

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JULY 31, 2013

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY FINANCIAL STATEMENTS

JULY 31, 2013

CONTENTS

Exhibit

Accountants' compilation report on statutory financial statements	
Statutory statement of admitted assets, liabilities and surplus	1
Statutory statement of operations and changes in surplus	2
Supplementary information:	
Surplus – quarter and year to date	3A
Members' Surplus for unsettled years – inception to date	3B
Retained Surplus	3C
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 July 31, 2013, and the related accompanying statutory statement of operations and changes in surplus for the nine 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
September 24, 2013

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

EXHIBIT 1

	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Admitted Assets</u>
<u>ASSETS</u>			
Short-term investments	\$ 51,317,172		\$ 51,317,172
Cash and cash equivalents	35,832,931		35,832,931
Accounts receivable	1,050	1,050	-
Interest accrued	90,823		90,823
Furniture and equipment - net of depreciation	100,642	100,642	-
Data processing equipment - net of depreciation	50,456		50,456
Programming - net of amortization	232,140	232,140	-
Prepaid reinsurance	1,743,750		1,743,750
Section 444 Deposit (I.R.S.)	982,774		982,774
Intangible Pension Asset	922		922
Total Assets	<u>90,352,660</u>	<u>333,832</u>	<u>90,018,828</u>
<u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			1,691,694
Unpaid loss adjustment expenses			169,170
Unearned premiums			24,170,489
Total Reserves			<u>26,031,353</u>
Payables for:			
Premium taxes			649,130
Operating expenses and other accounts payable			516,220
Amounts withheld for accounts of others			44,570
Accrued Pension Obligation			164,270
Premiums received in advance			2,497,500
Total Payables			<u>3,871,690</u>
Total Liabilities			<u>29,903,043</u>
Members' Surplus			54,963,774
Retained Surplus			5,152,011
Total Surplus			<u>60,115,785</u>
Total Liabilities and Surplus			<u>\$ 90,018,828</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND SURPLUS

Quarter Ended July 31, 2013

EXHIBIT 2

	Quarter 05/01/2013 - 07/31/2013	Year-To-Date 11/1/2012 - 07/31/2013
	<u> </u>	<u> </u>
UNDERWRITING INCOME:		
Premiums Earned	\$ 6,255,073	\$ 18,872,621
	<u> </u>	<u> </u>
DEDUCTIONS:		
Losses incurred	494,936	2,440,325
Loss expenses incurred	84,324	276,057
Operating expenses incurred	2,408,151	6,089,237
Total deductions	<u>2,987,411</u>	<u>8,805,619</u>
Net Underwriting Gain or (Loss)	<u>3,267,662</u>	<u>10,067,002</u>
OTHER INCOME (EXPENSE):		
Net investment income	84,794	240,783
Realized Gains (Losses)	-	-
Other Income	22	2
Service fees	243,295	539,530
Total other income (expense)	<u>328,111</u>	<u>780,315</u>
Net Income or (Loss)	<u>\$ 3,595,773</u>	<u>\$ 10,847,317</u>
SURPLUS:		
Surplus (prior period)	56,536,676	49,402,514
Net income or (loss)	3,595,773	10,847,317
Change in assets not admitted	(16,664)	(134,046)
Net change in surplus	<u>3,579,109</u>	<u>10,713,271</u>
Surplus (current period)	<u>\$ 60,115,785</u>	<u>\$ 60,115,785</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2013

