

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
BALANCE SHEET
QUARTER ENDED APRIL 30, 2012

EXHIBIT 1

| DESCRIPTION | LEDGER ASSETS | NON- LEDGER ASSETS | ASSETS NOT ADMITTED | ADMITTED ASSETS |
|--|-------------------|--------------------------|---------------------------|---------------------|
| ASSETS: | | | | |
| Investments: | | | | |
| U.S. Treasury Bills - at cost | 0 | | | 0 |
| Cash | 23,091,845 | | | 23,091,845 |
| Funds held in escrow | 0 | | | 0 |
| Accounts receivable (reinsurance premium adj.) | 0 | | | 0 |
| Assessments receivable | 24,960 | | 0 | 24,960 |
| Reinsurance recoverable on loss payments | 0 | | | 0 |
| Interest accrued | | 0 | | 0 |
| Data processing equipment (less accumulated depreciation) | 82,065 | | | 82,065 |
| Furniture, fixtures & equipment (less accumulated depreciation) | 32,511 | | 32,511 | 0 |
| Programming (net of amortization) | 15,494 | | 15,494 | 0 |
| Section 444 Deposit (I.R.S.) | 0 | | | 0 |
| Prepaid operating expense | 7,242,615 | | 4,073 | 7,238,542 |
| TOTAL ASSETS | 30,489,490 | 0 | 52,078 | 30,437,412 |
| LIABILITIES AND EQUITY: | | | | |
| Reserves for: | | | | |
| Unpaid losses | | | | 211,600 |
| Reinsurance recoverable-unpaid losses | | | | (300) |
| Unpaid loss adjustment expense | | | | 30,700 |
| Reinsurance recoverable-unpaid loss exp. | | | | (300) |
| Operating expenses | | | | 45,220 |
| Unearned premiums: net | | | | 47,752,033 |
| Accrual for premium & municipal taxes | | | | 3,200,024 |
| TOTAL RESERVES | | | | 51,238,977 |
| Payables for: | | | | |
| Accounts payable | | | | 0 |
| Amounts withheld for account of others | | | | 24,311 |
| Post retirement benefit payable | | | | 1,187,927 |
| Reinsurance premium payable | | | | 117,698 |
| TOTAL PAYABLES | | | | 1,329,936 |
| MEMBERS' EQUITY | | | | (22,131,501) |
| Total Liabilities and Equity | | | | 30,437,412 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
INCOME STATEMENT AND EQUITY ACCOUNT
QUARTER ENDED APRIL 30, 2012**

EXHIBIT 2

| DESCRIPTION | QUARTER: 02-01-2012 04-30-2012 | YEAR-TO-DATE 11-01-2011 04-30-2012 |
|---|---|---|
| <u>UNDERWRITING INCOME:</u> | | |
| Net Premiums Earned | 2,074,425 | 4,305,801 |
| <u>DEDUCTIONS:</u> | | |
| Losses incurred | 44,241 | 49,071 |
| Loss expenses incurred | 39,157 | 68,889 |
| Operating expenses incurred | 3,554,489 | 6,532,565 |
| TOTAL DEDUCTIONS | 3,637,887 | 6,650,525 |
| Net Underwriting Gain or (Loss) | (1,563,462) | (2,344,724) |
| <u>OTHER INCOME OR (OUTGO)</u> | | |
| Net Investment Income | 3,648 | 7,720 |
| Miscellaneous income | 0 | 0 |
| Other interest income | 0 | 0 |
| TOTAL OTHER INCOME OR (OUTGO) | 3,648 | 7,720 |
| <u>Net Income or (Loss)</u> | <u>(1,559,814)</u> | <u>(2,337,004)</u> |
| <u>EQUITY ACCOUNT:</u> | | |
| Members' Equity (Prior Period) | (20,579,569) | (24,004,787) |
| Net income or (loss) | (1,559,814) | (2,337,004) |
| Change in assets not admitted | 7,882 | 19,859 |
| Assessments or (distributions) | 0 | 4,190,431 |
| Net change in equity | <u>(1,551,932)</u> | <u>1,873,286</u> |
| Members' Equity (Current Period) | <u>(22,131,501)</u> | <u>(22,131,501)</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT
QUARTER ENDED APRIL 30, 2012

