

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
BALANCE SHEET
QUARTER ENDED JANUARY 31, 2011

EXHIBIT 1

DESCRIPTION	LEDGER ASSETS	NON- LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS:				
Investments:				
U.S. Treasury Bills - at cost	5,999,431			5,999,431
Cash	23,142,785			23,142,785
Funds held in escrow	0			0
Accounts receivable (reinsurance premium adj.)	0			0
Assessments receivable	0		0	0
Reinsurance recoverable on loss payments	0			0
Interest accrued		341		341
Data processing equipment (less accumulated depreciation)	87,482			87,482
Furniture, fixtures & equipment (less accumulated depreciation)	42,769		42,769	0
Programming (net of amortization)	21,897		21,897	0
Section 444 Deposit (I.R.S.)	0			0
Prepaid operating expense	6,882,934		2,142	6,880,792
TOTAL ASSETS	36,177,298	341	66,808	36,110,831
LIABILITIES AND EQUITY:				
Reserves for:				
Unpaid losses				120,050
Reinsurance recoverable-unpaid losses				0
Unpaid loss adjustment expense				4,500
Reinsurance recoverable-unpaid loss exp.				0
Operating expenses				101,226
Unearned premiums: net				48,291,539
Premium taxes				2,761,518
TOTAL RESERVES				51,278,833
Payables for:				
Accounts payable				0
Amounts withheld for account of others				0
Post Retirement Benefit Payable				927,644
Reinsurance Premium Payable				95,564
TOTAL PAYABLES				1,023,208
MEMBERS' EQUITY				(16,191,210)
Total Liabilities and Equity				36,110,831

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
INCOME STATEMENT AND EQUITY ACCOUNT
QUARTER ENDED JANUARY 31, 2011**

EXHIBIT 2

DESCRIPTION	QUARTER: 11-01-2010 01-31-2011	YEAR-TO-DATE 11-01-2010 01-31-2011
<u>UNDERWRITING INCOME:</u>		
Net Premiums Earned	3,434,997	3,434,997
<u>DEDUCTIONS:</u>		
Losses incurred	17,111	17,111
Loss expenses incurred	19,425	19,425
Operating expenses incurred	2,777,132	2,777,132
TOTAL DEDUCTIONS	2,813,668	2,813,668
 Net Underwriting Gain or (Loss)	 621,329	 621,329
<u>OTHER INCOME OR (OUTGO)</u>		
Net Investment Income	7,457	7,457
Miscellaneous income	0	0
Other interest income	0	0
TOTAL OTHER INCOME OR (OUTGO)	7,457	7,457
 <u>Net Income or (Loss)</u>	 628,786	 628,786
<u>EQUITY ACCOUNT:</u>		
Members' Equity (Prior Period)	(16,827,391)	(16,827,391)
 Net income or (loss)	 628,786	 628,786
Change in assets not admitted	7,395	7,395
Assessments or (distributions)	0	0
Net change in equity	636,181	636,181
 Members' Equity (Current Period)	 (16,191,210)	 (16,191,210)

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT
QUARTER ENDED JANUARY 31, 2011