EXHIBIT 3A - Quarterly

Description	Quarterly 05/01/2013 - 07/31/2013								
	2013	2012	2011	2010	Policy Year		2007	2006	Total
INCOME RECEIVED:									
Premiums Written	\$ 14,008,135	\$ (100,931)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,907,204
Reinsurance Premium Ceded	(5,202,084)	-	-	-	-	-	-	-	(5,202,084)
Net Premiums Written	8,806,051	(100,931)	-	-	-	-	-	-	8,705,120
Interest Received	177,606	-	-	-	-	-	-	-	177,606
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	22	-	-	-	-	-	-	-	22
Service Fees	243,295	-	-	-	-	-	-	-	243,295
Total Income	9,226,974	(100,931)	-	-	-	-	-	-	9,126,043
EXPENSES PAID:									
Losses	190,534	192,148	31	-	-	-	-	-	382,713
Loss Adjustment Expenses	27,413	45,689	-	-	-	-	-	-	73,102
Commissions	1,063,768	(8,074)	-	-	-	-	-	-	1,055,694
Operating Expenses	824,895	-	-	-	-	-	-	-	824,895
Premium Taxes	243,965	-	-	-	-	-	-	-	243,965
Total Expenses Paid	2,350,575	229,763	31	-	-	-	-	-	2,580,369
Net Cash Change	6,876,399	(330,694)	(31)	-	-	-	-	-	6,545,674
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	1,177,269	514,425	-	-	-	-	-	-	1,691,694
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	117,727	51,443	-	-	-	-	-	-	169,170
Operating Expenses	560,790	-	-	-	-	-	-	-	560,790
Unearned Premiums	22,769,356	1,401,133	-	-	-	-	-	-	24,170,489
Premium Taxes	649,130	-	-	-	-	-	-	-	649,130
<i>ADD (PRIOR PERIOD)</i>									
Unpaid Losses (include IBNR)	675,099	904,372	-	-	-	-	-	-	1,579,471
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	67,510	90,438	-	-	-	-	-	-	157,948
Operating Expenses	523,130	-	-	-	-	-	-	-	523,130
Unearned Premiums	15,412,956	6,307,486	-	-	-	-	-	-	21,720,442
Premium Taxes	403,193	-	-	-	-	-	-	-	403,193
Net Reserve Change	(8,192,384)	5,335,295	-	-	-	-	-	-	(2,857,089)
OTHER CHANGES:									
<i>DEDUCT (PRIOR PERIOD)</i>									
Interest Accrued	183,635	-	-	-	-	-	-	-	183,635
Assets Not Admitted	(317,168)	-	-	-	-	-	-	-	(317,168)
<i>ADD (CURRENT PERIOD)</i>									
Minimum Pension Liability	-	-	-	-	-	-	-	-	-
Interest Accrued	90,823	-	-	-	-	-	-	-	90,823
Assets Not Admitted	(333,832)	-	-	-	-	-	-	-	(333,832)
Net Other Changes	(109,476)	-	-	-	-	-	-	-	(109,476)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	70,459	-	-	-	-	-	-	-	70,459
Change in Members' Surplus Increase (Decrease)	\$ (1,495,920)	\$ 5,004,601	\$ (31)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,508,650

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2013

EXHIBIT 3A - Year-to-Date

Year-to-Date 11/01/2012 - 07/31/2013

Description	Policy Year								Total
	2013	2012	2011	2010	2009	2008	2007	2006	
INCOME RECEIVED:									
Premiums Written	\$ 33,941,176	\$ (635,977)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,305,199
Reinsurance Premium Ceded	(15,489,584)	-	-	-	-	-	-	-	(15,489,584)
Net Premiums Written	18,451,592	(635,977)	-	-	-	-	-	-	17,815,615
Interest Received	149,960	449	-	-	-	-	-	-	150,409
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	2	-	-	-	-	-	-	-	2
Service Fees	539,530	-	-	-	-	-	-	-	539,530
Total Income	19,141,084	(635,528)	-	-	-	-	-	-	18,505,556
EXPENSES PAID:									
Losses	450,689	1,970,222	21,567	-	-	-	-	-	2,442,478
Loss Adjustment Expenses	63,144	211,813	1,315	-	-	-	-	-	276,272
Commissions	2,313,852	201,732	-	-	-	-	-	-	2,515,584
Operating Expenses	2,093,200	302,867	-	-	-	-	-	-	2,396,067
Premium Taxes	523,141	198,790	-	-	-	-	-	-	721,931
Total Expenses Paid	5,444,026	2,885,424	22,882	-	-	-	-	-	8,352,332
Net Cash Change	13,697,058	(3,520,952)	(22,882)	-	-	-	-	-	10,153,224
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	1,177,269	514,425	-	-	-	-	-	-	1,691,694
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	117,727	51,443	-	-	-	-	-	-	169,170
Operating Expenses	560,790	-	-	-	-	-	-	-	560,790
Unearned Premiums	22,769,356	1,401,133	-	-	-	-	-	-	24,170,489
Premium Taxes	649,130	-	-	-	-	-	-	-	649,130
<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	(25,274,272)	25,770,323	107,668	-	-	-	-	-	603,719
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	90,823	-	-	-	-	-	-	-	90,823
Assets Not Admitted	(333,832)	-	-	-	-	-	-	-	(333,832)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-
Net Other Changes	(243,009)	199,337	-	-	-	-	-	-	(43,672)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	207,788	-	-	-	-	-	-	-	207,788
Change in Members' Surplus Increase (Decrease)	\$ (12,028,011)	\$ 22,448,708	\$ 84,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,505,483

