

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT SEPTEMBER 30, 2003

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>				
CASH & SHORT TERM INVESTMENTS	\$9,084,002	-	-	\$9,084,002
ACCRUED INTEREST	-	6,722	-	6,722
FURNITURE & EQUIPMENT	199,189	-	199,189	-
ELECTRONIC DATA PROCESSING EQUIP.	51,827	-	-	51,827
LEASEHOLD IMPROVEMENTS	50,747	-	50,747	-
SUNDRY RECEIVABLE	8,356	-	-	8,356
TOTAL ASSETS	\$9,394,121	\$6,722	\$249,936	\$9,150,907
 <u>LIABILITIES</u>				
POST RETIREMENT BENEFITS (other than pensions)			1,055,024	
DEFINED BENEFIT PENSION PLAN			679,897	
AMOUNTS HELD FOR OTHERS			475,811	
ADVANCE PREMIUMS			402,054	
RETURN PREMIUMS			103,134	
OTHER PAYABLE			12,097	
CLAIM CHECKS PAYABLE			29,990	
TOTAL LIABILITIES			2,758,007	
 <u>RESERVES</u>				
UNEARNED PREMIUMS			10,606,891	
LOSS - CASE BASIS			4,716,771	
LOSS - I.B.N.R.			1,517,243	
LOSS EXPENSE - ALLOCATED			346,402	
LOSS EXPENSE - UNALLOCATED			178,322	
ASSOCIATION EXPENSES			305,438	
TAXES & FEES			42,828	
TOTAL RESERVES			17,713,895	
TOTAL LIABILITIES & RESERVES			20,471,902	
 <u>EQUITY ACCOUNT</u>				
NET EQUITY AT SEPTEMBER 30, 2003				(11,320,995)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$9,150,907

