



# Lone Star Lines **H** Special Report

## Surplus Lines Stamping Office of Texas

February 1, 2000

### 5-Year Comparison of SLSOT Premium Processed by Line of Business

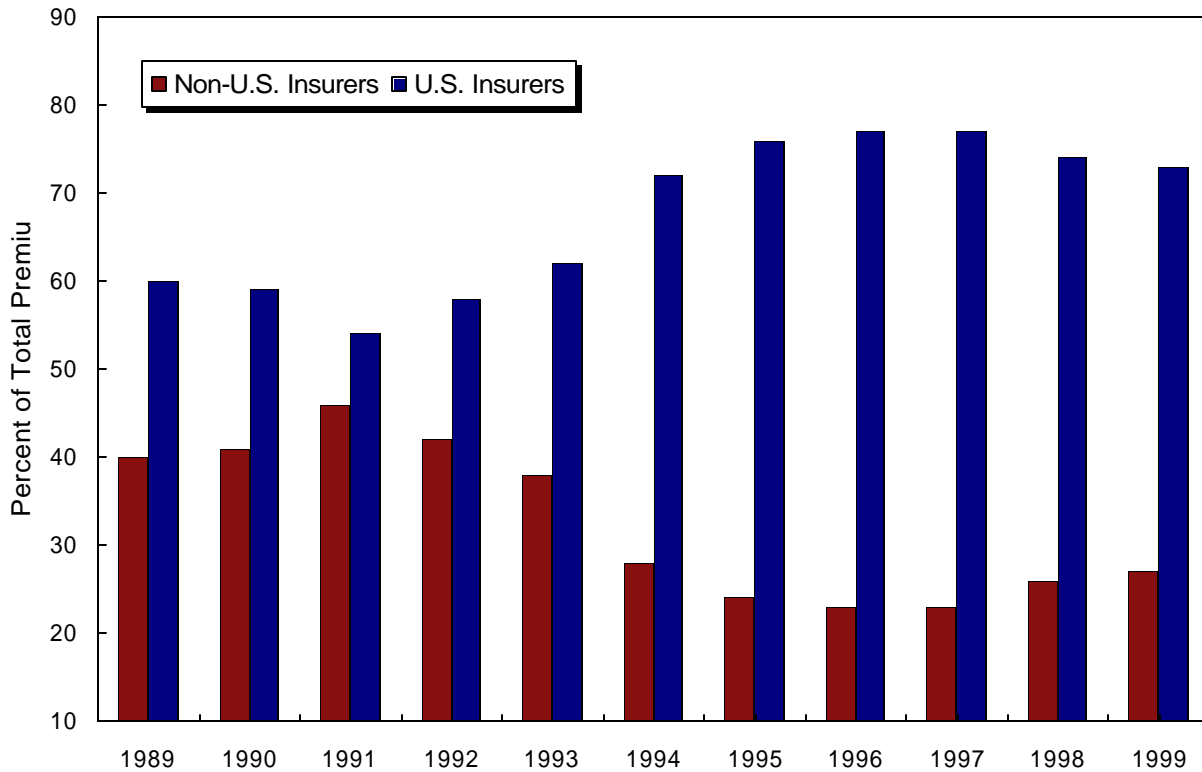
Annual Statement Line of Business	Premium through 12/99	Premium through 12/98	Premium through 12/97	Premium through 12/96	Premium through 12/95
1 Fire(incl. allied lines)	\$225,803,486	\$217,770,415	\$219,153,195	\$224,269,929	\$195,635,794
2 Allied lines	\$7,354,075	\$7,584,110	\$8,316,863	\$11,065,891	\$6,962,893
3 Farmowners multiple peril	\$2,158,366	\$2,046,939	\$2,180,957	\$2,660,426	\$2,293,847
4 Homeowners multiple peril	\$40,599,424	\$40,470,440	\$39,055,953	\$29,807,156	\$23,042,869
5 Commercial multiple peril	\$26,902,505	\$27,062,359	\$33,280,840	\$26,804,076	\$29,643,121
6 Mortgage guaranty	\$0	\$0	\$0	\$0	\$0
8 Ocean marine	\$10,520,620	\$8,839,499	\$16,468,595	\$15,018,958	\$21,867,580
9 Inland marine	\$20,427,678	\$18,230,569	\$12,916,203	\$11,159,927	\$15,909,590
10 Financial guaranty	\$0	\$0	\$0	\$0	\$0
11 Medical malpractice	\$19,281,405	\$16,029,940	\$27,098,718	\$28,381,195	\$22,798,329
12 Earthquake	\$173,939	\$11,882	\$80,060	\$406,780	\$930,673
13 Group accident & health	\$68,978,728	\$70,147,877	\$61,955,184	\$59,973,373	\$31,916,174
14 Credit A&H(group & indiv)	\$0	\$0	\$0	-\$25	\$1,317
