

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2016

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JANUARY 31, 2016

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Alabama Insurance Underwriting Association

Management is responsible for the accompanying financial statements of Alabama Insurance Underwriting Association, which comprise the statutory statement of admitted assets, liabilities and surplus as of January 31, 2016, and the related statutory statement of operations and changes in surplus for the three months then ended in accordance with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the Insurance Department of the State of Alabama. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The supplementary information referred to in the foregoing contents is presented for purposes of additional analysis. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Other Matters

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 statutory accounting practices. If the omitted disclosures and statements 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 24, 2016

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of January 31, 2016

EXHIBIT 1

	Assets	Assets Not Admitted	Admitted Assets
<u>ASSETS</u>			
Cash and short-term investments	\$ 76,010,936		\$ 76,010,936
Bonds	29,171,291		29,171,291
Accounts receivable	1,237	1,237	-
Interest accrued	75,000		75,000
Furniture and equipment - net of depreciation	83,386	83,386	-
Data processing equipment - net of depreciation	109,940		109,940
Programming - net of amortization	215,603	215,603	-
Leasehold improvements - net of depreciation	520,366	520,366	-
Reinsurance:			
Prepaid reinsurance	1,841,563		1,841,563
Amounts recoverable from reinsurers	25,692		25,692
Section 444 Deposit (I.R.S.)	818,675		818,675
Total Assets	108,873,689	820,592	108,053,097
<u>LIABILITIES AND SURPLUS</u>			
Reserves - net of ceded			
Unpaid losses (include IBNR)			1,438,620
Unpaid loss adjustment expenses			143,862
Unearned premiums			17,685,657
Total Reserves			19,268,139
Payables for:			
Premium taxes			34,491
Operating expenses and other accounts payable			482,611
Ceded reinsurance premiums payable - net of ceding commissions			159,624
Amounts withheld for accounts of others			76,763
Accrued Pension Obligation			397,015
Premiums received in advance			1,403,374
Total Payables			2,553,878
Total Liabilities			21,822,017
Members' Surplus			80,325,908
Retained Surplus			5,905,172
Total Surplus			86,231,080
Total Liabilities and Surplus			\$ 108,053,097

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND CHANGES IN SURPLUS
Quarter Ended January 31, 2016

EXHIBIT 2

	Quarter 11/01/2015 - 01/31/2016	Year-To-Date 11/1/2015 - 01/31/2016
UNDERWRITING INCOME:		
Premiums Earned	\$ 3,929,574	\$ 3,929,574
DEDUCTIONS:		
Losses incurred	970,870	970,870
Loss expenses incurred	155,300	155,300
Operating expenses incurred	1,587,502	1,587,502
Total deductions	<u>2,713,672</u>	<u>2,713,672</u>
Net Underwriting Gain or (Loss)	<u>1,215,902</u>	<u>1,215,902</u>
OTHER INCOME (EXPENSE):		
Net investment income	74,247	74,247
Realized Gains (Losses)	-	-
Other Income	(2)	(2)
Service & Agency Fees	150,835	150,835
Total other income (expense)	<u>225,080</u>	<u>225,080</u>
Net Income or (Loss)	<u>\$ 1,440,982</u>	<u>\$ 1,440,982</u>
SURPLUS:		
Surplus (prior period)	85,040,047	85,040,047
Net income or (loss)	1,440,982	1,440,982
Change in assets not admitted	(249,949)	(249,949)
Minimum pension liability	-	-
Net change in surplus	<u>1,191,033</u>	<u>1,191,033</u>
Surplus (current period)	<u>\$ 86,231,080</u>	<u>\$ 86,231,080</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2016

