

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
BALANCE SHEET
QUARTER ENDED JANUARY 31, 2005

EXHIBIT 1

| DESCRIPTION | LEDGER ASSETS | NON- LEDGER ASSETS | ASSETS NOT ADMITTED | ADMITTED ASSETS |
|--|-------------------|--------------------------|---------------------------|--------------------|
| ASSETS: | | | | |
| Investments: | | | | |
| U.S. Treasury Bills - at cost | 12,442,238 | | | 12,442,238 |
| Cash | 2,984,397 | | | 2,984,397 |
| Funds held in escrow | 0 | | | 0 |
| Accounts receivable | 0 | | | 0 |
| Assessments receivable | 224,577 | | 0 | 224,577 |
| Reinsurance recoverable on loss payments | 27,416 | | | 27,416 |
| Interest accrued | | 67,730 | | 67,730 |
| Data processing equipment (less accumulated depreciation) | 67,961 | | | 67,961 |
| Furniture, fixtures & equipment (less accumulated depreciation) | 7,844 | | 7,844 | 0 |
| Programming (net of amortization) | 9,042 | | 9,042 | 0 |
| Section 444 Deposit (I.R.S.) | 0 | | | 0 |
| Prepaid operating expense | 162,510 | | 4,177 | 158,333 |
| TOTAL ASSETS | 15,925,985 | 67,730 | 21,063 | 15,972,652 |
| LIABILITIES AND EQUITY: | | | | |
| Reserves for: | | | | |
| Unpaid losses | | | | 916,450 |
| Reinsurance recoverable-unpaid losses | | | | (12,600) |
| Unpaid loss adjustment expense | | | | 21,250 |
| Reinsurance recoverable-unpaid loss exp. | | | | (2,250) |
| Operating expenses | | | | 61,610 |
| Unearned premiums: net | | | | 13,320,116 |
| Premium taxes | | | | 844,088 |
| TOTAL RESERVES | | | | 15,148,664 |
| Payables for: | | | | |
| Accounts payable | | | | 0 |
| Amounts withheld for account of others | | | | 16,208 |
| Post Retirement Benefit Payable | | | | 230,590 |
| Reinsurance Premium Payable | | | | 2,297,847 |
| TOTAL PAYABLES | | | | 2,544,645 |
| MEMBERS' EQUITY | | | | (1,720,657) |
| Total Liabilities and Equity | | | | 15,972,652 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
INCOME STATEMENT AND EQUITY ACCOUNT
QUARTER ENDED JANUARY 31, 2005**

EXHIBIT 2

| DESCRIPTION | QUARTER: 11-01-2004 01-31-2005 | YEAR-TO-DATE 11-01-2004 01-31-2005 |
|---|---|---|
| <u>UNDERWRITING INCOME:</u> | | |
| Net Premiums Earned | 3,250,166 | 3,250,166 |
| <u>DEDUCTIONS:</u> | | |
| Losses incurred | (477,523) | (477,523) |
| Loss expenses incurred | 23,975 | 23,975 |
| Operating expenses incurred | 1,151,539 | 1,151,539 |
| TOTAL DEDUCTIONS | 697,991 | 697,991 |
| Net Underwriting Gain or (Loss) | 2,552,175 | 2,552,175 |
| <u>OTHER INCOME OR (OUTGO)</u> | | |
| Net Investment Income | 72,499 | 72,499 |
| Miscellaneous income | 0 | 0 |
| Other interest income | 0 | 0 |
| TOTAL OTHER INCOME OR (OUTGO) | 72,499 | 72,499 |
| <u>Net Income or (Loss)</u> | 2,624,674 | 2,624,674 |
| <u>EQUITY ACCOUNT:</u> | | |
| Members' Equity (Prior Period) | (4,348,799) | (4,348,799) |
| Net income or (loss) | 2,624,674 | 2,624,674 |
| Change in assets not admitted | 3,468 | 3,468 |
| Assessments or (distributions) | 0 | 0 |
| Net change in equity | 2,628,142 | 2,628,142 |
| Members' Equity (Current Period) | (1,720,657) | (1,720,657) |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
ANALYSIS OF INVESTMENT INCOME
QUARTER ENDED JANUARY 31, 2005**

EXHIBIT 2A

| | Quarter 11-01-2004 01-31-2005 | Year-To-Date 11-01-2004 01-31-2005 |
|--|--|---|
| Investment Income Received/T-Bills | 54,313 | 54,313 |
| Investment Income Received/Sweep Account | 10,570 | 10,570 |
| Total Investment Income Received | 64,883 | 64,883 |
| Interest Accrued (Prior Period) | 60,114 | 60,114 |
| Interest Accrued (Current Period) | 67,730 | 67,730 |
| Investment Income Earned | <u>72,499</u> | <u>72,499</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION

