



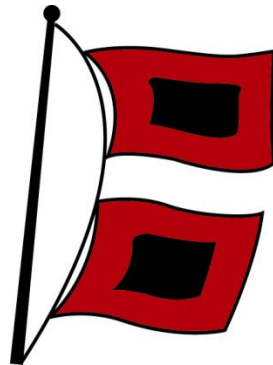
COASTAL INSURANCE PUBLIC HEARING

Charleston, SC

May 9, 2013



A Safety Net For Coastal Consumers





5 Things You Need To Know About SC Wind

#1

Who Is SC Wind?



- Association Of Insurers Licensed In SC
- Membership Is Mandatory By State Law
- Insurers Are Responsible For Losses
- Not A State Agency
 - No State Funds
 - No State Liability



Who Is SC Wind?

- Operated By A Board Of Directors
- 11 Member Insurers
- 2 Insurance Producers Appointed By DOI Director
- 4 Consumer Reps Appointed By DOI Director



Who Is SC Wind?

- Operated As Domestic Insurer
- SC DOI Oversight
- Tri-Annual Audit
 - Financial Audit
 - Market Conduct
- Annual Report To DOI



Who Is SC Wind?

- File CPA Audit With DOI
- File Actuarial Opinion With DOI
- SC Wind Must Respond To DOI Consumer Services
- Plan Of Operation Subject To DOI Director Approval
- DOI Director Or Deputy Attends Board Meetings



Who Is SC Wind?

- Rate And Form Filings Subject To DOI Approval
 - State Consumer Advocate Intervenes
- Board Follows DOI Director's Lead On Consumer Issues



Who Is SC Wind?

- www.scwind.com
- Web Lists Contact Information
- Staff Available As Speakers

#2



Underwriting Factors



- Housekeeping / Condition
- Not Over Water
- No Violation Of Law
- Insurance To Value
- NFIP Requirements



Not Factors

- Loss History
- Distance To Water
- Purchase of Flood Insurance
- “Good People”
- Agency Relationship





#3

SC Wind Is Losing Business

Good News!!!!

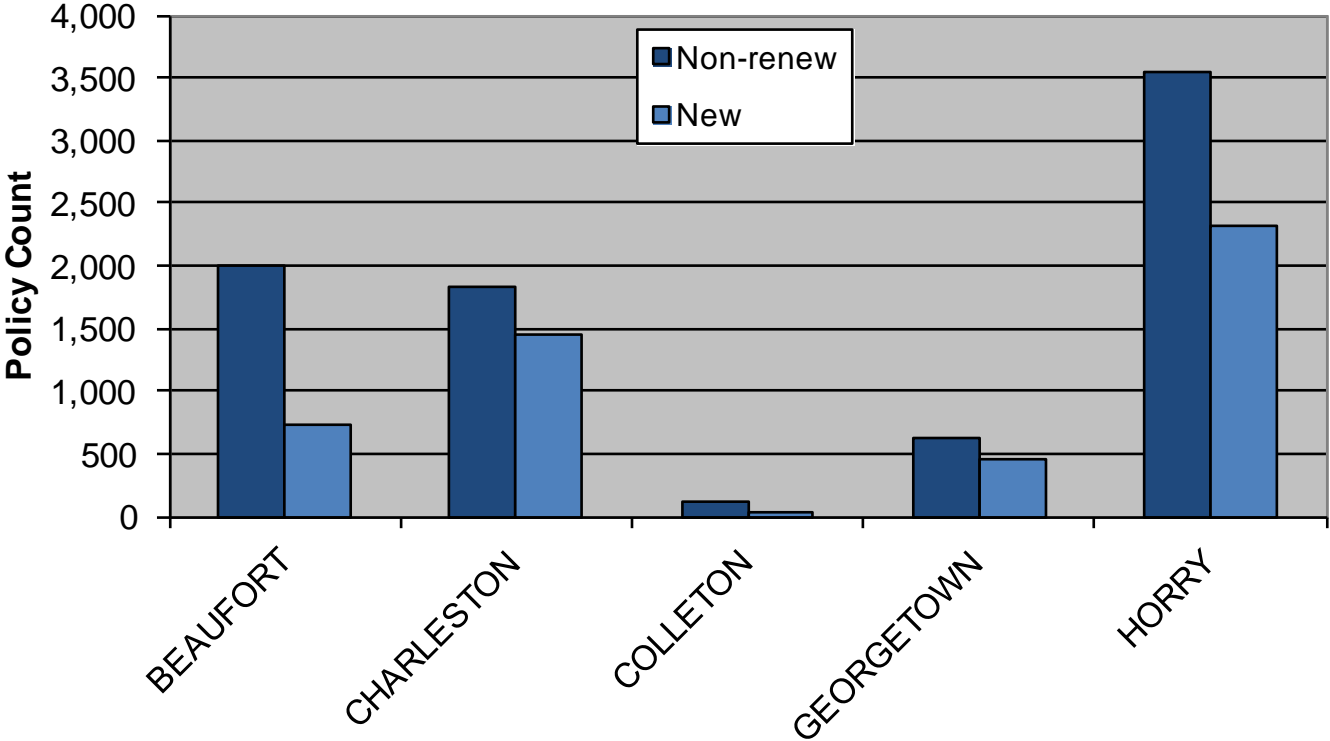
***August 31, 2011 To February
28, 2013***

