

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

OCTOBER 31, 2014

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY FINANCIAL STATEMENTS

OCTOBER 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 October 31, 2014, and the related accompanying statutory statement of operations and changes in surplus for the year 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
February 18, 2015

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

EXHIBIT 1

	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Admitted Assets</u>
<u>ASSETS</u>			
Cash and short-term investments	\$ 59,713,118		\$ 59,713,118
Bonds	42,244,571		42,244,571
Accounts receivable	932	932	-
Interest accrued	183,785		183,785
Furniture and equipment - net of depreciation	76,789	76,789	-
Data processing equipment - net of depreciation	88,233		88,233
Programming - net of amortization	277,800	277,800	-
Prepaid reinsurance	1,825,000		1,825,000
Section 444 Deposit (I.R.S.)	1,015,686		1,015,686
Total Assets	<u>105,425,914</u>	<u>355,521</u>	<u>105,070,393</u>
<u>LIABILITIES AND SURPLUS</u>			
Reserves for:			
Unpaid losses (include IBNR)			1,663,581
Unpaid loss adjustment expenses			166,358
Unearned premiums			23,823,315
Total Reserves			<u>25,653,254</u>
Payables for:			
Premium taxes			242,201
Operating expenses and other accounts payable			438,861
Amounts withheld for accounts of others			89,505
Accrued Pension Obligation			348,311
Premiums received in advance			1,967,541
Total Payables			<u>3,086,419</u>
Total Liabilities			<u>28,739,673</u>
Members' Surplus			70,782,839
Retained Surplus			5,547,881
Total Surplus			<u>76,330,720</u>
Total Liabilities and Surplus			<u>\$ 105,070,393</u>

See Accountant's Compilation Report

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

EXHIBIT 2

	Quarter 08/1/2014 - 10/31/2014	Year-To-Date 11/1/2013 - 10/31/2014
UNDERWRITING INCOME:		
Premiums Earned	\$ 6,475,750	\$ 23,307,074
DEDUCTIONS:		
Losses incurred	169,857	3,139,365
Loss expenses incurred	86,153	631,908
Operating expenses incurred	2,237,782	8,407,299
Total deductions	<u>2,493,792</u>	<u>12,178,572</u>
Net Underwriting Gain or (Loss)	<u>3,981,958</u>	<u>11,128,502</u>
OTHER INCOME (EXPENSE):		
Net investment income	85,088	348,507
Realized Gains (Losses)	-	-
Other Income	-	43
Service & Agency Fees	260,190	906,565
Total other income (expense)	<u>345,278</u>	<u>1,255,115</u>
Net Income or (Loss)	<u>\$ 4,327,236</u>	<u>\$ 12,383,617</u>
SURPLUS:		
Surplus (prior period)	72,276,230	64,289,910
Net income or (loss)	4,327,236	12,383,617
Change in assets not admitted	26,761	(43,300)
Minimum pension liability	(299,507)	(299,507)
Net change in surplus	<u>4,054,490</u>	<u>12,040,810</u>
Surplus (current period)	<u>\$ 76,330,720</u>	<u>\$ 76,330,720</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended October 31, 2014

