

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
BALANCE SHEET
QUARTER ENDED JANUARY 31, 2003

EXHIBIT 1

| DESCRIPTION | LEDGER ASSETS | NON- LEDGER ASSETS | ASSETS NOT ADMITTED | ADMITTED ASSETS |
|--------------------------------------------------------------------|-------------------|--------------------------|---------------------------|--------------------|
| ASSETS: | | | | |
| Investments: | | | | |
| U.S. Treasury Bills - at cost | 7,860,843 | | | 7,860,843 |
| Cash | 5,652,038 | | | 5,652,038 |
| Funds held in escrow | 0 | | | 0 |
| Accounts receivable | 0 | | | 0 |
| Assessments receivable | 0 | | 0 | 0 |
| Reinsurance recoverable on loss payments | 0 | | | 0 |
| Interest accrued | | 41,776 | | 41,776 |
| Data processing equipment (less accumulated depreciation) | 49,674 | | | 49,674 |
| Furniture, fixtures & equipment (less accumulated depreciation) | 5,227 | | 5,227 | 0 |
| Programming (net of amortization) | 285,813 | | 285,813 | 0 |
| Section 444 Deposit (I.R.S.) | 24,895 | | | 24,895 |
| Prepaid operating expense | 123,148 | | 6,481 | 116,667 |
| TOTAL ASSETS | 14,001,638 | 41,776 | 297,521 | 13,745,893 |
| LIABILITIES AND EQUITY: | | | | |
| Reserves for: | | | | |
| Unpaid losses | | | | 54,700 |
| Reinsurance recoverable-unpaid losses | | | | (600) |
| Unpaid loss adjustment expense | | | | 2,326 |
| Reinsurance recoverable-unpaid loss exp. | | | | (250) |
| Operating expenses | | | | 52,334 |
| Unearned premiums: net | | | | 10,697,731 |
| Premium taxes | | | | 698,081 |
| TOTAL RESERVES | | | | 11,504,322 |
| Payables for: | | | | |
| Accounts payable | | | | 0 |
| Amounts withheld for account of others | | | | 6,819 |
| Post Retirement Benefit Payable | | | | 114,561 |
| Reinsurance Premium Payable | | | | 2,898,616 |
| TOTAL PAYABLES | | | | 3,019,996 |
| MEMBERS' EQUITY | | | | (778,425) |
| Total Liabilities and Equity | | | | 13,745,893 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
INCOME STATEMENT AND EQUITY ACCOUNT
QUARTER ENDED JANUARY 31, 2003**

EXHIBIT 2

| DESCRIPTION | QUARTER: 11-01-2002 01-31-2003 | YEAR-TO-DATE 11-01-2002 01-31-2003 |
|---------------------------------------------|-----------------------------------------------|---------------------------------------------------|
| <u>UNDERWRITING INCOME:</u> | | |
| Net Premiums Earned | 2,325,800 | 2,325,800 |
| <u>DEDUCTIONS:</u> | | |
| Losses incurred | 5,672 | 5,672 |
| Loss expenses incurred | 7,878 | 7,878 |
| Operating expenses incurred | 1,017,584 | 1,017,584 |
| TOTAL DEDUCTIONS | 1,031,134 | 1,031,134 |
| Net Underwriting Gain or (Loss) | 1,294,666 | 1,294,666 |
| <u>OTHER INCOME OR (OUTGO)</u> | | |
| Net Investment Income | 54,323 | 54,323 |
| Miscellaneous income | 0 | 0 |
| Other interest income | 0 | 0 |
| TOTAL OTHER INCOME OR (OUTGO) | 54,323 | 54,323 |
| <u>Net Income or (Loss)</u> | 1,348,989 | 1,348,989 |
| <u>EQUITY ACCOUNT:</u> | | |
| Members' Equity (Prior Period) | (2,146,704) | (2,146,704) |
| Net income or (loss) | 1,348,989 | 1,348,989 |
| Change in assets not admitted | 19,290 | 19,290 |
| Assessments or (distributions) | 0 | 0 |
| Net change in equity | 1,368,279 | 1,368,279 |
| Members' Equity (Current Period) | (778,425) | (778,425) |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
ANALYSIS OF INVESTMENT INCOME
QUARTER ENDED JANUARY 31, 2003**

EXHIBIT 2A

| | Quarter 11-01-2002 01-31-2003 | Year-To-Date 11-01-2002 01-31-2003 |
|------------------------------------------|----------------------------------------------|---------------------------------------------------|
| Investment Income Received/T-Bills | 56,054 | 56,054 |
| Investment Income Received/Sweep Account | 8,293 | 8,293 |
| Total Investment Income Received | 64,347 | 64,347 |
| Interest Accrued (Prior Period) | 51,800 | 51,800 |
| Interest Accrued (Current Period) | 41,776 | 41,776 |
| Investment Income Earned | <u>54,323</u> | <u>54,323</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION

