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January 7, 2011

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Honorable Michael E. Busch
House of Delegates
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Honorable Edward J. Kasemeyer
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Honorable Norman H. Conway
Chairman
House Appropriations Committee
Room 121, House Office Building
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Honorable Thomas M. Middleton
Chairman
Senate Finance Committee
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Honorable James E. Proctor, Jr.
Vice-Chairman
House Appropriations Committee
Room 121, House Office Building
Annapolis, MD 21401

Honorable Dereck E. Davis
Chairman
Economic Matters Committee
Room 231, House Office Building
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Honorable David D. Rudolph
Vice-Chairman
Economic Matters Committee
Room 231, House Office Building
Annapolis, MD 21401

Honorable John C. Astle
Vice-Chairman
Senate Finance Committee
123 James Senate Office Building
Annapolis, MD 21401

Gentlemen:

Pursuant to the Joint Chairmen's Report of the 2009 Session, enclosed please find the Maryland Insurance Administration's 2010 Report on the Study of the Surplus of the Insured Division of the Maryland Automobile Insurance Fund.

Very truly yours,

Beth Sammis
Acting Commissioner

January 7, 2011
Page 2

cc: Victoria L. Gruber, Esq.
Kristin F. Jones, Esq.
John F. Favazza, Esq.
Phillip S. Anthony, Esq.
Joshua Watters
Tami Burt
Robert Smith, Esq.

**Study of the Surplus of the
Insured Division of the
Maryland Automobile Insurance Fund**



January 7, 2011

For further information concerning this document contact:

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I. Report Background

On November 14, 2008, the Maryland Insurance Administration (MIA) and the Maryland Automobile Insurance Fund (MAIF) entered into a Memorandum of Understanding (MOU) (See Exhibit A), to formalize a process to review MAIF's surplus annually. Pursuant to the MOU, on May 3, 2010 MAIF filed with the MIA a report on the results of their analysis of surplus, and their conclusion as to whether its surplus is excessive (the MAIF Surplus Analysis - see Exhibit B). As a result of several discussions between MAIF and the MIA, on November 5, 2010 MAIF filed a supplement to its May 3, 2010 filing (See Exhibit C). The MIA is required to review MAIF's analysis and conclusion and determine whether MAIF's surplus is excessive in light of its statutory purpose, market conditions and economic climate. What follows is the result of the MIA's analysis and conclusion regarding the reasonableness of MAIF's surplus level as of December 31, 2009.

This is the second analysis since the execution of the MOU. The last analysis of MAIF's surplus was performed as of December 31, 2008. The results and conclusion of the review were communicated in a report dated June 30, 2009 to the President of the Senate, the Speaker of the House, and the Joint Chairmen of the Senate Budget and Taxation Committee and House Committee on Appropriations. The report noted that the United States was in the midst of the most severe economic crisis since the great depression. Economic uncertainty, coupled with MAIF's surplus decline at the time and projected continued decline, lead the MIA to conclude that MAIF's surplus level was not excessive.

II. Factors Review

Part of our review of the MAIF Surplus Analysis involved analyzing and verifying the data it contained. Additionally, the MOU requires MIA to evaluate MAIF's surplus based upon the reporting of the following factors:

- a. the ratio of the surplus to the assessment trigger;
- b. the surplus as measured by RBC;
- c. the ratio of premium to surplus;
- d. external economic factors, including the overall financial climate;
- e. trends in the automobile insurance market nationally and in Maryland;
- f. financial projections including projected premium and surplus levels for the next twenty-four (24) months.

A. Ratio of surplus to the assessment trigger

If MAIF's surplus were to fall below a statutorily designated level, the law provides an assessment mechanism. The assessment formula requires an assessment when MAIF's year-end surplus is equal to or less than 25% of the average of MAIF's net.

direct written private passenger and commercial auto premiums for the three immediately preceding calendar years. Each insurer doing business in Maryland would then be charged their pro-rata share of the assessment which, in turn, is passed on to the insurers' policyholders. The ratio of surplus to the assessment trigger reported by MAIF was 4.36 at year-end 2009, an increase from 4.18 at year end 2008. The increase in the ratio was due to a decline in MAIF's net premiums written, and came about despite a decline in MAIF's surplus. Due to the unique nature of MAIF, its surplus level can fluctuate significantly. Past surplus to assessment trigger ratios of 6 to 1 have proven to be barely adequate to survive a cyclical economic downturn of a lesser magnitude than the one we recently experienced. Therefore, the MIA does not believe that the increase in the ratio is indicative of an unreasonable, excessive level of surplus.

B. Surplus as measured by RBC

Risk Based Capital (RBC) is a method for establishing the minimum amount of capital an insurance company must have to support its business operations based upon the company's size and risk profile. RBC standards are used to determine when to take regulatory actions relating to an insurer that shows indications of a weak or deteriorating financial condition. It also provides an additional standard for minimum capital requirements that companies must meet to avoid being placed into receivership. As such, RBC is not intended to be a measure of excessive surplus. In fact, the Insurance Article states that it is the public policy of the State that, in order to safeguard the solvency of the insurance business in the State, insurers should maintain capital in excess of minimum RBC levels to secure the insurer against risks inherent in the insurance business that are not accounted for in the RBC formula. However, if MAIF's RBC ratio was an outlier when compared to other insurers, it could be indicative of either excessive or insufficient surplus.

Presented in Exhibit D is a listing of insurers licensed to write automobile insurance in Maryland. MAIF's RBC ratio expressed as a multiple of authorized control level RBC was 838% as of December 31, 2009. When compared to the top ten automobile insurance writers in Maryland MAIF's RBC ratio was sixth highest.

Insurance companies will initially accumulate as much surplus, through profits, as they can while still remaining competitive, or while operating in accordance with their business plan and strategy. The decision that a private insurer will then make is to determine the most effective use of this surplus, in order to maximize their rate of return. An insurer will consider whether surplus should be used to expand into other lines or other territories, to expand through acquisitions, or to provide for dividends to shareholders. In other words, once capital is sufficient to meet regulatory minimum requirements, to maintain a specific rating, for internal needs, etc., excess capital is then deployed to earn a greater level of return than it does if just left in the insurance company. Private carriers deploy inefficient levels of surplus to other uses.

Thus the RBC ratio comparison does not provide any evidence that MAIF's surplus is excessive, rather, it implies that MAIF's current surplus level is reasonable, when compared to what are presumed to be efficient levels of surplus held by private insurers.

C. The ratio of premium to surplus

The ratio of premium to surplus is a calculation commonly used by the property and casualty insurance industry as a measure of financial strength or to indicate to what degree a particular insurance company is leveraged. The ratio is designed to measure the ability of an insurer to absorb above-average losses, and is computed by dividing net premiums written by surplus.

In the MAIF Surplus Analysis, MAIF noted that during an economic downturn its premium volume historically rises. However, MAIF's gross premiums written decreased 6.4% during 2009. The MAIF Surplus Analysis referenced a 2008 Report by the Insurance Research Council which suggested a strong correlation between unemployment and uninsured motorists. The premise cited in the 2008 Report was that a high unemployment rate forces people to curb spending, which in turn leads people to forego buying automobile insurance. MAIF further stated that as the economy strengthens and the unemployment rate decreases these uninsured drivers may attempt to reenter the market, but may find themselves unable to buy insurance due to the gap in coverage. This could create a dramatic increase in MAIF's premium volume.

MAIF's net premiums written decreased 7% in 2009. MAIF's premium to surplus ratio increased slightly in 2009, but was still financially healthy at less than one to one. However, this figure alone does not provide sufficient information to conclude that surplus is unnecessarily high. While a low ratio can be a sign of financial strength, it also may be indicative of inadequate premium rates, or insufficient loss reserves or premium volume. Furthermore, if MAIF were to experience a decline in surplus of a magnitude similar to those in past economic cycles, this ratio could approach unsafe levels in a short period of time, especially if accompanied by an increase in premiums written.

D. External economic factors, including the overall financial climate

As noted in the 2009 Property & Casualty Insurance Mid-Year Industry Analysis Report issued by the National Association of Insurance Commissioners (NAIC), the dominate story for the property and casualty insurance industry in the first half of 2009 was the impact of the severely impaired economy, as individuals and businesses struggled with the recession caused by unstable financial and real estate markets. The report showed a 2.6% decrease in the first half of 2009 in direct premium written in the private passenger auto liability and physical damage lines compared to the same period in 2008. The volatile and uncertain financial and economic climate is the wild card in any attempt to measure the reasonableness of current levels and future needs for surplus.

During past economic downturns, MAIF has experienced an influx of business as private carriers tighten underwriting standards. However, thus far in the current economic downturn, MAIF's premium volume and surplus have both decreased. This is different than past economic cycles. Nonetheless, we believe MAIF needs to retain its surplus to protect against the uncertainties brought about by the current economic conditions.

E. Trends in the automobile insurance market nationally and in Maryland

While the property and casualty insurance industry in the United States remains strong, the financial crisis and ensuing economic downturn of 2008 and 2009 continues to have a significant impact. According to data compiled by the NAIC, as reported in its 2009 Property & Casualty Insurance Mid-Year Industry Analysis Report, the property and casualty insurance industry experienced a net underwriting loss of \$(1.8) billion in the first half of 2009, compared to a loss of \$(4.9) billion during the same period in 2008. Net investment gains fell 50% from the prior year to-date. As a result of net underwriting loss and reduced net investment gains, the domestic property & casualty insurance industry's net income fell to \$7.0 billion compared to net incomes of \$17 billion and \$34 billion for the same period in 2008 and 2007, respectively.

F. Financial projections including projected premium and surplus levels for the next twenty-four (24) months

As previously noted, the MAIF Surplus Analysis was filed with the MIA on May 3, 2010. As a result of several discussions between MAIF and the MIA, on November 5, 2010 MAIF filed a supplement to its May 3, 2010 filing.

In the MAIF Surplus Analysis, MAIF provided a projected income statement for calendar years 2010 and 2011, and projections of its surplus as of year-end 2010 and 2011 (the baseline projections). The supplemental filing included additional information to support the 2010 and 2011 projections, along with information on MAIF's actual calendar year 2010 financial results through August 31, 2010. Under the baseline projections, MAIF projects net losses totaling \$(26) million and \$(6) million for calendar years 2010 and 2011, respectively. MAIF projects its surplus funds to total \$103 million and \$97 million at the end of those years.

At the request of the MIA, MAIF's November 5, 2010 supplement included financial projections under a stressed scenario for 2011. The stressed scenario incorporated assumptions, based on MAIF's experiences in the past that most adversely impacted its operating results and surplus, into the 2011 projections. These assumptions included a 40% increase in premium volume, no rate increases, and investment losses at historically high levels. Under the stressed scenario MAIF projects a net loss for 2011 of \$(61) million and a year-end surplus of \$16 million. These results would result in an assessment.

Under its baseline projections, MAIF projects net losses for calendar years 2010 and 2011, and a commensurate decrease in its surplus funds. Furthermore, if MAIF were to operate under its stressed scenario it projects it would lose a significant amount of its surplus, and could trigger an assessment. Accordingly, the MIA does not believe that the projections are indicative of an unreasonable, excessive level of surplus.

III. Conclusions:

The economy is still in an uncertain stage of recovery from the most severe economic crisis since the great depression. This current economic uncertainty, coupled with the recent and projected declines in MAIF's surplus, leads the MIA to conclude that MAIF's current surplus is not excessive.

While the information we received from MAIF resulted in our concluding that MAIF's current surplus is not excessive, we could not readily determine an amount above which we would believe MAIF's surplus would be excessive. Conversely, we did not explore the question of what surplus amount we would consider to be deficient.

We observe that MAIF's operating results are highly susceptible to changes in the economy, resulting in significant fluctuations in its surplus level. MAIF's unique status as Maryland's automobile insurer of last resort compounds this issue, since MAIF is unable to effectively manage its premium volume. We therefore believe that MAIF should, in consultation with the MIA, undertake a comprehensive analysis of its operations and the various factors that impact its operating results, with a goal of establishing a range within which its surplus would reasonably be considered to be neither excessive nor deficient. Due to the complexity of this task, the MIA suggests MAIF consider retaining an independent expert to perform this analysis.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
MARYLAND AUTOMOBILE INSURANCE FUND
AND THE
MARYLAND INSURANCE ADMINISTRATION

THIS MEMORANDUM OF UNDERSTANDING ("MOU") dated this 14th day of November, 2008 is made by and between the Maryland Automobile Insurance Fund ("MAIF") and the Maryland Insurance Administration ("MIA").

Whereas, on October 3, 2008, the MIA and MAIF jointly submitted to the Senate Budget and Taxation Committee and the House Appropriations Committee ("the Committees") a report regarding the surplus in MAIF's Insured Division; and

Whereas, MAIF and the MIA are committed to keeping the Committees informed on an annual basis regarding MAIF's surplus; and

Whereas, one of the purposes of the October joint report was to make recommendations on the options for determining whether the MAIF surplus is excessive; and

Whereas, in the report, the MIA and MAIF committed to enter into a MOU by December 15, 2008, to formalize an annual review of MAIF's surplus.

NOW, THEREFORE, MAIF and the MIA have agreed to execute and implement this MOU for the purpose of formalizing a process to review MAIF's surplus annually, and inform the Committees of the results.

A. REPORT FILING REQUIREMENTS

1. Section 20-506(b) of Maryland's Insurance Law requires MAIF's Board of Trustees to review the reasonableness and adequacy of reserves on an annual basis. Prior to May 1, 2009 and prior to May 1 of each year thereafter, MAIF agrees to file with the Insurance Commissioner ("Commissioner") a detailed report on a variety of economic and market factors including those enumerated in Section C, as well as its conclusion as to whether its surplus is excessive.

