

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## BALANCE SHEET AT JUNE 30, 2001

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b><u>ASSETS</u></b>				
CASH & SHORT TERM				
INVESTMENTS	6,713,836	0	0	6,713,836
ACCRUED INTEREST	0	21,307	0	21,307
FURNITURE & EQUIPMENT	314,513	0	314,513	0
ELECTRONIC DATA PROCESSING EQUIP.	63,335	0	0	63,335
LEASEHOLD IMPROVEMENTS	65,373	0	65,373	0
PREPAID EXPENSES	45,262	0	45,262	0
<b>TOTAL ASSETS</b>	<b>7,202,320</b>	<b>21,307</b>	<b>425,148</b>	<b>6,798,478</b>
 <b><u>LIABILITIES</u></b>				
UNFUNDED LIAB FOR RET. BENEFITS			574,311	
AMOUNTS HELD FOR OTHERS			1,365,791	
ADVANCE PREMIUM			320,945	
OTHER LIABILITIES			142,124	
CLAIM CHECKS PAYABLE			80,446	
<b>TOTAL LIABILITIES</b>			<b>2,483,617</b>	
 <b><u>RESERVES</u></b>				
UNEARNED PREMIUMS			8,199,756	
LOSS-CASE BASIS			6,438,917	
LOSS-I.B.N.R			1,262,048	
LOSS EXPENSE ALLOCATED			572,420	
LOSS EXPENSE-UNALLOCATED			158,397	
N.J.I.U.A. OPERATING EXPENSE			511,349	
TAXES & FEES			22,200	
<b>TOTAL RESERVES</b>			<b>17,165,087</b>	
<b>TOTAL LIABILITIES &amp; RESERVES</b>			<b>19,648,704</b>	
 <b><u>EQUITY ACCOUNT</u></b>				
NET EQUITY AT JUNE 30, 2001				<b>(12,850,226)</b>
<b>TOTAL LIABILITIES PLUS EQUITY ACCOUNT</b>				<b>6,798,478</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## INCOME STATEMENT AT JUNE 30, 2001

	QUARTER TO DATE	YEAR TO DATE
<b><u>UNDERWRITING INCOME</u></b>		
PREMIUMS EARNED	<b>\$4,193,888</b>	<b>\$8,436,844</b>
<b><u>DEDUCTIONS</u></b>		
LOSSES INCURRED	4,047,224	8,785,324
LOSS EXPENSES INCURRED	578,694	850,113
COMMISSIONS INCURRED	369,949	738,962
OTHER UNDERWRITING EXPENSES	1,015,075	2,033,493
PREMIUM TAXES INCURRED	11,100	18,862
TOTAL DEDUCTIONS	6,022,042	12,426,754
UNDERWRITING GAIN (LOSS)	(1,828,154)	(3,989,910)
<b><u>OTHER INCOME</u></b>		
NET INVESTMENT INCOME	111,919	283,144
NET GAIN (LOSS)	(1,716,235)	(3,706,766)
<b><u>EQUITY ACCOUNT</u></b>		
NET EQUITY-PRIOR	(11,202,516)	(9,184,480)
NET GAIN (LOSS) FOR PERIOD	(1,716,235)	(3,706,766)
CHANGE IN NONADMITTED ASSETS	68,525	41,020
CHANGE IN EQUITY	(1,647,710)	(3,665,746)
NET EQUITY AT JUNE 30, 2001	(\$12,850,226)	(\$12,850,226)

