

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT SEPTEMBER 30, 2006

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>				
CASH & SHORT-TERM INVESTMENTS	\$18,806,766	-	-	\$18,806,766
ACCRUED INTEREST	-	188,673	-	188,673
FURNITURE & EQUIPMENT	79,803	-	79,803	-
EDP - EQUIPMENT & SOFTWARE	915,029	-	880,458	34,571
LEASEHOLD IMPROVEMENTS	29,453	-	29,453	-
ACCOUNTS RECEIVABLE	88,746	-	-	88,746
SUNDRY RECEIVABLE	42	-	-	42
TOTAL ASSETS	\$19,919,839	\$188,673	\$989,714	\$19,118,798
 <u>LIABILITIES</u>				
POST RETIREMENT BENEFITS (other than pensions)			1,914,567	
DEFINED BENEFIT PENSION PLAN			592,825	
AMOUNTS HELD FOR OTHERS			348,305	
ADVANCE PREMIUMS			428,687	
RETURN PREMIUMS			578,101	
OTHER PAYABLES			150,384	
CLAIM CHECKS PAYABLE			16,201	
TOTAL LIABILITIES				4,029,070
 <u>RESERVES</u>				
UNEARNED PREMIUMS			11,141,997	
LOSS - CASE BASIS			3,616,145	
LOSS - I.B.N.R			1,217,685	
LOSS EXPENSE- ALLOCATED			427,051	
LOSS EXPENSE- UNALLOCATED			138,112	
ASSOCIATION EXPENSES			320,857	
TAXES & FEES			35,214	
TOTAL RESERVES				16,897,061
TOTAL LIABILITIES & RESERVES				20,926,131
 <u>EQUITY ACCOUNT</u>				
NET EQUITY AT SEPTEMBER 30, 2006				(1,807,333)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$19,118,798

