

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2014

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2014

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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, 2014, 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.



Foley, Alabama
March 21, 2014

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of January 31, 2014

EXHIBIT 1

	Assets	Assets Not Admitted	Admitted Assets
<u>ASSETS</u>			
Cash and short-term investments	\$ 39,611,742		\$ 39,611,742
Bonds	51,287,734		51,287,734
Accounts receivable	4	4	-
Interest accrued	90,869		90,869
Furniture and equipment - net of depreciation	90,627	90,627	-
Data processing equipment - net of depreciation	102,794		102,794
Programming - net of amortization	265,239	265,239	-
Prepaid reinsurance	1,743,750		1,743,750
Section 444 Deposit (I.R.S.)	982,774		982,774
Total Assets	94,175,533	355,870	93,819,663
 <u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			1,751,728
Unpaid loss adjustment expenses			175,172
Unearned premiums			21,245,272
Total Reserves			23,172,172
 Payables for:			
Premium taxes			39,853
Operating expenses and other accounts payable			502,097
Amounts withheld for accounts of others			74,669
Accrued Pension Obligation			48,804
Premiums received in advance			1,832,410
Total Payables			2,497,833
Total Liabilities			25,670,005
 Members' Surplus			
Retained Surplus			62,841,665
Total Surplus			5,307,993
Total Liabilities and Surplus			\$ 93,819,663

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND SURPLUS
Quarter Ended January 31, 2014

EXHIBIT 2

	Quarter 11/1/2013 - 01/31/2014	Year-To-Date 11/1/2013 - 01/31/2014
	<u> </u>	<u> </u>
UNDERWRITING INCOME:		
Premiums Earned	\$ 6,070,244	\$ 6,070,244
DEDUCTIONS:		
Losses incurred	617,786	617,786
Loss expenses incurred	87,855	87,855
Operating expenses incurred	1,716,578	1,716,578
Total deductions	<u>2,422,219</u>	<u>2,422,219</u>
Net Underwriting Gain or (Loss)	<u>3,648,025</u>	<u>3,648,025</u>
OTHER INCOME (EXPENSE):		
Net investment income	86,603	86,603
Realized Gains (Losses)	-	-
Other Income	14	14
Service fees	168,755	168,755
Total other income (expense)	<u>255,372</u>	<u>255,372</u>
Net Income or (Loss)	<u>\$ 3,903,397</u>	<u>\$ 3,903,397</u>
SURPLUS:		
Surplus (prior period)	64,289,910	64,289,910
Net income or (loss)	3,903,397	3,903,397
Change in assets not admitted	(43,649)	(43,649)
Net change in surplus	<u>3,859,748</u>	<u>3,859,748</u>
Surplus (current period)	<u>\$ 68,149,658</u>	<u>\$ 68,149,658</u>