2. By June 30 of each year, the Commissioner shall review MAIF's analysis and conclusion and determine whether MAIF's surplus is excessive in light of its statutory purpose, market conditions and economic climate. Prior to the June 30 deadline, the Commissioner may request additional information from MAIF.

B. REQUIRED FACTORS FOR ANNUAL REPORT

1. The MIA will evaluate the MAIF surplus based upon the reporting on the following factors:

- a. the ratio of the surplus to the assessment trigger;
- b. the surplus as measured by Risk Based Capital ("RBC");
- c. the ratio of premium to surplus;
- d. external economic factors, including the overall financial climate;
- e. trends in the automobile insurance market nationally and in Maryland;
- f. financial projection including projected premium and surplus levels for the next twenty-four (24) months.

2. The MIA may request any other document that it reasonably believes is necessary to the evaluation of the MAIF surplus. MAIF agrees to respond in a timely manner to the MIA's request for additional information.

3. In making its determination, the MIA must also consider factors including:

- a. type of insurance provided by the insurer;
- b. quality of the risk assumed by the insurer;
- c. geographic scope of the insurer's market;
- d. insurers' relative market share and competitive position in the marketplace;
- e. overall best interest of the insurance consumer.

C. COMMISSIONER'S DETERMINATION

1. If the Commissioner determines that MAIF's surplus is excessive, the Commissioner will order MAIF to develop a plan, within a timeframe set by the Commissioner, to accomplish any necessary reduction of MAIF's surplus.

2. The plan would include the recommended method for reduction, which could include reduction of rates or rebates to current and/or former policyholders and a proposed timeline for the reduction.

3. If MAIF's recommended plan is found insufficient, the Commissioner could direct policyholder relief in the form of reduced insurance premiums or direct rebates to current and/or former insureds.

4. The Commissioner has the authority and discretion to, if necessary, hold a hearing and/or employ the services of an outside actuary as an aid to arrive at a determination.

D. DISTRIBUTION OF THE REPORT

In addition to posting the MIA report on the MIA's website, the MIA will submit its report to:

1. the presiding officers of both chambers of the General Assembly;
2. the Chair and Vice-Chair of the Senate Finance;
3. the Chair and Vice-Chair of the House Economic Matters Committees.

E. TERM OF AGREEMENT

This MOU shall begin on the date it is signed by both parties and continue for a term of five (5) years or until terminated by agreement of the parties.

F. NOTICE

Any notice given pursuant to this MOU shall be in writing and shall be considered to have been fully given when actually received by the following persons (or their successors).

M. Kent Krabbe, Executive Director
Maryland Automobile Insurance Fund
1750 Forest Drive
Annapolis, Maryland 21401-4294

Ralph S. Tyler, Insurance Commissioner
Maryland Insurance Administration
525 St. Paul Place
Baltimore, Maryland 21202-2272

Individuals and addresses for such notices may be changed by notice given as provided herein.

G. AMENDMENT

This MOU may be amended or modified only as MAIF and the MIA mutually agree in writing.

IN WITNESS WHEREOF, the parties have caused these presents to be executed, by and through their undersigned authorized representatives, as of the date first above written.

Witness:

Huish Winkler

Maryland Insurance Administration
Ralph S. Tyler, Insurance Commissioner

Ralph S. Tyler

Witness:

[Signature]

Maryland Automobile Insurance Fund
M. Kent Krabbe, Executive Director

[Signature]

Approved for Form and Legal Sufficiency

J. Van Zoy
Assistant Attorney General
Principal Counsel for MIA

Date: NOV. 14, 2008



M. Kent Krabbe, Executive Director

Maryland Automobile Insurance Fund

May 3, 2010

The Honorable Beth Sammis
Acting Commissioner
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, Maryland 21202

RE: Maryland Automobile Insurance Fund's 2010
Analysis of Surplus Report

Dear Commissioner Sammis:

Pursuant to the November 14, 2008 Memorandum of Understanding entered into with Commissioner Tyler, herewith is the Maryland Automobile Insurance Fund's 2010 Analysis of Surplus Report.

MAIF's surplus continues to remain reasonable and not excessive. Despite the sluggish national economic recovery, MAIF's 2009 financial results slowed the surplus decline from the prior year. MAIF's healthy surplus will continue to allow us to provide automobile insurance to those eligible Maryland residents without assessing the Maryland driving public.

Very truly yours,



M. Kent Krabbe

Enclosure

cc: Lester Schott

Maryland Automobile Insurance Fund

2010 Analysis of Surplus Status

M. Kent Krabbe
Executive Director
May 3, 2010

Maryland Automobile Insurance Fund's 2010 Surplus Analysis

In 2009 the Maryland Automobile Insurance Fund's surplus declined for the third consecutive year. MAIF sustained a \$33 million operating loss, but a recovering investment portfolio contributed positively and as a result surplus diminished by only slightly over \$10 million. At the end of the year, surplus stood at \$129 million compared to a 2008 year-end figure of \$139 million.

The slowing in the magnitude of the decline in the surplus is a welcome development. Surplus stability, however, given MAIF's role in the market, will remain an elusive goal. Twice in this decade the MAIF surplus has declined by almost \$50 million in a single year.¹ In the two year period between 2004 and 2005 surplus grew over \$50 million.² Volatility is the only constant, and these results conclusively establish the importance of MAIF maintaining a healthy gap between its surplus and its statutorily mandated assessment trigger.

MAIF serves Maryland automobile insurance consumers and the state's compulsory insurance system by insuring those eligible applicants who have been turned down by two other carriers or cancelled by one carrier. In this role it reacts to Maryland's insurance market needs. Application volume can fluctuate from 250,000 applicants in one year to 65,000 applicants in another year, as the private industry expands or contracts in capacity. MAIF manages through these business cycles successfully, growing surplus when it can, seeing surplus drawn down when it must, while avoiding an assessment on the Maryland driving public since 1989.

At the end of 2009 MAIF's \$129 million surplus provided assurance that there will not be an assessment on the Maryland driving public in the near future. While the surplus was adequate, it is not excessive.

The purpose of the analysis that follows is to review a variety of factors that compel the conclusion that year-end 2009 surplus is not excessive within the meaning of a Memorandum of Understanding ("MOU") entered into between MAIF and the Maryland Insurance Administration ("MIA") on November 14, 2008. *See* Section II, *infra.*, for further details on this Memorandum of Understanding. The Memorandum procedures supplement an October 3, 2008 study that determined MAIF's August 31, 2008 surplus of \$171 million was reasonable. That study also cautioned that "In light of the nation's financial crisis, the full implications of which remain unknown, prudence councils strongly against reducing MAIF's surplus." *See* October Study at 1.

That advice proved prescient throughout 2008 and 2009. It remains true today. During the remainder of 2008 and into 2009 the nationwide economic crisis saw continued contraction of the MAIF surplus. Surplus fell from the \$171 million figure in August of 2008 to \$138 million at the end of 2008. It dropped to \$129 million at the end of 2009.

¹ \$51.8 million in 2002, \$46 million in 2008.

² \$51.4 million

The Maryland General Assembly's continued protection of MAIF's surplus proved vital in MAIF's ability to continue its mission.

While numerous ratios, facts and figures support the conclusion that MAIF's 2009 year-end surplus is not excessive, the continued drop in surplus from 2007 to 2009 alone compels this determination. For this primary reason, MAIF again believes that "prudence councils strongly against reducing MAIF's surplus."

I. Overview

This is not a study of MAIF's solvency. Such a study of carriers is a well defined process at the Maryland Insurance Administration. This study is a unique endeavor trying to determine what is too much, whether MAIF is too healthy, and whether MAIF should risk a future assessment by artificially, and intentionally, lowering surplus. To decide that, pursuant to the Memorandum of Understanding with the MIA, MAIF has reviewed a number of specified factors to determine whether its surplus is excessive in light of its statutory purpose, market conditions, and the nation's economic climate. While one of the ratios improved slightly from 2008, the overall result still compels the conclusion that MAIF's year-end 2009 surplus level of \$128,749,019 is not excessive.³

Moving forward MAIF does not project a quick improvement in the nation's financial sector or unemployment rates generally, and as explained more fully below, expects continued pressure on its surplus throughout 2010. MAIF believes that its 2010 year-end surplus will be adequate to avoid a 2011 assessment.

II. Report Background

This report traces its lineage directly to a November 14, 2008 Memorandum of Understanding ("MOU") between the Maryland Automobile Insurance Fund and the Maryland Insurance Administration. That MOU itself was an outgrowth of a mandate contained in the 2008 Joint Chairman's Report on the State Operating Budget. In the Joint Chairman's Report, MAIF and the MIA were asked to study and provide recommendations on three topics, including a determination of the reasonableness of the MAIF surplus.

The study requested in the Joint Chairman's Report was completed and submitted on October 3, 2008 ("the October Study"). It reviewed the MAIF surplus as of the end of August 2008. While concluding that the MAIF surplus was not excessive, MAIF and the MIA also recommended a yearly formal review of the MAIF surplus.

MAIF submitted a report to the MIA on April 30, 2009 with 2008 year-end data. In light of near catastrophic nationwide economic disruption, and highlighting a large drop in MAIF's surplus, the review concluded MAIF's remaining surplus was not excessive.

³ For convenience, various figures relating to MAIF's 2009 operating results are attached as Exhibit 1. The full figures, and the source for the year-end numbers reproduced in Exhibit 1 are MAIF's year-end Annual Statements, on file with the MIA.

This report includes year-end 2009 data attached in Exhibit 1, notes the further erosion of surplus, and again supports the conclusion that MAIF's surplus is not excessive.

III. Required Factors Review

Six factors are to be reviewed in this analysis. The first three of these measure a variety of ratios to surplus, and provide tools for determining whether MAIF's surplus is growing or shrinking in comparison to its business volumes. The next two call for a review of insurance and financial trends, and the final one calls upon MAIF to project premium and surplus levels for year-end 2010 and 2011.

Reflecting the decline in MAIF's overall surplus, all but one of the required ratios of surplus to other factors discussed below has weakened since the last report. Further, MAIF's review of the external operating environment and its financial projections strongly caution against any artificial lowering of the MAIF surplus, as MAIF projects that surplus will continue to decline as the economy, while stabilizing, has yet to yield sufficient job recovery and remains tenuous.

A. The Analysis of the Requested Ratios

1. The Ratio of the Surplus to the Assessment Trigger

The strength of the ratio of MAIF's surplus to its assessment trigger is perhaps the best measure of the adequacy of its surplus. As the October study noted, MAIF's 2000 to 2003 financial history shows that a surplus to assessment ratio "as high as 6-to-1" is not excessive. *See* October Study at page 9. At the end of 2008, this critical ratio stood at 4.18. This figure was obtained by dividing the 2008 year-end surplus of \$138,701,648 by the assessment trigger of \$33,202,985.

In 2009 MAIF's ratio of surplus to assessment trigger strengthened slightly from 4.18 to 4.36. Little comfort can be taken from this. It was due to a decline in the assessment trigger of almost more than \$4 million, and came about despite a decline in total surplus. This ratio, while healthy, still stands below the 6-to-1 ratio that proved vital in the 2000 to 2003 time frame. It therefore strongly suggests surplus is not excessive.

2. The Surplus as Measured by Risk Based Capital

The October 2008 Study recognized that in addition to comparing MAIF's surplus to MAIF's assessment trigger, it could be a useful measuring tool to compare MAIF's surplus to what would be its authorized control level if MAIF were acting under risk based capital standards. While the report was quick to caution that "minimum risk based capital cannot be viewed as a measure of a company's health", it was thought that the ratio could provide a tool to compare MAIF to other insurers in Maryland. Under this comparison, MAIF's ratio of 2008 surplus to risk based capital authorized control level was 8.49.

During 2009, this ratio also weakened. It fell from 8.49 in 2008 to 8.38 in 2009. This erosion, while modest, further indicates that surplus is not excessive.

3. The Ratio of Premium to Surplus

In calendar 2009, both MAIF's direct written premium and earned written premium continued to decline. Overall, direct written premium fell from \$117 million to slightly over \$109 million. Similarly, earned premium fell from \$121 million to only \$113 million. These figures reflect a further decline during 2009 of MAIF's overall book of business, as well as the forbearance of any rate increases taken until August 2009.

This reduction of both written and earned premium drove up the ratio of written to surplus while the earned premium to surplus remained the same, indicating a continued weakening of the MAIF surplus. The earned premium ratio remained the same at 0.88, and the ratio of direct written premium to surplus went from 0.84 to 0.85.

The slight improvement in the surplus to assessment trigger ratio from year-end 2008 to year-end 2009 is welcome, but still strongly suggests that the 2009 MAIF surplus is not excessive. The year-end 2009 ratio still trails badly the October 2008 ratio. Taken together, the three ratios covered in this portion of the analysis illustrates the fact that in addition to a momentary decline in absolute surplus, there was also a relative decline in surplus to various measuring standards.

B. External Economic Factors, Including the Overall Financial Climate

While the ratios detailed above provide an important snapshot of the MAIF surplus, that picture always needs to be placed into the context of an expanding or contracting economy. This economic picture is an element in predicting MAIF's future surplus needs. Therefore, the Memorandum of Understanding requires MAIF to analyze the external economic factors, including the overall financial climate.

A review of the relevant economic data indicates a steady but moderate economic recovery, which is expected to continue through 2012.