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT QTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997	TOTAL
<b>INCOME RECEIVED</b>						
PREMIUMS WRITTEN	\$4,233,772	(\$78,505)	(\$766)	-	-	\$4,154,501
INVESTMENT INCOME RECEIVED	111,141	-	-	-	-	111,141
<b>TOTAL</b>	<b>4,344,913</b>	<b>(78,505)</b>	<b>(766)</b>	<b>-</b>	<b>-</b>	<b>4,265,642</b>
<b>EXPENSES PAID</b>						
LOSSES PAID	241,269	3,493,707	399,136	9,370	48,853	4,192,334
ALLOCATED LOSS EXPENSE	28,884	235,940	38,064	13,111	18,508	334,507
UNALLOCATED LOSS EXPENSE	5,647	81,865	9,870	453	1,185	99,019
INSPECTION AND RATING ISO	14,983	-	-	-	-	14,983
SURVEYS & UNDERWRITING RPTS	61,066	-	-	-	-	61,066
COMMISSIONS	377,287	(7,262)	(77)	-	-	369,949
BOARDS & BUREAUS	6,250	-	-	-	-	6,250
ASSOCIATION EXPENSES	885,653	-	-	-	-	885,653
TAXES & FEES	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,621,040</b>	<b>3,804,250</b>	<b>446,993</b>	<b>22,934</b>	<b>68,546</b>	<b>5,963,766</b>
<b>INCREASE (DECREASE)</b>	<b>2,723,873</b>	<b>(3,882,755)</b>	<b>(447,759)</b>	<b>(22,934)</b>	<b>(68,546)</b>	<b>(1,698,120)</b>
<b>DEDUCT</b>						
PRIOR ACCRUED INTEREST	20,529	-	-	-	-	20,529
CURRENT NONADMITTED ASSETS	425,148	-	-	-	-	425,148
<b>TOTAL</b>	<b>445,677</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>445,677</b>
<b>ADD</b>						
CURRENT ACCRUED INTEREST	21,307	-	-	-	-	21,307
PRIOR NONADMITTED ASSETS	493,674	-	-	-	-	493,674
<b>TOTAL</b>	<b>514,981</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>514,981</b>
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>2,793,177</b>	<b>(3,882,755)</b>	<b>(447,759)</b>	<b>(22,934)</b>	<b>(68,546)</b>	<b>(1,628,816)</b>
<b>DEDUCT CURRENT RESERVES</b>						
UNEARNED PREMIUMS	6,072,358	2,127,398	-	-	-	8,199,756
UNPAID LOSSES	1,692,003	5,078,335	535,833	267,333	127,459	7,700,963
UNPAID LOSS EXPENSES	123,333	501,858	60,817	30,342	14,467	730,817
UNPAID ASSOCIATION EXPENSES	511,349	-	-	-	-	511,349
UNPAID TAXES & FEES	22,200	-	-	-	-	22,200
<b>TOTAL</b>	<b>8,421,243</b>	<b>7,707,591</b>	<b>596,650</b>	<b>297,675</b>	<b>141,926</b>	<b>17,165,085</b>
<b>ADD PRIOR RESERVES</b>						
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 LOSSES 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
<b>TOTAL</b>	<b>4,286,469</b>	<b>11,436,780</b>	<b>1,009,537</b>	<b>267,519</b>	<b>145,886</b>	<b>17,146,191</b>
<b>NET CHANGE IN EQUITY</b>	<b>(\$1,341,597)</b>	<b>(\$153,566)</b>	<b>(\$34,871)</b>	<b>(\$53,090)</b>	<b>(\$64,586)</b>	<b>(\$1,647,710)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT YTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>INCOME RECEIVED</b>						
PREMIUMS WRITTEN	\$7,795,095	\$13,070	(\$5,045)	(\$123)	-	\$7,802,997
INVESTMENT INCOME RECEIVED	288,861	-	-	-	-	288,861
TOTAL	8,083,956	13,070	(5,045)	(123)	-	8,091,858
<b>EXPENSES PAID</b>						
LOSSES PAID	248,701	7,774,721	943,537	32,187	89,759	9,088,904
ALLOCATED LOSS EXPENSE	30,950	493,581	101,002	23,907	27,524	676,965
UNALLOCATED LOSS EXPENSE	5,797	168,277	21,373	914	2,013	198,373
INSPECTION AND RATING ISO	40,448	-	-	-	-	40,448
SURVEYS & UNDERWRITING RPTS	128,665	-	-	-	-	128,665
COMMISSIONS	739,115	296	(437)	(12)	-	738,962
BOARDS & BUREAUS	10,000	-	-	-	-	10,000
ASSOCIATION EXPENSES	1,812,550	-	-	-	-	1,812,550
TAXES & FEES	51,384	(6,122)	-	-	-	45,262
TOTAL	3,067,610	8,430,753	1,065,475	56,996	119,296	12,740,129
<b>INCREASE (DECREASE)</b>	<b>5,016,346</b>	<b>(8,417,683)</b>	<b>(1,070,520)</b>	<b>(57,119)</b>	<b>(119,296)</b>	<b>(4,648,272)</b>
<b>DEDUCT</b>						
PRIOR ACCRUED INTEREST	-	27,024	-	-	-	27,024
CURRENT NONADMITTED ASSETS	425,148	-	-	-	-	425,148
TOTAL	425,148	27,024	-	-	-	452,172
<b>ADD</b>						
CURRENT ACCRUED INTEREST	21,307	-	-	-	-	21,307
PRIOR NONADMITTED ASSETS	-	466,168	-	-	-	466,168
TOTAL	21,307	466,168	-	-	-	487,475
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>4,612,504</b>	<b>(7,978,539)</b>	<b>(1,070,520)</b>	<b>(57,119)</b>	<b>(119,296)</b>	<b>(4,612,969)</b>
<b>DEDUCT CURRENT RESERVES</b>						
UNEARNED PREMIUMS	6,072,358	2,127,398	-	-	-	8,199,756
UNPAID LOSSES	1,692,003	5,078,335	535,833	267,333	127,459	7,700,963
UNPAID LOSS EXPENSES	123,333	501,858	60,817	30,342	14,467	730,817
UNPAID ASSOCIATION EXPENSES	511,349	-	-	-	-	511,349
UNPAID TAXES & FEES	22,200	-	-	-	-	22,200
TOTAL	8,421,243	7,707,591	596,650	297,675	141,926	17,165,085
<b>ADD PRIOR RESERVES</b>						
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
<b>NET CHANGE IN EQUITY</b>	<b>(\$3,520,061)</b>	<b>(\$167,799)</b>	<b>\$153,987</b>	<b>(\$78,944)</b>	<b>(\$52,929)</b>	<b>(\$3,665,746)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDED JUNE 30, 2001

