

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT MARCH 31, 2001

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
ASSETS				
CASH & SHORT TERM INVESTMENTS	\$8,608,412	-	-	\$8,608,412
ACCRUED INTEREST	-	20,529	-	20,529
FURNITURE & EQUIPMENT	329,272	-	329,272	-
ELECTRONIC DATA PROCESSING EQUIP.	74,562	-	74,562	-
LEASEHOLD IMPROVEMENTS	67,208	-	67,208	-
PREPAID EXPENSES	22,631	-	22,631	-
TOTAL ASSETS	\$9,102,086	\$20,529	493,673	\$8,628,941
LIABILITIES				
UNFUNDED LIAB FOR RET. BENEFITS			552,080	
AMOUNTS HELD FOR OTHERS			1,455,887	
ADVANCE PREMIUM			413,887	
OTHER LIABILITIES			148,835	
CLAIM CHECKS PAYABLE			114,577	
TOTAL LIABILITIES			2,685,266	
RESERVES				
UNEARNED PREMIUMS			8,239,143	
LOSS-CASE BASIS			6,524,707	
LOSS-I.B.N.R			1,321,368	
LOSS EXPENSE ALLOCATED			453,948	
LOSS EXPENSE-UNALLOCATED			131,701	
N.J.I.U.A. OPERATING EXPENSE			464,223	
TAXES & FEES			11,100	
TOTAL RESERVES			17,146,191	
TOTAL LIABILITIES & RESERVES			\$19,831,457	
EQUITY ACCOUNT				
NET EQUITY AT MARCH 31, 2001				(11,202,516)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$8,628,940

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
INCOME STATEMENT
AT MARCH 31, 2001**

	QUARTER TO DATE
<u>UNDERWRITING INCOME</u>	
PREMIUMS EARNED	\$4,242,956
<u>DEDUCTIONS</u>	
LOSSES INCURRED	4,738,100
LOSS EXPENSES INCURRED	271,421
COMMISSIONS INCURRED	369,013
OTHER UNDERWRITING EXPENSES	1,018,415
PREMIUM TAXES INCURRED	7,762
TOTAL DEDUCTIONS	<u>6,404,711</u>
UNDERWRITING GAIN (LOSS)	<u>(2,161,755)</u>
<u>OTHER INCOME</u>	
NET INVESTMENT INCOME	171,225
NET GAIN (LOSS)	<u>(1,990,530)</u>
<u>EQUITY ACCOUNT</u>	
NET EQUITY-PRIOR	(9,184,480)
NET GAIN (LOSS) FOR PERIOD	(1,990,530)
CHANGE IN NONADMITTED ASSETS	<u>(27,505)</u>
CHANGE IN EQUITY	<u>(2,018,036)</u>
NET EQUITY AT MARCH 31, 2001	<u><u>(\$11,202,516)</u></u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
EQUITY ACCOUNT
QTD PERIOD ENDED MARCH 31, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997	TOTAL
INCOME RECEIVED						
PREMIUMS WRITTEN	\$3,561,323	\$91,575	(\$4,279)	(\$123)	-	\$3,648,496
INVESTMENT INCOME RECEIVED	177,720	-	-	-	-	177,720
TOTAL	3,739,043	91,575	(4,279)	(123)	-	3,826,216
EXPENSES PAID						
LOSSES PAID	7,432	4,281,014	544,402	22,817	40,906	4,896,571
ALLOCATED LOSS EXPENSE	2,066	257,642	62,938	10,797	9,015	342,458
UNALLOCATED LOSS EXPENSE	150	86,412	11,504	461	829	99,355
INSPECTION AND RATING ISO	22,813	2,654	-	-	-	25,467
SURVEYS & UNDERWRITING RPTS	67,599	-	-	-	-	67,599
COMMISSIONS	361,828	7,558	(360)	(12)	-	369,013
BOARDS & BUREAUS	3,750	-	-	-	-	3,750
ASSOCIATION EXPENSES	-	926,896	-	-	-	926,896
TAXES & FEES	51,384	(6,122)	-	-	-	45,262
TOTAL	517,022	5,556,053	618,483	34,062	50,750	6,776,370
INCREASE (DECREASE)	3,222,021	(5,464,478)	(622,762)	(34,185)	(50,750)	(2,950,154)
DEDUCT						
PRIOR ACCRUED INTEREST	-	27,024	-	-	-	27,024
CURRENT NONADMITTED ASSETS	493,673	-	-	-	-	493,673
TOTAL	493,673	27,024	-	-	-	520,697
ADD						
CURRENT ACCRUED INTEREST	20,529	-	-	-	-	20,529
PRIOR NONADMITTED ASSETS	-	466,168	-	-	-	466,168
TOTAL	20,529	466,168	-	-	-	486,697
EQUITY IN ASSETS OF ASSOCIATION	2,748,877	(5,025,334)	(622,762)	(34,185)	(50,750)	(2,984,154)
DEDUCT CURRENT RESERVES						
UNEARNED PREMIUMS	3,368,919	4,870,224	-	-	-	8,239,143
UNPAID LOSSES	432,142	6,108,193	926,386	245,485	133,870	7,846,075
UNPAID LOSS EXPENSES	10,085	458,363	83,151	22,034	12,016	585,650
UNPAID ASSOCIATION EXPENSES	464,223	-	-	-	-	464,223
UNPAID TAXES & FEES	11,100	-	-	-	-	11,100
TOTAL	4,286,469	11,436,780	1,009,537	267,519	145,886	17,146,191
ADD PRIOR RESERVES						
UNEARNED PREMIUMS	288,678	8,544,925	-	-	-	8,833,603
UNPAID LOSSES	-	5,933,336	1,636,416	247,733	187,060	8,004,545
UNPAID LOSSES EXPENSES	-	521,951	184,740	28,117	21,233	756,041
UNPAID ASSOCIATION EXPENSES	-	469,519	-	-	-	469,519
UNPAID TAXES & FEES	-	48,600	-	-	-	48,600
TOTAL	288,678	15,518,331	1,821,157	275,851	208,293	18,112,309
NET CHANGE IN EQUITY	(\$1,248,914)	(\$943,783)	\$188,858	(\$25,853)	\$11,657	(\$2,018,035)

**NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
UNDERWRITING STATEMENT
EARNED/INCURRED BASIS
QTD PERIOD ENDED MARCH 31, 2001**

	3-31-01 QUARTER TO DATE	
Premiums Written	\$3,648,496	
Current Unearned Reserve	8,239,143	
Prior Unearned Reserve	8,833,603	
Change in Unearned Premium Reserve	594,460	
Net Premium Earned		\$4,242,956
Losses Paid	4,922,226	
Less Salvage	25,656	
Net Losses Paid	4,896,570	
Current Loss Reserve	7,846,075	
Prior Loss Reserve	8,004,545	
Change in Loss Reserve	(158,470)	
Net Losses Incurred		4,738,100
Allocated Loss Exp. Paid	342,458	
Unallocated Loss Exp. Paid	99,355	
Total Loss Exp. Paid	441,813	
Current Loss Exp. Reserve	585,649	
Prior Loss Exp. Reserve	756,041	
Change in Loss Exp. Reserve	(170,392)	
Net Loss Exp. Incurred		271,421
Total Loss & Loss Exp. Incurred		\$5,009,521
Taxes & Fees Paid	45,262	
Current Reserve	11,100	
Prior Reserve	48,600	
Change in Reserve for Taxes	(37,500)	
Net Taxes Incurred		7,762
Commissions Paid	369,013	
Boards, Bureaus, & Underwriting Inspections	96,815	
Other Association Exp. Incurred	926,896	
Net Underwriting Exp Incurred	1,392,725	
Current Operating Exp. Reserve	464,223	
Prior Operating Exp. Reserve	469,519	
Change in Underwriting Exp. Reserve	(5,296)	
Net Assoc. Exp. Incurred		1,387,429
Total Loss & Exp. Incurred		6,404,711
Underwriting Gain (Loss)		(\$2,161,755)
Net Investment Income Received	177,720	
Current Accrued Interest	20,529	
Prior Accrued Interest	27,024	
Change in Accrued Interest	(6,495)	
Net Investment Income Earned		171,225
Net Gain (Loss)		(\$1,990,530)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT ON PREMIUMS
QTD PERIOD ENDED MARCH 31, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997	TOTAL
WRITTEN PREMIUMS						
FIRE	\$2,471,686	\$64,125	(\$2,995)	(\$79)	-	\$2,532,737
ALLIED	1,066,856	27,120	(1,284)	(44)	-	1,092,648
CRIME	22,781	330	-	-	-	23,111
TOTAL	3,561,323	91,575	(4,279)	(123)	-	3,648,496
CURRENT UNEARNED PREMIUM RESERVE @ 3-31-01						
FIRE	2,332,819	3,357,453	-	-	-	5,690,272
ALLIED	1,014,918	1,481,831	-	-	-	2,496,749
CRIME	21,182	30,940	-	-	-	52,122
TOTAL	3,368,919	4,870,224	-	-	-	8,239,143
PRIOR UNEARNED PREMIUM RESERVE @ 12-31-00						
FIRE	195,326	5,886,208	-	-	-	6,081,534
ALLIED	92,093	2,602,712	-	-	-	2,694,805
CRIME	1,259	56,005	-	-	-	57,264
TOTAL	288,678	8,544,925	-	-	-	8,833,603
EARNED PREMIUM						
FIRE	334,193	2,592,880	(2,995)	(79)	-	2,923,999
ALLIED	144,031	1,148,001	(1,284)	(44)	-	1,290,704
CRIME	2,858	25,395	-	-	-	28,253
TOTAL	\$481,082	\$3,766,276	(\$4,279)	(\$123)	-	\$4,242,956

