

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT DECEMBER 31, 2003

	LEDGER ASSETS	NON- LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>				
CASH & SHORT TERM INVESTMENTS	\$9,679,574	-	-	\$9,679,574
ACCRUED INTEREST	-	8,748	-	8,748
FURNITURE & EQUIPMENT	186,060	-	186,060	-
ELECTRONIC DATA PROCESSING	58,815	-	-	58,815
LEASEHOLD IMPROVEMENTS	48,852	-	48,852	-
SUNDRY RECEIVABLE	2,971	-	-	2,971
TOTAL ASSETS	\$9,976,272	\$8,748	234,912	\$9,750,108
 <u>LIABILITIES</u>				
POST RETIREMENT BENEFITS (other than pensions)			1,218,951	
DEFINED BENEFIT PENSION PLAN			504,070	
AMOUNTS HELD FOR OTHERS			272,112	
ADVANCE PREMIUMS			257,982	
RETURN PREMIUMS			316,945	
OTHER PAYABLES			35,327	
CLAIM CHECKS PAYABLE			7,976	
TOTAL LIABILITIES				2,613,363
 <u>RESERVES</u>				
UNEARNED PREMIUMS			10,749,487	
LOSS - CASE BASIS			5,660,523	
LOSS - I.B.N.R.			1,580,022	
LOSS EXPENSE - ALLOCATED			490,767	
LOSS EXPENSE - UNALLOCATED			226,421	
ASSOCIATION EXPENSES			293,448	
TAXES & FEES			61,135	
TOTAL RESERVES				19,061,803
TOTAL LIABILITIES & RESERVES				21,675,166
 <u>EQUITY ACCOUNT</u>				
NET EQUITY AT DECEMBER 31, 2003				(11,925,058)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$9,750,108

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT AT DECEMBER 31, 2003

	QUARTER-TO-DATE CURRENT YEAR	YEAR TO DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$5,242,856	\$19,295,204
<u>DEDUCTIONS</u>		
LOSSES INCURRED	3,840,798	13,923,850
LOSS EXPENSES INCURRED	609,386	1,813,149
COMMISSIONS INCURRED	469,654	1,890,907
OTHER UNDERWRITING EXPENSES	1,126,598	4,283,058
TAXES & FEES INCURRED	20,107	97,599
TOTAL DEDUCTIONS	6,066,543	22,008,563
UNDERWRITING GAIN (LOSS)	(823,687)	(2,713,359)
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	28,772	117,169
NET GAIN (LOSS)	(794,915)	(2,596,190)
<u>EQUITY ACCOUNT</u>		
NET EQUITY-PRIOR	(11,320,995)	(9,552,179)
NET GAIN (LOSS) FOR PERIOD	(794,915)	(2,596,190)
CHANGE IN NONADMITTED ASSETS	15,025	47,484
CHANGE IN PENSION OBLIGATION	175,827	175,827
CHANGE IN EQUITY	(604,063)	(2,372,879)
NET EQUITY AT DECEMBER 31, 2003	(\$11,925,058)	(\$11,925,058)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED DECEMBER 31, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
INCOME RECEIVED						
PREMIUMS WRITTEN	\$5,404,692	(\$18,754)	(\$486)	-	-	\$5,385,452
INVESTMENT INCOME RECEIVED	26,746	-	-	-	-	26,746
TOTAL	5,431,438	(18,754)	(486)	-	-	5,412,198
EXPENSES PAID						
LOSSES PAID	1,487,345	1,322,555	21,063	3,500	(198)	2,834,265
ALLOCATED LOSS EXPENSE	158,658	97,696	12,030	1,458	3,938	273,781
UNALLOCATED LOSS EXPENSE	75,063	66,839	1,063	177	-	143,142
INSPECTION AND RATING ISO	6,736	-	-	-	-	6,736
SURVEYS & UNDERWRITING RPTS	94,652	-	-	-	-	94,652
COMMISSIONS	471,441	(1,787)	-	-	-	469,654
BOARDS & BUREAUS	3,506	-	-	-	-	3,506
ASSOCIATION EXPENSES	1,033,695	-	-	-	-	1,033,695
TAXES & FEES PAID	600	1,200	-	-	-	1,800
TOTAL	3,331,696	1,486,503	34,156	5,135	3,740	4,861,230
INCREASE (DECREASE)	2,099,743	(1,505,257)	(34,642)	(5,135)	(3,740)	550,969
DEDUCT						
PRIOR ACCRUED INTEREST	6,722	-	-	-	-	6,722
CURRENT NONADMITTED ASSETS	234,912	-	-	-	-	234,912
TOTAL	241,634	-	-	-	-	241,634
ADD						
CURRENT ACCRUED INTEREST	8,748	-	-	-	-	8,748
PRIOR NONADMITTED ASSETS	249,936	-	-	-	-	249,936
CHANGE IN PENSION OBLIGATION	175,827	-	-	-	-	175,827
TOTAL	434,511	-	-	-	-	434,511
EQUITY IN ASSETS OF ASSOCIATION	2,292,620	(1,505,257)	(34,642)	(5,135)	(3,740)	743,846
CURRENT RESERVES						
UNEARNED PREMIUMS	10,749,487	-	-	-	-	10,749,487
UNPAID LOSSES	5,008,777	1,978,509	94,531	133,700	25,029	7,240,546
UNPAID LOSS EXPENSES	434,423	250,677	11,977	16,940	3,171	717,188
UNPAID ASSOCIATION EXPENSES	293,448	-	-	-	-	293,448
UNPAID TAXES & FEES	61,135	-	-	-	-	61,135
TOTAL	16,547,270	2,229,186	106,508	150,640	28,200	19,061,803
PRIOR RESERVES						
UNEARNED PREMIUMS	10,049,767	557,124	-	-	-	10,606,891
UNPAID LOSSES	3,022,801	2,954,984	138,046	90,527	27,655	6,234,013
UNPAID LOSSES 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	13,625,690	3,803,472	153,404	100,598	30,731	17,713,895
NET CHANGE IN EQUITY	(\$628,961)	\$69,030	\$12,254	(\$55,177)	(\$1,209)	(\$604,063)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED DECEMBER 31, 2003