See Accountant's Compilation Report

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

Exhibit 3B

Description	Policy Year							Total
	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:								
Premiums Written	\$ 33,941,176	\$ 46,000,092	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 227,782,445
Reinsurance Premiums Ceded	(15,489,584)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(100,681,521)
Net Premiums Written	18,451,592	26,798,096	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	127,100,924
Interest Received	149,960	95,204	40,332	21,405	486,548	677,305	307,607	1,778,361
Realized Gains (Losses)	-	(34,522)	-	-	-	-	-	(34,522)
Other Income	2	8	1,070	153	3,391	3,670	40	8,334
Service Fees	539,530	674,460	608,415	497,585	269,337	187,836	175,703	2,952,866
Gain (loss) on sale of non admitted asset	-	-	-	-	100	623	(203)	520
Total Income	19,141,084	27,533,246	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	131,806,483
EXPENSES PAID:								
Losses	450,689	3,185,431	1,321,037	983,667	874,566	512,315	930,913	8,258,618
Loss Adjustment Expenses	63,144	371,848	228,245	117,601	22,717	14,945	17,029	835,529
Commissions	2,313,852	3,680,103	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	18,558,929
Operating Expenses	2,093,200	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	13,891,416
Premium Taxes	523,141	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	7,413,589
Total Expenses Paid	5,444,026	11,596,484	9,290,751	7,773,583	5,414,261	5,108,367	4,330,609	48,958,081
Net Cash Change	13,697,058	15,936,762	18,476,300	12,536,745	4,802,544	8,418,382	8,980,611	82,848,402
RESERVES:								
DEDUCT (CURRENT PERIOD)								
Unpaid Losses (include IBNR)	1,177,269	514,425	-	-	-	-	-	1,691,694
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-
Unpaid Loss Adjustment Expenses	117,727	51,443	-	-	-	-	-	169,170
Operating Expenses	560,790	-	-	-	-	-	-	560,790
Unearned Premiums	22,769,356	1,401,133	-	-	-	-	-	24,170,489
Premium Taxes	649,130	-	-	-	-	-	-	649,130
Total Reserves	25,274,272	1,967,001	-	-	-	-	-	27,241,273
OTHER CHANGES:								
ADD (DEDUCT)								
Minimum Pension Liability	-	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(164,892)
Interest Accrued	90,823	-	-	-	-	-	-	90,823
Assets Not Admitted	(333,832)	-	-	-	-	-	-	(333,832)
Retained Surplus	(207,788)	(17,189)	(10,477)	-	-	-	-	(235,454)
Total Other Changes	(450,797)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(643,355)
Assessments or (Distributions)	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (12,028,011)	\$ 13,825,293	\$ 18,428,832	\$ 12,564,493	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 54,963,774

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

RETAINED SURPLUS

Quarter Ended July 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)	207,788	-	-	-	207,788	
Retained Suplus Current Period	<u>\$ 207,788</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,152,011</u>	

