC IND CO	454,396	Yes	2012
215	43044	RESPONSE INS CO	446,191	Yes	2010
91	29424	HARTFORD CAS INS CO	398,956	Yes	2011
0	31062	IFA INS CO	355,441	Yes	2009
215	31968	MERASTAR INS CO	352,404	Yes	2010
0	41459	ARMED FORCES INS EXCH	350,718	Yes	2010
241	26298	METROPOLITAN PROP & CAS INS CO	324,799	Yes	2011
4509	23647	IRONSHORE IND INC	314,977	n/a	n/a
140	10723	NATIONWIDE ASSUR CO	303,764	Yes	2011
4664	12873	PRIVILEGE UNDERWRITERS RECP EXCH	292,513	Yes	2010
212	43974	21ST CENTURY IND INS CO	288,833	Yes	2011
0	44229	TRUSTSTAR INS CO	260,711	n/a	n/a
91	22357	HARTFORD ACCIDENT & IND CO	219,724	Yes	2010
361	23450	AMERICAN FAMILY HOME INS CO	196,962	n/a	n/a
88	22292	HANOVER INS CO	174,615	Yes	2010
3495	22268	INFINITY INS CO	174,470	n/a	n/a
785	28932	MARKEL AMER INS CO	163,358	n/a	n/a

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
212	11800	FOREMOST PROP & CAS INS CO	162,417	n/a	n/a
111	24724	FIRST NATL INS CO OF AMER	154,792	Yes	2011
17	10051	LYNDON SOUTHERN INS CO	138,363	n/a	n/a
4254	40827	VIRGINIA SURETY CO INC	73,409	n/a	n/a
2538	23728	NATIONAL GEN INS CO	64,553	n/a	n/a
140	42587	DEPOSITORS INS CO	47,607	Yes	2011
19	19615	AMERICAN RELIABLE INS CO	45,644	n/a	n/a
775	13714	PHARMACISTS MUT INS CO	21,417	Yes	2010
0	27502	WESTERN GEN INS CO	17,147	No	
1281	24821	MERITPLAN INS CO	17,009	No	
84	32620	NATIONAL INTERSTATE INS CO	12,614	n/a	n/a
4716	26220	YOSEMITE INS CO	11,596	n/a	n/a
84	41106	TRIUMPHE CAS CO	3,710	n/a	n/a
2898	37850	PACIFIC SPECIALTY INS CO	3,477	n/a	n/a
313	33898	AEGIS SECURITY INS CO	2,230	n/a	n/a

The Administration's records reflect that certifications have been filed in calendar years 2009, 2010, 2011 or 2012 by all insurers with a "yes" designation. Any insurer with an "n/a" designation does not insure automobiles, but does insure specialty vehicles. Any insurer with a "no" designation will be contacted to determine compliance with Sections 11-216 and 11-319 of the Insurance Article and COMAR 31.07.03.

**2011 Private Passenger Automobile Insurers Filing
Certifications in Accordance with COMAR 31.07.03**

Group Code	NAIC Cocode	Company Name	2011 Premium	Certification Filed	Year Certification Filed
0	31240	Commonwealth Mutual Insurance Company	new 2012	Yes	2011
0	43265	Gramercy Insurance Company	new 2012	Yes	2012
212	21687	Mid-Century Insurance Company	new 2012	Yes	2011
215	26050	Response Worldwide Insurance Company	new 2012	Yes	2011

These four insurers wrote no premium in 2011; however, they made rate filings, which included the certifications, to underwrite business in calendar year 2012.



212	23795	21ST CENTURY PACIFIC INS CO	-878	n/a	n/a
212	36587	21ST CENTURY NATL INS CO	-3,193	n/a	n/a
3678	13455	BANKERS INDEPENDENT INS CO	-4,137	n/a	n/a
761	21849	AMERICAN AUTOMOBILE INS CO	-19,472	n/a	n/a
12	19445	NATIONAL UNION FIRE INS CO OF PITTS	-42,061	n/a	n/a

These five companies had negative premium for 2011.