

# Mississippi Residential Property Insurance Underwriting Association

Phone (601) 981-2915    2685 Crane Ridge Drive    P.O. Box 5389    Jackson, Mississippi 39296-5389

March 31, 2009

To Member Companies

## ACCOUNTING REPORT FOR YEAR ENDED DECEMBER 31, 2008

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The following documents which summarize the transactions, conditions, operations and affairs of the Mississippi Residential Property Insurance Underwriting Association for the year ended December 31, 2008, are now available on the website [www.msplans.com/MRPIUA/index.shtml](http://www.msplans.com/MRPIUA/index.shtml).

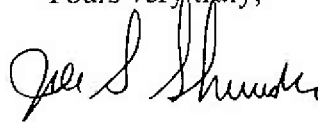
- Exhibit 1        -Statement of Assets, Liabilities and Members' Equity
- Exhibit 2        -Statements of Revenue, Expense and Members' Equity
- Exhibit 3A      -Members' Account - Year Ended December 31, 2008
- Exhibit 3B      -Members' Account - January 01, 2007 through December 31, 2008
- Exhibit 4A      -Statistical Report - Premiums
- Exhibit 4B      -Statistical Report - Losses
- Exhibit 4C      -Statistical Report - Loss Expense
- Exhibit 5        -Insurance In-Force as of December 31, 2008

To record its participation, members should apply the appropriate percentage of participation to the data for each policy year shown on Exhibit 3A. Your participation should be recorded as reinsurance assumed.

A report of all Companies' Preliminary Percentage Participation for the period January 1, 2008 through December 31, 2008 was furnished you previously. Each company's Percentage Participation may be found on the reference website.

Should you have specific questions concerning the reports of the Association, please direct them to Mr. Joel Ferriss or Mrs. Judy Brown at the address or telephone number listed on our letterhead.

Yours very truly,



Joe S. Shumaker  
Manager

**MISSISSIPPI RESIDENTIAL INSURANCE UNDERWRITING ASSOCIATION  
ACCOUNTING REPORT  
YEAR ENDED DECEMBER 31, 2008**

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**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
STATEMENTS OF ASSETS, LIABILITIES AND MEMBERS' EQUITY  
DECEMBER 31, 2008**

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b>ASSETS:</b>				
CASH IN BANK AND MONEY MARKET FUNDS	\$ 4,308,616	\$ -	\$ -	\$ 4,308,616
CERTIFICATE OF DEPOSIT	4,500,000	-	-	4,500,000
ACCRUED INVESTMENT INCOME	17,288	-	-	17,288
ASSESSMENTS RECEIVABLE	111,597	-	-	111,597
RECEIVABLE	11,224	-	-	11,224
FURNITURE AND EQUIPMENT	214,842	-	-	214,842
	<hr/>			
<b>TOTAL ASSETS</b>	<b>\$ 9,163,567</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,163,567</b>
	<hr/> <hr/>			
<b>LIABILITIES:</b>				
UNPAID LOSSES				\$ 630,186
UNPAID LOSS EXPENSE				33,804
UNPAID PREMIUM TAXES				32,676
UNEARNED PREMIUMS				4,340,438
COMMISSIONS PAYABLE				56,401
ACCOUNTS PAYABLE				60,121
				<hr/>
<b>TOTAL LIABILITIES</b>				<b>5,153,626</b>
				<hr/>
<b>MEMBERS' EQUITY:</b>				
2006 POLICY YEAR				-
2007 POLICY YEAR				-
2008 POLICY YEAR				4,009,941
				<hr/>
<b>TOTAL MEMBERS' EQUITY</b>				<b>4,009,941</b>
				<hr/>
<b>TOTAL LIABILITY AND MEMBERS EQUITY</b>				<b>\$ 9,163,567</b>
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**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
STATEMENTS OF REVENUE, EXPENSES AND MEMBERS' EQUITY  
YEAR ENDED DECEMBER 31, 2008**