MEMBERS' ACCOUNT

QUARTER ENDED JANUARY 31, 2005

EXHIBIT 3A

| DESCRIPTION | Quarter 11-01-2004 to 01-31-2005 | | | | | Year-To-Date at 01-31-2005 | | | | |
|------------------------------------|----------------------------------|---------------------|----------|----------|---------------------------|----------------------------|---------------------|----------|----------|---------------------------|
| | Association Year | | | | | Association Year | | | | |
| | 2005 | 2004 | 2003 | 2002 | Total | 2005 | 2004 | 2003 | 2002 | Total |
| INCOME RECEIVED: | | | | | | | | | | |
| Premiums Written | 5,053,284 | 0 | 0 | 0 | 5,053,284 | 5,053,284 | 0 | 0 | 0 | 5,053,284 |
| Reinsurance Premiums Ceded | (4,006,481) | 0 | 0 | 0 | (4,006,481) | (4,006,481) | 0 | 0 | 0 | (4,006,481) |
| Net Premiums Written | <u>1,046,803</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,046,803</u> | <u>1,046,803</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,046,803</u> |
| Portfolio Transfer of | | | | | | | | | | |
| Unearned Premiums: | | | | | | | | | | |
| From Prior Assoc. Year | 17,351,884 | 0 | 0 | 0 | 17,351,884 | 17,351,884 | 0 | 0 | 0 | 17,351,884 |
| To Secceeding Assoc. Yr. | 0 | (17,351,884) | 0 | 0 | (17,351,884) | 0 | (17,351,884) | 0 | 0 | (17,351,884) |
| Acquisition Allowance on | | | | | | | | | | |
| Portfolio Transfer | | | | | | | | | | |
| From Prior Assoc. Year | (2,233,623) | 0 | 0 | 0 | (2,233,623) | (2,233,623) | 0 | 0 | 0 | (2,233,623) |
| To Secceeding Assoc. Yr. | 0 | 2,233,623 | 0 | 0 | 2,233,623 | 0 | 2,233,623 | 0 | 0 | 2,233,623 |
| Investment Income Received | 24,773 | 40,110 | 0 | 0 | 64,883 | 24,773 | 40,110 | 0 | 0 | 64,883 |
| 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>16,189,837</u> | <u>(15,078,151)</u> | <u>0</u> | <u>0</u> | <u>1,111,686</u> | <u>16,189,837</u> | <u>(15,078,151)</u> | <u>0</u> | <u>0</u> | <u>1,111,686</u> |
| EXPENSES PAID: | | | | | | | | | | |
| Losses | 0 | 1,372,062 | 0 | 0 | 1,372,062 | 0 | 1,372,062 | 0 | 0 | 1,372,062 |
| Reins. Recovered-Losses Paid | 0 | (76,436) | 0 | 0 | (76,436) | 0 | (76,436) | 0 | 0 | (76,436) |
| Loss Adjustment Expenses | 185 | 129,876 | 0 | 0 | 130,061 | 185 | 129,876 | 0 | 0 | 130,061 |
| Reins. Recovered-Loss Exp. Paid | 0 | (7,715) | 0 | 0 | (7,715) | 0 | (7,715) | 0 | 0 | (7,715) |
| Commissions | 501,000 | 0 | 0 | 0 | 501,000 | 501,000 | 0 | 0 | 0 | 501,000 |
| Commissions Ceded | (138,505) | 0 | 0 | 0 | (138,505) | (138,505) | 0 | 0 | 0 | (138,505) |
| Operating Expenses | 529,766 | 129,393 | 0 | 0 | 659,159 | 529,766 | 129,393 | 0 | 0 | 659,159 |
| Premium Taxes | 0 | 85,488 | 0 | 0 | 85,488 | 0 | 85,488 | 0 | 0 | 85,488 |
| Total Expenses Paid | <u>892,446</u> | <u>1,632,668</u> | <u>0</u> | <u>0</u> | <u>2,525,114</u> | <u>892,446</u> | <u>1,632,668</u> | <u>0</u> | <u>0</u> | <u>2,525,114</u> |
| Net Cash Change | <u>15,297,391</u> | <u>(16,710,819)</u> | <u>0</u> | <u>0</u> | <u>(1,413,428)</u> | <u>15,297,391</u> | <u>(16,710,819)</u> | <u>0</u> | <u>0</u> | <u>(1,413,428)</u> |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 66,834 | 0 | 0 | 66,834 | 0 | 66,834 | 0 | 0 | 66,834 |