MEMBERS' ACCOUNT

QUARTER ENDED JANUARY 31, 2003

EXHIBIT 3A

| DESCRIPTION | Quarter 11-01-2002 to 01-31-2003 | | | | | Year-To-Date at 01-31-2003 | | | | |
|------------------------------------|----------------------------------|---------------------|----------------|----------|-------------------------|----------------------------|---------------------|----------------|----------|-------------------------|
| | Association Year | | | | | Association Year | | | | |
| | 2003 | 2002 | 2001 | 2000 | Total | 2003 | 2002 | 2001 | 2000 | Total |
| INCOME RECEIVED: | | | | | | | | | | |
| Premiums Written | 4,556,946 | 0 | 0 | 0 | 4,556,946 | 4,556,946 | 0 | 0 | 0 | 4,556,946 |
| Reinsurance Premiums Ceded | (3,608,789) | 14,480 | 0 | 0 | (3,594,309) | (3,608,789) | 14,480 | 0 | 0 | (3,594,309) |
| Net Premiums Written | <u>948,157</u> | <u>14,480</u> | <u>0</u> | <u>0</u> | <u>962,637</u> | <u>948,157</u> | <u>14,480</u> | <u>0</u> | <u>0</u> | <u>962,637</u> |
| Portfolio Transfer of | | | | | | | | | | |
| Unearned Premiums: | | | | | | | | | | |
| From Prior Assoc. Year | 13,751,126 | 0 | 0 | 0 | 13,751,126 | 13,751,126 | 0 | 0 | 0 | 13,751,126 |
| To Secceeding Assoc. Yr. | 0 | (13,751,126) | 0 | 0 | (13,751,126) | 0 | (13,751,126) | 0 | 0 | (13,751,126) |
| Acquisition Allowance on | | | | | | | | | | |
| Portfolio Transfer | | | | | | | | | | |
| From Prior Assoc. Year | (1,918,392) | 0 | 0 | 0 | (1,918,392) | (1,918,392) | 0 | 0 | 0 | (1,918,392) |
| To Secceeding Assoc. Yr. | 0 | 1,918,392 | 0 | 0 | 1,918,392 | 0 | 1,918,392 | 0 | 0 | 1,918,392 |
| Investment Income Received | 23,643 | 40,704 | 0 | 0 | 64,347 | 23,643 | 40,704 | 0 | 0 | 64,347 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Income | <u>12,804,534</u> | <u>(11,777,550)</u> | <u>0</u> | <u>0</u> | <u>1,026,984</u> | <u>12,804,534</u> | <u>(11,777,550)</u> | <u>0</u> | <u>0</u> | <u>1,026,984</u> |
| EXPENSES PAID: | | | | | | | | | | |
| Losses | 0 | 13,240 | 11,888 | 0 | 25,128 | 0 | 13,240 | 11,888 | 0 | 25,128 |
| Reins. Recovered-Losses Paid | 0 | 0 | (18,814) | 0 | (18,814) | 0 | 0 | (18,814) | 0 | (18,814) |
| Loss Adjustment Expenses | 2,501 | 4,014 | 2,453 | 0 | 8,968 | 2,501 | 4,014 | 2,453 | 0 | 8,968 |
| Reins. Recovered-Loss Exp. Paid | 0 | 720 | (916) | 0 | (196) | 0 | 720 | (916) | 0 | (196) |
| Commissions | 451,268 | 0 | 0 | 0 | 451,268 | 451,268 | 0 | 0 | 0 | 451,268 |
| Commissions Ceded | (200,048) | 4,155 | 0 | 0 | (195,893) | (200,048) | 4,155 | 0 | 0 | (195,893) |
| Operating Expenses | 638,589 | 77,550 | 0 | 0 | 716,139 | 638,589 | 77,550 | 0 | 0 | 716,139 |
| Premium Taxes | 0 | 58,956 | 0 | 0 | 58,956 | 0 | 58,956 | 0 | 0 | 58,956 |
| Total Expenses Paid | <u>892,310</u> | <u>158,635</u> | <u>(5,389)</u> | <u>0</u> | <u>1,045,556</u> | <u>892,310</u> | <u>158,635</u> | <u>(5,389)</u> | <u>0</u> | <u>1,045,556</u> |
