



# South Carolina Wind & Hail Underwriting Association 2018 Exposure and Reinsurance

OVERVIEW OF PROGRAM Effective 5-31-18



# Overview

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- SC Wind is the residual market for coastal property insurance in South Carolina
- Further information is available at: [www.scwind.com](http://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 @ 01-31-17				In-Force Policies @ 01-31-18			
	Policy Count	In-force Premiums	Insured Limits	% of Total in County	Policy Count	In-force Premiums	Insured Limits	% of Total in County
<b>Zone 1</b>								
BEAUFORT	4,590	11,448,006	2,267,110,559	88%	3,369	8,278,824	1,618,875,895	85%
CHARLESTON	2,709	9,902,059	1,442,030,973	58%	2,222	8,121,335	1,183,233,858	56%
COLLETON	690	1,747,818	255,159,223	100%	509	1,277,191	187,014,094	100%
GEORGETOWN	1,716	4,574,998	727,125,891	73%	1,460	3,824,555	608,257,356	70%
HORRY	11,004	18,760,489	2,420,696,398	82%	9,495	15,795,569	2,021,810,405	82%
<b>Total Zone 1</b>	<b>20,709</b>	<b>46,433,370</b>	<b>7,112,123,044</b>	<b>77%</b>	<b>17,055</b>	<b>37,297,474</b>	<b>5,619,191,608</b>	<b>75%</b>
<b>Zone 2</b>								
BEAUFORT	844	1,279,169	310,859,052	12%	775	1,194,865	290,096,951	15%
CHARLESTON	3,006	5,800,992	1,059,561,702	42%	2,535	5,039,621	920,017,129	44%
COLLETON	-	-	-	-	-	-	-	-
GEORGETOWN	896	1,379,559	272,266,044	27%	865	1,339,045	261,811,168	30%
HORRY	2,373	2,943,645	515,211,221	18%	2,056	2,540,883	438,365,624	18%
<b>Total Zone 2</b>	<b>7,119</b>	<b>11,403,365</b>	<b>2,157,898,019</b>	<b>23%</b>	<b>6,231</b>	<b>10,114,414</b>	<b>1,910,290,872</b>	<b>25%</b>
<b>Grand Total</b>	<b>27,828</b>	<b>57,836,735</b>	<b>9,270,021,063</b>	<b>100%</b>	<b>23,286</b>	<b>47,411,888</b>	<b>7,529,482,480</b>	<b>100%</b>

## 2. All Peril Occurrence PML




	1/31/17 Inforce	1/31/18 Inforce
	AIR Touchstone v 4.2	AIR Touchstone v 5.1
1000 yr	2,089,593,741	1,767,169,495
500 yr	1,760,554,047	1,472,637,556
250 yr	1,293,412,599	1,100,205,634
150 yr	884,319,694	741,474,662
100 yr	664,755,752	570,287,676
50 yr	414,423,465	344,552,730
25 yr	192,075,902	162,371,477
AAL	33,983,727	28,547,017

\$ US in Ones - Net of QS

## 2. All Peril Occurrence PML (cont'd)



	1/31/17 Inforce	1/31/18 Inforce
	RMS RiskLink v 16.0	RMS RiskLink v 17.0
1000 yr	1,389,574,610	1,098,427,055
500 yr	991,267,813	796,983,865
250 yr	663,010,792	535,004,632
150 yr	461,405,394	375,127,141
100 yr	344,323,037	281,878,361
50 yr	197,562,252	160,280,267
25 yr	99,540,747	79,547,465
AAL	19,058,059	15,215,528

\$ US in Ones - Net of QS

## 2. All Peril Occurrence PML (cont'd)



	1/31/17 Inforce	1/31/18 Inforce
	Average Modeled Losses	Average Modeled Losses
1000 yr	1,739,584,175	1,432,798,275
500 yr	1,375,910,930	1,134,810,711
250 yr	978,211,695	817,605,133
150 yr	672,862,544	558,300,901
100 yr	504,539,395	426,083,019
50 yr	305,992,858	252,416,498
25 yr	145,808,324	120,959,471
AAL	26,520,893	21,881,273