	<b>6-30-01 QUARTER TO DATE</b>	
<b>Premiums Written</b>	<b>\$4,154,501</b>	
Current Unearned Reserve	8,199,756	
Prior Unearned Reserve	8,239,143	
Change in Unearned Premium Reserve	39,387	
<b>Net Premium Earned</b>	<b>\$4,193,888</b>	
Losses Paid	4,230,679	
Less Salvage	38,345	
<b>Net Losses Paid</b>	<b>4,192,334</b>	
Current Loss Reserve	7,700,965	
Prior Loss Reserve	7,846,075	
Change in Loss Reserve	(145,110)	
<b>Net Losses Incurred</b>		4,047,224
Allocated Loss Exp. Paid	334,507	
Unallocated Loss Exp. Paid	99,019	
<b>Total Loss Exp. Paid</b>	<b>433,526</b>	
Current Loss Exp. Reserve	730,817	
Prior Loss Exp. Reserve	585,649	
Change in Loss Exp. Reserve	145,168	
<b>Net Loss Exp. Incurred</b>		578,694
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$4,625,918</b>
Taxes & Fees Paid	-	
Current Reserve	22,200	
Prior Reserve	11,100	
Change in Reserve for Taxes	11,100	
<b>Net Taxes Incurred</b>		11,100
Commissions Paid	369,949	
Boards, Bureaus, & Underwriting Inspections	82,296	
Other Association Exp. Incurred	885,653	
<b>Net Underwriting Exp Incurred</b>	<b>1,337,898</b>	
Current Operating Exp. Reserve	511,349	
Prior Operating Exp. Reserve	464,223	
Change in Underwriting Exp. Reserve	47,126	
<b>Net Assoc. Exp. Incurred</b>		1,385,024
<b>Total Loss &amp; Exp. Incurred</b>		<b>6,022,042</b>
<b>Underwriting Gain (Loss)</b>		<b>(\$1,828,154)</b>
Net Investment Income Received	111,141	
Current Accrued Interest	21,307	
Prior Accrued Interest	20,529	
Change in Accrued Interest	779	
<b>Net Investment Income Earned</b>		111,919
<b>Net Gain (Loss)</b>		<b>(\$1,716,235)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDED JUNE 30, 2001

