

# SC Wind – 2011 Exposure and Reinsurance

OVERVIEW OF PROGRAM - Effective 5-31-11



## Overview

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- SC Wind Is The Residual Property Market For South Carolina
- Further information Is Available At [www.scwind.com](http://www.scwind.com)

## Exhibits


1. Inforce Exposure Data
2. PML Summary
3. Large Storm Recasts
4. Reinsurance Program

# 1. Inforce Exposure Data By County and Zone

County	In-force Policies @ 01-20-10				In-force Policies @ 01-31-11			
	Policy Count	In-force Premiums	Insured Limits	% of Total in County	Policy Count	In-force Premiums	Insured Limits	% of Total in County
<b>Zone 1</b>								
BEAUFORT	10,133	26,487,522	5,543,110,402	88%	9,961	25,764,825	5,443,206,810	88%
CHARLESTON	5,569	19,268,921	3,154,112,387	60%	5,292	18,050,132	2,983,338,484	53%
COLLETON	1,160	2,627,631	433,388,728	99%	1,150	2,661,870	435,655,243	100%
GEORGETOWN	2,766	7,072,642	1,205,149,087	76%	2,746	6,935,788	1,187,722,545	76%
HORRY	17,358	29,013,546	4,253,642,810	85%	17,622	28,881,219	4,325,692,135	84%
<b>Total Zone 1</b>	<b>36,986</b>	<b>84,470,262</b>	<b>14,589,403,414</b>	<b>80%</b>	<b>36,771</b>	<b>82,293,834</b>	<b>14,375,615,217</b>	<b>78%</b>
<b>Zone 2</b>								
BEAUFORT	1,334	2,127,825	501,942,712	12%	1,311	2,052,629	485,392,970	12%
CHARLESTON	3,763	6,320,786	1,191,830,478	40%	4,605	7,836,933	1,482,008,917	47%
COLLETON	6	14,580	2,580,970	1%	2	6,848	1,320,800	0%
GEORGETOWN	881	1,335,574	266,004,066	24%	859	1,271,900	254,571,623	24%
HORRY	3,079	3,696,168	697,721,929	15%	3,363	3,963,908	752,017,768	16%
<b>Total Zone 2</b>	<b>9,063</b>	<b>13,494,933</b>	<b>2,660,080,155</b>	<b>20%</b>	<b>10,140</b>	<b>15,132,218</b>	<b>2,975,312,078</b>	<b>22%</b>
<b>Grand Total</b>	<b>46,049</b>	<b>97,965,195</b>	<b>17,249,483,569</b>	<b>100%</b>	<b>46,911</b>	<b>97,426,052</b>	<b>17,350,927,295</b>	<b>100%</b>

## 2. All Peril Occurrence PML

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	1/20/10 Inforce	1/31/11 Inforce
 AIR WORLDWIDE	AIR CLASIC/2 v. 12.0	AIR CLASIC/2 v. 12.0
1000 yr	3,181,700,335	3,220,370,041
500 yr	2,575,158,119	2,642,576,383
250 yr	2,009,741,160	2,024,000,762
150 yr	1,421,189,831	1,410,409,513
100 yr	1,011,996,061	1,029,994,582
50 yr	614,837,662	628,720,209
25 yr	290,962,021	295,712,592
AAL	53,719,734	54,428,198

## 2. All Peril Occurrence PML (cont'd)

	1/20/10 Inforce	1/31/11 Inforce
<b>RMS</b>	RMS RiskLink v. 11.0	RMS RiskLink v. 11.0
1000 yr	2,521,652,030	2,578,577,037
500 yr	1,858,596,990	1,899,303,431
250 yr	1,311,692,471	1,340,008,364
150 yr	955,460,949	975,525,058
100 yr	724,550,308	739,658,320
50 yr	442,732,138	451,604,458
25 yr	238,299,474	242,861,784
AAL	42,168,285	42,871,065