| Net Cash Change | <u>11,912,224</u> | <u>(11,936,185)</u> | <u>5,389</u> | <u>0</u> | <u>(18,572)</u> | <u>11,912,224</u> | <u>(11,936,185)</u> | <u>5,389</u> | <u>0</u> | <u>(18,572)</u> |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reins Recoverable-Loss Exp. Paid | 0 | (720) | 0 | 0 | (720) | 0 | (720) | 0 | 0 | (720) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reins Recoverable-Loss Exp. Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Change | <u>0</u> | <u>720</u> | <u>0</u> | <u>0</u> | <u>720</u> | <u>0</u> | <u>720</u> | <u>0</u> | <u>0</u> | <u>720</u> |
| RESERVES: | | | | | | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | | | | | | |
| Unpaid Losses | 900 | 3,800 | 50,000 | 0 | 54,700 | 900 | 3,800 | 50,000 | 0 | 54,700 |
| Reins. Recoverable-Unpaid Losses | 0 | (300) | (300) | 0 | (600) | 0 | (300) | (300) | 0 | (600) |
| Unpaid Loss Adjustment Expense | 826 | 1,500 | 0 | 0 | 2,326 | 826 | 1,500 | 0 | 0 | 2,326 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (250) | 0 | 0 | (250) | 0 | (250) | 0 | 0 | (250) |
| Operating Expenses | 52,334 | 0 | 0 | 0 | 52,334 | 52,334 | 0 | 0 | 0 | 52,334 |
| Unearned Premiums | 12,366,240 | 0 | 0 | 0 | 12,366,240 | 12,366,240 | 0 | 0 | 0 | 12,366,240 |
| Unearned Premiums Ceded | (1,668,509) | 0 | 0 | 0 | (1,668,509) | (1,668,509) | 0 | 0 | 0 | (1,668,509) |
| Premium Taxes | 146,436 | 551,645 | 0 | 0 | 698,081 | 146,436 | 551,645 | 0 | 0 | 698,081 |
| ADD (PRIOR PERIOD) | | | | | | | | | | |
| Unpaid Losses | 0 | 4,300 | 50,742 | 0 | 55,042 | 0 | 4,300 | 50,742 | 0 | 55,042 |
| Reins. Recoverable-Unpaid Losses | 0 | (300) | 0 | 0 | (300) | 0 | (300) | 0 | 0 | (300) |
| Unpaid Loss Adjustment Expense | 0 | 2,250 | 0 | 0 | 2,250 | 0 | 2,250 | 0 | 0 | 2,250 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Expenses | 0 | 152,800 | 0 | 0 | 152,800 | 0 | 152,800 | 0 | 0 | 152,800 |
| Unearned Premiums | 13,751,126 | 0 | 0 | 0 | 13,751,126 | 13,751,126 | 0 | 0 | 0 | 13,751,126 |
| Unearned Premiums Ceded | (1,690,232) | 0 | 0 | 0 | (1,690,232) | (1,690,232) | 0 | 0 | 0 | (1,690,232) |
| Premium Taxes | 0 | 610,501 | 0 | 0 | 610,501 | 0 | 610,501 | 0 | 0 | 610,501 |
| Net Reserve Change | <u>1,162,667</u> | <u>213,156</u> | <u>1,042</u> | <u>0</u> | <u>1,376,865</u> | <u>(10,898,227)</u> | <u>12,274,050</u> | <u>1,042</u> | <u>0</u> | <u>1,376,865</u> |
| OTHER CHANGES: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 51,800 | 0 | 0 | 51,800 | 0 | 51,800 | 0 | 0 | 51,800 |
| Assets Not Admitted | 0 | (316,811) | 0 | 0 | (316,811) | 0 | (316,811) | 0 | 0 | (316,811) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Interest Accrued | 29,398 | 12,378 | 0 | 0 | 41,776 | 29,398 | 12,378 | 0 | 0 | 41,776 |
| Assets Not Admitted | (297,521) | 0 | 0 | 0 | (297,521) | (297,521) | 0 | 0 | 0 | (297,521) |
| Net Other Changes | <u>(268,123)</u> | <u>277,389</u> | <u>0</u> | <u>0</u> | <u>9,266</u> | <u>(268,123)</u> | <u>277,389</u> | <u>0</u> | <u>0</u> | <u>9,266</u> |
| Assessments or (Distributions) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Change In Members' Equity | <u>12,806,768</u> | <u>(11,444,920)</u> | <u>6,431</u> | <u>0</u> | <u>1,368,279</u> | <u>745,874</u> | <u>615,974</u> | <u>6,431</u> | <u>0</u> | <u>1,368,279</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED JANUARY 31, 2003