EXHIBIT 3A

Combined Zones

| DESCRIPTION | Quarter 02-01-2012 to 04-30-2012 | | | | | Year-To-Date at 04-30-2012 | | | | |
|------------------------------------|----------------------------------|--------------------|----------|-----------------|---------------------|----------------------------|---------------------|---------------|------------------|---------------------|
| | Association Year | | | | | Association Year | | | | |
| | 2012 | 2011 | 2010 | 2009 | Total | 2012 | 2011 | 2010 | 2009 | Total |
| INCOME RECEIVED: | | | | | | | | | | |
| Premiums Written | 22,869,065 | 0 | 0 | 0 | 22,869,065 | 40,234,831 | 0 | 0 | 0 | 40,234,831 |
| Reinsurance Premiums Ceded | (21,900,139) | 0 | 0 | 0 | (21,900,139) | (43,537,207) | 0 | 0 | 0 | (43,537,207) |
| Net Premiums Written | <u>968,926</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>968,926</u> | <u>(3,302,376)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(3,302,376)</u> |
| Portfolio Transfer of | | | | | | | | | | |
| Unearned Premiums: | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | 49,944,347 | 0 | 0 | 0 | 49,944,347 |
| To Secceeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | (49,944,347) | 0 | 0 | (49,944,347) |
| Acquisition Allowance on | | | | | | | | | | |
| Portfolio Transfer | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | (6,565,579) | 0 | 0 | 0 | (6,565,579) |
| To Secceeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | 6,565,579 | 0 | 0 | 6,565,579 |
| Investment Income Received | 3,648 | 0 | 0 | 0 | 3,648 | 7,720 | 0 | 0 | 0 | 7,720 |
| 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>972,574</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>972,574</u> | <u>40,084,112</u> | <u>(43,378,768)</u> | <u>0</u> | <u>0</u> | <u>(3,294,656)</u> |
| EXPENSES PAID: | | | | | | | | | | |
| Losses | 5,846 | 29,617 | 0 | 7,578 | 43,041 | 18,064 | 69,878 | 451 | 7,578 | 95,971 |
| Reins. Recovered-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Adjustment Expenses | 7,244 | 7,322 | 0 | 23,448 | 38,014 | 11,702 | 21,182 | 0 | 39,062 | 71,946 |
| Reins. Recovered-Loss Exp. Paid | (957) | 0 | 0 | 0 | (957) | (657) | 0 | 0 | 0 | (657) |
| Commissions | 2,286,907 | 0 | 0 | 0 | 2,286,907 | 4,023,484 | 0 | 0 | 0 | 4,023,484 |
| Commissions Ceded | (113,552) | 0 | 0 | 0 | (113,552) | (188,521) | (40,629) | 0 | 0 | (229,150) |
| Operating Expenses | 653,054 | 0 | 0 | 0 | 653,054 | 1,401,473 | 121,606 | 0 | 0 | 1,523,079 |
| Premium Taxes | 0 | 308,549 | 0 | 0 | 308,549 | 0 | 612,070 | 0 | 0 | 612,070 |
| Total Expenses Paid | <u>2,838,542</u> | <u>345,488</u> | <u>0</u> | <u>31,026</u> | <u>3,215,056</u> | <u>5,265,545</u> | <u>784,107</u> | <u>451</u> | <u>46,640</u> | <u>6,096,743</u> |
| Net Cash Change | <u>(1,865,968)</u> | <u>(345,488)</u> | <u>0</u> | <u>(31,026)</u> | <u>(2,242,482)</u> | <u>34,818,567</u> | <u>(44,162,875)</u> | <u>(451)</u> | <u>(46,640)</u> | <u>(9,391,399)</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 | 600 | 0 | 0 | 0 | 600 | 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>(600)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(600)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| RESERVES: | | | | | | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | | | | | | |
| Unpaid Losses | 51,500 | 67,600 | 25,000 | 67,500 | 211,600 | 51,500 | 67,600 | 25,000 | 67,500 | 211,600 |
| Reins. Recoverable-Unpaid Losses | 0 | (300) | 0 | 0 | (300) | 0 | (300) | 0 | 0 | (300) |
| Unpaid Loss Adjustment Expense | 1,800 | 900 | 0 | 28,000 | 30,700 | 1,800 | 900 | 0 | 28,000 | 30,700 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (300) | 0 | 0 | (300) | 0 | (300) | 0 | 0 | (300) |
| Operating Expenses | 45,220 | 0 | 0 | 0 | 45,220 | 45,220 | 0 | 0 | 0 | 45,220 |
| Unearned Premiums | 48,758,877 | 0 | 0 | 0 | 48,758,877 | 48,758,877 | 0 | 0 | 0 | 48,758,877 |
| Unearned Premiums Ceded | (1,006,844) | 0 | 0 | 0 | (1,006,844) | (1,006,844) | 0 | 0 | 0 | (1,006,844) |
| Premium Taxes | 1,291,538 | 1,908,486 | 0 | 0 | 3,200,024 | 1,291,538 | 1,908,486 | 0 | 0 | 3,200,024 |
| ADD (PRIOR PERIOD) | | | | | | | | | | |
| Unpaid Losses | 50,600 | 67,000 | 25,000 | 67,500 | 210,100 | 0 | 141,000 | 75,000 | 42,500 | 258,500 |
| Reins. Recoverable-Unpaid Losses | 0 | 0 | 0 | 0 | 0 | 0 | (300) | 0 | 0 | (300) |
| Unpaid Loss Adjustment Expense | 600 | 300 | 0 | 28,000 | 28,900 | 0 | 5,100 | 0 | 28,000 | 33,100 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | (300) | 0 | 0 | (300) |
| Operating Expenses | 51,237 | 0 | 0 | 0 | 51,237 | 0 | 121,606 | 0 | 0 | 121,606 |
| Unearned Premiums | 49,944,347 | 0 | 0 | 0 | 49,944,347 | 0 | 56,602,700 | 0 | 0 | 56,602,700 |
| Unearned Premiums Ceded | (1,086,815) | 0 | 0 | 0 | (1,086,815) | 0 | (1,242,490) | 0 | 0 | (1,242,490) |
| Premium Taxes | 2,774,476 | 0 | 0 | 0 | 2,774,476 | 0 | 2,520,556 | 0 | 0 | 2,520,556 |
| Net Reserve Change | <u>2,592,354</u> | <u>(1,909,086)</u> | <u>0</u> | <u>0</u> | <u>683,268</u> | <u>(49,142,091)</u> | <u>56,171,486</u> | <u>50,000</u> | <u>(25,000)</u> | <u>7,054,395</u> |
| OTHER CHANGES: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (59,960) | 0 | 0 | 0 | (59,960) | 0 | (71,937) | 0 | 0 | (71,937) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (52,078) | 0 | 0 | 0 | (52,078) | (52,078) | 0 | 0 | 0 | (52,078) |
| Net Other Changes | <u>7,882</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>7,882</u> | <u>(52,078)</u> | <u>71,937</u> | <u>0</u> | <u>0</u> | <u>19,859</u> |
| Assessments or (Distributions) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,190,431 | 4,190,431 |
| Change In Members' Equity | <u>733,668</u> | <u>(2,254,574)</u> | <u>0</u> | <u>(31,026)</u> | <u>(1,551,932)</u> | <u>(14,375,602)</u> | <u>12,080,548</u> | <u>49,549</u> | <u>4,118,791</u> | <u>1,873,286</u> |

