

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT SEPTEMBER 30, 2002

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>				
CASH & SHORT TERM				
INVESTMENTS	\$9,779,587	-	-	\$9,779,587
ACCRUED INTEREST	-	9,036	-	9,036
FURNITURE & EQUIPMENT	240,718	-	240,718	-
ELECTRONIC DATA PROCESSING EQUIP.	20,473	-	-	20,473
LEASEHOLD IMPROVEMENTS	58,331	-	58,331	-
PREPAID EXPENSES	42,501	-	42,501	-
PREPAID/(ACCRUED) PENSION COST	335,155	-	335,155	-
ASSESSMENTS RECEIVABLE	4,980	-	4,980	-
TOTAL ASSETS	\$10,481,745	\$9,036	\$681,685	\$9,809,096
 <u>LIABILITIES</u>				
UNFUNDED LIAB FOR RET. BENEFITS			618,847	
AMOUNTS HELD FOR OTHERS			965,550	
ADVANCE PREMIUMS			364,716	
OTHER LIABILITES			113,994	
CLAIM CHECKS PAYABLE			91,298	
TOTAL LIABILITIES				2,154,405
 <u>RESERVES</u>				
UNEARNED PREMIUMS			8,776,992	
LOSS - CASE BASIS			5,068,928	
LOSS - I.B.N.R			1,302,472	
LOSS EXPENSE- ALLOCATED			394,965	
LOSS EXPENSE- UNALLOCATED			127,127	
OPERATING EXPENSE			324,857	
TAXES & FEES			34,740	
TOTAL RESERVES				16,030,081
TOTAL LIABILITIES & RESERVES				18,184,486
 <u>EQUITY ACCOUNT</u>				
NET EQUITY AT SEPTEMBER 30, 2002				(8,375,390)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$9,809,096