Signs of an improving economy are beginning to be seen. Retail sales, housing starts, service sector employment and manufacturing are all on the upswing. The first quarter 2010 GDP figures show growth at a pace of about 3%, compared with the 5.6% gain in the fourth quarter of last year, which, while debated, may indicate that the recovery is on track. Consumers are spending more than expected and businesses are purchasing more equipment. It will take much longer however, for this positive growth to translate into job market growth.

One of MAIF's greatest concerns is the unemployment rate in Maryland. In the past, MAIF's volume (or PIF, policies in force) fell as unemployment increased. *See* Exhibit 2. MAIF's surplus rises during periods of good employment, and contracts during times of high unemployment. *See* Exhibit 3. The Bureau of Labor reports Maryland

unemployment continues to climb, reaching 7.7% in March 2010. Nationwide, the unemployment rate is reported at 9.7%, which is the highest it has been in over ten years. Further, according to Federal Reserve reports, the economy is hobbled by a continued soft housing market. With the economy still sluggish and the jobless rate still growing, MAIF feels it is too soon to let cautious optimism overtake our traditional and time tested conservative approach to maintaining a reasonable level of surplus. Current predictions for the end of the recession range from late 2010 to well into 2012. Much depends on the continued softness of the housing market, the European Financial Crisis and the unemployment picture in Maryland.

A 2008 Report by the Insurance Research Council "Uninsured Motorists" concluded that:

"As the economic downturn persists, consumers will seek additional ways to curb spending. Some consumers may choose to forgo auto insurance, despite mandatory coverage requirements and financial responsibility laws in many states and the significant risk associated with driving uninsured.

As more people lose their jobs, more tend to drive without insurance."

The report further states an increase in the unemployment rate of one percentage point is associated with an increase in the uninsured motorist rate of more than three-quarters of a percentage point. Maryland's unemployment has risen from an overall average of 4.4% in 2008 to 7.7% as of March 31, 2010. The significant increase in unemployment strongly suggests vehicle owners are going uninsured. As the economy strengthens and the unemployment rate decreases these uninsured drivers may return to the insurance market, but find themselves unable to obtain coverage from private carriers. These individuals will more than likely be insured by MAIF since many carriers will not insure an individual with a gap in insurance coverage. If this proves correct, MAIF's surplus could erode dramatically.

This analysis indicates that MAIF needs to retain its surplus cushion against the economic difficulties throughout the 2010-2011 periods, as the national economy continues its slow recovery.

C. Trends in the Automobile Insurance Market Nationally and in Maryland

At the beginning of 2010, the insurance industry finds itself under significant negative pressures. Overall, the forecasts are that the insurance industry will continue to face rising claims costs. If these claims costs are coupled with an increase in business volume at MAIF, pressures on the MAIF surplus will be severe.

The insurance industry faced greater price pressures in 2009 than did the overall US economy. The Insurance Information Institute issued a report on February 1, 2010

titled Increases in Price of Health, Legal Services Impacted Costs of Property/Casualty Insurers in 2009. The report noted "Auto... insurers are sensitive to hospital, physician and legal service fee increases, and every single one of those items cost more in 2009 than they did in 2008," said Dr. Steven Weisbart, the I.I.I.'s chief economist. "This is particularly notable in a year when the overall CPI actually decreased, something which hadn't happened in the United States since 1955."

Additionally, the Bureau of Labor Statistics' March, 2010 CPI report showed an overall increase in the cost of medical care of 3.7% in the last 12 months, led by an increase of 7.6% in the cost of hospital care. The consensus forecast for overall medical inflation is a 3.5% increase over the next year.

MAIF's experience is more challenging than reported by these two sources. The average cost of medical expenses submitted to MAIF for a BI claim has increased 45% from the first quarter of 2006 to the first quarter of 2010 (from \$3,670 to \$5,328). We do not expect that rate of increase to abate. Additionally, the number of 2009 claims in suit is up 22% compared to 2006. These two factors indicate increased upward pressure on MAIF's claims costs.

These rising claims costs will further draw down the MAIF surplus. Moreover, as noted in Section IIIB, during an economic downturn, MAIF's volume historically rises. At this point in 2010, however, that correlation is less clear. During 2009, volume dropped 2.7% at MAIF. The question then remains as to whether or not MAIF's volume will grow, or whether consumers are now leaving the insurance market altogether. As of April 28, 2010, MAIF's application volume has increased 1.9%.

If, instead of prior trends where people leave private carriers and seek the MAIF alternative, people are now leaving private carriers and going uninsured, a time bomb in effect could be hidden within the system. As the economy recovers, uninsured drivers will attempt to reenter the market. Private carriers will refuse to write them due to the gap in coverage and MAIF would be confronted with an exploding increase in volume. This "Perfect Storm" of circumstances has happened before and would put tremendous stress on MAIF's surplus. New business issuance costs and increasing claims settlement costs would add further stress on surplus levels.

In the end then, the analysis remains the same. MAIF's claims costs will continue to rise, putting pressure on its surplus. If business volumes dramatically increase either now or as the economy recovers, that will further enhance the need for sufficient surplus. Under both scenarios, the existing surplus is not excessive.

D. Financial Projections

By far the most difficult exercise required by the Memorandum of Understanding is a prediction by MAIF of 2010 and 2011 premium and surplus levels. While the first quarter of 2010 provides some data upon which to make a year-end projection, 2011

results depend upon economic predictions, at a time when there is likely to continue to be hills and valleys in the recovery of the national economy.

MAIF projects a modest 2% increase in policy writings in 2010, as experienced in the first quarter of 2010. Based on financial results of both 2008 and 2009, MAIF expects to file for some rate increases during 2010 and 2011. These rate changes along with the modest growth in volume should yield a written premium of slightly over \$120 million by the end of 2010, with an earned premium of almost \$114 million. If these projections prove to be accurate, MAIF's surplus would further decline, ending 2010 at approximately \$102,700,000.

In 2011, a change in the law requiring all drivers to carry liability limits of at least 30/60 compared to the current mandatory 20/40 is expected to impact MAIF's policy writings. Due to the impact of this law change on the affordability of insurance for MAIF policyholders, MAIF is projecting 2011 policy volume to remain flat. Further rate strengthening may be necessary. Under this scenario, MAIF forecasts written premium to increase to \$169 million, and earned premium to increase to \$147 million. If these levels are attained, MAIF estimates its surplus would drop at a slower rate, ending 2011 at \$97 million.

In the event that MAIF were to experience growth in policy writings similar to that experienced in 2000, 2001 or 2002, MAIF's written premium could grow as high as \$250 million by the end of 2011 necessitating additional surplus capacity. On the other hand, if an economic downturn approaching the scale of 2008's recession were to accelerate MAIF's financial erosion, surplus could be impacted by as much as \$25 million in both 2010 and 2011. A growth in incurred losses due to an unforeseen growth in health care and medical costs could add an additional strain on MAIF's surplus. Based on MAIF's current surplus levels, if any or all of these events occurred, MAIF's surplus could decline to a dangerously low level.

The projected \$97 million year-end 2011 surplus contrasts dramatically with the actual results at year-end 2007. At that time, surplus stood at over \$187 million. MAIF now projects that by the end of 2011, four years later, the surplus will be almost \$90 million lower. While surplus continues to be depleted, that projected surplus level is above the projected 2011 assessment trigger of approximately \$33 million.

MAIF's financial projections as contained in Exhibit 4 then support the view that the current MAIF surplus will continue to erode and cannot be viewed as excessive. Despite this erosion, the healthy surplus will allow MAIF to navigate the current economic uncertainty of 2010 and avoid assessments on the driving public in 2011.

IV. Conclusion

The dramatic decline in the MAIF surplus that began in calendar year 2008 continued in 2009, but at a slower pace. MAIF expects further erosion of surplus in 2010. Under these circumstances, the existing surplus cannot be viewed as excessive.

Despite this predicted decline in surplus, MAIF continues to be well poised to survive the economic downturn and the emerging recovery. Retaining sufficient surplus over several years with the support of the General Assembly has left MAIF, and the Maryland driving public, in a protected position moving forward.

Surplus Reporting Factors

	12/31/2009	12/31/2008
Surplus	\$128,749,019	\$138,701,648
Assessment Trigger	\$29,539,760	\$33,202,985
Risk Based Capital (RBC) Authorized Control Level (ACL)	\$15,366,583	\$16,328,697
Premium		
Direct Written Premium	\$109,168,500	\$116,636,349
Earned Premium	\$113,138,082	\$121,560,987
Ratio of Surplus to Assessment Trigger	2009 4.36	2008 4.18
Ratio of Surplus to RBC Authorized Control Level	8.38	8.49
Ratio of Premium to Surplus		
Direct Written Premium	0.85	0.84
Earned Premium	0.88	0.88

