

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2013

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2013

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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, 2013, 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 admitted assets, liabilities, surplus, results of operations, 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
March 5, 2013

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of January 31, 2013

EXHIBIT 1

	Ledger Assets	Assets Not Admitted	Admitted Assets
<u>ASSETS</u>			
Short-term investments	\$ 56,263,185		\$ 56,263,185
Cash and cash equivalents	19,743,413		19,743,413
Accounts receivable	742	742	-
Interest accrued	90,822		90,822
Furniture and equipment - net of depreciation	111,452	111,452	-
Data processing equipment - net of depreciation	57,411		57,411
Programming - net of amortization	197,755	197,755	-
Prepaid reinsurance	1,714,584		1,714,584
Section 444 Deposit (I.R.S.)	932,782		932,782
Intangible Pension Asset	922		922
Total Assets	79,113,068	309,949	78,803,119
<u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			1,662,245
Unpaid loss adjustment expenses			166,225
Unearned premiums			22,007,951
Total Reserves			23,836,421
Payables for:			
Premium taxes			10,596
Operating expenses and other accounts payable			328,274
Amounts withheld for accounts of others			63,250
Accrued Pension Obligation			164,270
Premiums received in advance			1,690,677
Total Payables			2,257,067
Total Liabilities			26,093,488
Members' Surplus			47,705,723
Retained Surplus			5,003,908
Total Surplus			52,709,631
Total Liabilities and Surplus			\$ 78,803,119

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND SURPLUS
Quarter Ended January 31, 2013

EXHIBIT 2

	Quarter 11/01/2012 - 01/31/2013	Year-To-Date 11/1/2012 - 01/31/2013
	<u> </u>	<u> </u>
UNDERWRITING INCOME:		
Premiums Earned	\$ 6,323,984	\$ 6,323,984
DEDUCTIONS:		
Losses incurred	1,325,742	1,325,742
Loss expenses incurred	100,777	100,777
Operating expenses incurred	1,680,623	1,680,623
Total deductions	<u>3,107,142</u>	<u>3,107,142</u>
Net Underwriting Gain or (Loss)	<u>3,216,842</u>	<u>3,216,842</u>
OTHER INCOME (EXPENSE):		
Net investment income	70,605	70,605
Realized Gains (Losses)	-	-
Other Income	(17)	(17)
Service fees	129,850	129,850
Total other income (expense)	<u>200,438</u>	<u>200,438</u>
Net Income or (Loss)	<u>\$ 3,417,280</u>	<u>\$ 3,417,280</u>
SURPLUS:		
Surplus (prior period)	49,402,514	49,402,514
Net income or (loss)	3,417,280	3,417,280
Change in assets not admitted	(110,163)	(110,163)
Net change in surplus	<u>3,307,117</u>	<u>3,307,117</u>
Surplus (current period)	<u>\$ 52,709,631</u>	<u>\$ 52,709,631</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2013

