

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## BALANCE SHEET AT MARCH 31, 2000

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b>ASSETS</b>				
CASH & SHORT TERM INVESTMENTS	\$6,282,798	-	-	\$6,282,798
ACCRUED INTEREST	-	76,568	-	76,568
FURNITURE & EQUIPMENT	144,119	-	144,119	-
ELECTRONIC DATA PROCESSING EQUIP.	101,540	-	-	101,540
PREPAID EXPENSES	28,257	-	28,257	-
OTHER ASSETS	117,836	-	-	117,836
<b>TOTAL ASSETS</b>	<b>\$6,674,550</b>	<b>76,568</b>	<b>172,376</b>	<b>\$6,578,742</b>
<b>LIABILITIES</b>				
UNFUNDED LIAB FOR RET. BENEFITS			519,917	
AMOUNTS HELD FOR OTHERS			1,229,081	
OTHER LIABILITIES			217,228	
CLAIM CHECKS PAYABLE			13,288	
<b>TOTAL LIABILITIES</b>			<b>1,979,514</b>	<b>\$1,979,514</b>
<b>RESERVES</b>				
UNEARNED PREMIUMS			9,958,346	
LOSS-CASE BASIS			6,572,247	
LOSS-I.B.N.R			1,534,450	
LOSS EXPENSE ALLOCATED			615,162	
LOSS EXPENSE-UNALLOCATED			153,133	
N.J.I.U.A. OPERATING EXPENSE			280,827	
TAXES & FEES			12,150	
<b>TOTAL RESERVES</b>			<b>19,126,317</b>	<b>19,126,317</b>
<b>TOTAL LIABILITIES &amp; RESERVES</b>				<b>\$21,105,831</b>
<b>EQUITY ACCOUNT</b>				
NET EQUITY AT MARCH 31, 2000				<b>(14,527,089)</b>
<b>TOTAL LIABILITIES PLUS EQUITY ACCOUNT</b>				<b>\$6,578,742</b>

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION  
FAIR PLAN  
INCOME STATEMENT  
AT MARCH 31, 2000**

	<b>QUARTER TO DATE</b>
<b><u>UNDERWRITING INCOME</u></b>	
PREMIUMS EARNED	<b>\$4,876,034</b>
<b><u>DEDUCTIONS</u></b>	
LOSSES INCURRED	4,524,064
LOSS EXPENSES INCURRED	627,105
COMMISSIONS INCURRED	414,672
OTHER UNDERWRITING EXPENSES	1,141,260
PREMIUM TAXES INCURRED	12,444
TOTAL DEDUCTIONS	<u>6,719,545</u>
UNDERWRITING GAIN (LOSS)	<u>(1,843,511)</u>
<b><u>OTHER INCOME</u></b>	
NET INVESTMENT INCOME	149,208
NET GAIN (LOSS)	<u>(1,694,302)</u>
<b><u>EQUITY ACCOUNT</u></b>	
NET EQUITY-PRIOR	(12,884,000)
NET GAIN (LOSS) FOR PERIOD	(1,694,302)
CHANGE IN NONADMITTED ASSETS	51,213
CHANGE IN EQUITY	<u>(1,643,089)</u>
NET EQUITY AT MARCH 31, 2000	<u><u><b>(\$14,527,089)</b></u></u>

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION**  
**FAIR PLAN**  
**EQUITY ACCOUNT**  
**QTD PERIOD ENDED MARCH 31, 2000**