## 2. All Peril Occurrence PML (cont'd)

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	1/20/10 Inforce	1/31/11 Inforce
	Avg Modeled Losses	Avg Modeled Losses
1000 yr	2,851,676,183	2,899,473,539
500 yr	2,216,877,555	2,270,939,907
250 yr	1,660,716,815	1,682,004,563
150 yr	1,188,325,390	1,192,967,285
100 yr	868,273,184	884,826,451
50 yr	528,784,900	540,162,334
25 yr	264,630,748	269,287,188
AAL	47,944,009	48,649,632

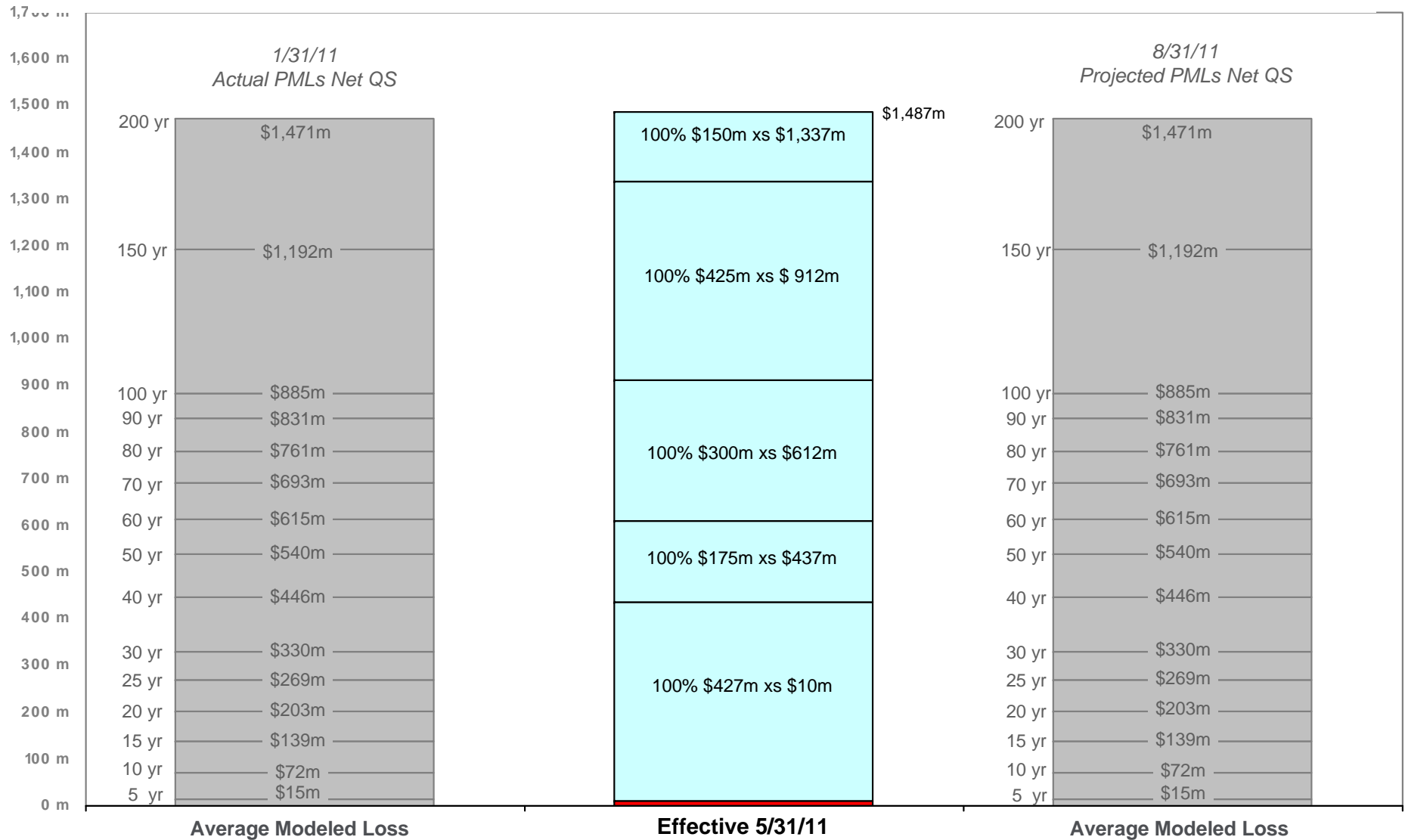
### 3. Large Storm Recasts

Based on 1/31/11 Exposure Data

		Industry Losses		SC Wind Losses	
		Original	Simple 5% Inflation	Average Modeled Recast	
<b>Recast Losses</b>					
<b>Hurricanes</b>	<b>25 Most Destructive Hurricanes</b>				Gross of Inuring Reinsurance
	<b>Event</b>	<b>Year</b>			
	Ike (AIR Cat 3)	2008	12,500,000,000	14,470,312,500	-
	Gustav (AIR Cat 4)	2008	2,150,000,000	2,488,893,750	-
	Wilma (RMS Cat 3, AIR Cat 3)	2005	10,300,000,000	13,802,985,098	-
	Rita (RMS Cat 3, AIR Cat 4)	2005	5,627,200,000	7,540,986,189	-
	Katrina (RMS Cat 3, AIR Cat 1)	2005	41,100,000,000	55,077,930,830	-
	Dennis (RMS Cat 3, AIR Cat 3)	2005	1,115,000,000	1,494,206,639	-
	Jeanne (RMS Cat 3, AIR Cat 3)	2004	3,655,000,000	5,142,952,045	-
	Ivan (RMS Cat 3, AIR Cat 3)	2004	7,110,000,000	10,004,484,005	-
	Frances (RMS Cat 2, AIR Cat 3)	2004	4,595,000,000	6,465,626,442	3,195
	Charley (RMS Cat 4, AIR Cat 4)	2004	7,475,000,000	10,518,075,659	6,182,076
	Floyd (RMS Cat 2, AIR Cat 3)	1999	1,960,000,000	3,519,878,399	9,073,037
	Georges (RMS Cat 2, AIR Cat 3)	1998	2,955,000,000	5,572,093,216	-