MAIF PIF and Maryland Unemployment Rates 1997 through 2009

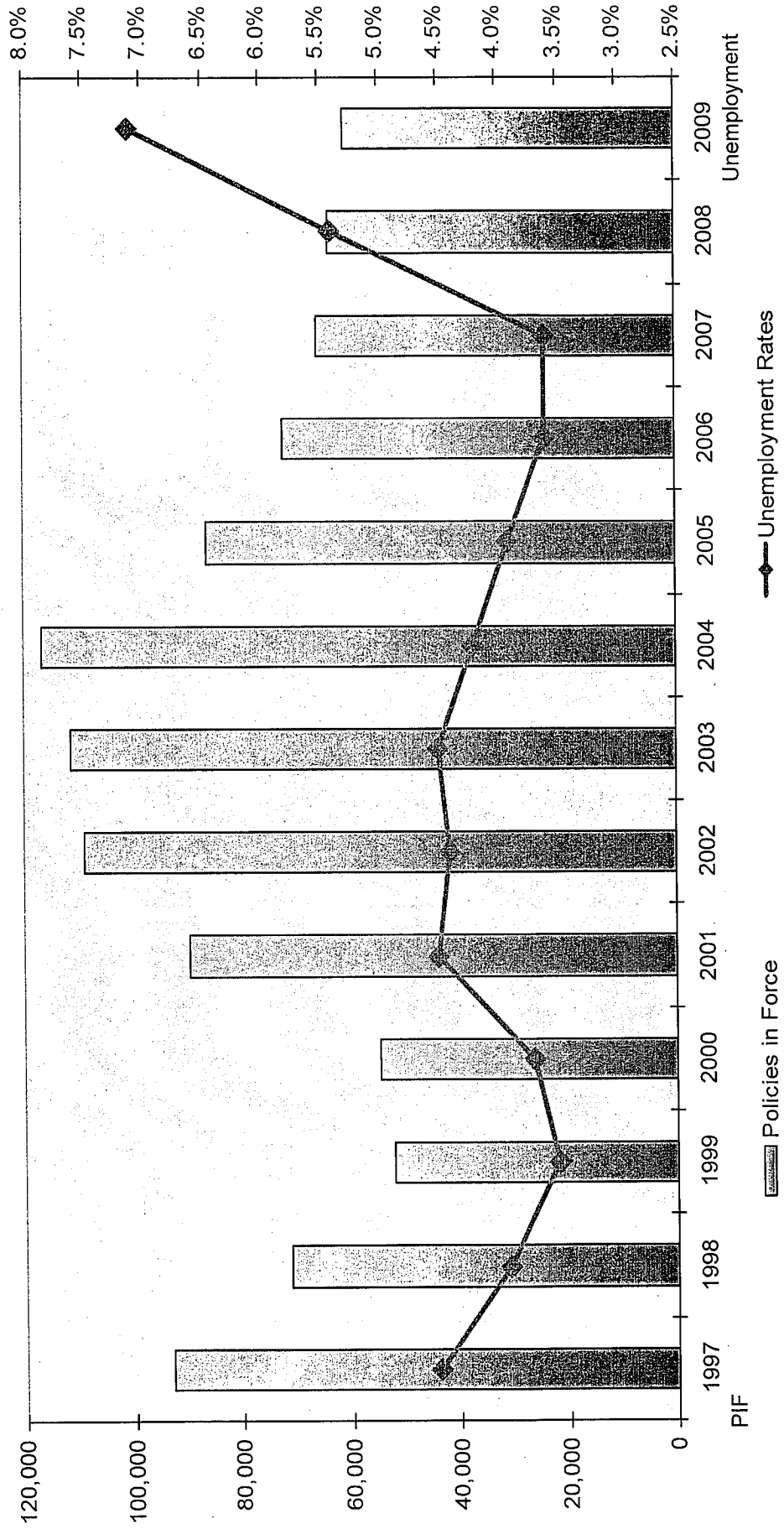


Exhibit 2

MAIF Surplus and Maryland Unemployment Rates 1997 through 2009

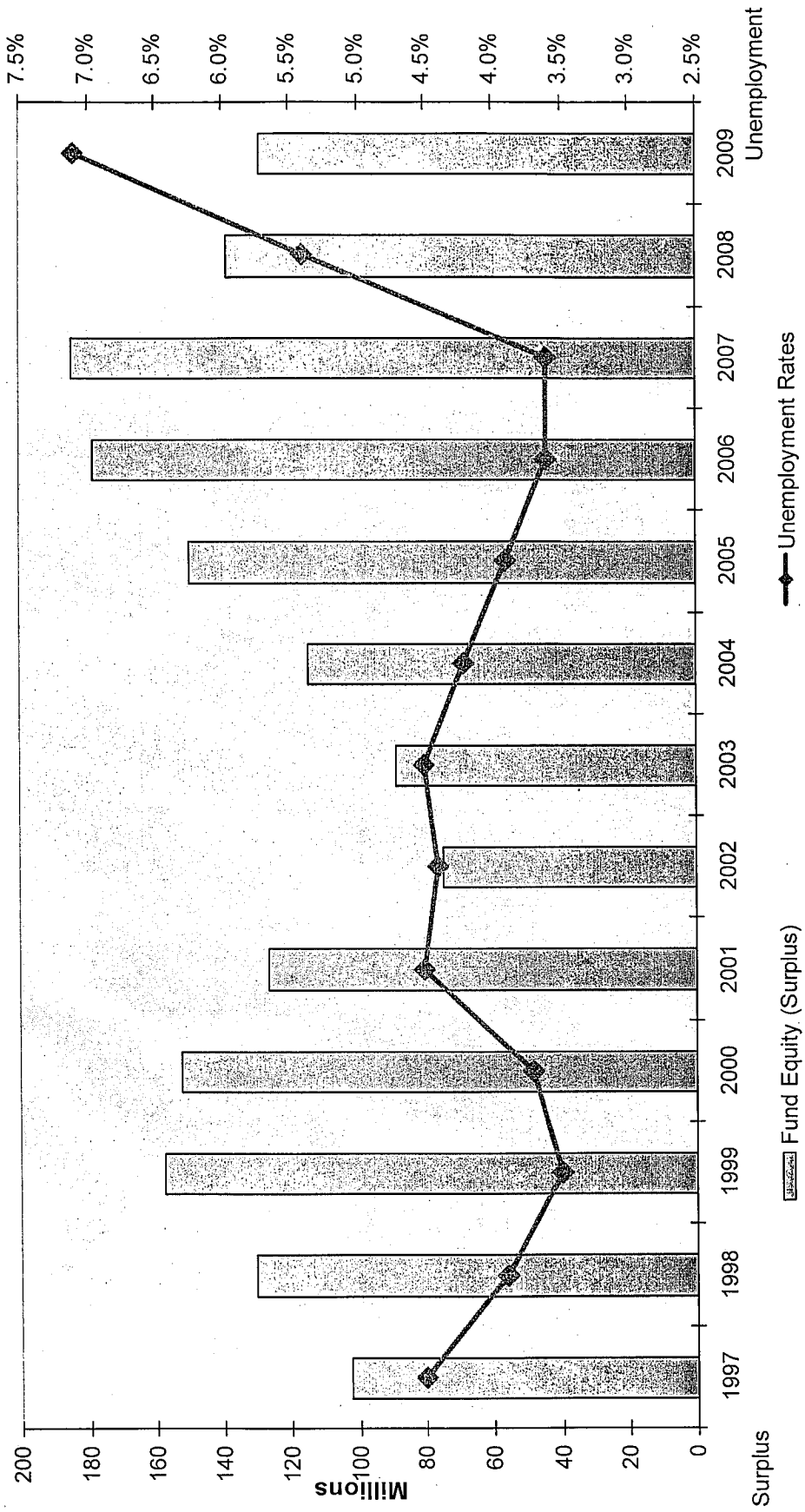


Exhibit 3

Financial Projections

	12/31/2010	12/31/2011
Written Premium	120,900,000	169,100,000
Earned Premium	113,900,000	146,800,000
		100.0%
Losses Incurred	85,000,000	91,700,000
All Other Expenses	44,400,000	44,400,000
Commission & Premium Tax	14,500,000	20,300,000
Total Underwriting Deductions	<u>143,900,000</u>	<u>156,400,000</u>
Net Underwriting Gain (Loss)	<u>(30,000,000)</u>	<u>(9,600,000)</u>
		126.3%
Investment Income	4,000,000	4,000,000
		3.5%
Net Income (Loss)	(26,000,000)	(5,600,000)
		-22.8%
Beginning Surplus	128,749,019	102,749,019
Net Income (Loss)	(26,000,000)	(5,600,000)
Change in Unrealized		
Gains (Losses)/ Non-Admitted	0	0
Surplus	<u>102,749,019</u>	<u>97,149,019</u>

MIA Additional Information Request – 2010 Surplus Report (as of 12/31/09)

On May 3, 2010, MAIF submitted the delineated data required in the November 14, 2008 Memorandum of Understanding between MAIF and the MIA for the review of its 2009 surplus. The information herein responds to your Thursday, September 23, 2010 request for additional information underlying the assumptions used in MAIF's May 2010 report.

In compiling this additional information, MAIF has several overall observations.

First, MAIF's core statutory mission to insure all qualified applicants means it lacks the traditional management tools to control policy application growth. MAIF cannot turn away statutorily qualified applicants to reduce volume, and historically has not marketed to increase volume. MAIF cannot cancel or refuse to rewrite a policy due to poor loss experience. Despite its reactive nature, however, MAIF's management has for over 20 years successfully avoided the need for an assessment on the Maryland driving public.

Second, while external market forces dictate MAIF's volume, its track record of predicting and accommodating yearly swings in volume is strong. In our May submission, based on data through April, MAIF predicted 2% 2010 growth. Year-to-date growth stands at 1.6%. Moreover, surplus, as MAIF anticipated in its May projections, continues to decline.

Third, due to the volatility of its application volume, MAIF requires a strong surplus to weather stressed business cycles. At your request, we have included a stressed scenario (based on our experience) in this report, which again reflects the need for strong surplus retention.

The General Assembly and the Maryland Insurance Administration have been reliable partners in resisting efforts to artificially lower MAIF's surplus. Together they have defeated efforts of non-stakeholders seeking to take money from MAIF to enhance private special interests. This support was evident when this report was first produced in 2008 at which time surplus stood at over \$187 million (year end 2007). Surplus, overall, declined from that \$187 million peak to only \$128 million at the end of 2009. By August 2010, surplus had further declined to \$102 million. Just as the Administration found the \$187 million surplus *not* to be excessive, the \$128 million year-end 2009 surplus is also not excessive. Rather, MAIF's surplus continues to protect all Maryland drivers against an unnecessary or artificially induced assessment.

Written/Earned Premium:

Change in application volume from prior year: In its May submission, MAIF projected a 2% increase in 2010 application volume based on year-to-date data through April 2010. Through September of 2010, MAIF's applications have grown 1.6%.

Impact of rate change from prior year: Our May 2010 projections were based on an anticipated rate increase of approximately 15% during 2010 and 2% growth in applications as stated above. In the face of a devastated economy and its impact on working families, MAIF elected to forego a 2010 rate filing.

Impact of unemployment rate: In our earlier submission, we noted an unemployment rate of 7.7%. Currently, Maryland's unemployment rate is just under 8%. Historically, changes in the unemployment rate have impacted policy writings. In 2009, however, there was no evident relationship between the unemployment rate and MAIF's application volume. For that reason, no explicit alterations of the projections were deemed appropriate.

Impact of uninsureds: Most insurance carriers will not write drivers who have been uninsured. To re-enter the insurance market, these individuals frequently must go through MAIF. In bad economic times, it is assumed that more people go uninsured, which could ultimately result in an increase in MAIF applications. General economic conditions will influence the speed at which people re-enter the insurance market. Given the unprecedented economic conditions of early 2010, MAIF determined that no explicit methodology existed to accurately quantify when, and at what rate, uninsureds would re-enter the market. Accordingly, MAIF projections were not altered to reflect this factor. Instead, MAIF's management views the need to maintain significant surplus as a hedge against this problem.

Assumption used in modeling policy changes year over year: MAIF periodically polls its producers and keeps abreast of industry news and data to assess changes in the marketplace. As of its May submission, the current strength and profitability of the private passenger automobile market in Maryland confirmed MAIF's projections that no change in policy volume would be forthcoming.

Claim Cost:

Impact of unemployment rate on claim frequency: Logically, it is reasonable to assume that in times of high unemployment, an increased incentive to make a claim exists. To date, industry data indicates that claim frequency is rising in the aggregate. Because the unemployment rate continued to rise in 2008, MAIF's 2009 frequency data was assumed to include this increase and no further adjustment was made.

Average cost of medical claims submitted: As noted in our May 3rd submission, the average cost of medical expenses submitted to MAIF for a Bodily Injury claim increased 45% from the first quarter of 2006 to the first quarter of 2010 (from \$3,670 to \$5,328). This trend is not expected to abate, and is accounted for in claims projections in the May report. Additionally, the number of 2009 claims in suit was up 22% compared to 2006. These two factors indicate increased upward pressure on MAIF's claims costs. In its projections, MAIF used the most recent aggregate industry data in Maryland available in April 2010. That data indicated that average paid PIP losses grew by 12.3% on a twelve-month moving basis as of the first quarter 2010. The aggregate incurred losses in 2011 increased by 6.5% over 2010. This percentage was judgmentally selected to account for the combined effects of the minimum limits law change and a general estimated claim cost increase ranging from 3% to 5%.

Increase/decrease in number of claims in suit: Over time, MAIF's suit volume will increase or decrease; however, the change in suit volume in 2010 and 2011 was not explicitly considered in this projection. Variations in volume are gradual, and therefore are assumed to be reflected in the 2009 data used as a basis in MAIF's report.

Change in loss ratio: The loss ratio projected for 2011 is the result of an expected combined increase in claim costs of 6.5% as stated above and an 8% increase due to the law change raising minimal liability limits. The loss ratio is also impacted by the increased written premium that will result from the change in mandatory liability limits. No growth in policy volume or claim volume was projected between 2010 and 2011.

Administrative Expense:

Anticipated impact to net income in the event that premium volume should decline significantly and its administrative expense cannot be proportionately reduced. Neither projection anticipated significant decreases to premium volume. Should such changes occur, MAIF, as it has in the past, can impact its administrative expenses by adjusting its largest expense: staffing.

Anticipated change in commission: Change in the commission rate requires a statutory change. No change in commission rate was included in either year's projection.

Investments:

Discuss any anticipated change in the percentage distribution of invested assets to bonds and common stocks and the impact to the balance sheet and income statement projections. MAIF does not plan to alter, in any significant way, its asset allocations in 2010 or 2011. This decision was reflected in the projections.

Surplus:

Explanation for how adverse selection relates to greater need for surplus under each scenario. MAIF has a unique need for strong surplus due to its statutory mandates and limitations. Since MAIF is the insurer of last resort, its book of business and overall policy volume can be subject to sudden fluctuations. For example, between 1999 and 2002, MAIF nearly doubled in size and grew just short of 40% in 2001 alone. The occurrence, duration and magnitude of these fluctuations are beyond MAIF's control. MAIF cannot underwrite its book of business to compensate for these uncontrollable circumstances. The composition of MAIF's book of business as it relates to territory, driver class, and other risk characteristics can also vary. These variables are also beyond MAIF's control. As a result, if its surplus is not adequate to cover future contingencies that are unique to MAIF, it could find itself in an assessment situation.

2011 Stressed Financial

In its May submission, MAIF was not asked for and did not create a stressed financial statement for 2010. Given the difficult economic environment that persists since May, we have provided one for 2011 in this report. For the stressed financial statement projection for 2011, MAIF proposed an increase in policy writings of approximately 40% (mirroring 2001 data of the largest single year of growth in its history) with no rate relief in 2011. Losses incurred were increased by a factor of 10% due to the high increase in claim volume following such rapid policy growth necessitating a commensurate increase in staffing. Variable expenses such as commission and premium taxes were adjusted to be consistent with changing premium volumes. Investment losses and changes in unrealized losses were posted at historical highs. The projected surplus at the end of 2011 under the stressed scenario would result in an assessment.

CONCLUSION

The stressed financial scenario, based upon historic precedents, presents a sobering reminder of the importance of MAIF maintaining a strong surplus. This lesson is consistent with the teaching of the last few years, as surplus has contracted dramatically. Nonetheless, with continued support from the Administration and General Assembly, MAIF will weather this economic storm without burdening the Maryland driving public.