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2014

EXHIBIT 3A - Quarterly

Description	Quarterly 11/01/2013 - 01/31/2014							Total
	2014	2013	2012	2011	2010	2008	2007	
INCOME RECEIVED:								
Premiums Written	\$ 8,404,380	\$ (345,672)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,058,708
Reinsurance Premium Ceded	(5,231,250)	-	-	-	-	-	-	(5,231,250)
Net Premiums Written	3,173,130	(345,672)	-	-	-	-	-	2,827,458
Interest Received	(4,266)	183,636	-	-	-	-	-	179,370
Realized Gains (Losses)	-	-	-	-	-	-	-	-
Other Income	14	-	-	-	-	-	-	14
Service Fees	168,755	-	-	-	-	-	-	168,755
Total Income	3,337,633	(162,036)	-	-	-	-	-	3,175,597
EXPENSES PAID:								
Losses	6,073	393,182	4,121	-	-	-	-	403,376
Loss Adjustment Expenses	4,306	59,930	2,178	-	-	-	-	66,414
Commissions	408,243	277,368	-	-	-	-	-	685,611
Operating Expenses	476,107	211,629	-	-	-	-	-	687,736
Premium Taxes	243,263	221,173	-	-	-	-	-	464,436
Total Expenses Paid	1,137,992	1,163,282	6,299	-	-	-	-	2,307,573
Net Cash Change	2,199,641	(1,325,318)	(6,299)	-	-	-	-	868,024
RESERVES:								
<i>DEDUCT (CURRENT PERIOD)</i>								
Unpaid Losses (include IBNR)	329,250	1,421,478	1,000	-	-	-	-	1,751,728
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	32,925	142,147	100	-	-	-	-	175,172
Operating Expenses	576,766	-	-	-	-	-	-	576,766
Unearned Premiums	7,305,039	13,940,233	-	-	-	-	-	21,245,272
Premium Taxes	39,853	-	-	-	-	-	-	39,853
<i>ADD (PRIOR PERIOD)</i>								
Unpaid Losses (include IBNR)	-	1,534,318	3,000	-	-	-	-	1,537,318
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	153,431	300	-	-	-	-	153,731
Operating Expenses	-	516,651	-	-	-	-	-	516,651
Unearned Premiums	-	24,488,058	-	-	-	-	-	24,488,058
Premium Taxes	-	221,173	-	-	-	-	-	221,173
Net Reserve Change	(8,283,833)	11,409,773	2,200	-	-	-	-	3,128,140
OTHER CHANGES:								
<i>DEDUCT (PRIOR PERIOD)</i>								
Interest Accrued	-	183,636	-	-	-	-	-	183,636
Assets Not Admitted	-	(312,221)	-	-	-	-	-	(312,221)
<i>ADD (CURRENT PERIOD)</i>								
Minimum Pension Liability	-	-	-	-	-	-	-	-
Interest Accrued	90,869	-	-	-	-	-	-	90,869
Assets Not Admitted	(355,870)	-	-	-	-	-	-	(355,870)
Net Other Changes	(265,001)	128,585	-	-	-	-	-	(136,416)
Assessments or (Distributions)	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	79,761	-	-	-	-	-	-	79,761
Change in Members' Surplus Increase (Decrease)	\$ (6,428,954)	\$ 10,213,040	\$ (4,099)	\$ -	\$ -	\$ -	\$ -	\$ 3,779,987

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2014

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 01/31/2014								
	2014	2013	2012	2011	2010	2008	2007	2006	Total
INCOME RECEIVED:									
Premiums Written	\$ 8,404,380	\$ (345,672)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,058,708
Reinsurance Premium Ceded	(5,231,250)	-	-	-	-	-	-	-	(5,231,250)
Net Premiums Written	3,173,130	(345,672)	-	-	-	-	-	-	2,827,458
Interest Received	(4,266)	183,636	-	-	-	-	-	-	179,370
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	14	-	-	-	-	-	-	-	14
Service Fees	168,755	-	-	-	-	-	-	-	168,755
Total Income	3,337,633	(162,036)	-	-	-	-	-	-	3,175,597
EXPENSES PAID:									
Losses	6,073	393,182	4,121	-	-	-	-	-	403,376
Loss Adjustment Expenses	4,306	59,930	2,178	-	-	-	-	-	66,414
Commissions	408,243	277,368	-	-	-	-	-	-	685,611
Operating Expenses	476,107	211,629	-	-	-	-	-	-	687,736
Premium Taxes	243,263	221,173	-	-	-	-	-	-	464,436
Total Expenses Paid	1,137,992	1,163,282	6,299	-	-	-	-	-	2,307,573
Net Cash Change	2,199,641	(1,325,318)	(6,299)	-	-	-	-	-	868,024
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	329,250	1,421,478	1,000	-	-	-	-	-	1,751,728
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	32,925	142,147	100	-	-	-	-	-	175,172
Operating Expenses	576,766	-	-	-	-	-	-	-	576,766
Unearned Premiums	7,305,039	13,940,233	-	-	-	-	-	-	21,245,272
Premium Taxes	39,853	-	-	-	-	-	-	-	39,853
<i>ADD (PRIOR PERIOD)</i>									
Unpaid Losses (include IBNR)	-	1,534,318	3,000	-	-	-	-	-	1,537,318
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	153,431	300	-	-	-	-	-	153,731
Operating Expenses	-	516,651	-	-	-	-	-	-	516,651
Unearned Premiums	-	24,488,058	-	-	-	-	-	-	24,488,058
Premium Taxes	-	221,173	-	-	-	-	-	-	221,173
Net Reserve Change	(8,283,833)	11,409,773	2,200	-	-	-	-	-	3,128,140
OTHER CHANGES:									
<i>DEDUCT (PRIOR PERIOD)</i>									
Interest Accrued	-	183,636	-	-	-	-	-	-	183,636
Assets Not Admitted	-	(312,221)	-	-	-	-	-	-	(312,221)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-
<i>ADD (CURRENT PERIOD)</i>									
Minimum Pension Liability	-	-	-	-	-	-	-	-	-
Interest Accrued	90,869	-	-	-	-	-	-	-	90,869
Assets Not Admitted	(355,870)	-	-	-	-	-	-	-	(355,870)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-
Net Other Changes	(265,001)	128,585	-	-	-	-	-	-	(136,416)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	79,761	-	-	-	-	-	-	-	79,761
Change in Members' Surplus Increase (Decrease)	\$ (6,428,954)	\$ 10,213,040	\$ (4,099)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,779,987