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT AT SEPTEMBER 30, 2003

	QUARTER-TO-DATE CURRENT YEAR	YEAR TO DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$4,977,049	\$14,052,348
<u>DEDUCTIONS</u>		
LOSSES INCURRED	3,008,827	10,083,053
LOSS EXPENSES INCURRED	391,930	1,203,763
COMMISSIONS INCURRED	502,894	1,421,253
OTHER UNDERWRITING EXPENSES	1,078,139	3,156,458
TAXES & FEES INCURRED	19,862	77,492
TOTAL DEDUCTIONS	5,001,652	15,942,019
UNDERWRITING GAIN (LOSS)	(24,603)	(1,889,671)
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	26,859	88,396
NET GAIN (LOSS)	2,256	(1,801,275)
<u>EQUITY ACCOUNT</u>		
NET EQUITY-PRIOR	(11,338,276)	(9,552,179)
NET GAIN (LOSS) FOR PERIOD	2,256	(1,801,275)
CHANGE IN NONADMITTED ASSETS	15,025	32,459
CHANGE IN EQUITY	17,281	(1,768,816)
NET EQUITY AT SEPTEMBER 30, 2003	(\$11,320,995)	(\$11,320,995)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$5,570,905	(\$29,535)	(\$675)	(\$442)	-	\$5,540,253
INVESTMENT INCOME RECEIVED	31,453	-	-	-	-	31,453
TOTAL	<u>5,602,358</u>	<u>(29,535)</u>	<u>(675)</u>	<u>(442)</u>	-	<u>5,571,706</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	530,321	2,007,231	3,395	1,000	(69,412)	2,472,535
ALLOCATED LOSS EXPENSE	62,941	150,828	10,134	1,591	4,590	230,083
UNALLOCATED LOSS EXPENSE	23,167	87,763	148	44	66	111,187
INSPECTION AND RATING ISO	-	-	-	-	-	-
SURVEYS & UNDERWRITING RPTS	84,598	-	-	-	-	84,598
COMMISSIONS	505,701	(2,695)	(68)	(44)	-	502,894
BOARDS & BUREAUS	3,506	-	-	-	-	3,506
ASSOCIATION EXPENSES	994,478	-	-	-	-	994,478
TAXES & FEES PAID	-	-	-	-	-	-
TOTAL	<u>2,204,712</u>	<u>2,243,127</u>	<u>13,609</u>	<u>2,591</u>	<u>(64,756)</u>	<u>4,399,282</u>
INCREASE (DECREASE)	<u>3,397,646</u>	<u>(2,272,662)</u>	<u>(14,284)</u>	<u>(3,033)</u>	<u>64,756</u>	<u>1,172,423</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	11,316	-	-	-	-	11,316
CURRENT NONADMITTED ASSETS	249,936	-	-	-	-	249,936
TOTAL	<u>261,252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>261,252</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	6,722	-	-	-	-	6,722
PRIOR NONADMITTED ASSETS	264,961	-	-	-	-	264,961
TOTAL	<u>271,683</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>271,683</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>3,408,077</u>	<u>(2,272,662)</u>	<u>(14,284)</u>	<u>(3,033)</u>	<u>64,756</u>	<u>1,182,853</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	10,049,767	557,124	-	-	-	10,606,891
UNPAID LOSSES	3,022,802	2,954,984	138,044	90,525	27,659	6,234,014
UNPAID LOSS EXPENSES	204,856	291,364	15,358	10,071	3,076	524,724
UNPAID ASSOCIATION EXPENSES	305,438	-	-	-	-	305,438
UNPAID TAXES & FEES	42,828	-	-	-	-	42,828
TOTAL	<u>13,625,691</u>	<u>3,803,472</u>	<u>153,402</u>	<u>100,596</u>	<u>30,735</u>	<u>17,713,895</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	7,791,058	2,252,629	-	-	-	10,043,687
UNPAID LOSSES	1,695,419	3,706,023	125,553	82,029	88,698	5,697,722
UNPAID LOSSES EXPENSES	103,546	337,571	13,962	9,122	9,863	474,064
UNPAID ASSOCIATION EXPENSES	309,881	-	-	-	-	309,881
UNPAID TAXES & FEES	22,966	-	-	-	-	22,966
TOTAL	<u>9,922,870</u>	<u>6,296,223</u>	<u>139,515</u>	<u>91,151</u>	<u>98,561</u>	<u>16,548,320</u>
NET CHANGE IN EQUITY	<u>(\$294,744)</u>	<u>\$220,089</u>	<u>(\$28,171)</u>	<u>(\$12,478)</u>	<u>\$132,585</u>	<u>\$17,281</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$15,874,389	(\$107,807)	(\$4,557)	\$88	-	\$15,762,113
INVESTMENT INCOME RECEIVED	98,758	-	-	-	-	98,758
TOTAL	<u>15,973,147</u>	<u>(107,807)</u>	<u>(4,557)</u>	<u>88</u>	<u>-</u>	<u>15,860,871</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	801,418	8,137,075	541,097	60,334	(103,408)	9,436,516
ALLOCATED LOSS EXPENSE	98,288	588,457	80,978	9,187	24,720	801,630
UNALLOCATED LOSS EXPENSE	31,892	297,993	20,559	2,014	(212)	352,246
INSPECTION AND RATING ISO	23,248	-	-	-	-	23,248
SURVEYS & UNDERWRITING RPTS	241,477	-	-	-	-	241,477
COMMISSIONS	1,431,283	(9,583)	(457)	10	-	1,421,253
BOARDS & BUREAUS	11,756	-	-	-	-	11,756
ASSOCIATION EXPENSES	2,930,843	-	-	-	-	2,930,843
TAXES & FEES	53,806	27,178	-	-	-	80,984
TOTAL	<u>5,624,011</u>	<u>9,041,120</u>	<u>642,177</u>	<u>71,545</u>	<u>(78,900)</u>	<u>15,299,953</u>
INCREASE (DECREASE)	<u>10,349,136</u>	<u>(9,148,927)</u>	<u>(646,734)</u>	<u>(71,457)</u>	<u>78,900</u>	<u>560,918</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	-	17,084	-	-	-	17,084
CURRENT NONADMITTED ASSETS	249,936	-	-	-	-	249,936
TOTAL	<u>249,936</u>	<u>17,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>267,020</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	6,722	-	-	-	-	6,722
PRIOR NONADMITTED ASSETS	-	282,394	-	-	-	282,394
TOTAL	<u>6,722</u>	<u>282,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>289,116</u>
<u>EQUITY IN ASSETS OF ASSOCIATION</u>	<u>10,105,922</u>	<u>(8,883,616)</u>	<u>(646,734)</u>	<u>(71,457)</u>	<u>78,900</u>	<u>583,014</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	10,049,767	557,124	-	-	-	10,606,891
UNPAID LOSSES	3,022,802	2,954,984	138,044	90,525	27,659	6,234,014
UNPAID LOSS EXPENSES	204,856	291,364	15,358	10,071	3,076	524,724
UNPAID ASSOCIATION EXPENSES	305,438	-	-	-	-	305,438
UNPAID TAXES & FEES	42,828	-	-	-	-	42,828
TOTAL	<u>13,625,691</u>	<u>3,803,472</u>	<u>153,402</u>	<u>100,596</u>	<u>30,735</u>	<u>17,713,895</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	-	8,897,126	-	-	-	8,897,126
UNPAID LOSSES	-	4,404,123	932,658	172,030	78,667	5,587,477
UNPAID LOSSES EXPENSES	-	343,249	103,712	19,130	8,747	474,837
UNPAID ASSOCIATION EXPENSES	-	356,304	-	-	-	356,304
UNPAID TAXES & FEES	-	46,320	-	-	-	46,320
TOTAL	<u>-</u>	<u>14,047,122</u>	<u>1,036,370</u>	<u>191,160</u>	<u>87,414</u>	<u>15,362,064</u>
NET CHANGE IN EQUITY	<u>(\$3,519,769)</u>	<u>\$1,360,033</u>	<u>\$236,234</u>	<u>\$19,108</u>	<u>\$135,579</u>	<u>(\$1,768,816)</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDED SEPTEMBER 30, 2003

