

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JULY 31, 2014

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY FINANCIAL STATEMENTS

JULY 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 July 31, 2014, 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 17, 2014

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

EXHIBIT 1

	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Admitted Assets</u>
<u>ASSETS</u>			
Cash and short-term investments	\$ 47,946,881		\$ 47,946,881
Bonds	51,259,039		51,259,039
Accounts receivable	310	310	-
Interest accrued	92,929		92,929
Furniture and equipment - net of depreciation	81,402	81,402	-
Data processing equipment - net of depreciation	87,509		87,509
Programming - net of amortization	300,570	300,570	-
Prepaid reinsurance	1,825,000		1,825,000
Section 444 Deposit (I.R.S.)	1,015,686		1,015,686
Total Assets	<u>102,609,326</u>	<u>382,282</u>	<u>102,227,044</u>
<u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			2,265,482
Unpaid loss adjustment expenses			226,548
Unearned premiums			23,353,804
Total Reserves			<u>25,845,834</u>
Payables for:			
Premium taxes			610,633
Operating expenses and other accounts payable			517,963
Amounts withheld for accounts of others			91,886
Accrued Pension Obligation			48,804
Premiums received in advance			2,835,694
Total Payables			<u>4,104,980</u>
Total Liabilities			<u>29,950,814</u>
Members' Surplus			66,805,824
Retained Surplus			5,470,406
Total Surplus			<u>72,276,230</u>
Total Liabilities and Surplus			<u>\$ 102,227,044</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND SURPLUS

Quarter Ended July 31, 2014

EXHIBIT 2

	Quarter 05/1/2014 - 07/31/2014	Year-To-Date 11/1/2013 - 07/31/2014
	<u> </u>	<u> </u>
UNDERWRITING INCOME:		
Premiums Earned	\$ 5,485,938	\$ 16,831,324
	<u> </u>	<u> </u>
DEDUCTIONS:		
Losses incurred	196,185	2,969,508
Loss expenses incurred	232,281	545,755
Operating expenses incurred	2,559,435	6,169,517
Total deductions	<u>2,987,901</u>	<u>9,684,780</u>
Net Underwriting Gain or (Loss)	<u>2,498,037</u>	<u>7,146,544</u>
OTHER INCOME (EXPENSE):		
Net investment income	90,818	263,419
Realized Gains (Losses)	-	-
Other Income	25	43
Service & Agency Fees	268,460	646,375
Total other income (expense)	<u>359,303</u>	<u>909,837</u>
Net Income or (Loss)	<u>\$ 2,857,340</u>	<u>\$ 8,056,381</u>
SURPLUS:		
Surplus (prior period)	69,451,659	64,289,910
Net income or (loss)	2,857,340	8,056,381
Change in assets not admitted	(32,769)	(70,061)
Net change in surplus	<u>2,824,571</u>	<u>7,986,320</u>
Surplus (current period)	<u>\$ 72,276,230</u>	<u>\$ 72,276,230</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2014