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

EXHIBIT 4A - Quarterly

Description	Quarterly 05/01/2013 - 07/31/2013									
	2013	2012	2011	2010	Policy Year		2008	2007	2006	Total
PREMIUMS WRITTEN:										
Fire	\$ 485,129	\$ (3,390)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481,739
E.C. & VMM	13,523,006	(97,541)	-	-	-	-	-	-	-	13,425,465
Reinsurance Premium Ceded E.C.	(5,202,084)	-	-	-	-	-	-	-	-	(5,202,084)
Total	8,806,051	(100,931)	-	-	-	-	-	-	-	8,705,120
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	615,234	206,590	-	-	-	-	-	-	-	821,824
E.C. & VMM	14,797,722	6,100,896	-	-	-	-	-	-	-	20,898,618
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	15,412,956	6,307,486	-	-	-	-	-	-	-	21,720,442
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	792,267	48,125	-	-	-	-	-	-	-	840,392
E.C. & VMM	21,977,089	1,353,008	-	-	-	-	-	-	-	23,330,097
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	22,769,356	1,401,133	-	-	-	-	-	-	-	24,170,489
EARNED PREMIUMS:										
Fire	308,096	155,075	-	-	-	-	-	-	-	463,171
E.C. & VMM	6,343,639	4,650,347	-	-	-	-	-	-	-	10,993,986
Reinsurance Earned Ceded E.C.	(5,202,084)	-	-	-	-	-	-	-	-	(5,202,084)
Total	\$ 1,449,651	\$ 4,805,422	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,255,073

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

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2012 - 07/31/2013								
	2013	2012	2011	2010	2009	2008	2007	2006	Total
PREMIUMS WRITTEN:									
Fire	\$ 1,188,434	\$ (18,978)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,169,456
E.C. & VMM	32,752,742	(616,999)	-	-	-	-	-	-	32,135,743
Reinsurance Premium Ceded E.C.	(15,489,584)	-	-	-	-	-	-	-	(15,489,584)
Total	18,451,592	(635,977)	-	-	-	-	-	-	17,815,615
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	792,267	48,125	-	-	-	-	-	-	840,392
E.C. & VMM	21,977,089	1,353,008	-	-	-	-	-	-	23,330,097
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-
Total	22,769,356	1,401,133	-	-	-	-	-	-	24,170,489
EARNED PREMIUMS:									
Fire	396,167	727,964	-	-	-	-	-	-	1,124,131
E.C. & VMM	10,775,653	22,462,421	-	-	-	-	-	-	33,238,074
Reinsurance Earned Ceded E.C.	(15,489,584)	-	-	-	-	-	-	-	(15,489,584)
Total	\$ (4,317,764)	\$ 23,190,385	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,872,621

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION**STATISTICAL REPORT OF LOSSES**

Quarter Ended July 31, 2013

EXHIBIT 4B - Quarterly

Quarterly 05/01/2013 - 07/31/2013

Description	Policy Year								Total	
	2013	2012	2011	2010	2009	2008	2007	2006		
PAID LOSSES:										
Fire	\$ 121,333	\$ 121,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,488
E.C. & VMM	69,201	70,993	31	-	-	-	-	-	-	140,225
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	190,534	192,148	31	-	-	-	-	-	-	382,713
OUTSTANDING LOSSES (CURRENT PERIOD)*										
Fire	167,155	127,861	-	-	-	-	-	-	-	295,016
E.C. & VMM	1,010,114	386,564	-	-	-	-	-	-	-	1,396,678
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	1,177,269	514,425	-	-	-	-	-	-	-	1,691,694
OUTSTANDING LOSSES (PRIOR PERIOD)*										
Fire	27,257	25,637	-	-	-	-	-	-	-	52,894
E.C. & VMM	647,842	878,735	-	-	-	-	-	-	-	1,526,577
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	675,099	904,372	-	-	-	-	-	-	-	1,579,471
INCURRED LOSSES:										
Fire	261,231	223,379	-	-	-	-	-	-	-	484,610
E.C. & VMM	431,473	(421,178)	31	-	-	-	-	-	-	10,326
Total	692,704	(197,799)	31	-	-	-	-	-	-	494,936
IBNR (CURRENT PERIOD)										
Fire	35,855	12,621	-	-	-	-	-	-	-	48,476
E.C. & VMM	987,354	360,544	-	-	-	-	-	-	-	1,347,898
Total	1,023,209	373,165	-	-	-	-	-	-	-	1,396,374
IBNR (PRIOR PERIOD)										
Fire	24,957	25,637	-	-	-	-	-	-	-	50,594
E.C. & VMM	574,482	787,688	-	-	-	-	-	-	-	1,362,170
Total	\$ 599,439	\$ 813,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,412,764