	9-30-03 QUARTER-TO-DATE	
Premiums Written	\$5,540,253	
Current Unearned Reserve	10,606,891	
Prior Unearned Reserve	10,043,687	
Change in Unearned Premium Reserve	(563,204)	
Net Premium Earned		\$4,977,049
Losses Paid	2,545,236	
Less Salvage & Subrogation	72,701	
Net Losses Paid	2,472,535	
Current Loss Reserve	6,234,014	
Prior Loss Reserve	5,697,722	
Change in Loss Reserve	536,292	
Net Losses Incurred		3,008,827
Allocated Loss Exp. Paid	230,083	
Unallocated Loss Exp. Paid	111,187	
Total Loss Exp. Paid	341,270	
Current Loss Exp. Reserve	524,724	
Prior Loss Exp. Reserve	474,064	
Change in Loss Exp. Reserve	50,660	
Net Loss Exp. Incurred		391,930
Total Loss & Loss Exp. Incurred		\$3,400,757
Taxes & Fees Paid	-	
Current Reserve	42,828	
Prior Reserve	22,966	
Change in Reserve for Taxes & Fees	19,862	
Net Taxes & Fees Incurred		19,862
Commissions Expense		502,894
Boards, Bureaus, & Underwriting Inspections Paid	88,104	
Other Operating Exp. Paid	994,478	
Total Underwriting Exp. Paid	1,082,582	
Current Reserve	305,438	
Prior Reserve	309,881	
Change in Other Underwriting Exp. Reserve	(4,443)	
Other Underwriting Exp. Incurred		1,078,139
Total Other Underwriting Exp. Incurred		1,600,895
Total Loss & Underwriting Exp. Incurred		\$5,001,652
Underwriting Gain (Loss)		(24,603)
Net Investment Income Received	31,453	
Current Accrued Interest	6,722	
Prior Accrued Interest	11,316	
Change in Accrued Interest	(4,594)	
Net Investment Income Earned		26,859
Net Gain (Loss)		\$2,256