	<b>POLICY YEAR 2000</b>	<b>POLICY YEAR 1999</b>	<b>POLICY YEAR 1998</b>	<b>POLICY YEAR 1997</b>	<b>POLICY YEAR 1996 &amp; PRIOR</b>	<b>TOTAL</b>
<b>INCOME RECEIVED</b>						
PREMIUMS WRITTEN	\$4,561,350	(\$27,273)	(\$3,617)	-	-	\$4,530,460
INVESTMENT INCOME RECEIVED	125,418	-	-	-	-	125,418
TOTAL	4,686,768	(27,273)	(3,617)	-	-	<b>4,655,878</b>
<b>EXPENSES PAID</b>						
LOSSES PAID	85,987	3,737,266	1,092,998	199,290	(18,408)	5,097,134
ALLOCATED LOSS EXPENSE	6,752	305,699	120,663	10,554	40,099	483,767
UNALLOCATED LOSS EXPENSE	2,006	87,167	26,501	4,669	157	120,499
INSPECTION AND RATING ISO	31,448	-	-	-	-	31,448
SURVEYS & UNDERWRITING RPTS	59,091	(20,500)	-	-	-	38,591
COMMISSIONS	418,034	(3,000)	(362)	-	-	414,672
BOARDS & BUREAUS	1,600	-	-	-	-	1,600
ASSOCIATION EXPENSES	1,104,617	-	-	-	-	1,104,617
TAXES & FEES	65,394	(12,300)	-	-	-	53,094
TOTAL	1,774,928	4,094,332	1,239,800	214,513	21,848	<b>7,345,421</b>
<b>INCREASE (DECREASE)</b>	2,911,840	(4,121,605)	(1,243,417)	(214,513)	(21,848)	<b>(2,689,543)</b>
<b>DEDUCT</b>						
PRIOR ACCRUED INTEREST	-	52,778	-	-	-	52,778
CURRENT NONADMITTED ASSETS	172,376	-	-	-	-	172,376
TOTAL	172,376	52,778	-	-	-	<b>225,154</b>
<b>ADD</b>						
CURRENT ACCRUED INTEREST	76,568	-	-	-	-	76,568
PRIOR NONADMITTED ASSETS	-	223,588	-	-	-	223,588
TOTAL	76,568	223,588	-	-	-	<b>300,156</b>
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	2,816,033	(3,950,795)	(1,243,417)	(214,513)	(21,848)	<b>(2,614,540)</b>
<b>DEDUCT CURRENT RESERVES</b>						
UNEARNED PREMIUMS	4,368,557	5,589,789	-	-	-	9,958,346
UNPAID LOSSES	838,372	6,099,601	889,625	79,191	199,908	8,106,698
UNPAID LOSS EXPENSES	54,915	576,757	103,997	9,257	23,369	768,296
UNPAID ASSOCIATION EXPENSES	280,827	-	-	-	-	280,827
UNPAID TAXES & FEES	12,150	-	-	-	-	12,150
TOTAL	<b>5,554,821</b>	<b>12,266,147</b>	<b>993,622</b>	<b>88,448</b>	<b>223,278</b>	<b>19,126,317</b>
<b>ADD PRIOR RESERVES</b>						
UNEARNED PREMIUMS	326,554	9,977,366	-	-	-	10,303,920
UNPAID LOSSES	-	6,204,876	1,970,632	302,716	201,543	8,679,767
UNPAID LOSSES EXPENSES	-	486,336	206,325	31,694	21,102	745,457
UNPAID ASSOCIATION EXPENSES	-	315,823	-	-	-	315,823
UNPAID TAXES & FEES	-	52,800	-	-	-	52,800
TOTAL	326,554	17,037,201	2,176,957	334,410	222,645	<b>20,097,768</b>
<b>NET CHANGE IN EQUITY</b>	<b>(\$2,412,235)</b>	<b>\$820,258</b>	<b>(\$60,081)</b>	<b>\$31,449</b>	<b>(\$22,481)</b>	<b>(\$1,643,089)</b>
						(1,643,089)
						0

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION  
FAIR PLAN  
UNDERWRITING STATEMENT  
EARNED/INCURRED BASIS  
QTD PERIOD ENDED MARCH 31, 2000**

	<b>3-31-00 QUARTER TO DATE</b>	
<b>Premiums Written</b>	<b>\$4,530,460</b>	
Current Unearned Reserve	9,958,346	
Prior Unearned Reserve	10,303,920	
Change in Unearned Premium Reserve	345,574	
<b>Net Premium Earned</b>		<b>\$4,876,034</b>
Losses Paid	5,166,398	
Less Salvage	69,264	
<b>Net Losses Paid</b>	5,097,134	
Current Loss Reserve	8,106,698	
Prior Loss Reserve	8,679,767	
Change in Loss Reserve	(573,070)	
<b>Net Losses Incurred</b>		4,524,064
Allocated Loss Exp. Paid	483,767	
Unallocated Loss Exp. Paid	120,499	
<b>Total Loss Exp. Paid</b>	604,266	
Current Loss Exp. Reserve	768,296	
Prior Loss Exp. Reserve	745,457	
Change in Loss Exp. Reserve	22,839	
<b>Net Loss Exp. Incurred</b>		627,105
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$5,151,169</b>
Taxes & Fees Paid	53,094	
Current Reserve	12,150	
Prior Reserve	52,800	
Change in Reserve for Taxes	(40,650)	
<b>Net Taxes Incurred</b>		12,444
Commissions Paid	414,672	
Boards, Bureaus, & Underwriting Inspections	71,639	
Other Association Exp. Incurred	1,104,617	
<b>Net Underwriting Exp Incurred</b>	1,590,928	
Current Operating Exp. Reserve	280,827	
Prior Operating Exp. Reserve	315,823	
Change in Underwriting Exp. Reserve	(34,996)	
<b>Net Assoc. Exp. Incurred</b>		1,555,932
<b>Total Loss &amp; Exp. Incurred</b>		<b>6,719,545</b>
<b>Underwriting Gain (Loss)</b>		<b>(\$1,843,511)</b>
Net Investment Income Received	125,418	
Current Accrued Interest	76,568	
Prior Accrued Interest	52,778	
Change in Accrued Interest	23,790	
<b>Net Investment Income Earned</b>		149,208
<b>Net Gain (Loss)</b>		<b>(\$1,694,302)</b>