EXHIBIT 3A - Quarterly

Description	Quarterly 11/01/2012 - 01/31/2013								
	Policy Year								
	2013	2012	2011	2010	2009	2008	2007	2006	Total
INCOME RECEIVED:									
Premiums Written	\$ 8,627,521	\$ (379,331)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,248,190
Reinsurance Premium Ceded	(5,143,750)	-	-	-	-	-	-	-	(5,143,750)
Net Premiums Written	3,483,771	(379,331)	-	-	-	-	-	-	3,104,440
Interest Received	(20,217)	449	-	-	-	-	-	-	(19,768)
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	(17)	-	-	-	-	-	-	-	(17)
Service Fees	129,850	-	-	-	-	-	-	-	129,850
Total Income	3,593,387	(378,882)	-	-	-	-	-	-	3,214,505
EXPENSES PAID:									
Losses	69,872	1,269,540	17,932	-	-	-	-	-	1,357,344
Loss Adjustment Expenses	13,043	89,579	1,315	-	-	-	-	-	103,937
Commissions	453,846	222,263	-	-	-	-	-	-	676,109
Operating Expenses	575,826	302,867	-	-	-	-	-	-	878,693
Premium Taxes	279,176	198,790	-	-	-	-	-	-	477,966
Total Expenses Paid	1,391,763	2,083,039	19,247	-	-	-	-	-	3,494,049
Net Cash Change	2,201,624	(2,461,921)	(19,247)	-	-	-	-	-	(279,544)
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	270,194	1,392,051	-	-	-	-	-	-	1,662,245
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	27,019	139,206	-	-	-	-	-	-	166,225
Operating Expenses	391,524	-	-	-	-	-	-	-	391,524
Unearned Premiums	7,525,582	14,482,369	-	-	-	-	-	-	22,007,951
Premium Taxes	10,596	-	-	-	-	-	-	-	10,596
<i>ADD (PRIOR PERIOD)</i>									
Unpaid Losses (include IBNR)	-	1,595,967	97,880	-	-	-	-	-	1,693,847
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	159,597	9,788	-	-	-	-	-	169,385
Operating Expenses	-	555,475	-	-	-	-	-	-	555,475
Unearned Premiums	-	25,227,495	-	-	-	-	-	-	25,227,495
Premium Taxes	-	198,790	-	-	-	-	-	-	198,790
Net Reserve Change	(8,224,915)	11,723,698	107,668	-	-	-	-	-	3,606,451
OTHER CHANGES:									
<i>DEDUCT (PRIOR PERIOD)</i>									
Interest Accrued	-	449	-	-	-	-	-	-	449
Assets Not Admitted	-	(199,786)	-	-	-	-	-	-	(199,786)
<i>ADD (CURRENT PERIOD)</i>									
Minimum Pension Liability	-	-	-	-	-	-	-	-	-
Interest Accrued	90,822	-	-	-	-	-	-	-	90,822
Assets Not Admitted	(309,949)	-	-	-	-	-	-	-	(309,949)
Net Other Changes	(219,127)	199,337	-	-	-	-	-	-	(19,790)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	59,685	-	-	-	-	-	-	-	59,685
Change in Members' Surplus Increase (Decrease)	\$ (6,302,103)	\$ 9,461,114	\$ 88,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,247,432

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2013

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/01/2012 - 01/31/2013									
	2013	2012	2011	2010	Policy Year		2008	2007	2006	Total
INCOME RECEIVED:										
Premiums Written	\$ 8,627,521	\$ (379,331)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,248,190
Reinsurance Premium Ceded	(5,143,750)	-	-	-	-	-	-	-	-	(5,143,750)
Net Premiums Written	3,483,771	(379,331)	-	-	-	-	-	-	-	3,104,440
Interest Received	(20,217)	449	-	-	-	-	-	-	-	(19,768)
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	(17)	-	-	-	-	-	-	-	-	(17)
Service Fees	129,850	-	-	-	-	-	-	-	-	129,850
Total Income	3,593,387	(378,882)	-	-	-	-	-	-	-	3,214,505
EXPENSES PAID:										
Losses	69,872	1,269,540	17,932	-	-	-	-	-	-	1,357,344
Loss Adjustment Expenses	13,043	89,579	1,315	-	-	-	-	-	-	103,937
Commissions	453,846	222,263	-	-	-	-	-	-	-	676,109
Operating Expenses	575,826	302,867	-	-	-	-	-	-	-	878,693
Premium Taxes	279,176	198,790	-	-	-	-	-	-	-	477,966
Total Expenses Paid	1,391,763	2,083,039	19,247	-	-	-	-	-	-	3,494,049
Net Cash Change	2,201,624	(2,461,921)	(19,247)	-	-	-	-	-	-	(279,544)
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	270,194	1,392,051	-	-	-	-	-	-	-	1,662,245
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	27,019	139,206	-	-	-	-	-	-	-	166,225
Operating Expenses	391,524	-	-	-	-	-	-	-	-	391,524
Unearned Premiums	7,525,582	14,482,369	-	-	-	-	-	-	-	22,007,951
Premium Taxes	10,596	-	-	-	-	-	-	-	-	10,596
<i>ADD (PRIOR PERIOD)</i>										
Unpaid Losses (include IBNR)	-	1,595,967	97,880	-	-	-	-	-	-	1,693,847
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	159,597	9,788	-	-	-	-	-	-	169,385
Operating Expenses	-	555,475	-	-	-	-	-	-	-	555,475
Unearned Premiums	-	25,227,495	-	-	-	-	-	-	-	25,227,495
Premium Taxes	-	198,790	-	-	-	-	-	-	-	198,790
Net Reserve Change	(8,224,915)	11,723,698	107,668	-	-	-	-	-	-	3,606,451
OTHER CHANGES:										
<i>DEDUCT (PRIOR PERIOD)</i>										
Interest Accrued	-	449	-	-	-	-	-	-	-	449
Assets Not Admitted	-	(199,786)	-	-	-	-	-	-	-	(199,786)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-
<i>ADD (CURRENT PERIOD)</i>										
Minimum Pension Liability	-	-	-	-	-	-	-	-	-	-
Interest Accrued	90,822	-	-	-	-	-	-	-	-	90,822
Assets Not Admitted	(309,949)	-	-	-	-	-	-	-	-	(309,949)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Net Other Changes	(219,127)	199,337	-	-	-	-	-	-	-	(19,790)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	59,685	-	-	-	-	-	-	-	-	59,685
Change in Members' Surplus Increase (Decrease)	\$ (6,302,103)	\$ 9,461,114	\$ 88,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,247,432