EXHIBIT 3A - Quarterly

Description	Quarterly 08/01/2014 - 10/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2007	2006		
					2010	2008				
INCOME RECEIVED:										
Premiums Written	\$ 12,459,175	\$ (38,914)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,420,261
Reinsurance Premium Ceded	(5,475,000)	-	-	-	-	-	-	-	-	(5,475,000)
Net Premiums Written	6,984,175	(38,914)	-	-	-	-	-	-	-	6,945,261
Interest Received	(5,768)	-	-	-	-	-	-	-	-	(5,768)
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Service & Agency Fees	260,190	-	-	-	-	-	-	-	-	260,190
Total Income	7,238,597	(38,914)	-	-	-	-	-	-	-	7,199,683
EXPENSES PAID:										
Losses	304,033	466,540	1,185	-	-	-	-	-	-	771,758
Loss Adjustment Expenses	76,340	69,318	685	-	-	-	-	-	-	146,343
Commissions	1,067,477	(3,113)	-	-	-	-	-	-	-	1,064,364
Operating Expenses	816,921	-	-	-	-	-	-	-	-	816,921
Premium Taxes	806,412	-	-	-	-	-	-	-	-	806,412
Total Expenses Paid	3,071,183	532,745	1,870	-	-	-	-	-	-	3,605,798
Net Cash Change	4,167,414	(571,659)	(1,870)	-	-	-	-	-	-	3,593,885
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	1,621,344	42,237	-	-	-	-	-	-	-	1,663,581
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	162,134	4,224	-	-	-	-	-	-	-	166,358
Operating Expenses	528,366	-	-	-	-	-	-	-	-	528,366
Unearned Premiums	23,823,315	-	-	-	-	-	-	-	-	23,823,315
Premium Taxes	242,201	-	-	-	-	-	-	-	-	242,201
<i>ADD (PRIOR 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
Net Reserve Change	(1,622,817)	2,265,312	-	-	-	-	-	-	-	642,495
OTHER CHANGES:										
<i>DEDUCT (PRIOR PERIOD)</i>										
Interest Accrued	92,929	-	-	-	-	-	-	-	-	92,929
Assets Not Admitted	(382,282)	-	-	-	-	-	-	-	-	(382,282)
<i>ADD (CURRENT PERIOD)</i>										
Minimum Pension Liability	(299,507)	-	-	-	-	-	-	-	-	(299,507)
Interest Accrued	183,785	-	-	-	-	-	-	-	-	183,785
Assets Not Admitted	(355,521)	-	-	-	-	-	-	-	-	(355,521)
Net Other Changes	(181,890)	-	-	-	-	-	-	-	-	(181,890)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	77,475	-	-	-	-	-	-	-	-	77,475
Change in Members' Surplus Increase (Decrease)	\$ 2,285,232	\$ 1,693,653	\$ (1,870)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,977,015

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended October 31, 2014

EXHIBIT 3A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 10/31/2014								
	2014	2013	2012	2011	Policy Year			2006	Total
					2010	2008	2007		
INCOME RECEIVED:									
Premiums Written	\$ 44,620,492	\$ (646,911)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,973,581
Reinsurance Premium Ceded	(21,331,250)	-	-	-	-	-	-	-	(21,331,250)
Net Premiums Written	23,289,242	(646,911)	-	-	-	-	-	-	22,642,331
Interest Received	164,722	183,636	-	-	-	-	-	-	348,358
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-
Other Income	43	-	-	-	-	-	-	-	43
Service & Agency Fees	906,565	-	-	-	-	-	-	-	906,565
Total Income	24,360,572	(463,275)	-	-	-	-	-	-	23,897,297
EXPENSES PAID:									
Losses	1,150,275	1,845,333	17,494	-	-	-	-	-	3,013,102
Loss Adjustment Expenses	247,757	364,065	7,459	-	-	-	-	-	619,281
Commissions	3,284,870	253,269	-	-	-	-	-	-	3,538,139
Operating Expenses	3,089,783	211,629	-	-	-	-	-	-	3,301,412
Premium Taxes	1,313,832	221,173	-	-	-	-	-	-	1,535,005
Total Expenses Paid	9,086,517	2,895,469	24,953	-	-	-	-	-	12,006,939
Net Cash Change	15,274,055	(3,358,744)	(24,953)	-	-	-	-	-	11,890,358
RESERVES:									
<i>DEDUCT (CURRENT PERIOD)</i>									
Unpaid Losses (include IBNR)	1,621,344	42,237	-	-	-	-	-	-	1,663,581
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adj. Expenses	162,134	4,224	-	-	-	-	-	-	166,358
Operating Expenses	528,366	-	-	-	-	-	-	-	528,366
Unearned Premiums	23,823,315	-	-	-	-	-	-	-	23,823,315
Premium Taxes	242,201	-	-	-	-	-	-	-	242,201
<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	(26,377,360)	26,867,170	3,300	-	-	-	-	-	493,110
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	(299,507)	-	-	-	-	-	-	-	(299,507)
Interest Accrued	183,785	-	-	-	-	-	-	-	183,785
Assets Not Admitted	(355,521)	-	-	-	-	-	-	-	(355,521)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-
Net Other Changes	(471,243)	128,585	-	-	-	-	-	-	(342,658)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	319,649	-	-	-	-	-	-	-	319,649
Change in Members' Surplus Increase (Decrease)	\$(11,894,197)	\$ 23,637,011	\$ (21,653)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,721,161