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDED SEPTEMBER 30, 2003

	9-30-03 YEAR-TO-DATE	
Premiums Written	\$15,762,113	
Current Unearned Reserve	10,606,891	
Prior Unearned Reserve	8,897,126	
Change in Unearned Premium Reserve	<u>(1,709,765)</u>	
Net Premium Earned		\$14,052,348
Losses Paid	9,562,886	
Less Salvage & Subrogation	<u>126,370</u>	
Net Losses Paid	9,436,516	
Current Loss Reserve	6,234,014	
Prior Loss Reserve	<u>5,587,477</u>	
Change in Loss Reserve	<u>646,537</u>	
Net Losses Incurred		10,083,053
Allocated Loss Exp. Paid	801,630	
Unallocated Loss Exp. Paid	<u>352,246</u>	
Total Loss Exp. Paid	1,153,876	
Current Loss Exp. Reserve	524,724	
Prior Loss Exp. Reserve	<u>474,837</u>	
Change in Loss Exp. Reserve	<u>49,887</u>	
Net Loss Exp. Incurred		1,203,763
Total Loss & Loss Exp. Incurred		\$11,286,816
Taxes & Fees Paid	80,984	
Current Reserve	42,828	
Prior Reserve	<u>46,320</u>	
Change in Reserve for Taxes	<u>(3,492)</u>	
Net Taxes Incurred		77,492
Commissions Expense		1,421,253
Boards, Bureaus, & Underwriting Inspections Paid	276,481	
Other Operating Exp. Paid	<u>2,930,843</u>	
Total Underwriting Exp. Paid	3,207,324	
Current Reserve	305,438	
Prior Reserve	<u>356,304</u>	
Change in Other Underwriting Exp. Reserve	<u>(50,866)</u>	
Other Underwriting Exp. Incurred		3,156,458
Total Other Underwriting Exp. Incurred		4,655,203
Total Loss & Underwriting Exp. Incurred		\$15,942,019
Underwriting Gain (Loss)		(1,889,671)
Net Investment Income Received	98,758	
Current Accrued Interest	6,722	
Prior Accrued Interest	<u>17,084</u>	
Change in Accrued Interest	<u>(10,362)</u>	
Net Investment Income Earned		88,396
Net Gain (Loss)		(\$1,801,275)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDED SEPTEMBER 30, 2003

SEE NOTE BELOW

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$4,172,904	(\$19,637)	(\$493)	(\$282)	-	\$4,152,492
ALLIED	1,378,233	(9,676)	(182)	(160)	-	1,368,215
CRIME	19,768	(222)	-	-	-	19,546
TOTAL	5,570,905	(29,535)	(675)	(442)	-	5,540,253
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-03						
FIRE	7,523,356	414,542	-	-	-	7,937,898
ALLIED	2,489,941	140,633	-	-	-	2,630,574
CRIME	36,470	1,949	-	-	-	38,419
TOTAL	10,049,767	557,124	-	-	-	10,606,891
PRIOR UNEARNED PREMIUM RESERVE @ 6-30-03						
FIRE	5,831,024	1,657,700	-	-	-	7,488,724
ALLIED	1,931,161	585,706	-	-	-	2,516,867
CRIME	28,873	9,223	-	-	-	38,096
TOTAL	7,791,058	2,252,629	-	-	-	10,043,687
EARNED PREMIUM						
FIRE	2,480,572	1,223,521	(493)	(282)	-	3,703,318
ALLIED	819,453	435,397	(182)	(160)	-	1,254,508
CRIME	12,171	7,052	-	-	-	19,223
TOTAL	\$3,312,196	\$1,665,970	(\$675)	(\$442)	-	\$4,977,049

Note: As required under the Terrorism Risk Insurance Act of 2002, Direct Earned Premium for Commercial business written in the 3rd quarter is shown on page 8.