| Reins Recoverable-Loss Exp. Paid | 0 | 5,564 | 0 | 0 | 5,564 | 0 | 5,564 | 0 | 0 | 5,564 |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Reins Recoverable-Losses Paid | 0 | 27,231 | 0 | 0 | 27,231 | 0 | 27,231 | 0 | 0 | 27,231 |
| Reins Recoverable-Loss Exp. Paid | 0 | 185 | 0 | 0 | 185 | 0 | 185 | 0 | 0 | 185 |
| Net Change | <u>0</u> | <u>(44,982)</u> | <u>0</u> | <u>0</u> | <u>(44,982)</u> | <u>0</u> | <u>(44,982)</u> | <u>0</u> | <u>0</u> | <u>(44,982)</u> |
| RESERVES: | | | | | | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | | | | | | |
| Unpaid Losses | 0 | 916,450 | 0 | 0 | 916,450 | 0 | 916,450 | 0 | 0 | 916,450 |
| Reins. Recoverable-Unpaid Losses | 0 | (12,600) | 0 | 0 | (12,600) | 0 | (12,600) | 0 | 0 | (12,600) |
| Unpaid Loss Adjustment Expense | 0 | 21,250 | 0 | 0 | 21,250 | 0 | 21,250 | 0 | 0 | 21,250 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (2,250) | 0 | 0 | (2,250) | 0 | (2,250) | 0 | 0 | (2,250) |
| Operating Expenses | 40,610 | 21,000 | 0 | 0 | 61,610 | 40,610 | 21,000 | 0 | 0 | 61,610 |
| Unearned Premiums | 15,070,836 | 0 | 0 | 0 | 15,070,836 | 15,070,836 | 0 | 0 | 0 | 15,070,836 |
| Unearned Premiums Ceded | (1,750,720) | 0 | 0 | 0 | (1,750,720) | (1,750,720) | 0 | 0 | 0 | (1,750,720) |
| Premium Taxes | 162,210 | 681,878 | 0 | 0 | 844,088 | 162,210 | 681,878 | 0 | 0 | 844,088 |
| ADD (PRIOR PERIOD) | | | | | | | | | | |
| Unpaid Losses | 0 | 2,777,702 | 0 | 0 | 2,777,702 | 0 | 2,777,702 | 0 | 0 | 2,777,702 |
| Reins. Recoverable-Unpaid Losses | 0 | (61,100) | 0 | 0 | (61,100) | 0 | (61,100) | 0 | 0 | (61,100) |
| Unpaid Loss Adjustment Expense | 0 | 131,500 | 0 | 0 | 131,500 | 0 | 131,500 | 0 | 0 | 131,500 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (8,750) | 0 | 0 | (8,750) | 0 | (8,750) | 0 | 0 | (8,750) |
| Operating Expenses | 0 | 94,393 | 0 | 0 | 94,393 | 0 | 94,393 | 0 | 0 | 94,393 |
| Unearned Premiums | 0 | 17,351,884 | 0 | 0 | 17,351,884 | 0 | 17,351,884 | 0 | 0 | 17,351,884 |
| Unearned Premiums Ceded | 0 | (1,828,405) | 0 | 0 | (1,828,405) | 0 | (1,828,405) | 0 | 0 | (1,828,405) |
| Premium Taxes | 0 | 766,908 | 0 | 0 | 766,908 | 0 | 766,908 | 0 | 0 | 766,908 |
| Net Reserve Change | <u>(13,522,936)</u> | <u>17,598,404</u> | <u>0</u> | <u>0</u> | <u>4,075,468</u> | <u>(13,522,936)</u> | <u>17,598,404</u> | <u>0</u> | <u>0</u> | <u>4,075,468</u> |
| OTHER CHANGES: | | | | | | | | | | |
| DEDUCT (PRIOR PERIOD) | | | | | | | | | | |
| Interest Accrued | 0 | 60,114 | 0 | 0 | 60,114 | 0 | 60,114 | 0 | 0 | 60,114 |
| Assets Not Admitted | 0 | (24,531) | 0 | 0 | (24,531) | 0 | (24,531) | 0 | 0 | (24,531) |
| ADD (CURRENT PERIOD) | | | | | | | | | | |
| Interest Accrued | 52,267 | 15,463 | 0 | 0 | 67,730 | 52,267 | 15,463 | 0 | 0 | 67,730 |
| Assets Not Admitted | (21,063) | 0 | 0 | 0 | (21,063) | (21,063) | 0 | 0 | 0 | (21,063) |
| Net Other Changes | <u>31,204</u> | <u>(20,120)</u> | <u>0</u> | <u>0</u> | <u>11,084</u> | <u>31,204</u> | <u>(20,120)</u> | <u>0</u> | <u>0</u> | <u>11,084</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>1,805,659</u> | <u>822,483</u> | <u>0</u> | <u>0</u> | <u>2,628,142</u> | <u>1,805,659</u> | <u>822,483</u> | <u>0</u> | <u>0</u> | <u>2,628,142</u> |

SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO ASSOCIATION QUARTER ENDED JANUARY 31, 2005

EXHIBIT 3B

| DESCRIPTION | 2005 | 2004 | 2003 | 2002 | Total |
|------------------------------------|-------------------|--------------------|----------|----------|--------------------|
| INCOME RECEIVED: | | | | | |
| Premiums Written | 5,053,284 | 29,189,018 | 0 | 0 | 34,242,302 |
| Reinsurance Premiums Ceded | (4,006,481) | (21,965,060) | 0 | 0 | (25,971,541) |
| Net Premiums Written | <u>1,046,803</u> | <u>7,223,958</u> | <u>0</u> | <u>0</u> | <u>8,270,761</u> |
| Portfolio Transfer of | | | | | |
| Unearned Premiums: | | | | | |
| From Prior Assoc. Year | 17,351,884 | 16,393,593 | 0 | 0 | 33,745,477 |
| To Succeeding Assoc. Yr. | 0 | (17,351,884) | 0 | 0 | (17,351,884) |
| Acquisition Allowance on | | | | | |
| Portfolio Transfer | | | | | |
| From Prior Assoc. Year | (2,233,623) | (2,324,452) | 0 | 0 | (4,558,075) |
| To Succeeding Assoc. Yr. | 0 | 2,233,623 | 0 | 0 | 2,233,623 |
| Investment Income Received | 24,773 | 173,924 | 0 | 0 | 198,697 |
| Miscellaneous Income | 0 | 0 | 0 | 0 | 0 |
| Other Interest Income | 0 | 0 | 0 | 0 | 0 |
| Total Income | <u>16,189,837</u> | <u>6,348,762</u> | <u>0</u> | <u>0</u> | <u>22,538,599</u> |
| EXPENSES PAID: | | | | | |
| Losses | 0 | 3,158,698 | 0 | 0 | 3,158,698 |
| Reins. Recovered-Losses Paid | 0 | (89,351) | 0 | 0 | (89,351) |
| Loss Adjustment Expenses | 185 | 359,653 | 0 | 0 | 359,838 |
| Reins. Recovered-Loss Exp. Paid | 0 | (13,665) | 0 | 0 | (13,665) |
| Commissions | 501,000 | 2,885,653 | 0 | 0 | 3,386,653 |
| Commissions Ceded | (138,505) | (962,915) | 0 | 0 | (1,101,420) |
| Operating Expenses | 529,766 | 2,698,247 | 0 | 0 | 3,228,013 |
| Premium Taxes | 0 | 255,909 | 0 | 0 | 255,909 |
| Total Expenses Paid | <u>892,446</u> | <u>8,292,229</u> | <u>0</u> | <u>0</u> | <u>9,184,675</u> |
| Net Cash Change | <u>15,297,391</u> | <u>(1,943,467)</u> | <u>0</u> | <u>0</u> | <u>13,353,924</u> |
| REINSURANCE RECOVERABLE: | | | | | |
| ADD (CURRENT PERIOD) | | | | | |
| Reins Recoverable-Losses Paid | 0 | 27,231 | 0 | 0 | 27,231 |
| Reins Recoverable-Loss Exp. Paid | 0 | 185 | 0 | 0 | 185 |
| Net Change | <u>15,297,391</u> | <u>(1,916,051)</u> | <u>0</u> | <u>0</u> | <u>13,381,340</u> |
| RESERVES: | | | | | |
| DEDUCT (CURRENT PERIOD) | | | | | |
| Unpaid Losses | 0 | 916,450 | 0 | 0 | 916,450 |
| Reins. Recoverable-Unpaid Losses | 0 | (12,600) | 0 | 0 | (12,600) |
| Unpaid Loss Adjustment Expense | 0 | 21,250 | 0 | 0 | 21,250 |
| Reins. Recoverable-Unpd. Loss Exp. | 0 | (2,250) | 0 | 0 | (2,250) |
| Operating Expenses | 40,610 | 21,000 | 0 | 0 | 61,610 |
| Unearned Premiums | 15,070,836 | 0 | 0 | 0 | 15,070,836 |
| Unearned Premiums Ceded | (1,750,720) | 0 | 0 | 0 | (1,750,720) |
| Premium Taxes | 162,210 | 681,878 | 0 | 0 | 844,088 |
| Total Reserves | <u>13,522,936</u> | <u>1,625,728</u> | <u>0</u> | <u>0</u> | <u>15,148,664</u> |
| OTHER CHANGES: | | | | | |
| Interest Accrued | 52,267 | 15,463 | 0 | 0 | 67,730 |
| Assets Not Admitted | (21,063) | 0 | 0 | 0 | (21,063) |
| Total Other Changes | <u>31,204</u> | <u>15,463</u> | <u>0</u> | <u>0</u> | <u>46,667</u> |
| Assessments or (Distributions) | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Members' Equity | <u>1,805,659</u> | <u>(3,526,316)</u> | <u>0</u> | <u>0</u> | <u>(1,720,657)</u> |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF PREMIUMS
QUARTER ENDED JANUARY 31, 2005**