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

Quarter 02-01-2012 to 04-30-2012

EXHIBIT 3A 1

Zone 1

| DESCRIPTION | Quarter 02-01-2012 to 04-30-2012 | | | | | Year-To-Date at 04-30-2012 | | | | |
|---------------------------------------|----------------------------------|--------------------|----------|-----------------|---------------------|----------------------------|---------------------|---------------|------------------|---------------------|
| | 2012 | 2011 | 2010 | 2009 | Total | 2012 | 2011 | 2010 | 2009 | Total |
| INCOME RECEIVED: | | | | | | | | | | |
| Premiums Written | 19,114,242 | 0 | 0 | 0 | 19,114,242 | 33,604,688 | 0 | 0 | 0 | 33,604,688 |
| Reinsurance Premiums Ceded | (18,131,276) | 0 | 0 | 0 | (18,131,276) | (35,992,054) | 0 | 0 | 0 | (35,992,054) |
| Net Premiums Written | 982,966 | 0 | 0 | 0 | 982,966 | (2,387,366) | 0 | 0 | 0 | (2,387,366) |
| Portfolio Transfer of | | | | | | | | | | |
| Unearned Premiums: | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | 42,094,902 | 0 | 0 | 0 | 42,094,902 |
| To Succeeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | (42,094,902) | 0 | 0 | (42,094,902) |
| Acquisition Allowance on | | | | | | | | | | |
| Portfolio Transfer | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | (5,510,754) | 0 | 0 | 0 | (5,510,754) |
| To Succeeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | 5,510,754 | 0 | 0 | 5,510,754 |
| Investment Income Received | 3,050 | 0 | 0 | 0 | 3,050 | 6,448 | 0 | 0 | 0 | 6,448 |
| 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 | 986,016 | 0 | 0 | 0 | 986,016 | 34,203,230 | (36,584,148) | 0 | 0 | (2,380,918) |
| EXPENSES PAID: | | | | | | | | | | |
| Losses | 5,846 | 10,029 | 0 | 7,578 | 23,453 | 9,068 | 29,500 | 451 | 7,578 | 46,597 |
| Reins. Recovered-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Adjustment Expenses | 5,892 | 5,722 | 0 | 23,448 | 35,062 | 8,553 | 17,244 | 0 | 39,062 | 64,859 |
| Reins. Recovered-Loss Exp. Paid | (957) | 300 | 0 | 0 | (657) | (657) | 300 | 0 | 0 | (357) |
| Commissions | 1,911,425 | 0 | 0 | 0 | 1,911,425 | 3,360,470 | 0 | 0 | 0 | 3,360,470 |
| Commissions Ceded | (54,252) | 0 | 0 | 0 | (54,252) | (89,026) | (15,808) | 0 | 0 | (104,834) |
| Operating Expenses | 546,030 | 0 | 0 | 0 | 546,030 | 1,170,530 | 101,666 | 0 | 0 | 1,272,196 |
| Premium Taxes | 0 | 257,954 | 0 | 0 | 257,954 | 0 | 511,705 | 0 | 0 | 511,705 |
| Total Expenses Paid | 2,413,984 | 274,005 | 0 | 31,026 | 2,719,015 | 4,458,938 | 644,607 | 451 | 46,640 | 5,150,636 |
| Net Cash Change | (1,427,968) | (274,005) | 0 | (31,026) | (1,732,999) | 29,744,292 | (37,228,755) | (451) | (46,640) | (7,531,554) |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reins Recoverable-Loss Exp. Paid | 300 | 0 | 0 | 0 | 300 | 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 | (300) | 0 | 0 | 0 | (300) | 0 | 0 | 0 | 0 | 0 |
| RESERVES: | | | | | | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | | | | | | |
| Unpaid Losses | 40,600 | 57,000 | 20,000 | 57,500 | 175,100 | 40,600 | 57,000 | 20,000 | 57,500 | 175,100 |
| Reins. Recoverable-Unpaid Losses | 0 | (600) | 0 | 0 | (600) | 0 | (600) | 0 | 0 | (600) |
| Unpaid Loss Adjustment Expense | 900 | 300 | 0 | 28,000 | 29,200 | 900 | 300 | 0 | 28,000 | 29,200 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (600) | 0 | 0 | (600) | 0 | (600) | 0 | 0 | (600) |
| Operating Expenses | 37,768 | 0 | 0 | 0 | 37,768 | 37,768 | 0 | 0 | 0 | 37,768 |
| Unearned Premiums | 40,630,213 | 0 | 0 | 0 | 40,630,213 | 40,630,213 | 0 | 0 | 0 | 40,630,213 |
| Unearned Premiums Ceded | (456,006) | 0 | 0 | 0 | (456,006) | (456,006) | 0 | 0 | 0 | (456,006) |
| Premium Taxes | 1,078,710 | 1,595,540 | 0 | 0 | 2,674,250 | 1,078,710 | 1,595,540 | 0 | 0 | 2,674,250 |
| ADD (PRIOR PERIOD) | | | | | | | | | | |
| Unpaid Losses | 40,300 | 57,000 | 20,000 | 57,500 | 174,800 | 0 | 115,700 | 60,000 | 37,500 | 213,200 |
| Reins. Recoverable-Unpaid Losses | 0 | 0 | 0 | 0 | 0 | 0 | (300) | 0 | 0 | (300) |
| Unpaid Loss Adjustment Expense | 300 | 300 | 0 | 28,000 | 28,600 | 0 | 4,800 | 0 | 28,000 | 32,800 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | (300) | 0 | 0 | (300) |
| Operating Expenses | 42,753 | 0 | 0 | 0 | 42,753 | 0 | 101,666 | 0 | 0 | 101,666 |
| Unearned Premiums | 42,094,902 | 0 | 0 | 0 | 42,094,902 | 0 | 47,227,152 | 0 | 0 | 47,227,152 |
| Unearned Premiums Ceded | (482,550) | 0 | 0 | 0 | (482,550) | 0 | (543,262) | 0 | 0 | (543,262) |
| Premium Taxes | 2,315,095 | 0 | 0 | 0 | 2,315,095 | 0 | 2,107,246 | 0 | 0 | 2,107,246 |
| Net Reserve Change | 2,678,615 | (1,594,340) | 0 | 0 | 1,084,275 | (41,332,185) | 47,361,062 | 40,000 | (20,000) | 6,048,877 |
| OTHER CHANGES: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (50,032) | 0 | 0 | 0 | (50,032) | 0 | (60,141) | 0 | 0 | (60,141) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (43,496) | 0 | 0 | 0 | (43,496) | (43,496) | 0 | 0 | 0 | (43,496) |
| Net Other Changes | 6,536 | 0 | 0 | 0 | 6,536 | (43,496) | 60,141 | 0 | 0 | 16,645 |
| Assessments or (Distributions) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,622,396 | 3,622,396 |
| Change In Members' Equity | 1,256,883 | (1,868,345) | 0 | (31,026) | (642,488) | (11,631,389) | 10,192,448 | 39,549 | 3,555,756 | 2,156,364 |