EXHIBIT 3A - Quarterly

Description	Quarterly 11/01/2015 - 01/31/2016										Total
	Policy Year										
	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:											
Premiums Written	\$ 6,950,916	\$ (531,083)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,419,833
Reinsurance Premium Ceded	(5,872,233)	26,554	-	-	-	-	-	-	-	-	(5,845,679)
Net Premiums Written	1,078,683	(504,529)	-	-	-	-	-	-	-	-	574,154
Interest Received	(753)	172,344	-	-	-	-	-	-	-	-	171,591
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-
Other Income	(2)	-	-	-	-	-	-	-	-	-	(2)
Service & Agency Fees	150,835	-	-	-	-	-	-	-	-	-	150,835
Total Income	1,228,763	(332,185)	-	-	-	-	-	-	-	-	896,578
EXPENSES PAID:											
Losses	21,125	570,343	-	-	-	-	-	-	-	-	591,468
Loss Adjustment Expenses	6,849	99,550	9,739	1,220	-	-	-	-	-	-	117,358
Commissions	409,519	205,008	-	-	-	-	-	-	-	-	614,527
Operating Expenses	436,170	317,474	-	-	-	-	-	-	-	-	753,644
Premium Taxes	190,436	295,916	-	-	-	-	-	-	-	-	486,352
Total Expenses Paid	1,064,099	1,488,291	9,739	1,220	-	-	-	-	-	-	2,563,349
Net Cash Change	164,664	(1,820,476)	(9,739)	(1,220)	-	-	-	-	-	-	(1,666,771)
RESERVES:											
<i>DEDUCT (CURRENT PERIOD)</i>											
Unpaid Losses (include IBNR)	135,513	1,282,107	20,000	1,000	-	-	-	-	-	-	1,438,620
Unpaid Loss Adj. Expenses	13,551	128,211	2,000	100	-	-	-	-	-	-	143,862
Operating Expenses	559,374	-	-	-	-	-	-	-	-	-	559,374
Unearned Premiums	5,869,720	11,815,937	-	-	-	-	-	-	-	-	17,685,657
Premium Taxes	34,491	-	-	-	-	-	-	-	-	-	34,491
<i>ADD (PRIOR PERIOD)</i>											
Unpaid Losses (include IBNR)	-	1,008,086	51,133	-	-	-	-	-	-	-	1,059,219
Unpaid Loss Adj. Expenses	-	100,807	5,113	-	-	-	-	-	-	-	105,920
Operating Expenses	-	564,969	-	-	-	-	-	-	-	-	564,969
Unearned Premiums	-	21,041,077	-	-	-	-	-	-	-	-	21,041,077
Premium Taxes	-	295,916	-	-	-	-	-	-	-	-	295,916
Net Reserve Change	(6,612,649)	9,784,600	34,246	(1,100)	-	-	-	-	-	-	3,205,097
OTHER CHANGES:											
<i>DEDUCT (PRIOR PERIOD)</i>											
Interest Accrued	-	172,344	-	-	-	-	-	-	-	-	172,344
Assets Not Admitted	-	(570,643)	-	-	-	-	-	-	-	-	(570,643)
<i>ADD (CURRENT PERIOD)</i>											
Minimum Pension Liability	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	75,000	-	-	-	-	-	-	-	-	-	75,000
Assets Not Admitted	(820,592)	-	-	-	-	-	-	-	-	-	(820,592)
Net Other Changes	(745,592)	398,299	-	-	-	-	-	-	-	-	(347,293)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	69,076	-	-	-	-	-	-	-	-	-	69,076
Change in Members' Surplus Increase (Decrease)	\$ (7,262,653)	\$ 8,362,423	\$ 24,507	\$ (2,320)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,121,957