EXHIBIT 4A

| DESCRIPTION | QUARTER 11-01-2004 01-31-2005 | YEAR-TO-DATE 11-01-2004 01-31-2005 |
|---|--|---|
| <u>PREMIUMS WRITTEN:</u> | | |
| Allied Lines (Windstorm & Hail) | 5,053,284 | 5,053,284 |
| Reinsurance Premium Ceded | <u>(4,006,481)</u> | <u>(4,006,481)</u> |
| Net Premiums Written | 1,046,803 | 1,046,803 |
| <u>UNEARNED PREMIUMS (PRIOR PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 17,351,884 | 17,351,884 |
| Reinsurance Premium Ceded | <u>(1,828,405)</u> | <u>(1,828,405)</u> |
| Net Prior Unearned | 15,523,479 | 15,523,479 |
| <u>UNEARNED PREMIUMS (CURRENT PERIOD):</u> | | |
| Allied Lines (Windstorm & Hail) | 15,070,836 | 15,070,836 |
| Reinsurance Premium Ceded | <u>(1,750,720)</u> | <u>(1,750,720)</u> |
| Net Current Unearned | 13,320,116 | 13,320,116 |
| <u>EARNED PREMIUMS</u> | | |
| Allied Lines (Windstorm & Hail) | <u>3,250,166</u> | <u>3,250,166</u> |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSSES
QUARTER ENDED JANUARY 31, 2005**

EXHIBIT 4B

| | Quarter 11-01-2004 to 01-31-2005 | | | | | Year-To-Date 11-01-2004 to 01-31-2005 | | | | |
|--|----------------------------------|------------------|----------|----------|------------------|---------------------------------------|------------------|----------|----------|------------------|
| | Association Year | | | | | Association Year | | | | |
| | 2005 | 2004 | 2003 | 2002 | Total | 2005 | 2004 | 2003 | 2002 | Total |
| PAID LOSSES | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 1,372,062 | 0 | 0 | 1,372,062 | 0 | 1,372,062 | 0 | 0 | 1,372,062 |
| REINSURANCE RECOVERED | | | | | | | | | | |
| Reins. Recovered-Paid Losses | 0 | -76,436 | 0 | 0 | -76,436 | 0 | (76,436) | 0 | 0 | -76,436 |
| REINSURANCE RECOVERABLE: (CURRENT PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Losses | 0 | -27,231 | 0 | 0 | -27,231 | 0 | -27,231 | 0 | 0 | -27,231 |
| REINSURANCE RECOVERABLE: (PRIOR PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Losses | 0 | 66,834 | 0 | 0 | 66,834 | 0 | 66,834 | 0 | 0 | 66,834 |
| Total Paid Loss Net of Reinsurance | 0 | 1,335,229 | 0 | 0 | 1,335,229 | 0 | 1,335,229 | 0 | 0 | 1,335,229 |
| OUTSTANDING LOSSES (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 416,450 | 0 | 0 | 416,450 | 0 | 416,450 | 0 | 0 | 416,450 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | -12,600 | 0 | 0 | -12,600 | 0 | -12,600 | 0 | 0 | -12,600 |
| Outstanding Losses Net of Reins. | 0 | 403,850 | 0 | 0 | 403,850 | 0 | 403,850 | 0 | 0 | 403,850 |
| OUTSTANDING LOSSES (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 2,277,702 | 0 | 0 | 2,277,702 | 0 | 2,277,702 | 0 | 0 | 2,277,702 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Losses | 0 | -61,100 | 0 | 0 | -61,100 | 0 | -61,100 | 0 | 0 | -61,100 |
| Outstanding Losses Net of Reins. | 0 | 2,216,602 | 0 | 0 | 2,216,602 | 0 | 2,216,602 | 0 | 0 | 2,216,602 |
| INCURRED LOSSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | -477,523 | 0 | 0 | -477,523 | 0 | -477,523 | 0 | 0 | -477,523 |
| IBNR (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 500,000 | 0 | 0 | 500,000 | 0 | 500,000 | 0 | 0 | 500,000 |
| IBNR (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 500,000 | 0 | 0 | 500,000 | 0 | 500,000 | 0 | 0 | 500,000 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDED JANUARY 31, 2005**