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

Quarter 02-01-2012 to 04-30-2012

EXHIBIT 3A 2

Zone 2

| DESCRIPTION | Quarter 02-01-2012 to 04-30-2012 | | | | | Year-To-Date at 04-30-2012 | | | | |
|------------------------------------|----------------------------------|-----------|-------|--------|-------------|----------------------------|-------------|--------|---------|-------------|
| | 2012 | 2011 | 2010 | 2009 | Total | 2012 | 2011 | 2010 | 2009 | Total |
| INCOME RECEIVED: | | | | | | | | | | |
| Premiums Written | 3,754,823 | 0 | 0 | 0 | 3,754,823 | 6,630,143 | 0 | 0 | 0 | 6,630,143 |
| Reinsurance Premiums Ceded | (3,768,863) | 0 | 0 | 0 | (3,768,863) | (7,545,153) | 0 | 0 | 0 | (7,545,153) |
| Net Premiums Written | (14,040) | 0 | 0 | 0 | (14,040) | (915,010) | 0 | 0 | 0 | (915,010) |
| Portfolio Transfer of | | | | | | | | | | |
| Unearned Premiums: | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | 7,849,445 | 0 | 0 | 0 | 7,849,445 |
| To Secceeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | (7,849,445) | 0 | 0 | (7,849,445) |
| Acquisition Allowance on | | | | | | | | | | |
| Portfolio Transfer | | | | | | | | | | |
| From Prior Assoc. Year | 0 | 0 | 0 | 0 | 0 | (1,054,825) | 0 | 0 | 0 | (1,054,825) |
| To Secceeding Assoc. Yr. | 0 | 0 | 0 | 0 | 0 | 0 | 1,054,825 | 0 | 0 | 1,054,825 |
| Investment Income Received | 598 | 0 | 0 | 0 | 598 | 1,272 | 0 | 0 | 0 | 1,272 |
| 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 | (13,442) | 0 | 0 | 0 | (13,442) | 5,880,882 | (6,794,620) | 0 | 0 | (913,738) |
| EXPENSES PAID: | | | | | | | | | | |
| Losses | 0 | 19,588 | 0 | 0 | 19,588 | 8,996 | 40,378 | 0 | 0 | 49,374 |
| Reins. Recovered-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Loss Adjustment Expenses | 1,352 | 1,600 | 0 | 0 | 2,952 | 3,149 | 3,938 | 0 | 0 | 7,087 |
| Reins. Recovered-Loss Exp. Paid | 0 | (300) | 0 | 0 | (300) | 0 | (300) | 0 | 0 | (300) |
| Commissions | 375,482 | 0 | 0 | 0 | 375,482 | 663,014 | 0 | 0 | 0 | 663,014 |
| Commissions Ceded | (59,300) | 0 | 0 | 0 | (59,300) | (99,495) | (24,821) | 0 | 0 | (124,316) |
| Operating Expenses | 107,024 | 0 | 0 | 0 | 107,024 | 230,943 | 19,940 | 0 | 0 | 250,883 |
| Premium Taxes | 0 | 50,595 | 0 | 0 | 50,595 | 0 | 100,365 | 0 | 0 | 100,365 |
| Total Expenses Paid | 424,558 | 71,483 | 0 | 0 | 496,041 | 806,607 | 139,500 | 0 | 0 | 946,107 |
| Net Cash Change | (438,000) | (71,483) | 0 | 0 | (509,483) | 5,074,275 | (6,934,120) | 0 | 0 | (1,859,845) |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reins Recoverable-Loss Exp. Paid | 300 | 0 | 0 | 0 | 300 | 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 | (300) | 0 | 0 | 0 | (300) | 0 | 0 | 0 | 0 | 0 |
| RESERVES: | | | | | | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | | | | | | |
| Unpaid Losses | 10,900 | 10,600 | 5,000 | 10,000 | 36,500 | 10,900 | 10,600 | 5,000 | 10,000 | 36,500 |
| Reins. Recoverable-Unpaid Losses | 0 | 300 | 0 | 0 | 300 | 0 | 300 | 0 | 0 | 300 |
| Unpaid Loss Adjustment Expense | 900 | 600 | 0 | 0 | 1,500 | 900 | 600 | 0 | 0 | 1,500 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 300 | 0 | 0 | 300 | 0 | 300 | 0 | 0 | 300 |
| Operating Expenses | 7,452 | 0 | 0 | 0 | 7,452 | 7,452 | 0 | 0 | 0 | 7,452 |
| Unearned Premiums | 8,128,664 | 0 | 0 | 0 | 8,128,664 | 8,128,664 | 0 | 0 | 0 | 8,128,664 |
| Unearned Premiums Ceded | (550,838) | 0 | 0 | 0 | (550,838) | (550,838) | 0 | 0 | 0 | (550,838) |
| Premium Taxes | 212,828 | 312,946 | 0 | 0 | 525,774 | 212,828 | 312,946 | 0 | 0 | 525,774 |
| ADD (PRIOR PERIOD) | | | | | | | | | | |
| Unpaid Losses | 10,300 | 10,000 | 5,000 | 10,000 | 35,300 | 0 | 25,300 | 15,000 | 5,000 | 45,300 |
| Reins. Recoverable-Unpaid Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unpaid Loss Adjustment Expense | 300 | 0 | 0 | 0 | 300 | 0 | 300 | 0 | 0 | 300 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 8,484 | 0 | 0 | 0 | 8,484 | 0 | 19,940 | 0 | 0 | 19,940 |
| Unearned Premiums | 7,849,445 | 0 | 0 | 0 | 7,849,445 | 0 | 9,375,548 | 0 | 0 | 9,375,548 |
| Unearned Premiums Ceded | (604,265) | 0 | 0 | 0 | (604,265) | 0 | (699,228) | 0 | 0 | (699,228) |
| Premium Taxes | 459,381 | 0 | 0 | 0 | 459,381 | 0 | 413,310 | 0 | 0 | 413,310 |
| Net Reserve Change | (86,261) | (314,746) | 0 | 0 | (401,007) | (7,809,906) | 8,810,424 | 10,000 | (5,000) | 1,005,518 |
| OTHER CHANGES: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (9,928) | 0 | 0 | 0 | (9,928) | 0 | (11,796) | 0 | 0 | (11,796) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (8,582) | 0 | 0 | 0 | (8,582) | (8,582) | 0 | 0 | 0 | (8,582) |
| Net Other Changes | 1,346 | 0 | 0 | 0 | 1,346 | (8,582) | 11,796 | 0 | 0 | 3,214 |
| Assessments or (Distributions) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 568,035 | 568,035 |
| Change In Members' Equity | (523,215) | (386,229) | 0 | 0 | (909,444) | (2,744,213) | 1,888,100 | 10,000 | 563,035 | (283,078) |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED APRIL 30, 2012