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' SURPLUS FOR UNSETTLED YEARS
Inception to Quarter Ended January 31, 2014

Exhibit 3B

Description	Policy Year									Total
	2014	2013	2012	2011	2010	2008	2007	2006		
INCOME RECEIVED:										
Premiums Written	\$ 8,404,380	\$ 45,712,474	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 247,928,694	
Reinsurance Premiums Ceded	(5,231,250)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(111,144,021)	
Net Premiums Written	3,173,130	24,991,640	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	136,784,673	
Interest Received	(4,266)	326,657	95,204	40,332	21,405	486,548	677,305	307,607	1,950,792	
Realized Gains (Losses)	-	-	(34,522)	-	-	-	-	-	(34,522)	
Other Income	14	-	8	1,070	153	3,391	3,670	40	8,346	
Service Fees	168,755	778,125	674,460	608,415	497,585	269,337	187,836	175,703	3,360,216	
Gain (loss) on sale of non admitted asset	-	-	-	-	-	100	623	(203)	520	
Total Income	3,337,633	26,096,422	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	142,070,025	
EXPENSES PAID:										
Losses	6,073	1,517,071	3,259,418	1,326,634	988,594	874,566	512,315	930,913	9,415,584	
Loss Adjustment Expenses	4,306	198,750	395,268	230,109	118,628	22,717	14,945	17,029	1,001,752	
Commissions	408,243	3,650,541	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	20,301,507	
Operating Expenses	476,107	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	15,283,386	
Premium Taxes	243,263	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	8,731,477	
Total Expenses Paid	1,137,992	9,973,191	11,691,537	9,298,212	7,779,537	5,414,261	5,108,367	4,330,609	54,733,706	
Net Cash Change	2,199,641	16,123,231	15,812,280	18,468,839	12,530,791	4,802,544	8,418,382	8,980,611	87,336,319	
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses (include IBNR)	329,250	1,421,478	1,000	-	-	-	-	-	1,751,728	
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	
Unpaid Loss Adjustment Expenses	32,925	142,147	100	-	-	-	-	-	175,172	
Operating Expenses	576,766	-	-	-	-	-	-	-	576,766	
Unearned Premiums	7,305,039	13,940,233	-	-	-	-	-	-	21,245,272	
Premium Taxes	39,853	-	-	-	-	-	-	-	39,853	
Total Reserves	8,283,833	15,503,858	1,100	-	-	-	-	-	23,788,791	
OTHER CHANGES:										
ADD (DEDUCT)										
Minimum Pension Liability	-	115,466	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(49,426)	
Interest Accrued	90,869	-	-	-	-	-	-	-	90,869	
Assets Not Admitted	(355,870)	-	-	-	-	-	-	-	(355,870)	
Retained Surplus	(79,761)	(284,009)	(17,189)	(10,477)	-	-	-	-	(391,436)	
Total Other Changes	(344,762)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(705,863)	
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	
Members' Surplus (Deficit)	\$ (6,428,954)	\$ 450,830	\$ 15,666,712	\$ 18,421,371	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 62,841,665	

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
RETAINED SURPLUS
Quarter Ended January 31, 2014

EXHIBIT 3C - Year-to-Date

Description	Policy Year					Total
	2014	2013	2012	2011	2009	
Retained Surplus Prior Period	\$ -	\$ 284,009	\$ 17,189	\$ 10,477	\$ 4,916,557	\$ 5,228,232
Change Increase (Decrease)	79,761	-	-	-	-	79,761
Retained Surplus Current Period	<u>\$ 79,761</u>	<u>\$ 284,009</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,307,993</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2014