EXHIBIT 3A - Quarterly

Description	Quarterly 05/01/2014 - 07/31/2014								Total
	2014	2013	2012	2011	Policy Year		2007	2006	
INCOME RECEIVED:									
Premiums Written	\$ 13,629,015	\$ (89,740)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,539,275
Reinsurance Premium Ceded	(5,393,750)	-	-	-	-	-	-	-	(5,393,750)
Net Premiums Written	8,235,265	(89,740)	-	-	-	-	-	-	8,145,525
Interest Received	181,571	-	-	-	-	-	-	-	181,571
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	25	-	-	-	-	-	-	-	25
Service & Agency Fees	268,460	-	-	-	-	-	-	-	268,460
Total Income	8,685,321	(89,740)	-	-	-	-	-	-	8,595,581
EXPENSES PAID:									
Losses	613,774	463,646	7,532	-	-	-	-	-	1,084,952
Loss Adjustment Expenses	148,262	169,066	3,830	-	-	-	-	-	321,158
Commissions	1,031,777	(7,179)	-	-	-	-	-	-	1,024,598
Operating Expenses	940,041	-	-	-	-	-	-	-	940,041
Premium Taxes	264,157	-	-	-	-	-	-	-	264,157
Total Expenses Paid	2,998,011	625,533	11,362	-	-	-	-	-	3,634,906
Net Cash Change	5,687,310	(715,273)	(11,362)	-	-	-	-	-	4,960,675
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	1,400,248	865,234	-	-	-	-	-	-	2,265,482
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	140,025	86,523	-	-	-	-	-	-	226,548
Operating Expenses	609,849	-	-	-	-	-	-	-	609,849
Unearned Premiums	21,993,788	1,360,016	-	-	-	-	-	-	23,353,804
Premium Taxes	610,633	-	-	-	-	-	-	-	610,633
<i>ADD (PRIOR PERIOD)</i>									
Unpaid Losses (include IBNR)	1,150,085	2,004,164	-	-	-	-	-	-	3,154,249
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	115,009	200,416	-	-	-	-	-	-	315,425
Operating Expenses	492,267	-	-	-	-	-	-	-	492,267
Unearned Premiums	14,602,198	6,092,019	-	-	-	-	-	-	20,694,217
Premium Taxes	397,575	-	-	-	-	-	-	-	397,575
Net Reserve Change	(7,997,409)	5,984,826	-	-	-	-	-	-	(2,012,583)
OTHER CHANGES:									
<i>DEDUCT (PRIOR PERIOD)</i>									
Interest Accrued	183,681	-	-	-	-	-	-	-	183,681
Assets Not Admitted	(349,513)	-	-	-	-	-	-	-	(349,513)
<i>ADD (CURRENT PERIOD)</i>									
Minimum Pension Liability	-	-	-	-	-	-	-	-	-
Interest Accrued	92,929	-	-	-	-	-	-	-	92,929
Assets Not Admitted	(382,282)	-	-	-	-	-	-	-	(382,282)
Net Other Changes	(123,521)	-	-	-	-	-	-	-	(123,521)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	83,272	-	-	-	-	-	-	-	83,272
Change in Members' Surplus Increase (Decrease)	\$ (2,516,892)	\$ 5,269,553	\$ (11,362)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,741,299

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2014

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 07/31/2014									
	2014	2013	2012	2011	Policy Year		2008	2007	2006	Total
INCOME RECEIVED:										
Premiums Written	\$ 32,161,317	\$ (607,997)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,553,320
Reinsurance Premium Ceded	(15,856,250)	-	-	-	-	-	-	-	-	(15,856,250)
Net Premiums Written	16,305,067	(607,997)	-	-	-	-	-	-	-	15,697,070
Interest Received	170,490	183,636	-	-	-	-	-	-	-	354,126
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	43	-	-	-	-	-	-	-	-	43
Service & Agency Fees	646,375	-	-	-	-	-	-	-	-	646,375
Total Income	17,121,975	(424,361)	-	-	-	-	-	-	-	16,697,614
EXPENSES PAID:										
Losses	846,242	1,378,793	16,309	-	-	-	-	-	-	2,241,344
Loss Adjustment Expenses	171,417	294,747	6,774	-	-	-	-	-	-	472,938
Commissions	2,217,393	256,382	-	-	-	-	-	-	-	2,473,775
Operating Expenses	2,272,862	211,629	-	-	-	-	-	-	-	2,484,491
Premium Taxes	507,420	221,173	-	-	-	-	-	-	-	728,593
Total Expenses Paid	6,015,334	2,362,724	23,083	-	-	-	-	-	-	8,401,141
Net Cash Change	11,106,641	(2,787,085)	(23,083)	-	-	-	-	-	-	8,296,473
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	1,400,248	865,234	-	-	-	-	-	-	-	2,265,482
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	140,025	86,523	-	-	-	-	-	-	-	226,548
Operating Expenses	609,849	-	-	-	-	-	-	-	-	609,849
Unearned Premiums	21,993,788	1,360,016	-	-	-	-	-	-	-	23,353,804
Premium Taxes	610,633	-	-	-	-	-	-	-	-	610,633
<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	(24,754,543)	24,601,858	3,300	-	-	-	-	-	-	(149,385)
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	92,929	-	-	-	-	-	-	-	-	92,929
Assets Not Admitted	(382,282)	-	-	-	-	-	-	-	-	(382,282)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Net Other Changes	(289,353)	128,585	-	-	-	-	-	-	-	(160,768)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	242,174	-	-	-	-	-	-	-	-	242,174
Change in Members' Surplus Increase (Decrease)	\$ (14,179,429)	\$ 21,943,358	\$ (19,783)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,744,146