Combined Zones

EXHIBIT 3B

| DESCRIPTION | 2012 | 2011 | 2010 | 2009 | Total |
|---|---------------------|--------------------|--------------------|--------------------|---------------------|
| INCOME RECEIVED: | | | | | |
| Premiums Written | 40,234,831 | 97,432,948 | 97,126,555 | 96,468,252 | 331,262,586 |
| Reinsurance Premiums Ceded | (43,537,207) | (84,856,155) | (84,873,172) | (85,765,386) | (299,031,920) |
| Net Premiums Written | <u>(3,302,376)</u> | <u>12,576,793</u> | <u>12,253,383</u> | <u>10,702,866</u> | <u>32,230,666</u> |
| Portfolio Transfer of Unearned Premiums: | | | | | |
| From Prior Assoc. Year | 49,944,347 | 49,205,735 | 49,508,128 | 49,129,063 | 197,787,273 |
| To Succeeding Assoc. Yr. | 0 | (49,944,347) | (49,205,735) | (49,508,128) | (148,658,210) |
| Acquisition Allowance on Portfolio Transfer | | | | | |
| From Prior Assoc. Year | (6,565,579) | (6,630,285) | (6,403,102) | (6,771,748) | (26,370,714) |
| To Succeeding Assoc. Yr. | 0 | 6,565,579 | 6,630,285 | 6,403,102 | 19,598,966 |
| Investment Income Received | 7,720 | 23,023 | 41,335 | 139,547 | 211,625 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 |
| Total Income | <u>40,084,112</u> | <u>11,796,498</u> | <u>12,824,294</u> | <u>10,094,702</u> | <u>74,799,606</u> |
| EXPENSES PAID: | | | | | |
| Losses | 18,064 | 319,080 | 141,577 | 30,122 | 508,843 |
| Reins. Recovered-Losses Paid | 0 | 0 | (2,500) | 0 | (2,500) |
| Loss Adjustment Expenses | 11,702 | 107,563 | 73,649 | 94,026 | 286,940 |
| Reins. Recovered-Loss Exp. Paid | (657) | 0 | (1,560) | 0 | (2,217) |
| Commissions | 4,023,484 | 9,743,295 | 9,712,655 | 9,646,825 | 33,126,259 |
| Commissions Ceded | (188,521) | (621,196) | (533,192) | (718,089) | (2,060,998) |
| Operating Expenses | 1,401,473 | 3,140,152 | 3,231,258 | 2,791,395 | 10,564,278 |
| Premium Taxes | 0 | 1,219,380 | 3,090,820 | 3,099,678 | 7,409,878 |
| Total Expenses Paid | <u>5,265,545</u> | <u>13,908,274</u> | <u>15,712,707</u> | <u>14,943,957</u> | <u>49,830,483</u> |
| Net Cash Change | <u>34,818,567</u> | <u>(2,111,776)</u> | <u>(2,888,413)</u> | <u>(4,849,255)</u> | <u>24,969,123</u> |
| 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 | <u>34,818,567</u> | <u>(2,111,776)</u> | <u>(2,888,413)</u> | <u>(4,849,255)</u> | <u>24,969,123</u> |
| RESERVES: | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | |
| Unpaid Losses | 51,500 | 67,600 | 25,000 | 67,500 | 211,600 |
| Reins. Recoverable-Unpaid Losses | 0 | (300) | 0 | 0 | (300) |
| Unpaid Loss Adjustment Expense | 1,800 | 900 | 0 | 28,000 | 30,700 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (300) | 0 | 0 | (300) |
| Operating Expenses | 45,220 | 0 | 0 | 0 | 45,220 |
| Unearned Premiums | 48,758,877 | 0 | 0 | 0 | 48,758,877 |
| Unearned Premiums Ceded | (1,006,844) | 0 | 0 | 0 | (1,006,844) |
| Premium Taxes | 1,291,538 | 1,908,486 | 0 | 0 | 3,200,024 |
| Total Reserves | <u>49,142,091</u> | <u>1,976,386</u> | <u>25,000</u> | <u>95,500</u> | <u>51,238,977</u> |
| OTHER CHANGES: | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (52,078) | 0 | 0 | 0 | (52,078) |
| Total Other Changes | <u>(52,078)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(52,078)</u> |
| Assessments or (Distributions) | 0 | 0 | 0 | 4,190,431 | 4,190,431 |
| Net Members' Equity | <u>(14,375,602)</u> | <u>(4,088,162)</u> | <u>(2,913,413)</u> | <u>(754,324)</u> | <u>(22,131,501)</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED APRIL 30, 2012

Zone 1

EXHIBIT 3B1

| DESCRIPTION | 2012 | 2011 | 2010 | 2009 | Total |
|---|---------------------|--------------------|--------------------|--------------------|---------------------|
| INCOME RECEIVED: | | | | | |
| Premiums Written | 33,604,688 | 81,456,294 | 82,203,395 | 83,360,097 | 280,624,474 |
| Reinsurance Premiums Ceded | (35,992,054) | (69,904,139) | (71,832,702) | (74,111,542) | (251,840,437) |
| Net Premiums Written | <u>(2,387,366)</u> | <u>11,552,155</u> | <u>10,370,693</u> | <u>9,248,555</u> | <u>28,784,037</u> |
| Portfolio Transfer of Unearned Premiums: | | | | | |
| From Prior Assoc. Year | 42,094,902 | 41,413,228 | 42,666,090 | 42,744,728 | 168,918,948 |
| To Succeeding Assoc. Yr. | 0 | (42,094,902) | (41,413,228) | (42,666,090) | (126,174,220) |
| Acquisition Allowance on Portfolio Transfer | | | | | |
| From Prior Assoc. Year | (5,510,754) | (5,580,274) | (5,433,048) | (5,891,758) | (22,415,834) |
| To Succeeding Assoc. Yr. | 0 | 5,510,754 | 5,580,274 | 5,433,048 | 16,524,076 |
| Investment Income Received | 6,448 | 19,248 | 34,984 | 120,585 | 181,265 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 |
| Total Income | <u>34,203,230</u> | <u>10,820,209</u> | <u>11,805,765</u> | <u>8,989,068</u> | <u>65,818,272</u> |
| EXPENSES PAID: | | | | | |
| Losses | 9,068 | 205,092 | 96,236 | 27,989 | 338,385 |
| Reins. Recovered-Losses Paid | 0 | 0 | (2,500) | 0 | (2,500) |
| Loss Adjustment Expenses | 8,553 | 89,793 | 65,786 | 89,582 | 253,714 |
| Reins. Recovered-Loss Exp. Paid | (657) | 300 | (1,198) | 0 | (1,555) |
| Commissions | 3,360,470 | 8,145,630 | 8,220,339 | 8,336,010 | 28,062,449 |
| Commissions Ceded | (89,026) | (273,644) | (277,477) | (363,036) | (1,003,183) |
| Operating Expenses | 1,170,530 | 2,625,243 | 2,734,787 | 2,412,099 | 8,942,659 |
| Premium Taxes | 0 | 1,019,431 | 2,615,926 | 2,678,492 | 6,313,849 |
| Total Expenses Paid | <u>4,458,938</u> | <u>11,811,845</u> | <u>13,451,899</u> | <u>13,181,136</u> | <u>42,903,818</u> |
| Net Cash Change | <u>29,744,292</u> | <u>(991,636)</u> | <u>(1,646,134)</u> | <u>(4,192,068)</u> | <u>22,914,454</u> |
| 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 | <u>29,744,292</u> | <u>(991,636)</u> | <u>(1,646,134)</u> | <u>(4,192,068)</u> | <u>22,914,454</u> |
| RESERVES: | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | |
| Unpaid Losses | 40,600 | 57,000 | 20,000 | 57,500 | 175,100 |
| Reins. Recoverable-Unpaid Losses | 0 | (600) | 0 | 0 | (600) |
| Unpaid Loss Adjustment Expense | 900 | 300 | 0 | 28,000 | 29,200 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (600) | 0 | 0 | (600) |
| Operating Expenses | 37,768 | 0 | 0 | 0 | 37,768 |
| Unearned Premiums | 40,630,213 | 0 | 0 | 0 | 40,630,213 |
| Unearned Premiums Ceded | (456,006) | 0 | 0 | 0 | (456,006) |
| Premium Taxes | 1,078,710 | 1,595,540 | 0 | 0 | 2,674,250 |
| Total Reserves | <u>41,332,185</u> | <u>1,651,640</u> | <u>20,000</u> | <u>85,500</u> | <u>43,089,325</u> |
| OTHER CHANGES: | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (43,496) | 0 | 0 | 0 | (43,496) |
| Total Other Changes | <u>(43,496)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(43,496)</u> |
| Assessments or (Distributions) | <u>0</u> | <u>0</u> | <u>0</u> | <u>3,622,396</u> | <u>3,622,396</u> |
| Net Members' Equity | <u>(11,631,389)</u> | <u>(2,643,276)</u> | <u>(1,666,134)</u> | <u>(655,172)</u> | <u>(16,595,971)</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED APRIL 30, 2012