\$ US in Ones - Net of QS

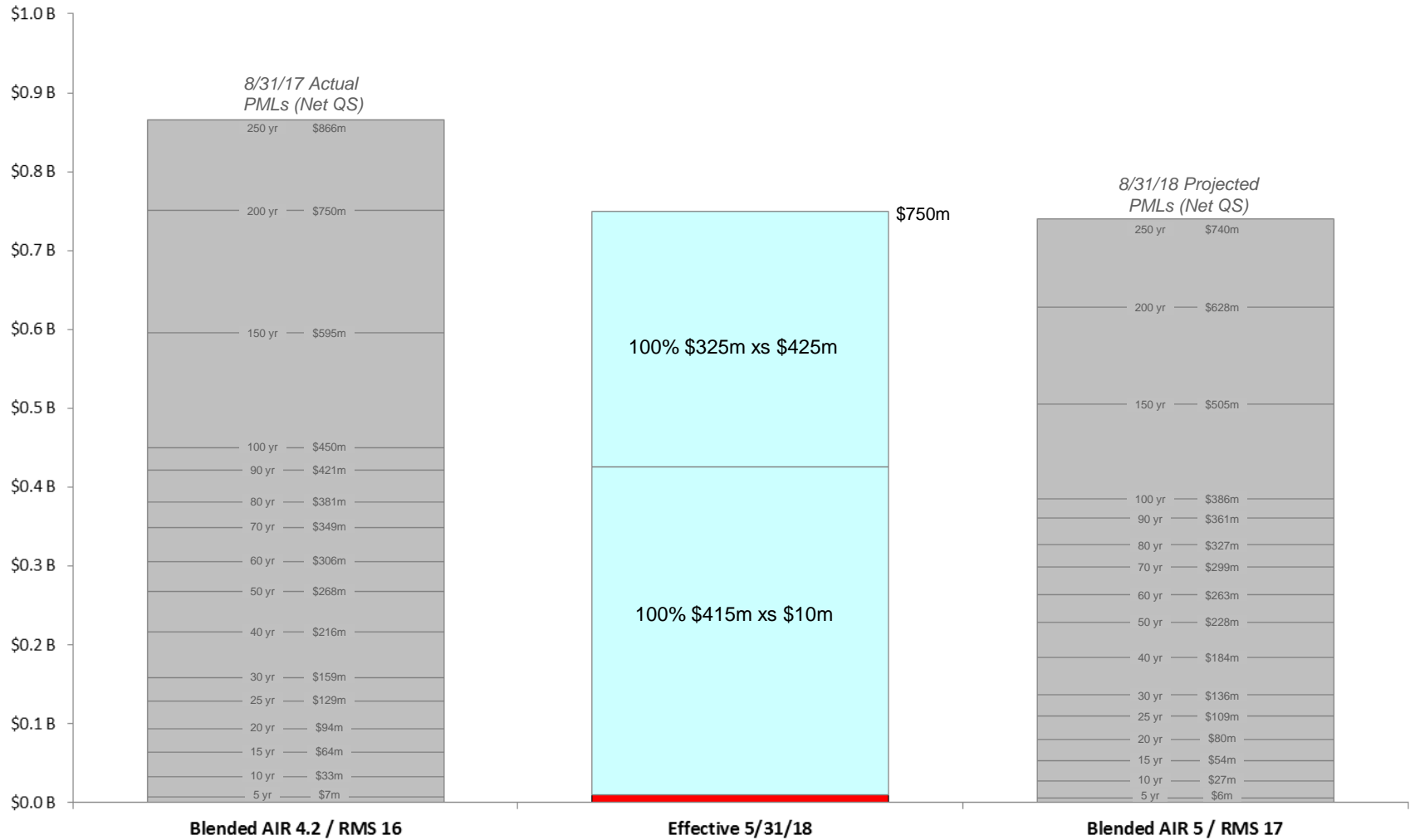
### 3. Large Storm Recasts



<i>Based on 1/31/18 Exposure Data</i>		Industry Losses		SC Wind Losses	
		Original	Simple 5% Inflation	Average Modeled Recast	
<b>Recast Losses</b>					
<b>Hurricanes</b>	<b>25 Most Destructive Hurricanes</b>				Net of Depop. Quota Share
	<u>Event</u>	<u>Year</u>			
	Ike (AIR Cat 3)	2008	12,500,000,000	20,361,182,835	-
	Gustav (AIR Cat 2)	2008	2,150,000,000	3,502,123,448	-
	Wilma (RMS Cat 3, AIR Cat 3)	2005	10,300,000,000	19,422,186,166	-
	Rita (RMS Cat 3, AIR Cat 3)	2005	5,627,200,000	10,610,924,854	-
	Katrina (RMS Cat 3, AIR Cat 1)	2005	41,100,000,000	77,500,179,749	-
	Jeanne (RMS Cat 3, AIR Cat 3)	2004	3,625,000,000	7,177,252,048	-
	Ivan (RMS Cat 3, AIR Cat 3)	2004	7,110,000,000	14,077,313,672	-
	Frances (RMS Cat 2, AIR Cat 3)	2004	4,595,000,000	9,097,785,699	460
	Charley (RMS Cat 4, AIR Cat 4)	2004	7,475,000,000	14,799,988,706	4,376,861
	Floyd (RMS Cat 2, AIR Cat 3)	1999	1,960,000,000	4,952,822,383	4,695,061
	Fran (RMS Cat 2, AIR Cat 3)	1996	1,600,000,000	4,680,417,152	7,804,754
	Opal (RMS Cat 3, AIR Cat 4)	1995	2,100,000,000	6,450,199,887	-
	Andrew (RMS Cat 5, AIR Cat 5)	1992	15,500,000,000	55,112,926,663	-
	Hugo (RMS Cat 4, AIR Cat 4)	1989	2,955,000,000	12,163,180,684	213,463,978
	Alicia (RMS Cat 2, AIR Cat 3)	1983	675,520,000	3,726,178,701	-