See Accountant's Compilation Report

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

Exhibit 3B

Description	Policy Year									Total
	2014	2013	2012	2011	2010	2008	2007	2006		
INCOME RECEIVED:										
Premiums Written	\$ 32,161,317	\$ 45,450,149	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 271,423,306	
Reinsurance Premiums Ceded	(15,856,250)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(121,769,021)	
Net Premiums Written	16,305,067	24,729,315	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	149,654,285	
Interest Received	170,490	326,657	95,204	40,332	21,405	486,548	677,305	307,607	2,125,548	
Realized Gains (Losses)	-	-	(34,522)	-	-	-	-	-	(34,522)	
Other Income	43	-	8	1,070	153	3,391	3,670	40	8,375	
Service & Agency Fees	646,375	778,125	674,460	608,415	497,585	269,337	187,836	175,703	3,837,836	
Gain (loss) on sale of non admitted asset	-	-	-	-	-	100	623	(203)	520	
Total Income	17,121,975	25,834,097	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	155,592,042	
EXPENSES PAID:										
Losses	846,242	2,502,682	3,271,606	1,326,634	988,594	874,566	512,315	930,913	11,253,552	
Loss Adjustment Expenses	171,417	433,567	399,864	230,109	118,628	22,717	14,945	17,029	1,408,276	
Commissions	2,217,393	3,629,555	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	22,089,671	
Operating Expenses	2,272,862	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	17,080,141	
Premium Taxes	507,420	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	8,995,634	
Total Expenses Paid	6,015,334	11,172,633	11,708,321	9,298,212	7,779,537	5,414,261	5,108,367	4,330,609	60,827,274	
Net Cash Change	11,106,641	14,661,464	15,795,496	18,468,839	12,530,791	4,802,544	8,418,382	8,980,611	94,764,768	
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses (include IBNR)	1,400,248	865,234	-	-	-	-	-	-	2,265,482	
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	
Unpaid Loss Adjustment Expenses	140,025	86,523	-	-	-	-	-	-	226,548	
Operating Expenses	609,849	-	-	-	-	-	-	-	609,849	
Unearned Premiums	21,993,788	1,360,016	-	-	-	-	-	-	23,353,804	
Premium Taxes	610,633	-	-	-	-	-	-	-	610,633	
Total Reserves	24,754,543	2,311,773	-	-	-	-	-	-	27,066,316	
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	92,929	-	-	-	-	-	-	-	92,929	
Assets Not Admitted	(382,282)	-	-	-	-	-	-	-	(382,282)	
Retained Surplus	(242,174)	(284,009)	(17,189)	(10,477)	-	-	-	-	(553,849)	
Total Other Changes	(531,527)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(892,628)	
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	
Members' Surplus (Deficit)	\$ (14,179,429)	\$ 12,181,148	\$ 15,651,028	\$ 18,421,371	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 66,805,824	

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
RETAINED SURPLUS
Quarter Ended July 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)	242,174	-	-	-	-	242,174
Retained Surplus Current Period	<u>\$ 242,174</u>	<u>\$ 284,009</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,470,406</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF PREMIUMS

