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Publishers of Independent Insurance Reports Since 1932



Factual Analyses of Significance

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OUR
76th
YEAR
1932-2008

Standard Analytical Service, Inc.

5960 Howdershell Road • Suite 101 • St. Louis, MO 63042

2008

AN INDEPENDENT *Comparative Report*

**CPA MUTUAL
INSURANCE COMPANY
OF AMERICA RRG**

Burlington, Vermont

PC

This report prepared by **Standard Analytical Service, Inc.**
Analysts of the Insurance Industry since 1932

FINANCIAL STABILITY The financial condition of an insurance organization is an important factor in public confidence. In this regard we believe the fundamental factors listed below are significant. The following is a COMPARATIVE ANALYSIS of these basic factors, comparing

CPA MUTUAL INSURANCE COMPANY OF AMERICA RRG

with the *Aggregate Average of 15 Leading Property and Casualty Companies. Using these aggregates as a yardstick a number of comparisons can be made. Some of the most significant ones are shown below. **Basic significant factors of the company featured herein are derived from the annual statement as of December 31, 2007.**

(*The 15 Leading Property and Casualty Companies are selected by Premiums Earned as of December 31, 2007.)

ASSETS to LIABILITIES Assets for each \$100 of Liabilities. A wide margin of Assets over Liabilities can be a significant safety factor. This indicates financial soundness and a Company's ability to meet all obligations as they become due.

Allstate Insurance Company, IL	\$164.12
American Family Mutual Ins. Co., WI	157.58
American Home Assurance Co., NY	133.85
Continental Casualty Company, IL	127.32
Farmers Insurance Exchange, CA.....	135.88
Federal Insurance Company, IN.....	176.68
Government Employees Ins. Co., MD	165.41
Liberty Mutual Insurance Co., MA	151.39
National Union Fire Ins. Co. of Pittsburgh, PA	154.23
Nationwide Mutual Insurance Co., OH	162.57
State Farm Fire & Casualty Co., IL	163.41
State Farm Mutual Automobile Ins. Co., IL	254.07
St. Paul Fire and Marine Ins. Co., MN	153.09
United Services Automobile Association, TX.....	334.26
Zurich American Insurance Co., NY	126.91

AVERAGE 15 LEADING PROPERTY & CASUALTY CO'S.	\$168.12
CPA MUTUAL OF AMERICA	\$184.88

SURPLUS to LOSS RESERVES (Surplus per \$100 of Loss Reserves, including Loss Adjustment Expenses Reserve). A high ratio of Surplus (including Capital, if any) per \$100 of Loss Reserves may show further proof of strength and stability.

AVERAGE 15 LEADING PROPERTY & CASUALTY CO'S.	\$120.31
CPA MUTUAL OF AMERICA	\$150.29

SURPLUS to NET PREMIUMS WRITTEN (Surplus, including Capital, if any) Per \$100 of Premiums Written. A large surplus ratio may indicate the ability to maintain a proper balance between surplus and the volume of business written.

AVERAGE 15 LEADING PROPERTY & CASUALTY CO'S.	\$124.50
CPA MUTUAL OF AMERICA	\$330.29

PREMIUMS WRITTEN to SURPLUS (Premiums Written Per \$1 of Surplus, Including Capital, if any): A low ratio may indicate the ability to maintain a safe balance between surplus and the volume of business written.

AVERAGE 15 LEADING PROPERTY & CASUALTY CO'S.	\$0.80
CPA MUTUAL OF AMERICA	\$0.30

FINANCIAL STATEMENT SUMMARY AS OF DECEMBER 31, 2007

Assets	Liabilities	Gross Surplus
\$23,922,232	\$12,939,062	\$10,983,170
Net Premiums Written	**Losses Incurred	***Loss Reserves
\$ 3,325,354	\$ 975,995	\$ 7,307,995
	Premiums Earned	
	\$ 2,402,930	

**Includes Loss Expenses Incurred

***Includes Loss Adjustment Expenses Reserve

Conclusion

Based on the financial results achieved in the year ended 2007, the analysis made of the above organization is **favorable** in comparison with the aggregate averages of 15 of the leading Property and Casualty companies.