EXHIBIT 4C

| | Quarter 11-01-2004 to 01-31-2005 | | | | | Year-To-Date 11-01-2004 to 01-31-2005 | | | | |
|--|----------------------------------|----------------|----------|----------|----------------|---------------------------------------|----------------|----------|----------|----------------|
| | Association Year | | | | | Association Year | | | | |
| | 2005 | 2004 | 2003 | 2002 | Total | 2005 | 2004 | 2003 | 2002 | Total |
| LOSS EXPENSES PAID | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 185 | 129,876 | 0 | 0 | 130,061 | 185 | 129,876 | 0 | 0 | 130,061 |
| REINSURANCE RECOVERED | | | | | | | | | | |
| Reins. Recovered-Paid Losses | 0 | -7,715 | 0 | 0 | -7,715 | 0 | -7,715 | 0 | 0 | -7,715 |
| REINSURANCE RECOVERABLE: (CURRENT PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Loss Expense | 0 | -185 | 0 | 0 | -185 | 0 | -185 | 0 | 0 | -185 |
| REINSURANCE RECOVERABLE: (PRIOR PERIOD) | | | | | | | | | | |
| Reins. Recoverable-Paid Loss Expense | 0 | 5,564 | 0 | 0 | 5,564 | 0 | 5,564 | 0 | 0 | 5,564 |
| Total Paid Loss Net of Reinsurance | 185 | 127,540 | 0 | 0 | 127,725 | 185 | 127,540 | 0 | 0 | 127,725 |
| UNPAID LOSS ADJUSTMENT EXP (CURRENT PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 21,250 | 0 | 0 | 21,250 | 0 | 21,250 | 0 | 0 | 21,250 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | -2,250 | 0 | 0 | -2,250 | 0 | -2,250 | 0 | 0 | -2,250 |
| Outstanding Loss Expense Net of Reins. | 0 | 19,000 | 0 | 0 | 19,000 | 0 | 19,000 | 0 | 0 | 19,000 |
| UNPAID LOSS ADJUSTMENT EXP (PRIOR PERIOD) | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 0 | 131,500 | 0 | 0 | 131,500 | 0 | 131,500 | 0 | 0 | 131,500 |
| REINSURANCE RECOVERABLE: | | | | | | | | | | |
| Reins. Recoverable-Unpaid Loss Exp. | 0 | -8,750 | 0 | 0 | -8,750 | 0 | -8,750 | 0 | 0 | -8,750 |
| Outstanding Loss Expense Net of Reins. | 0 | 122,750 | 0 | 0 | 122,750 | 0 | 122,750 | 0 | 0 | 122,750 |
| INCURRED LOSSES EXPENSES: | | | | | | | | | | |
| Allied Lines (Windstorm & Hail) | 185 | 23,790 | 0 | 0 | 23,975 | 185 | 23,790 | 0 | 0 | 23,975 |

**SOUTH CAROLINA WIND & HAIL UNDERWRITING ASSOCIATION
 CUMULATIVE REPORT OF CATASTROPHE LOSSES
 PERIOD FROM NOVEMBER 1, 2003 TO JANUARY 31, 2005**

EXHIBIT 5

| CAT NUMBER | FISCAL ACCIDENT YEAR | DATE OF LOSS | NAME OF STORM | LOSSES | | CLAIM EXPENSES | | | |
|---------------|----------------------------|-----------------|---------------------|----------------|------------------|----------------|---------------|---------------|----------------|
| | | | | Case O/S | PAID | ALLOCATED | | UNALLOCATED | |
| | | | | Case O/S | PAID | Case O/S | PAID | Case O/S | PAID |
| N/A | 2004 | Aug 12-13 '04 | BONNIE | 69,850 | 48,155 | 0 | 1,892 | 250 | 5,690 |
| 26 | 2004 | Aug 14-15 '04 | CHARLEY | 284,000 | 2,585,302 | 0 | 9,970 | 10,500 | 246,849 |
| 27 | 2004 | Aug 29-30 '04 | GASTON | 48,600 | 428,540 | 0 | 2,946 | 5,750 | 66,581 |
| 28 | 2004 | Sep 06-07 '04 | FRANCES | 7,000 | 14,879 | 0 | 1,225 | 1,500 | 4,405 |
| 30 | 2004 | Sep 16-17 '04 | IVAN | 3,500 | 3,708 | 0 | 0 | 750 | 2,435 |
| 29 | 2004 | Sep 27-28 '04 | JEANNE | 6,689 | 6,689 | 0 | 0 | 750 | 2,746 |
| TOTAL | | | | 419,639 | 3,087,273 | 0 | 16,033 | 19,500 | 328,706 |