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
INCOME RECEIVED						
PREMIUMS WRITTEN	\$21,279,081	(\$126,561)	(\$5,043)	\$88	-	\$21,147,565
INVESTMENT INCOME RECEIVED	125,505	-	-	-	-	125,505
TOTAL	21,404,586	(126,561)	(5,043)	88	-	21,273,070
EXPENSES PAID						
LOSSES PAID	2,288,763	9,459,630	562,161	63,834	(103,606)	12,270,783
ALLOCATED LOSS EXPENSE	256,946	686,153	93,008	10,646	28,658	1,075,411
UNALLOCATED LOSS EXPENSE	106,955	364,833	21,622	2,190	(212)	495,387
INSPECTION AND RATING ISO	29,984	-	-	-	-	29,984
SURVEYS & UNDERWRITING RPTS	336,129	-	-	-	-	336,129
COMMISSIONS	1,902,724	(11,370)	(447)	-	-	1,890,907
BOARDS & BUREAUS	15,263	-	-	-	-	15,263
ASSOCIATION EXPENSES	3,964,539	-	-	-	-	3,964,539
TAXES & FEES	54,406	28,378	-	-	-	82,784
TOTAL	8,955,707	10,527,624	676,344	76,670	(75,160)	20,161,186
INCREASE (DECREASE)	12,448,879	(10,654,185)	(681,387)	(76,582)	75,160	1,111,884
DEDUCT						
PRIOR ACCRUED INTEREST	-	17,084	-	-	-	17,084
CURRENT NONADMITTED ASSETS	234,912	-	-	-	-	234,912
TOTAL	234,912	17,084	-	-	-	251,996
ADD						
CURRENT ACCRUED INTEREST	8,748	-	-	-	-	8,748
PRIOR NONADMITTED ASSETS	-	282,394	-	-	-	282,394
CHANGE IN PENSION OBLIGATION	175,827	-	-	-	-	175,827
TOTAL	184,575	282,394	-	-	-	466,969
EQUITY IN ASSETS OF ASSOCIATION	12,398,542	(10,388,875)	(681,387)	(76,582)	75,160	1,326,857
CURRENT RESERVES						
UNEARNED PREMIUMS	10,749,487	-	-	-	-	10,749,487
UNPAID LOSSES	5,008,777	1,978,509	94,531	133,700	25,029	7,240,546
UNPAID LOSS EXPENSES	434,423	250,677	11,977	16,940	3,171	717,188
UNPAID ASSOCIATION EXPENSES	293,448	-	-	-	-	293,448
UNPAID TAXES & FEES	61,135	-	-	-	-	61,135
TOTAL	16,547,270	2,229,186	106,508	150,640	28,200	19,061,803
PRIOR RESERVES						
UNEARNED PREMIUMS	-	8,897,126	-	-	-	8,897,126
UNPAID LOSSES	-	4,404,123	932,658	172,030	78,667	5,587,479
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	-	14,047,122	1,036,370	191,160	87,414	15,362,066
NET CHANGE IN EQUITY	(\$4,148,729)	\$1,429,061	\$248,475	(\$36,062)	\$134,373	(\$2,372,880)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDED DECEMBER 31, 2003