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT AT SEPTEMBER 30, 2002

	QUARTER TO DATE	YEAR TO DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$4,336,172	\$12,605,846
<u>DEDUCTIONS</u>		
LOSSES INCURRED	3,666,364	10,954,919
LOSS EXPENSES INCURRED	411,229	1,134,851
COMMISSIONS INCURRED	404,350	1,195,689
OTHER UNDERWRITING EXPENSES	859,176	2,663,959
PREMIUM TAXES INCURRED	11,580	32,841
TOTAL DEDUCTIONS	5,352,699	15,982,258
UNDERWRITING GAIN (LOSS)	(1,016,527)	(3,376,412)
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	52,311	170,481
NET GAIN (LOSS)	(964,216)	(3,205,932)
<u>EQUITY ACCOUNT</u>		
NET EQUITY-PRIOR	(7,427,829)	(5,217,179)
NET GAIN (LOSS) FOR PERIOD	(964,216)	(3,205,932)
CHANGE IN NONADMITTED ASSETS	16,655	(287,408)
OTHER CHARGES	-	(26)
PENSION OBLIGATIONS--SSAP #8	-	335,155
CHANGE IN EQUITY	(947,561)	(3,158,211)
NET EQUITY AT SEPTEMBER 30, 2002	(\$8,375,390)	(\$8,375,390)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$4,471,727	(\$39,026)	(\$825)	-	-	\$4,431,876
INVESTMENT INCOME RECEIVED	53,002	-	-	-	-	53,002
TOTAL	4,524,729	(39,026)	(825)	-	-	4,484,878
<u>EXPENSES PAID</u>						
LOSSES PAID	1,095,032	2,040,083	(49,859)	(13,324)	(544)	3,071,389
ALLOCATED LOSS EXPENSE	82,942	135,826	14,085	10,131	9,219	252,203
UNALLOCATED LOSS EXPENSE	34,595	64,565	1,033	-	-	100,193
INSPECTION AND RATING ISO	14,250	-	-	-	-	14,250
SURVEYS & UNDERWRITING RPTS	72,119	-	-	-	-	72,119
COMMISSIONS	408,063	(3,631)	(83)	-	-	404,350
BOARDS & BUREAUS	4,125	-	-	-	-	4,125
ASSOCIATION EXPENSES	847,804	-	-	-	-	847,804
TAXES & FEES	-	-	-	-	-	-
TOTAL	2,558,930	2,236,843	(34,823)	(3,193)	8,675	4,766,431
INCREASE (DECREASE)	1,965,799	(2,275,869)	33,998	3,193	(8,675)	(281,554)
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	9,727	-	-	-	-	9,727
CURRENT NONADMITTED ASSETS	681,685	-	-	-	-	681,685
OTHER CHARGES	-	-	-	-	-	-
TOTAL	691,412	-	-	-	-	691,412
<u>ADD</u>						
CURRENT ACCRUED INTEREST	9,036	-	-	-	-	9,036
PRIOR NONADMITTED ASSETS	698,340	-	-	-	-	698,340
PENSION OBLIGATIONS--SSAP #8	-	-	-	-	-	-
TOTAL	707,375	-	-	-	-	707,375
EQUITY IN ASSETS OF ASSOCIATION	1,981,763	(2,275,869)	33,998	3,193	(8,675)	(265,590)
<u>DEDUCT CURRENT RESERVES</u>						
UNEARNED PREMIUMS	8,257,094	519,898	-	-	-	8,776,992
UNPAID LOSSES	3,816,134	2,028,972	301,940	112,997	111,357	6,371,400
UNPAID LOSS EXPENSES	292,485	175,400	31,099	11,639	11,470	522,093
UNPAID ASSOCIATION EXPENSES	324,857	-	-	-	-	324,857
UNPAID TAXES & FEES	34,740	-	-	-	-	34,740
TOTAL	12,725,310	2,724,270	333,039	124,636	122,827	16,030,081
<u>ADD PRIOR RESERVES</u>						
UNEARNED PREMIUMS	6,545,763	2,135,525	-	-	-	8,681,288
UNPAID LOSSES	1,719,654	3,351,972	487,190	106,249	111,358	5,776,424
UNPAID LOSSES EXPENSES	110,487	280,179	50,180	10,944	11,470	463,259
UNPAID ASSOCIATION EXPENSES	403,978	-	-	-	-	403,978
UNPAID TAXES & FEES	23,160	-	-	-	-	23,160
TOTAL	8,803,043	5,767,676	537,370	117,193	122,828	15,348,110
NET CHANGE IN EQUITY	(\$1,940,504)	\$767,538	\$238,329	(\$4,250)	(\$8,674)	(\$947,561)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$13,146,254	(\$75,268)	(\$3,636)	-	(\$71)	\$13,067,279
INVESTMENT INCOME RECEIVED	172,365	-	-	-	-	172,365
TOTAL	<u>13,318,619</u>	<u>(75,268)</u>	<u>(3,636)</u>	<u>-</u>	<u>(71)</u>	<u>13,239,644</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	1,448,390	8,000,053	1,157,808	60,293	63,394	10,729,938
ALLOCATED LOSS EXPENSE	123,560	539,856	118,694	24,894	35,421	842,426
UNALLOCATED LOSS EXPENSE	42,645	235,942	42,858	4,002	1,574	327,021
INSPECTION AND RATING ISO	43,596	-	-	-	-	43,596
SURVEYS & UNDERWRITING RPTS	197,829	-	-	-	-	197,829
COMMISSIONS	1,202,088	(6,056)	(337)	-	(7)	1,195,689
BOARDS & BUREAUS	12,000	-	-	-	-	12,000
ASSOCIATION EXPENSES	2,571,986	-	-	-	-	2,571,986
TAXES & FEES	43,552	(1,052)	-	-	-	42,501
TOTAL	<u>5,685,646</u>	<u>8,768,744</u>	<u>1,319,023</u>	<u>89,190</u>	<u>100,382</u>	<u>15,962,985</u>
INCREASE (DECREASE)	<u>7,632,973</u>	<u>(8,844,012)</u>	<u>(1,322,659)</u>	<u>(89,190)</u>	<u>(100,453)</u>	<u>(2,723,342)</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	-	10,920	-	-	-	10,920
CURRENT NONADMITTED ASSETS	681,685	-	-	-	-	681,685
OTHER CHARGES	26	-	-	-	-	26
TOTAL	<u>681,710</u>	<u>10,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>692,630</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	9,036	-	-	-	-	9,036
PRIOR NONADMITTED ASSETS	-	394,276	-	-	-	394,276
EMPLOYER'S PENSION OBLIGATION	335,155	-	-	-	-	335,155
TOTAL	<u>344,191</u>	<u>394,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,467</u>
<u>EQUITY IN ASSETS OF ASSOCIATION</u>	<u>7,295,453</u>	<u>(8,460,656)</u>	<u>(1,322,659)</u>	<u>(89,190)</u>	<u>(100,453)</u>	<u>(2,677,505)</u>
<u>DEDUCT CURRENT RESERVES</u>						
UNEARNED PREMIUMS	8,257,094	519,898	-	-	-	8,776,992
UNPAID LOSSES	3,816,134	2,028,972	301,940	112,997	111,357	6,371,400
UNPAID LOSS EXPENSES	292,485	175,400	31,099	11,639	11,470	522,093
UNPAID ASSOCIATION EXPENSES	324,857	-	-	-	-	324,857
UNPAID TAXES & FEES	34,740	-	-	-	-	34,740
TOTAL	<u>12,725,310</u>	<u>2,724,270</u>	<u>333,039</u>	<u>124,636</u>	<u>122,827</u>	<u>16,030,081</u>
<u>ADD PRIOR RESERVES</u>						
UNEARNED PREMIUMS	-	8,315,559	-	-	-	8,315,559
UNPAID LOSSES	-	3,925,343	1,727,311	251,894	241,870	6,146,419
UNPAID LOSSES EXPENSES	-	304,597	196,050	28,590	27,452	556,689
UNPAID ASSOCIATION EXPENSES	-	486,308	-	-	-	486,308
UNPAID TAXES & FEES	-	44,400	-	-	-	44,400
TOTAL	<u>-</u>	<u>13,076,208</u>	<u>1,923,361</u>	<u>280,484</u>	<u>269,322</u>	<u>15,549,375</u>
NET CHANGE IN EQUITY	<u>(\$5,429,857)</u>	<u>\$1,891,282</u>	<u>\$267,663</u>	<u>\$66,659</u>	<u>\$46,042</u>	<u>(\$3,158,211)</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDED SEPTEMBER 30, 2002