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' SURPLUS FOR UNSETTLED YEARS
Inception to Quarter Ended January 31, 2013

Exhibit 3B

Description	Policy Year							Total
	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:								
Premiums Written	\$ 8,627,521	\$ 46,256,738	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 202,725,436
Reinsurance Premiums Ceded	(5,143,750)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(90,335,687)
Net Premiums Written	3,483,771	27,054,742	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	112,389,749
Interest Received	(20,217)	95,204	40,332	21,405	486,548	677,305	307,607	1,608,184
Realized Gains (Losses)	-	(34,522)	-	-	-	-	-	(34,522)
Other Income	(17)	8	1,070	153	3,391	3,670	40	8,315
Service Fees	129,850	674,460	608,415	497,585	269,337	187,836	175,703	2,543,186
Gain (loss) on sale of non admitted asset	-	-	-	-	100	623	(203)	520
Total Income	3,593,387	27,789,892	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	116,515,432
EXPENSES PAID:								
Losses	69,872	2,484,749	1,317,402	983,667	874,566	512,315	930,913	7,173,484
Loss Adjustment Expenses	13,043	249,614	228,245	117,601	22,717	14,945	17,029	663,194
Commissions	453,846	3,700,634	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	16,719,454
Operating Expenses	575,826	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	12,374,042
Premium Taxes	279,176	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	7,169,624
Total Expenses Paid	1,391,763	10,794,099	9,287,116	7,773,583	5,414,261	5,108,367	4,330,609	44,099,798
Net Cash Change	2,201,624	16,995,793	18,479,935	12,536,745	4,802,544	8,418,382	8,980,611	72,415,634
RESERVES:								
DEDUCT (CURRENT PERIOD)								
Unpaid Losses (include IBNR)	270,194	1,392,051	-	-	-	-	-	1,662,245
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-
Unpaid Loss Adjustment Expenses	27,019	139,206	-	-	-	-	-	166,225
Operating Expenses	391,524	-	-	-	-	-	-	391,524
Unearned Premiums	7,525,582	14,482,369	-	-	-	-	-	22,007,951
Premium Taxes	10,596	-	-	-	-	-	-	10,596
Total Reserves	8,224,915	16,013,626	-	-	-	-	-	24,238,541
OTHER CHANGES:								
ADD (DEDUCT)								
Minimum Pension Liability	-	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(164,892)
Interest Accrued	90,822	-	-	-	-	-	-	90,822
Assets Not Admitted	(309,949)	-	-	-	-	-	-	(309,949)
Retained Surplus	(59,685)	(17,189)	(10,477)	-	-	-	-	(87,351)
Total Other Changes	(278,812)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(471,370)
Assessments or (Distributions)	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (6,302,103)	\$ 837,699	\$ 18,432,467	\$ 12,564,493	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 47,705,723

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

RETAINED SURPLUS

Quarter Ended January 31, 2013

EXHIBIT 3C - Year-to-Date

Description	Policy Year				Total
	2013	2012	2011	2009	
Retained Surplus Prior Period	\$ -	\$ 17,189	\$ 10,477	\$ 4,916,557	\$ 4,944,223
Change Increase (Decrease)	59,685	-	-	-	59,685
Retained Suplus Current Period	<u>\$ 59,685</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,003,908</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2013