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT ON LOSSES
QTD PERIOD ENDED MARCH 31, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage and Subrogation Received						
FIRE	-	\$3,557,649	\$416,638	\$18,626	\$31,830	\$4,024,742
ALLIED	7,432	703,655	127,764	4,191	9,076	852,118
CRIME	-	19,710	-	-	-	19,710
TOTAL	7,432	4,281,014	544,402	22,817	40,906	4,896,570
CURRENT LOSS RESERVE (3-31-01)						
FIRE	293,750	5,115,743	872,016	238,817	88,446	6,608,772
ALLIED	136,296	985,657	54,370	6,666	54,688	1,237,677
CRIME	2,096	6,793	-	2	(9,264)	(373)
TOTAL	432,142	6,108,193	926,386	245,485	133,870	7,846,075
PRIOR LOSS RESERVES (12-31-00)						
FIRE	-	4,747,827	1,447,584	241,819	131,636	6,568,866
ALLIED	-	1,166,121	188,792	5,912	64,688	1,425,513
CRIME	-	19,388	40	2	(9,264)	10,166
TOTAL	-	5,933,336	1,636,416	247,733	187,060	8,004,545
INCURRED LOSSES						
FIRE	293,750	3,925,565	(158,930)	15,624	(11,361)	4,064,647
ALLIED	143,728	523,192	(6,658)	4,945	(924)	664,282
CRIME	2,096	7,115	(40)	-	-	9,170
TOTAL	\$439,574	\$4,455,872	(\$165,628)	\$20,569	(\$12,285)	\$4,738,100
I.B.N.R. (INCL. IN CURRENT RESERVES)						
					1ST QTR	
FIRE						(DECREASE) IN IBNR
						(15,621)
ALLIED						(6,264)
CRIME						(140)
TOTAL						(\$22,025)
CALCULATED IBNR						
		INFORCE PREM.		1ST QTR		
		1ST QTR (DECREASE)		(DECREASE) IN IBNR		
FIRE		(208,280)		(15,621)		
ALLIED		(83,517)		(6,264)		
CRIME		(1,864)		(140)		
TOTAL		(\$293,661)		(\$22,025)		

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT ON LOSS EXPENSES
(INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES)
QTD PERIOD ENDED MARCH 31, 2001

	POLICY YEAR POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	-	\$187,921	\$32,838	\$4,445	\$7,856	\$233,061
ALLIED	2,216	153,309	41,603	6,812	1,988	205,929
CRIME	-	2,823	-	-	-	2,823
TOTAL	2,216	344,053	74,441	11,257	9,844	441,813
CURRENT LOSS EXPENSE RESERVE @3- 31-01						
FIRE	6,575	397,310	78,271	21,436	7,939	511,531
ALLIED	3,510	61,044	4,880	598	4,909	74,941
CRIME	-	9	-	-	(832)	(823)
TOTAL	10,085	458,363	83,151	22,034	12,016	585,649
PRIOR LOSS EXPENSE RESERVE @12-31-00						
FIRE	-	434,540	163,601	27,446	14,942	640,529
ALLIED	-	86,219	21,139	671	7,342	115,372
CRIME	-	1,192	-	-	(1,051)	141
TOTAL	-	521,951	184,740	28,117	21,233	756,042
ALE & UALE LOSS EXPENSES INCURRED						
FIRE	6,575	150,691	(52,491)	(1,565)	853	104,062
ALLIED	5,725	128,134	25,344	6,739	(445)	165,498
CRIME	-	1,640	-	-	220	1,860
TOTAL	\$12,300	\$280,465	(\$27,147)	\$5,174	\$628	\$271,420