EXHIBIT 3A

Combined Zones

DESCRIPTION	Quarter 11-01-2010 to 01-31-2011					Year-To-Date at 01-31-2011				
	Association Year					Association Year				
	2011	2010	2009	2008	Total	2011	2010	2009	2008	Total
INCOME RECEIVED:										
Premiums Written	17,076,180	0	0	0	17,076,180	17,076,180	0	0	0	17,076,180
Reinsurance Premiums Ceded	(21,025,796)	0	0	0	(21,025,796)	(21,025,796)	0	0	0	(21,025,796)
Net Premiums Written	<u>(3,949,616)</u>	0	0	0	<u>(3,949,616)</u>	<u>(3,949,616)</u>	0	0	0	<u>(3,949,616)</u>
Portfolio Transfer of										
Unearned Premiums:										
From Prior Assoc. Year	49,205,735	0	0	0	49,205,735	49,205,735	0	0	0	49,205,735
To Secceeding Assoc. Yr.	0	(49,205,735)	0	0	(49,205,735)	0	(49,205,735)	0	0	(49,205,735)
Acquisition Allowance on										
Portfolio Transfer										
From Prior Assoc. Year	(6,630,285)	0	0	0	(6,630,285)	(6,630,285)	0	0	0	(6,630,285)
To Secceeding Assoc. Yr.	0	6,630,285	0	0	6,630,285	0	6,630,285	0	0	6,630,285
Investment Income Received	7,116	3,111	0	0	10,227	7,116	3,111	0	0	10,227
Miscellaneous Income	0	0	0	0	0	0	0	0	0	0
Other Interest Income	0	0	0	0	0	0	0	0	0	0
Total Income	<u>38,632,950</u>	<u>(42,572,339)</u>	0	0	<u>(3,939,389)</u>	<u>38,632,950</u>	<u>(42,572,339)</u>	0	0	<u>(3,939,389)</u>
EXPENSES PAID:										
Losses	1,513	9,257	0	12,491	23,261	1,513	9,257	0	12,491	23,261
Reins. Recovered-Losses Paid	0	0	0	0	0	0	0	0	0	0
Loss Adjustment Expenses	1,748	18,620	2,636	1,171	24,175	1,748	18,620	2,636	1,171	24,175
Reins. Recovered-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Commissions	1,707,618	0	0	0	1,707,618	1,707,618	0	0	0	1,707,618
Commissions Ceded	(87,863)	0	0	0	(87,863)	(87,863)	0	0	0	(87,863)
Operating Expenses	616,118	35,005	0	0	651,123	616,118	35,005	0	0	651,123
Premium Taxes	0	301,463	0	0	301,463	0	301,463	0	0	301,463
Total Expenses Paid	<u>2,239,134</u>	<u>364,345</u>	<u>2,636</u>	<u>13,662</u>	<u>2,619,777</u>	<u>2,239,134</u>	<u>364,345</u>	<u>2,636</u>	<u>13,662</u>	<u>2,619,777</u>
Net Cash Change	<u>36,393,816</u>	<u>(42,936,684)</u>	<u>(2,636)</u>	<u>(13,662)</u>	<u>(6,559,166)</u>	<u>36,393,816</u>	<u>(42,936,684)</u>	<u>(2,636)</u>	<u>(13,662)</u>	<u>(6,559,166)</u>
REINSURANCE RECOVERABLE:										
DEDUCT (PRIOR PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
ADD (CURRENT PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Net Change	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses	600	51,950	67,500	0	120,050	600	51,950	67,500	0	120,050
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	250	1,500	2,500	250	4,500	250	1,500	2,500	250	4,500
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	101,226	0	0	0	101,226	101,226	0	0	0	101,226
Unearned Premiums	49,205,735	0	0	0	49,205,735	49,205,735	0	0	0	49,205,735
Unearned Premiums Ceded	(914,196)	0	0	0	(914,196)	(914,196)	0	0	0	(914,196)
Premium Taxes	548,145	2,213,373	0	0	2,761,518	548,145	2,213,373	0	0	2,761,518
ADD (PRIOR PERIOD)										
Unpaid Losses	0	58,700	67,500	0	126,200	0	58,700	67,500	0	126,200
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	0	6,750	2,500	0	9,250	0	6,750	2,500	0	9,250
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	0	143,117	0	0	143,117	0	143,117	0	0	143,117
Unearned Premiums	0	56,653,117	0	0	56,653,117	0	56,653,117	0	0	56,653,117
Unearned Premiums Ceded	0	(976,965)	0	0	(976,965)	0	(976,965)	0	0	(976,965)
Premium Taxes	0	2,514,836	0	0	2,514,836	0	2,514,836	0	0	2,514,836
Net Reserve Change	<u>(48,941,760)</u>	<u>56,132,732</u>	0	<u>(250)</u>	<u>7,190,722</u>	<u>(48,941,760)</u>	<u>56,132,732</u>	0	<u>(250)</u>	<u>7,190,722</u>
OTHER CHANGES:										
DEDUCT (PRIOR PERIOD)										
Interest Accrued	0	3,111	0	0	3,111	0	3,111	0	0	3,111
Assets Not Admitted	0	(74,203)	0	0	(74,203)	0	(74,203)	0	0	(74,203)
ADD (CURRENT PERIOD)										
Interest Accrued	341	0	0	0	341	341	0	0	0	341
Assets Not Admitted	(66,808)	0	0	0	(66,808)	(66,808)	0	0	0	(66,808)
Net Other Changes	<u>(66,467)</u>	<u>71,092</u>	0	0	<u>4,625</u>	<u>(66,467)</u>	<u>71,092</u>	0	0	<u>4,625</u>
Assessments or (Distributions)	0	0	0	0	0	0	0	0	0	0
Change In Members' Equity	<u>(12,614,411)</u>	<u>13,267,140</u>	<u>(2,636)</u>	<u>(13,912)</u>	<u>636,181</u>	<u>(12,614,411)</u>	<u>13,267,140</u>	<u>(2,636)</u>	<u>(13,912)</u>	<u>636,181</u>

