

## **UNITED INSURANCE HOLDINGS CORP.**

### **INVESTMENT COMMITTEE CHARTER**

Approved by the Board of Directors on November 11, 2009

#### **COMMITTEE'S PURPOSE**

The purpose of the Investment Committee (the "Committee") of the Board of Directors ("Board") of United Insurance Holdings Corp. (the "Company") shall be to oversee the Company's investment policies and guidelines, including review of investment manager selection, establishment of investment benchmarks, review of investment performance and oversight of investment risk management exposure and guidelines.

#### **COMMITTEE STRUCTURE AND COMPOSITION**

The Committee shall be comprised of three or more directors. The members of the Committee shall be elected annually to one-year terms by the affirmative vote of a majority of the Board members at the first meeting of the Board to be held following the annual shareholder meeting or as soon thereafter as practicable. Vacancies on the Committee shall be filled by like vote of the Board at the next meeting of the Board following the occurrence of the vacancy or as soon thereafter as practicable. A member may be removed from the Committee at any time, with or without cause, by like vote of the Board.

#### **MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Board shall designate one member of the Committee as its chairperson. The Committee shall convene at least one time annually or more frequently as circumstance require. The Chairperson of the Committee or a majority of the Committee may also call a special meeting of the Committee. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment means of which all persons participating in the meeting can hear each other shall constitute a quorum. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is present. The Committee shall maintain minutes of its meetings and shall regularly report on its actions to the Board.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

The Committee shall have access to any of the books and records of the Company that the Committee shall consider relevant to carrying out its duties and may require any officer or employee of the Company to attend meetings of the Committee and provide to it any information

available to the Company relevant to the Committee's activities, except as the Board may otherwise direct.

## **COMMITTEE RESPONSIBILITIES**

The Committee shall have the following goals and responsibilities with respect to the Company's investment transactions, management, policies and guidelines:

- To review and approve periodically policies and guidelines governing the Company's investment portfolio and monitor compliance with those policies;
- To review and approve periodically any investment benchmarks or other measurement devices employed by the Company to monitor the performance of its investment portfolio;
- To monitor on an ongoing basis the performance of the Company's investment advisers and retain and terminate such advisers as it deems appropriate; and
- To perform such other responsibilities regarding the Company's investment activities or policies or other matters as the Board may from time to time assign the Committee.

## **INVESTIGATIONS, STUDIES AND USE OF OUTSIDE ADVISERS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope responsibilities, and may retain, at the Company's expense, such independent counsel or other advisers as it deems necessary for the proper performance of its responsibilities. The Committee has the authority to approve the fees or other compensation and other retention terms of such consultant or advisor. The Company's Chief Financial Officer, with the approval of the Chief Executive Officer and the Committee shall each have the authority to retain or terminate any consultant or advisor retained at the direction of the Committee. The Chief Financial Officer will assist the Committee in carrying out its responsibilities

## **EVALUATION OF THE COMMITTEE'S PERFORMANCE**

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information received by the Committee and presented by the Committee to the Board, and the adequacy of the Committee's deliberations regarding matters reported to and acted upon by the Committee and of the deliberations of the Board regarding the matters reported to and recommended to the Board by the Committee. The Committee shall deliver to the Board a report setting forth the results of its evaluation, including any recommended amendments to its Charter and any recommended changes to the Company's or the Board's policies or procedures.