EXHIBIT 4A - Quarterly

Description	Quarterly 11/01/2013 - 01/31/2014								
	2014	2013	2012	Policy Year				Total	
	2011	2010	2008	2007	2006				
PREMIUMS WRITTEN:									
Fire	\$ 355,357	\$ (14,232)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 341,125
E.C. & VMM	8,049,023	(331,440)	-	-	-	-	-	-	7,717,583
Reinsurance Premium Ceded E.C.	(5,231,250)	-	-	-	-	-	-	-	(5,231,250)
Total	3,173,130	(345,672)	-	-	-	-	-	-	2,827,458
UNEARNED PREMIUMS: (PRIOR PERIOD)									
Fire	-	896,514	-	-	-	-	-	-	896,514
E.C. & VMM	-	23,591,544	-	-	-	-	-	-	23,591,544
E.C.	-	-	-	-	-	-	-	-	-
Total	-	24,488,058	-	-	-	-	-	-	24,488,058
UNEARNED PREMIUMS: (CURRENT PERIOD)									
Fire	307,087	516,015	-	-	-	-	-	-	823,102
E.C. & VMM	6,997,952	13,424,218	-	-	-	-	-	-	20,422,170
E.C.	-	-	-	-	-	-	-	-	-
Total	7,305,039	13,940,233	-	-	-	-	-	-	21,245,272
EARNED PREMIUMS:									
Fire	48,270	366,267	-	-	-	-	-	-	414,537
E.C. & VMM	1,051,071	9,835,886	-	-	-	-	-	-	10,886,957
Reinsurance Earned Ceded E.C.	(5,231,250)	-	-	-	-	-	-	-	(5,231,250)
Total	\$ (4,131,909)	\$ 10,202,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,070,244

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2014

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 01/31/2014								
	2014	2013	2012	2011	2010	2008	2007	2006	Total
PREMIUMS WRITTEN:									
Fire	\$ 355,357	\$ (14,232)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 341,125
E.C. & VMM	8,049,023	(331,440)	-	-	-	-	-	-	7,717,583
Reinsurance Premium Ceded E.C.	(5,231,250)	-	-	-	-	-	-	-	(5,231,250)
Total	3,173,130	(345,672)	-	-	-	-	-	-	2,827,458
UNEARNED PREMIUMS: (PRIOR PERIOD)									
Fire	-	896,514	-	-	-	-	-	-	896,514
E.C. & VMM	-	23,591,544	-	-	-	-	-	-	23,591,544
E.C.	-	-	-	-	-	-	-	-	-
Total	-	24,488,058	-	-	-	-	-	-	24,488,058
UNEARNED PREMIUMS: (CURRENT PERIOD)									
Fire	307,087	516,015	-	-	-	-	-	-	823,102
E.C. & VMM	6,997,952	13,424,218	-	-	-	-	-	-	20,422,170
E.C.	-	-	-	-	-	-	-	-	-
Total	7,305,039	13,940,233	-	-	-	-	-	-	21,245,272
EARNED PREMIUMS:									
Fire	48,270	366,267	-	-	-	-	-	-	414,537
E.C. & VMM	1,051,071	9,835,886	-	-	-	-	-	-	10,886,957
Reinsurance Earned Ceded E.C.	(5,231,250)	-	-	-	-	-	-	-	(5,231,250)
Total	\$ (4,131,909)	\$ 10,202,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,070,244

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2014

EXHIBIT 4B - Quarterly

Description	Quarterly 11/01/2013 - 01/31/2014								
	2014	2013	2012	2011	2010	2008	2007	2006	Total
PAID LOSSES:									
Fire	\$ -	\$ 336,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,120
E.C. & VMM	6,073	57,062	4,121	-	-	-	-	-	67,256
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	6,073	393,182	4,121	-	-	-	-	-	403,376
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	75,027	204,473	-	-	-	-	-	-	279,500
E.C. & VMM	254,223	1,217,005	1,000	-	-	-	-	-	1,472,228
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	329,250	1,421,478	1,000	-	-	-	-	-	1,751,728
OUTSTANDING LOSSES (PRIOR PERIOD)*									
Fire	-	186,193	-	-	-	-	-	-	186,193
E.C. & VMM	-	1,348,125	3,000	-	-	-	-	-	1,351,125
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	-	1,534,318	3,000	-	-	-	-	-	1,537,318
INCURRED LOSSES:									
Fire	75,027	354,400	-	-	-	-	-	-	429,427
E.C. & VMM	260,296	(74,058)	2,121	-	-	-	-	-	188,359
Total	335,323	280,342	2,121	-	-	-	-	-	617,786
IBNR (CURRENT PERIOD)									
Fire	10,627	40,393	-	-	-	-	-	-	51,020
E.C. & VMM	242,223	1,083,222	-	-	-	-	-	-	1,325,445
Total	252,850	1,123,615	-	-	-	-	-	-	1,376,465
IBNR (PRIOR PERIOD)									
Fire	-	49,813	-	-	-	-	-	-	49,813
E.C. & VMM	-	1,329,505	-	-	-	-	-	-	1,329,505
Total	\$ -	\$ 1,379,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,379,318