	9-30-02 QUARTER-TO-DATE	
Premiums Written	\$4,431,876	
Current Unearned Reserve	8,776,992	
Prior Unearned Reserve	8,681,288	
Change in Unearned Premium Reserve		(95,704)
Net Premium Earned		\$4,336,172
Losses Paid		3,171,387
Less Salvage & Subrogation		99,998
Net Losses Paid		3,071,389
Current Loss Reserve	6,371,400	
Prior Loss Reserve	5,776,424	
Change in Loss Reserve		594,976
Net Losses Incurred		3,666,364
Allocated Loss Exp. Paid		252,203
Unallocated Loss Exp. Paid		100,193
Total Loss Exp. Paid		352,395
Current Loss Exp. Reserve	522,093	
Prior Loss Exp. Reserve	463,259	
Change in Loss Exp. Reserve		58,833
Net Loss Exp. Incurred		411,229
Total Loss & Loss Exp. Incurred		\$4,077,593
Taxes & Fees Paid		-
Current Reserve	34,740	
Prior Reserve	23,160	
Change in Reserve for Taxes		11,580
Net Taxes Incurred		11,580
Commissions Paid		404,350
Boards, Bureaus, & Underwriting Inspections		90,494
Other Association Exp. Incurred		847,804
Net Underwriting Exp Incurred		1,342,647
Current Operating Exp. Reserve	324,857	
Prior Operating Exp. Reserve	403,978	
Change in Underwriting Exp. Reserve		(79,122)
Net Assoc. Exp. Incurred		1,263,526
Total Loss & Exp. Incurred		5,352,699
Underwriting Gain (Loss)		(\$1,016,527)
Net Investment Income Received		53,002
Current Accrued Interest	9,036	
Prior Accrued Interest	9,727	
Change in Accrued Interest		(691)
Net Investment Income Earned		52,311
Net Gain (Loss)		(\$964,216)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDED SEPTEMBER 30, 2002