Zone 2

EXHIBIT 3B2

| DESCRIPTION | 2012 | 2011 | 2010 | 2009 | Total |
|---|-------------|--------------|--------------|--------------|--------------|
| INCOME RECEIVED: | | | | | |
| Premiums Written | 6,630,143 | 15,976,654 | 14,923,160 | 13,108,155 | 50,638,112 |
| Reinsurance Premiums Ceded | (7,545,153) | (14,952,016) | (13,040,470) | (11,653,844) | (47,191,483) |
| Net Premiums Written | (915,010) | 1,024,638 | 1,882,690 | 1,454,311 | 3,446,629 |
| Portfolio Transfer of Unearned Premiums: | | | | | |
| From Prior Assoc. Year | 7,849,445 | 7,792,507 | 6,842,038 | 6,384,335 | 28,868,325 |
| To Succeeding Assoc. Yr. | 0 | (7,849,445) | (7,792,507) | (6,842,038) | (22,483,990) |
| Acquisition Allowance on Portfolio Transfer | | | | | |
| From Prior Assoc. Year | (1,054,825) | (1,050,011) | (970,054) | (879,990) | (3,954,880) |
| To Succeeding Assoc. Yr. | 0 | 1,054,825 | 1,050,011 | 970,054 | 3,074,890 |
| Investment Income Received | 1,272 | 3,775 | 6,351 | 18,962 | 30,360 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 |
| Total Income | 5,880,882 | 976,289 | 1,018,529 | 1,105,634 | 8,981,334 |
| EXPENSES PAID: | | | | | |
| Losses | 8,996 | 113,988 | 45,341 | 2,133 | 170,458 |
| Reins. Recovered-Losses Paid | 0 | 0 | 0 | 0 | 0 |
| Loss Adjustment Expenses | 3,149 | 17,770 | 7,863 | 4,444 | 33,226 |
| Reins. Recovered-Loss Exp. Paid | 0 | (300) | (362) | 0 | (662) |
| Commissions | 663,014 | 1,597,665 | 1,492,316 | 1,310,815 | 5,063,810 |
| Commissions Ceded | (99,495) | (347,552) | (255,715) | (355,053) | (1,057,815) |
| Operating Expenses | 230,943 | 514,909 | 496,471 | 379,296 | 1,621,619 |
| Premium Taxes | 0 | 199,949 | 474,894 | 421,186 | 1,096,029 |
| Total Expenses Paid | 806,607 | 2,096,429 | 2,260,808 | 1,762,821 | 6,926,665 |
| Net Cash Change | 5,074,275 | (1,120,140) | (1,242,279) | (657,187) | 2,054,669 |
| 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 | 5,074,275 | (1,120,140) | (1,242,279) | (657,187) | 2,054,669 |
| RESERVES: | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | |
| Unpaid Losses | 10,900 | 10,600 | 5,000 | 10,000 | 36,500 |
| Reins. Recoverable-Unpaid Losses | 0 | 300 | 0 | 0 | 300 |
| Unpaid Loss Adjustment Expense | 900 | 600 | 0 | 0 | 1,500 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 300 | 0 | 0 | 300 |
| Operating Expenses | 7,452 | 0 | 0 | 0 | 7,452 |
| Unearned Premiums | 8,128,664 | 0 | 0 | 0 | 8,128,664 |
| Unearned Premiums Ceded | (550,838) | 0 | 0 | 0 | (550,838) |
| Premium Taxes | 212,828 | 312,946 | 0 | 0 | 525,774 |
| Total Reserves | 7,809,906 | 324,746 | 5,000 | 10,000 | 8,149,652 |
| OTHER CHANGES: | | | | | |
| Interest Accrued | 0 | 0 | 0 | 0 | 0 |
| Assets Not Admitted | (8,582) | 0 | 0 | 0 | (8,582) |
| Total Other Changes | (8,582) | 0 | 0 | 0 | (8,582) |
| Assessments or (Distributions) | 0 | 0 | 0 | 568,035 | 568,035 |
| Net Members' Equity | (2,744,213) | (1,444,886) | (1,247,279) | (99,152) | (5,535,530) |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
QUARTER ENDED APRIL 30, 2012**

EXHIBIT 4A

| DESCRIPTION | QUARTER 02-01-2012 04-30-2012 | YEAR-TO-DATE 11-01-2011 04-30-2012 |
|---|--|---|
| <u>PREMIUMS WRITTEN:</u> | | |
| Allied Lines (Windstorm & Hail) | 22,869,065 | 40,234,831 |
| Reinsurance Premium Ceded | (21,900,139) | (43,537,207) |
| Net Premiums Written | 968,926 | (3,302,376) |
| <u>UNEARNED PREMIUMS (PRIOR PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 49,692,454 | 54,002,650 |
| Advance Premiums (On Policies Not Yet In Force) | 251,893 | 2,600,050 |
| Reinsurance Premium Ceded | (1,086,815) | (1,242,490) |
| Net Prior Unearned | 48,857,532 | 55,360,210 |
| <u>UNEARNED PREMIUMS (CURRENT PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 45,315,710 | 45,315,710 |
| Advance Premiums (On Policies Not Yet In Force) | 3,443,167 | 3,443,167 |
| Reinsurance Premium Ceded | (1,006,844) | (1,006,844) |
| Net Current Unearned | 47,752,033 | 47,752,033 |
| <u>EARNED PREMIUMS</u> | | |
| Allied Lines (Windstorm & Hail) | 2,074,425 | 4,305,801 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
QUARTER ENDED APRIL 30, 2012**

