

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

OCTOBER 31, 2017

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

OCTOBER 31, 2017

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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 October 31, 2017, and the related statutory statement of operations and changes in surplus for the year 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 accompanying supplementary information referred to in the foregoing contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such 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
January 4, 2018

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of October 31, 2017

EXHIBIT 1

	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Admitted Assets</u>
<u>ASSETS</u>			
Cash and short-term investments	\$ 68,800,398		\$ 68,800,398
Bonds	38,300,795		38,300,795
Accounts receivable	644	644	-
Interest accrued	108,329		108,329
Furniture and equipment - net of depreciation	141,916	141,916	-
Data processing equipment - net of depreciation	84,335		84,335
Programming - net of amortization	327,770	327,770	-
Leasehold improvements - net of depreciation	566,824	566,824	-
Reinsurance:			
Prepaid reinsurance	940,540		940,540
Amounts recoverable from reinsurers	46,695		46,695
Section 444 Deposit (I.R.S.)	280,179		280,179
Total Assets	<u>109,598,425</u>	<u>1,037,154</u>	<u>108,561,271</u>
<u>LIABILITIES AND SURPLUS</u>			
Reserves - net of ceded			
Unpaid losses (include IBNR)			1,621,462
Unpaid loss adjustment expenses			162,147
Unearned premiums			15,499,987
Total Reserves			<u>17,283,596</u>
Payables for:			
Premium taxes			184,550
Operating expenses and other accounts payable			444,342
Amounts withheld for accounts of others			169,808
Accrued pension obligation			575,400
Contributions and grants payable			600,000
Premiums received in advance			1,228,905
Total Payables			<u>3,203,005</u>
Total Liabilities			<u>20,486,601</u>
Members' Surplus			86,326,285
Retained Surplus			1,748,385
Total Surplus			<u>88,074,670</u>
Total Liabilities and Surplus			<u>\$ 108,561,271</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND CHANGES IN SURPLUS
Quarter Ended October 31, 2017

EXHIBIT 2

	Quarter 08/01/2017 - 10/31/2017	Year-To-Date 11/01/2016 - 10/31/2017
UNDERWRITING INCOME:		
Premiums earned	\$ 4,211,610	\$ 13,614,821
DEDUCTIONS:		
Losses incurred	1,272,787	4,515,752
Loss expenses incurred	267,339	747,110
Operating expenses incurred	2,046,672	7,333,200
Total deductions	3,586,798	12,596,062
Net Underwriting Gain or (Loss)	624,812	1,018,759
OTHER INCOME (EXPENSE):		
Investment income	252,901	702,154
Realized gains (losses)	-	(57)
Other income	67	188
Service & agency Fees	205,515	677,515
Gain (loss) on sale of non admitted asset	(15,624)	(15,624)
Total other income	442,859	1,364,176
Net Income	\$ 1,067,671	\$ 2,382,935
SURPLUS:		
Surplus (prior period)	87,008,230	85,762,154
Net income	1,067,671	2,382,935
Change in assets not admitted	37,700	(31,488)
Minimum pension liability	(38,931)	(38,931)
Net change in surplus	1,066,440	2,312,516
Surplus (current period)	\$ 88,074,670	\$ 88,074,670