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

| AS OF: JANUARY 31, 2005 | | 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 |
| FRIPP ISLAND (Beaufort County) | Dwelling | 259,606 | 12,529 | 5.07% | 726 | -12 | -1.63% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| HILTON HEAD ISLAND (Beaufort County) | Dwelling | 1,654,748 | 265,657 | 19.12% | 3,568 | 268 | 8.12% |
| | Mobile Home | 1,886 | 878 | 87.10% | 26 | 10 | 62.50% |
| | Commercial | 24,095 | -13,125 | -35.26% | 163 | -26 | -13.76% |
| REMAINDER OF COUNTY (Beaufort County) | Dwelling | 237,373 | 49,711 | 26.49% | 719 | 104 | 16.91% |
| | Mobile Home | 3,849 | -694 | -15.28% | 57 | -30 | -34.48% |
| | Commercial | 1,030 | -612 | -37.27% | 9 | 0 | 0.00% |
| TOTAL BEAUFORT COUNTY | Dwelling | 2,151,727 | 327,897 | 17.98% | 5,013 | 360 | 7.74% |
| | Mobile Home | 5,735 | 184 | 3.31% | 83 | -20 | -19.42% |
| | Commercial | 25,125 | -13,737 | -35.35% | 172 | -26 | -13.13% |
| | TOTALS | 2,182,587 | 314,344 | 16.83% | 5,268 | 314 | 6.34% |
| FOLLY BEACH (Charleston County) | Dwelling | 186,920 | 7,088 | 3.94% | 760 | -14 | -1.81% |
| | Mobile Home | 800 | 800 | 0.00% | 2 | 2 | 0.00% |
| | Commercial | 6,226 | 335 | 5.69% | 31 | 3 | 10.71% |
| ISLE OF PALMS (Charleston County) | Dwelling | 468,252 | 37,540 | 8.72% | 1,117 | 16 | 1.45% |
| | Mobile Home | 545 | 343 | 169.80% | 2 | 1 | 100.00% |
| | Commercial | 13,968 | -2,930 | -17.34% | 54 | -7 | -11.48% |
| KIAWAH ISLAND (Charleston County) | Dwelling | 319,759 | 31,983 | 11.11% | 532 | -14 | -2.56% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 2,257 | 1,725 | 324.25% | 9 | -2 | -18.18% |
| SULLIVANS ISLAND (Charleston County) | Dwelling | 171,260 | 7,635 | 4.67% | 399 | -16 | -3.86% |
| | Mobile Home | 716 | 716 | 0.00% | 1 | 1 | 0.00% |
| | Commercial | 3,061 | -461 | -13.09% | 15 | -1 | -6.25% |
| REMAINDER OF COUNTY (Charleston County) | Dwelling | 233,886 | 20,930 | 9.83% | 497 | 14 | 2.90% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 0 | -78 | -100.00% | 0 | -1 | -100.00% |
| TOTAL CHARLESTON COUNTY | Dwelling | 1,380,077 | 105,176 | 8.25% | 3,305 | -14 | -0.42% |
| | Mobile Home | 2,061 | 1,859 | 920.30% | 5 | 4 | 400.00% |
| | Commercial | 25,512 | -1,409 | -5.23% | 109 | -8 | -6.84% |
| | TOTALS | 1,407,650 | 105,626 | 8.11% | 3,419 | -18 | -0.52% |
| EDISTO BEACH (Colleton County) | Dwelling | 219,408 | 11,216 | 5.39% | 842 | -2 | -0.24% |
| | Mobile Home | 267 | 0 | 0.00% | 1 | 0 | 0.00% |
| | Commercial | 6,360 | 1,455 | 29.66% | 13 | 2 | 18.18% |
| 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 | 219,408 | 11,216 | 5.39% | 842 | -2 | -0.24% |
| | Mobile Home | 267 | 0 | 0.00% | 1 | 0 | 0.00% |
| | Commercial | 6,360 | 1,455 | 29.66% | 13 | 2 | 18.18% |
| | TOTALS | 226,035 | 12,671 | 5.94% | 856 | 0 | 0.00% |