	12-31-03 QUARTER-TO-DATE	
Premiums Written	\$5,385,452	
Current Unearned Reserve	10,749,487	
Prior Unearned Reserve	10,606,891	
Change in Unearned Premium Reserve	(142,596)	
Net Premium Earned		\$5,242,856
Losses Paid	2,836,313	
Less Salvage & Subrogation	2,047	
Net Losses Paid	2,834,266	
Current Loss Reserve	7,240,546	
Prior Loss Reserve	6,234,014	
Change in Loss Reserve	1,006,532	
Net Losses Incurred		3,840,798
Allocated Loss Exp. Paid	273,781	
Unallocated Loss Exp. Paid	143,141	
Total Loss Exp. Paid	416,922	
Current Loss Exp. Reserve	717,188	
Prior Loss Exp. Reserve	524,724	
Change in Loss Exp. Reserve	192,464	
Net Loss Exp. Incurred		609,386
Total Loss & Loss Exp. Incurred		4,450,184
Taxes & Fees Paid	1,800	
Current Reserve	61,135	
Prior Reserve	42,828	
Change in Reserve for Taxes & Fees	18,307	
Net Taxes & Fees Incurred		20,107
Commissions Expense		469,654
Inspections Paid	104,893	
Other Operating Exp. Paid	1,033,695	
Total Underwriting Exp. Paid	1,138,588	
Current Reserve	293,448	
Prior Reserve	305,438	
Reserve	(11,990)	
Other Underwriting Exp. Incurred		1,126,598
Incurred		1,616,359
Incurred		\$6,066,543
Underwriting Gain (Loss)		(823,687)
Net Investment Income Received	26,746	
Current Accrued Interest	8,748	
Prior Accrued Interest	6,722	
Change in Accrued Interest	2,026	
Net Investment Income Earned		28,772
Net Gain (Loss)		(\$794,915)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDED DECEMBER 31, 2003

	12-31-03 YEAR-TO-DATE	
Premiums Written	\$21,147,565	
Current Unearned Reserve	10,749,487	
Prior Unearned Reserve	8,897,126	
Change in Unearned Premium Reserve	<u>(1,852,361)</u>	
Net Premium Earned		\$19,295,204
Losses Paid	12,399,199	
Less Salvage & Subrogation	<u>128,418</u>	
Net Losses Paid	12,270,781	
Current Loss Reserve	7,240,546	
Prior Loss Reserve	<u>5,587,477</u>	
Change in Loss Reserve	<u>1,653,069</u>	
Net Losses Incurred		13,923,850
Allocated Loss Exp. Paid	1,075,411	
Unallocated Loss Exp. Paid	<u>495,387</u>	
Total Loss Exp. Paid	1,570,798	
Current Loss Exp. Reserve	717,188	
Prior Loss Exp. Reserve	<u>474,837</u>	
Change in Loss Exp. Reserve	<u>242,351</u>	
Net Loss Exp. Incurred		1,813,149
Total Loss & Loss Exp. Incurred		\$15,736,999
Taxes & Fees Paid	82,784	
Current Reserve	61,135	
Prior Reserve	<u>46,320</u>	
Change in Reserve for Taxes	<u>14,815</u>	
Net Taxes Incurred		97,599
Commissions Expense		1,890,907
Inspections Paid	381,375	
Other Operating Exp. Paid	<u>3,964,539</u>	
Total Underwriting Exp. Paid	4,345,914	
Current Reserve	293,448	
Prior Reserve	<u>356,304</u>	
Reserve	<u>(62,856)</u>	
Other Underwriting Exp. Incurred		4,283,058
Incurred		6,271,564
Incurred		\$22,008,563
Underwriting Gain (Loss)		(2,713,359)
Net Investment Income Received	125,505	
Current Accrued Interest	8,748	
Prior Accrued Interest	<u>17,084</u>	
Change in Accrued Interest	<u>(8,336)</u>	
Net Investment Income Earned		117,169
Net Gain (Loss)		(\$2,596,190)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDED DECEMBER 31, 2003