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended October 31, 2017

EXHIBIT 3A - Quarterly

Description	Quarterly 08/01/2017 - 10/31/2017											Total	
	2017	2016	2015	2014	2013	Policy Year		2010	2009	2008	2007		2006
INCOME RECEIVED:													
Premiums Written	\$ 8,979,734	\$ (30,043)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,949,691
Reinsurance Premium Ceded	(4,205,293)	-	-	-	-	-	-	-	-	-	-	-	(4,205,293)
Net Premiums Written	4,774,441	(30,043)	-	-	-	-	-	-	-	-	-	-	4,744,398
Interest Received	222,967	-	-	-	-	-	-	-	-	-	-	-	222,967
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	67	-	-	-	-	-	-	-	-	-	-	-	67
Service & Agency Fees	205,515	-	-	-	-	-	-	-	-	-	-	-	205,515
Gain (loss) sale of non admitted asset	(15,624)	-	-	-	-	-	-	-	-	-	-	-	(15,624)
Total Income	5,187,366	(30,043)	-	-	-	-	-	-	-	-	-	-	5,157,323
EXPENSES PAID:													
Losses	476,617	460,123	95	-	-	-	-	-	-	-	-	-	936,835
Loss Adjustment Expenses	157,902	64,428	11,415	-	-	-	-	-	-	-	-	-	233,745
Commissions	716,006	(2,403)	-	-	-	-	-	-	-	-	-	-	713,603
Operating Expenses	936,252	34,364	-	-	-	-	-	-	-	-	-	-	970,616
Contributions and Grants	-	-	-	-	-	-	-	-	1,000,000	-	-	-	1,000,000
Premium Taxes	479,149	-	-	-	-	-	-	-	-	-	-	-	479,149
Total Expenses Paid	2,765,926	556,512	11,510	-	-	-	-	-	1,000,000	-	-	-	4,333,948
Net Cash Change	2,421,440	(586,555)	(11,510)	-	-	-	-	-	(1,000,000)	-	-	-	823,375
RESERVES:													
<i>DEDUCT (CURRENT PERIOD)</i>													
Unpaid Losses (include IBNR)	1,106,572	472,837	35,837	-	6,216	-	-	-	-	-	-	-	1,621,462
Unpaid Loss Adj. Expenses	110,657	47,284	3,584	-	622	-	-	-	-	-	-	-	162,147
Operating Expenses	614,150	-	-	-	-	-	-	-	-	-	-	-	614,150
Contributions and Grants	-	-	-	-	55,777	17,189	10,477	-	516,557	-	-	-	600,000
Unearned Premiums	15,499,987	-	-	-	-	-	-	-	-	-	-	-	15,499,987
Premium Taxes	184,550	-	-	-	-	-	-	-	-	-	-	-	184,550
<i>ADD (PRIOR PERIOD)</i>													
Unpaid Losses (include IBNR)	471,212	814,298	-	-	-	-	-	-	-	-	-	-	1,285,510
Unpaid Loss Adj. Expenses	47,122	81,431	-	-	-	-	-	-	-	-	-	-	128,553
Operating Expenses	579,613	-	-	-	-	-	-	-	-	-	-	-	579,613
Contributions and Grants	-	-	-	-	55,777	17,189	10,477	-	1,516,557	-	-	-	1,600,000
Unearned Premiums	14,015,938	951,261	-	-	-	-	-	-	-	-	-	-	14,967,199
Premium Taxes	335,784	-	-	-	-	-	-	-	-	-	-	-	335,784
Net Reserve Change	(2,066,247)	1,326,869	(39,421)	-	(6,838)	-	-	-	1,000,000	-	-	-	214,363
OTHER CHANGES:													
<i>DEDUCT (PRIOR PERIOD)</i>													
Interest Accrued	78,396	-	-	-	-	-	-	-	-	-	-	-	78,396
Assets Not Admitted	(1,074,854)	-	-	-	-	-	-	-	-	-	-	-	(1,074,854)
<i>ADD (CURRENT PERIOD)</i>													
Minimum Pension Liability	(38,931)	-	-	-	-	-	-	-	-	-	-	-	(38,931)
Interest Accrued	108,329	-	-	-	-	-	-	-	-	-	-	-	108,329
Assets Not Admitted	(1,037,154)	-	-	-	-	-	-	-	-	-	-	-	(1,037,154)
Net Other Changes	28,702	-	-	-	-	-	-	-	-	-	-	-	28,702
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	206,049	-	-	-	-	-	-	-	-	-	-	-	206,049
Change in Members' Surplus Increase (Decrease)	\$ 177,846	\$ 740,314	\$ (50,931)	\$ -	\$ (6,838)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 860,391