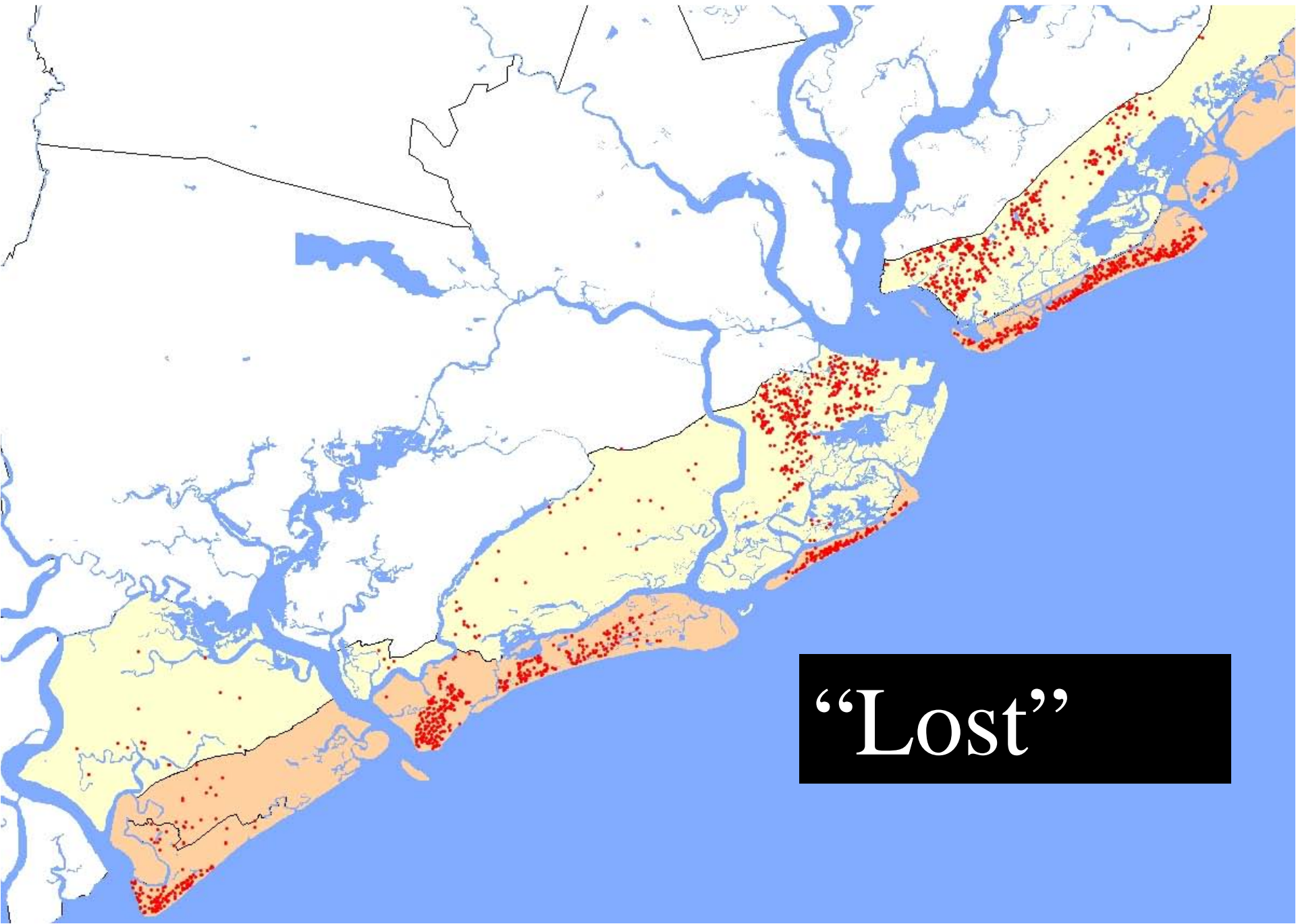
Difference between periods

By Windpool Zone

Zone	<u>All business</u> County	Policy Count	In-force Premiums	Insured Limits	% Change Count
1	BEAUFORT	-1,317	-2,318,685	-852,678,295	-13%
1	CHARLESTON	-698	-1,020,439	-445,700,441	-13%
1	COLLETON	-79	42,184	-38,466,564	-7%
1	GEORGETOWN	-217	19,344	-113,915,040	-8%
1	HORRY	1,514	565,796	412,616,422	9%
	Change Zone 1	-3,825	-2,711,800	-1,863,376,762	-10%
2	BEAUFORT	-84	-141,145	-33,493,750	-7%
2	CHARLESTON	247	544,972	49,672,004	5%
2	COLLETON	-1	-5,375	-1,018,900	-50%
2	GEORGETOWN	34	44,691	3,723,372	4%
2	HORRY	-61	104,199	-21,369,262	-2%
	Change Zone 2	135	547,342	-2,486,536	1%
Overall Change		-3,690	-2,164,458	-1,865,863,298	-8%

Non-Renewed vs New by County





“Lost”



“New”



Supports Mitigation Efforts



ARE YOU PREPARED?

Hurricane Season June 1 - November 30

www. **SCSAFEHOME**.com

803-737-6160

PLAN, PREPARE, PROTECT

Hurricane Season June 1 - November 30

www. **SCSAFEHOME**.com

803-737-6160

SC WIND & HAIL



#5

Most Important Fact

***SC Wind Can Pay The Losses
Of A Major Storm***



Important Fact

- Reinsurance Program
 - Spreads Losses Around The World
 - Automatically Reinstates
 - Exceeds 1-In-200 Year Storm Event
- NO! Policyholder Assessments
- Other States Cannot Pay Losses
 - NC Issues
 - Florida Issues



SC Wind Can Pay

- Supports Healthy, Private Market
- Not Disruptive To Market
- Protects All Coastal Consumers