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended January 31, 2016

EXHIBIT 3A - Year-to-Date

Year-to-Date 11/01/2015 - 01/31/2016

Description	Policy Year										Total	
	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006		
INCOME RECEIVED:												
Premiums Written	\$ 6,950,916	\$ (531,083)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,419,833
Reinsurance Premium Ceded	(5,872,233)	26,554	-	-	-	-	-	-	-	-	-	(5,845,679)
Net Premiums Written	1,078,683	(504,529)	-	-	-	-	-	-	-	-	-	574,154
Interest Received	(753)	172,344	-	-	-	-	-	-	-	-	-	171,591
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	(2)	-	-	-	-	-	-	-	-	-	-	(2)
Service & Agency Fees	150,835	-	-	-	-	-	-	-	-	-	-	150,835
Total Income	1,228,763	(332,185)	-	-	-	-	-	-	-	-	-	896,578
EXPENSES PAID:												
Losses	21,125	570,343	-	-	-	-	-	-	-	-	-	591,468
Loss Adjustment Expenses	6,849	99,550	9,739	1,220	-	-	-	-	-	-	-	117,358
Commissions	409,519	205,008	-	-	-	-	-	-	-	-	-	614,527
Operating Expenses	436,170	317,474	-	-	-	-	-	-	-	-	-	753,644
Premium Taxes	190,436	295,916	-	-	-	-	-	-	-	-	-	486,352
Total Expenses Paid	1,064,099	1,488,291	9,739	1,220	-	-	-	-	-	-	-	2,563,349
Net Cash Change	164,664	(1,820,476)	(9,739)	(1,220)	-	-	-	-	-	-	-	(1,666,771)
RESERVES:												
<i>DEDUCT (CURRENT PERIOD)</i>												
Unpaid Losses (include IBNR)	135,513	1,282,107	20,000	1,000	-	-	-	-	-	-	-	1,438,620
Unpaid Loss Adj. Expenses	13,551	128,211	2,000	100	-	-	-	-	-	-	-	143,862
Operating Expenses	559,374	-	-	-	-	-	-	-	-	-	-	559,374
Unearned Premiums	5,869,720	11,815,937	-	-	-	-	-	-	-	-	-	17,685,657
Premium Taxes	34,491	-	-	-	-	-	-	-	-	-	-	34,491
<i>ADD (PRIOR PERIOD)</i>												
Unpaid Losses (include IBNR)	-	1,008,086	51,133	-	-	-	-	-	-	-	-	1,059,219
Unpaid Loss Adj. Expenses	-	100,807	5,113	-	-	-	-	-	-	-	-	105,920
Operating Expenses	-	564,969	-	-	-	-	-	-	-	-	-	564,969
Unearned Premiums	-	21,041,077	-	-	-	-	-	-	-	-	-	21,041,077
Premium Taxes	-	295,916	-	-	-	-	-	-	-	-	-	295,916
Net Reserve Change	(6,612,649)	9,784,600	34,246	(1,100)	-	-	-	-	-	-	-	3,205,097
OTHER CHANGES:												
<i>DEDUCT (PRIOR PERIOD)</i>												
Interest Accrued	-	172,344	-	-	-	-	-	-	-	-	-	172,344
Assets Not Admitted	-	(570,643)	-	-	-	-	-	-	-	-	-	(570,643)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-
<i>ADD (CURRENT PERIOD)</i>												
Minimum Pension Liability	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	75,000	-	-	-	-	-	-	-	-	-	-	75,000
Assets Not Admitted	(820,592)	-	-	-	-	-	-	-	-	-	-	(820,592)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-
Net Other Changes	(745,592)	398,299	-	-	-	-	-	-	-	-	-	(347,293)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	69,076	-	-	-	-	-	-	-	-	-	-	69,076
Change in Members' Surplus Increase (Decrease)	\$ (7,262,653)	\$ 8,362,423	\$ 24,507	\$ (2,320)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,121,957

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' SURPLUS FOR UNSETTLED YEARS
Inception to Quarter Ended January 31, 2016