<b>REVENUE:</b>	
WRITTEN PREMIUM	\$ 8,494,034
CHANGE IN UNEARNED PREMIUM	<u>(12,893)</u>
PREMIUM EARNED	8,481,141
<b>DEDUCTIONS:</b>	
LOSSES	\$ 3,673,621
LOSS ADJUSTMENT EXPENSES	496,458
COMMISSIONS	861,166
PREMIUM TAXES	187,485
OPERATING EXPENSE INCURRED	962,783
OTHER	<u>-</u>
TOTAL DEDUCTIONS	<u>6,181,513</u>
NET UNDERWRITING GAIN (LOSS)	2,299,628
<b>OTHER INCOME:</b>	
INVESTMENT INCOME	261,789
INSPECTION FEES	121,670
OTHER	<u>804</u>
TOTAL OTHER INCOME	<u>384,263</u>
NET INCOME (LOSS)	<u><u>\$ 2,683,891</u></u>
<b>EQUITY ACCOUNT:</b>	
MEMBERS' ACCOUNT, JANUARY 01, 2007	\$ 3,236,970
NET INCOME	2,683,891
DISTRIBUTIONS TO MEMBERS	(2,020,872)
ASSESSMENTS	<u>109,952</u>
MEMBERS' ACCOUNT, DECEMBER 31, 2008	<u><u>\$ 4,009,941</u></u>

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
MEMBERS' ACCOUNT  
YEAR ENDED DECEMBER 31, 2008

	2006	2007	2008	2009	TOTALS
<b>INCOME RECEIVED:</b>					
PREMIUMS WRITTEN	-	(145,304)	8,473,213	166,125	8,494,034
INTEREST RECEIVED	-	57,760	244,501		302,261
INSPECTION FEES RECEIVED	-	-	121,670		121,670
OTHER	-	-	804		804
<b>TOTAL</b>	<b>-</b>	<b>(87,544)</b>	<b>8,840,188</b>	<b>166,125</b>	<b>8,918,769</b>
<b>EXPENSES PAID:</b>					
LOSSES	23,661	2,256,825	1,723,590		4,004,076
LOSS EXPENSE	3,833	194,202	360,684	-	558,719
SERVICE FEE - PREMIUMS	-	-	-		-
COMMISSIONS PAID	-	54,296	804,384		858,680
PREMIUM TAXES	-	39,247	154,809		194,056
OPERATING EXPENSE	-	101,179	861,604		962,783
OTHER	-	-	-		-
<b>TOTAL</b>	<b>27,494</b>	<b>2,645,749</b>	<b>3,905,071</b>	<b>-</b>	<b>6,578,314</b>
<b>NET CASH FROM OPERATIONS</b>	<b>(27,494)</b>	<b>(2,733,293)</b>	<b>4,935,117</b>	<b>166,125</b>	<b>2,340,455</b>
<b>DEDUCT CURRENT RESERVES:</b>					
LOSSES	-	-	630,186	-	630,186
LOSS EXPENSE	-	-	33,804	-	33,804
UNEARNED PREMIUMS	-	-	4,174,313	166,125	4,340,438
SERVICE FEE - PREMIUMS	-	-	-	-	-
COMMISSIONS PAYABLE	-	-	56,401	-	56,401
PREMIUM TAXES PAYABLE	-	-	32,676	-	32,676
OPERATING EXPENSE	-	-	-	-	-
OTHER	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>4,927,380</b>	<b>166,125</b>	<b>5,093,505</b>
<b>ADD PRIOR RESERVES:</b>					
LOSSES	564,015	396,626	-	-	960,641
LOSS EXPENSE	56,402	39,663	-	-	96,065
UNEARNED PREMIUMS	-	4,198,951	128,594	-	4,327,545
SERVICE FEE - PREMIUMS	-	-	-	-	-
COMMISSIONS PAYABLE	-	53,915	-	-	53,915
PREMIUM TAXES PAYABLE	-	39,247	-	-	39,247
OPERATING EXPENSE	-	-	-	-	-
OTHER	-	-	-	-	-
<b>TOTAL</b>	<b>620,417</b>	<b>4,728,402</b>	<b>128,594</b>	<b>-</b>	<b>5,477,413</b>
<b>NET RESERVE CHANGE</b>	<b>620,417</b>	<b>4,728,402</b>	<b>(4,798,786)</b>	<b>(166,125)</b>	<b>383,908</b>
<b>OTHER CHANGES:</b>					
<b>DEDUCT PRIOR</b>					
INTEREST ACCRUED	-	57,760	-	-	57,760
<b>ADD CURRENT</b>					
INTEREST ACCRUED	-	-	17,288	-	17,288
OTHER CHANGES	-	-	-	-	-
ASSESSMENTS	109,952	-	-	-	109,952
DISTRIBUTIONS	(2,020,872)	-	-	-	(2,020,872)
<b>CHANGE IN MEMBERS' EQUITY</b>	<b>\$(1,317,997)</b>	<b>\$1,937,349</b>	<b>\$ 153,619</b>	<b>\$ -</b>	<b>\$ 772,971</b>