EXHIBIT 4B

| | Quarter 02-01-2012 to 04-30-2012 | | | | | Year-To-Date 11-01-2011 to 04-30-2012 | | | | |
|--|----------------------------------|---------------|----------|---------------|---------------|---------------------------------------|---------------|------------|---------------|---------------|
| | Association Year | | | | | Association Year | | | | |
| | 2012 | 2011 | 2010 | 2009 | Total | 2012 | 2011 | 2010 | 2009 | Total |
| PAID LOSSES | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 5,846 | 29,617 | 0 | 7,578 | 43,041 | 18,064 | 69,878 | 451 | 7,578 | 95,971 |
| 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 | 5,846 | 29,617 | 0 | 7,578 | 43,041 | 18,064 | 69,878 | 451 | 7,578 | 95,971 |
| OUTSTANDING LOSSES (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 1,500 | 17,600 | 0 | 17,500 | 36,600 | 1,500 | 17,600 | 0 | 17,500 | 36,600 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | -300 | 0 | 0 | -300 | 0 | -300 | 0 | 0 | -300 |
| Outstanding Losses Net of Reins. | 1,500 | 17,300 | 0 | 17,500 | 36,300 | 1,500 | 17,300 | 0 | 17,500 | 36,300 |
| OUTSTANDING LOSSES (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 600 | 17,000 | 0 | 17,500 | 35,100 | 0 | 16,000 | 0 | 17,500 | 33,500 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | 0 | 0 | 0 | 0 | 0 | -300 | 0 | 0 | -300 |
| Outstanding Losses Net of Reins. | 600 | 17,000 | 0 | 17,500 | 35,100 | 0 | 15,700 | 0 | 17,500 | 33,200 |
| INCURRED LOSSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 6,746 | 29,917 | 0 | 7,578 | 44,241 | 69,564 | -3,522 | -49,549 | 32,578 | 49,071 |
| IBNR (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 50,000 | 50,000 | 25,000 | 50,000 | 175,000 | 50,000 | 50,000 | 25,000 | 50,000 | 175,000 |
| IBNR (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 50,000 | 50,000 | 25,000 | 50,000 | 175,000 | 0 | 125,000 | 75,000 | 25,000 | 225,000 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDED APRIL 30, 2012**

EXHIBIT 4C

| | Quarter 02-01-2012 to 04-30-2012 | | | | | Year-To-Date 11-01-2011 to 04-30-2012 | | | | |
|--|----------------------------------|--------------|----------|---------------|---------------|---------------------------------------|---------------|----------|---------------|---------------|
| | Association Year | | | | | Association Year | | | | |
| | 2012 | 2011 | 2010 | 2009 | Total | 2012 | 2011 | 2010 | 2009 | Total |
| LOSS EXPENSES PAID | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 7,244 | 7,322 | 0 | 23,448 | 38,014 | 11,702 | 21,182 | 0 | 39,062 | 71,946 |
| REINSURANCE RECOVERED | | | | | | | | | | |
| Reins. Recovered-Paid Loss Expense | -957 | 0 | 0 | 0 | -957 | -657 | 0 | 0 | 0 | -657 |
| 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 | 600 | 0 | 0 | 0 | 600 | 0 | 0 | 0 | 0 | 0 |
| Total Paid Loss Net of Reinsurance | 6,887 | 7,322 | 0 | 23,448 | 37,657 | 11,045 | 21,182 | 0 | 39,062 | 71,289 |
| UNPAID LOSS ADJUSTMENT EXP (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 1,800 | 900 | 0 | 28,000 | 30,700 | 1,800 | 900 | 0 | 28,000 | 30,700 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | -300 | 0 | 0 | -300 | 0 | -300 | 0 | 0 | -300 |
| Outstanding Loss Expense Net of Reins. | 1,800 | 600 | 0 | 28,000 | 30,400 | 1,800 | 600 | 0 | 28,000 | 30,400 |
| UNPAID LOSS ADJUSTMENT EXP (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 600 | 300 | 0 | 28,000 | 28,900 | 0 | 5,100 | 0 | 28,000 | 33,100 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | -300 | 0 | 0 | -300 |
| Outstanding Loss Expense Net of Reins. | 600 | 300 | 0 | 28,000 | 28,900 | 0 | 4,800 | 0 | 28,000 | 32,800 |
| INCURRED LOSSES EXPENSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 8,087 | 7,622 | 0 | 23,448 | 39,157 | 12,845 | 16,982 | 0 | 39,062 | 68,889 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
 CUMULATIVE REPORT OF CATASTROPHE LOSSES
 PERIOD FROM NOVEMBER 1, 2003 TO APRIL 30, 2012**

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: APRIL 30, 2012

| 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 | 979 | 495,468 | 0 | 0 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 3 | 231 | 0 | 0 |
| HARBOR ISLAND (Beaufort County) | Dwelling | 175 | 75,362 | 0 | 0 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 0 | 0 | 0 | 0 |
| HILTON HEAD ISLAND (Beaufort County) | Dwelling | 7,080 | 4,024,103 | 0 | 0 |
| | Mobile Home | 24 | 1,259 | 0 | 0 |
| | Commercial | 178 | 37,549 | 0 | 0 |
| LADY'S ISLAND (Beaufort County) | Dwelling | 0 | 0 | 1,146 | 411,841 |
| | Mobile Home | 0 | 0 | 5 | 401 |
| | Commercial | 0 | 0 | 7 | 701 |
| ST HELENA ISLAND (Beaufort County) | Dwelling | 484 | 172,162 | 12 | 4,262 |
| | Mobile Home | 41 | 2,700 | 1 | 90 |
| | Commercial | 0 | 0 | 0 | 0 |
| REMAINDER OF COUNTY (Beaufort County) | Dwelling | 229 | 156,313 | 69 | 40,823 |
| | Mobile Home | 4 | 158 | 0 | 0 |
| | Commercial | 8 | 842 | 0 | 0 |
| TOTAL BEAUFORT COUNTY | Dwelling | 8,947 | 4,923,407 | 1,227 | 456,926 |
| | Mobile Home | 69 | 4,117 | 6 | 491 |
| | Commercial | 189 | 38,622 | 7 | 701 |
| | TOTALS | 9,205 | 4,966,146 | 1,240 | 458,117 |
| FOLLY BEACH (Charleston County) | Dwelling | 852 | 316,966 | 41 | 9,842 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 17 | 8,337 | 0 | 0 |
| ISLE OF PALMS (Charleston County) | Dwelling | 1,844 | 1,043,184 | 11 | 4,864 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 20 | 3,885 | 0 | 0 |
| JAMES ISLAND (Charleston County) | Dwelling | 0 | 0 | 2,246 | 663,150 |
| | Mobile Home | 0 | 0 | 8 | 448 |
| | Commercial | 0 | 0 | 6 | 2,108 |
| KIAWAH ISLAND (Charleston County) | Dwelling | 709 | 480,763 | 0 | 0 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 12 | 2,589 | 0 | 0 |
| MOUNT PLEASANT (Charleston County) | Dwelling | 1 | 316 | 2,142 | 673,881 |
| | Mobile Home | 0 | 0 | 5 | 250 |
| | Commercial | 0 | 0 | 14 | 2,867 |
| SEABROOK ISLAND (Charleston County) | Dwelling | 694 | 395,063 | 0 | 0 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 1 | 65 | 0 | 0 |
| SULLIVANS ISLAND (Charleston County) | Dwelling | 549 | 354,949 | 0 | 0 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 10 | 2,424 | 0 | 0 |
| REMAINDER OF COUNTY (Charleston County) | Dwelling | 211 | 103,600 | 480 | 195,468 |
| | Mobile Home | 2 | 196 | 14 | 685 |
| | Commercial | 7 | 1,208 | 14 | 6,339 |
| TOTAL CHARLESTON COUNTY | Dwelling | 4,860 | 2,694,842 | 4,920 | 1,547,205 |
| | Mobile Home | 2 | 196 | 27 | 1,383 |
| | Commercial | 67 | 18,509 | 34 | 11,314 |
| | TOTALS | 4,929 | 2,713,547 | 4,981 | 1,559,901 |
| EDISTO BEACH (Colleton County) | Dwelling | 1,079 | 405,853 | 5 | 2,010 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 7 | 2,662 | 0 | 0 |
| TOTAL COLLETON COUNTY | Dwelling | 1,079 | 405,853 | 5 | 2,010 |
| | Mobile Home | 0 | 0 | 0 | 0 |
| | Commercial | 7 | 2,662 | 0 | 0 |