15 All other A&H	\$51,038	\$132,886	\$1,123,333	\$2,041,317	\$2,044,481
16 Workers' compensation	\$0	\$0	\$0	\$0	\$0
17 Other liability	\$474,990,205	\$465,452,056	\$503,136,152	\$544,187,433	\$603,403,253
18 Products liability	\$18,352,982	\$22,564,713	\$27,648,623	\$29,605,604	\$34,350,270
19.1 Priv pass auto no fault	\$0	\$0	\$0	\$0	\$0
19.2 Other priv pass auto-lia	\$53,007	\$65,200	\$50,239	\$46,735	\$49,566
19.3 Comm. auto no fault PIP	\$0	\$0	\$0	\$0	\$0
19.4 Other comm. auto liab	\$30,997,919	\$32,362,104	\$39,107,015	\$42,767,172	\$42,801,773
21.1 Priv pass auto physical	\$861,067	\$843,359	\$1,056,632	\$449,773	\$7,700,874
21.2 Comm auto phys.damage	\$35,829,445	\$32,453,688	\$34,510,196	\$35,808,033	\$37,940,822
22 Aircraft (all perils)	\$6,458,398	\$6,145,961	\$5,962,936	\$7,651,428	\$3,911,793
23 Fidelity	\$956,348	\$1,738,361	\$1,236,465	\$2,993,734	\$3,657,544
24 Surety	\$669,943	\$99,173	\$602,819	\$708,143	\$84,417
26 Burglary & theft	\$1,341,018	\$811,889	\$2,475,719	\$1,936,579	\$3,557,001
27 Boiler & machinery	\$591,165	\$1,454,626	\$345,739	\$32,740	\$375,281
28 Credit	\$34,290,612	\$34,964,020	\$30,861,680	\$16,471,246	\$14,048,217
31 Aggregate/other business	\$1,508,481	\$93,055	\$233,172	\$31,575	\$4,909
TOTAL	\$1,029,151,854	\$1,007,375,121	\$1,068,857,288	\$1,094,279,198	\$1,104,932,388