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS YTD PERIOD ENDED SEPTEMBER 30, 2003

SEE NOTE BELOW

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$11,889,962	(\$80,974)	(\$3,095)	\$98	-	\$11,805,991
ALLIED	3,926,640	(26,076)	(1,462)	(10)	-	3,899,092
CRIME	57,787	(757)	-	-	-	57,030
TOTAL	15,874,389	(107,807)	(4,557)	88	-	15,762,113
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-03						
FIRE	7,523,356	414,542	-	-	-	7,937,898
ALLIED	2,489,941	140,633	-	-	-	2,630,574
CRIME	36,470	1,949	-	-	-	38,419
TOTAL	10,049,767	557,124	-	-	-	10,606,891
PRIOR UNEARNED PREMIUM RESERVE @ 12-31-02						
FIRE	-	6,494,180	-	-	-	6,494,180
ALLIED	-	2,362,142	-	-	-	2,362,142
CRIME	-	40,804	-	-	-	40,804
TOTAL	-	8,897,126	-	-	-	8,897,126
EARNED PREMIUM						
FIRE	4,366,606	5,998,664	(3,095)	98	-	10,362,273
ALLIED	1,436,699	2,195,433	(1,462)	(10)	-	3,630,660
CRIME	21,317	38,098	-	-	-	59,415
TOTAL	\$5,824,622	\$8,232,195	(\$4,557)	\$88	-	\$14,052,348

*Note: On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002. The Act was effective immediately. It includes State residual market insurance entities such as FAIR Plans that write commercial property insurance coverage. The Act provides residual market insurance entities that share profits and losses with private sector insurers, to report its share of direct earned premium and losses to each private sector insurance participant. For the quarter ending September 30, 2003, the direct earned premium for commercial business written by the FAIR Plan was \$509,815. The year-to-date amount was \$1,476,522. There were no terrorism losses reported. Please use your latest NJ member participation listing to calculate your share of commercial premium. The result of this calculation should be treated as assumed earned premium for the purpose of calculating an Insurer deductible under the Act.

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES QTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage and Subrogation Received						
FIRE	\$400,690	\$1,860,761	-	\$1,000	(\$69,350)	\$2,193,101
ALLIED	129,631	146,470	3,395	-	(62)	279,434
CRIME	-	-	-	-	-	-
TOTAL	<u>530,321</u>	<u>2,007,231</u>	<u>3,395</u>	<u>1,000</u>	<u>(69,412)</u>	<u>2,472,535</u>
CURRENT LOSS RESERVE (9-30-03)						
FIRE	2,512,534	2,672,513	101,025	90,525	27,649	5,404,246
ALLIED	505,970	281,231	37,019	-	10	824,230
CRIME	4,298	1,240	-	-	-	5,538
TOTAL	<u>3,022,802</u>	<u>2,954,984</u>	<u>138,044</u>	<u>90,525</u>	<u>27,659</u>	<u>6,234,014</u>
PRIOR LOSS RESERVES (6-30-03)						
FIRE	1,430,801	3,297,460	106,032	82,022	88,329	5,004,644
ALLIED	261,800	405,480	19,521	7	369	687,177
CRIME	2,818	3,083	-	-	-	5,901
TOTAL	<u>1,695,419</u>	<u>3,706,023</u>	<u>125,553</u>	<u>82,029</u>	<u>88,698</u>	<u>5,697,722</u>
INCURRED LOSSES						
FIRE	1,482,423	1,235,815	(5,007)	9,503	(130,030)	2,592,703
ALLIED	373,801	22,220	20,893	(7)	(421)	416,486
CRIME	1,480	(1,842)	-	-	-	(362)
TOTAL	<u>\$1,857,704</u>	<u>\$1,256,193</u>	<u>\$15,886</u>	<u>\$9,496</u>	<u>(\$130,451)</u>	<u>\$3,008,827</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage and Subrogation Received						
FIRE	\$622,495	\$7,519,711	\$475,802	\$52,024	(\$97,961)	\$8,572,071
ALLIED	178,923	608,974	65,295	8,310	(5,447)	856,055
CRIME	-	8,390	-	-	-	8,390
TOTAL	801,418	8,137,075	541,097	60,334	(103,408)	9,436,516
CURRENT LOSS RESERVE (9-30-03)						
FIRE	2,512,534	2,672,513	101,025	90,525	27,649	5,404,246
ALLIED	505,970	281,231	37,019	-	10	824,230
CRIME	4,298	1,240	-	-	-	5,538
TOTAL	3,022,802	2,954,984	138,044	90,525	27,659	6,234,014
PRIOR LOSS RESERVES (12-31-02)						
FIRE	-	3,812,746	796,384	173,012	76,334	4,858,476
ALLIED	-	582,573	136,274	(982)	2,333	720,197
CRIME	-	8,804	-	-	-	8,804
TOTAL	-	4,404,123	932,658	172,030	78,667	5,587,477
INCURRED LOSSES						
FIRE	3,135,029	6,379,479	(219,557)	(30,463)	(146,647)	9,117,842
ALLIED	684,894	307,631	(33,960)	9,292	(7,770)	960,087
CRIME	4,298	826	-	-	-	5,124
TOTAL	\$3,824,221	\$6,687,936	(\$253,517)	(\$21,171)	(\$154,417)	\$10,083,053
I.B.N.R. (INCL. IN CURRENT RESERVES)						
	POLICY YEAR 2003	POLICY YEAR 2002	TOTAL I.B.N.R.			
FIRE	\$884,314	\$248,176	\$1,132,490			
ALLIED	292,733	86,482	379,215			
CRIME	4,297	1,240	5,538			
TOTAL	\$1,181,344	\$335,898	\$1,517,243			