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT**

Quarter 11-01-2010 to 01-31-2011

EXHIBIT 3A 1

Zone 1

DESCRIPTION	Quarter 11-01-2010 to 01-31-2011					Year-To-Date at 01-31-2011				
	2011	2010	2009	2008	Total	2011	2010	2009	2008	Total
INCOME RECEIVED:										
Premiums Written	14,280,636	0	0	0	14,280,636	14,280,636	0	0	0	14,280,636
Reinsurance Premiums Ceded	(17,397,141)	0	0	0	(17,397,141)	(17,397,141)	0	0	0	(17,397,141)
Net Premiums Written	<u>(3,116,505)</u>	0	0	0	(3,116,505)	<u>(3,116,505)</u>	0	0	0	(3,116,505)
Portfolio Transfer of										
Unearned Premiums:										
From Prior Assoc. Year	41,413,228	0	0	0	41,413,228	41,413,228	0	0	0	41,413,228
To Secceeding Assoc. Yr.	0	(41,413,228)	0	0	(41,413,228)	0	(41,413,228)	0	0	(41,413,228)
Acquisition Allowance on										
Portfolio Transfer										
From Prior Assoc. Year	(5,580,274)	0	0	0	(5,580,274)	(5,580,274)	0	0	0	(5,580,274)
To Secceeding Assoc. Yr.	0	5,580,274	0	0	5,580,274	0	5,580,274	0	0	5,580,274
Investment Income Received	5,951	2,633	0	0	8,584	5,951	2,633	0	0	8,584
Miscellaneous Income	0	0	0	0	0	0	0	0	0	0
Other Interest Income	0	0	0	0	0	0	0	0	0	0
Total Income	<u>32,722,400</u>	<u>(35,830,321)</u>	0	0	(3,107,921)	<u>32,722,400</u>	<u>(35,830,321)</u>	0	0	(3,107,921)
EXPENSES PAID:										
Losses	1,513	5,715	0	0	7,228	1,513	5,715	0	0	7,228
Reins. Recovered-Losses Paid	0	0	0	0	0	0	0	0	0	0
Loss Adjustment Expenses	1,748	17,135	2,636	0	21,519	1,748	17,135	2,636	0	21,519
Reins. Recovered-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Commissions	1,428,064	0	0	0	1,428,064	1,428,064	0	0	0	1,428,064
Commissions Ceded	(34,463)	0	0	0	(34,463)	(34,463)	0	0	0	(34,463)
Operating Expenses	515,253	29,627	0	0	544,880	515,253	29,627	0	0	544,880
Premium Taxes	0	255,144	0	0	255,144	0	255,144	0	0	255,144
Total Expenses Paid	<u>1,912,115</u>	<u>307,621</u>	<u>2,636</u>	0	2,222,372	<u>1,912,115</u>	<u>307,621</u>	<u>2,636</u>	0	2,222,372
Net Cash Change	<u>30,810,285</u>	<u>(36,137,942)</u>	<u>(2,636)</u>	0	(5,330,293)	<u>30,810,285</u>	<u>(36,137,942)</u>	<u>(2,636)</u>	0	(5,330,293)
REINSURANCE RECOVERABLE:										
DEDUCT (PRIOR PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
ADD (CURRENT PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Net Change	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	0
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses	600	41,650	57,500	0	99,750	600	41,650	57,500	0	99,750
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	250	1,250	2,500	0	4,000	250	1,250	2,500	0	4,000
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	84,654	0	0	0	84,654	84,654	0	0	0	84,654
Unearned Premiums	41,413,228	0	0	0	41,413,228	41,413,228	0	0	0	41,413,228
Unearned Premiums Ceded	(464,285)	0	0	0	(464,285)	(464,285)	0	0	0	(464,285)
Premium Taxes	458,408	1,873,296	0	0	2,331,704	458,408	1,873,296	0	0	2,331,704
ADD (PRIOR PERIOD)										
Unpaid Losses	0	58,700	67,500	0	126,200	0	58,700	67,500	0	126,200
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	0	6,750	2,500	0	9,250	0	6,750	2,500	0	9,250
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	0	121,128	0	0	121,128	0	121,128	0	0	121,128
Unearned Premiums	0	47,855,920	0	0	47,855,920	0	47,855,920	0	0	47,855,920
Unearned Premiums Ceded	0	(527,197)	0	0	(527,197)	0	(527,197)	0	0	(527,197)
Premium Taxes	0	2,128,440	0	0	2,128,440	0	2,128,440	0	0	2,128,440
Net Reserve Change	<u>(41,492,855)</u>	<u>47,727,545</u>	<u>10,000</u>	0	6,244,690	<u>(41,492,855)</u>	<u>47,727,545</u>	<u>10,000</u>	0	6,244,690
OTHER CHANGES:										
DEDUCT (PRIOR PERIOD)										
Interest Accrued	0	2,633	0	0	2,633	0	2,633	0	0	2,633
Assets Not Admitted	0	(62,802)	0	0	(62,802)	0	(62,802)	0	0	(62,802)
ADD (CURRENT PERIOD)										
Interest Accrued	285	0	0	0	285	285	0	0	0	285
Assets Not Admitted	(55,871)	0	0	0	(55,871)	(55,871)	0	0	0	(55,871)
Net Other Changes	<u>(55,586)</u>	<u>60,169</u>	0	0	4,583	<u>(55,586)</u>	<u>60,169</u>	0	0	4,583
Assessments or (Distributions)	0	0	0	0	0	0	0	0	0	0
Change In Members' Equity	<u>(10,738,156)</u>	<u>11,649,772</u>	<u>7,364</u>	0	918,980	<u>(10,738,156)</u>	<u>11,649,772</u>	<u>7,364</u>	0	918,980