Underwriting and Investment Exhibit

	Actual 2009	Baseline 12/31/2010	YTD 8/31/2010	Baseline 12/31/2011	Stressed 2011
Written Premium	\$108,921,671	\$120,900,000	\$80,677,255	\$169,100,000	\$195,200,000
Earned Premium	113,138,082	113,900,000	75,014,451	146,800,000	162,700,000
		100.0%	100.0%	100.0%	100.0%
Losses Incurred	88,401,345	85,000,000	60,290,430	91,700,000	148,200,000
LAE	31,666,739	29,500,000	20,064,566	32,400,000	48,800,000
Other Underwriting Expenses	27,554,890	29,400,000	18,928,628	32,300,000	23,400,000
Total Underwriting Deductions	147,622,974	143,900,000	99,283,624	156,400,000	220,400,000
Net Underwriting Gain (Loss)	(34,484,892)	(30,000,000)	(24,269,173)	(9,600,000)	(57,700,000)
		126.3%	132.4%	106.5%	135.5%
Investment Income	1,333,618	4,000,000	11,769,940	4,000,000	(3,000,000)
		3.5%	15.7%	2.7%	-1.8%
Net Income (Loss)	(\$33,151,274)	(\$26,000,000)	(\$12,499,233)	(\$5,600,000)	(\$60,700,000)
		-22.8%	-16.7%	-3.8%	-37.3%
Beginning Surplus		\$128,749,019	\$128,749,019	\$102,749,000	\$102,700,000
Net Income (Loss)		(26,000,000)	(12,499,233)	(5,600,000)	(60,700,000)
Change in Unrealized		0	(14,187,703)	0	(25,700,000)
Gains (Losses)/ Non-Admitted		0	\$102,062,083	\$97,149,000	\$16,300,000
Surplus		\$102,749,000	\$102,062,083	\$97,149,000	\$16,300,000
Assessment Trigger		\$28,892,000		\$33,264,000	\$35,439,000
Projected Policy Application Counts	97,040	99,000		99,000	138,600

	Direct Written Premium	Three Year Average	Minimum Required Surplus (25% of Average)
Actual 2006	153,127,206		
Actual 2007	128,672,269		
Actual 2008	116,636,349	132,811,941	33,202,985
Actual 2009	109,168,500	118,159,039	29,539,760
Estimated 2010	120,900,000	115,568,283	28,892,071
Estimated 2011	169,100,000	133,056,167	33,264,042
Stressed 2011	195,200,000	141,756,167	35,439,042

Balance Sheet

	2009		August 2010		Projected 2010		Estimated 2011		Stressed Estimated 2011	
		Ratio		Ratio		Ratio		Ratio		Ratio
Assets										
Cash and Short Term Investments	\$15,088,575	5.1%	\$5,806,455	2.1%	\$15,000,000	5.3%	\$15,000,000	4.9%	\$15,000,000	5.0%
Investments	273,339,588	92.4%	265,839,488	95.5%	259,194,000	92.4%	288,121,000	93.2%	279,996,000	93.0%
Real Estate	1,868,225	0.6%	1,716,932	0.6%	1,641,000	0.6%	1,414,000	0.5%	1,414,000	0.5%
Receivables	3,657,301	1.2%	3,466,905	1.2%	3,390,000	1.2%	3,390,000	1.1%	3,390,000	1.1%
Electronic DP Equipment	530,473	0.2%	250,473	0.1%	110,000	0.0%	0	0.0%	0	0.0%
Other	1,260,000	0.4%	1,260,000	0.5%	1,260,000	0.4%	1,260,000	0.4%	1,260,000	0.4%
Total Assets	<u>\$295,744,161</u>	<u>100.0%</u>	<u>\$278,340,252</u>	<u>100.0%</u>	<u>\$280,595,000</u>	<u>100.0%</u>	<u>\$309,185,000</u>	<u>100.0%</u>	<u>\$301,060,000</u>	<u>100.0%</u>
Liabilities & Surplus										
Loss & Loss Expense Reserves	\$87,550,175	52.4%	\$91,253,026	51.8%	\$91,600,000	51.5%	\$99,280,000	46.8%	\$157,600,000	55.3%
Unearned Premium Reserve	59,525,408	35.6%	65,188,211	37.0%	66,495,000	37.4%	93,005,000	43.9%	107,360,000	37.7%
Outstanding Draft Reserve	5,829,660	3.5%	6,212,183	3.5%	6,200,000	3.5%	6,200,000	2.9%	6,200,000	2.2%
Other	14,089,899	8.4%	13,624,749	7.7%	13,600,000	7.6%	13,600,000	6.4%	13,600,000	4.8%
Total Liabilities	<u>\$166,995,142</u>	<u>100.0%</u>	<u>\$176,278,168</u>	<u>100.0%</u>	<u>\$177,895,000</u>	<u>100.0%</u>	<u>\$212,085,000</u>	<u>100.0%</u>	<u>\$284,760,000</u>	<u>100.0%</u>
Surplus	<u>\$128,749,019</u>		<u>\$102,062,084</u>		<u>\$102,700,000</u>		<u>\$97,100,000</u>		<u>\$16,300,000</u>	
Total Liabilities & Surplus	<u>\$295,744,161</u>		<u>\$278,340,252</u>		<u>\$280,595,000</u>		<u>\$309,185,000</u>		<u>\$301,060,000</u>	

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
State Farm Mut Auto Ins Co	IL	638,619,464	6,921,519	645,540,983	15.59%	59,110,823,197	7,103,526,525	832.13%
Geico Gen Ins Co	MD	328,332,956	-	328,332,956	7.93%	92,268,044	2,544,897	3625.61%
Government Employees Ins Co	MD	267,949,940	635,972	268,620,912	6.49%	6,118,197,548	776,984,626	787.43%
Erie Ins Exch	PA	227,749,756	39,266,421	267,016,177	6.45%	4,398,994,900	412,907,893	1065.37%
Allstate Ins Co	IL	250,736,696	3,773,541	254,510,237	6.15%	15,026,104,405	2,420,248,620	620.85%
Nationwide Mut Ins Co	OH	179,295,735	7,081,927	186,377,662	4.50%	9,474,377,493	1,917,861,090	494.01%
USAA	TX	122,428,433	-	122,428,433	2.96%	14,565,283,292	1,112,437,964	1309.31%
Allstate Prop & Cas Ins Co	IL	121,767,424	-	121,767,424	2.94%	158,998,816	752,307	21134.83%
Nationwide Gen Ins Co	OH	109,442,348	-	109,442,348	2.64%	20,926,024	92,648	22586.59%
Maryland Automobile Ins Fund	MD	98,268,674	10,899,826	109,168,500	2.64%	128,749,019	15,366,583	837.85%
Geico Ind Co	MD	98,256,930	-	98,256,930	2.37%	2,181,246,712	247,365,827	881.79%
Liberty Mut Fire Ins Co	WI	84,926,291	5,373,274	90,299,565	2.18%	1,079,605,217	239,615,136	450.56%
Progressive Advanced Ins Co	OH	88,735,894	-	88,735,894	2.14%	77,109,751	7,069,496	1090.74%
State Farm Fire & Cas Co	IL	80,450,923	4,993,389	85,444,312	2.06%	8,540,898,943	1,457,952,626	585.81%
USAA Cas Ins Co	TX	79,714,688	-	79,714,688	1.92%	3,533,065,877	117,075,752	3017.76%
Nationwide Mut Fire Ins Co	OH	50,623,012	2,291,782	52,914,794	1.28%	2,091,552,831	162,104,010	1290.25%
Geico Cas Co	MD	42,939,835	-	42,939,835	1.04%	145,582,173	3,420,935	4255.63%
Progressive Specialty Ins Co	OH	40,922,479	-	40,922,479	0.99%	719,871,332	20,946,313	3436.74%
Allstate Ind Co	IL	39,165,716	1,569,276	40,734,992	0.98%	151,568,185	809,829	18716.07%
Travelers Home & Marine Ins Co	CT	38,549,964	-	38,549,964	0.93%	69,369,270	8,482,638	817.78%
Progressive Direct Ins Co	OH	38,515,643	-	38,515,643	0.93%	1,121,686,146	137,998,839	812.82%
Progressive Amer Ins Co	OH	37,174,070	-	37,174,070	0.90%	123,565,147	5,842,565	2114.91%
Progressive Classic Ins Co	WI	28,691,625	-	28,691,625	0.69%	79,285,010	8,625,742	919.17%
Travelers Home & Auto Ins Co	IL	24,520,967	-	24,520,967	0.59%	6,471,079	28,295	22870.04%
State Auto Prop & Cas Ins Co	IA	21,467,021	5,695,783	23,162,804	0.56%	533,880,503	75,538,030	706.77%
Encompass Ins Co Of Amer	IL	21,867,803	-	21,867,803	0.53%	20,762,302	125,472	16547.36%
Brethren Mut Ins Co	MD	15,051,382	4,590,599	19,641,981	0.47%	111,131,878	7,678,295	1447.35%
Peninsula Ins Co	MD	15,449,667	3,785,912	19,235,579	0.46%	38,986,329	2,733,866	1426.05%
Agency Ins Co Of MD Inc	MD	18,767,901	-	18,767,901	0.45%	22,065,667	2,606,713	846.49%
Progressive Cas Ins Co	OH	2,171,671	16,322,661	18,494,332	0.45%	1,361,684,373	207,531,189	656.13%
Hartford Underwriters Ins Co	CT	9,977,775	7,809,298	17,787,073	0.43%	645,913,047	53,261,339	1212.72%
Selective Way Ins Co	NJ	-	17,299,140	17,299,140	0.42%	199,810,413	44,544,891	448.56%
Titan Ind Co	TX	16,518,181	628,169	17,146,350	0.41%	162,236,613	1,885,275	8605.46%
Travelers Ind Co	CT	12,441,319	4,429,656	16,870,975	0.41%	8,372,638,876	1,342,112,348	623.84%
Travelers Prop Cas Co Of Amer	CT	-	15,984,456	15,984,456	0.39%	95,881,779	11,364,982	843.66%
Encompass Ind Co	IL	15,076,516	(18)	15,076,498	0.36%	23,185,377	128,065	18104.38%
Amica Mut Ins Co	RI	14,811,185	-	14,811,185	0.36%	2,242,152,310	142,444,303	1574.06%
Sentinel Ins Co Ltd	CT	10,260,509	3,947,566	14,208,075	0.34%	130,250,094	3,983,542	3269.71%
Safeco Ins Co Of Amer	WA	14,098,256	-	14,098,256	0.34%	1,147,111,899	146,163,549	784.81%
Pennsylvania Natl Mut Cas Ins Co	PA	9,882,111	4,153,700	14,035,811	0.34%	449,819,223	59,276,138	758.85%
Keystone Ins Co	PA	13,935,260	-	13,935,260	0.34%	130,450,595	18,253,899	714.65%
American States Preferred Ins Co	IN	13,216,944	-	13,216,944	0.32%	61,124,827	7,597,634	804.52%
State Automobile Mut Ins Co	OH	12,621,652	480,607	13,102,259	0.32%	924,638,984	121,925,799	758.36%
United Financial Cas Co	OH	-	13,047,022	13,047,022	0.32%	405,404,803	56,687,060	715.16%
Trumbull Ins Co	CT	12,933,058	-	12,933,058	0.31%	88,080,573	6,512,140	1352.56%
Montgomery Mut Ins Co	MA	11,669,338	1,144,758	12,814,096	0.31%	43,728,662	89,783	48704.83%
Unitrin Auto & Home Ins Co	NY	12,659,567	-	12,659,567	0.31%	30,934,895	935,126	3308.10%

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
USAA Gen Ind Co	TX	12,217,087	-	12,217,087	0.29%	207,037,542	9,512,622	2176.45%
Zurich Amer Ins Co	NY	-	12,191,454	12,191,454	0.29%	7,417,150,618	1,919,872,822	386.34%
Esurance Ins Co	WI	11,989,891	-	11,989,891	0.29%	197,853,161	23,307,108	848.90%
Mutual Benefit Ins Co	PA	9,425,723	2,295,267	11,720,990	0.28%	61,728,233	8,022,713	769.42%
IDS Prop Cas Ins Co	WI	11,540,202	-	11,540,202	0.28%	405,385,017	25,931,156	1563.31%
Property & Cas Ins Co Of Hartford	IN	11,398,798	51,243	11,450,041	0.28%	108,573,886	6,584,592	1648.91%
Cincinnati Ins Co	OH	296,303	10,915,459	11,211,762	0.27%	3,663,657,076	436,836,514	838.68%
Metropolitan Grp Prop & Cas Ins Co	RI	10,950,744	-	10,950,744	0.26%	298,410,625	13,063,555	2284.30%
Hartford Fire In Co	CT	1,971,911	8,235,781	10,207,692	0.25%	13,192,572,576	2,414,856,895	546.31%
Philadelphia Ind Ins Co	PA	1,190,398	8,900,373	10,090,771	0.24%	1,647,133,622	192,846,934	854.11%
Ohio Cas Ins Co	OH	7,717,640	1,227,459	8,945,099	0.22%	1,336,171,686	200,799,926	665.42%
First Liberty Ins Corp	IL	8,505,568	278,604	8,784,172	0.21%	21,791,146	1,506,057	1446.90%
Harleysville Mut Ins Co	PA	2,920,260	5,807,516	8,727,776	0.21%	827,903,106	122,512,254	675.77%
Safeco Ins Co Of IL	IL	8,663,640	-	8,663,640	0.21%	183,745,502	19,094,167	962.31%
Selective Ins Co Of SC	IN	7,944,110	432,961	8,377,071	0.20%	89,793,886	19,121,690	469.59%
Travelers Commercial Ins Co	CT	8,256,120	-	8,256,120	0.20%	92,976,011	14,572,374	638.03%
Paramount Ins Co	MD	8,245,529	-	8,245,529	0.20%	2,353,492	509,783	461.67%
Farmers New Century Ins Co	IL	7,890,009	-	7,890,009	0.19%	66,324,906	6,798,022	960.94%
Truck Ins Exch	CA	7,846,520	4,399	7,850,919	0.19%	540,443,792	137,557,191	392.89%
American Intl Ins Co	NY	7,430,084	-	7,430,084	0.18%	461,292,368	40,556,053	1137.42%
Seminole Cas Ins Co	FL	7,086,316	-	7,086,316	0.17%	7,856,136	3,846,897	204.22%
Travelers Ind Co Of Amer	CT	5,613,445	1,432,022	7,045,467	0.17%	150,409,173	24,043,167	625.58%
National Union Fire Ins Co Of Pitts	PA	-	6,941,584	6,941,584	0.17%	11,718,095,600	2,577,292,248	454.67%
Garrison Prop & Cas Ins Co	TX	6,932,003	-	6,932,003	0.17%	109,824,194	5,534,595	1984.32%
Nationwide Ins Co Of Amer	WI	6,783,775	-	6,783,775	0.16%	96,831,740	6,173,758	1568.44%
Kemper Independence Ins Co	IL	6,585,690	-	6,585,690	0.16%	26,728,584	1,217,753	2194.91%
Erie Ins Co	PA	6,369,216	-	6,369,216	0.15%	224,684,467	15,214,877	1476.74%
California Cas Ind Exch	CA	6,186,865	-	6,186,865	0.15%	327,140,909	20,273,120	1613.67%
Firemans Fund Ins Co	CA	6,057,884	125,708	6,183,592	0.15%	3,047,659,323	705,240,477	432.14%
Peerless Ind Ins Co	IL	-	6,103,319	6,103,319	0.15%	219,497,857	28,380,208	773.42%
Empire Fire & Marine Ins Co	NE	-	6,067,224	6,067,224	0.15%	55,496,623	6,019,926	921.88%
Great Northern Ins Co	IN	5,104,591	843,815	5,948,406	0.14%	453,227,446	71,024,677	638.13%
Metropolitan Drt Prop & Cas Ins Co	RI	5,738,618	-	5,738,618	0.14%	26,853,643	198,311	13541.18%
Interstate Auto Ins Co Inc	MD	5,682,401	-	5,682,401	0.14%	1,633,897	417,134	391.70%
Nationwide Prop & Cas Ins Co	PA	4,802,144	822,939	5,625,083	0.14%	172,069,694	14,622,099	1176.78%
Unitrin Direct Ins Co	OH	2,681,107	2,850,822	5,531,929	0.13%	38,886,155	617,430	6298.07%
Harford Mut Ins Co	IL	5,389,374	-	5,389,374	0.13%	15,246,481	376,273	4051.97%
Canal Ins Co	MD	-	5,225,250	5,225,250	0.13%	142,604,511	16,026,799	889.79%
Selective Ins Co Of Amer	SC	-	4,876,403	4,876,403	0.12%	499,146,695	43,126,770	1157.39%
Standard Fire Ins Co	NJ	-	4,711,733	4,711,733	0.11%	489,144,885	104,572,620	467.76%
Universal Underwriters Ins Co	CT	4,652,004	-	4,652,004	0.11%	1,375,963,003	220,652,758	623.59%
Selective Ins Co Of The Southeast	KS	-	4,569,048	4,569,048	0.11%	352,079,357	16,133,090	2182.34%
Firemens Ins Co Of Washington DC	IN	3,731,279	785,382	4,516,661	0.11%	69,177,519	14,894,601	464.45%
United Farm Family Ins Co	DE	4,489,510	-	4,489,510	0.11%	32,190,384	120,608	26690.09%
National Gen Assur Co	NY	2,096,664	2,242,551	4,339,215	0.10%	8,274,703	847,424	976.45%
Phoenix Ins Co	MO	4,280,141	-	4,280,141	0.10%	20,239,548	42,327	47817.11%
	CT	-	4,203,889	4,203,889	0.10%	1,224,746,790	234,581,756	522.10%

