

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2012

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2012

CONTENTS

	Exhibit
Accountants' compilation report on statutory financial statements	1
Statutory statement of admitted assets, liabilities and surplus	2
Statutory statement of operations and changes in surplus	3
Supplementary information:	
Surplus – quarter and year to date	3A
Surplus for unsettled years – inception to date	3B
Statistical report of premiums	4A
Statistical report of losses	4B
Statistical report of loss adjustment expenses	4C

ACCOUNTANT'S COMPILATION REPORT

Alabama Insurance Underwriting Association
315 E. Laurel Ave., Ste. 216D
Foley, AL 36535

We have compiled the accompanying statutory statement of admitted assets, liabilities and surplus of Alabama Insurance Underwriting Association as of January 31, 2012, and the related accompanying statutory statement of operations and changes in surplus for the three months then ended, and the accompanying supplementary information, which is presented only for supplementary analysis purposes. The financial statements have been prepared in conformity with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the statutory accounting practices. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the assets, liabilities, equity, revenues, and expenses and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements do not include a provision or liability for federal income taxes because the members are taxed individually on their share of Association earnings.

We are not independent with respect to Alabama Insurance Underwriting Association because we performed certain accounting services that impaired our independence.

Warren Averett, LLC

Foley, Alabama
April 4, 2012

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of January 31, 2012

EXHIBIT 1

Description	Ledger Assets	Assets Not Admitted	Admitted Assets
<u>ASSETS</u>			
Cash and cash equivalents	\$ 64,695,418	\$ -	\$ 64,695,418
Accounts receivable	212	212	-
Interest accrued	358		358
Furniture and equipment - net of depreciation	73,653	73,653	-
Data processing equipment - net of depreciation	46,348		46,348
Programming - net of amortization	148,906	148,906	-
Prepaid reinsurance	2,139,972		2,139,972
Section 444 Deposit (I.R.S.)	478,750		478,750
Intangible Pension Asset	11,162		11,162
Total Assets	67,594,779	222,771	67,372,008
<u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			1,651,826
Unpaid loss adjustment expenses			165,183
Unearned premiums			21,233,970
Premium taxes			47,533
Total Reserves			23,098,512
Payables for:			
Operating expenses and other accounts payable			386,320
Amounts withheld for accounts of others			66,237
Accrued Pension Obligation			36,991
Premiums received in advance			1,812,167
Total Payables			2,301,715
Surplus			41,971,781
Total Liabilities and Surplus			\$ 67,372,008

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND SURPLUS
Quarter Ended January 31, 2012

EXHIBIT 2

DESCRIPTION	Quarter 11/1/2011 - 01/31/2012	Year-To-Date 11/1/2011 - 01/31/2012
UNDERWRITING INCOME:		
Premiums Earned	\$ 6,909,041	\$ 6,909,041
DEDUCTIONS:		
Losses incurred	601,016	601,016
Loss expenses incurred	52,431	52,431
Operating expenses incurred	1,583,070	1,583,070
Total deductions	<u>2,236,517</u>	<u>2,236,517</u>
Net Underwriting Gain or (Loss)	<u>4,672,524</u>	<u>4,672,524</u>
OTHER INCOME (EXPENSE):		
Net investment income	8,733	8,733
Realized Gains (Losses)	-	-
Other Income	3	3
Service fees	127,045	127,045
Gain (loss) on sale of non admitted asset	-	-
Total other income (expense)	<u>135,781</u>	<u>135,781</u>
Net Income or (Loss)	<u>\$ 4,808,305</u>	<u>\$ 4,808,305</u>
SURPLUS ACCOUNT:		
Surplus (prior period)	37,181,476	37,181,476
Net income or (loss)	4,808,305	4,808,305
Change in assets not admitted	(18,000)	(18,000)
Assessments or (distributions)	-	-
Net change in surplus	<u>4,790,305</u>	<u>4,790,305</u>
Surplus (current period)	<u>\$ 41,971,781</u>	<u>\$ 41,971,781</u>