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
MEMBERS' ACCOUNT FOR UNSETTLED POLICY YEARS  
DECEMBER 31, 2008**

	2007	2008	2009	TOTALS
<b>INCOME RECEIVED:</b>				
PREMIUMS WRITTEN	\$ 8,378,609	\$ 8,601,807	\$ 166,125	\$ 16,980,416
INTEREST RECEIVED	324,006	244,501	-	568,507
INSPECTION FEES RECEIVED	109,960	121,670	-	231,630
OTHER	50	804	-	854
<b>TOTAL</b>	<b>8,812,625</b>	<b>8,968,782</b>		<b>17,781,407</b>
<b>EXPENSES PAID:</b>				
LOSSES	3,390,037	1,723,590	-	5,113,627
LOSS EXPENSE	310,891	360,684	-	671,575
SERVICE FEE - PREMIUMS	86,808	-	-	86,808
COMMISSIONS PAID	488,308	804,384	-	1,292,692
PREMIUM TAXES PAID	166,894	154,809	-	321,703
OPERATING EXPENSE	1,106,291	861,604	-	1,967,895
<b>TOTAL</b>	<b>5,549,228</b>	<b>3,905,071</b>	<b>-</b>	<b>9,454,299</b>
<b>NET CASH FROM OPERATIONS</b>	<b>3,263,397</b>	<b>5,063,711</b>	<b>-</b>	<b>8,327,108</b>
<b>DEDUCT CURRENT RESERVES:</b>				
LOSSES	-	630,186	-	630,186
LOSS EXPENSE	-	33,804	-	33,804
UNEARNED PREMIUMS	-	4,174,313	166,125	4,174,313
SERVICE FEE - PREMIUMS	-	-	-	-
COMMISSIONS	-	56,401	-	56,401
PREMIUM TAXES PAYABLE	-	32,676	-	32,676
OPERATING EXPENSE	-	-	-	-
OTHER	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>4,927,380</b>	<b>166,125</b>	<b>4,927,380</b>
<b>OTHER CHANGES:</b>				
<b>ADD CURRENT</b>				
INTEREST ACCRUED	-	17,288	-	17,288
PRIOR PERIOD CORRECTION IN LOSS RESERVES	592,925	-	-	592,925
<b>TOTAL OTHER CHANGES</b>	<b>592,925</b>	<b>17,288</b>		<b>610,213</b>
ASSESSMENTS	-	-	-	-
DISTRIBUTIONS	-	-	-	-
<b>MEMBERS' EQUITY</b>	<b>\$ 3,856,322</b>	<b>\$ 153,619</b>		<b>\$ 4,009,941</b>