Maryland Insurance Administration
Maryland Licensed Insurers' Direct Written Auto Premium
In the State of Maryland
As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
National Cas Co	WI	-	4,143,333	4,143,333	0.10%	111,175,427	355,547	31268.84%
West Amer Ins Co	IN	2,457,523	1,642,527	4,100,050	0.10%	213,373,413	1,541,370	13843.10%
Lancer Ins Co	IL	-	4,070,451	4,070,451	0.10%	165,987,234	16,223,410	1023.13%
Sentry Select Ins Co	WI	-	3,936,244	3,936,244	0.10%	225,119,976	22,507,285	1000.21%
American Alt Ins Corp	DE	-	3,908,086	3,908,086	0.09%	153,371,433	29,079,583	527.42%
Atlantic States Ins Co	PA	2,157,380	1,731,095	3,888,475	0.09%	189,679,919	15,125,624	1254.03%
American Fire & Cas Co	OH	-	3,794,074	3,794,074	0.09%	41,833,061	5,833,995	717.06%
Netherlands Ins Co The	NH	-	3,750,881	3,750,881	0.09%	141,314,719	17,028,900	829.85%
New Hampshire Ins Co	PA	2,034	3,489,416	3,491,450	0.08%	1,285,663,814	215,881,296	595.54%
Travelers Ind Co Of CT	CT	-	3,361,881	3,361,881	0.08%	345,175,754	44,293,422	779.29%
Metropolitan Cas Ins Co	RI	3,146,402	-	3,146,402	0.08%	46,578,701	296,202	15725.32%
National Fire Ins Co Of Hartford	IL	-	3,135,199	3,135,199	0.08%	106,918,591	739,599	14456.29%
Federal Ins Co	IN	1,496,102	1,636,613	3,132,715	0.08%	14,321,521,133	2,537,253,918	564.45%
Continental Ins Co	PA	-	2,998,367	2,998,367	0.07%	1,541,608,982	113,103,523	1363.01%
Liberty Ins Corp	IL	2,422,390	404,730	2,827,120	0.07%	272,612,416	44,607,431	611.14%
NGM Ins Co	FL	1,312,603	1,494,236	2,806,839	0.07%	691,974,306	75,870,546	912.05%
National Interstate Ins Co	OH	19,186	2,699,815	2,719,001	0.07%	238,390,295	21,342,829	1116.96%
RLI Ins Co	IL	-	2,702,251	2,702,251	0.07%	784,160,848	78,438,542	999.71%
Union Ins Co	IA	-	2,561,068	2,561,068	0.06%	26,029,901	338,904	7680.61%
Northland Ins Co	MIN	-	2,533,416	2,533,416	0.06%	577,284,670	58,044,724	994.55%
Ace Amer Ins Co	PA	6,243	2,490,547	2,496,790	0.06%	1,751,758,478	425,560,485	411.64%
Foremost Ins Co Grand Rapids MI	MI	2,470,286	-	2,470,286	0.06%	632,620,794	138,684,292	456.16%
Electric Ins Co	MA	2,037,417	400,418	2,437,835	0.06%	407,063,240	58,624,754	694.35%
Cumis Ins Society Inc	IA	-	2,430,728	2,430,728	0.06%	422,203,109	57,703,118	731.68%
State Auto Natl Ins Co	OH	2,312,551	-	2,312,551	0.06%	61,792,157	2,728,169	2264.97%
Hartford Cas Ins Co	IN	31,547	2,250,652	2,282,199	0.06%	981,255,601	72,213,678	1358.82%
Valley Forge Ins Co	PA	-	2,256,110	2,256,110	0.05%	54,028,279	252,835	21368.99%
American Automobile Ins Co	MO	1,456,095	750,869	2,206,964	0.05%	161,785,525	15,549,920	1040.43%
Carolina Cas Ins Co	IA	-	2,193,178	2,193,178	0.05%	194,867,488	37,327,774	522.04%
National Ind Co	NE	-	2,088,263	2,088,263	0.05%	38,577,100,183	8,783,532,601	439.20%
Harleysville Preferred Ins Co	PA	378,203	1,692,915	2,071,118	0.05%	173,452,732	36,733,182	472.20%
American Intl Pacific Ins	CO	2,060,929	-	2,060,929	0.05%	37,908,878	3,228,074	1174.35%
AIG Premier Ins Co	PA	2,030,885	-	2,030,885	0.05%	182,144,255	24,493,510	743.64%
AAA Mid Atlantic Ins Co	PA	1,926,380	-	1,926,380	0.05%	10,340,408	1,019,420	1014.34%
Dairyland Ins Co	WI	1,901,811	-	1,901,811	0.05%	467,724,510	36,483,527	1282.02%
Continental Cas Co	IL	-	1,898,125	1,898,125	0.05%	9,338,232,356	2,122,276,772	440.01%
Great Amer Assur Co	OH	(99)	1,880,943	1,880,844	0.05%	17,195,408	84,473	20356.10%
Twin City Fire Ins Co Co	IN	743,989	1,119,787	1,863,776	0.05%	305,238,895	21,459,985	1422.36%
Bankers Standard Ins Co	PA	1,859,405	-	1,859,405	0.04%	123,272,564	18,266,507	674.86%
Penn Natl Security Ins Co	PA	-	1,816,195	1,816,195	0.04%	225,093,683	23,573,168	954.87%
Pennsylvania Manufacturers Assoc Ins	PA	-	1,807,371	1,807,371	0.04%	256,701,513	44,391,852	578.26%
Republic Franklin Ins Co	OH	-	1,787,801	1,787,801	0.04%	37,968,413	3,610,648	1051.57%
Amco Ins Co	IA	324,282	1,426,401	1,750,683	0.04%	444,394,984	10,104,224	4398.11%
Warner Ins Co	IL	1,725,560	-	1,725,560	0.04%	31,276,156	2,133,327	1466.07%
Charter Oak Fire Ins Co	CT	-	1,722,413	1,722,413	0.04%	228,630,688	39,620,550	577.05%
Delos Ins Co	DE	-	1,678,247	1,678,247	0.04%	216,001,923	31,727,249	680.81%
Teachers Ins Co	IL	1,670,248	-	1,670,248	0.04%	108,066,109	14,441,125	748.32%

Maryland Insurance Administration
Maryland Licensed Insurers' Direct Written Auto Premium
In the State of Maryland
As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
Redland Ins Co	PA	-	1,655,758	1,655,758	0.04%	70,791,957	7,563,516	937.21%
Peerless Ins Co	NH	-	1,650,564	1,650,564	0.04%	2,409,344,924	360,340,526	668.63%
Massachusetts Bay Ins Co	NH	-	1,609,027	1,609,027	0.04%	48,407,567	339,519	14257.69%
Insurance Co Of The State Of PA	PA	-	1,563,038	1,563,038	0.04%	1,861,669,640	415,056,626	448.53%
Charliss Cas Co	PA	-	1,559,307	1,559,307	0.04%	39,593,088	154,625	25605.88%
Nationwide Agribusiness Ins Co	IA	-	1,544,762	1,544,762	0.04%	45,816,903	292,235	15678.10%
State Natl Ins Co Inc	TX	-	1,530,117	1,530,117	0.04%	121,372,023	16,120,650	752.90%
Cumberland Ins Co Inc	NJ	1,444,205	82,366	1,526,571	0.04%	27,104,469	4,373,643	619.72%
Daily Underwriters Of Amer	PA	-	1,521,308	1,521,308	0.04%	23,581,005	815,343	2892.16%
Arch Ins Co	MO	-	1,497,755	1,497,755	0.04%	636,649,042	219,975,972	289.42%
Excelsior Ins Co	NH	-	1,491,816	1,491,816	0.04%	46,474,147	131,127	35442.09%
Everest Natl Ins Co	DE	-	1,452,244	1,452,244	0.04%	164,001,021	15,602,985	1051.09%
AIU Ins Co	NY	1,415,599	-	1,415,599	0.03%	741,043,071	175,618,742	421.96%
Wausau Underwriters Ins Co	WI	-	1,337,692	1,337,692	0.03%	95,512,490	6,077,088	1571.68%
Maryland Cas Co	MD	3,003	1,298,003	1,301,006	0.03%	455,161,634	9,039,616	5035.19%
Horace Mann Prop & Cas Ins Co	IL	1,281,393	-	1,281,393	0.03%	65,628,188	6,334,755	1036.00%
Federated Mut Ins Co	IL	-	1,262,893	1,262,893	0.03%	2,017,773,251	130,142,262	1550.44%
First Keystone RRG Inc	SC	-	1,207,484	1,207,484	0.03%	5,486,937	1,276,232	429.93%
Horace Mann Ins Co	IL	1,153,490	-	1,153,490	0.03%	142,357,262	15,703,551	906.53%
Technology Ins Co Inc	NH	-	1,149,464	1,149,464	0.03%	167,315,540	33,695,661	496.55%
Economy Premier Assur Co	IL	1,141,309	-	1,141,309	0.03%	37,104,588	215,102	17249.76%
Frederick Mut Ins Co	MD	-	1,119,723	1,119,723	0.03%	29,503,190	2,286,950	1290.07%
Pennsylvania Manufacturers Ind Co	PA	-	1,115,548	1,115,548	0.03%	85,021,384	5,337,067	1593.04%
Brotherhood Mut Ins Co	IN	-	1,092,455	1,092,455	0.03%	143,509,538	14,303,124	1003.34%
American Modern Home Ins Co	OH	1,005,525	86,012	1,091,537	0.03%	315,069,212	53,389,307	590.14%
Tokio Marine & Nichido Fire Ins Co	NY	8,762	1,072,049	1,080,811	0.03%	580,533,949	76,157,087	762.28%
Old Republic Ins Co	PA	-	1,060,897	1,060,897	0.03%	843,315,775	117,311,827	718.87%
Travco Ins Co	CT	1,054,468	-	1,054,468	0.03%	69,078,465	8,367,406	825.57%
St Paul Fire & Marine Ins Co	MN	-	1,040,582	1,040,582	0.03%	6,591,354,104	1,053,917,794	625.41%
Graphic Arts Mut Ins Co	NY	-	1,039,219	1,039,219	0.03%	46,039,607	5,992,019	768.35%
Balboa Ins Co	CA	140,780	873,681	1,014,461	0.02%	1,741,521,800	38,505,179	4522.82%
Great West Cas Co	NE	-	997,510	997,510	0.02%	454,091,300	49,827,804	911.32%
American Guar & Liab Ins	NY	-	996,877	996,877	0.02%	160,930,637	33,649,428	478.26%
American States Ins Co	IN	-	968,118	968,118	0.02%	641,760,792	72,082,419	890.32%
AIG Natl Ins Co Inc	NY	954,351	-	954,351	0.02%	19,895,805	954,198	2085.08%
Utica Mut Ins Co	NY	-	924,325	924,325	0.02%	720,501,199	107,796,986	668.39%
Amalgamated Cas Ins Co	DC	-	920,673	920,673	0.02%	32,848,678	603,241	5445.37%
Old Dominion Ins Co	FL	913,665	-	913,665	0.02%	27,837,164	134,301	20727.44%
Vanliner Ins Co	MO	-	906,626	906,626	0.02%	119,352,480	17,604,668	677.96%
Progressive Northern Ins Co	WI	903,497	-	903,497	0.02%	326,891,755	35,801,835	913.06%
Hanover Amer Ins Co	NH	-	868,465	868,465	0.02%	16,564,388	126,153	13130.40%
XL Specialty Ins Co	DE	-	837,928	837,928	0.02%	162,895,808	34,732,984	468.99%
Peninsula Ind Co	MD	835,676	-	835,676	0.02%	9,317,096	45,165	20629.02%
Main St Amer Assur Co	FL	824,409	-	824,409	0.02%	95,026,862	665,745	14273.76%
Companion Prop & Cas Ins Co	SC	815,242	-	815,242	0.02%	199,665,832	28,157,442	709.11%
Argonaut Midwest Ins Co	IL	-	813,432	813,432	0.02%	23,823,108	133,382	17860.81%
National Specialty Ins Co	TX	-	797,771	797,771	0.02%	17,157,308	1,723,144	995.70%