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2012

EXHIBIT 3A - Quarterly

Description	Quarterly 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	Policy Year		2006	2005	2004	Total
INCOME RECEIVED:										
Premiums Written	\$ 8,285,690	\$ (278,767)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,006,923
Reinsurance Premium Ceded	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Net Premiums Written	3,730,367	(278,767)	-	-	-	-	-	-	-	3,451,600
Interest Received	8,375	316	-	-	-	-	-	-	-	8,691
Realized Gains	-	-	-	-	-	-	-	-	-	-
Other Income	3	-	-	-	-	-	-	-	-	3
Service Fees	127,045	-	-	-	-	-	-	-	-	127,045
Gain (loss) on sale of non admitted asset	-	-	-	-	-	-	-	-	-	-
Total Income	3,865,790	(278,451)	-	-	-	-	-	-	-	3,587,339
EXPENSES PAID:										
Losses	7,853	451,721	2,236	-	-	-	-	-	-	461,810
Loss Adjustment Expenses	3,943	32,948	1,619	-	-	-	-	-	-	38,510
Commissions	398,243	165,349	-	-	-	-	-	-	-	563,592
Operating Expenses	474,124	181,685	-	-	-	-	-	-	-	655,809
Premium Taxes	232,914	282,498	-	-	-	-	-	-	-	515,412
Total Expenses Paid	1,117,077	1,114,201	3,855	-	-	-	-	-	-	2,235,133
Net Cash Change	2,748,713	(1,392,652)	(3,855)	-	-	-	-	-	-	1,352,206
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	251,359	1,400,467	-	-	-	-	-	-	-	1,651,826
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	25,136	140,047	-	-	-	-	-	-	-	165,183
Operating Expenses	452,557	-	-	-	-	-	-	-	-	452,557
Unearned Premiums	7,166,136	14,067,834	-	-	-	-	-	-	-	21,233,970
Premium Taxes	47,533	-	-	-	-	-	-	-	-	47,533
<i>ADD (PRIOR PERIOD)</i>										
Unpaid Losses (include IBNR)	-	1,512,620	-	-	-	-	-	-	-	1,512,620
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	151,262	-	-	-	-	-	-	-	151,262
Operating Expenses	-	369,335	-	-	-	-	-	-	-	369,335
Unearned Premiums	-	24,691,411	-	-	-	-	-	-	-	24,691,411
Premium Taxes	-	282,498	-	-	-	-	-	-	-	282,498
Net Reserve Change	(7,942,721)	11,398,778	-	-	-	-	-	-	-	3,456,057
OTHER CHANGES:										
<i>DEDUCT (PRIOR PERIOD)</i>										
Interest Accrued	-	316	-	-	-	-	-	-	-	316
Assets Not Admitted	-	(204,771)	-	-	-	-	-	-	-	(204,771)
<i>ADD (CURRENT PERIOD)</i>										
Interest Accrued	358	-	-	-	-	-	-	-	-	358
Assets Not Admitted	(222,771)	-	-	-	-	-	-	-	-	(222,771)
Net Other Changes	(222,413)	204,455	-	-	-	-	-	-	-	(17,958)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus	-	-	-	-	-	-	-	-	-	-
Change in Members' Surplus	\$(5,416,421)	\$ 10,210,581	\$ (3,855)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,790,305

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2012

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	Policy Year		2006	2005	2004	Total
INCOME RECEIVED:										
Premiums Written	\$ 8,285,690	\$ (278,767)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,006,923
Reinsurance Premium Ceded	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Net Premiums Written	3,730,367	(278,767)	-	-	-	-	-	-	-	3,451,600
Interest Received	8,375	316	-	-	-	-	-	-	-	8,691
Realized Gains	-	-	-	-	-	-	-	-	-	-
Other Income	3	-	-	-	-	-	-	-	-	3
Service Fees	127,045	-	-	-	-	-	-	-	-	127,045
Gain (loss) on sale of non admitted asset	-	-	-	-	-	-	-	-	-	-
Total Income	3,865,790	(278,451)	-	-	-	-	-	-	-	3,587,339
EXPENSES PAID:										
Losses	7,853	451,721	2,236	-	-	-	-	-	-	461,810
Loss Adjustment Expenses	3,943	32,948	1,619	-	-	-	-	-	-	38,510
Commissions	398,243	165,349	-	-	-	-	-	-	-	563,592
Operating Expenses	474,124	181,685	-	-	-	-	-	-	-	655,809
Premium Taxes	232,914	282,498	-	-	-	-	-	-	-	515,412
Total Expenses Paid	1,117,077	1,114,201	3,855	-	-	-	-	-	-	2,235,133
Net Cash Change	2,748,713	(1,392,652)	(3,855)	-	-	-	-	-	-	1,352,206
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	251,359	1,400,467	-	-	-	-	-	-	-	1,651,826
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	25,136	140,047	-	-	-	-	-	-	-	165,183
Operating Expenses	452,557	-	-	-	-	-	-	-	-	452,557
Unearned Premiums	7,166,136	14,067,834	-	-	-	-	-	-	-	21,233,970
Premium Taxes	47,533	-	-	-	-	-	-	-	-	47,533
<i>ADD (PRIOR PERIOD)</i>										
Unpaid Losses (include IBNR)	-	1,512,620	-	-	-	-	-	-	-	1,512,620
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	151,262	-	-	-	-	-	-	-	151,262
Operating Expenses	-	369,335	-	-	-	-	-	-	-	369,335
Unearned Premiums	-	24,691,411	-	-	-	-	-	-	-	24,691,411
Premium Taxes	-	282,498	-	-	-	-	-	-	-	282,498
Net Reserve Change	(7,942,721)	11,398,778	-	-	-	-	-	-	-	3,456,057
OTHER CHANGES:										
<i>DEDUCT (PRIOR PERIOD)</i>										
Interest Accrued	-	316	-	-	-	-	-	-	-	316
Assets Not Admitted	-	(204,771)	-	-	-	-	-	-	-	(204,771)
<i>ADD (CURRENT PERIOD)</i>										
Interest Accrued	358	-	-	-	-	-	-	-	-	358
Assets Not Admitted	(222,771)	-	-	-	-	-	-	-	-	(222,771)
Net Other Changes	(222,413)	204,455	-	-	-	-	-	-	-	(17,958)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus	-	-	-	-	-	-	-	-	-	-
Change in Members' Surplus	\$(5,416,421)	\$ 10,210,581	\$ (3,855)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,790,305