	9-30-02 YEAR-TO-DATE	
Premiums Written	\$13,067,279	
Current Unearned Reserve	8,776,992	
Prior Unearned Reserve	8,315,559	
Change in Unearned Premium Reserve	(461,433)	
Net Premium Earned		\$12,605,846
Losses Paid	10,965,916	
Less Salvage	235,978	
Net Losses Paid	10,729,938	
Current Loss Reserve	6,371,400	
Prior Loss Reserve	6,146,419	
Change in Loss Reserve	224,981	
Net Losses Incurred		10,954,919
Allocated Loss Exp. Paid	842,426	
Unallocated Loss Exp. Paid	327,021	
Total Loss Exp. Paid	1,169,447	
Current Loss Exp. Reserve	522,093	
Prior Loss Exp. Reserve	556,689	
Change in Loss Exp. Reserve	(34,597)	
Net Loss Exp. Incurred		1,134,851
Total Loss & Loss Exp. Incurred		\$12,089,770
Taxes & Fees Paid	42,501	
Current Reserve	34,740	
Prior Reserve	44,400	
Change in Reserve for Taxes	(9,660)	
Net Taxes Incurred		32,841
Commissions Paid	1,195,689	
Boards, Bureaus, & Underwriting Inspections	253,425	
Other Association Exp. Incurred	2,571,986	
Net Underwriting Exp Incurred	4,021,099	
Current Operating Exp. Reserve	324,857	
Prior Operating Exp. Reserve	486,308	
Change in Operating Exp. Reserve	(161,451)	
Net Assoc. Exp. Incurred		3,859,648
Total Loss & Exp. Incurred		15,982,258
Underwriting Gain (Loss)		(\$3,376,412)
Net Investment Income Received	172,365	
Current Accrued Interest	9,036	
Prior Accrued Interest	10,920	
Change in Accrued Interest	(1,884)	
Net Investment Income Earned		170,481
Net Gain (Loss)		(\$3,205,932)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$3,223,189	(\$27,934)	(\$577)	-	-	\$3,194,678
ALLIED	1,224,227	(11,073)	(248)	-	-	1,212,906
CRIME	24,311	(19)	-	-	-	24,292
TOTAL	4,471,727	(39,026)	(825)	-	-	4,431,876
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-02						
FIRE	5,961,432	377,253	-	-	-	6,338,685
ALLIED	2,252,606	140,255	-	-	-	2,392,861
CRIME	43,056	2,390	-	-	-	45,446
TOTAL	8,257,094	519,898	-	-	-	8,776,992
PRIOR UNEARNED PREMIUM RESERVE @ 6-30-02						
FIRE	4,730,962	1,533,948	-	-	-	6,264,910
ALLIED	1,781,912	591,034	-	-	-	2,372,946
CRIME	32,889	10,543	-	-	-	43,432
TOTAL	6,545,763	2,135,525	-	-	-	8,681,288
EARNED PREMIUM						
FIRE	1,992,719	1,128,761	(577)	-	-	3,120,903
ALLIED	753,533	439,706	(248)	-	-	1,192,991
CRIME	14,144	8,134	-	-	-	22,278
TOTAL	\$2,760,396	\$1,576,601	(\$825)	-	-	\$4,336,172