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended October 31, 2017

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/01/2016 - 10/31/2017												Total	
	2017	2016	2015	2014	2013	2012	Policy Year		2010	2009	2008	2007		2006
INCOME RECEIVED:														
Premiums Written	\$ 29,126,554	\$ (822,355)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reinsurance Premium Ceded	(16,154,849)	179,857	-	-	-	-	-	-	-	-	-	-	-	-
Net Premiums Written	12,971,705	(642,498)	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received	593,825	9,407	-	-	-	-	-	-	-	-	-	-	-	-
Realized Gains (Losses)	(57)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	188	-	-	-	-	-	-	-	-	-	-	-	-	-
Service & Agency Fees	677,515	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) sale of non admitted asset	(15,624)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	14,227,552	(633,091)	-	-	-	-	-	-	-	-	-	-	-	-
EXPENSES PAID:														
Losses	1,014,475	2,901,404	627,040	(378,815)	19,664	-	-	-	-	-	-	-	-	-
Loss Adjustment Expenses	270,354	413,716	63,696	(1,063)	2,778	-	-	-	-	-	-	-	-	-
Commissions	2,152,618	157,049	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses	3,594,926	395,377	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-	-	-	-	2,200,000	-	-	-	-
Premium Taxes	809,577	225,991	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses Paid	7,841,950	4,093,537	690,736	(379,878)	22,442	-	-	-	-	2,200,000	-	-	-	-
Net Cash Change	6,385,602	(4,726,628)	(690,736)	379,878	(22,442)	-	-	-	-	(2,200,000)	-	-	-	(874,326)
RESERVES:														
<i>DEDUCT (CURRENT PERIOD)</i>														
Unpaid Losses (include IBNR)	1,106,572	472,837	35,837	-	6,216	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	110,657	47,284	3,584	-	622	-	-	-	-	-	-	-	-	-
Operating Expenses	614,150	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	55,777	17,189	10,477	-	516,557	-	-	-	-	-
Unearned Premiums	15,499,987	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium Taxes	184,550	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>ADD (PRIOR PERIOD)</i>														
Unpaid Losses (include IBNR)	-	758,736	502,557	28,185	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	-	86,735	56,919	20,864	-	-	-	-	-	-	-	-	-	-
Operating Expenses	-	575,047	-	-	-	-	-	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	55,777	17,189	10,477	-	2,716,557	-	-	-	-	-
Unearned Premiums	-	16,785,601	-	-	-	-	-	-	-	-	-	-	-	-
Premium Taxes	-	225,991	-	-	-	-	-	-	-	-	-	-	-	-
Net Reserve Change	(17,515,916)	17,911,989	520,055	49,049	(6,838)	-	-	-	2,200,000	-	-	-	-	3,158,339
OTHER CHANGES:														
<i>DEDUCT (PRIOR PERIOD)</i>														
Interest Accrued	-	9,407	-	-	-	-	-	-	-	-	-	-	-	-
Assets Not Admitted	-	(1,005,666)	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>ADD (CURRENT PERIOD)</i>														
Minimum Pension Liability	(38,931)	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	108,329	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets Not Admitted	(1,037,154)	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Other Changes	(967,756)	996,259	-	-	-	-	-	-	-	-	-	-	-	28,503
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	566,470	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Members' Surplus Increase (Decrease)	\$ (12,664,540)	\$ 14,181,620	\$ (170,681)	\$ 428,927	\$ (29,280)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,746,046

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
MEMBERS' SURPLUS FOR UNSETTLED YEARS
Inception to Quarter Ended October 31, 2017