Exhibit 3B

Description	Policy Year										Total
	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:											
Premiums Written	\$ 6,950,916	\$ 41,789,395	\$ 43,985,195	\$ 45,411,235	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 331,948,581
Reinsurance Premiums Ceded	(5,872,233)	(23,810,340)	(21,527,994)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(157,123,338)
Net Premiums Written	1,078,683	17,979,055	22,457,201	24,690,401	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	174,825,243
Interest Received	(753)	322,544	348,507	326,657	95,204	40,332	21,405	486,548	677,305	307,607	2,625,356
Realized Gains (Losses)	-	-	-	-	(34,522)	-	-	-	-	-	(34,522)
Other Income	(2)	12	43	-	8	1,070	153	3,391	3,670	40	8,385
Service & Agency Fees	150,835	899,270	906,565	778,125	674,460	608,415	497,585	269,337	187,836	175,703	5,148,131
Gain (loss) on sale of non admitted asset	-	-	-	-	-	-	-	100	623	(203)	520
Total Income	1,228,763	19,200,881	23,712,316	25,795,183	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	182,573,113
EXPENSES PAID:											
Losses	21,125	2,610,245	3,380,156	3,348,492	3,264,442	1,326,634	988,594	874,566	512,315	930,913	17,257,482
Loss Adjustment Expenses	6,849	280,793	533,653	568,781	400,549	230,657	118,628	22,717	14,945	17,029	2,194,601
Commissions	409,519	3,335,357	3,511,240	3,626,442	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	27,125,281
Operating Expenses	436,170	3,458,761	3,340,955	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	22,043,165
Premium Taxes	190,436	1,461,184	1,556,033	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	11,695,867
Total Expenses Paid	1,064,099	11,146,340	12,322,037	12,150,544	11,701,842	9,298,760	7,779,537	5,414,261	5,108,367	4,330,609	80,316,396
Net Cash Change	164,664	8,054,541	11,390,279	13,644,639	15,801,975	18,468,291	12,530,791	4,802,544	8,418,382	8,980,611	102,256,717
RESERVES:											
DEDUCT (CURRENT PERIOD)											
Unpaid Losses (include IBNR)	135,513	1,282,107	20,000	1,000	-	-	-	-	-	-	1,438,620
Unpaid Loss Adjustment Expenses	13,551	128,211	2,000	100	-	-	-	-	-	-	143,862
Operating Expenses	559,374	-	-	-	-	-	-	-	-	-	559,374
Unearned Premiums	5,869,720	11,815,937	-	-	-	-	-	-	-	-	17,685,657
Premium Taxes	34,491	-	-	-	-	-	-	-	-	-	34,491
Total Reserves	6,612,649	13,226,255	22,000	1,100	-	-	-	-	-	-	19,862,004
OTHER CHANGES:											
ADD (DEDUCT)											
Minimum Pension Liability	-	14,335	(299,507)	115,466	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(334,598)
Interest Accrued	75,000	-	-	-	-	-	-	-	-	-	75,000
Assets Not Admitted	(820,592)	-	-	-	-	-	-	-	-	-	(820,592)
Retained Surplus	(69,076)	(288,215)	(319,649)	(284,009)	(17,189)	(10,477)	-	-	-	-	(988,615)
Total Other Changes	(814,668)	(273,880)	(619,156)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(2,068,805)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (7,262,653)	\$ (5,445,594)	\$ 10,749,123	\$ 13,474,996	\$ 15,657,507	\$ 18,420,823	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 80,325,908

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

RETAINED SURPLUS

Quarter Ended January 31, 2016

EXHIBIT 3C - Year-to-Date

Description	Policy Year							Total
	2016	2015	2014	2013	2012	2011	2009	
Retained Surplus Prior Period	\$ -	\$ 288,215	\$ 319,649	\$ 284,009	\$ 17,189	\$ 10,477	\$ 4,916,557	\$ 5,836,096
Change Increase (Decrease)	69,076	-	-	-	-	-	-	69,076
Retained Surplus Current Period	\$ 69,076	\$ 288,215	\$ 319,649	\$ 284,009	\$ 17,189	\$ 10,477	\$ 4,916,557	\$ 5,905,172

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF PREMIUMS

Quarter Ended January 31, 2016

EXHIBIT 4A - Quarterly

Description	Quarterly 11/01/2015 - 01/31/2016										
	2016	2015	2014	2013	2012	Policy Year 2011	2010	2008	2007	2006	Total
PREMIUMS WRITTEN:											
Fire	\$ 457,260	\$ (29,174)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 428,086
E.C. & VMM	6,493,656	(501,909)	-	-	-	-	-	-	-	-	5,991,747
Reinsurance Premium Ceded	(5,872,233)	26,554	-	-	-	-	-	-	-	-	(5,845,679)
Total	1,078,683	(504,529)	-	-	-	-	-	-	-	-	574,154
UNEARNED PREMIUMS: (PRIOR PERIOD)											
Fire	-	1,314,269	-	-	-	-	-	-	-	-	1,314,269
E.C. & VMM	-	20,834,233	-	-	-	-	-	-	-	-	20,834,233
Reinsurance Unearned Ceded	-	(1,107,425)	-	-	-	-	-	-	-	-	(1,107,425)
Total	-	21,041,077	-	-	-	-	-	-	-	-	21,041,077
UNEARNED PREMIUMS: (CURRENT PERIOD)											
Fire	407,915	738,138	-	-	-	-	-	-	-	-	1,146,053
E.C. & VMM	5,770,738	11,699,690	-	-	-	-	-	-	-	-	17,470,428
Reinsurance Unearned Ceded	(308,933)	(621,891)	-	-	-	-	-	-	-	-	(930,824)
Total	5,869,720	11,815,937	-	-	-	-	-	-	-	-	17,685,657
EARNED PREMIUMS:											
Fire	49,345	546,957	-	-	-	-	-	-	-	-	596,302
E.C. & VMM	722,918	8,632,634	-	-	-	-	-	-	-	-	9,355,552
Reinsurance Earned Ceded	(5,563,300)	(458,980)	-	-	-	-	-	-	-	-	(6,022,280)
Total	\$ (4,791,037)	\$ 8,720,611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,929,574