	6-30-01 YEAR TO DATE	
<b>Premiums Written</b>	<b>\$7,802,997</b>	
Current Unearned Reserve	8,199,756	
Prior Unearned Reserve	8,833,603	
Change in Unearned Premium Reserve	633,847	
<b>Net Premium Earned</b>	<b>\$8,436,844</b>	
Losses Paid	9,152,906	
Less Salvage	64,002	
<b>Net Losses Paid</b>	<b>9,088,904</b>	
Current Loss Reserve	7,700,965	
Prior Loss Reserve	8,004,545	
Change in Loss Reserve	(303,580)	
<b>Net Losses Incurred</b>		8,785,324
Allocated Loss Exp. Paid	676,965	
Unallocated Loss Exp. Paid	198,373	
<b>Total Loss Exp. Paid</b>	<b>875,338</b>	
Current Loss Exp. Reserve	730,817	
Prior Loss Exp. Reserve	756,042	
Change in Loss Exp. Reserve	(25,225)	
<b>Net Loss Exp. Incurred</b>		850,113
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$9,635,437</b>
Taxes & Fees Paid	45,262	
Current Reserve	22,200	
Prior Reserve	48,600	
Change in Reserve for Taxes	(26,400)	
<b>Net Taxes Incurred</b>		18,862
Commissions Paid	738,962	
Boards, Bureaus, & Underwriting Inspections	179,113	
Other Association Exp. Incurred	1,812,550	
<b>Net Underwriting Exp Incurred</b>	<b>2,730,625</b>	
Current Operating Exp. Reserve	511,349	
Prior Operating Exp. Reserve	469,519	
Change in Underwriting Exp. Reserve	41,830	
<b>Net Assoc. Exp. Incurred</b>		2,772,455
<b>Total Loss &amp; Exp. Incurred</b>		<b>12,426,754</b>
<b>Underwriting Gain (Loss)</b>		<b>(\$3,989,910)</b>
Net Investment Income Received	288,861	
Current Accrued Interest	21,307	
Prior Accrued Interest	27,024	
Change in Accrued Interest	(5,717)	
<b>Net Investment Income Earned</b>		283,144
<b>Net Gain (Loss)</b>		<b>(\$3,706,766)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997	TOTAL
<b>WRITTEN PREMIUMS</b>						
FIRE	\$2,824,286	(\$55,273)	(\$553)	-	-	\$2,768,460
ALLIED	1,383,831	(22,358)	(213)	-	-	1,361,260
CRIME	25,655	(874)	-	-	-	24,781
<b>TOTAL</b>	<b>4,233,772</b>	<b>(78,505)</b>	<b>(766)</b>	<b>-</b>	<b>-</b>	<b>4,154,501</b>
<b>CURRENT UNEARNED PREMIUM RESERVE @ 6-30-01</b>						
FIRE	4,186,134	1,468,688	-	-	-	5,654,822
ALLIED	1,848,724	646,134	-	-	-	2,494,858
CRIME	37,500	12,576	-	-	-	50,076
<b>TOTAL</b>	<b>6,072,358</b>	<b>2,127,398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,199,756</b>
<b>PRIOR UNEARNED PREMIUM RESERVE @ 3-31-01</b>						
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
<b>TOTAL</b>	<b>3,368,919</b>	<b>4,870,224</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,239,143</b>
<b>EARNED PREMIUM</b>						
FIRE	970,971	1,833,492	(553)	-	-	2,803,910
ALLIED	550,025	813,339	(213)	-	-	1,363,151
CRIME	9,337	17,490	-	-	-	26,827
<b>TOTAL</b>	<b>\$1,530,333</b>	<b>\$2,664,321</b>	<b>(\$766)</b>	<b>-</b>	<b>-</b>	<b>\$4,193,888</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON PREMIUMS YTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>WRITTEN PREMIUMS</b>						
FIRE	\$5,295,972	\$8,852	(\$3,548)	(\$79)	-	\$5,301,197
ALLIED	2,450,687	4,762	(1,497)	(44)	-	2,453,908
CRIME	48,436	(544)	-	-	-	47,892
<b>TOTAL</b>	<b>7,795,095</b>	<b>13,070</b>	<b>(5,045)</b>	<b>(123)</b>	-	<b>7,802,997</b>
<b>CURRENT UNEARNED PREMIUM RESERVE @ 6-30-01</b>						
FIRE	4,186,134	1,468,688	-	-	-	5,654,822
ALLIED	1,848,724	646,134	-	-	-	2,494,858
CRIME	37,500	12,576	-	-	-	50,076
<b>TOTAL</b>	<b>6,072,358</b>	<b>2,127,398</b>	-	-	-	<b>8,199,756</b>
<b>PRIOR UNEARNED PREMIUM RESERVE @ 12-31-00</b>						
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
<b>TOTAL</b>	<b>288,678</b>	<b>8,544,925</b>	-	-	-	<b>8,833,603</b>
<b>EARNED PREMIUM</b>						
FIRE	1,305,164	4,426,372	(3,548)	(79)	-	5,727,909
ALLIED	694,056	1,961,340	(1,497)	(44)	-	2,653,855
CRIME	12,195	42,885	-	-	-	55,080
<b>TOTAL</b>	<b>\$2,011,415</b>	<b>\$6,430,597</b>	<b>(\$5,045)</b>	<b>(\$123)</b>	-	<b>\$8,436,844</b>



# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSSES QTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>PAID LOSSES</b>						
<b>Net of Salvage and Subrogation Received</b>						
FIRE	\$171,988	\$3,082,089	\$271,375	\$3,370	\$50,153	\$3,578,975
ALLIED	69,281	411,618	127,761	6,000	(1,300)	613,359
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>241,269</b>	<b>3,493,707</b>	<b>399,136</b>	<b>9,370</b>	<b>48,853</b>	<b>4,192,334</b>
<b>CURRENT LOSS RESERVE (6-30-01)</b>						
FIRE	1,331,101	4,142,809	497,722	265,321	82,447	6,319,401
ALLIED	357,175	929,273	38,111	2,010	45,012	1,371,582
CRIME	3,727	6,253	-	2	-	9,982
<b>TOTAL</b>	<b>1,692,003</b>	<b>5,078,335</b>	<b>535,833</b>	<b>267,333</b>	<b>127,459</b>	<b>7,700,965</b>
<b>PRIOR LOSS RESERVES (3-31-01)</b>						
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)
<b>TOTAL</b>	<b>432,142</b>	<b>6,108,193</b>	<b>926,386</b>	<b>245,485</b>	<b>133,870</b>	<b>7,846,075</b>
<b>INCURRED LOSSES</b>						
FIRE	1,209,339	2,109,155	(102,919)	29,874	44,155	3,289,604
ALLIED	290,160	355,234	111,502	1,344	(10,976)	747,264
CRIME	1,631	(539)	-	-	9,264	10,356
<b>TOTAL</b>	<b>\$1,501,130</b>	<b>\$2,463,850</b>	<b>\$8,583</b>	<b>\$31,218</b>	<b>\$42,443</b>	<b>\$4,047,224</b>

		<u>2ND QTR</u>
<b>I.B.N.R. (INCL. IN CURRENT RESERVES)</b>		<u>(DECREASE) IN IBNR</u>
FIRE		(39,426)
ALLIED		(19,086)
CRIME		(808)
<b>TOTAL</b>		<u><b>(\$59,320)</b></u>

	<u>INFORCE PREM.</u>	<u>2ND QTR</u>
<b>CALCULATED IBNR</b>	<u>2ND QTR (DECREASE)</u>	<u>(DECREASE) IN IBNR</u>
FIRE	(525,679)	(39,426)
ALLIED	(254,480)	(19,086)
CRIME	(10,775)	(808)
<b>TOTAL</b>	<u><b>(\$790,934)</b></u>	<u><b>(\$59,320)</b></u>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>PAID LOSSES</b>						
<b>Net of Salvage and Subrogation Received</b>						
FIRE	\$171,988	\$6,639,738	\$688,013	\$21,996	\$81,983	\$7,603,717
ALLIED	76,713	1,115,273	255,524	10,191	7,776	1,465,477
CRIME	-	19,710	-	-	-	19,710
<b>TOTAL</b>	<b>248,701</b>	<b>7,774,721</b>	<b>943,537</b>	<b>32,187</b>	<b>89,759</b>	<b>9,088,904</b>
<b>CURRENT LOSS RESERVE (6-30-01)</b>						
FIRE	1,331,101	4,142,809	497,722	265,321	82,447	6,319,401
ALLIED	357,175	929,273	38,111	2,010	45,012	1,371,582
CRIME	3,727	6,253	-	2	-	9,982
<b>TOTAL</b>	<b>1,692,003</b>	<b>5,078,335</b>	<b>535,833</b>	<b>267,333</b>	<b>127,459</b>	<b>7,700,965</b>
<b>PRIOR LOSS RESERVES (12-31-00)</b>						
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
<b>TOTAL</b>	<b>-</b>	<b>5,933,336</b>	<b>1,636,416</b>	<b>247,733</b>	<b>187,060</b>	<b>8,004,545</b>
<b>INCURRED LOSSES</b>						
FIRE	1,503,089	6,034,720	(261,849)	45,498	32,794	7,354,252
ALLIED	433,888	878,426	104,844	6,289	(11,900)	1,411,546
CRIME	3,727	6,575	(40)	-	9,264	19,526
<b>TOTAL</b>	<b>\$1,940,704</b>	<b>\$6,919,721</b>	<b>(\$157,045)</b>	<b>\$51,787</b>	<b>\$30,158</b>	<b>\$8,785,324</b>
<b>YTD</b>						
<b>I.B.N.R. (INCL. IN CURRENT RESERVES)</b>						<b>(DECREASE) IN IBNR</b>
FIRE						(55,047)
ALLIED						(25,350)
CRIME						(948)
<b>TOTAL</b>						<b>(81,345)</b>
<b>CALCULATED IBNR</b>						
		<b>INFORCE PREM.</b>		<b>YTD</b>		
		<b>YTD (DECREASE)</b>	<b>(DECREASE)</b>	<b>IN IBNR</b>		
FIRE		(733,959)		(55,047)		
ALLIED		(337,997)		(25,350)		
CRIME		(12,639)		(948)		
<b>TOTAL</b>		<b>(\$1,084,595)</b>		<b>(\$81,345)</b>		