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION**  
**FAIR PLAN**  
**STATISTICAL REPORT ON PREMIUMS**  
**QTD PERIOD ENDED MARCH 31, 2000**

	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997	POLICY YEAR 1996 & PRIOR	TOTAL
<b>WRITTEN PREMIUMS</b>						
FIRE	\$3,145,578	(\$15,409)	(\$2,457)	-	-	\$3,127,712
ALLIED	1,385,265	(10,442)	(1,138)	-	-	1,373,685
CRIME	30,507	(1,422)	(22)	-	-	29,063
<b>TOTAL</b>	<b>4,561,350</b>	<b>(27,273)</b>	<b>(3,617)</b>	<b>-</b>	<b>-</b>	<b>4,530,460</b>
<b>CURRENT UNEARNED PREMIUM RESERVE @ 3-31-00</b>						
FIRE	3,004,612	3,837,412	-	-	-	6,842,024
ALLIED	1,334,299	1,708,610	-	-	-	3,042,909
CRIME	29,646	43,767	-	-	-	73,413
<b>TOTAL</b>	<b>4,368,557</b>	<b>5,589,789</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,958,346</b>
<b>PRIOR UNEARNED PREMIUM RESERVE @ 12-31-99</b>						
FIRE	219,038	6,824,503	-	-	-	7,043,541
ALLIED	104,922	3,071,468	-	-	-	3,176,390
CRIME	2,594	81,395	-	-	-	83,989
<b>TOTAL</b>	<b>326,554</b>	<b>9,977,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,303,920</b>
<b>EARNED PREMIUM</b>						
FIRE	360,004	2,971,682	(2,457)	-	-	3,329,229
ALLIED	155,888	1,352,416	(1,138)	-	-	1,507,166
CRIME	3,455	36,206	(22)	-	-	39,639
<b>TOTAL</b>	<b>\$519,347</b>	<b>\$4,360,304</b>	<b>(\$3,617)</b>	<b>-</b>	<b>-</b>	<b>\$4,876,034</b>

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION**  
**FAIR PLAN**  
**STATISTICAL REPORT ON LOSSES**  
**QTD PERIOD ENDED MARCH 31, 2000**