Note: Totals for some lines may change after year-end, due to corrections and policies replacing binders.

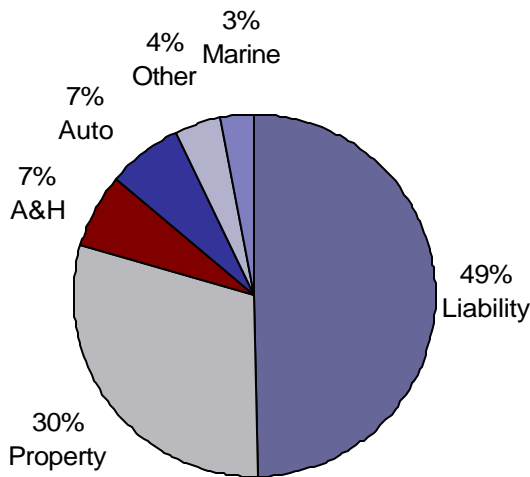
Source for all data unless otherwise stated: Surplus Lines Stamping Office of Texas

# Texas Surplus Lines Market Share, 1989-1999

## U.S. vs. Non-U.S. Insurers



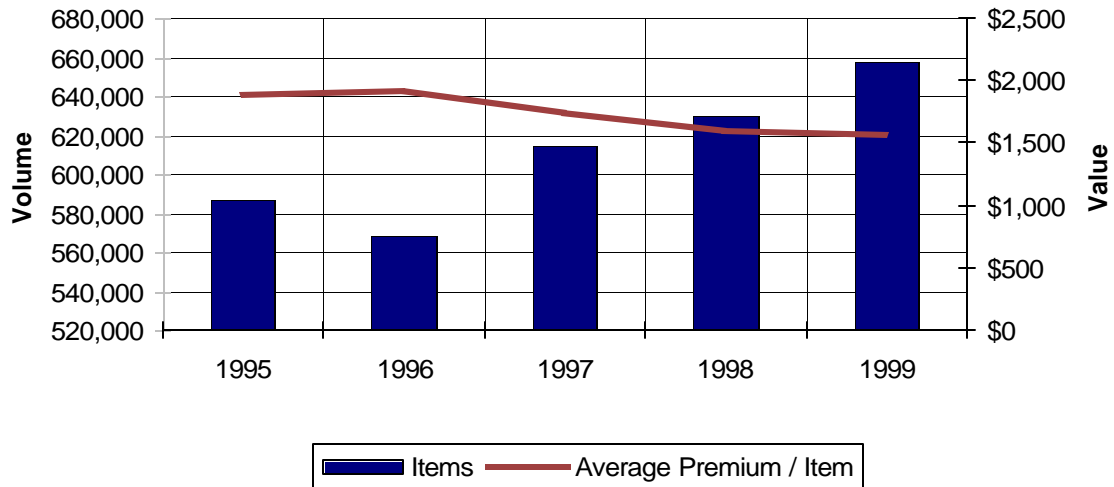
### 1999 Texas Surplus Lines Premium



### Top Ten Surplus Lines Insurers in Texas in 1999

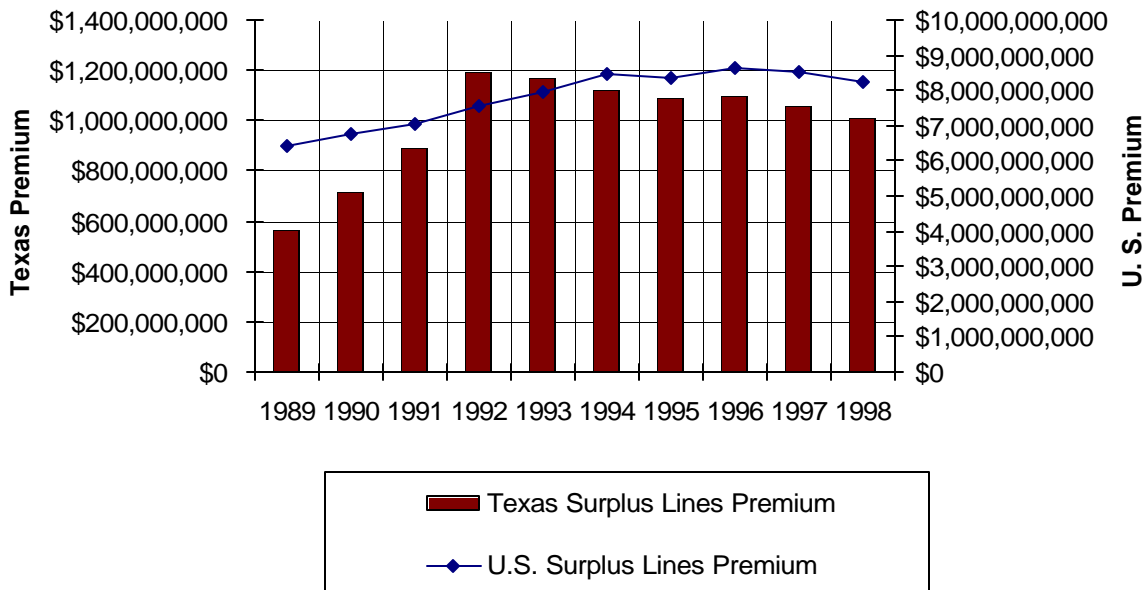
	Percent of (\$000,000)	Total
Underwriters at Lloyd's, London	\$183.5	17.8%
Scottsdale Insurance Company	54.9	5.3%
Lexington Insurance Company	54.3	5.3%
American International Specialty Lines Ins. Co.	42.4	4.1%
Acceptance Insurance Company	36.1	3.5%
Columbia Casualty Company	31.8	3.1%
United National Insurance Company	31.5	3.1%
Reliance Insurance Company of Illinois	29.2	2.8%
Admiral Insurance Company	26.2	2.5%
Steadfast Insurance Company	25.0	2.4%
<b>Total of Top Ten</b>	<b>\$514.9</b>	<b>50.0%</b>
<b>Total 1999 Texas Surplus Lines Premium</b>	<b>\$1,029.2</b>	<b>100.0%</b>