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$42,117	\$177,844	\$5,986	\$514	\$4,292	\$230,752
ALLIED	43,991	60,747	4,296	1,121	362	110,518
CRIME	-	-	-	-	-	-
TOTAL	86,108	238,591	10,282	1,635	4,654	341,270
CURRENT LOSS EXPENSE RESERVE @ 9-30-03						
FIRE	181,134	269,699	11,239	10,071	3,076	475,218
ALLIED	23,722	21,665	4,119	-	-	49,506
CRIME	-	-	-	-	-	-
TOTAL	204,856	291,364	15,358	10,071	3,076	524,724
PRIOR LOSS EXPENSE RESERVE @ 6-30-03						
FIRE	95,452	312,223	11,791	9,121	9,822	438,409
ALLIED	8,094	25,348	2,171	1	41	35,655
CRIME	-	-	-	-	-	-
TOTAL	103,546	337,571	13,962	9,122	9,863	474,064
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	127,798	135,320	5,433	1,463	(2,455)	267,560
ALLIED	59,619	57,064	6,245	1,120	321	124,370
CRIME	-	-	-	-	-	-
TOTAL	\$187,417	\$192,384	\$11,678	\$2,583	(\$2,134)	\$391,930

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDED SEPTEMBER 30, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$65,210	\$625,853	\$67,385	\$6,616	\$22,298	\$787,361
ALLIED	64,970	258,746	34,152	4,585	2,210	364,664
CRIME	-	1,851	-	-	-	1,851
TOTAL	130,180	886,450	101,537	11,201	24,508	1,153,876
CURRENT LOSS EXPENSE RESERVE @ 9-30-03						
FIRE	181,134	269,699	11,239	10,071	3,076	475,218
ALLIED	23,722	21,665	4,119	-	-	49,506
CRIME	-	-	-	-	-	-
TOTAL	204,856	291,364	15,358	10,071	3,076	524,724
PRIOR LOSS EXPENSE RESERVE @ 12-31-02						
FIRE	-	317,463	88,558	19,239	8,488	433,748
ALLIED	-	25,508	15,154	(109)	259	40,811
CRIME	-	278	-	-	-	278
TOTAL	-	343,249	103,712	19,130	8,747	474,837
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	246,344	578,089	(9,934)	(2,552)	16,886	828,833
ALLIED	88,692	254,903	23,117	4,694	1,951	373,357
CRIME	-	1,573	-	-	-	1,573
TOTAL	\$335,036	\$834,565	\$13,183	\$2,142	\$18,837	\$1,203,763