***SEE NOTE BELOW**

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$4,113,704	(\$14,493)	(\$357)	-	-	\$4,098,854
ALLIED	1,274,894	(4,109)	(129)	-	-	1,270,656
CRIME	16,094	(152)	-	-	-	15,942
TOTAL	5,404,692	(18,754)	(486)	-	-	5,385,452
CURRENT UNEARNED PREMIUM RESERVE @ 12-31-03						
FIRE	8,106,000	-	-	-	-	8,106,000
ALLIED	2,607,627	-	-	-	-	2,607,627
CRIME	35,860	-	-	-	-	35,860
TOTAL	10,749,487	-	-	-	-	10,749,487
PRIOR 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
EARNED PREMIUM						
FIRE	3,531,060	400,049	(357)	-	-	3,930,752
ALLIED	1,157,208	136,524	(129)	-	-	1,293,603
CRIME	16,704	1,797	-	-	-	18,501
TOTAL	\$4,704,972	\$538,370	(\$486)	-	-	\$5,242,856

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

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS YTD PERIOD ENDED DECEMBER 31, 2003

*SEE NOTE BELOW

	POLICY YEAR 2003	POLICY YEAR 2002	POLICY YEAR 2001	POLICY YEAR 2000	POLICY YEAR 1999 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$16,003,666	(\$95,467)	(\$3,452)	\$98	-	\$15,904,845
ALLIED	5,201,534	(30,185)	(1,591)	(10)	-	5,169,748
CRIME	73,881	(909)	-	-	-	72,972
TOTAL	21,279,081	(126,561)	(5,043)	88	-	21,147,565
CURRENT UNEARNED PREMIUM RESERVE @ 12-31-03						
FIRE	8,106,000	-	-	-	-	8,106,000
ALLIED	2,607,627	-	-	-	-	2,607,627
CRIME	35,860	-	-	-	-	35,860
TOTAL	10,749,487	-	-	-	-	10,749,487
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	7,897,666	6,398,713	(3,452)	98	-	14,293,025
ALLIED	2,593,907	2,331,957	(1,591)	(10)	-	4,924,263
CRIME	38,021	39,895	-	-	-	77,916
TOTAL	\$10,529,594	\$8,770,565	(\$5,043)	\$88	-	\$19,295,204

*Note: The Terrorism Risk Insurance Act of 2002 requires residual market insurance entities that share profits and losses with private sector insurers, to report its share of direct earned premium and losses for commercial property insurance coverage to each private sector insurance participant. In July 2003, the Treasury broadened the definition of "commercial risk" to include 1-4 family tenant-occupied dwellings. The schedule shown below summarizes both commercial and 1-4 family-tenant occupied dwelling direct earned premium for the last four quarters:

	<u>Commercial</u>	<u>1-4 Family Tenant- Occupied</u>	<u>Total Commercial Earned Premium</u>
1Q03	\$478,783	\$1,343,200	\$1,821,983
2Q03	487,924	1,418,672	1,906,596
3Q03	509,815	1,518,349	2,028,164
4Q03	508,338	1,585,267	2,093,605
Total	\$1,984,860	\$5,865,488	\$7,850,348