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended January 31, 2016

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2015 - 01/31/2016										
	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
PREMIUMS WRITTEN:											
Fire	\$ 457,260	\$ (29,174)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 428,086
E.C. & VMM	6,493,656	(501,909)	-	-	-	-	-	-	-	-	5,991,747
Reinsurance Premium Ceded	(5,872,233)	26,554	-	-	-	-	-	-	-	-	(5,845,679)
Total	1,078,683	(504,529)	-	-	-	-	-	-	-	-	574,154
UNEARNED PREMIUMS: (PRIOR PERIOD)											
Fire	-	1,314,269	-	-	-	-	-	-	-	-	1,314,269
E.C. & VMM	-	20,834,233	-	-	-	-	-	-	-	-	20,834,233
Reinsurance Unearned Ceded	-	(1,107,425)	-	-	-	-	-	-	-	-	(1,107,425)
Total	-	21,041,077	-	-	-	-	-	-	-	-	21,041,077
UNEARNED PREMIUMS: (CURRENT PERIOD)											
Fire	407,915	738,138	-	-	-	-	-	-	-	-	1,146,053
E.C. & VMM	5,770,738	11,699,690	-	-	-	-	-	-	-	-	17,470,428
Reinsurance Unearned Ceded	(308,933)	(621,891)	-	-	-	-	-	-	-	-	(930,824)
Total	5,869,720	11,815,937	-	-	-	-	-	-	-	-	17,685,657
EARNED PREMIUMS:											
Fire	49,345	546,957	-	-	-	-	-	-	-	-	596,302
E.C. & VMM	722,918	8,632,634	-	-	-	-	-	-	-	-	9,355,552
Reinsurance Earned Ceded	(5,563,300)	(458,980)	-	-	-	-	-	-	-	-	(6,022,280)
Total	\$ (4,791,037)	\$ 8,720,611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,929,574