Exhibit 3B

Description	Policy Year											Total
	2017	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:												
Premiums Written	\$ 29,126,554	\$ 33,302,116	\$ 41,433,339	\$ 43,985,195	\$ 45,411,235	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 387,070,279
Reinsurance Premiums Ceded	(16,154,849)	(20,967,799)	(23,792,537)	(21,527,994)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(188,355,950)
Net Premiums Written	12,971,705	12,334,317	17,640,802	22,457,201	24,690,401	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	198,714,329
Interest Received	593,825	370,455	322,544	348,507	326,657	95,204	40,332	21,405	486,548	677,305	307,607	3,590,389
Realized Gains (Losses)	(57)	-	-	-	-	(34,522)	-	-	-	-	-	(34,579)
Other Income	188	43	12	43	-	8	1,070	153	3,391	3,670	40	8,618
Service & Agency Fees	677,515	774,325	899,270	906,565	778,125	674,460	608,415	497,585	269,337	187,836	175,703	6,449,136
Gain (loss) on sale of non admitted asset	(15,624)	(22,707)	-	-	-	-	-	-	100	623	(203)	(37,811)
Total Income	14,227,552	13,456,433	18,862,628	23,712,316	25,795,183	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	208,690,082
EXPENSES PAID:												
Losses	1,014,475	3,919,782	4,388,491	3,193,725	3,401,935	3,264,442	1,326,634	988,594	874,566	512,315	930,913	23,815,872
Loss Adjustment Expenses	270,354	584,864	580,996	583,830	576,802	400,549	230,657	118,628	22,717	14,945	17,029	3,401,371
Commissions	2,152,618	2,662,350	3,306,873	3,511,240	3,626,442	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	31,502,246
Operating Expenses	3,594,926	3,568,090	3,464,989	3,340,955	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	28,776,239
Premium Taxes	809,577	1,175,372	1,461,184	1,556,033	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	13,490,380
Total Expenses Paid	7,841,950	11,910,458	13,202,533	12,185,783	12,212,008	11,701,842	9,298,760	7,779,537	5,414,261	5,108,367	4,330,609	100,986,108
Net Cash Change	6,385,602	1,545,975	5,660,095	11,526,533	13,583,175	15,801,975	18,468,291	12,530,791	4,802,544	8,418,382	8,980,611	107,703,974
RESERVES:												
DEDUCT (CURRENT PERIOD)												
Unpaid Losses (include IBNR)	1,106,572	472,837	35,837	-	6,216	-	-	-	-	-	-	1,621,462
Unpaid Loss Adjustment Expenses	110,657	47,284	3,584	-	622	-	-	-	-	-	-	162,147
Operating Expenses	614,150	-	-	-	-	-	-	-	-	-	-	614,150
Unearned Premiums	15,499,987	-	-	-	-	-	-	-	-	-	-	15,499,987
Premium Taxes	184,550	-	-	-	-	-	-	-	-	-	-	184,550
Total Reserves	17,515,916	520,121	39,421	-	6,838	-	-	-	-	-	-	18,082,296
OTHER CHANGES:												
ADD (DEDUCT)												
Minimum Pension Liability	(38,931)	(161,212)	14,335	(299,507)	115,466	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(534,741)
Interest Accrued	108,329	-	-	-	-	-	-	-	-	-	-	108,329
Assets Not Admitted	(1,037,154)	-	-	-	-	-	-	-	-	-	-	(1,037,154)
Retained Surplus	(566,470)	(345,818)	(288,215)	(319,649)	(284,009)	(17,189)	(10,477)	-	-	-	-	(1,831,827)
Total Other Changes	(1,534,226)	(507,030)	(273,880)	(619,156)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(3,295,393)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (12,664,540)	\$ 518,824	\$ 5,346,794	\$ 10,907,377	\$ 13,407,794	\$ 15,657,507	\$ 18,420,823	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 86,326,285

