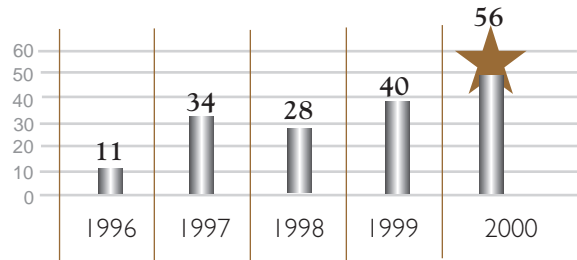


Insurance Market View in 2000

Policyholders depend upon insurance companies to remain fiscally solvent in order to pay claims. However, every year companies with problems come under state regulatory review, withdraw policies or dissolve entirely due to a variety of financial difficulties. Since 1947, United American has had a strong tradition of stability upon which our Policyholders, Agents, and Shareholders can rely. It is one more way UA provides peace of mind.

Insurance Company Problems are up significantly the past four years. They are more than five times higher than in 1996.



1996-1997 companies reported by **A.M. Best**,
 1998 by **National Association of Insurance Commissioners (NAIC)**,
 1999-2000 by **Standard & Poor's**.

INSURANCE COMPANIES THAT FACED PROBLEMS IN THE YEAR 2000

Company Name

Acceleration National Insurance Co.
 Advantage Care Inc/State
 Agora Syndicate Inc.
 Alliance General Insurance Co.
 American Chambers Life Insurance Co.
 American Health Care Providers Inc.
 American Investors Life Insurance Co.
 American Preferred Provider Plan of Mid-Atlantic
 American Unified Life & Health Co.
 Bankers Commercial Life Insurance Co.
 Bankers Title Insurance Co.
 Beacon Health Plan
 Benefit Life Insurance Co.
 California Compensation Insurance Co.State
 Combined Benefits Insurance Co.State
 Commercial Compensation Casualty Co.State
 Credit General Insurance Co.
 Family Health Plan Cooperative
 First Mutual Insurance Co.
 Fremont Casualty Insurance Co.State
 Fremont Compensation Insurance Co.State
 Fremont Employers' Insurance Co.State
 Fremont Indemnity Co.
 Fremont Indemnity Co. of the Northwest
 Fremont Industrial Indemnity Co.
 Fremont Pacific Insurance Co.
 Hamilton Insurance Co.
 Harvard Pilgrim Health Care Inc.

Company Name

Harvard Pilgrim Insurance Co.
 Harvard Pilgrim Health Care of New England
 HIP Plans of Florida
 Illinois HealthCare Insurance Co.
 LMI Insurance Co.
 Lumber Mutual Insurance Co.
 Medical Community Insurance Co.
 Mississippi Managed Care Network Inc.
 New England Fidelity Insurance Co.
 North American Lumber Insurance Co.
 North Medical Community Health Plan Inc.
 Pilgrim Health Care, Inc.
 Premier Auto Insurance Co.
 Proliance Insurance Co.
 RCA Syndicate #1 Ltd.
 Reliance Insurance Co. of PA
 Sacramento Title Co.
 Seaco Insurance Co.
 SunStar Health Plan Inc.
 Superior National Insurance Co.
 Superior Pacific Casualty Co.
 Total Health Care Plan Inc.
 Trust Insurance Co.
 Trust Assurance Co.
 Tufts Health Plan of New England Inc.
 Union American Insurance Co.
 Unistar Insurance Co.
 Universal Title Co.

All information was obtained from *U.S. Insurer Financial Failures Continue to Rise* Standard & Poor's, 23 Feb 2001.