ALABAMA INSURANCE UNDERWRITING ASSOCIATION**SURPLUS FOR UNSETTLED YEARS**

Inception to Quarter Ended January 31, 2012

Exhibit 3B

Description	Policy Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
INCOME RECEIVED:										
Premiums Written	\$ 8,285,690	\$ 45,368,230	\$ 37,491,975	\$ 29,434,815	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 6,309,269	\$ 5,411,236	\$ 197,538,338
Reinsurance Premiums Ceded	(4,555,323)	(17,994,845)	(17,700,790)	(16,106,473)	(14,994,792)	(10,799,284)	(4,500,230)	(1,882,296)	(2,051,362)	(90,585,395)
Net Premiums Written	3,730,367	27,373,385	19,791,185	13,328,342	9,457,429	12,657,315	12,828,073	4,426,973	3,359,874	106,952,943
Interest Received	8,375	40,332	21,405	109,245	486,548	677,305	307,607	212,181	223,321	2,086,319
Realized Gains	-	-	-	-	-	-	-	(86)	(31,218)	(31,304)
Other Income	3	1,070	153	982	3,391	3,670	40	4,403	78	13,790
Service Fees	127,045	608,415	497,585	392,596	269,337	187,836	175,703	29,034	13,920	2,301,471
Gain (loss) on sale of non admitted assets	-	-	-	-	100	623	(203)	-	-	520
Total Income	3,865,790	28,023,202	20,310,328	13,831,165	10,216,805	13,526,749	13,311,220	4,672,505	3,565,975	111,323,739
EXPENSES PAID:										
Losses	7,853	916,245	982,917	180,279	874,566	512,315	930,913	12,292,114	18,506,292	35,203,494
Loss Adjustment Expenses	3,943	107,803	117,227	62,988	22,717	14,945	17,029	1,270,423	1,641,018	3,258,093
Commissions	398,243	3,650,088	2,994,514	2,351,557	1,961,534	2,235,084	1,744,247	630,929	540,534	16,506,730
Operating Expenses	474,124	2,561,517	2,300,018	2,013,301	1,753,057	1,450,948	1,036,093	998,911	642,359	13,230,328
Premium Taxes	232,914	1,587,348	1,350,035	1,028,777	855,726	848,275	624,158	176,320	199,338	6,902,891
Total Expenses Paid	1,117,077	8,823,001	7,744,711	5,636,902	5,467,600	5,061,567	4,352,440	15,368,697	21,529,541	75,101,536
Net Cash Change	2,748,713	19,200,201	12,565,617	8,194,263	4,749,205	8,465,182	8,958,780	(10,696,192)	(17,963,566)	36,222,203
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses (include IBNR)	251,359	1,400,467	-	-	-	-	-	-	-	1,651,826
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adjustment Expenses	25,136	140,047	-	-	-	-	-	-	-	165,183
Operating Expenses	452,557	-	-	-	-	-	-	-	-	452,557
Unearned Premiums	7,166,136	14,067,834	-	-	-	-	-	-	-	21,233,970
Premium Taxes	47,533	-	-	-	-	-	-	-	-	47,533
Total Reserves	7,942,721	15,608,348	-	-	-	-	-	-	-	23,551,069
OTHER CHANGES:										
ADD										
Interest Accrued	358	-	-	-	-	-	-	-	-	358
Assets Not Admitted	(222,771)	-	-	-	-	-	-	-	-	(222,771)
Total Other Changes	(222,413)	-	-	-	-	-	-	-	-	(222,413)
Assessments or (Distributions)	-	-	-	-	-	-	-	10,000,000	19,523,060	29,523,060
Total Surplus	(5,416,421)	3,591,853	12,565,617	8,194,263	4,749,205	8,465,182	8,958,780	(696,192)	1,559,494	41,971,781
Retained Surplus	-	(10,477)	-	(4,916,557)	-	-	-	-	-	(4,927,034)
Members' Surplus	\$ (5,416,421)	\$ 3,581,376	\$ 12,565,617	\$ 3,277,706	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ (696,192)	\$ 1,559,494	\$ 37,044,747