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

RETAINED SURPLUS

Inception to Quarter Ended October 31, 2017

Exhibit 3C

Description	Policy Year								Total
	2017	2016	2015	2014	2013	2012	2011	2009	
INCOME RECEIVED:									
Interest Received	\$ 593,825	\$ 370,455	\$ 322,544	\$ 348,507	\$ 326,657	\$ 95,204	\$ 40,332	\$ -	\$ 2,097,524
Realized Gains (Losses)	(57)	-	-	-	-	(34,521)	-	-	(34,578)
Total Income	593,768	370,455	322,544	348,507	326,657	60,683	40,332	-	2,062,946
EXPENSES PAID:									
Operating Expenses	135,627	24,637	34,328	28,858	42,648	43,494	29,855	4,400,000	4,739,447
Total Expenses Paid	135,627	24,637	34,328	28,858	42,648	43,494	29,855	4,400,000	4,739,447
Net Cash Change	458,141	345,818	288,216	319,649	284,009	17,189	10,477	(4,400,000)	(2,676,501)
RESERVES:									
DEDUCT (CURRENT PERIOD)									
Contributions and Grants	-	-	-	-	55,777	17,189	10,477	516,557	600,000
Total Reserves	-	-	-	-	55,777	17,189	10,477	516,557	600,000
OTHER CHANGES:									
ADD (DEDUCT)									
Interest Accrued	108,329	-	-	-	-	-	-	-	108,329
Total Other Changes	108,329	-	-	-	-	-	-	-	108,329
Net Income Retained	-	-	-	-	-	-	-	4,916,557	4,916,557
Retained Surplus	\$ 566,470	\$ 345,818	\$ 288,216	\$ 319,649	\$ 228,232	\$ -	\$ -	\$ -	\$ 1,748,385

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended October 31, 2017

EXHIBIT 4A - Quarterly

Description	Quarterly 08/01/2017 - 10/31/2017											Total
	2017	2016	2015	2014	2013	Policy Year		2010	2008	2007	2006	
PREMIUMS WRITTEN:												
Fire	\$ 624,486	\$ (3,065)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 621,421
E.C. & VMM	8,355,248	(26,978)	-	-	-	-	-	-	-	-	-	8,328,270
Reinsurance Premium Ceded	(4,205,293)	-	-	-	-	-	-	-	-	-	-	(4,205,293)
Total	4,774,441	(30,043)	-	-	-	-	-	-	-	-	-	4,744,398
UNEARNED PREMIUMS: (PRIOR PERIOD)												
Fire	965,937	74,894	-	-	-	-	-	-	-	-	-	1,040,831
E.C. & VMM	13,050,001	876,367	-	-	-	-	-	-	-	-	-	13,926,368
Reinsurance Unearned Ceded	-	-	-	-	-	-	-	-	-	-	-	-
Total	14,015,938	951,261	-	-	-	-	-	-	-	-	-	14,967,199
UNEARNED PREMIUMS: (CURRENT PERIOD)												
Fire	1,065,063	-	-	-	-	-	-	-	-	-	-	1,065,063
E.C. & VMM	14,434,924	-	-	-	-	-	-	-	-	-	-	14,434,924
Reinsurance Unearned Ceded	-	-	-	-	-	-	-	-	-	-	-	-
Total	15,499,987	-	-	-	-	-	-	-	-	-	-	15,499,987
EARNED PREMIUMS:												
Fire	525,360	71,829	-	-	-	-	-	-	-	-	-	597,189
E.C. & VMM	6,970,325	849,389	-	-	-	-	-	-	-	-	-	7,819,714
Reinsurance Earned Ceded	(4,205,293)	-	-	-	-	-	-	-	-	-	-	(4,205,293)
Total	\$ 3,290,392	\$ 921,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,211,610

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
Quarter Ended October 31, 2017