See Accountant's Compilation Report

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

Exhibit 3B

Description	2014	2013	2012	2011	Policy Year 2010	2008	2007	2006	Total
INCOME RECEIVED:									
Premiums Written	\$ 44,620,492	\$ 45,411,235	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 283,843,567
Reinsurance Premiums Ceded	(21,331,250)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(127,244,021)
Net Premiums Written	23,289,242	24,690,401	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	156,599,546
Interest Received	164,722	326,657	95,204	40,332	21,405	486,548	677,305	307,607	2,119,780
Realized Gains (Losses)	-	-	(34,522)	-	-	-	-	-	(34,522)
Other Income	43	-	8	1,070	153	3,391	3,670	40	8,375
Service & Agency Fees	906,565	778,125	674,460	608,415	497,585	269,337	187,836	175,703	4,098,026
Gain (loss) on sale of non admitted asset	-	-	-	-	-	100	623	(203)	520
Total Income	24,360,572	25,795,183	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	162,791,725
EXPENSES PAID:									
Losses	1,150,275	2,969,222	3,272,791	1,326,634	988,594	874,566	512,315	930,913	12,025,310
Loss Adjustment Expenses	247,757	502,885	400,549	230,109	118,628	22,717	14,945	17,029	1,554,619
Commissions	3,284,870	3,626,442	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	23,154,035
Operating Expenses	3,089,783	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	17,897,062
Premium Taxes	1,313,832	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	9,802,046
Total Expenses Paid	9,086,517	11,705,378	11,710,191	9,298,212	7,779,537	5,414,261	5,108,367	4,330,609	64,433,072
Net Cash Change	15,274,055	14,089,805	15,793,626	18,468,839	12,530,791	4,802,544	8,418,382	8,980,611	98,358,653
RESERVES:									
DEDUCT (CURRENT PERIOD)									
Unpaid Losses (include IBNR)	1,621,344	42,237	-	-	-	-	-	-	1,663,581
Reins. Recoverable-Unpaid Losses	-	-	-	-	-	-	-	-	-
Unpaid Loss Adjustment Expenses	162,134	4,224	-	-	-	-	-	-	166,358
Operating Expenses	528,366	-	-	-	-	-	-	-	528,366
Unearned Premiums	23,823,315	-	-	-	-	-	-	-	23,823,315
Premium Taxes	242,201	-	-	-	-	-	-	-	242,201
Total Reserves	26,377,360	46,461	-	-	-	-	-	-	26,423,821
OTHER CHANGES:									
ADD (DEDUCT)									
Minimum Pension Liability	(299,507)	115,466	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(348,933)
Interest Accrued	183,785	-	-	-	-	-	-	-	183,785
Assets Not Admitted	(355,521)	-	-	-	-	-	-	-	(355,521)
Retained Surplus	(319,649)	(284,009)	(17,189)	(10,477)	-	-	-	-	(631,324)
Total Other Changes	(790,892)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(1,151,993)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (11,894,197)	\$ 13,874,801	\$ 15,649,158	\$ 18,421,371	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 70,782,839