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2012

EXHIBIT 4A - Quarterly

Description	Quarterly 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	Policy Year		2006	2005	2004	Total
PREMIUMS WRITTEN:										
Fire	\$ 266,959	\$ (7,628)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 259,331
E.C. & VMM	8,018,731	(271,139)	-	-	-	-	-	-	-	7,747,592
Reinsurance Premium Ceded E.C.	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Total	3,730,367	(278,767)	-	-	-	-	-	-	-	3,451,600
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	-	979,432	-	-	-	-	-	-	-	979,432
E.C. & VMM	-	23,711,979	-	-	-	-	-	-	-	23,711,979
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	24,691,411	-	-	-	-	-	-	-	24,691,411
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	229,838	536,844	-	-	-	-	-	-	-	766,682
E.C. & VMM	6,936,298	13,530,990	-	-	-	-	-	-	-	20,467,288
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,166,136	14,067,834	-	-	-	-	-	-	-	21,233,970
EARNED PREMIUMS:										
Fire	37,121	434,960	-	-	-	-	-	-	-	472,081
E.C. & VMM	1,082,433	9,909,850	-	-	-	-	-	-	-	10,992,283
Reinsurance Earned Ceded E.C.	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Total	\$ (3,435,769)	\$ 10,344,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,909,041

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2012

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
PREMIUMS WRITTEN:										
Fire	\$ 266,959	\$ (7,628)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 259,331
E.C. & VMM	8,018,731	(271,139)	-	-	-	-	-	-	-	7,747,592
Reinsurance Premium Ceded E.C.	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Total	3,730,367	(278,767)	-	-	-	-	-	-	-	3,451,600
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	-	979,432	-	-	-	-	-	-	-	979,432
E.C. & VMM	-	23,711,979	-	-	-	-	-	-	-	23,711,979
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	24,691,411	-	-	-	-	-	-	-	24,691,411
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	229,838	536,844	-	-	-	-	-	-	-	766,682
E.C. & VMM	6,936,298	13,530,990	-	-	-	-	-	-	-	20,467,288
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,166,136	14,067,834	-	-	-	-	-	-	-	21,233,970
EARNED PREMIUMS:										
Fire	37,121	434,960	-	-	-	-	-	-	-	472,081
E.C. & VMM	1,082,433	9,909,850	-	-	-	-	-	-	-	10,992,283
Reinsurance Earned Ceded E.C.	(4,555,323)	-	-	-	-	-	-	-	-	(4,555,323)
Total	\$ (3,435,769)	\$ 10,344,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,909,041

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2012

EXHIBIT 4B - Quarterly

Description	Quarterly 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
PAID LOSSES:										
Fire	\$ -	\$ 287,685	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,085
E.C. & VMM	7,853	164,036	1,836	-	-	-	-	-	-	173,725
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,853	451,721	2,236	-	-	-	-	-	-	461,810
OUTSTANDING LOSSES (CURRENT PERIOD)*										
Fire	7,960	135,087	-	-	-	-	-	-	-	143,047
E.C. & VMM	243,399	1,265,380	-	-	-	-	-	-	-	1,508,779
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	251,359	1,400,467	-	-	-	-	-	-	-	1,651,826
OUTSTANDING LOSSES (PRIOR PERIOD)*										
Fire	-	192,989	-	-	-	-	-	-	-	192,989
E.C. & VMM	-	1,319,631	-	-	-	-	-	-	-	1,319,631
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	1,512,620	-	-	-	-	-	-	-	1,512,620
INCURRED LOSSES:										
Fire	7,960	229,783	400	-	-	-	-	-	-	238,143
E.C. & VMM	251,252	109,785	1,836	-	-	-	-	-	-	362,873
Total	259,212	339,568	2,236	-	-	-	-	-	-	601,016
IBNR (CURRENT PERIOD)										
Fire	7,960	47,087	-	-	-	-	-	-	-	55,047
E.C. & VMM	240,399	1,089,560	-	-	-	-	-	-	-	1,329,959
Total	248,359	1,136,647	-	-	-	-	-	-	-	1,385,006
IBNR (PRIOR PERIOD)										
Fire	-	38,989	-	-	-	-	-	-	-	38,989
E.C. & VMM	-	877,491	-	-	-	-	-	-	-	877,491
Total	\$ -	\$ 916,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 916,480