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2016 - 10/31/2017											Total	
	2017	2016	2015	2014	2013	Policy Year		2010	2008	2007	2006		
PREMIUMS WRITTEN:													
Fire	\$ 2,071,381	\$ (60,293)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,011,088
E.C. & VMM	27,055,173	(762,062)	-	-	-	-	-	-	-	-	-	-	26,293,111
Reinsurance Premium Ceded	(16,154,849)	179,857	-	-	-	-	-	-	-	-	-	-	(15,974,992)
Total	12,971,705	(642,498)	-	-	-	-	-	-	-	-	-	-	12,329,207
UNEARNED PREMIUMS: (PRIOR PERIOD)													
Fire	-	1,213,401	-	-	-	-	-	-	-	-	-	-	1,213,401
E.C. & VMM	-	16,455,653	-	-	-	-	-	-	-	-	-	-	16,455,653
Reinsurance Unearned Ceded	-	(883,453)	-	-	-	-	-	-	-	-	-	-	(883,453)
Total	-	16,785,601	-	-	-	-	-	-	-	-	-	-	16,785,601
UNEARNED PREMIUMS: (CURRENT PERIOD)													
Fire	1,065,063	-	-	-	-	-	-	-	-	-	-	-	1,065,063
E.C. & VMM	14,434,924	-	-	-	-	-	-	-	-	-	-	-	14,434,924
Reinsurance Unearned Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	15,499,987	-	-	-	-	-	-	-	-	-	-	-	15,499,987
EARNED PREMIUMS:													
Fire	1,006,318	1,153,108	-	-	-	-	-	-	-	-	-	-	2,159,426
E.C. & VMM	12,620,249	15,693,591	-	-	-	-	-	-	-	-	-	-	28,313,840
Reinsurance Earned Ceded	(16,154,849)	(703,596)	-	-	-	-	-	-	-	-	-	-	(16,858,445)
Total	\$ (2,528,282)	\$ 16,143,103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,614,821

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
Quarter Ended October 31, 2017

EXHIBIT 4B - Quarterly

Description	Quarterly 08/01/2017 - 10/31/2017											
	Policy Year											
	2017	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
PAID LOSSES:												
Fire	\$ 44,748	\$ 260,388	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,236
E.C. & VMM	433,484	208,864	-	-	-	-	-	-	-	-	-	642,348
Reinsurance Losses Ceded	(1,615)	(9,129)	(5)	-	-	-	-	-	-	-	-	(10,749)
Total	476,617	460,123	95	-	-	-	-	-	-	-	-	936,835
OUTSTANDING LOSSES (CURRENT PERIOD)*												
Fire	325,046	448,900	-	-	-	-	-	-	-	-	-	773,946
E.C. & VMM	797,139	48,300	35,837	-	6,216	-	-	-	-	-	-	887,492
Reinsurance Losses Ceded	(15,613)	(24,363)	-	-	-	-	-	-	-	-	-	(39,976)
Total	1,106,572	472,837	35,837	-	6,216	-	-	-	-	-	-	1,621,462
OUTSTANDING LOSSES (PRIOR PERIOD)*												
Fire	62,850	672,446	-	-	-	-	-	-	-	-	-	735,296
E.C. & VMM	423,879	174,312	-	-	-	-	-	-	-	-	-	598,191
Reinsurance Losses Ceded	(15,517)	(32,460)	-	-	-	-	-	-	-	-	-	(47,977)
Total	471,212	814,298	-	-	-	-	-	-	-	-	-	1,285,510
INCURRED LOSSES:												
Fire	306,944	36,842	100	-	-	-	-	-	-	-	-	343,886
E.C. & VMM	806,744	82,852	35,837	-	6,216	-	-	-	-	-	-	931,649
Reinsurance Losses Ceded	(1,711)	(1,032)	(5)	-	-	-	-	-	-	-	-	(2,748)
Total	1,111,977	118,662	35,932	-	6,216	-	-	-	-	-	-	1,272,787
IBNR (CURRENT PERIOD)												
Fire	41,231	-	-	-	-	-	-	-	-	-	-	41,231
E.C. & VMM	538,581	-	-	-	-	-	-	-	-	-	-	538,581
Reinsurance Losses Ceded	(14,892)	-	-	-	-	-	-	-	-	-	-	(14,892)
Total	564,920	-	-	-	-	-	-	-	-	-	-	564,920
IBNR (PRIOR PERIOD)												
Fire	30,295	12,946	-	-	-	-	-	-	-	-	-	43,241
E.C. & VMM	393,307	156,255	-	-	-	-	-	-	-	-	-	549,562
Reinsurance Losses Ceded	(15,017)	(8,460)	-	-	-	-	-	-	-	-	-	(23,477)
Total	\$ 408,585	\$ 160,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,326