EXHIBIT 3B

| DESCRIPTION | 2003 | 2002 | 2001 | 2000 | Total |
|------------------------------------|-------------|--------------|--------------|------|--------------|
| INCOME RECEIVED: | | | | | |
| Premiums Written | 4,556,946 | 22,685,743 | 18,833,823 | 0 | 46,076,512 |
| Reinsurance Premiums Ceded | (3,608,789) | (17,073,987) | (14,688,024) | 0 | (35,370,800) |
| Net Premiums Written | 948,157 | 5,611,756 | 4,145,799 | 0 | 10,705,712 |
| Portfolio Transfer of | | | | | |
| Unearned Premiums: | | | | | |
| From Prior Assoc. Year | 13,751,126 | 11,067,319 | 10,767,960 | 0 | 35,586,405 |
| To Succeeding Assoc. Yr. | 0 | (13,751,126) | (11,067,319) | 0 | (24,818,445) |
| Acquisition Allowance on | | | | | |
| Portfolio Transfer | | | | | |
| From Prior Assoc. Year | (1,918,392) | (1,668,676) | (1,623,540) | 0 | (5,210,608) |
| To Succeeding Assoc. Yr. | 0 | 1,918,392 | 1,668,676 | 0 | 3,587,068 |
| Investment Income Received | 23,643 | 243,894 | 556,314 | 0 | 823,851 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 |
| Total Income | 12,804,534 | 3,421,559 | 4,447,890 | 0 | 20,673,983 |
| EXPENSES PAID: | | | | | |
| Losses | 0 | 221,788 | 6,473,926 | 0 | 6,695,714 |
| Reins. Recovered-Losses Paid | 0 | (1,654) | (5,762,174) | 0 | (5,763,828) |
| Loss Adjustment Expenses | 2,501 | 21,539 | 304,847 | 0 | 328,887 |
| Reins. Recovered-Loss Exp. Paid | 0 | (1,418) | (19,386) | 0 | (20,804) |
| Commissions | 451,268 | 2,245,789 | 1,858,173 | 0 | 4,555,230 |
| Commissions Ceded | (200,048) | (706,724) | (917,552) | 0 | (1,824,324) |
| Operating Expenses | 638,589 | 2,361,379 | 1,979,733 | 0 | 4,979,701 |
| Premium Taxes | 0 | 176,668 | 565,097 | 0 | 741,765 |
| Total Expenses Paid | 892,310 | 4,317,367 | 4,482,664 | 0 | 9,692,341 |
| Net Cash Change | 11,912,224 | (895,808) | (34,774) | 0 | 10,981,642 |
| REINSURANCE RECOVERABLE: | | | | | |
| ADD (CURRENT PERIOD) | | | | | |
| Reins Recoverable-Losses Paid | 0 | 0 | 0 | 0 | 0 |
| Reins Recoverable-Loss Exp. Paid | 0 | 0 | 0 | 0 | 0 |
| Net Change | 11,912,224 | (895,808) | (34,774) | 0 | 10,981,642 |
| RESERVES: | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | |
| Unpaid Losses | 900 | 3,800 | 50,000 | 0 | 54,700 |
| Reins. Recoverable-Unpaid Losses | 0 | (300) | (300) | 0 | (600) |
| Unpaid Loss Adjustment Expense | 826 | 1,500 | 0 | 0 | 2,326 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (250) | 0 | 0 | (250) |
| Operating Expenses | 52,334 | 0 | 0 | 0 | 52,334 |
| Unearned Premiums | 12,366,240 | 0 | 0 | 0 | 12,366,240 |
| Unearned Premiums Ceded | (1,668,509) | 0 | 0 | 0 | (1,668,509) |
| Premium Taxes | 146,436 | 551,645 | 0 | 0 | 698,081 |
| Total Reserves | 10,898,227 | 556,395 | 49,700 | 0 | 11,504,322 |
| OTHER CHANGES: | | | | | |
| Interest Accrued | 29,398 | 12,378 | 0 | 0 | 41,776 |
| Assets Not Admitted | (297,521) | 0 | 0 | 0 | (297,521) |
| Total Other Changes | (268,123) | 12,378 | 0 | 0 | (255,745) |
| Assessments or (Distributions) | 0 | 0 | 0 | 0 | 0 |
| Net Members' Equity | 745,874 | (1,439,825) | (84,474) | 0 | (778,425) |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
 STATISTICAL REPORT OF PREMIUMS
 QUARTER ENDED JANUARY 31, 2003**