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2012

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/1/2011 - 1/31/2012

Description	Policy Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
PAID LOSSES:										
Fire	\$ -	\$ 287,685	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,085
E.C. & VMM	7,853	164,036	1,836	-	-	-	-	-	-	173,725
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,853	451,721	2,236	-	-	-	-	-	-	461,810
OUTSTANDING LOSSES (CURRENT PERIOD)*										
Fire	7,960	135,087	-	-	-	-	-	-	-	143,047
E.C. & VMM	243,399	1,265,380	-	-	-	-	-	-	-	1,508,779
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	251,359	1,400,467	-	-	-	-	-	-	-	1,651,826
OUTSTANDING LOSSES (PRIOR PERIOD)*										
Fire	-	192,989	-	-	-	-	-	-	-	192,989
E.C. & VMM	-	1,319,631	-	-	-	-	-	-	-	1,319,631
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	1,512,620	-	-	-	-	-	-	-	1,512,620
INCURRED LOSSES:										
Fire	7,960	229,783	400	-	-	-	-	-	-	238,143
E.C. & VMM	251,252	109,785	1,836	-	-	-	-	-	-	362,873
Total	259,212	339,568	2,236	-	-	-	-	-	-	601,016
IBNR (CURRENT PERIOD)										
Fire	7,960	47,087	-	-	-	-	-	-	-	55,047
E.C. & VMM	240,399	1,089,560	-	-	-	-	-	-	-	1,329,959
Total	248,359	1,136,647	-	-	-	-	-	-	-	1,385,006
IBNR (PRIOR PERIOD)										
Fire	-	38,989	-	-	-	-	-	-	-	38,989
E.C. & VMM	-	877,491	-	-	-	-	-	-	-	877,491
Total	\$ -	\$ 916,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 916,480

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2012

EXHIBIT 4C - Quarterly

Description	Quarterly 11/1/2011 - 1/31/2012									
	2012	2011	2010	2009	Policy Year		2006	2005	2004	Total
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 11,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,569
E.C. & VMM	3,943	21,379	1,619	-	-	-	-	-	-	26,941
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	3,943	32,948	1,619	-	-	-	-	-	-	38,510
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	796	13,509	-	-	-	-	-	-	-	14,305
E.C. & VMM	24,340	126,538	-	-	-	-	-	-	-	150,878
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	25,136	140,047	-	-	-	-	-	-	-	165,183
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	19,299	-	-	-	-	-	-	-	19,299
E.C. & VMM	-	131,963	-	-	-	-	-	-	-	131,963
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	151,262	-	-	-	-	-	-	-	151,262
INCURRED LOSS EXPENSES:										
Fire	796	5,779	-	-	-	-	-	-	-	6,575
E.C. & VMM	28,283	15,954	1,619	-	-	-	-	-	-	45,856
Total	\$ 29,079	\$ 21,733	\$ 1,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,431

*Includes IBNR

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2012

EXHIBIT 4C - Year-to-Date

Year-to-Date 11/1/2011 - 1/31/2012

Description	Policy Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 11,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,569
E.C. & VMM	3,943	21,379	1,619	-	-	-	-	-	-	26,941
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	3,943	32,948	1,619	-	-	-	-	-	-	38,510
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	796	13,509	-	-	-	-	-	-	-	14,305
E.C. & VMM	24,340	126,538	-	-	-	-	-	-	-	150,878
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	25,136	140,047	-	-	-	-	-	-	-	165,183
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	19,299	-	-	-	-	-	-	-	19,299
E.C. & VMM	-	131,963	-	-	-	-	-	-	-	131,963
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	151,262	-	-	-	-	-	-	-	151,262
INCURRED LOSS EXPENSES:										
Fire	796	5,779	-	-	-	-	-	-	-	6,575
E.C. & VMM	28,283	15,954	1,619	-	-	-	-	-	-	45,856
Total	\$ 29,079	\$ 21,733	\$ 1,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,431

*Includes IBNR