	Frederic (RMS Cat 3, AIR Cat 3)	1979	752,510,000	5,045,392,291	-
	Camille (RMS Cat 5, AIR Cat 5)	1969	166,000,000	1,812,941,299	-
	Betsy (RMS Cat 4, AIR Cat 4)	1965	515,000,000	6,836,598,569	-
	Carla (RMS Cat 4, AIR Cat 4)	1961	100,000,000	1,613,578,309	-
	Donna (RMS Cat 4, AIR Cat 4)	1960	91,000,000	1,541,774,074	901,436
	Hazel (RMS Cat 4, AIR Cat 4)	1954	122,000,000	2,769,969,398	55,037,946
	Carol (RMS Cat 2, AIR Cat 2)	1954	136,000,000	3,087,834,739	-
	New England (RMS Cat 3, AIR Cat 4)	1938	418,750,000	20,753,853,447	-
Florida (RMS Cat 4, AIR Cat 4)	1926	122,890,000	10,937,852,403	-	
Galveston (RMS Cat 4, AIR Cat 4)	1900	N/A	N/A	-	
<b>Lloyd's Realistic Disaster Scenarios</b>					
<u>Event</u>					
Lloyd's RDS Florida Windstorm (Pinellas) (RMS Cat 4, AIR Cat 5)				19,129	
Lloyd's RDS Carolinas (RMS SC Cat 5, AIR Cat 5)				1,564,066,507	

US \$ in Ones

# 4. SC Wind Reinsurance Program







## 4. SC Wind Reinsurance Program (cont'd)

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- 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 2018 Hurricane Season continue to decline
- SC Wind Uses a 50/50 Blend of AIR and RMS to Determine PML's
- Broker Of Record: Aon (Stamford, CT)

# Questions

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Please direct questions to Executive Director Smitty Harrison at: [smitty@scwind.com](mailto:smitty@scwind.com)