



South Carolina Wind & Hail Underwriting Association 2016 Exposure and Reinsurance

OVERVIEW OF PROGRAM Effective 5-31-16





Overview

- SC Wind is the residual market for coastal property insurance in South Carolina
- Further information is available at: www.scwind.com

Exhibits

1. Inforce Exposure Data
2. PML Summary
3. Large Storm Recasts
4. Reinsurance Program



1. Inforce Exposure Data By County and Zone

County	In-Force Policies @ 01-31-15				In-Force Policies @ 01-31-16			
	Policy Count	In-force Premiums	Insured Limits	% of Total in County	Policy Count	In-force Premiums	Insured Limits	% of Total in County
Zone 1								
BEAUFORT	7,158	18,800,221	3,748,737,817	91%	6,009	15,476,489	3,080,649,222	90%
CHARLESTON	3,687	13,707,726	1,998,500,475	58%	3,191	11,765,737	1,715,118,681	56%
COLLETON	954	2,422,346	353,623,316	100%	840	2,143,461	313,862,898	100%
GEORGETOWN	2,220	6,081,983	955,036,110	77%	1,996	5,471,650	859,327,360	75%
HORRY	14,101	27,106,042	3,382,660,256	83%	12,601	23,592,625	2,947,155,661	83%
Total Zone 1	28,120	68,118,318	10,438,557,974	79%	24,637	58,449,962	8,916,113,822	77%
Zone 2								
BEAUFORT	1,003	1,506,545	367,784,978	9%	955	1,459,249	355,830,226	10%
CHARLESTON	4,325	7,769,732	1,419,918,819	42%	3,933	7,255,625	1,328,095,003	44%
COLLETON	-	-	-	-	-	-	-	-
GEORGETOWN	979	1,460,442	292,490,810	23%	925	1,428,434	284,373,038	25%
HORRY	3,076	4,038,228	696,583,384	17%	2,763	3,552,825	622,493,010	17%
Total Zone 2	9,383	14,774,947	2,776,777,991	21%	8,576	13,696,133	2,590,791,277	23%
Grand Total	37,503	82,893,265	13,215,335,965	100%	33,213	72,146,095	11,506,905,099	100%




2. All Peril Occurrence PML

	1/31/15 Inforce	1/31/16 Inforce
AIR WORLDWIDE	AIR Touchstone v 2.0.2	AIR Touchstone v 3.1
1000 yr	2,557,775,432	2,595,838,175
500 yr	2,089,114,895	2,153,903,680
250 yr	1,607,104,727	1,591,408,114
150 yr	1,100,567,404	1,081,023,603
100 yr	829,628,966	821,498,633
50 yr	496,046,079	500,514,928
25 yr	235,389,136	233,274,621
AAL	42,113,224	41,589,194

\$ US in Ones - Net of QS



2. All Peril Occurrence PML (cont'd)

	1/31/15 Inforce	1/31/16 Inforce
	RMS RiskLink v 13.1	RMS RiskLink v 15.0
1000 yr	1,737,979,574	1,721,911,968
500 yr	1,271,608,562	1,233,708,246
250 yr	856,872,063	825,722,644
150 yr	600,115,122	573,263,608
100 yr	450,508,252	427,975,564
50 yr	260,882,710	246,443,911
25 yr	131,061,840	124,356,978
AAL	24,815,657	23,735,009

\$ US in Ones - Net of QS



2. All Peril Occurrence PML (cont'd)

	1/31/15 Inforce	1/31/16 Inforce
	Average Modeled Losses	Average Modeled Losses
1000 yr	2,147,877,503	2,158,875,072
500 yr	1,680,361,728	1,693,805,963
250 yr	1,231,988,395	1,208,565,379
150 yr	850,341,263	827,143,605
100 yr	640,068,609	624,737,099
50 yr	378,464,395	373,479,420
25 yr	183,225,488	178,815,800
AAL	33,464,441	32,662,101