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

| AS OF: JANUARY 31, 2005 | | 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 | 99,556 | 17,977 | 22.04% | 353 | 35 | 11.01% |
| | Mobile Home | 262 | -647 | -71.18% | 4 | -13 | -76.47% |
| | Commercial | 6,342 | 3,825 | 151.97% | 5 | 3 | 150.00% |
| LITCHFIELD BEACH (Georgetown County) | Dwelling | 22,409 | 309 | 1.40% | 95 | -8 | -7.77% |
| | Mobile Home | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | Commercial | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| PAWLEYS ISLAND (Georgetown County) | Dwelling | 162,333 | 19,278 | 13.48% | 532 | 33 | 6.61% |
| | Mobile Home | 963 | 599 | 164.56% | 9 | 0 | 0.00% |
| | Commercial | 7,240 | -16,543 | -69.56% | 30 | -15 | -33.33% |
| REMAINDER OF COUNTY (Georgetown County) | Dwelling | 155,614 | 17,985 | 13.07% | 362 | 11 | 3.13% |
| | Mobile Home | 154 | -28 | -15.38% | 3 | -1 | -25.00% |
| | Commercial | 30 | -1,060 | -97.25% | 1 | -6 | -85.71% |
| TOTAL GEORGETOWN COUNTY | Dwelling | 439,912 | 55,549 | 14.45% | 1,342 | 71 | 5.59% |
| | Mobile Home | 1,379 | -76 | -5.22% | 16 | -14 | -46.67% |
| | Commercial | 13,612 | -13,778 | -50.30% | 36 | -18 | -33.33% |
| | TOTALS | 454,903 | 41,695 | 10.09% | 1,394 | 39 | 2.88% |
| ATLANTIC BEACH (Horry County) | Dwelling | 2,657 | 1,367 | 105.97% | 25 | 10 | 66.67% |
| | Mobile Home | 64 | 64 | 0.00% | 1 | 1 | 0.00% |
| | Commercial | 900 | 602 | 202.01% | 5 | 3 | 150.00% |
| GARDEN CITY (Horry County) | Dwelling | 75,860 | -9,567 | -11.20% | 437 | -42 | -8.77% |
| | Mobile Home | 16,855 | 3,045 | 22.05% | 357 | 48 | 15.53% |
| | Commercial | 9,123 | -8,181 | -47.28% | 23 | -8 | -25.81% |
| MYRTLE BEACH (Horry County) | Dwelling | 288,518 | 44,709 | 18.34% | 1,337 | 140 | 11.70% |
| | Mobile Home | 64,074 | 8,209 | 14.69% | 1,339 | 117 | 9.57% |
| | Commercial | 324,620 | 3,445 | 1.07% | 375 | -74 | -16.48% |
| N MYRTLE BEACH (Horry County) | Dwelling | 586,194 | 62,321 | 11.90% | 3,297 | 105 | 3.29% |
| | Mobile Home | 15,220 | 304 | 2.04% | 335 | -5 | -1.47% |
| | Commercial | 96,572 | -12,407 | -11.38% | 188 | -48 | -20.34% |
| SURFSIDE BEACH (Horry County) | Dwelling | 177,353 | 18,084 | 11.35% | 898 | 26 | 2.98% |
| | Mobile Home | 46,906 | 2,115 | 4.72% | 533 | 0 | 0.00% |
| | Commercial | 7,202 | 1,135 | 18.71% | 33 | -1 | -2.94% |
| REMAINDER OF COUNTY (Horry County) | Dwelling | 67,306 | 61,239 | 1009.38% | 328 | 31 | 10.44% |
| | Mobile Home | 515 | 515 | 0.00% | 11 | 2 | 22.22% |
| | Commercial | 1,601 | -56,126 | -97.23% | 11 | 2 | 22.22% |
| TOTAL HORRY COUNTY | Dwelling | 1,197,888 | 178,153 | 17.47% | 6,322 | 270 | 4.46% |
| | Mobile Home | 143,634 | 14,252 | 11.02% | 2,576 | 163 | 6.76% |
| | Commercial | 440,018 | -71,532 | -13.98% | 635 | -126 | -16.56% |
| | TOTALS | 1,781,540 | 120,873 | 7.28% | 9,533 | 307 | 3.33% |
| GRAND TOTAL | Dwelling | 5,389,012 | 677,991 | 14.39% | 16,824 | 685 | 4.24% |
| | Mobile Home | 153,076 | 16,219 | 11.85% | 2,681 | 133 | 5.22% |
| | Commercial | 510,627 | -99,001 | -16.24% | 965 | -176 | -15.43% |
| | TOTALS | 6,052,715 | 595,209 | 10.91% | 20,470 | 642 | 3.24% |