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT SEPTEMBER 30, 2006

	QUARTER-TO-DATE	YEAR-TO-DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$5,522,479	\$16,923,393
<u>DEDUCTIONS</u>		
LOSSES INCURRED	2,454,109	8,635,473
LOSS EXPENSES INCURRED	301,272	999,650
COMMISSIONS INCURRED	463,784	1,430,635
OTHER UNDERWRITING EXPENSES	1,172,526	3,486,854
TAXES & FEES INCURRED	19,237	60,191
TOTAL DEDUCTIONS	4,410,928	14,612,803
UNDERWRITING GAIN	1,111,551	2,310,590
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	262,061	703,021
NET GAIN	1,373,612	3,013,611
<u>EQUITY ACCOUNT</u>		
NET EQUITY - PRIOR	(3,210,368)	(4,607,429)
NET GAIN FOR PERIOD	1,373,612	3,013,611
CHANGE IN NONADMITTED ASSETS	29,423	(213,515)
CHANGE IN EQUITY	1,403,035	2,800,096
NET EQUITY AT SEPTEMBER 30, 2006	(\$1,807,333)	(\$1,807,333)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$5,663,833	(\$56,748)	-	-	-	\$5,607,085
INVESTMENT INCOME RECEIVED	242,969	-	-	-	-	242,969
TOTAL	<u>5,906,802</u>	<u>(56,748)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,850,054</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	940,974	1,706,860	2,313	-	(3,745)	2,646,402
ALLOCATED LOSS EXPENSE	76,204	125,929	8,512	2,070	685	213,400
UNALLOCATED LOSS EXPENSE	47,587	86,319	220	-	-	134,126
INSPECTION AND RATING ISO	8,926	-	-	-	-	8,926
SURVEYS & UNDERWRITING RPTS	45,429	-	-	-	-	45,429
BOARDS & BUREAUS	3,300	-	-	-	-	3,300
COMMISSIONS	469,041	(5,257)	-	-	-	463,784
ASSOCIATION EXPENSES	1,104,426	-	-	-	-	1,104,426
TAXES & FEES	-	-	-	-	-	-
TOTAL	<u>2,695,887</u>	<u>1,913,851</u>	<u>11,045</u>	<u>2,070</u>	<u>(3,060)</u>	<u>4,619,793</u>
INCREASE (DECREASE)	<u>3,210,915</u>	<u>(1,970,599)</u>	<u>(11,045)</u>	<u>(2,070)</u>	<u>3,060</u>	<u>1,230,261</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	169,581	-	-	-	-	169,581
CURRENT NONADMITTED ASSETS	989,714	-	-	-	-	989,714
TOTAL	<u>1,159,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,159,295</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	188,673	-	-	-	-	188,673
PRIOR NONADMITTED ASSETS	1,019,137	-	-	-	-	1,019,137
TOTAL	<u>1,207,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,207,810</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>3,259,430</u>	<u>(1,970,599)</u>	<u>(11,045)</u>	<u>(2,070)</u>	<u>3,060</u>	<u>1,278,776</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	10,475,787	666,210	-	-	-	11,141,997
UNPAID LOSSES	2,401,770	2,292,205	81,352	50,744	7,759	4,833,830
UNPAID LOSS EXPENSES	243,142	251,046	44,501	23,526	2,948	565,163
UNPAID ASSOCIATION EXPENSES	320,857	-	-	-	-	320,857
UNPAID TAXES & FEES	35,214	-	-	-	-	35,214
TOTAL	<u>13,476,770</u>	<u>3,209,461</u>	<u>125,853</u>	<u>74,270</u>	<u>10,707</u>	<u>16,897,061</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	8,236,706	2,820,685	-	-	-	11,057,391
UNPAID LOSSES	1,513,740	3,201,048	217,837	85,739	7,759	5,026,123
UNPAID LOSSES EXPENSES	150,717	353,668	67,471	35,616	3,945	611,417
UNPAID ASSOCIATION EXPENSES	310,412	-	-	-	-	310,412
UNPAID TAXES & FEES	15,977	-	-	-	-	15,977
TOTAL	<u>10,227,552</u>	<u>6,375,401</u>	<u>285,308</u>	<u>121,355</u>	<u>11,704</u>	<u>17,021,320</u>
NET CHANGE IN EQUITY	<u>\$10,212</u>	<u>\$1,195,341</u>	<u>\$148,410</u>	<u>\$45,015</u>	<u>\$4,057</u>	<u>\$1,403,035</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$16,633,496	(\$97,850)	(\$8,799)	(\$453)	-	\$16,526,394
INVESTMENT INCOME RECEIVED	628,365	-	-	-	-	628,365
TOTAL	<u>17,261,861</u>	<u>(97,850)</u>	<u>(8,799)</u>	<u>(453)</u>	-	<u>17,154,759</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	1,100,422	6,903,586	1,017,810	28,600	69,270	9,119,688
ALLOCATED LOSS EXPENSE	98,421	496,831	66,303	7,933	12,271	681,759
UNALLOCATED LOSS EXPENSE	51,259	287,838	52,894	2,993	7,860	402,844
INSPECTION AND RATING ISO	33,773	-	-	-	-	33,773
SURVEYS & UNDERWRITING RPTS	159,882	-	-	-	-	159,882
BOARDS & BUREAUS	9,900	-	-	-	-	9,900
COMMISSIONS	1,437,651	(6,132)	(838)	(46)	-	1,430,635
ASSOCIATION EXPENSES	3,209,392	-	-	-	-	3,209,392
TAXES & FEES	72,174	9,584	-	-	-	81,758
TOTAL	<u>6,172,874</u>	<u>7,691,707</u>	<u>1,136,169</u>	<u>39,480</u>	<u>89,401</u>	<u>15,129,631</u>
INCREASE (DECREASE)	<u>11,088,987</u>	<u>(7,789,557)</u>	<u>(1,144,968)</u>	<u>(39,933)</u>	<u>(89,401)</u>	<u>2,025,128</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	-	114,017	-	-	-	114,017
CURRENT NONADMITTED ASSETS	989,714	-	-	-	-	989,714
TOTAL	<u>989,714</u>	<u>114,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,103,731</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	188,673	-	-	-	-	188,673
PRIOR NONADMITTED ASSETS	-	776,199	-	-	-	776,199
TOTAL	<u>188,673</u>	<u>776,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>964,872</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>10,287,946</u>	<u>(7,127,375)</u>	<u>(1,144,968)</u>	<u>(39,933)</u>	<u>(89,401)</u>	<u>1,886,269</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	10,475,787	666,210	-	-	-	11,141,997
UNPAID LOSSES	2,401,770	2,292,205	81,352	50,744	7,759	4,833,830
UNPAID LOSS EXPENSES	243,142	251,046	44,501	23,526	2,948	565,163
UNPAID ASSOCIATION EXPENSES	320,857	-	-	-	-	320,857
UNPAID TAXES & FEES	35,214	-	-	-	-	35,214
TOTAL	<u>13,476,770</u>	<u>3,209,461</u>	<u>125,853</u>	<u>74,270</u>	<u>10,707</u>	<u>16,897,061</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	-	11,538,996	-	-	-	11,538,996
UNPAID LOSSES	-	3,726,860	1,281,665	132,835	176,685	5,318,045
UNPAID LOSSES EXPENSES	-	401,092	181,934	42,780	24,310	650,116
UNPAID ASSOCIATION EXPENSES	-	246,950	-	-	-	246,950
UNPAID TAXES & FEES	-	56,781	-	-	-	56,781
TOTAL	<u>-</u>	<u>15,970,679</u>	<u>1,463,599</u>	<u>175,615</u>	<u>200,995</u>	<u>17,810,888</u>
NET CHANGE IN EQUITY	<u>(\$3,188,824)</u>	<u>\$5,633,843</u>	<u>\$192,778</u>	<u>\$61,412</u>	<u>\$100,887</u>	<u>\$2,800,096</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING SEPTEMBER 30, 2006