## SLSOT Items Processed & Average Value



## Texas & National Surplus Lines Premium

Source: Texas Premium - Surplus Lines Stamping Office  
U.S. Premium - Business Insurance



# TEXAS SURPLUS LINES COMPOSITE FINANCIAL INFORMATION

Calendar Year 1998 - 1995

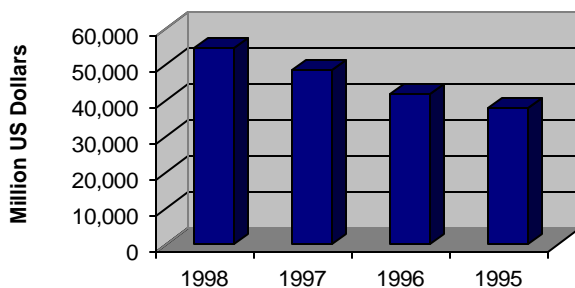
Eligible Surplus Lines Insurers at December 31

Table 2

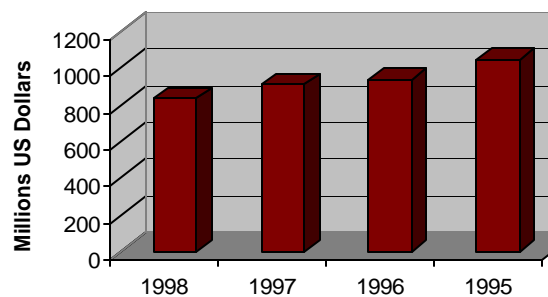
	1998	1997	1996	1995
<b>Capital &amp; Surplus</b>	54,554,716,336	48,422,747,486	41,697,982,057	38,240,524,191
<b>Average</b>	308,218,736	263,167,106	231,655,456	214,834,406
<b>Median</b>	41,074,589	39,671,414	38,712,694	35,638,767
<b>Underwriting Gain (Loss)</b>	(2,335,269,250)	(1,700,343,740)	(1,522,273,150)	(2,047,520,699)
<b>Average</b>	(13,193,612)	(9,342,548)	(8,457,073)	(11,502,925)
<b>Median</b>	(339,303)	0	(92,543)	0
<b>Net Income After Tax</b>	3,223,500,420	3,715,799,864	3,918,555,313	2,653,610,143
<b>Average</b>	18,315,344	20,194,564	21,769,752	14,907,922
<b>Median</b>	2,831,538	3,885,750	3,461,701	3,214,509
<b>Return on Policyholder Surplus</b>	9.60%	10.00%	12.5%	11.8%
<b>Gross Premium</b>	32,460,602,443	36,870,900,032	40,654,247,818	40,667,365,819
<b>Net Premium</b>	20,467,192,364	22,991,029,437	27,203,895,210	27,453,465,896
<b>Gross Premium to Surplus Ratio</b>	60%	76%	97%	106%
<b>Net Premium to Surplus Ratio</b>	38%	47%	65%	72%
<b>SLSOT Premium Processed *</b>	988,757,640	1,049,514,764	1,069,702,778	1,170,232,821
<b>Combined Ratio</b>	108%	103%	104%	110%

\* Totals for companies eligible at year-end; will not equal total annual premium processed by SLSOT.

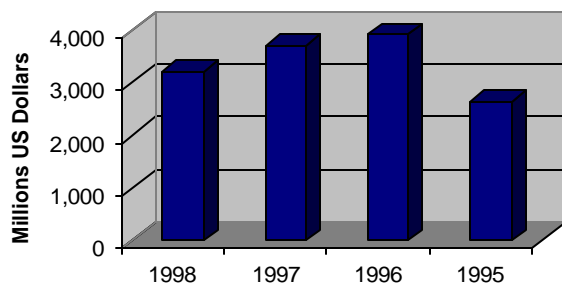
Capital & Surplus



Premium Processed



Net Income After Tax



Underwriting Result