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 DECEMBER 31, 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	\$1,057,666	\$1,125,656	\$8,219	\$3,500	(\$150)	\$2,194,891
ALLIED	427,179	196,899	12,844	-	(48)	636,875
CRIME	2,500	-	-	-	-	2,500
TOTAL	<u>1,487,345</u>	<u>1,322,555</u>	<u>21,063</u>	<u>3,500</u>	<u>(198)</u>	<u>2,834,266</u>
CURRENT LOSS RESERVE (12-31-03)						
FIRE	3,855,159	1,825,587	86,017	133,700	25,029	5,925,492
ALLIED	1,125,651	152,922	8,514	-	-	1,287,087
CRIME	27,967	-	-	-	-	27,967
TOTAL	<u>5,008,777</u>	<u>1,978,509</u>	<u>94,531</u>	<u>133,700</u>	<u>25,029</u>	<u>7,240,546</u>
PRIOR LOSS RESERVES (9-30-03)						
FIRE	2,512,534	2,672,513	101,025	90,525	27,649	5,404,247
ALLIED	505,970	281,231	37,021	2	6	824,230
CRIME	4,297	1,240	-	-	-	5,537
TOTAL	<u>3,022,801</u>	<u>2,954,984</u>	<u>138,046</u>	<u>90,527</u>	<u>27,655</u>	<u>6,234,014</u>
INCURRED LOSSES						
FIRE	2,400,291	278,729	(6,789)	46,675	(2,770)	2,716,136
ALLIED	1,046,860	68,591	(15,663)	(2)	(54)	1,099,732
CRIME	26,170	(1,240)	-	-	-	24,930
TOTAL	<u>\$3,473,321</u>	<u>\$346,080</u>	<u>(\$22,452)</u>	<u>\$46,673</u>	<u>(\$2,824)</u>	<u>\$3,840,798</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED DECEMBER 31, 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	\$1,680,161	\$8,645,367	\$484,021	\$55,524	(\$98,111)	\$10,766,962
ALLIED	606,102	805,873	78,140	8,310	(5,495)	1,492,929
CRIME	2,500	8,390	-	-	-	10,890
TOTAL	<u>2,288,763</u>	<u>9,459,630</u>	<u>562,161</u>	<u>63,834</u>	<u>(103,606)</u>	<u>12,270,781</u>
CURRENT LOSS RESERVE (12-31-03)						
FIRE	3,855,159	1,825,587	86,017	133,700	25,029	5,925,492
ALLIED	1,125,651	152,922	8,514	-	-	1,287,087
CRIME	27,967	-	-	-	-	27,967
TOTAL	<u>5,008,777</u>	<u>1,978,509</u>	<u>94,531</u>	<u>133,700</u>	<u>25,029</u>	<u>7,240,546</u>
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	<u>-</u>	<u>4,404,123</u>	<u>932,658</u>	<u>172,030</u>	<u>78,667</u>	<u>5,587,477</u>
INCURRED LOSSES						
FIRE	5,535,320	6,658,208	(226,346)	16,212	(149,417)	11,833,977
ALLIED	1,731,753	376,222	(49,620)	9,292	(7,828)	2,059,819
CRIME	30,467	(413)	-	-	-	30,054
TOTAL	<u>\$7,297,540</u>	<u>\$7,034,017</u>	<u>(\$275,966)</u>	<u>\$25,504</u>	<u>(\$157,245)</u>	<u>\$13,923,850</u>
RESERVES)						
	POLICY YEAR 2003	POLICY YEAR 2002	TOTAL I.B.N.R.			
FIRE	\$1,188,489	-	\$1,188,489			
ALLIED	386,066	-	386,066			
CRIME	5,467	-	5,467			
TOTAL	<u>\$1,580,022</u>	<u>-</u>	<u>\$1,580,022</u>			

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDED DECEMBER 31, 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	\$113,776	\$106,514	\$7,126	\$1,635	\$3,938	\$232,989
ALLIED	119,819	58,021	5,967	-	-	183,807
CRIME	126	-	-	-	-	126
TOTAL	233,721	164,535	13,093	1,635	3,938	416,922
CURRENT LOSS EXPENSE RESERVE @ 12-31-03						
FIRE	337,867	231,302	10,898	16,940	3,171	600,178
ALLIED	93,705	19,375	1,079	-	-	114,159
CRIME	2,851	-	-	-	-	2,851
TOTAL	434,423	250,677	11,977	16,940	3,171	717,188
PRIOR 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
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	270,509	68,117	6,785	8,504	4,033	357,949
ALLIED	189,802	55,731	2,927	-	-	248,460
CRIME	2,977	-	-	-	-	2,977
TOTAL	\$463,288	\$123,848	\$9,712	\$8,504	\$4,033	\$609,386

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDED DECEMBER 31, 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	\$178,986	\$732,367	\$74,510	\$8,251	\$26,236	\$1,020,350
ALLIED	184,789	316,767	40,120	4,585	2,210	548,471
CRIME	126	1,851	-	-	-	1,977
TOTAL	363,901	1,050,985	114,630	12,836	28,446	1,570,798
CURRENT LOSS EXPENSE RESERVE @ 12-31-03						
FIRE	337,867	231,302	10,898	16,940	3,171	600,178
ALLIED	93,705	19,375	1,079	-	-	114,159
CRIME	2,851	-	-	-	-	2,851
TOTAL	434,423	250,677	11,977	16,940	3,171	717,188
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	516,853	646,206	(3,149)	5,952	20,919	1,186,780
ALLIED	278,494	310,635	26,045	4,694	1,950	621,819
CRIME	2,977	1,573	-	-	-	4,550
TOTAL	\$798,324	\$958,414	\$22,894	\$10,646	\$22,869	\$1,813,149