	<b>POLICY YEAR 2000</b>	<b>POLICY YEAR 1999</b>	<b>POLICY YEAR 1998</b>	<b>POLICY YEAR 1997</b>	<b>POLICY YEAR 1996 &amp; PRIOR</b>	<b>TOTAL</b>
<b>PAID LOSSES</b>						
<b>Net of Salvage and Subrogation Received</b>						
FIRE	\$69,586	\$2,908,260	\$906,828	\$188,903	(\$19,439)	\$4,054,138
ALLIED	16,401	824,793	186,170	10,387	1,031	1,038,783
CRIME	-	4,213	-	-	-	4,213
<b>TOTAL</b>	<b>85,987</b>	<b>3,737,266</b>	<b>1,092,998</b>	<b>199,290</b>	<b>(18,408)</b>	<b>5,097,134</b>
<b>CURRENT LOSS RESERVE (3-31-00)</b>						
FIRE	689,682	4,879,246	780,372	76,024	147,638	6,572,961
ALLIED	143,708	1,195,366	109,253	3,667	61,034	1,513,028
CRIME	4,983	24,990	-	(500)	(8,764)	20,708
<b>TOTAL</b>	<b>838,372</b>	<b>6,099,601</b>	<b>889,625</b>	<b>79,191</b>	<b>199,908</b>	<b>8,106,695</b>
<b>PRIOR LOSS RESERVES (12-31-99)</b>						
FIRE	-	4,611,300	1,523,929	286,038	149,640	6,570,907
ALLIED	-	1,551,848	446,703	17,177	60,667	2,076,395
CRIME	-	41,728	-	(499)	(8,764)	32,465
<b>TOTAL</b>	<b>-</b>	<b>6,204,876</b>	<b>1,970,632</b>	<b>302,716</b>	<b>201,543</b>	<b>8,679,767</b>
<b>INCURRED LOSSES</b>						
FIRE	759,268	3,176,206	163,271	(21,111)	(21,441)	4,056,192
ALLIED	160,109	468,312	(151,280)	(3,123)	1,398	475,416
CRIME	4,983	(12,525)	-	(1)	-	(7,544)
<b>TOTAL</b>	<b>\$924,360</b>	<b>\$3,631,992</b>	<b>\$11,990</b>	<b>(\$24,235)</b>	<b>(\$20,043)</b>	<b>\$4,524,064</b>
<b>I.B.N.R. (INCL. IN CURRENT RESERVES)</b>						
FIRE						<b>1ST QTR (DECREASE) IN IBNR (10,274)</b>
ALLIED						<b>(14,018)</b>
CRIME						<b>(1,090)</b>
<b>TOTAL</b>						<b>(\$25,382)</b>
<b>CALCULATED IBNR</b>						
		<b>INFORCE PREM. 1ST QTR (DECREASE)</b>		<b>1ST QTR (DECREASE) IN IBNR</b>		
FIRE		(136,980)		(10,274)		
ALLIED		(186,901)		(14,018)		
CRIME		(14,539)		(1,090)		
<b>TOTAL</b>		<b>(\$338,420)</b>		<b>(\$25,382)</b>		

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION**  
**FAIR PLAN**  
**STATISTICAL REPORT ON LOSS EXPENSES**  
**(INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES)**  
**QTD PERIOD ENDED MARCH 31, 2000**

	<b>POLICY YEAR 2000</b>	<b>POLICY YEAR 1999</b>	<b>POLICY YEAR 1998</b>	<b>POLICY YEAR 1997</b>	<b>POLICY YEAR 1996 &amp; PRIOR</b>	<b>TOTAL</b>
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>						
FIRE	\$4,307	\$196,225	\$74,611	\$8,392	\$32,820	\$316,356
ALLIED	4,450	194,392	72,159	6,406	7,436	284,843
CRIME	-	2,249	393	425	-	3,067
<b>TOTAL</b>	<b>8,758</b>	<b>392,866</b>	<b>147,163</b>	<b>15,223</b>	<b>40,256</b>	<b>604,266</b>
<b>CURRENT LOSS EXPENSE RESERVE @ 3-31-00</b>						
FIRE	50,968	477,266	91,225	8,887	17,259	645,606
ALLIED	3,654	97,679	12,772	429	7,135	121,668
CRIME	292	1,812	-	(58)	(1,025)	1,021
<b>TOTAL</b>	<b>54,915</b>	<b>576,757</b>	<b>103,997</b>	<b>9,257</b>	<b>23,369</b>	<b>768,296</b>
<b>PRIOR LOSS EXPENSE RESERVE @12-31-99</b>						
FIRE	-	371,767	159,555	29,948	15,667	576,938
ALLIED	-	111,567	46,770	1,798	6,352	166,488
CRIME	-	3,001	-	(52)	(918)	2,031
<b>TOTAL</b>	<b>-</b>	<b>486,336</b>	<b>206,325</b>	<b>31,694</b>	<b>21,102</b>	<b>745,457</b>
<b>ALE &amp; UALE LOSS EXPENSES INCURRED</b>						
FIRE	55,276	301,724	6,281	(12,669)	34,412	385,024
ALLIED	8,105	180,503	38,161	5,036	8,219	240,024
CRIME	292	1,059	393	418	(107)	2,056
<b>TOTAL</b>	<b>\$63,673</b>	<b>\$483,287</b>	<b>\$44,835</b>	<b>(\$7,214)</b>	<b>\$42,524</b>	<b>\$627,105</b>