



South Carolina Wind & Hail Underwriting Association 2017 Exposure and Reinsurance

OVERVIEW OF PROGRAM Effective 5-31-17





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 @ 01-31-16				In-Force Policies @ 01-31-17			
	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	6,009	15,476,489	3,080,649,222	90%	4,590	11,448,006	2,267,110,559	88%
CHARLESTON	3,191	11,765,737	1,715,118,681	56%	2,709	9,902,059	1,442,030,973	58%
COLLETON	840	2,143,461	313,862,898	100%	690	1,747,818	255,159,223	100%
GEORGETOWN	1,996	5,471,650	859,327,360	75%	1,716	4,574,998	727,125,891	73%
HORRY	12,601	23,592,625	2,947,155,661	83%	11,004	18,760,489	2,420,696,398	82%
Total Zone 1	24,637	58,449,962	8,916,113,822	77%	20,709	46,433,370	7,112,123,044	77%
Zone 2								
BEAUFORT	955	1,459,249	355,830,226	10%	844	1,279,169	310,859,052	12%
CHARLESTON	3,933	7,255,625	1,328,095,003	44%	3,006	5,800,992	1,059,561,702	42%
COLLETON	-	-	-	-	-	-	-	-
GEORGETOWN	925	1,428,434	284,373,038	25%	896	1,379,559	272,266,044	27%
HORRY	2,763	3,552,825	622,493,010	17%	2,373	2,943,645	515,211,221	18%
Total Zone 2	8,576	13,696,133	2,590,791,277	23%	7,119	11,403,365	2,157,898,019	23%
Grand Total	33,213	72,146,095	11,506,905,099	100%	27,828	57,836,735	9,270,021,063	100%




2. All Peril Occurrence PML

	1/31/16 Inforce	1/31/17 Inforce
	AIR Touchstone v 3.1	AIR Touchstone v 4.2
1000 yr	2,595,838,175	2,089,593,741
500 yr	2,153,903,680	1,760,554,047
250 yr	1,591,408,114	1,293,412,599
150 yr	1,081,023,603	884,319,694
100 yr	821,498,633	664,755,752
50 yr	500,514,928	414,423,465
25 yr	233,274,621	192,075,902
AAL	41,589,194	33,983,727

\$ US in Ones - Net of QS



2. All Peril Occurrence PML (cont'd)

	1/31/16 Inforce	1/31/17 Inforce
	RMS RiskLink v 15.0	RMS RiskLink v 16.0
1000 yr	1,721,911,968	1,389,574,610
500 yr	1,233,708,246	991,267,813
250 yr	825,722,644	663,010,792
150 yr	573,263,608	461,405,394
100 yr	427,975,564	344,323,037
50 yr	246,443,911	197,562,252
25 yr	124,356,978	99,540,747
AAL	23,735,009	19,058,059

\$ US in Ones - Net of QS



2. All Peril Occurrence PML (cont'd)

	1/31/16 Inforce	1/31/17 Inforce
	Average Modeled Losses	Average Modeled Losses
1000 yr	2,158,875,072	1,739,584,175
500 yr	1,693,805,963	1,375,910,930
250 yr	1,208,565,379	978,211,695
150 yr	827,143,605	672,862,544
100 yr	624,737,099	504,539,395
50 yr	373,479,420	305,992,858
25 yr	178,815,800	145,808,324
AAL	32,662,101	26,520,893