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

AS OF: APRIL 30, 2012

| CITY (County) | Class | Zone 1 Policies In-force | Zone 1 Limits (000 omitted) | Zone 2 Policies In-force | Zone 2 Limits (000 omitted) | |
|--|--------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|------------------|
| TOTALS | | 1,086 | 408,515 | 5 | 2,010 | |
| DEBORDIEU BEACH (Georgetown County) | Dwelling | 213 | 168,191 | 0 | 0 | |
| | Mobile Home | 0 | 0 | 0 | 0 | |
| | Commercial | 0 | 0 | 0 | 0 | |
| GARDEN CITY (Georgetown County) | Dwelling | 382 | 158,384 | 0 | 0 | |
| | Mobile Home | 9 | 624 | 0 | 0 | |
| | Commercial | 3 | 1,415 | 0 | 0 | |
| GEORGETOWN (Georgetown County) | Dwelling | 40 | 29,929 | 115 | 30,719 | |
| | Mobile Home | 0 | 0 | 0 | 0 | |
| | Commercial | 0 | 0 | 2 | 313 | |
| LITCHFIELD BEACH (Georgetown County) | Dwelling | 109 | 37,588 | 8 | 3,788 | |
| | Mobile Home | 0 | 0 | 0 | 0 | |
| | Commercial | 0 | 0 | 1 | 10 | |
| MURRELLS INLET (Georgetown County) | Dwelling | 379 | 136,833 | 175 | 50,451 | |
| | Mobile Home | 12 | 543 | 55 | 3,616 | |
| | Commercial | 2 | 1,097 | 4 | 336 | |
| PAWLEYS ISLAND (Georgetown County) | Dwelling | 1,147 | 457,449 | 490 | 160,253 | |
| | Mobile Home | 16 | 583 | 8 | 528 | |
| | Commercial | 19 | 7,866 | 13 | 3,699 | |
| REMAINDER OF COUNTY (Georgetown County) | Dwelling | 218 | 91,977 | 33 | 9,543 | |
| | Mobile Home | 0 | 0 | 1 | 111 | |
| | Commercial | 1 | 2,575 | 0 | 0 | |
| TOTAL | Dwelling | 2,488 | 1,080,351 | 821 | 254,754 | |
| GEORGETOWN | Mobile Home | 37 | 1,749 | 64 | 4,255 | |
| COUNTY | Commercial | 25 | 12,953 | 20 | 4,358 | |
| TOTALS | | 2,550 | 1,095,053 | 905 | 263,367 | |
| GARDEN CITY (Horry County) | Dwelling | 689 | 167,241 | 3 | 667 | |
| | Mobile Home | 523 | 34,070 | 0 | 0 | |
| | Commercial | 19 | 13,035 | 0 | 0 | |
| LITTLE RIVER (Horry County) | Dwelling | 0 | 0 | 1,226 | 290,864 | |
| | Mobile Home | 0 | 0 | 58 | 4,489 | |
| | Commercial | 0 | 0 | 21 | 7,723 | |
| MURRELLS INLET (Horry County) | Dwelling | 645 | 192,777 | 548 | 131,367 | |
| | Mobile Home | 86 | 5,827 | 19 | 1,396 | |
| | Commercial | 5 | 1,416 | 3 | 219 | |
| MYRTLE BEACH (Horry County) | Dwelling | 4,555 | 1,163,444 | 1,413 | 306,832 | |
| | Mobile Home | 1,306 | 72,844 | 85 | 5,834 | |
| | Commercial | 330 | 279,391 | 22 | 17,434 | |
| N MYRTLE BEACH (Horry County) | Dwelling | 5,398 | 1,378,537 | 309 | 65,711 | |
| | Mobile Home | 202 | 11,064 | 28 | 1,746 | |
| | Commercial | 154 | 111,072 | 24 | 3,572 | |
| SURFSIDE BEACH (Horry County) | Dwelling | 2,844 | 735,489 | 4 | 569 | |
| | Mobile Home | 584 | 62,341 | 0 | 0 | |
| | Commercial | 32 | 9,497 | 0 | 0 | |
| REMAINDER OF COUNTY (Horry County) | Dwelling | 18 | 2,711 | 1 | 672 | |
| | Mobile Home | 0 | 0 | 1 | 81 | |
| | Commercial | 3 | 293 | 0 | 0 | |
| TOTAL | Dwelling | 14,149 | 3,640,200 | 3,504 | 796,683 | |
| HORRY | Mobile Home | 2,701 | 186,147 | 191 | 13,546 | |
| COUNTY | Commercial | 543 | 414,704 | 70 | 28,947 | |
| TOTALS | | 17,393 | 4,241,051 | 3,765 | 839,176 | |
| ZONES | | Dwelling | 31,523 | 12,744,652 | 10,477 | 3,057,577 |
| | | Mobile Home | 2,809 | 192,209 | 288 | 19,675 |
| TOTAL | | Commercial | 831 | 487,451 | 131 | 45,320 |
| TOTALS | | 35,163 | 13,424,312 | 10,896 | 3,122,571 | |