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
Quarter Ended October 31, 2017

EXHIBIT 4B - Year-to-Date

Description	Year-to-Date 11/01/2016 - 10/31/2017											
	2017	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
PAID LOSSES:												
Fire	\$ 194,281	\$ 1,397,991	\$ 501,650	\$ (387,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,706,922
E.C. & VMM	840,815	1,639,439	158,393	8,616	19,664	-	-	-	-	-	-	2,666,927
Reinsurance Losses Ceded	(20,621)	(136,026)	(33,003)	(431)	-	-	-	-	-	-	-	(190,081)
Total	1,014,475	2,901,404	627,040	(378,815)	19,664	-	-	-	-	-	-	4,183,768
OUTSTANDING LOSSES (CURRENT PERIOD)*												
Fire	325,046	448,900	-	-	-	-	-	-	-	-	-	773,946
E.C. & VMM	797,139	48,300	35,837	-	6,216	-	-	-	-	-	-	887,492
Reinsurance Losses Ceded	(15,613)	(24,363)	-	-	-	-	-	-	-	-	-	(39,976)
Total	1,106,572	472,837	35,837	-	6,216	-	-	-	-	-	-	1,621,462
OUTSTANDING LOSSES (PRIOR PERIOD)*												
Fire	-	50,289	501,389	20,000	-	-	-	-	-	-	-	571,678
E.C. & VMM	-	748,380	27,618	8,616	-	-	-	-	-	-	-	784,614
Reinsurance Losses Ceded	-	(39,933)	(26,450)	(431)	-	-	-	-	-	-	-	(66,814)
Total	-	758,736	502,557	28,185	-	-	-	-	-	-	-	1,289,478
INCURRED LOSSES:												
Fire	519,327	1,796,602	261	(407,000)	-	-	-	-	-	-	-	1,909,190
E.C. & VMM	1,637,954	939,359	166,612	-	25,880	-	-	-	-	-	-	2,769,805
Reinsurance Losses Ceded	(36,234)	(120,456)	(6,553)	-	-	-	-	-	-	-	-	(163,243)
Total	2,121,047	2,615,505	160,320	(407,000)	25,880	-	-	-	-	-	-	4,515,752
IBNR (CURRENT PERIOD)												
Fire	41,231	-	-	-	-	-	-	-	-	-	-	41,231
E.C. & VMM	538,581	-	-	-	-	-	-	-	-	-	-	538,581
Reinsurance Losses Ceded	(14,892)	-	-	-	-	-	-	-	-	-	-	(14,892)
Total	564,920	-	-	-	-	-	-	-	-	-	-	564,920
IBNR (PRIOR PERIOD)												
Fire	-	44,915	-	-	-	-	-	-	-	-	-	44,915
E.C. & VMM	-	632,913	-	-	-	-	-	-	-	-	-	632,913
Reinsurance Losses Ceded	-	(33,891)	-	-	-	-	-	-	-	-	-	(33,891)
Total	\$ -	\$ 643,937	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 643,937