\$ US in Ones - Net of QS

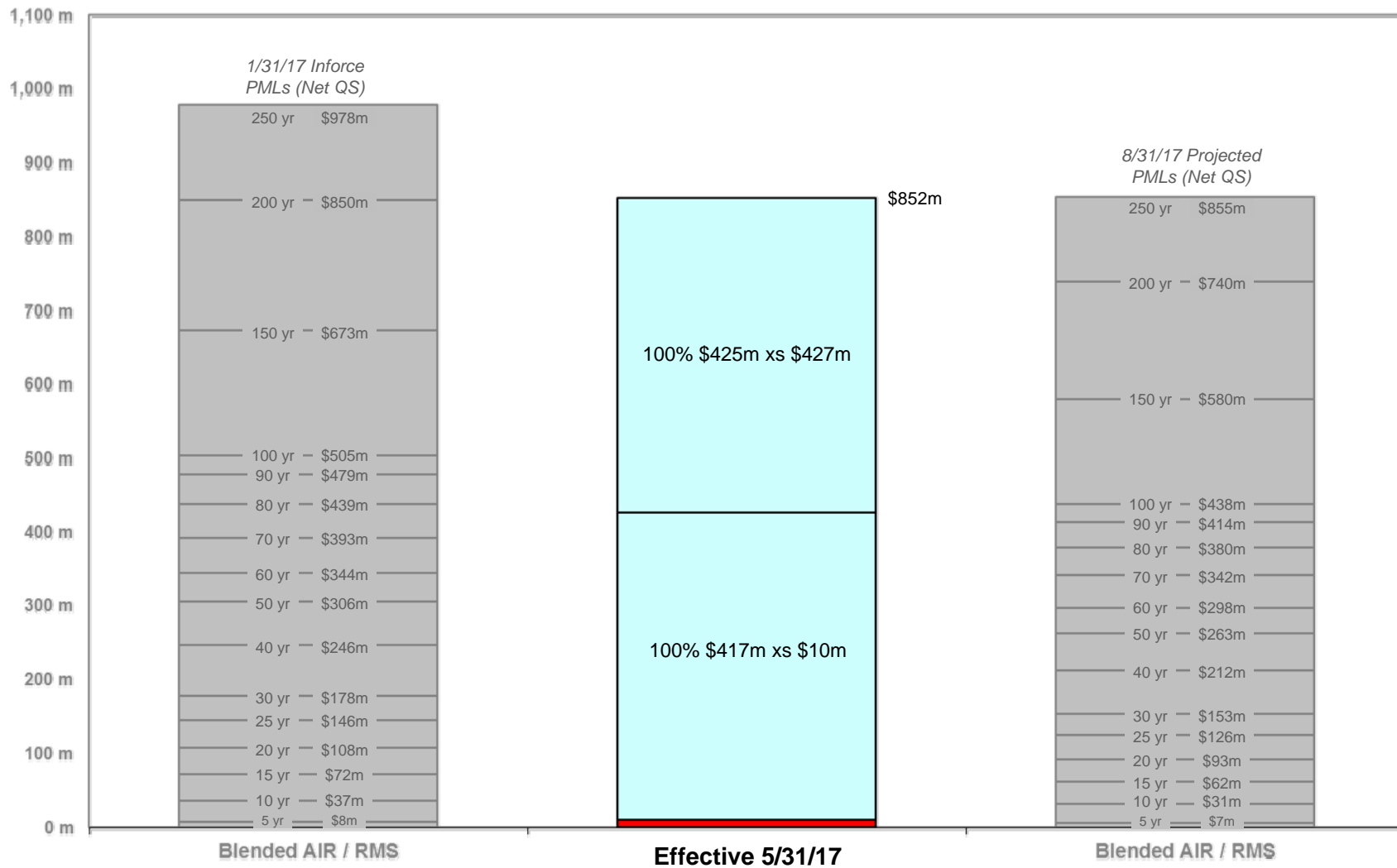


3. Large Storm Recasts

Based on 1/31/17 Exposure Data		Industry Losses		SC Wind Losses	
		Original	Simple 5% Inflation	Average Modeled Recast	
Recast Losses					
Hurricanes	25 Most Destructive Hurricanes				Net of Depop. Quota Share
	Event	Year			
	Ike (AIR Cat 3)	2008	12,500,000,000	19,391,602,700	-
	Gustav (AIR Cat 2)	2008	2,150,000,000	3,335,355,664	-
	Wilma (RMS Cat 3, AIR Cat 3)	2005	10,300,000,000	18,497,320,158	-
	Rita (RMS Cat 3, AIR Cat 3)	2005	5,627,200,000	10,105,642,718	-
	Katrina (RMS Cat 3, AIR Cat 1)	2005	41,100,000,000	73,809,695,000	-
	Jeanne (RMS Cat 3, AIR Cat 3)	2004	3,625,000,000	6,835,478,141	-
	Ivan (RMS Cat 3, AIR Cat 3)	2004	7,110,000,000	13,406,965,402	-
	Frances (RMS Cat 2, AIR Cat 3)	2004	4,595,000,000	8,664,557,809	1,026
	Charley (RMS Cat 4, AIR Cat 4)	2004	7,475,000,000	14,095,227,339	5,127,459
	Floyd (RMS Cat 2, AIR Cat 3)	1999	1,960,000,000	4,716,973,698	5,530,634
	Fran (RMS Cat 2, AIR Cat 3)	1996	1,600,000,000	4,457,540,145	9,111,747
	Opal (RMS Cat 3, AIR Cat 4)	1995	2,100,000,000	6,143,047,512	-
	Andrew (RMS Cat 5, AIR Cat 5)	1992	15,500,000,000	52,488,501,584	-
	Hugo (RMS Cat 4, AIR Cat 4)	1989	2,955,000,000	11,583,981,604	244,063,805
	Alicia (RMS Cat 2, AIR Cat 3)	1983	675,520,000	3,548,741,620	-
	Frederic (RMS Cat 3, AIR Cat 3)	1979	752,510,000	4,805,135,515	-
	Camille (RMS Cat 5, AIR Cat 5)	1969	166,000,000	1,726,610,761	-
	Betsy (RMS Cat 4, AIR Cat 4)	1965	515,000,000	6,511,046,256	-
	Carla (RMS Cat 4, AIR Cat 4)	1961	100,000,000	1,536,741,246	-
	Donna (RMS Cat 4, AIR Cat 4)	1960	91,000,000	1,468,356,261	1,086,532
	Hazel (RMS Cat 4, AIR Cat 4)	1954	122,000,000	2,638,066,094	62,263,924
	Carol (RMS Cat 2, AIR Cat 2)	1954	136,000,000	2,940,794,990	-
	New England (RMS Cat 3, AIR Cat 4)	1938	418,750,000	19,765,574,711	-
Florida (RMS Cat 4, AIR Cat 4)	1926	122,890,000	10,417,002,289	-	
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)				27,451	
Lloyd's RDS Carolinas (RMS SC Cat 5, AIR Cat 5)				1,838,967,613	

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 2017 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