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2016

EXHIBIT 4B - Quarterly

Description	Quarterly 11/01/2015 - 01/31/2016										Total
	2016	2015	2014	2013	2012	Policy Year		2008	2007	2006	
						2011	2010				
PAID LOSSES:											
Fire	\$ 2,291	\$ 239,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,025
E.C. & VMM	19,945	358,242	-	-	-	-	-	-	-	-	378,187
Reinsurance Losses Ceded	(1,111)	(27,633)	-	-	-	-	-	-	-	-	(28,744)
Total	21,125	570,343	-	-	-	-	-	-	-	-	591,468
OUTSTANDING LOSSES (CURRENT PERIOD)*											
Fire	9,439	643,962	20,000	1,000	-	-	-	-	-	-	674,401
E.C. & VMM	133,207	690,703	-	-	-	-	-	-	-	-	823,910
Reinsurance Losses Ceded	(7,133)	(52,557)	-	-	-	-	-	-	-	-	(59,690)
Total	135,513	1,282,107	20,000	1,000	-	-	-	-	-	-	1,438,620
OUTSTANDING LOSSES (PRIOR PERIOD)*											
Fire	-	142,926	22,794	-	-	-	-	-	-	-	165,720
E.C. & VMM	-	894,693	29,402	-	-	-	-	-	-	-	924,095
Reinsurance Losses Ceded	-	(29,533)	(1,063)	-	-	-	-	-	-	-	(30,596)
Total	-	1,008,086	51,133	-	-	-	-	-	-	-	1,059,219
INCURRED LOSSES:											
Fire	11,730	740,770	(2,794)	1,000	-	-	-	-	-	-	750,706
E.C. & VMM	153,152	154,252	(29,402)	-	-	-	-	-	-	-	278,002
Reinsurance Losses Ceded	(8,244)	(50,657)	1,063	-	-	-	-	-	-	-	(57,838)
Total	156,638	844,365	(31,133)	1,000	-	-	-	-	-	-	970,870
IBNR (CURRENT PERIOD)											
Fire	9,439	39,502	-	-	-	-	-	-	-	-	48,941
E.C. & VMM	133,207	631,064	-	-	-	-	-	-	-	-	764,271
Reinsurance Losses Ceded	(7,133)	(19,470)	-	-	-	-	-	-	-	-	(26,603)
Total	135,513	651,096	-	-	-	-	-	-	-	-	786,609
IBNR (PRIOR PERIOD)											
Fire	-	50,342	-	-	-	-	-	-	-	-	50,342
E.C. & VMM	-	790,753	-	-	-	-	-	-	-	-	790,753
Reinsurance Losses Ceded	-	(19,790)	-	-	-	-	-	-	-	-	(19,790)
Total	\$ -	\$ 821,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 821,305

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended January 31, 2016

EXHIBIT 4B - Year-to-Date

Description	Year-to-Date 11/01/2015 - 01/31/2016										Total	
	2016	2015	2014	2013	2012	Policy Year		2008	2007	2006		
						2011	2010					
PAID LOSSES:												
Fire	\$ 2,291	\$ 239,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,025
E.C. & VMM	19,945	358,242	-	-	-	-	-	-	-	-	-	378,187
Reinsurance Losses Ceded	(1,111)	(27,633)	-	-	-	-	-	-	-	-	-	(28,744)
Total	21,125	570,343	-	-	-	-	-	-	-	-	-	591,468
OUTSTANDING LOSSES (CURRENT PERIOD)*												
Fire	9,439	643,962	20,000	1,000	-	-	-	-	-	-	-	674,401
E.C. & VMM	133,207	690,703	-	-	-	-	-	-	-	-	-	823,910
Reinsurance Losses Ceded	(7,133)	(52,557)	-	-	-	-	-	-	-	-	-	(59,690)
Total	135,513	1,282,107	20,000	1,000	-	1,438,620						
OUTSTANDING LOSSES (PRIOR PERIOD)*												
Fire	-	142,926	22,794	-	-	-	-	-	-	-	-	165,720
E.C. & VMM	-	894,693	29,402	-	-	-	-	-	-	-	-	924,095
Reinsurance Losses Ceded	-	(29,533)	(1,063)	-	-	-	-	-	-	-	-	(30,596)
Total	-	1,008,086	51,133	-	-	-	-	-	-	-	-	1,059,219
INCURRED LOSSES:												
Fire	11,730	740,770	(2,794)	1,000	-	-	-	-	-	-	-	750,706
E.C. & VMM	153,152	154,252	(29,402)	-	-	-	-	-	-	-	-	278,002
Reinsurance Losses Ceded	(8,244)	(50,657)	1,063	-	-	-	-	-	-	-	-	(57,838)
Total	156,638	844,365	(31,133)	1,000	-	970,870						
IBNR (CURRENT PERIOD)												
Fire	9,439	39,502	-	-	-	-	-	-	-	-	-	48,941
E.C. & VMM	133,207	631,064	-	-	-	-	-	-	-	-	-	764,271
Reinsurance Losses Ceded	(7,133)	(19,470)	-	-	-	-	-	-	-	-	-	(26,603)
Total	135,513	651,096	-	-	-	-	-	-	-	-	-	786,609
IBNR (PRIOR PERIOD)												
Fire	-	50,342	-	-	-	-	-	-	-	-	-	50,342
E.C. & VMM	-	790,753	-	-	-	-	-	-	-	-	-	790,753
Reinsurance Losses Ceded	-	(19,790)	-	-	-	-	-	-	-	-	-	(19,790)
Total	\$ -	\$ 821,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 821,305