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES  
(INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES)  
QTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>						
FIRE	\$14,239	\$190,086	\$24,984	\$8,647	\$14,958	\$252,915
ALLIED	20,292	127,718	22,949	4,917	4,735	180,611
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>34,531</b>	<b>317,804</b>	<b>47,933</b>	<b>13,564</b>	<b>19,693</b>	<b>433,526</b>
<b><u>CURRENT LOSS EXPENSE RESERVE @6-30-01</u></b>						
FIRE	103,663	418,836	56,491	30,114	9,358	618,462
ALLIED	19,670	82,795	4,326	228	5,109	112,128
CRIME	-	227	-	-	-	227
<b>TOTAL</b>	<b>123,333</b>	<b>501,858</b>	<b>60,817</b>	<b>30,342</b>	<b>14,467</b>	<b>730,817</b>
<b><u>PRIOR LOSS EXPENSE RESERVE @3-31-01</u></b>						
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)
<b>TOTAL</b>	<b>10,085</b>	<b>458,363</b>	<b>83,151</b>	<b>22,034</b>	<b>12,016</b>	<b>585,649</b>
<b><u>ALAE &amp; ULAE LOSS EXPENSES INCURRED</u></b>						
FIRE	111,328	211,612	3,205	17,325	16,377	359,846
ALLIED	36,452	149,469	22,395	4,547	4,935	217,798
CRIME	-	218	-	-	832	1,050
<b>TOTAL</b>	<b>\$147,780</b>	<b>\$361,299</b>	<b>\$25,600</b>	<b>\$21,872</b>	<b>\$22,144</b>	<b>\$578,694</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES  
(INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES)  
YTD PERIOD ENDED JUNE 30, 2001

	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998	POLICY YEAR 1997 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID (ALAE &amp; ULAE)</b>						
FIRE	\$14,239	\$378,008	\$57,823	\$13,092	\$22,814	\$485,975
ALLIED	22,508	281,028	64,553	11,729	6,723	386,540
CRIME	-	2,823	-	-	-	2,823
<b>TOTAL</b>	<b>36,747</b>	<b>661,859</b>	<b>122,376</b>	<b>24,821</b>	<b>29,537</b>	<b>875,338</b>
<b><u>CURRENT LOSS EXPENSE RESERVE @6-30-01</u></b>						
FIRE	103,663	418,836	56,491	30,114	9,358	618,462
ALLIED	19,670	82,795	4,326	228	5,109	112,128
CRIME	-	227	-	-	-	227
<b>TOTAL</b>	<b>123,333</b>	<b>501,858</b>	<b>60,817</b>	<b>30,342</b>	<b>14,467</b>	<b>730,817</b>
<b><u>PRIOR LOSS EXPENSE RESERVE @12-31-00</u></b>						
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
<b>TOTAL</b>	<b>-</b>	<b>521,951</b>	<b>184,740</b>	<b>28,117</b>	<b>21,233</b>	<b>756,042</b>
<b><u>ALAE &amp; ULAE LOSS EXPENSES INCURRED</u></b>						
FIRE	117,902	362,303	(49,287)	15,760	17,230	463,907
ALLIED	42,178	277,603	47,739	11,286	4,490	383,297
CRIME	-	1,858	-	-	1,051	2,909
<b>TOTAL</b>	<b>\$160,080</b>	<b>\$641,764</b>	<b>(\$1,548)</b>	<b>\$27,046</b>	<b>\$22,771</b>	<b>\$850,113</b>