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS YTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$9,500,479	(\$52,634)	(\$2,348)	-	(\$49)	\$9,445,448
ALLIED	3,578,081	(22,014)	(1,288)	-	(22)	3,554,757
CRIME	67,694	(620)	-	-	-	67,074
TOTAL	13,146,254	(75,268)	(3,636)	-	(71)	13,067,279
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-02						
FIRE	5,961,432	377,253	-	-	-	6,338,685
ALLIED	2,252,606	140,255	-	-	-	2,392,861
CRIME	43,056	2,390	-	-	-	45,446
TOTAL	8,257,094	519,898	-	-	-	8,776,992
PRIOR UNEARNED PREMIUM RESERVE @ 12-31-01						
FIRE	-	5,877,399	-	-	-	5,877,399
ALLIED	-	2,391,779	-	-	-	2,391,779
CRIME	-	46,381	-	-	-	46,381
TOTAL	-	8,315,559	-	-	-	8,315,559
EARNED PREMIUM						
FIRE	3,539,047	5,447,512	(2,348)	-	(49)	8,984,162
ALLIED	1,325,475	2,229,510	(1,288)	-	(22)	3,553,675
CRIME	24,638	43,371	-	-	-	68,009
TOTAL	\$4,889,160	\$7,720,393	(\$3,636)	-	(\$71)	\$12,605,846

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES QTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage and Subrogation Received						
FIRE	\$908,622	\$1,753,302	(\$58,519)	-	(\$544)	\$2,602,861
ALLIED	186,410	286,781	8,661	(13,324)	-	468,528
CRIME	-	-	-	-	-	-
TOTAL	1,095,032	2,040,083	(49,859)	(13,324)	(544)	3,071,389
CURRENT LOSS RESERVE (9-30-02)						
FIRE	3,391,423	1,684,496	288,423	97,253	111,342	5,572,937
ALLIED	416,691	342,951	13,517	15,744	15	788,917
CRIME	8,021	1,525	-	-	-	9,546
TOTAL	3,816,134	2,028,972	301,940	112,997	111,357	6,371,400
PRIOR LOSS RESERVES (6-30-02)						
FIRE	1,422,384	2,829,062	464,666	89,001	111,347	4,916,461
ALLIED	294,055	519,466	22,524	17,248	11	853,304
CRIME	3,216	3,443	-	-	-	6,659
TOTAL	1,719,654	3,351,972	487,190	106,249	111,358	5,776,424
INCURRED LOSSES						
FIRE	2,877,661	608,736	(234,763)	8,252	(549)	3,259,337
ALLIED	309,045	110,265	(346)	(14,828)	4	404,141
CRIME	4,805	(1,919)	-	-	-	2,887
TOTAL	\$3,191,511	\$717,083	(\$235,109)	(\$6,576)	(\$545)	\$3,666,364