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
Gateway Ins Co	MO	-	780,296	780,296	0.02%	16,314,227	1,683,363	969.14%
Hanover Ins Co	NH	239,583	535,200	774,783	0.02%	1,728,011,934	249,460,052	692.70%
Bankers Independent Ins Co	PA	772,098	-	772,098	0.02%	11,100,213	1,091,557	1016.92%
American Bankers Ins Co Of FL	FL	760,856	-	760,856	0.02%	380,413,186	88,776,353	428.51%
Metropolitan Prop & Cas Ins Co	RI	744,362	-	744,362	0.02%	1,817,212,898	179,198,796	1014.08%
Chrysler Ins Co	MI	-	733,704	733,704	0.02%	129,690,538	9,612,928	1349.13%
Transportation Ins Co	IL	-	709,877	709,877	0.02%	31,179,247	169,614	18382.47%
Vigilant Ins Co	NY	709,353	-	709,353	0.02%	176,625,318	9,002,529	1961.95%
Star Ins Co	MI	-	708,109	708,109	0.02%	207,035,129	47,103,147	439.54%
Victoria Fire & Cas Co	OH	705,580	-	705,580	0.02%	54,434,319	6,946,160	783.66%
Nationwide Assur Co	WI	693,001	-	693,001	0.02%	56,845,774	374,882	15163.64%
Navigators Ins Co	NY	-	685,662	685,662	0.02%	645,820,095	100,681,307	641.45%
Response Ins Co	IL	661,139	-	661,139	0.02%	72,365,662	3,851,190	1879.05%
Church Mut Ins Co	WI	-	616,430	616,430	0.01%	392,640,018	47,650,465	824.00%
Depositors Ins Co	IA	11,310	590,302	601,612	0.01%	34,153,178	284,660	11997.88%
Granite State Ins Co	PA	-	596,105	596,105	0.01%	36,073,918	151,901	23748.31%
American Cas Co Of Reading PA	PA	-	594,549	594,549	0.01%	108,051,103	531,156	20342.63%
Scottsdale Ind Co	OH	-	580,092	580,092	0.01%	33,269,398	162,726	20445.04%
Travelers Cas Ins Co Of Amer	CT	-	564,434	564,434	0.01%	519,427,743	84,585,308	614.09%
Florists Mut Ins Co	IL	-	549,454	549,454	0.01%	51,970,829	6,863,879	757.16%
First Natl Ins Co Of Amer	WA	232,770	310,853	543,623	0.01%	80,665,460	7,794,269	1034.93%
Allmerica Fin Benefit Ins Co	MI	-	540,227	540,227	0.01%	16,599,136	84,628	19614.24%
Pennsylvania Lumbermens Mut Ins	PA	-	527,627	527,627	0.01%	105,841,410	16,277,616	650.23%
Pacific Ind Co	WI	524,927	-	524,927	0.01%	2,200,171,756	316,289,352	695.62%
Liberty Mut Ins Co	MA	-	520,561	520,561	0.01%	12,552,124,874	2,618,115,850	479.43%
Acadia Ins Co	NH	-	510,656	510,656	0.01%	53,909,660	455,266	11841.35%
Wausau Business Ins Co	WI	-	508,646	508,646	0.01%	55,937,837	5,935,652	942.40%
Hartford Ins Co Of The Midwest	IN	4,707	502,593	507,300	0.01%	264,706,004	8,682,734	3048.65%
Essentia Ins Co	MO	496,865	-	496,865	0.01%	36,261,063	3,567,434	1019.30%
American Hardware Mut Ins Co	OH	-	471,070	471,070	0.01%	117,233,817	15,071,783	777.84%
Merastar Ins Co	IL	469,650	-	469,650	0.01%	14,200,726	61,017	23273.39%
Guideone Mut Ins Co	IA	-	460,461	460,461	0.01%	377,568,651	52,322,591	721.62%
Stratford Ins Co	NH	-	454,719	454,719	0.01%	62,514,040	7,760,392	805.55%
Protective Ins Co	IN	-	454,562	454,562	0.01%	355,294,136	33,520,221	1059.94%
Firstline Natl Ins Co	MD	-	450,934	450,934	0.01%	33,870,976	3,151,395	1074.79%
Chartis Speciality Ins Co	IL	-	440,857	440,857	0.01%	697,105,124	115,962,879	601.15%
TrustStar Ins Co	MD	424,414	-	424,414	0.01%	-	-	0.00%
Virginia Surety Co Inc	PA	423,557	-	423,557	0.01%	302,937,053	49,867,779	607.48%
Praetorian Ins Co	IL	-	416,757	416,757	0.01%	382,430,559	66,871,472	571.89%
American Home Assur Co	NY	-	409,573	409,573	0.01%	5,455,354,964	1,347,178,797	404.95%
St Paul Mercury Ins Co	MIN	-	408,031	408,031	0.01%	67,015,259	12,597,551	531.97%
Tower Natl Ins Co	MA	-	396,923	396,923	0.01%	12,047,271	1,937,855	621.68%
First Nonprofit Ins Co	OH	-	392,610	392,610	0.01%	53,458,214	5,550,978	963.04%
Great Amer Ins Co	OH	-	389,461	389,461	0.01%	1,422,060,321	343,991,676	413.40%
OneBeacon Amer Ins Co	MA	105	387,186	387,291	0.01%	326,802,661	34,083,179	958.84%
First Guard Ins Co	AZ	-	384,448	384,448	0.01%	14,037,733	56,917	24663.52%
Motors Ins Corp	MI	-	376,824	376,824	0.01%	1,908,254,560	154,791,996	1232.79%

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Domicile	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
Hartford Accident & Ind Co	CT	292,923	75,214	368,137	0.01%	2,938,032,850	497,798,170	590.21%
Scottsdale Ins Co	OH	-	367,986	367,986	0.01%	610,137,125	68,539,028	890.20%
United Natl Ins Co	PA	-	366,158	366,158	0.01%	333,172,505	64,776,588	514.34%
American Southern Ins Co	KS	-	362,533	362,533	0.01%	38,854,466	4,322,326	898.92%
Unitrin Direct Prop & Cas Co	IL	362,298	-	362,298	0.01%	12,944,702	91,857	14092.23%
Markel Amer Ins Co	VA	227,747	133,302	361,049	0.01%	109,343,856	33,857,228	322.96%
American Family Home Ins Co	FL	343,094	-	343,094	0.01%	146,605,327	27,041,132	542.16%
Infinity Ins Co	IN	338,931	-	338,931	0.01%	466,260,624	49,586,339	940.30%
Alliance Of Nonprofits For Ins RRG	VT	-	336,939	336,939	0.01%	21,659,981	2,268,961	954.62%
Commerce & Industry Ins Co	NY	-	330,167	330,167	0.01%	2,623,123,583	411,898,005	636.84%
Bituminous Cas Corp	IL	-	329,219	329,219	0.01%	251,036,776	35,555,556	706.04%
Sparta Ins Co	CT	-	326,348	326,348	0.01%	254,154,589	11,565,422	2197.54%
Harco Natl Ins Co	IL	-	320,460	320,460	0.01%	143,020,609	18,943,993	754.97%
Transguard Ins Co Of Amer Inc	IL	-	318,972	318,972	0.01%	75,991,262	10,034,077	757.33%
Armed Forces Ins Exch	KS	317,305	-	317,305	0.01%	66,469,227	9,434,070	704.57%
Sentry Ins A Mut Co	WI	31,683	282,127	313,810	0.01%	3,114,464,478	282,792,309	1101.33%
American Zurich Ins Co	IL	-	309,747	309,747	0.01%	155,526,158	37,308,446	416.87%
North River Ins Co	NJ	-	308,814	308,814	0.01%	554,886,055	70,918,671	782.43%
Old Republic Gen Ins Corp	IL	-	308,742	308,742	0.01%	302,279,376	44,963,444	672.28%
Liberty Ins Underwriters Inc	NY	-	305,467	305,467	0.01%	96,013,227	21,764,492	441.15%
Discover Prop & Cas Ins Co	IL	-	303,368	303,368	0.01%	57,292,665	4,689,450	1221.74%
Housing Authority RRG Inc	VT	-	302,321	302,321	0.01%	136,922,066	12,025,211	1138.63%
Stonington Ins Co	TX	-	296,439	296,439	0.01%	122,281,104	30,395,068	402.31%
Nova Cas Co	NY	-	291,804	291,804	0.01%	87,246,206	918,518	9498.58%
Chartis Prop Cas Co	PA	286,151	4,608	290,759	0.01%	1,432,691,566	325,268,952	440.46%
AIG Ind Ins Co	PA	290,343	-	290,343	0.01%	34,968,642	1,767,889	1977.99%
Occidental Fire & Cas Co Of NC	NC	-	289,621	289,621	0.01%	116,039,379	23,118,172	501.94%
Federated Serv Ins Co	MN	-	288,997	288,997	0.01%	148,267,892	10,867,956	1364.27%
Employers Fire Ins Co	MA	(3,154)	291,111	287,957	0.01%	52,512,784	2,775,856	1891.77%
Castlepoint Natl Ins Co	IL	-	277,049	277,049	0.01%	104,447,808	17,323,767	602.92%
Federated Rural Electric Ins Exch	KS	-	274,705	274,705	0.01%	109,899,165	18,215,424	603.33%
Penn Millers Ins Co	PA	-	271,852	271,852	0.01%	72,491,128	9,205,220	787.50%
General Ins Co Of Amer	WA	-	254,477	254,477	0.01%	547,998,085	89,691,682	610.98%
Rockwood Cas Ins Co	PA	-	251,613	251,613	0.01%	91,945,684	8,727,373	1053.53%
General Cas Co Of WI	WI	-	250,991	250,991	0.01%	556,268,734	94,912,970	586.08%
Southern States Ins Exch	VA	-	226,232	226,232	0.01%	16,000,000	1,393,876	1147.88%
Assurance Co Of Amer	NY	-	220,415	220,415	0.01%	19,332,793	1,616,779	1195.76%
Allied Prop & Cas Ins Co	IA	23,352	193,092	216,444	0.01%	61,632,093	993,774	6201.82%
Meritplan Ins Co	CA	215,257	-	215,257	0.01%	100,856,869	1,669,905	6039.68%
United States Fire Ins Co	DE	-	214,303	214,303	0.01%	1,055,477,177	234,385,113	450.32%
Chubb Natl Ins Co	IN	209,980	-	209,980	0.01%	86,375,122	8,975,018	962.39%
Employers Mut Cas Co	IA	-	205,303	205,303	0.00%	859,635,865	138,569,751	620.36%
National Surety Corp	IL	161,981	35,199	197,180	0.00%	132,102,910	24,585,875	537.31%
Westport Ins Corp	MO	-	195,824	195,824	0.00%	1,961,486,899	547,683,420	358.14%
St Paul Guardian Ins Co	MIN	-	194,159	194,159	0.00%	27,198,158	3,126,036	870.05%
Markel Ins Co	IL	-	192,439	192,439	0.00%	176,567,178	53,440,783	330.40%
Sompo Japan Ins Co of Amer	NY	-	180,214	180,214	0.00%	415,615,350	28,542,278	1456.14%