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2016

EXHIBIT 4C - Quarterly

Description	Quarterly 11/01/2015 - 01/31/2016										Total	
	2016	2015	2014	2013	2012	Policy Year		2010	2008	2007		2006
						2011	2010					
LOSS EXPENSES PAID:												
Fire	\$ 929	\$ 14,967	\$ 191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,087
E.C. & VMM	6,280	89,702	9,661	1,220	-	-	-	-	-	-	-	106,863
Reinsurance Loss Expenses Ceded	(360)	(5,119)	(113)	-	-	-	-	-	-	-	-	(5,592)
Total	6,849	99,550	9,739	1,220	-	117,358						
UNPAID LOSS EXPENSES (CURRENT PERIOD)*												
Fire	944	64,396	2,000	100	-	-	-	-	-	-	-	67,440
E.C. & VMM	13,320	69,071	-	-	-	-	-	-	-	-	-	82,391
Reinsurance Loss Expenses Ceded	(713)	(5,256)	-	-	-	-	-	-	-	-	-	(5,969)
Total	13,551	128,211	2,000	100	-	143,862						
UNPAID LOSS EXPENSES (PRIOR PERIOD)*												
Fire	-	14,292	2,279	-	-	-	-	-	-	-	-	16,571
E.C. & VMM	-	89,469	2,940	-	-	-	-	-	-	-	-	92,409
Reinsurance Loss Expenses Ceded	-	(2,954)	(106)	-	-	-	-	-	-	-	-	(3,060)
Total	-	100,807	5,113	-	-	-	-	-	-	-	-	105,920
INCURRED LOSS EXPENSES:												
Fire	1,873	65,071	(88)	100	-	-	-	-	-	-	-	66,956
E.C. & VMM	19,600	69,304	6,721	1,220	-	-	-	-	-	-	-	96,845
Reinsurance Loss Expenses Ceded	(1,073)	(7,421)	(7)	-	-	-	-	-	-	-	-	(8,501)
Total	\$ 20,400	\$ 126,954	\$ 6,626	\$ 1,320	\$ -	\$ 155,300						

*Includes IBNR

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended January 31, 2016

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2015 - 01/31/2016										Total	
	2016	2015	2014	2013	2012	Policy Year		2010	2008	2007		2006
						2011						
LOSS EXPENSES PAID:												
Fire	\$ 929	\$ 14,967	\$ 191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,087
E.C. & VMM	6,280	89,702	9,661	1,220	-	-	-	-	-	-	-	106,863
Reinsurance Loss Expenses Ceded	(360)	(5,119)	(113)	-	-	-	-	-	-	-	-	(5,592)
Total	6,849	99,550	9,739	1,220	-	117,358						
UNPAID LOSS EXPENSES (CURRENT PERIOD)*												
Fire	944	64,396	2,000	100	-	-	-	-	-	-	-	67,440
E.C. & VMM	13,320	69,071	-	-	-	-	-	-	-	-	-	82,391
Reinsurance Loss Expenses Ceded	(713)	(5,256)	-	-	-	-	-	-	-	-	-	(5,969)
Total	13,551	128,211	2,000	100	-	143,862						
UNPAID LOSS EXPENSES (PRIOR PERIOD)*												
Fire	-	14,292	2,279	-	-	-	-	-	-	-	-	16,571
E.C. & VMM	-	89,469	2,940	-	-	-	-	-	-	-	-	92,409
Reinsurance Loss Expenses Ceded	-	(2,954)	(106)	-	-	-	-	-	-	-	-	(3,060)
Total	-	100,807	5,113	-	-	-	-	-	-	-	-	105,920
INCURRED LOSS EXPENSES:												
Fire	1,873	65,071	(88)	100	-	-	-	-	-	-	-	66,956
E.C. & VMM	19,600	69,304	6,721	1,220	-	-	-	-	-	-	-	96,845
Reinsurance Loss Expenses Ceded	(1,073)	(7,421)	(7)	-	-	-	-	-	-	-	-	(8,501)
Total	\$ 20,400	\$ 126,954	\$ 6,626	\$ 1,320	\$ -	\$ 155,300						

*Includes IBNR