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
STATISTICAL REPORT OF PREMIUMS  
YEAR ENDED DECEMBER 31, 2008**

	2007	2008	2009	TOTALS
<b>PREMIUMS WRITTEN:</b>				
<b>FIRE &amp; EXTENDED COVERAGE</b>	\$ (145,304)	\$ 8,473,213	\$ 166,125	\$ 8,494,034
<b>UNEARNED PREMIUMS -PRIOR:</b>				
<b>FIRE &amp; EXTENDED COVERAGE</b>	4,198,951	128,594	-	4,327,545
<b>UNEARNED PREMIUMS-CURRENT:</b>				
<b>FIRE &amp; EXTENDED COVERAGE</b>	-	4,174,313	166,125	4,340,438
<b>EARNED PREMIUMS:</b>				
<b>FIRE &amp; EXTENDED COVERAGE</b>	\$ 4,053,647	\$ 4,427,494	\$ -	\$ 8,481,141

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
STATISTICAL REPORT OF LOSSES  
YEAR ENDED DECEMBER 31, 2008**

	2006	2007	2008	TOTALS
<b>PAID:</b>				
FIRE	\$ 15,460	\$ 2,017,344	\$ 824,962	\$ 2,857,766
EXTENDED COVERAGE	8,201	239,481	898,628	1,146,310
TOTAL	<u>23,661</u>	<u>2,256,825</u>	<u>1,723,590</u>	<u>4,004,076</u>
<b>CURRENT OUTSTANDING:</b>				
FIRE	-	-	466,260	466,260
EXTENDED COVERAGE	-	-	15,000	15,000
TOTAL	<u>-</u>	<u>-</u>	<u>481,260</u>	<u>481,260</u>
<b>CURRENT IBNR:</b>				
FIRE	-	-	107,000	107,000
EXTENDED COVERAGE	-	-	41,926	41,926
TOTAL	<u>-</u>	<u>-</u>	<u>148,926</u>	<u>148,926</u>
<b>PRIOR OUTSTANDING:</b>				
FIRE	464,415	208,500	-	672,915
EXTENDED COVERAGE	99,600	17,600	-	117,200
TOTAL	<u>564,015</u>	<u>226,100</u>	<u>-</u>	<u>790,115</u>
<b>PRIOR IBNR:</b>				
FIRE	-	170,526	-	170,526
EXTENDED COVERAGE	-	-	-	-
TOTAL	<u>-</u>	<u>170,526</u>	<u>-</u>	<u>170,526</u>
<b>INCURRED LOSSES:</b>				
FIRE	(448,955)	1,638,318	1,398,222	2,587,585
EXTENDED COVERAGE	(91,399)	221,881	955,554	1,086,036
TOTAL	<u>\$ (540,354)</u>	<u>\$ 1,860,199</u>	<u>\$ 2,353,776</u>	<u>\$ 3,673,621</u>

**MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
STATISTICAL REPORT OF LOSS EXPENSE  
YEAR ENDED DECEMBER 31, 2008**

	2006	2007	2008	TOTALS
<b>PAID:</b>				
<b>FIRE</b>	\$ 2,503	\$ 115,283	\$ 91,422	\$ 209,208
<b>EXTENDED COVERAGE</b>	1,330	78,919	269,262	349,511
<b>TOTAL</b>	<u>3,833</u>	<u>194,202</u>	<u>360,684</u>	<u>558,719</u>
<b>CURRENT OUTSTANDING:</b>				
<b>FIRE</b>	-	-	30,750	30,750
<b>EXTENDED COVERAGE</b>	-	-	3,054	3,054
<b>TOTAL</b>	<u>-</u>	<u>-</u>	<u>33,804</u>	<u>33,804</u>
<b>PRIOR OUTSTANDING:</b>				
<b>FIRE</b>	46,442	37,902	-	84,344
<b>EXTENDED COVERAGE</b>	9,960	1,761	-	11,721
<b>TOTAL</b>	<u>56,402</u>	<u>39,663</u>	<u>-</u>	<u>96,065</u>
<b>INCURRED LOSS EXPENSE:</b>				
<b>FIRE</b>	(43,939)	77,381	122,172	155,614
<b>EXTENDED COVERAGE</b>	(8,630)	77,158	272,316	340,844
<b>TOTAL</b>	<u>\$ (52,569)</u>	<u>\$ 154,539</u>	<u>\$ 394,488</u>	<u>\$ 496,458</u>