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2014

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2013 - 01/31/2014

Description	Policy Year								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PAID LOSSES:									
Fire	\$ -	\$ 336,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,120
E.C. & VMM	6,073	57,062	4,121	-	-	-	-	-	67,256
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	6,073	393,182	4,121	-	-	-	-	-	403,376
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	75,027	204,473	-	-	-	-	-	-	279,500
E.C. & VMM	254,223	1,217,005	1,000	-	-	-	-	-	1,472,228
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	329,250	1,421,478	1,000	-	-	-	-	-	1,751,728
OUTSTANDING LOSSES (PRIOR PERIOD)*									
Fire	-	186,193	-	-	-	-	-	-	186,193
E.C. & VMM	-	1,348,125	3,000	-	-	-	-	-	1,351,125
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	-	1,534,318	3,000	-	-	-	-	-	1,537,318
INCURRED LOSSES:									
Fire	75,027	354,400	-	-	-	-	-	-	429,427
E.C. & VMM	260,296	(74,058)	2,121	-	-	-	-	-	188,359
Total	335,323	280,342	2,121	-	-	-	-	-	617,786
IBNR (CURRENT PERIOD)									
Fire	10,627	40,393	-	-	-	-	-	-	51,020
E.C. & VMM	242,223	1,083,222	-	-	-	-	-	-	1,325,445
Total	252,850	1,123,615	-	-	-	-	-	-	1,376,465
IBNR (PRIOR PERIOD)									
Fire	-	49,813	-	-	-	-	-	-	49,813
E.C. & VMM	-	1,329,505	-	-	-	-	-	-	1,329,505
Total	\$ -	\$ 1,379,318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,379,318

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2014

EXHIBIT 4C - Quarterly

Description	Quarterly 11/01/2013 - 01/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2007	2006		
					2010	2008				
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 28,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,176
E.C. & VMM	4,306	31,754	2,178	-	-	-	-	-	-	38,238
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	4,306	59,930	2,178	-	-	-	-	-	-	66,414
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	7,503	20,447	-	-	-	-	-	-	-	27,950
E.C. & VMM	25,422	121,700	100	-	-	-	-	-	-	147,222
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	32,925	142,147	100	-	-	-	-	-	-	175,172
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	18,619	-	-	-	-	-	-	-	18,619
E.C. & VMM	-	134,812	300	-	-	-	-	-	-	135,112
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	153,431	300	-	-	-	-	-	-	153,731
INCURRED LOSS EXPENSES:										
Fire	7,503	30,004	-	-	-	-	-	-	-	37,507
E.C. & VMM	29,728	18,642	1,978	-	-	-	-	-	-	50,348
Total	\$ 37,231	\$ 48,646	\$ 1,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,855

*Includes IBNR

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ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2014

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2013 - 01/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2007	2006		
					2010	2008				
LOSS EXPENSES PAID:										
Fire	\$ -	\$ 28,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,176
E.C. & VMM	4,306	31,754	2,178	-	-	-	-	-	-	38,238
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	4,306	59,930	2,178	-	-	-	-	-	-	66,414
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	7,503	20,447	-	-	-	-	-	-	-	27,950
E.C. & VMM	25,422	121,700	100	-	-	-	-	-	-	147,222
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	32,925	142,147	100	-	-	-	-	-	-	175,172
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	18,619	-	-	-	-	-	-	-	18,619
E.C. & VMM	-	134,812	300	-	-	-	-	-	-	135,112
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	153,431	300	-	-	-	-	-	-	153,731
INCURRED LOSS EXPENSES:										
Fire	7,503	30,004	-	-	-	-	-	-	-	37,507
E.C. & VMM	29,728	18,642	1,978	-	-	-	-	-	-	50,348
Total	\$ 37,231	\$ 48,646	\$ 1,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,855

*Includes IBNR

See Accountant's Compilation Report