*Includes IBNR

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended October 31, 2017

EXHIBIT 4C - Quarterly

Description	Quarterly 08/01/2017 - 10/31/2017											Total	
	2017	2016	2015	2014	2013	Policy Year		2010	2008	2007	2006		
LOSS EXPENSES PAID:													
Fire	\$ 8,598	\$ 22,364	\$ 2,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,840
E.C. & VMM	149,504	43,844	9,138	-	-	-	-	-	-	-	-	-	202,486
Reinsurance Loss Expenses Ceded	(200)	(1,780)	(601)	-	-	-	-	-	-	-	-	-	(2,581)
Total	157,902	64,428	11,415	-	-	-	-	-	-	-	-	-	233,745
UNPAID LOSS EXPENSES (CURRENT PERIOD)*													
Fire	32,504	44,890	-	-	-	-	-	-	-	-	-	-	77,394
E.C. & VMM	79,714	4,830	3,584	-	622	-	-	-	-	-	-	-	88,750
Reinsurance Loss Expenses Ceded	(1,561)	(2,436)	-	-	-	-	-	-	-	-	-	-	(3,997)
Total	110,657	47,284	3,584	-	622	-	-	-	-	-	-	-	162,147
UNPAID LOSS EXPENSES (PRIOR PERIOD)*													
Fire	6,286	67,245	-	-	-	-	-	-	-	-	-	-	73,531
E.C. & VMM	42,388	17,432	-	-	-	-	-	-	-	-	-	-	59,820
Reinsurance Loss Expenses Ceded	(1,552)	(3,246)	-	-	-	-	-	-	-	-	-	-	(4,798)
Total	47,122	81,431	-	-	-	-	-	-	-	-	-	-	128,553
INCURRED LOSS EXPENSES:													
Fire	34,816	9	2,878	-	-	-	-	-	-	-	-	-	37,703
E.C. & VMM	186,830	31,242	12,722	-	622	-	-	-	-	-	-	-	231,416
Reinsurance Loss Expenses Ceded	(209)	(970)	(601)	-	-	-	-	-	-	-	-	-	(1,780)
Total	\$ 221,437	\$ 30,281	\$ 14,999	\$ -	\$ 622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,339

*Includes IBNR

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended October 31, 2017

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2016 - 10/31/2017											
	Policy Year											
	2017	2016	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
LOSS EXPENSES PAID:												
Fire	\$ 23,874	\$ 115,806	\$ 17,437	\$ (2,216)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,901
E.C. & VMM	250,550	317,185	49,595	1,214	2,778	-	-	-	-	-	-	621,322
Reinsurance Loss Expenses Ceded	(4,070)	(19,275)	(3,336)	(61)	-	-	-	-	-	-	-	(26,742)
Total	270,354	413,716	63,696	(1,063)	2,778	-	-	-	-	-	-	749,481
UNPAID LOSS EXPENSES (CURRENT PERIOD)*												
Fire	32,504	44,890	-	-	-	-	-	-	-	-	-	77,394
E.C. & VMM	79,714	4,830	3,584	-	622	-	-	-	-	-	-	88,750
Reinsurance Loss Expenses Ceded	(1,561)	(2,436)	-	-	-	-	-	-	-	-	-	(3,997)
Total	110,657	47,284	3,584	-	622	-	-	-	-	-	-	162,147
UNPAID LOSS EXPENSES (PRIOR PERIOD)*												
Fire	-	6,302	50,214	18,951	-	-	-	-	-	-	-	75,467
E.C. & VMM	-	84,997	9,701	2,014	-	-	-	-	-	-	-	96,712
Reinsurance Loss Expenses Ceded	-	(4,564)	(2,996)	(101)	-	-	-	-	-	-	-	(7,661)
Total	-	86,735	56,919	20,864	-	-	-	-	-	-	-	164,518
INCURRED LOSS EXPENSES:												
Fire	56,378	154,394	(32,777)	(21,167)	-	-	-	-	-	-	-	156,828
E.C. & VMM	330,264	237,018	43,478	(800)	3,400	-	-	-	-	-	-	613,360
Reinsurance Loss Expenses Ceded	(5,631)	(17,147)	(340)	40	-	-	-	-	-	-	-	(23,078)
Total	\$381,011	\$ 374,265	\$ 10,361	\$ (21,927)	\$ 3,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 747,110

*Includes IBNR