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
American Ins Co	OH	-	177,918	177,918	0.00%	369,559,932	70,743,598	522.39%
Northern Ins Co Of NY	NY	-	170,573	170,573	0.00%	30,093,560	1,523,628	1975.13%
Starnet Ins Co	DE	-	170,519	170,519	0.00%	113,991,036	3,244,566	3513.29%
Westfield Ins Co	OH	-	165,249	165,249	0.00%	654,637,658	92,731,931	705.95%
National Independent Truckers IC RRG	SC	-	163,802	163,802	0.00%	4,561,780	508,038	897.92%
Hudson Ins Co	DE	-	159,392	159,392	0.00%	227,071,069	21,981,524	1033.01%
Seneca Ins Co Inc	NY	-	152,764	152,764	0.00%	167,070,400	12,926,058	1292.51%
LM Ins Corp	IL	-	151,016	151,016	0.00%	21,495,010	2,958,511	726.55%
Century Natl Ins Co	CA	-	147,294	147,294	0.00%	288,614,315	16,558,582	1742.99%
Westchester Fire Ins Co	NY	-	141,593	141,593	0.00%	807,250,315	177,531,988	454.71%
Plaza Ins Co	MO	-	140,861	140,861	0.00%	10,530,055	1,275,181	825.77%
Federal Motor Carriers RRG Inc	DE	-	140,170	140,170	0.00%	2,782,163	1,490,187	186.70%
American Economy Ins Co	IN	-	130,215	130,215	0.00%	508,630,666	53,190,943	956.24%
Foremost Prop & Cas Ins Co	MI	127,507	-	127,507	0.00%	16,304,520	47,177	34560.32%
Argonaut Great Central Ins Co	IL	-	125,055	125,055	0.00%	56,671,822	497,183	11398.58%
Princeton Excess & Surplus Lines Ins	DE	-	120,676	120,676	0.00%	58,574,568	1,521,195	3850.56%
Employers Ins of Wausau	WI	-	118,798	118,798	0.00%	1,075,286,002	230,123,596	467.26%
Farmers Mut Fire Ins Co of Salem Cn	NJ	-	118,337	118,337	0.00%	38,662,805	4,045,509	955.70%
Harleysville Ins Co	PA	-	115,714	115,714	0.00%	34,064,766	7,062,146	482.36%
Greenwich Ins Co	DE	-	111,314	111,314	0.00%	410,394,597	115,259,718	356.06%
Sentry Gas Co	WI	-	111,028	111,028	0.00%	63,540,402	5,437,720	1168.51%
ARCOA RRG Inc	NV	-	107,081	107,081	0.00%	3,587,293	1,040,150	344.88%
Bituminous Fire & Marine Ins Co	IL	-	106,125	106,125	0.00%	126,524,473	23,461,928	539.28%
Ooida RRG Inc	VT	-	105,063	105,063	0.00%	18,326,176	2,441,678	750.56%
North Amer Specialty Ins Co	NH	-	104,951	104,951	0.00%	316,713,010	11,374,310	2784.46%
Colony Ins Co	VA	-	104,594	104,594	0.00%	368,346,874	99,087,761	371.74%
Zurich Amer Ins Co Of IL	IL	-	103,948	103,948	0.00%	39,104,857	4,791,737	816.09%
Illinois Natl Ins Co	IL	-	98,830	98,830	0.00%	61,949,120	240,006	25811.49%
St Paul Protective Ins Co	IL	-	97,562	97,562	0.00%	237,755,432	17,986,917	1321.82%
Ace Fire Underwriters Ins Co	PA	-	95,506	95,506	0.00%	62,899,772	1,575,663	3991.96%
National Gen Ins Co	MO	94,432	-	94,432	0.00%	45,334,684	1,246,565	3636.77%
Lyndon Southern Ins Co	DE	91,754	-	91,754	0.00%	13,613,066	4,433,963	307.02%
Prime Ins Co	IL	-	89,633	89,633	0.00%	24,265,403	1,616,833	1500.80%
Mitsui Sumitomo Ins USA Inc	NY	-	87,454	87,454	0.00%	53,974,341	5,767,370	935.86%
Pharmacists Mut Ins Co	IA	29,575	55,628	85,203	0.00%	66,397,501	9,864,996	673.06%
Great Amer Ins Co of NY	NY	-	84,431	84,431	0.00%	60,220,415	420,457	14322.61%
North Amer Elite Ins Co	NH	-	84,024	84,024	0.00%	33,418,487	260,574	12824.95%
Adriatic Ins Co	ND	-	81,443	81,443	0.00%	58,327,369	277,078	21050.88%
Fidelity & Deposit Co Of MD	MD	856	80,581	81,437	0.00%	185,415,447	3,981,161	4657.32%
Manufacturers Alliance Ins Co	PA	-	79,197	79,197	0.00%	75,606,790	6,577,101	1149.55%
Century Surety Co	OH	-	76,690	76,690	0.00%	144,811,890	24,271,062	596.64%
XL Ins Amer Inc	DE	-	76,483	76,483	0.00%	217,185,966	64,181,701	338.39%
Evanston Ins Co	IL	-	74,956	74,956	0.00%	531,118,413	168,721,536	314.79%
Indiana Lumbermen Mut Ins Co	IN	-	74,656	74,656	0.00%	39,674,983	6,648,860	596.72%
American Reliable Ins Co	AZ	57,865	13,779	71,644	0.00%	115,566,178	18,452,732	626.28%
Western Heritage Ins Co	AZ	-	71,195	71,195	0.00%	94,401,947	138,110	68352.72%
National Liab & Fire Ins Co	CT	-	70,858	70,858	0.00%	612,079,178	56,763,180	1078.30%

Maryland Insurance Administration
 In the State of Maryland
 Maryland Licensed Insurers' Direct Written Auto Premium
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
Essex Ins Co	DE	-	58,957	58,957	0.00%	343,609,090	82,571,925	416.13%
Ace Prop & Cas Ins Co	PA	-	54,429	54,429	0.00%	1,402,003,787	415,883,163	337.11%
Great Divide Ins Co	ND	-	53,253	53,253	0.00%	69,732,034	3,060,363	2278.55%
Yosemite Ins Co	IN	46,048	-	46,048	0.00%	262,040,730	7,728,117	3390.74%
Western Gen Ins Co	CA	45,510	-	45,510	0.00%	32,440,057	4,036,784	803.61%
T H E Ins Co	LA	-	43,908	43,908	0.00%	53,273,957	11,648,097	457.36%
American Federation Ins Co	MI	43,405	-	43,405	0.00%	15,646,907	8,524	183562.96%
Riverport Ins Co	MN	-	43,301	43,301	0.00%	41,927,562	4,308,529	973.13%
Millers Capital Ins Co	PA	-	41,143	41,143	0.00%	47,700,084	6,843,070	697.06%
Intrepid Ins Co	MI	-	38,148	38,148	0.00%	26,569,661	173,681	15297.97%
Mitsui Sumitomo Ins Co of Amer	NY	-	36,092	36,092	0.00%	253,316,016	38,487,675	658.17%
Columbia Cas Co	IL	-	35,889	35,889	0.00%	249,457,306	1,581,556	15772.90%
AIX Specialty Ins Co	DE	-	34,736	34,736	0.00%	46,654,597	247,278	18867.27%
Evergreen USA RRG Inc	VT	-	33,944	33,944	0.00%	6,143,806	903,495	680.00%
Greater NY Mut Ins Co	NY	-	32,341	32,341	0.00%	390,943,041	41,984,695	931.16%
Crum & Forster Ind Co	DE	-	31,057	31,057	0.00%	13,543,939	2,115,470	640.23%
Indemnity Ins Co Of North Amer	PA	-	30,061	30,061	0.00%	147,517,714	15,038,869	980.91%
American Safety Ind Co	OK	-	29,425	29,425	0.00%	56,145,576	22,569,525	248.77%
Axis Ins Co	IL	-	25,928	25,928	0.00%	430,496,396	91,409,584	470.95%
American Empire Surplus Lines Ins Co	DE	-	25,750	25,750	0.00%	111,901,755	19,310,527	579.49%
Regent Ins Co	WI	-	24,252	24,252	0.00%	56,320,701	8,417,231	669.11%
Diamond State Ins Co	IN	-	22,299	22,299	0.00%	112,531,922	14,897,850	755.36%
Tower Ins Co Of NY	NY	-	22,071	22,071	0.00%	233,145,177	54,346,852	428.99%
Great Amer Alliance Ins Co	OH	-	21,693	21,693	0.00%	28,092,996	143,863	19527.60%
Amerisure Ins Co	MI	-	19,955	19,955	0.00%	191,518,711	26,959,310	710.40%
National Fire & Marine Ins Co	NE	-	19,918	19,918	0.00%	3,356,353,833	596,976,035	562.23%
Associated Ind Corp	CA	-	19,840	19,840	0.00%	82,347,124	6,255,938	1316.30%
Knightsbrook Ins Co	DE	-	19,238	19,238	0.00%	26,842,848	2,522,701	1064.05%
Northfield Ins Co	IA	-	18,679	18,679	0.00%	125,797,919	16,052,653	783.66%
Jamestown Ins Co RRG	SC	-	18,477	18,477	0.00%	2,153,449	674,419	319.30%
General Star Ind Co	CT	-	18,099	18,099	0.00%	492,420,167	35,287,191	1395.46%
AIG Centennial Ins Co	PA	16,038	-	16,038	0.00%	391,697,749	45,283,769	864.98%
Preferred Professional Ins Co	NE	-	15,386	15,386	0.00%	147,248,584	16,930,232	869.74%
Atlantic Specialty Ins Co	NY	-	12,839	12,839	0.00%	52,152,059	1,165,178	4475.89%
OneBeacon Ins Co	PA	12,346	-	12,346	0.00%	1,353,833,177	187,071,888	723.70%
Amerisure Mut Ins Co	MI	-	9,858	9,858	0.00%	620,360,904	100,590,190	616.72%
Burlington Ins Co	NC	-	9,631	9,631	0.00%	153,171,189	25,798,542	593.72%
AmeriGuard RRG Inc	VT	-	9,246	9,246	0.00%	5,811,145	411,439	1412.40%
Builders Mut Ins Co	NC	-	9,022	9,022	0.00%	197,061,694	24,318,492	810.34%
Deerbrook Ins Co	IL	8,646	-	8,646	0.00%	22,582,518	89,841	25136.09%
Strathmore Ins Co	NY	-	7,863	7,863	0.00%	21,317,915	2,124,725	1003.33%
American Mining Ins Co Inc	AL	-	5,848	5,848	0.00%	30,289,736	152,311	19886.77%
Pacific Specialty Ins Co	CA	5,717	-	5,717	0.00%	137,292,540	10,751,874	1276.92%
Nipponkoa Ins Co Ltd US Br	NY	-	5,442	5,442	0.00%	85,926,103	12,406,187	692.61%
Bancinsure Inc	OK	-	5,115	5,115	0.00%	39,338,253	7,463,983	527.04%
Middlesex Mut Assur Co	CT	-	4,569	4,569	0.00%	63,183,879	8,721,127	724.49%
Colonial Amer Cas & Surety Co	MD	-	4,498	4,498	0.00%	22,485,433	184,166	12209.33%

Maryland Insurance Administration
 Maryland Licensed Insurers' Direct Written Auto Premium
 In the State of Maryland
 As of December 31, 2009

Insurer's Name	State of Dom	Private Pass. Total	Commercial Auto Total	Total Market Share	% of MD Market Share	Total Adjusted Capital	Authorized Control Level RBC	RBC Ratio
Insurance Co Of Greater NY	NY	-	4,000	4,000	0.00%	51,417,154	4,249,972	1209.82%
Aegis Security Ins Co	PA	3,716	-	3,716	0.00%	39,495,627	4,795,669	823.57%
Allmerica Fin Alliance Ins Co	NH	-	3,191	3,191	0.00%	17,166,642	79,713	21535.56%
Republic Vanguard Ins Co	AZ	-	2,500	2,500	0.00%	22,617,411	152,200	14860.32%
Republic Western Ins Co	AZ	-	2,000	2,000	0.00%	118,447,311	24,085,476	491.78%
Great Amer E&S Ins Co	DE	-	1,750	1,750	0.00%	26,598,563	143,982	18473.53%
Argonaut Ins Co	IL	-	1,635	1,635	0.00%	336,949,345	70,456,958	478.23%
American Contractors Ins Co RRG	TX	-	1,476	1,476	0.00%	5,968,993	70,080	8517.40%
Montpelier US Ins Co	OK	-	1,375	1,375	0.00%	44,551,400	3,575,678	1245.96%
Triumphe Cas Co	PA	1,368	-	1,368	0.00%	15,977,425	313,747	5092.46%
Farmers Ins Exch	CA	-	1,217	1,217	0.00%	3,699,240,180	965,825,241	383.01%
Lumbermens Mut Cas Co	IL	-	1,165	1,165	0.00%	8,123,278	124,770,172	6.51%
Philadelphia Ins Co	PA	-	1,039	1,039	0.00%	104,053,481	10,359,046	1004.47%
American Motorists Ins Co	IL	-	990	990	0.00%	19,990,219	167,466	11936.88%
National Amer Ins Co	OK	-	670	670	0.00%	54,110,631	7,461,548	725.19%
American Southern Home Ins Co	FL	523	-	523	0.00%	27,938,923	4,519,869	618.14%
Meridian Citizens Mut Ins Co	IN	-	417	417	0.00%	9,084,866	675,005	1342.93%
Mid Continent Cas Co	OH	-	200	200	0.00%	232,041,631	47,958,995	483.83%
American Manufacturers Mut Ins Co	IL	-	174	174	0.00%	11,192,753	54,573	20509.69%
Pennsylvania Gen Ins Co	PA	117	-	117	0.00%	150,854,178	21,870,091	689.77%
Illinois Union Ins Co	IL	-	102	102	0.00%	132,784,146	45,951,448	288.97%
Ullico Cas Co	DE	-	11	11	0.00%	96,715,815	21,684,685	446.01%
Lyndon Prop Ins Co	MO	(379)	-	(379)	0.00%	168,059,277	10,531,183	1595.83%
Interstate Fire & Cas Co	IL	-	(899)	(899)	0.00%	157,590,877	22,325,204	705.89%
St Paul Surplus Lines Ins Co	DE	-	(1,098)	(1,098)	0.00%	189,601,647	27,125,494	698.98%
QBE Speciality Ins Co	ND	-	(1,192)	(1,192)	0.00%	139,914,192	30,716,328	455.50%
Southern Pilot Ins Co	WI	-	(1,797)	(1,797)	0.00%	12,833,964	51,436	24951.33%
American Gen Ind Co	IL	-	(6,152)	(6,152)	0.00%	8,228,368	231,399	3555.92%
Commonwealth Mut Ins Co of Amer	MD	(6,694)	-	(6,694)	0.00%	413,786	352,519	117.38%
Lincoln Gen Ins Co	PA	-	(160,527)	(160,527)	0.00%	(29,725,371)	58,930,182	-50.44%
		3,691,405,635	450,132,855	4,141,538,490		378,467,603,954	61,041,169,088	