*Includes IBNR

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ALABAMA INSURANCE UNDERWRITING ASSOCIATION**STATISTICAL REPORT OF LOSSES**

Quarter Ended July 31, 2013

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2012 - 07/31/2013

Description	Policy Year								Total	
	2013	2012	2011	2010	2009	2008	2007	2006		
PAID LOSSES:										
Fire	\$ 213,195	\$ 225,710	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438,905
E.C. & VMM	237,494	1,744,512	21,567	-	-	-	-	-	-	2,003,573
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	450,689	1,970,222	21,567	-	-	-	-	-	-	2,442,478
OUTSTANDING LOSSES (CURRENT PERIOD)*										
Fire	167,155	127,861	-	-	-	-	-	-	-	295,016
E.C. & VMM	1,010,114	386,564	-	-	-	-	-	-	-	1,396,678
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	1,177,269	514,425	-	-	-	-	-	-	-	1,691,694
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	380,350	265,139	-	-	-	-	-	-	-	645,489
E.C. & VMM	1,247,608	623,541	(76,313)	-	-	-	-	-	-	1,794,836
Total	1,627,958	888,680	(76,313)	-	-	-	-	-	-	2,440,325
IBNR (CURRENT PERIOD)										
Fire	35,855	12,621	-	-	-	-	-	-	-	48,476
E.C. & VMM	987,354	360,544	-	-	-	-	-	-	-	1,347,898
Total	1,023,209	373,165	-	-	-	-	-	-	-	1,396,374
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

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

EXHIBIT 4C - Quarterly

Description	Quarterly 05/01/2013 - 07/31/2013								
	2013	2012	2011	2010	Policy Year		2007	2006	Total
LOSS EXPENSES PAID:									
Fire	\$ 8,045	\$ 6,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,490
E.C. & VMM	19,368	39,244	-	-	-	-	-	-	58,612
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	27,413	45,689	-	-	-	-	-	-	73,102
UNPAID LOSS EXPENSES (CURRENT PERIOD)*									
Fire	16,716	12,786	-	-	-	-	-	-	29,502
E.C. & VMM	101,011	38,657	-	-	-	-	-	-	139,668
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	117,727	51,443	-	-	-	-	-	-	169,170
UNPAID LOSS EXPENSES (PRIOR PERIOD)*									
Fire	2,726	2,564	-	-	-	-	-	-	5,290
E.C. & VMM	64,784	87,874	-	-	-	-	-	-	152,658
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	67,510	90,438	-	-	-	-	-	-	157,948
INCURRED LOSS EXPENSES:									
Fire	22,035	16,667	-	-	-	-	-	-	38,702
E.C. & VMM	55,595	(9,973)	-	-	-	-	-	-	45,622
Total	\$ 77,630	\$ 6,694	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,324

*Includes IBNR

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

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2012 - 07/31/2013								Total	
	2013	2012	2011	2010	Policy Year		2007	2006		
					2009	2008				
LOSS EXPENSES PAID:										
Fire	\$ 13,757	\$ 15,691	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,448
E.C. & VMM	49,387	196,122	1,315	-	-	-	-	-	-	246,824
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	63,144	211,813	1,315	-	-	-	-	-	-	276,272
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	16,716	12,786	-	-	-	-	-	-	-	29,502
E.C. & VMM	101,011	38,657	-	-	-	-	-	-	-	139,668
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	117,727	51,443	-	-	-	-	-	-	-	169,170
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	30,473	19,634	-	-	-	-	-	-	-	50,107
E.C. & VMM	150,398	84,025	(8,473)	-	-	-	-	-	-	225,950
Total	\$ 180,871	\$ 103,659	\$ (8,473)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276,057

*Includes IBNR

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