EXHIBIT 4A

| DESCRIPTION | QUARTER 11-01-2002 01-31-2003 | YEAR-TO-DATE 11-01-2002 01-31-2003 |
|---------------------------------------------------|----------------------------------------------|---------------------------------------------------|
| <u>PREMIUMS WRITTEN:</u> | | |
| Allied Lines (Windstorm & Hail) | 4,556,946 | 4,556,946 |
| Reinsurance Premium Ceded | <u>(3,594,309)</u> | <u>(3,594,309)</u> |
| Net Premiums Written | 962,637 | 962,637 |
| <u>UNEARNED PREMIUMS (PRIOR PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 13,751,126 | 13,751,126 |
| Reinsurance Premium Ceded | <u>(1,690,232)</u> | <u>(1,690,232)</u> |
| Net Prior Unearned | 12,060,894 | 12,060,894 |
| <u>UNEARNED PREMIUMS (CURRENT PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 12,366,240 | 12,366,240 |
| Reinsurance Premium Ceded | <u>(1,668,509)</u> | <u>(1,668,509)</u> |
| Net Current Unearned | 10,697,731 | 10,697,731 |
| <u>EARNED PREMIUMS</u> | | |
| Allied Lines (Windstorm & Hail) | <u>2,325,800</u> | <u>2,325,800</u> |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
QUARTER ENDED JANUARY 31, 2003**

EXHIBIT 4B

| | Quarter 11-01-2002 to 01-31-2003 | | | | | Year-To-Date 11-01-2002 to 01-31-2003 | | | | |
|------------------------------------------------------|----------------------------------|---------------|---------------|----------|--------------|---------------------------------------|---------------|---------------|----------|--------------|
| | Association Year | | | | | Association Year | | | | |
| | 2003 | 2002 | 2001 | 2000 | Total | 2003 | 2002 | 2001 | 2000 | Total |
| PAID LOSSES | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 13,240 | 11,888 | 0 | 25,128 | 0 | 13,240 | 11,888 | 0 | 25,128 |
| REINSURANCE RECOVERED | | | | | | | | | | |
| Reins. Recovered-Paid Losses | 0 | 0 | -18,814 | 0 | -18,814 | 0 | 0 | (18,814) | 0 | -18,814 |
| REINSURANCE RECOVERABLE: (CURRENT PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| REINSURANCE RECOVERABLE: (PRIOR PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Paid Loss Net of Reinsurance | 0 | 13,240 | -6,926 | 0 | 6,314 | 0 | 13,240 | -6,926 | 0 | 6,314 |
| OUTSTANDING LOSSES (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 900 | 3,800 | 0 | 0 | 4,700 | 900 | 3,800 | 0 | 0 | 4,700 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | -300 | -300 | 0 | -600 | 0 | -300 | -300 | 0 | -600 |
| Outstanding Losses Net of Reins. | 900 | 3,500 | -300 | 0 | 4,100 | 900 | 3,500 | -300 | 0 | 4,100 |
| OUTSTANDING LOSSES (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 4,300 | 742 | 0 | 5,042 | 0 | 4,300 | 742 | 0 | 5,042 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | -300 | 0 | 0 | -300 | 0 | -300 | 0 | 0 | -300 |
| Outstanding Losses Net of Reins. | 0 | 4,000 | 742 | 0 | 4,742 | 0 | 4,000 | 742 | 0 | 4,742 |
| INCURRED LOSSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 900 | 12,740 | -7,968 | 0 | 5,672 | 900 | 12,740 | -7,968 | 0 | 5,672 |
| IBNR (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 0 | 50,000 | 0 | 50,000 | 0 | 0 | 50,000 | 0 | 50,000 |
| IBNR (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 0 | 50,000 | 0 | 50,000 | 0 | 0 | 50,000 | 0 | 50,000 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDED JANUARY 31, 2003**