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT**

Quarter 11-01-2010 to 01-31-2011

EXHIBIT 3A 2

Zone 2

DESCRIPTION	Quarter 11-01-2010 to 01-31-2011					Year-To-Date at 01-31-2011				
	2011	2010	2009	2008	Total	2011	2010	2009	2008	Total
INCOME RECEIVED:										
Premiums Written	2,795,544	0	0	0	2,795,544	2,795,544	0	0	0	2,795,544
Reinsurance Premiums Ceded	(3,628,655)	0	0	0	(3,628,655)	(3,628,655)	0	0	0	(3,628,655)
Net Premiums Written	(833,111)	0	0	0	(833,111)	(833,111)	0	0	0	(833,111)
Portfolio Transfer of										
Unearned Premiums:										
From Prior Assoc. Year	7,792,507	0	0	0	7,792,507	7,792,507	0	0	0	7,792,507
To Secceeding Assoc. Yr.	0	(7,792,507)	0	0	(7,792,507)	0	(7,792,507)	0	0	(7,792,507)
Acquisition Allowance on										
Portfolio Transfer										
From Prior Assoc. Year	(1,050,011)	0	0	0	(1,050,011)	(1,050,011)	0	0	0	(1,050,011)
To Secceeding Assoc. Yr.	0	1,050,011	0	0	1,050,011	0	1,050,011	0	0	1,050,011
Investment Income Received	1,165	478	0	0	1,643	1,165	478	0	0	1,643
Miscellaneous Income	0	0	0	0	0	0	0	0	0	0
Other Interest Income	0	0	0	0	0	0	0	0	0	0
Total Income	5,910,550	(6,742,018)	0	0	(831,468)	5,910,550	(6,742,018)	0	0	(831,468)
EXPENSES PAID:										
Losses	0	3,542	0	0	3,542	0	3,542	0	0	3,542
Reins. Recovered-Losses Paid	0	0	0	0	0	0	0	0	0	0
Loss Adjustment Expenses	0	1,485	0	0	1,485	0	1,485	0	0	1,485
Reins. Recovered-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Commissions	279,554	0	0	0	279,554	279,554	0	0	0	279,554
Commissions Ceded	(53,400)	0	0	0	(53,400)	(53,400)	0	0	0	(53,400)
Operating Expenses	100,865	5,378	0	0	106,243	100,865	5,378	0	0	106,243
Premium Taxes	0	46,319	0	0	46,319	0	46,319	0	0	46,319
Total Expenses Paid	327,019	56,724	0	0	383,743	327,019	56,724	0	0	383,743
Net Cash Change	5,583,531	(6,798,742)	0	0	(1,215,211)	5,583,531	(6,798,742)	0	0	(1,215,211)
REINSURANCE RECOVERABLE:										
DEDUCT (PRIOR PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
ADD (CURRENT PERIOD)										
Reins Recoverable-Losses Paid	0	0	0	0	0	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0	0	0	0	0	0
Net Change	0	0	0	0	0	0	0	0	0	0
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses	0	10,300	10,000	0	20,300	0	10,300	10,000	0	20,300
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	0	250	0	0	250	0	250	0	0	250
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	16,572	0	0	0	16,572	16,572	0	0	0	16,572
Unearned Premiums	7,792,507	0	0	0	7,792,507	7,792,507	0	0	0	7,792,507
Unearned Premiums Ceded	(449,911)	0	0	0	(449,911)	(449,911)	0	0	0	(449,911)
Premium Taxes	89,737	340,077	0	0	429,814	89,737	340,077	0	0	429,814
ADD (PRIOR PERIOD)										
Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Unpaid Loss Adjustment Expense	0	0	0	0	0	0	0	0	0	0
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0	0	0	0	0	0
Operating Expenses	0	21,989	0	0	21,989	0	21,989	0	0	21,989
Unearned Premiums	0	8,797,197	0	0	8,797,197	0	8,797,197	0	0	8,797,197
Unearned Premiums Ceded	0	(449,768)	0	0	(449,768)	0	(449,768)	0	0	(449,768)
Premium Taxes	0	386,396	0	0	386,396	0	386,396	0	0	386,396
Net Reserve Change	(7,448,905)	8,405,187	(10,000)	0	946,282	(7,448,905)	8,405,187	(10,000)	0	946,282
OTHER CHANGES:										
DEDUCT (PRIOR PERIOD)										
Interest Accrued	0	478	0	0	478	0	478	0	0	478
Assets Not Admitted	0	(11,401)	0	0	(11,401)	0	(11,401)	0	0	(11,401)
ADD (CURRENT PERIOD)										
Interest Accrued	56	0	0	0	56	56	0	0	0	56
Assets Not Admitted	(10,937)	0	0	0	(10,937)	(10,937)	0	0	0	(10,937)
Net Other Changes	(10,881)	10,923	0	0	42	(10,881)	10,923	0	0	42
Assessments or (Distributions)	0	0	0	0	0	0	0	0	0	0
Change In Members' Equity	(1,876,255)	1,617,368	(10,000)	0	(268,887)	(1,876,255)	1,617,368	(10,000)	0	(268,887)

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED JANUARY 31, 2011

Combined Zones

EXHIBIT 3B

DESCRIPTION	2011	2010	2009	2008	Total
INCOME RECEIVED:					
Premiums Written	17,076,180	97,126,555	96,468,252	96,671,087	307,342,074
Reinsurance Premiums Ceded	(21,025,796)	(84,873,172)	(85,765,386)	(75,944,952)	(267,609,306)
Net Premiums Written	(3,949,616)	12,253,383	10,702,866	20,726,135	39,732,768
Portfolio Transfer of Unearned Premiums:					
From Prior Assoc. Year	49,205,735	49,508,128	49,129,063	45,782,978	193,625,904
To Succeeding Assoc. Yr.	0	(49,205,735)	(49,508,128)	(49,129,063)	(147,842,926)
Acquisition Allowance on Portfolio Transfer					
From Prior Assoc. Year	(6,630,285)	(6,403,102)	(6,771,748)	(6,206,416)	(26,011,551)
To Succeeding Assoc. Yr.	0	6,630,285	6,403,102	6,771,748	19,805,135
Investment Income Received	7,116	41,335	139,547	1,178,494	1,366,492
Miscellaneous Income	0	0	0	0	0
Other Interest Income	0	0	0	0	0
Total Income	38,632,950	12,824,294	10,094,702	19,123,876	80,675,822
EXPENSES PAID:					
Losses	1,513	108,247	22,544	935,961	1,068,265
Reins. Recovered-Losses Paid	0	(2,500)	0	0	(2,500)
Loss Adjustment Expenses	1,748	66,925	37,015	216,551	322,239
Reins. Recovered-Loss Exp. Paid	0	(1,560)	0	(785)	(2,345)
Commissions	1,707,618	9,712,655	9,646,825	9,667,109	30,734,207
Commissions Ceded	(87,863)	(516,123)	(718,089)	(1,352,010)	(2,674,085)
Operating Expenses	616,118	3,231,258	2,791,395	2,338,878	8,977,649
Premium Taxes	0	904,656	3,099,678	3,093,968	7,098,302
Total Expenses Paid	2,239,134	13,503,558	14,879,368	14,899,672	45,521,732
Net Cash Change	36,393,816	(679,264)	(4,784,666)	4,224,204	35,154,090
REINSURANCE RECOVERABLE:					
ADD (CURRENT PERIOD)					
Reins Recoverable-Losses Paid	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0
Net Change	36,393,816	(679,264)	(4,784,666)	4,224,204	35,154,090
RESERVES:					
DEDUCT (CURRENT PERIOD)					
Unpaid Losses	600	51,950	67,500	0	120,050
Reins. Recoverable-Unpaid Losses	0	0	0	0	0
Unpaid Loss Adjustment Expense	250	1,500	2,500	250	4,500
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0
Operating Expenses	101,226	0	0	0	101,226
Unearned Premiums	49,205,735	0	0	0	49,205,735
Unearned Premiums Ceded	(914,196)	0	0	0	(914,196)
Premium Taxes	548,145	2,213,373	0	0	2,761,518
Total Reserves	48,941,760	2,266,823	70,000	250	51,278,833
OTHER CHANGES:					
Interest Accrued	341	0	0	0	341
Assets Not Admitted	(66,808)	0	0	0	(66,808)
Total Other Changes	(66,467)	0	0	0	(66,467)
Assessments or (Distributions)	0	0	0	0	0
Net Members' Equity	(12,614,411)	(2,946,087)	(4,854,666)	4,223,954	(16,191,210)

**MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED JANUARY 31, 2011**

Zone 1

EXHIBIT 3B1

DESCRIPTION	2010	2010	2009	2008	Total
INCOME RECEIVED:					
Premiums Written	14,280,636	82,203,395	83,360,097	0	179,844,128
Reinsurance Premiums Ceded	(17,397,141)	(71,832,702)	(74,111,542)	0	(163,341,385)
Net Premiums Written	(3,116,505)	10,370,693	9,248,555	0	16,502,743
Portfolio Transfer of Unearned Premiums:					
From Prior Assoc. Year	41,413,228	42,666,090	42,744,728	0	126,824,046
To Succeeding Assoc. Yr.	0	(41,413,228)	(42,666,090)	0	(84,079,318)
Acquisition Allowance on Portfolio Transfer					
From Prior Assoc. Year	(5,580,274)	(5,433,048)	(5,891,758)	0	(16,905,080)
To Secceeding Assoc. Yr.	0	5,580,274	5,433,048	0	11,013,322
Investment Income Received	5,951	34,984	120,585	0	161,520
Miscellaneous Income	0	0	0	0	0
Other Interest Income	0	0	0	0	0
Total Income	32,722,400	11,805,765	8,989,068	0	53,517,233
EXPENSES PAID:					
Losses	1,513	88,533	20,411	0	110,457
Reins. Recovered-Losses Paid	0	(2,500)	0	0	(2,500)
Loss Adjustment Expenses	1,748	62,480	32,571	0	96,799
Reins. Recovered-Loss Exp. Paid	0	(1,198)	0	0	(1,198)
Commissions	1,428,064	8,220,339	8,336,010	0	17,984,413
Commissions Ceded	(34,463)	(267,945)	(363,036)	0	(665,444)
Operating Expenses	515,253	2,734,787	2,412,099	0	5,662,139
Premium Taxes	0	765,658	2,678,492	0	3,444,150
Total Expenses Paid	1,912,115	11,600,154	13,116,547	0	26,628,816
Net Cash Change	30,810,285	205,611	(4,127,479)	0	26,888,417
REINSURANCE RECOVERABLE:					
ADD (CURRENT PERIOD)					
Reins Recoverable-Losses Paid	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0
Net Change	30,810,285	205,611	(4,127,479)	0	26,888,417
RESERVES:					
DEDUCT (CURRENT PERIOD)					
Unpaid Losses	600	41,650	57,500	0	99,750
Reins. Recoverable-Unpaid Losses	0	0	0	0	0
Unpaid Loss Adjustment Expense	250	1,250	2,500	0	4,000
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0
Operating Expenses	84,654	0	0	0	84,654
Unearned Premiums	41,413,228	0	0	0	41,413,228
Unearned Premiums Ceded	(464,285)	0	0	0	(464,285)
Premium Taxes	458,408	1,873,296	0	0	2,331,704
Total Reserves	41,492,855	1,916,196	60,000	0	43,469,051
OTHER CHANGES:					
Interest Accrued	285	0	0	0	285
Assets Not Admitted	(55,871)	0	0	0	(55,871)
Total Other Changes	(55,586)	0	0	0	(55,586)
Assessments or (Distributions)	0	0	0	0	0
Net Members' Equity	(10,738,156)	(1,710,585)	(4,187,479)	0	(16,636,220)