EXHIBIT 4A - Quarterly

Description	Quarterly 11/01/2012 - 01/31/2013								Total	
	2013	2012	2011	2010	2009	2008	2007	2006		
PREMIUMS WRITTEN:										
Fire	\$ 316,693	\$ (11,325)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,368
E.C. & VMM	8,310,828	(368,006)	-	-	-	-	-	-	-	7,942,822
Reinsurance Premium Ceded E.C.	(5,143,750)	-	-	-	-	-	-	-	-	(5,143,750)
Total	3,483,771	(379,331)	-	-	-	-	-	-	-	3,104,440
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	-	795,067	-	-	-	-	-	-	-	795,067
E.C. & VMM	-	24,432,428	-	-	-	-	-	-	-	24,432,428
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	25,227,495	-	-	-	-	-	-	-	25,227,495
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	384,555	459,904	-	-	-	-	-	-	-	844,459
E.C. & VMM	7,141,027	14,022,465	-	-	-	-	-	-	-	21,163,492
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,525,582	14,482,369	-	-	-	-	-	-	-	22,007,951
EARNED PREMIUMS:										
Fire	(67,862)	323,838	-	-	-	-	-	-	-	255,976
E.C. & VMM	1,169,801	10,041,957	-	-	-	-	-	-	-	11,211,758
Reinsurance Earned Ceded E.C.	(5,143,750)	-	-	-	-	-	-	-	-	(5,143,750)
Total	\$ (4,041,811)	\$ 10,365,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,323,984

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2013

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2012 - 01/31/2013									
	2013	2012	2011	2010	Policy Year		2008	2007	2006	Total
PREMIUMS WRITTEN:										
Fire	\$ 316,693	\$ (11,325)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,368
E.C. & VMM	8,310,828	(368,006)	-	-	-	-	-	-	-	7,942,822
Reinsurance Premium Ceded E.C.	(5,143,750)	-	-	-	-	-	-	-	-	(5,143,750)
Total	3,483,771	(379,331)	-	-	-	-	-	-	-	3,104,440
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	-	795,067	-	-	-	-	-	-	-	795,067
E.C. & VMM	-	24,432,428	-	-	-	-	-	-	-	24,432,428
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	25,227,495	-	-	-	-	-	-	-	25,227,495
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	384,555	459,904	-	-	-	-	-	-	-	844,459
E.C. & VMM	7,141,027	14,022,465	-	-	-	-	-	-	-	21,163,492
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	7,525,582	14,482,369	-	-	-	-	-	-	-	22,007,951
EARNED PREMIUMS:										
Fire	(67,862)	323,838	-	-	-	-	-	-	-	255,976
E.C. & VMM	1,169,801	10,041,957	-	-	-	-	-	-	-	11,211,758
Reinsurance Earned Ceded E.C.	(5,143,750)	-	-	-	-	-	-	-	-	(5,143,750)
Total	\$ (4,041,811)	\$ 10,365,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,323,984

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2013

EXHIBIT 4B - Quarterly

Quarterly 11/01/2012 - 01/31/2013

Description	Policy Year								
	2013	2012	2011	2010	2009	2008	2007	2006	Total
PAID LOSSES:									
Fire	\$ -	\$ 39,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,844
E.C. & VMM	69,872	1,229,696	17,932	-	-	-	-	-	1,317,500
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	69,872	1,269,540	17,932	-	-	-	-	-	1,357,344
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	13,371	76,576	-	-	-	-	-	-	89,947
E.C. & VMM	256,823	1,315,475	-	-	-	-	-	-	1,572,298
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	270,194	1,392,051	-	-	-	-	-	-	1,662,245
OUTSTANDING LOSSES (PRIOR PERIOD)*									
Fire	-	88,432	-	-	-	-	-	-	88,432
E.C. & VMM	-	1,507,535	97,880	-	-	-	-	-	1,605,415
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	-	1,595,967	97,880	-	-	-	-	-	1,693,847
INCURRED LOSSES:									
Fire	13,371	27,988	-	-	-	-	-	-	41,359
E.C. & VMM	326,695	1,037,636	(79,948)	-	-	-	-	-	1,284,383
Total	340,066	1,065,624	(79,948)	-	-	-	-	-	1,325,742
IBNR (CURRENT PERIOD)									
Fire	13,371	35,576	-	-	-	-	-	-	48,947
E.C. & VMM	246,323	1,111,145	-	-	-	-	-	-	1,357,468
Total	259,694	1,146,721	-	-	-	-	-	-	1,406,415
IBNR (PRIOR PERIOD)									
Fire	-	43,472	-	-	-	-	-	-	43,472
E.C. & VMM	-	1,349,655	-	-	-	-	-	-	1,349,655
Total	\$ -	\$ 1,393,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393,127