	Fran (RMS Cat 2, AIR Cat 3)	1996	1,600,000,000	3,326,285,087	24,712,053
	Opal (RMS Cat 3, AIR Cat 4)	1995	2,100,000,000	4,584,036,636	-
	Andrew (RMS Cat 5, AIR Cat 4)	1992	15,500,000,000	39,167,728,028	-
	Hugo (RMS Cat 4, AIR Cat 4)	1989	4,195,000,000	12,271,468,720	365,777,441
	Elena (RMS Cat 3, AIR Cat 3)	1985	543,000,000	1,930,730,270	-
	Alicia (RMS Cat 2, AIR Cat 3)	1983	676,000,000	2,650,007,298	-
	Frederic (RMS Cat 3, AIR Cat 3)	1979	753,000,000	3,588,000,926	-
	Camille (RMS Cat 5, AIR Cat 5)	1969	165,000,000	1,280,661,947	-
	Betsy (RMS Cat 4, AIR Cat 3)	1965	515,000,000	4,858,642,964	-
	Hazel (RMS Cat 4, AIR Cat 4)	1954	122,000,000	1,968,565,536	91,362,825
	New England (RMS Cat 3, AIR Cat 4)	1938	418,750,000	14,749,376,173	-
Florida (RMS Cat 4, AIR Cat 4)	1926	122,890,000	7,773,327,495	-	
Galveston (RMS Cat 4, AIR Cat 4)	1900	N/A	N/A	-	

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## 4. SC Wind Reinsurance Program



## 4. SC Wind Reinsurance Program (cont'd)

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- Reinsurance Program overseen by SC Wind Reinsurance Committee
- All Reinsurers A. M. Best Rated A- or better
- Pre-Paid Reinstatements
- There is a Facultative Program that assumes 100% of select risks
- PML's are estimated to be up slightly for 2011 Hurricane Season
- SC Wind Uses a 50/50 Blend of AIR and RMS to Determine PML's
- Broker Of Record: Aon Benfield (Stamford, CT)

## Questions

Please direct questions to Executive Director Smitty Harrison at: [smitty@scwind.com](mailto:smitty@scwind.com)