INCEPTION TO ASSOCIATION QUARTER ENDED JANUARY 31, 2011

Zone 2

EXHIBIT 3B2

DESCRIPTION	2011	2010	2009	2008	Total
INCOME RECEIVED:					
Premiums Written	2,795,544	14,923,160	13,108,155	0	30,826,859
Reinsurance Premiums Ceded	(3,628,655)	(13,040,470)	(11,653,844)	0	(28,322,969)
Net Premiums Written	(833,111)	1,882,690	1,454,311	0	2,503,890
Portfolio Transfer of Unearned Premiums:					
From Prior Assoc. Year	7,792,507	6,842,038	6,384,335	0	21,018,880
To Succeeding Assoc. Yr.	0	(7,792,507)	(6,842,038)	0	(14,634,545)
Acquisition Allowance on Portfolio Transfer					
From Prior Assoc. Year	(1,050,011)	(970,054)	(879,990)	0	(2,900,055)
To Succeeding Assoc. Yr.	0	1,050,011	970,054	0	2,020,065
Investment Income Received	1,165	6,351	18,962	0	26,478
Miscellaneous Income	0	0	0	0	0
Other Interest Income	0	0	0	0	0
Total Income	5,910,550	1,018,529	1,105,634	0	8,034,713
EXPENSES PAID:					
Losses	0	19,714	2,133	0	21,847
Reins. Recovered-Losses Paid	0	0	0	0	0
Loss Adjustment Expenses	0	4,445	4,444	0	8,889
Reins. Recovered-Loss Exp. Paid	0	(362)	0	0	(362)
Commissions	279,554	1,492,316	1,310,815	0	3,082,685
Commissions Ceded	(53,400)	(248,178)	(355,053)	0	(656,631)
Operating Expenses	100,865	496,471	379,296	0	976,632
Premium Taxes	0	138,998	421,186	0	560,184
Total Expenses Paid	327,019	1,903,404	1,762,821	0	3,993,244
Net Cash Change	5,583,531	(884,875)	(657,187)	0	4,041,469
REINSURANCE RECOVERABLE:					
ADD (CURRENT PERIOD)					
Reins Recoverable-Losses Paid	0	0	0	0	0
Reins Recoverable-Loss Exp. Paid	0	0	0	0	0
Net Change	5,583,531	(884,875)	(657,187)	0	4,041,469
RESERVES:					
DEDUCT (CURRENT PERIOD)					
Unpaid Losses	0	10,300	10,000	0	20,300
Reins. Recoverable-Unpaid Losses	0	0	0	0	0
Unpaid Loss Adjustment Expense	0	250	0	0	250
Reins. Recoverable-Unpd. Loss Exp.	0	0	0	0	0
Operating Expenses	16,572	0	0	0	16,572
Unearned Premiums	7,792,507	0	0	0	7,792,507
Unearned Premiums Ceded	(449,911)	0	0	0	(449,911)
Premium Taxes	89,737	340,077	0	0	429,814
Total Reserves	7,448,905	350,627	10,000	0	7,809,532
OTHER CHANGES:					
Interest Accrued	56	0	0	0	56
Assets Not Admitted	(10,937)	0	0	0	(10,937)
Total Other Changes	(10,881)	0	0	0	(10,881)
Assessments or (Distributions)	0	0	0	0	0
Net Members' Equity	(1,876,255)	(1,235,502)	(667,187)	0	(3,778,944)

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS**

#REF!

EXHIBIT 4A

DESCRIPTION	QUARTER 11-01-2010 01-31-2011	YEAR-TO-DATE 11-01-2010 01-31-2011
<u>PREMIUMS WRITTEN:</u>		
Allied Lines (Windstorm & Hail)	17,076,180	17,076,180
Reinsurance Premium Ceded	<u>(21,025,796)</u>	<u>(21,025,796)</u>
Net Premiums Written	(3,949,616)	(3,949,616)
<u>UNEARNED PREMIUMS (PRIOR PERIOD):</u>		
Allied Lines (Windstorm & Hail)	54,155,924	54,155,924
Advance Premiums (On Policies Not Yet In Force)	2,497,193	2,497,193
Reinsurance Premium Ceded	<u>(976,965)</u>	<u>(976,965)</u>
Net Prior Unearned	55,676,152	55,676,152
<u>UNEARNED PREMIUMS (CURRENT PERIOD):</u>		
Allied Lines (Windstorm & Hail)	47,023,772	47,023,772
Advance Premiums (On Policies Not Yet In Force)	2,181,963	2,181,963
Reinsurance Premium Ceded	<u>(914,196)</u>	<u>(914,196)</u>
Net Current Unearned	48,291,539	48,291,539
<u>EARNED PREMIUMS</u>		
Allied Lines (Windstorm & Hail)	<u><u>3,434,997</u></u>	<u><u>3,434,997</u></u>

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
QUARTER ENDED JANUARY 31, 2011**

EXHIBIT 4B

	Quarter 11-01-2010 to 01-31-2011					Year-To-Date 11-01-2010 to 01-31-2011				
	2011	Association Year			Total	2011	Association Year			Total
	2011	2010	2009	2008	Total	2011	2010	2009	2008	Total
PAID LOSSES										
Allied Lines (Windstorm & Hail)	1,513	9,257	0	12,491	23,261	1,513	9,257	0	12,491	23,261
REINSURANCE RECOVERED										
Reins. Recovered-Paid Losses	0	0	0	0	0	0	0	0	0	0
REINSURANCE RECOVERABLE: (CURRENT PERIOD)										
Reins. Recoverable-Paid Losses	0	0	0	0	0	0	0	0	0	0
REINSURANCE RECOVERABLE: (PRIOR PERIOD)										
Reins. Recoverable-Paid Losses	0	0	0	0	0	0	0	0	0	0
Total Paid Loss Net of Reinsurance	1,513	9,257	0	12,491	23,261	1,513	9,257	0	12,491	23,261
OUTSTANDING LOSSES (CURRENT PERIOD)										
Allied Lines (Windstorm & Hail)	600	51,950	67,500	0	120,050	600	51,950	67,500	0	120,050
REINSURANCE RECOVERABLE:										
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Outstanding Losses Net of Reins.	600	51,950	67,500	0	120,050	600	51,950	67,500	0	120,050
OUTSTANDING LOSSES (PRIOR PERIOD)										
Allied Lines (Windstorm & Hail)	0	58,700	67,500	0	126,200	0	58,700	67,500	0	126,200
REINSURANCE RECOVERABLE:										
Reins. Recoverable-Unpaid Losses	0	0	0	0	0	0	0	0	0	0
Outstanding Losses Net of Reins.	0	58,700	67,500	0	126,200	0	58,700	67,500	0	126,200
INCURRED LOSSES:										
Allied Lines (Windstorm & Hail)	2,113	2,507	0	12,491	17,111	2,113	2,507	0	12,491	17,111
IBNR (CURRENT PERIOD)										
Allied Lines (Windstorm & Hail)	0	50,000	50,000	0	100,000	0	50,000	50,000	0	100,000
IBNR (PRIOR PERIOD)										
Allied Lines (Windstorm & Hail)	0	50,000	50,000	0	100,000	0	50,000	50,000	0	100,000

