

MMIC/CONVERTED MMIC

STATUTORY UNDERWRITING INCOME PROJECTION

	ACTUAL	PLAN	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	2000	2001	2002	2003	2004	2005	2006	
DIRECT PREMIUMS WRITTEN	58,576,973	62,594,260	65,723,973	69,010,172	72,460,681	76,083,715	79,887,900	
NET PREMIUMS WRITTEN	2,702,979	2,824,443	2,965,666	3,113,949	3,269,646	3,433,129	3,604,785	
NET PREMIUMS EARNED	2,575,440	2,803,258	2,906,352	3,051,670	3,204,253	3,364,466	3,532,689	
INCURRED LOSSES	2,755,400	1,941,380	1,976,320	2,029,360	2,050,722	2,085,969	2,119,614	
ALLOCATED LOSS ADJ EXP(ALAE)	567,218	182,217	188,913	198,359	208,276	218,690	229,625	
UNALLOCATED LOSS ADJ EXP(ULAE)	256,349	192,076	200,538	210,565	221,093	232,148	243,756	
NET LOSS AND LOSS ADJ EXP	3,578,967	2,315,672	2,365,771	2,438,284	2,480,092	2,536,807	2,592,994	
NET COMMISSIONS	418,493	441,664	444,850	467,092	490,447	514,969	540,718	
OTHER EXPENSES	755,781	661,145	682,103	685,069	686,626	686,626	684,909	
PREMIUM TAXES	36,638	28,682	29,657	31,139	32,696	34,331	36,048	
TOTAL UNDERWRITING EXPENSES	1,210,912	1,131,492	1,156,610	1,183,301	1,209,769	1,235,926	1,281,675	
UNDERWRITING INCOME (LOSS)	(2,214,439)	(643,906)	(616,028)	(569,915)	(485,608)	(408,266)	(321,979)	
GROSS INVESTMENT INCOME	2,189,508	2,190,000	2,014,800	1,853,616	1,705,327	1,568,901	1,443,389	
INVESTMENT EXPENSE	1,324,060	1,325,892	1,208,880	1,112,170	1,023,196	941,340	866,033	
REALIZED GAINS (LOSSES)	(49,366)	0	0	0	0	0	0	
NET INVESTMENT INCOME	816,080	864,108	805,920	741,446	682,131	627,560	577,355	
NET INCOME BEFORE INCOME TAX	(1,398,359)	220,202	189,892	171,531	196,523	219,293	255,376	
INCOME TAX (BENEFIT)	(12,481)	0	0	0	0	0	0	
NET INCOME (LOSS)	(1,385,876)	220,202	189,892	171,531	196,523	219,293	255,376	
STATUTORY ASSUMPTIONS & RATIOS								
DIRECT & NET WRITTEN PREMIUM GROWTH RATE	13.2%	6.9%	5.0%	5.0%	5.0%	5.0%	5.0%	
LOSS RATIO	107.0%	69.3%	68.0%	66.5%	64.0%	62.0%	60.0%	
ALAE RATIO	22.0%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	
ULAE RATIO	10.0%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	
TOTAL LOSS & LAE RATIO	139.0%	82.6%	81.4%	79.9%	77.4%	75.4%	73.4%	
COMMISSION RATIO	15.5%	15.6%	15.0%	15.0%	15.0%	15.0%	15.0%	
OTHER EXPENSE RATIO	28.0%	23.4%	23.0%	22.0%	21.0%	20.0%	19.0%	
PREMIUM TAX RATIO	1.4%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
TOTAL EXPENSE RATIO	44.8%	40.1%	39.0%	38.0%	37.0%	36.0%	35.0%	
COMBINED RATIO	183.8%	122.7%	120.4%	117.9%	114.4%	111.4%	108.4%	