Quarter Ended July 31, 2014

EXHIBIT 4A - Quarterly

Description	Quarterly 05/01/2014 - 07/31/2014								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PREMIUMS WRITTEN:									
Fire	\$ 497,871	\$ (3,761)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 494,110
E.C. & VMM	13,131,144	(85,979)	-	-	-	-	-	-	13,045,165
Reinsurance Premium Ceded E.C.	(5,393,750)	-	-	-	-	-	-	-	(5,393,750)
Total	8,235,265	(89,740)	-	-	-	-	-	-	8,145,525
UNEARNED PREMIUMS: (PRIOR PERIOD)									
Fire	581,017	232,638	-	-	-	-	-	-	813,655
E.C. & VMM	14,021,181	5,859,381	-	-	-	-	-	-	19,880,562
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-
Total	14,602,198	6,092,019	-	-	-	-	-	-	20,694,217
UNEARNED PREMIUMS: (CURRENT PERIOD)									
Fire	838,616	55,141	-	-	-	-	-	-	893,757
E.C. & VMM	21,155,172	1,304,875	-	-	-	-	-	-	22,460,047
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-
Total	21,993,788	1,360,016	-	-	-	-	-	-	23,353,804
EARNED PREMIUMS:									
Fire	240,272	173,736	-	-	-	-	-	-	414,008
E.C. & VMM	5,997,153	4,468,527	-	-	-	-	-	-	10,465,680
Reinsurance Earned Ceded E.C.	(5,393,750)	-	-	-	-	-	-	-	(5,393,750)
Total	\$ 843,675	\$ 4,642,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,485,938

See Accountant's Compilation Report

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

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 07/31/2014								Total	
	2014	2013	2012	2011	2010	2008	2007	2006		
PREMIUMS WRITTEN:										
Fire	\$ 1,245,420	\$ (23,660)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,221,760
E.C. & VMM	30,915,897	(584,337)	-	-	-	-	-	-	-	30,331,560
Reinsurance Premium Ceded E.C.	(15,856,250)	-	-	-	-	-	-	-	-	(15,856,250)
Total	16,305,067	(607,997)	-	-	-	-	-	-	-	15,697,070
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	-	896,514	-	-	-	-	-	-	-	896,514
E.C. & VMM	-	23,591,544	-	-	-	-	-	-	-	23,591,544
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	-	24,488,058	-	-	-	-	-	-	-	24,488,058
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	838,616	55,141	-	-	-	-	-	-	-	893,757
E.C. & VMM	21,155,172	1,304,875	-	-	-	-	-	-	-	22,460,047
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	21,993,788	1,360,016	-	-	-	-	-	-	-	23,353,804
EARNED PREMIUMS:										
Fire	406,804	817,713	-	-	-	-	-	-	-	1,224,517
E.C. & VMM	9,760,725	21,702,332	-	-	-	-	-	-	-	31,463,057
Reinsurance Earned Ceded E.C.	(15,856,250)	-	-	-	-	-	-	-	-	(15,856,250)
Total	\$ (5,688,721)	\$ 22,520,045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,831,324