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDED JANUARY 31, 2011**

EXHIBIT 4C

	Quarter 11-01-2010 to 01-31-2011					Year-To-Date 11-01-2010 to 01-31-2011				
	Association Year					Association Year				
	2011	2010	2009	2008	Total	2011	2010	2009	2008	Total
LOSS EXPENSES PAID										
Allied Lines (Windstorm & Hail)	1,748	18,620	2,636	1,171	24,175	1,748	18,620	2,636	1,171	24,175
REINSURANCE RECOVERED										
Reins. Recovered-Paid Loss Expense	0	0	0	0	0	0	0	0	0	0
REINSURANCE RECOVERABLE:										
(CURRENT PERIOD)										
Reins. Recoverable-Paid Loss Expense	0	0	0	0	0	0	0	0	0	0
REINSURANCE RECOVERABLE:										
(PRIOR PERIOD)										
Reins. Recoverable-Paid Loss Expense	0	0	0	0	0	0	0	0	0	0
Total Paid Loss Net of Reinsurance	1,748	18,620	2,636	1,171	24,175	1,748	18,620	2,636	1,171	24,175
UNPAID LOSS ADJUSTMENT EXP (CURRENT PERIOD)										
Allied Lines (Windstorm & Hail)	250	1,500	2,500	250	4,500	250	1,500	2,500	250	4,500
REINSURANCE RECOVERABLE:										
Reins. Recoverable-Unpaid Loss Exp.	0	0	0	0	0	0	0	0	0	0
Outstanding Loss Expense Net of Reins.	250	1,500	2,500	250	4,500	250	1,500	2,500	250	4,500
UNPAID LOSS ADJUSTMENT EXP (PRIOR PERIOD)										
Allied Lines (Windstorm & Hail)	0	6,750	2,500	0	9,250	0	6,750	2,500	0	9,250
REINSURANCE RECOVERABLE:										
Reins. Recoverable-Unpaid Loss Exp.	0	0	0	0	0	0	0	0	0	0
Outstanding Loss Expense Net of Reins.	0	6,750	2,500	0	9,250	0	6,750	2,500	0	9,250
INCURRED LOSSES EXPENSES:										
Allied Lines (Windstorm & Hail)	1,998	13,370	2,636	1,421	19,425	1,998	13,370	2,636	1,421	19,425

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
CUMULATIVE REPORT OF CATASTROPHE LOSSES**

#REF!

EXHIBIT 5

CAT NUMBER	FISCAL ACCIDENT YEAR	DATE OF LOSS	NAME OF STORM	LOSSES		CLAIM EXPENSES			
				Case O/S	PAID	ALLOCATED		UNALLOCATED	
				Case O/S	PAID	Case O/S	PAID	Case O/S	PAID
N/A	2004	Aug 12-13 '04	BONNIE	0	111,622	0	1,892	0	9,699
26	2004	Aug 14-15 '04	CHARLEY	0	2,656,258	0	15,860	0	256,956
27	2004	Aug 29-30 '04	GASTON	0	468,916	0	2,946	0	74,773
28	2004	Sep 06-07 '04	FRANCES	0	27,457	0	3,086	0	5,652
30	2004	Sep 16-17 '04	IVAN	0	3,708	0	0	0	2,749
29	2004	Sep 27-28 '04	JEANNE	0	6,689	0	0	0	2,943
TOTAL				0	3,274,650	0	23,784	0	352,772

**SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION
STATUS REPORT - IN FORCE LIABILITY**

AS OF: JANUARY 31, 2011

CITY (County)	Class	Zone 1 Policies In-force	Zone 1 Limits (000 omitted)	Zone 2 Policies In-force	Zone 2 Limits (000 omitted)
FRIPP ISLAND (Beaufort County)	Dwelling	1,021	517,303	0	0
	Mobile Home	0	0	0	0
	Commercial	3	231	0	0
HARBOR ISLAND (Beaufort County)	Dwelling	181	80,858	0	0
	Mobile Home	0	0	0	0
	Commercial	0	0	0	0
HILTON HEAD ISLAND (Beaufort County)	Dwelling	7,738	4,443,569	0	0
	Mobile Home	26	1,353	0	0
	Commercial	193	49,665	0	0
LADY'S ISLAND (Beaufort County)	Dwelling	0	0	1,196	430,803
	Mobile Home	0	0	4	402
	Commercial	0	0	18	2,169
ST HELENA ISLAND (Beaufort County)	Dwelling	471	166,209	13	4,282
	Mobile Home	50	3,221	1	90
	Commercial	0	0	0	0
REMAINDER OF COUNTY (Beaufort County)	Dwelling	266	179,564	79	47,574
	Mobile Home	5	273	0	0
	Commercial	7	837	0	0
TOTAL BEAUFORT COUNTY	Dwelling	9,677	5,387,504	1,288	482,659
	Mobile Home	81	4,847	5	492
	Commercial	203	50,733	18	2,169
	TOTALS	9,961	5,443,084	1,311	485,320
FOLLY BEACH (Charleston County)	Dwelling	886	333,746	38	8,780
	Mobile Home	0	0	0	0
	Commercial	24	10,435	0	0
ISLE OF PALMS (Charleston County)	Dwelling	1,943	1,112,615	10	4,772
	Mobile Home	0	0	0	0
	Commercial	25	5,752	0	0
JAMES ISLAND (Charleston County)	Dwelling	0	0	2,162	658,215
	Mobile Home	0	0	9	656
	Commercial	0	0	10	3,031
KIAWAH ISLAND (Charleston County)	Dwelling	817	567,643	0	0
	Mobile Home	0	0	0	0
	Commercial	12	2,881	0	0
MOUNT PLEASANT (Charleston County)	Dwelling	1	94	1,899	611,959
	Mobile Home	0	0	4	214
	Commercial	0	0	17	4,885
SEABROOK ISLAND (Charleston County)	Dwelling	810	474,637	0	0
	Mobile Home	0	0	0	0
	Commercial	1	65	0	0
SULLIVANS ISLAND (Charleston County)	Dwelling	571	371,915	0	0
	Mobile Home	0	0	0	0
	Commercial	9	4,326	0	0
REMAINDER OF COUNTY (Charleston County)	Dwelling	178	90,919	428	182,546
	Mobile Home	2	196	12	603
	Commercial	6	3,444	14	6,605
TOTAL CHARLESTON COUNTY	Dwelling	5,206	2,951,568	4,537	1,466,271
	Mobile Home	2	196	25	1,472
	Commercial	77	26,902	41	14,522
	TOTALS	5,285	2,978,666	4,603	1,482,265
EDISTO BEACH (Colleton County)	Dwelling	1,142	430,862	2	1,321
	Mobile Home	0	0	0	0
	Commercial	12	6,338	0	0
TOTAL COLLETON COUNTY	Dwelling	1,142	430,862	2	1,321
	Mobile Home	0	0	0	0
	Commercial	12	6,338	0	0

**SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION
STATUS REPORT - IN FORCE LIABILITY**

AS OF: JANUARY 31, 2011

CITY (County)	Class	Zone 1 Policies In-force	Zone 1 Limits (000 omitted)	Zone 2 Policies In-force	Zone 2 Limits (000 omitted)
TOTALS		1,154	437,200	2	1,321
DEBORDIEU BEACH (Georgetown County)	Dwelling	255	204,523	0	0
	Mobile Home	0	0	0	0
	Commercial	1	200	0	0
GARDEN CITY (Georgetown County)	Dwelling	415	170,389	0	0
	Mobile Home	9	602	0	0
	Commercial	3	1,415	0	0
GEORGETOWN (Georgetown County)	Dwelling	35	25,574	118	31,845
	Mobile Home	0	0	0	0
	Commercial	0	0	4	438
LITCHFIELD BEACH (Georgetown County)	Dwelling	115	39,575	9	2,776
	Mobile Home	0	0	0	0
	Commercial	1	113	1	10
MURRELLS INLET (Georgetown County)	Dwelling	368	133,053	164	47,867
	Mobile Home	16	629	45	3,169
	Commercial	5	6,647	4	336
PAWLEYS ISLAND (Georgetown County)	Dwelling	1,230	490,222	467	156,750
	Mobile Home	16	577	7	513
	Commercial	36	10,402	7	1,025
REMAINDER OF COUNTY (Georgetown County)	Dwelling	243	102,881	30	9,040
	Mobile Home	0	0	0	0
	Commercial	2	2,900	0	0
TOTAL	Dwelling	2,661	1,166,217	788	248,277
GEORGETOWN	Mobile Home	41	1,808	52	3,681
COUNTY	Commercial	48	21,677	16	1,809
TOTALS		2,750	1,189,702	856	253,767
GARDEN CITY (Horry County)	Dwelling	758	186,185	0	0
	Mobile Home	511	32,520	1	88
	Commercial	21	13,102	0	0
LITTLE RIVER (Horry County)	Dwelling	0	0	1,148	272,630
	Mobile Home	0	0	53	4,111
	Commercial	0	0	26	9,972
MURRELLS INLET (Horry County)	Dwelling	629	188,625	471	110,876
	Mobile Home	56	4,028	14	965
	Commercial	5	571	3	365
MYRTLE BEACH (Horry County)	Dwelling	4,540	1,163,165	1,255	272,259
	Mobile Home	1,331	74,262	66	4,358
	Commercial	386	314,801	25	19,055
N MYRTLE BEACH (Horry County)	Dwelling	5,511	1,407,419	260	52,048
	Mobile Home	213	11,553	22	1,632
	Commercial	160	113,237	19	2,810
SURFSIDE BEACH (Horry County)	Dwelling	2,847	737,601	1	197
	Mobile Home	598	64,776	0	0
	Commercial	41	13,238	0	0
REMAINDER OF COUNTY (Horry County)	Dwelling	19	2,681	1	663
	Mobile Home	0	0	1	81
	Commercial	2	113	0	0
TOTAL	Dwelling	14,304	3,685,676	3,136	708,673
HORRY	Mobile Home	2,709	187,139	157	11,236
COUNTY	Commercial	615	455,063	73	32,202
TOTALS		17,628	4,327,879	3,366	752,111
ZONES		32,990	13,621,828	9,751	2,907,201
Mobile Home		2,833	193,990	239	16,881
Commercial		955	560,712	148	50,701
TOTALS		36,778	14,376,530	10,138	2,974,783