\$ US in Ones - Net of QS



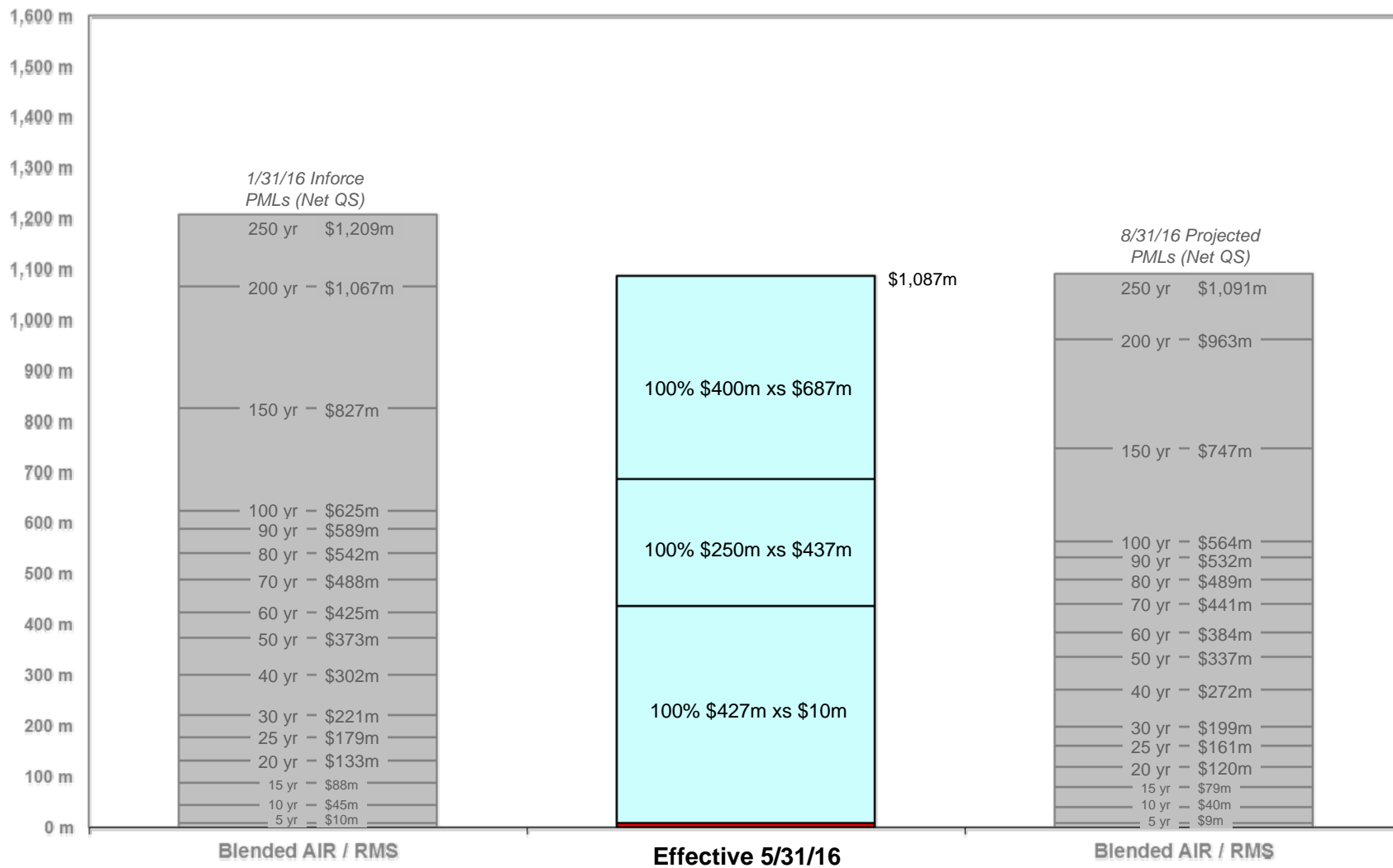
3. Large Storm Recasts

		Industry Losses		SC Wind Losses	
		Original	Simple 5% Inflation	Average Modeled Recast	
Based on 1/31/16 Exposure Data					
Recast Losses					
Hurricanes	25 Most Destructive Hurricanes			Net of Depop. Quota Share	
	Event	Year			
	Ike (AIR Cat 3)	2008	12,500,000,000	18,468,193,047	-
	Gustav (AIR Cat 2)	2008	2,150,000,000	3,176,529,204	-
	Wilma (RMS Cat 3, AIR Cat 3)	2005	10,300,000,000	17,616,495,389	-
	Rita (RMS Cat 3, AIR Cat 3)	2005	5,627,200,000	9,624,421,636	-
	Katrina (RMS Cat 3, AIR Cat 1)	2005	41,100,000,000	70,294,947,619	-
	Jeanne (RMS Cat 3, AIR Cat 3)	2004	3,625,000,000	6,509,979,182	-
	Ivan (RMS Cat 3, AIR Cat 3)	2004	7,110,000,000	12,768,538,478	-
	Frances (RMS Cat 2, AIR Cat 3)	2004	4,595,000,000	8,251,959,818	1,493
	Charley (RMS Cat 4, AIR Cat 4)	2004	7,475,000,000	13,424,026,037	6,091,399
	Floyd (RMS Cat 2, AIR Cat 3)	1999	1,960,000,000	4,492,355,903	6,593,766
	Fran (RMS Cat 2, AIR Cat 3)	1996	1,600,000,000	4,245,276,328	10,917,296
	Opal (RMS Cat 3, AIR Cat 4)	1995	2,100,000,000	5,850,521,440	-
	Andrew (RMS Cat 5, AIR Cat 5)	1992	15,500,000,000	49,989,049,128	-
	Hugo (RMS Cat 4, AIR Cat 4)	1989	2,955,000,000	11,032,363,433	292,178,062
	Alicia (RMS Cat 2, AIR Cat 3)	1983	675,520,000	3,379,753,924	-
	Frederic (RMS Cat 3, AIR Cat 3)	1979	752,510,000	4,576,319,539	-