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage and Subrogation Received						
FIRE	\$1,202,834	\$7,060,360	\$1,034,496	\$73,816	\$63,394	\$9,434,901
ALLIED	245,556	936,089	123,311	(13,523)	-	1,291,433
CRIME	-	3,604	-	-	-	3,604
TOTAL	1,448,390	8,000,053	1,157,808	60,293	63,394	10,729,938
CURRENT LOSS RESERVE (9-30-02)						
FIRE	3,391,423	1,684,496	288,423	97,253	111,342	5,572,937
ALLIED	416,691	342,951	13,517	15,744	15	788,917
CRIME	8,021	1,525	-	-	-	9,546
TOTAL	3,816,134	2,028,972	301,940	112,997	111,357	6,371,400
PRIOR LOSS RESERVES (12-31-01)						
FIRE	-	3,146,983	1,559,488	226,019	241,360	5,173,850
ALLIED	-	771,106	167,823	25,875	510	965,314
CRIME	-	7,255	-	-	-	7,255
TOTAL	-	3,925,343	1,727,311	251,894	241,870	6,146,419
INCURRED LOSSES (Including IBNR)						
FIRE	4,594,256	5,597,874	(236,569)	(54,950)	(66,624)	9,833,988
ALLIED	662,247	507,934	(30,995)	(23,654)	(495)	1,115,036
CRIME	8,021	(2,125)	-	-	-	5,895
TOTAL	\$5,264,524	\$6,103,682	(\$267,564)	(\$78,604)	(\$67,119)	\$10,954,919
I.B.N.R. (INCL. IN CURRENT RESERVES)						
	POLICY YEAR 2002	POLICY YEAR 2001	TOTAL I.B.N.R.			
FIRE	\$705,662	\$236,179	\$941,842			
ALLIED	265,756	88,329	354,085			
CRIME	5,021	1,525	6,546			
TOTAL	\$976,439	\$326,033	\$1,302,472			

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$74,712	\$133,772	\$10,034	\$6,285	\$8,084	\$232,888
ALLIED	42,825	66,618	5,083	3,845	1,135	119,507
CRIME	-	-	-	-	-	-
TOTAL	117,537	200,391	15,118	10,131	9,219	352,395
<u>CURRENT LOSS EXPENSE RESERVE @ 9-30-02</u>						
FIRE	276,630	149,175	29,707	10,017	11,468	476,996
ALLIED	15,546	26,226	1,392	1,622	2	44,787
CRIME	309	-	-	-	-	309
TOTAL	292,485	175,400	31,099	11,639	11,470	522,093
<u>PRIOR LOSS EXPENSE RESERVE @ 6-30-02</u>						
FIRE	98,281	245,226	47,860	9,167	11,469	412,002
ALLIED	12,207	34,953	2,320	1,777	1	51,257
CRIME	-	-	-	-	-	-
TOTAL	110,487	280,179	50,180	10,944	11,470	463,259
<u>ALAE & ULAE LOSS EXPENSES INCURRED</u>						
FIRE	253,061	37,721	(8,118)	7,135	8,083	297,882
ALLIED	46,164	57,891	4,156	3,691	1,136	113,037
CRIME	309	-	-	-	-	309
TOTAL	\$299,535	\$95,612	(\$3,963)	\$10,826	\$9,219	\$411,229

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDED SEPTEMBER 30, 2002

	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999	POLICY YEAR 1998 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$103,272	\$540,013	\$117,078	\$14,791	\$33,819	\$808,973
ALLIED	62,933	234,734	44,475	14,105	3,176	359,423
CRIME	-	1,052	-	-	-	1,052
TOTAL	166,205	775,798	161,552	28,897	36,995	1,169,447
 <u>CURRENT LOSS EXPENSE RESERVE @ 9-30-02</u>						
FIRE	276,630	149,175	29,707	10,017	11,468	476,996
ALLIED	15,546	26,226	1,392	1,622	2	44,787
CRIME	309	-	-	-	-	309
TOTAL	292,485	175,400	31,099	11,639	11,470	522,093
 <u>PRIOR LOSS EXPENSE RESERVE @ 12-31-01</u>						
FIRE	-	258,490	177,002	25,653	27,394	488,539
ALLIED	-	46,107	19,048	2,937	58	68,150
CRIME	-	-	-	-	-	-
TOTAL	-	304,597	196,050	28,590	27,452	556,689
 <u>ALAE & ULAE LOSS EXPENSES INCURRED</u>						
FIRE	379,902	430,698	(30,217)	(845)	17,893	797,430
ALLIED	78,479	214,852	26,819	12,790	3,120	336,060
CRIME	309	1,052	-	-	-	1,361
TOTAL	\$458,690	\$646,601	(\$3,398)	\$11,945	\$21,012	\$1,134,851