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended July 31, 2014

EXHIBIT 4B - Quarterly

Quarterly 05/01/2014 - 07/31/2014

Description	Policy Year								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PAID LOSSES:									
Fire	\$ 382,253	\$ 125,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 507,906
E.C. & VMM	231,521	337,993	7,532	-	-	-	-	-	577,046
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	613,774	463,646	7,532	-	-	-	-	-	1,084,952
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	158,860	225,311	-	-	-	-	-	-	384,171
E.C. & VMM	1,241,388	639,923	-	-	-	-	-	-	1,881,311
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	1,400,248	865,234	-	-	-	-	-	-	2,265,482
OUTSTANDING LOSSES (PRIOR PERIOD)*									
Fire	40,172	123,201	-	-	-	-	-	-	163,373
E.C. & VMM	1,109,913	1,880,963	-	-	-	-	-	-	2,990,876
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	1,150,085	2,004,164	-	-	-	-	-	-	3,154,249
INCURRED LOSSES:									
Fire	500,941	227,763	-	-	-	-	-	-	728,704
E.C. & VMM	362,996	(903,047)	7,532	-	-	-	-	-	(532,519)
Total	863,937	(675,284)	7,532	-	-	-	-	-	196,185
IBNR (CURRENT PERIOD)									
Fire	38,320	13,991	-	-	-	-	-	-	52,311
E.C. & VMM	949,268	343,800	-	-	-	-	-	-	1,293,068
Total	987,588	357,791	-	-	-	-	-	-	1,345,379
IBNR (PRIOR PERIOD)									
Fire	22,892	28,801	-	-	-	-	-	-	51,693
E.C. & VMM	546,993	755,840	-	-	-	-	-	-	1,302,833
Total	\$ 569,885	\$ 784,641	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,354,526

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended July 31, 2014

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2013 - 07/31/2014

Description	Policy Year								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PAID LOSSES:									
Fire	\$ 587,391	\$ 868,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,456,189
E.C. & VMM	258,851	509,995	16,309	-	-	-	-	-	785,155
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	846,242	1,378,793	16,309	-	-	-	-	-	2,241,344
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	158,860	225,311	-	-	-	-	-	-	384,171
E.C. & VMM	1,241,388	639,923	-	-	-	-	-	-	1,881,311
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	1,400,248	865,234	-	-	-	-	-	-	2,265,482
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	746,251	907,916	-	-	-	-	-	-	1,654,167
E.C. & VMM	1,500,239	(198,207)	13,309	-	-	-	-	-	1,315,341
Total	2,246,490	709,709	13,309	-	-	-	-	-	2,969,508
IBNR (CURRENT PERIOD)									
Fire	38,320	13,991	-	-	-	-	-	-	52,311
E.C. & VMM	949,268	343,800	-	-	-	-	-	-	1,293,068
Total	987,588	357,791	-	-	-	-	-	-	1,345,379
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 July 31, 2014

EXHIBIT 4C - Quarterly

Description	Quarterly 05/01/2014 - 07/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2008	2007		2006
LOSS EXPENSES PAID:										
Fire	\$ 16,260	\$ 7,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,258
E.C. & VMM	132,002	161,068	3,830	-	-	-	-	-	-	296,900
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	148,262	169,066	3,830	-	-	-	-	-	-	321,158
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	15,886	22,531	-	-	-	-	-	-	-	38,417
E.C. & VMM	124,139	63,992	-	-	-	-	-	-	-	188,131
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	140,025	86,523	-	-	-	-	-	-	-	226,548
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	4,017	12,320	-	-	-	-	-	-	-	16,337
E.C. & VMM	110,992	188,096	-	-	-	-	-	-	-	299,088
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	115,009	200,416	-	-	-	-	-	-	-	315,425
INCURRED LOSS EXPENSES:										
Fire	28,129	18,209	-	-	-	-	-	-	-	46,338
E.C. & VMM	145,149	36,964	3,830	-	-	-	-	-	-	185,943
Total	\$ 173,278	\$ 55,173	\$ 3,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,281

*Includes IBNR

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

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2013 - 07/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2008	2007		2006
LOSS EXPENSES PAID:										
Fire	\$ 25,444	\$ 55,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,431
E.C. & VMM	145,973	238,760	6,774	-	-	-	-	-	-	391,507
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	171,417	294,747	6,774	-	-	-	-	-	-	472,938
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	15,886	22,531	-	-	-	-	-	-	-	38,417
E.C. & VMM	124,139	63,992	-	-	-	-	-	-	-	188,131
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	140,025	86,523	-	-	-	-	-	-	-	226,548
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	41,330	59,899	-	-	-	-	-	-	-	101,229
E.C. & VMM	270,112	167,940	6,474	-	-	-	-	-	-	444,526
Total	\$ 311,442	\$ 227,839	\$ 6,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 545,755

*Includes IBNR

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