

COMBINED PART I - ALLOCATION TO EXPENSE GROUPS
(000 OMITTED)

Operating Expense Classifications	1 Loss Adjustment Expense	Other Underwriting Expenses			5 Investment Expenses	6 Total Expenses
		2 Acquisition, Field Supervision and Collection Expenses	3 General Expenses	4 Taxes, Licenses and Fees		
1. Claim adjustment services:						
1.1 Direct	1,710,088					1,710,088
1.2 Reinsurance assumed	61,883					61,883
1.3 Reinsurance ceded	272,195					272,195
1.4 Net claim adjustment services (Lines 1.1 + 1.2 - 1.3)	1,499,776					1,499,776
2. Commission and brokerage:						
2.1 Direct excluding contingent		2,530,448				2,530,448
2.2 Reinsurance assumed excluding contingent		449,868				449,868
2.3 Reinsurance ceded excluding contingent		1,490,283				1,490,283
2.4 Contingent—direct		394,952				394,952
2.5 Contingent—reinsurance assumed		8,991				8,991
2.6 Contingent—reinsurance ceded		6,716				6,716
2.7 Policy and membership fees						
2.8 Net commission and brokerage (Lines 2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		1,887,260				1,887,260
3. Allowances to managers and agents		53	262,664			262,717
4. Advertising	2,807	451,164	45,710		83	499,764
5. Boards, bureaus and associations	8,483	24,067	21,058		39	53,647
6. Surveys and underwriting reports	104	14,972	117,947			133,023
7. Audit of assureds' records			7			7
8. Salary related items:						
8.1 Salaries	1,113,379	1,253,240	1,156,178		61,744	3,584,541
8.2 Payroll taxes	46,085	58,386	147,226		2,347	254,044
9. Employee relations and welfare	237,449	296,665	711,330		11,497	1,256,941
10. Insurance	64,049	(547)	(3,683)		6,183	66,002
11. Directors' fees			(15)			(15)
12. Travel and travel items	65,637	69,928	78,796		1,660	216,021
13. Rent and rent items	54,720	72,335	177,238		2,704	306,997
14. Equipment	37,077	37,089	90,004		2,855	167,025
15. Cost or depreciation of EDP equipment and software	40,702	(1,850)	112,937		2,907	154,696
16. Printing and stationery	6,091	13,926	9,499		235	29,751
17. Postage, telephone and telegraph, exchange and express	30,874	105,326	43,701		1,836	181,737
18. Legal and auditing	9,114	13,733	19,529		1,588	43,964
19. Totals (Lines 3 to 18)	1,716,571	2,408,487	2,990,126		95,678	7,210,862
20. Taxes, licenses and fees:						
20.1 State and local insurance taxes deducting guaranty association credits of \$ 3,353				613,946		613,946
20.2 Insurance department licenses and fees				70,222		70,222
20.3 Gross guaranty association assessments				5,560		5,560
20.4 All other (excl. Fed. and foreign income and real estate)				86,774		86,774
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)				776,502		776,502
21. Real estate expenses					35,171	35,171
22. Real estate taxes					5,027	5,027
23. Reimbursements by uninsured plans	X X X	X X X	X X X	X X X	X X X	X X X
24. Aggregate write-ins for miscellaneous operating expenses	188,042	307,446	220,593		10,697	726,778
25. TOTAL EXPENSES INCURRED	3,404,389	4,603,193	3,210,719	776,502	146,573	12,141,376

DETAILS OF WRITE-IN LINES						
2401. Other expenses	188,042	307,446	220,593		10,697	726,778
2402.						
2403.						
2498. Summary of remaining write-ins for Line 24 from overflow page						
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	188,042	307,446	220,593		10,697	726,778