MISSISSIPPI RESIDENTIAL PROPERTY INSURANCE UNDERWRITING ASSOCIATION  
 POLICIES & INSURANCE IN-FORCE  
 DECEMBER 31, 2008

COUNTY	POLICIES IN-FORCE	INSURANCE IN- FORCE	COUNTY	POLICIES IN-FORCE	INSURANCE IN- FORCE
ADAMS	180	\$ 7,924,000	LEFLORE	199	\$ 7,424,000
ALCORN	194	7,569,000	LINCOLN	157	7,694,000
AMITE	54	2,106,000	LOWNDES	180	9,039,000
ATTALA	98	3,291,000	MADISON	108	4,673,000
BENTON	28	1,190,000	MARION	154	7,710,000
BOLIVAR	183	6,714,000	MARSHALL	101	4,417,000
CALHOUN	19	709,000	MONROE	27	2,023,000
CARROLL	21	841,000	MONTGOMERY	74	2,525,000
CHICKASAW	60	2,547,000	NESHOBA	13	732,000
CHOCTAW	18	666,000	NEWTON	35	1,670,000
CLAIBORNE	73	2,822,000	NOXUBEE	7	272,000
CLARKE	44	1,785,000	OKTIBBEHA	37	1,755,000
CLAY	40	1,694,000	PANOLA	62	2,174,000
COAHOMA	171	5,733,000	PEARL RIVER	285	16,870,000
COPIAH	143	6,720,000	PERRY	32	1,400,000
COVINGTON	101	4,691,000	PIKE	181	8,904,000
DESOTO	35	2,734,000	PONTOTOC	20	899,000
FORREST	390	18,664,000	PRENTISS	121	4,459,000
FRANKLIN	23	780,000	QUITMAN	51	1,579,000
GEORGE	342	22,119,000	RANKIN	63	4,019,000
GREENE	47	2,218,000	SCOTT	101	3,988,000
GRENADA	94	5,311,000	SHARKEY	8	316,000
HANCOCK	638	62,277,000	SIMPSON	33	1,644,000
HARRISON	2,025	177,862,000	SMITH	14	526,000
HINDS	681	40,069,000	STONE	82	4,985,000
HOLMES	162	6,181,000	SUNFLOWER	133	5,183,000
HUMPHREYS	10	305,000	TALLAHATCHIE	83	3,227,000
ISSAQUENA	1	20,000	TATE	10	556,000
ITAWAMBA	89	2,970,000	TIPPAH	24	992,000
JACKSON	1,837	147,956,000	TISHOMINGO	110	3,557,000
JASPER	77	2,966,000	TUNICA	15	424,000
JEFFERSON	41	1,593,000	UNION	15	659,000
JEFFERSON DAVIS	61	2,961,000	WALTHALL	74	3,753,000
JONES	340	13,843,000	WARREN	111	5,229,000
KEMPER	55	2,170,000	WASHINGTON	342	12,587,000
LAFAYETTE	41	1,677,000	WAYNE	142	6,142,000
LAMAR	56	3,041,000	WEBSTER	10	251,000
LAUDERDALE	245	11,540,000	WILKINSON	38	1,605,000
LAWRENCE	81	3,158,000	WINSTON	69	2,658,000
LEAKE	15	352,000	YALABUSHA	44	1,656,000
LEE	65	2,920,000	YAZOO	173	6,329,000

TOTAL IN - FORCE

12,416 \$ 749,194,000