

November 17, 2005

Property & Casualty Insurance Company  
Attn: Contact Person  
123 Main Street  
Columbus, OH 43215

Re: 2004 Property and Casualty Market Conduct Annual Statement

Dear Contact Person:

Thank you for participating in the 2004 Property and Casualty Market Conduct Annual Statement project and for providing the State Department of Insurance with claims and underwriting data relative to Property & Casualty Insurance Company. This letter is to inform you of your company's averages and the respective statewide averages for the State. The statewide averages are for informational purposes only and do not represent standards for market behavior. This information does not establish compliance or non-compliance. The State Department of Insurance will use this data as a part of its ongoing analysis and monitoring of the State market. The Department intends to keep the company-specific analysis confidential to the extent permitted by state law. The data provided with this letter may not be used in any form of company advertising or marketing.

During our analysis, multiple processes were utilized to ensure the integrity of the data. Also, seven (7) categories were developed to help us gauge your company's claim payment and underwriting performance in comparison to others in the industry. The seven analysis categories were based on different ratios that were developed using the company's Market Conduct Annual Statement data.

The following charts reflect the ratios that were calculated based on your company's data. A chart indicating the number of reporting companies whose ratios fall within various ranges is also presented for each ratio to show how your company's results compare to the other reporting companies in the state. From the data provided, you should be able to draw some comparison between your company's performance and the aggregate market in the State.

Again, I would like to thank you for all your time and assistance provided to the State Department of Insurance in regards to this project. Please be prepared to participate in the next property/casualty annual statement project that will include claim and underwriting information for the entire year of 2005. This data will be due April 30, 2006, and call letters will be mailed to the first contact person designated by your company for the 2004 Financial Annual Statement.

Respectfully,

# Market Conduct Annual Statement

## State Private Passenger Auto Results for:

10000: Property & Casualty Insurance Company

Your company's results are presented below along with comparative information for all reporting companies. You can see how your company's ratios compare to the statewide average ratios. The statewide average ratios were calculated using aggregate data received from all reporting companies in this state.

A chart indicating the number of reporting companies whose ratios fall into each range is also presented for each ratio to show how your company's results compare to the other reporting companies in the state.

A ratio of 9999.9% indicates that your company reported some activity for a ratio category but a valid ratio could not be calculated. For example, if your company reported non-renewal activity but no policies in force, the ratio of non-renewals to policies in force would be 9999.9%.

### ***1. The number of claims closed without payment compared to the total number of claims closed:***

Your ratio:

Statewide average:

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***2. Variance in the number of claims closed during the period to the number of claims opened during the period:***

Your ratio:

Statewide average:

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***3. Percentage of claims paid beyond 60 days:***

Your ratio:

Statewide average:

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

# Market Conduct Annual Statement

## State Private Passenger Auto Results for:

10000: Property & Casualty Insurance Company

### ***4. Non-renewals to policies in force:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***5. Cancellations over 60 days to policies in force:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***6. Cancellations under 60 days to new policies issued:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***7. Suits opened during the period to claims closed without payment:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

# Market Conduct Annual Statement

## State Homeowner Results for:

10000: Property & Casualty Insurance Company

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Your company's results are presented below along with comparative information for all reporting companies. You can see how your company's ratios compare to the statewide average ratios. The statewide average ratios were calculated using aggregate data received from all reporting companies in this state.

A chart indicating the number of reporting companies whose ratios fall into each range is also presented for each ratio to show how your company's results compare to the other reporting companies in the state.

A ratio of 9999.9% indicates that your company reported some activity for a ratio category but a valid ratio could not be calculated. For example, if your company reported non-renewal activity but no policies in force, the ratio of non-renewals to policies in force would be 9999.9%.

### ***1. The number of claims closed without payment compared to the total number of claims closed:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***2. Variance in the number of claims closed during the period to the number of claims opened during the period:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### ***3. Percentage of claims paid beyond 60 days:***

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

# Market Conduct Annual Statement

## State Homeowner Results for:

10000: Property & Casualty Insurance Company

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### 4. *Non-renewals to policies in force:*

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### 5. *Cancellations over 60 days to policies in force:*

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### 6. *Cancellations under 60 days to new policies issued:*

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%

### 7. *Suits opened during the period to claims closed without payment:*

Your ratio: \_\_\_\_\_ Statewide average: \_\_\_\_\_

Number of companies with ratios falling in the range:											
0%	>0% to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%