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

RETAINED SURPLUS

Quarter Ended October 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)	319,649	-	-	-	-	319,649
Retained Surplus Current Period	<u>\$ 319,649</u>	<u>\$ 284,009</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,547,881</u>

See Accountant's Compilation Report

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

EXHIBIT 4A - Quarterly

Description	Quarterly 08/01/2014 - 10/31/2014								Total	
	2014	2013	2012	2011	2010	2008	2007	2006		
PREMIUMS WRITTEN:										
Fire	\$ 728,665	\$ (1,299)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 727,366
E.C. & VMM	11,730,510	(37,615)	-	-	-	-	-	-	-	11,692,895
Reinsurance Premium Ceded E.C.	(5,475,000)	-	-	-	-	-	-	-	-	(5,475,000)
Total	6,984,175	(38,914)	-	-	-	-	-	-	-	6,945,261
UNEARNED PREMIUMS: (PRIOR 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
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	1,126,741	-	-	-	-	-	-	-	-	1,126,741
E.C. & VMM	22,696,574	-	-	-	-	-	-	-	-	22,696,574
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	23,823,315	-	-	-	-	-	-	-	-	23,823,315
EARNED PREMIUMS:										
Fire	440,540	53,842	-	-	-	-	-	-	-	494,382
E.C. & VMM	10,189,108	1,267,260	-	-	-	-	-	-	-	11,456,368
Reinsurance Earned Ceded E.C.	(5,475,000)	-	-	-	-	-	-	-	-	(5,475,000)
Total	\$ 5,154,648	\$ 1,321,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,475,750

See Accountant's Compilation Report

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

EXHIBIT 4A - Year-to-Date

Description	Year-to-Date 11/01/2013 - 10/31/2014								Total	
	2014	2013	2012	2011	2010	2008	2007	2006		
PREMIUMS WRITTEN:										
Fire	\$ 1,974,085	\$ (24,959)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,949,126
E.C. & VMM	42,646,407	(621,952)	-	-	-	-	-	-	-	42,024,455
Reinsurance Premium Ceded E.C.	(21,331,250)	-	-	-	-	-	-	-	-	(21,331,250)
Total	23,289,242	(646,911)	-	-	-	-	-	-	-	22,642,331
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	1,126,741	-	-	-	-	-	-	-	-	1,126,741
E.C. & VMM	22,696,574	-	-	-	-	-	-	-	-	22,696,574
Reinsurance Unearned Ceded E.C.	-	-	-	-	-	-	-	-	-	-
Total	23,823,315	-	-	-	-	-	-	-	-	23,823,315
EARNED PREMIUMS:										
Fire	847,344	871,555	-	-	-	-	-	-	-	1,718,899
E.C. & VMM	19,949,833	22,969,592	-	-	-	-	-	-	-	42,919,425
Reinsurance Earned Ceded E.C.	(21,331,250)	-	-	-	-	-	-	-	-	(21,331,250)
Total	\$ (534,073)	\$ 23,841,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,307,074

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended October 31, 2014

EXHIBIT 4B - Quarterly

Quarterly 08/01/2014 - 10/31/2014

Description	Policy Year								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PAID LOSSES:									
Fire	\$ 81,863	\$ 176,983	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,846
E.C. & VMM	222,170	289,557	1,185	-	-	-	-	-	512,912
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	304,033	466,540	1,185	-	-	-	-	-	771,758
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	323,450	1,025	-	-	-	-	-	-	324,475
E.C. & VMM	1,297,894	41,212	-	-	-	-	-	-	1,339,106
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	1,621,344	42,237	-	-	-	-	-	-	1,663,581
OUTSTANDING LOSSES (PRIOR 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
INCURRED LOSSES:									
Fire	246,453	(47,303)	-	-	-	-	-	-	199,150
E.C. & VMM	278,676	(309,154)	1,185	-	-	-	-	-	(29,293)
Total	525,129	(356,457)	1,185	-	-	-	-	-	169,857
IBNR (CURRENT PERIOD)									
Fire	59,263	-	-	-	-	-	-	-	59,263
E.C. & VMM	1,276,946	-	-	-	-	-	-	-	1,276,946
Total	1,336,209	-	-	-	-	-	-	-	1,336,209
IBNR (PRIOR 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