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2013

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2012 - 01/31/2013

Description	Policy Year								Total
	2013	2012	2011	2010	2009	2008	2007	2006	
PAID LOSSES:									
Fire	\$ -	\$ 39,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,844
E.C. & VMM	69,872	1,229,696	17,932	-	-	-	-	-	1,317,500
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	69,872	1,269,540	17,932	-	-	-	-	-	1,357,344
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	13,371	76,576	-	-	-	-	-	-	89,947
E.C. & VMM	256,823	1,315,475	-	-	-	-	-	-	1,572,298
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	270,194	1,392,051	-	-	-	-	-	-	1,662,245
OUTSTANDING LOSSES (PRIOR PERIOD)*									
Fire	-	88,432	-	-	-	-	-	-	88,432
E.C. & VMM	-	1,507,535	97,880	-	-	-	-	-	1,605,415
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	-	1,595,967	97,880	-	-	-	-	-	1,693,847
INCURRED LOSSES:									
Fire	13,371	27,988	-	-	-	-	-	-	41,359
E.C. & VMM	326,695	1,037,636	(79,948)	-	-	-	-	-	1,284,383
Total	340,066	1,065,624	(79,948)	-	-	-	-	-	1,325,742
IBNR (CURRENT PERIOD)									
Fire	13,371	35,576	-	-	-	-	-	-	48,947
E.C. & VMM	246,323	1,111,145	-	-	-	-	-	-	1,357,468
Total	259,694	1,146,721	-	-	-	-	-	-	1,406,415
IBNR (PRIOR PERIOD)									
Fire	-	43,472	-	-	-	-	-	-	43,472
E.C. & VMM	-	1,349,655	-	-	-	-	-	-	1,349,655
Total	\$ -	\$ 1,393,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,393,127

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2013

EXHIBIT 4C - Quarterly

Description	Quarterly 11/01/2012 - 01/31/2013								Total	
	2013	2012	2011	2010	Policy Year		2007	2006		
					2009	2008				
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 4,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,863
E.C. & VMM	13,043	84,716	1,315	-	-	-	-	-	-	99,074
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	13,043	89,579	1,315	-	-	-	-	-	-	103,937
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	1,337	7,658	-	-	-	-	-	-	-	8,995
E.C. & VMM	25,682	131,548	-	-	-	-	-	-	-	157,230
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	27,019	139,206	-	-	-	-	-	-	-	166,225
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	8,843	-	-	-	-	-	-	-	8,843
E.C. & VMM	-	150,754	9,788	-	-	-	-	-	-	160,542
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	159,597	9,788	-	-	-	-	-	-	169,385
INCURRED LOSS EXPENSES:										
Fire	1,337	3,678	-	-	-	-	-	-	-	5,015
E.C. & VMM	38,725	65,510	(8,473)	-	-	-	-	-	-	95,762
Total	\$ 40,062	\$ 69,188	\$ (8,473)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,777

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2013

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2012 - 01/31/2013								Total	
	2013	2012	2011	2010	Policy Year		2007	2006		
					2009	2008				
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 4,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,863
E.C. & VMM	13,043	84,716	1,315	-	-	-	-	-	-	99,074
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	13,043	89,579	1,315	-	-	-	-	-	-	103,937
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	1,337	7,658	-	-	-	-	-	-	-	8,995
E.C. & VMM	25,682	131,548	-	-	-	-	-	-	-	157,230
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	27,019	139,206	-	-	-	-	-	-	-	166,225
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	8,843	-	-	-	-	-	-	-	8,843
E.C. & VMM	-	150,754	9,788	-	-	-	-	-	-	160,542
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	159,597	9,788	-	-	-	-	-	-	169,385
INCURRED LOSS EXPENSES:										
Fire	1,337	3,678	-	-	-	-	-	-	-	5,015
E.C. & VMM	38,725	65,510	(8,473)	-	-	-	-	-	-	95,762
Total	\$ 40,062	\$ 69,188	\$ (8,473)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,777

*Includes IBNR

See Accountant's Compilation Report