	Camille (RMS Cat 5, AIR Cat 5)	1969	166,000,000	1,644,391,201	-
	Betsy (RMS Cat 4, AIR Cat 4)	1965	515,000,000	6,200,996,434	-
	Carla (RMS Cat 4, AIR Cat 4)	1961	100,000,000	1,463,563,092	-
	Donna (RMS Cat 4, AIR Cat 4)	1960	91,000,000	1,398,434,534	1,338,438
	Hazel (RMS Cat 4, AIR Cat 4)	1954	122,000,000	2,512,443,899	76,292,224
	Carol (RMS Cat 2, AIR Cat 2)	1954	136,000,000	2,800,757,133	-
	New England (RMS Cat 3, AIR Cat 4)	1938	418,750,000	18,824,356,868	-
Florida (RMS Cat 4, AIR Cat 4)	1926	122,890,000	9,920,954,561	-	
Galveston (RMS Cat 4, AIR Cat 4)	1900	N/A	N/A	-	
Lloyd's Realistic Disaster Scenarios					
Event					
Lloyd's RDS Florida Windstorm (Pinellas) (RMS Cat 4, AIR Cat 5)				34,587	
Lloyd's RDS Carolinas (RMS SC Cat 5, AIR Cat 5)				2,240,781,655	

US \$ in Ones



4. SC Wind Reinsurance Program





4. SC Wind Reinsurance Program (cont'd)

- Reinsurance Program overseen by SC Wind Reinsurance Committee
- All Reinsurers rated A. M. Best or S&P A- or better or have collateralized their liability.
- Pre-Paid Reinstatements
- There is a Facultative Program that assumes 100% of select risks
- Exposure and PML estimates for the 2016 Hurricane Season continue to decline
- SC Wind Uses a 50/50 Blend of AIR and RMS to Determine PML's
- Broker Of Record: Aon Benfield Inc. (Stamford, CT)

Questions



Please direct questions to Executive Director Smitty Harrison at: smitty@scwind.com