EXHIBIT 4C

| | Quarter 11-01-2002 to 01-31-2003 | | | | | Year-To-Date 11-01-2002 to 01-31-2003 | | | | |
|------------------------------------------------------|----------------------------------|--------------|--------------|----------|--------------|---------------------------------------|--------------|--------------|----------|--------------|
| | Association Year | | | | | Association Year | | | | |
| | 2003 | 2002 | 2001 | 2000 | Total | 2003 | 2002 | 2001 | 2000 | Total |
| LOSS EXPENSES PAID | | | | | | | | | | |
| Allied Lines (Windstom & Hail) | 2,501 | 4,014 | 2,453 | 0 | 8,968 | 2,501 | 4,014 | 2,453 | 0 | 8,968 |
| REINSURANCE RECOVERED | | | | | | | | | | |
| Reins. Recovered-Paid Losses | 0 | 720 | -916 | 0 | -196 | 0 | 720 | -916 | 0 | -196 |
| REINSURANCE RECOVERABLE: (CURRENT PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Loss Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| REINSURANCE RECOVERABLE: (PRIOR PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Loss Expense | 0 | -720 | 0 | 0 | -720 | 0 | -720 | 0 | 0 | -720 |
| Total Paid Loss Net of Reinsurance | 2,501 | 4,014 | 1,537 | 0 | 8,052 | 2,501 | 4,014 | 1,537 | 0 | 8,052 |
| UNPAID LOSS ADJUSTMENT EXP (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 826 | 1,500 | 0 | 0 | 2,326 | 826 | 1,500 | 0 | 0 | 2,326 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | -250 | 0 | 0 | -250 | 0 | -250 | 0 | 0 | -250 |
| Outstanding Loss Expense Net of Reins. | 826 | 1,250 | 0 | 0 | 2,076 | 826 | 1,250 | 0 | 0 | 2,076 |
| UNPAID LOSS ADJUSTMENT EXP (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 2,250 | 0 | 0 | 2,250 | 0 | 2,250 | 0 | 0 | 2,250 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outstanding Loss Expense Net of Reins. | 0 | 2,250 | 0 | 0 | 2,250 | 0 | 2,250 | 0 | 0 | 2,250 |
| INCURRED LOSSES EXPENSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 3,327 | 3,014 | 1,537 | 0 | 7,878 | 3,327 | 3,014 | 1,537 | 0 | 7,878 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
CUMULATIVE REPORT OF CATASTROPHE LOSSES
PERIOD FROM JUNE 24, 1994 TO JANUARY 31, 2003**

EXHIBIT 5

| CAT NUMBER | FISCAL ACCIDENT YEAR | DATE OF LOSS | LINE OF BUSINESS | LOSSES | | CLAIM EXPENSES | | UNALLOCATED | |
|---------------|----------------------------|-----------------|------------------------|----------|-------------------|------------------|----------------|-------------|------------------|
| | | | | O/S | PAID | ALLOCATED O/S | PAID | O/S | PAID |
| 92 | 1994 | 6/24-27/94 | Allied Lines* | 0 | 69,292 | 0 | 11,965 | 0 | 6,277 |
| 18 | 1994 | 10/10-14/94 | Allied Lines* | 0 | 3,198 | 0 | 12,043 | 0 | 5,613 |
| 22 | 1995 | 11/14-16/94 | Allied Lines* | 0 | 715 | 0 | 243 | 0 | 0 |
| 24 | 1995 | 12/21-24/94 | Allied Lines* | 0 | 15,211 | 0 | 7,161 | 0 | 1,867 |
| 25 | 1995 | 01/06/95 | Allied Lines* | 0 | 0 | 0 | 108 | 0 | 0 |
| 40 | 1995 | 05/15/95 | Allied Lines* | 0 | 9,356 | 0 | 2,285 | 0 | 1,751 |
| 45 | 1995 | 06/05/95 | Allied Lines* | 0 | 3,774 | 0 | 2,698 | 0 | 1,635 |
| 50 | 1995 | 08/03-07/95 | Allied Lines* | 0 | 10,697 | 0 | 1,086 | 0 | 1,415 |
| 56 | 1996 | 11/07/96 | Allied Lines* | 0 | 80,093 | 0 | 10,238 | 0 | 976 |
| 67 | 1996 | 03/18/96 | Allied Lines* | 0 | 0 | 0 | 3,903 | 0 | 1,783 |
| 77 | 1996 | 05/29/96 | Allied Lines* | 0 | 1,562 | 0 | 1,994 | 0 | 0 |
| 82 | 1996 | 07/12/96 | Allied Lines* | 0 | 1,651,162 | 0 | 193,312 | 0 | 47,844 |
| 88 | 1996 | 09/05/96 | Allied Lines* | 0 | 3,488,445 | 0 | 494,775 | 0 | 71,163 |
| 90 | 1996 | 10/08/96 | Allied Lines* | 0 | 32,516 | 0 | 10,499 | 0 | 2,071 |
| 37 | 1998 | 02/01-05/98 | Allied Lines* | 0 | 0 | 0 | 0 | 0 | 0 |
| 66 | 1998 | 08/06/98 | Allied Lines* | 0 | 6,779,709 | 0 | 105,230 | 0 | 635,999 |
| 97 | 1999 | 09/15/99 | Allied Lines* | 0 | 5,751,314 | 0 | 29,463 | 0 | 763,042 |
| TOTAL | | | | 0 | 17,897,044 | 0 | 887,003 | 0 | 1,541,436 |

**SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION
STATUS REPORT - IN FORCE LIABILITY**

AS OF: JANUARY 31, 2003

| CITY (County) | Class | Amount of In Force Liability (000 Omitted) | | | Number of Policies In Force | | |
|--------------------------------------------|--------------------|-----------------------------------------------|---------------------------|----------------|-----------------------------|---------------------------|----------------|
| | | As Of Current Quarter | Change Over Prior Year | % of Change | As Of Current Quarter | Change Over Prior Year | % of Change |
| FRIPP ISLAND (Beaufort County) | Dwelling | 228,742 | 27,819 | 13.85% | 699 | 50 | 7.70% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 270 | 0 | 0.00% | 1 | 0 | 0.00% |
| HILTON HEAD ISLAND (Beaufort County) | Dwelling | 1,082,996 | 292,132 | 36.94% | 2,858 | 570 | 24.91% |
| | Mobile Home | 1,310 | 206 | 18.66% | 20 | 4 | 25.00% |
| | Commercial | 33,368 | 12,214 | 57.74% | 176 | 54 | 44.26% |
| REMAINDER OF COUNTY (Beaufort County) | Dwelling | 122,336 | 32,188 | 35.71% | 455 | 89 | 24.32% |
| | Mobile Home | 4,211 | 657 | 18.49% | 89 | 1 | 1.14% |
| | Commercial | 1,518 | -2,584 | -62.99% | 11 | -5 | -31.25% |
| TOTAL BEAUFORT COUNTY | Dwelling | 1,434,074 | 352,139 | 32.55% | 4,012 | 709 | 21.47% |
| | Mobile Home | 5,521 | 863 | 18.53% | 109 | 5 | 4.81% |
| | Commercial | 35,156 | 9,630 | 37.73% | 188 | 49 | 35.25% |
| | TOTALS | 1,474,751 | 362,632 | 32.61% | 4,309 | 763 | 21.52% |
| FOLLY BEACH (Charleston County) | Dwelling | 145,863 | 22,275 | 18.02% | 710 | 42 | 6.29% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 8,893 | 965 | 12.17% | 38 | 3 | 8.57% |
| ISLE OF PALMS (Charleston County) | Dwelling | 347,587 | 60,068 | 20.89% | 999 | 97 | 10.75% |
| | Mobile Home | 484 | 202 | 71.63% | 2 | 1 | 100.00% |
| | Commercial | 17,886 | 2,700 | 17.78% | 64 | 8 | 14.29% |
| KIAWAH ISLAND (Charleston County) | Dwelling | 242,766 | 61,578 | 33.99% | 530 | 111 | 26.49% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 475 | -1,540 | -76.43% | 10 | -1 | -9.09% |
| SULLIVANS ISLAND (Charleston County) | Dwelling | 141,916 | 17,639 | 14.19% | 408 | 25 | 6.53% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 3,483 | 672 | 23.91% | 16 | 0 | 0.00% |
| REMAINDER OF COUNTY (Charleston County) | Dwelling | 182,919 | 57,128 | 45.42% | 459 | 112 | 32.28% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 2,508 | 83 | 3.42% | 6 | 0 | 0.00% |
| TOTAL CHARLESTON COUNTY | Dwelling | 1,061,051 | 218,688 | 25.96% | 3,106 | 387 | 14.23% |
| | Mobile Home | 484 | 202 | 71.63% | 2 | 1 | 100.00% |
| | Commercial | 33,245 | 2,880 | 9.48% | 134 | 10 | 8.06% |
| | TOTALS | 1,094,780 | 221,770 | 25.40% | 3,242 | 398 | 13.99% |
| EDISTO BEACH (Colleton County) | Dwelling | 192,880 | 10,253 | 5.61% | 832 | 26 | 3.23% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 4,281 | -1,447 | -25.26% | 11 | -8 | -42.11% |
| REMAINDER OF COUNTY (Colleton County) | Dwelling | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| TOTAL COLLETON COUNTY | Dwelling | 192,880 | 10,253 | 5.61% | 832 | 26 | 3.23% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 4,281 | -1,447 | -25.26% | 11 | -8 | -42.11% |
| | TOTALS | 197,161 | 8,806 | 4.68% | 843 | 18 | 2.18% |