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended October 31, 2014

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2013 - 10/31/2014

Description	Policy Year								Total
	2014	2013	2012	2011	2010	2008	2007	2006	
PAID LOSSES:									
Fire	\$ 669,254	\$ 1,045,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,715,035
E.C. & VMM	481,021	799,552	17,494	-	-	-	-	-	1,298,067
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-
Total	1,150,275	1,845,333	17,494	-	-	-	-	-	3,013,102
OUTSTANDING LOSSES (CURRENT PERIOD)*									
Fire	323,450	1,025	-	-	-	-	-	-	324,475
E.C. & VMM	1,297,894	41,212	-	-	-	-	-	-	1,339,106
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-
Total	1,621,344	42,237	-	-	-	-	-	-	1,663,581
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	992,704	860,613	-	-	-	-	-	-	1,853,317
E.C. & VMM	1,778,915	(507,361)	14,494	-	-	-	-	-	1,286,048
Total	2,771,619	353,252	14,494	-	-	-	-	-	3,139,365
IBNR (CURRENT PERIOD)									
Fire	59,263	-	-	-	-	-	-	-	59,263
E.C. & VMM	1,276,946	-	-	-	-	-	-	-	1,276,946
Total	1,336,209	-	-	-	-	-	-	-	1,336,209
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 October 31, 2014

EXHIBIT 4C - Quarterly

Description	Quarterly 08/01/2014 - 10/31/2014								Total	
	2014	2013	2012	2011	Policy Year		2008	2007		2006
					2010					
LOSS EXPENSES PAID:										
Fire	\$ 16,099	\$ 13,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,385
E.C. & VMM	60,241	56,032	685	-	-	-	-	-	-	116,958
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	76,340	69,318	685	-	-	-	-	-	-	146,343
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	32,345	103	-	-	-	-	-	-	-	32,448
E.C. & VMM	129,789	4,121	-	-	-	-	-	-	-	133,910
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	162,134	4,224	-	-	-	-	-	-	-	166,358
UNPAID LOSS EXPENSES (PRIOR 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
INCURRED LOSS EXPENSES:										
Fire	32,558	(9,142)	-	-	-	-	-	-	-	23,416
E.C. & VMM	65,891	(3,839)	685	-	-	-	-	-	-	62,737
Total	\$ 98,449	\$ (12,981)	\$ 685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,153

*Includes IBNR

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

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2013 - 10/31/2014								Total	
	2014	2013	2012	2011	Policy Year 2010	2008	2007	2006		
LOSS EXPENSES PAID:										
Fire	\$ 41,543	\$ 69,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,816
E.C. & VMM	206,214	294,792	7,459	-	-	-	-	-	-	508,465
Reinsurance Recovery E.C.	-	-	-	-	-	-	-	-	-	-
Total	247,757	364,065	7,459	-	-	-	-	-	-	619,281
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	32,345	103	-	-	-	-	-	-	-	32,448
E.C. & VMM	129,789	4,121	-	-	-	-	-	-	-	133,910
Reinsurance Recoverable E.C.	-	-	-	-	-	-	-	-	-	-
Total	162,134	4,224	-	-	-	-	-	-	-	166,358
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	73,888	50,757	-	-	-	-	-	-	-	124,645
E.C. & VMM	336,003	164,101	7,159	-	-	-	-	-	-	507,263
Total	\$ 409,891	\$ 214,858	\$ 7,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 631,908

*Includes IBNR

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