**SOUTH CAROLINA WIND AND HAIL UNDERWRITING ASSOCIATION
STATUS REPORT - IN FORCE LIABILITY**

| AS OF: JANUARY 31, 2003 | | Amount of In Force Liability (000 Omitted) | | | Number of Policies In Force | | |
|--------------------------------------------|--------------------|-----------------------------------------------|---------------------------|----------------|-----------------------------|---------------------------|----------------|
| CITY (County) | Class | As Of Current Quarter | Change Over Prior Year | % of Change | As Of Current Quarter | Change Over Prior Year | % of Change |
| GARDEN CITY (Georgetown County) | Dwelling | 78,541 | 3,577 | 4.77% | 318 | 9 | 2.91% |
| | Mobile Home | 514 | -101 | -16.42% | 9 | 1 | 12.50% |
| | Commercial | 1,517 | 0 | 0.00% | 2 | 0 | 0.00% |
| LITCHFIELD BEACH (Georgetown County) | Dwelling | 20,040 | 1,398 | 7.50% | 99 | 2 | 2.06% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| PAWLEYS ISLAND (Georgetown County) | Dwelling | 126,407 | 7,225 | 6.06% | 483 | 17 | 3.65% |
| | Mobile Home | 547 | 101 | 22.65% | 10 | 0 | 0.00% |
| | Commercial | 22,425 | 14,772 | 193.02% | 42 | 13 | 44.83% |
| REMAINDER OF COUNTY (Georgetown County) | Dwelling | 119,999 | 7,343 | 6.52% | 342 | 8 | 2.40% |
| | Mobile Home | 209 | -125 | -37.43% | 5 | -2 | -28.57% |
| | Commercial | 1,036 | 298 | 40.38% | 7 | 1 | 16.67% |
| TOTAL GEORGETOWN COUNTY | Dwelling | 344,987 | 19,543 | 6.01% | 1,242 | 36 | 2.99% |
| | Mobile Home | 1,270 | -125 | -8.96% | 24 | -1 | -4.00% |
| | Commercial | 24,978 | 15,070 | 152.10% | 51 | 14 | 37.84% |
| | TOTALS | 371,235 | 34,488 | 10.24% | 1,317 | 49 | 3.86% |
| ATLANTIC BEACH (Horry County) | Dwelling | 1,209 | -347 | -22.30% | 14 | -2 | -12.50% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 404 | 0 | 0.00% | 3 | 0 | 0.00% |
| GARDEN CITY (Horry County) | Dwelling | 80,880 | 7,670 | 10.48% | 472 | 21 | 4.66% |
| | Mobile Home | 13,107 | 1,522 | 13.14% | 301 | 22 | 7.89% |
| | Commercial | 17,094 | 1,538 | 9.89% | 36 | 0 | 0.00% |
| MYRTLE BEACH (Horry County) | Dwelling | 216,051 | 20,825 | 10.67% | 1,100 | 83 | 8.16% |
| | Mobile Home | 51,702 | 5,142 | 11.04% | 1,177 | 79 | 7.19% |
| | Commercial | 343,815 | 55,133 | 19.10% | 519 | 45 | 9.49% |
| N MYRTLE BEACH (Horry County) | Dwelling | 457,584 | 52,035 | 12.83% | 3,030 | 186 | 6.54% |
| | Mobile Home | 12,766 | 1,227 | 10.63% | 297 | 11 | 3.85% |
| | Commercial | 104,952 | 11,804 | 12.67% | 262 | 43 | 19.63% |
| SURFSIDE BEACH (Horry County) | Dwelling | 128,147 | 15,610 | 13.87% | 767 | 72 | 10.36% |
| | Mobile Home | 39,215 | 4,890 | 14.25% | 500 | 36 | 7.76% |
| | Commercial | 6,227 | -2,989 | -32.43% | 35 | -6 | -14.63% |
| REMAINDER OF COUNTY (Horry County) | Dwelling | 49,316 | 40,100 | 435.11% | 277 | 40 | 16.88% |
| | Mobile Home | 415 | 415 | 0.00% | 11 | 0 | 0.00% |
| | Commercial | 5,907 | -34,447 | -85.36% | 12 | 7 | 140.00% |
| TOTAL HORRY COUNTY | Dwelling | 933,187 | 135,893 | 17.04% | 5,660 | 400 | 7.60% |
| | Mobile Home | 117,205 | 13,196 | 12.69% | 2,286 | 148 | 6.92% |
| | Commercial | 478,399 | 31,039 | 6.94% | 867 | 89 | 11.44% |
| | TOTALS | 1,528,791 | 180,128 | 13.36% | 8,813 | 637 | 7.79% |
| GRAND TOTAL | Dwelling | 3,966,179 | 736,516 | 22.80% | 14,852 | 1,558 | 11.72% |
| | Mobile Home | 124,480 | 14,136 | 12.81% | 2,421 | 153 | 6.75% |
| | Commercial | 576,059 | 57,172 | 11.02% | 1,251 | 154 | 14.04% |
| | TOTALS | 4,666,718 | 807,824 | 20.93% | 18,524 | 1,865 | 11.20% |