	9-30-06 QUARTER-TO-DATE	
Premiums Written	\$5,607,085	
Current Unearned Reserve	11,141,997	
Prior Unearned Reserve	11,057,391	
Change in Unearned Premium Reserve	(84,606)	
Net Premium Earned		\$5,522,479
Losses Paid	2,652,180	
Less Salvage & Subrogation	5,778	
Net Losses Paid	2,646,402	
Current Loss Reserve	4,833,830	
Prior Loss Reserve	5,026,123	
Change in Loss Reserve	(192,293)	
Net Losses Incurred		2,454,109
Allocated Loss Exp. Paid	213,400	
Unallocated Loss Exp. Paid	134,126	
Total Loss Exp. Paid	347,526	
Current Loss Exp. Reserve	565,163	
Prior Loss Exp. Reserve	611,417	
Change in Loss Exp. Reserve	(46,254)	
Net Loss Exp. Incurred		301,272
Total Loss & Loss Exp. Incurred		\$2,755,381
Taxes & Fees Paid	-	
Current Reserve	35,214	
Prior Reserve	15,977	
Change in Reserve for Taxes & Fees	19,237	
Net Taxes & Fees Incurred		19,237
Commissions Expense Paid	463,784	
Board Bureaus & Inspections Paid	57,655	
Other Operating Exp. Paid	1,104,426	
Total Underwriting Exp. Paid	1,625,865	
Current Reserve	320,857	
Prior Reserve	310,412	
Change in Other Underwriting Exp. Reserve	10,445	
Other Underwriting Exp. Incurred		1,636,310
Total Other Underwriting Exp. Incurred		1,655,547
Total Loss & Underwriting Exp. Incurred		\$4,410,928
Underwriting Gain		\$1,111,551
Net Investment Income Received		242,969
Current Accrued Interest	188,673	
Prior Accrued Interest	169,581	
Change in Accrued Interest	19,092	
Net Investment Income Earned		262,061
Net Gain		\$1,373,612

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING SEPTEMBER 30, 2006

	9-30-06 YEAR-TO-DATE	
Premiums Written	\$16,526,394	
Current Unearned Reserve	11,141,997	
Prior Unearned Reserve	11,538,996	
Change in Unearned Premium Reserve	396,999	
Net Premium Earned		\$16,923,393
Losses Paid	9,251,188	
Less Salvage & Subrogation	131,500	
Net Losses Paid	9,119,688	
Current Loss Reserve	4,833,830	
Prior Loss Reserve	5,318,045	
Change in Loss Reserve	(484,215)	
Net Losses Incurred		8,635,473
Allocated Loss Exp. Paid	681,759	
Unallocated Loss Exp. Paid	402,844	
Total Loss Exp. Paid	1,084,603	
Current Loss Exp. Reserve	565,163	
Prior Loss Exp. Reserve	650,116	
Change in Loss Exp. Reserve	(84,953)	
Net Loss Exp. Incurred		999,650
Total Loss & Loss Exp. Incurred		\$9,635,123
Taxes & Fees Paid	81,758	
Current Reserve	35,214	
Prior Reserve	56,781	
Change in Reserve for Taxes & Fees	(21,567)	
Net Taxes & Fees Incurred		60,191
Commissions Expense Paid	1,430,635	
Board Bureaus & Inspections Paid	203,555	
Other Operating Exp. Paid	3,209,392	
Total Underwriting Exp. Paid	4,843,582	
Current Reserve	320,857	
Prior Reserve	246,950	
Change in Other Underwriting Exp. Reserve	73,907	
Other Underwriting Exp. Incurred		4,917,489
Total Other Underwriting Exp. Incurred		4,977,680
Total Loss & Underwriting Exp. Incurred		\$14,612,803
Underwriting Gain		\$2,310,590
Net Investment Income Received	628,365	
Current Accrued Interest	188,673	
Prior Accrued Interest	114,017	
Change in Accrued Interest	74,656	
Net Investment Income Earned		703,021
Net Gain		\$3,013,611

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING SEPTEMBER 30, 2006

*SEE NOTE BELOW	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$4,365,445	(\$43,740)	-	-	-	\$4,321,705
ALLIED	1,286,521	(12,934)	-	-	-	1,273,587
CRIME	11,867	(74)	-	-	-	11,793
TOTAL	5,663,833	(56,748)	-	-	-	5,607,085
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-06						
FIRE	8,140,659	520,418	-	-	-	8,661,077
ALLIED	2,313,411	144,532	-	-	-	2,457,943
CRIME	21,717	1,260	-	-	-	22,977
TOTAL	10,475,787	666,210	-	-	-	11,141,997
PRIOR UNEARNED PREMIUM RESERVE @ 6-30-06						
FIRE	6,436,187	2,201,253	-	-	-	8,637,440
ALLIED	1,783,361	613,462	-	-	-	2,396,823
CRIME	17,158	5,970	-	-	-	23,128
TOTAL	8,236,706	2,820,685	-	-	-	11,057,391
EARNED PREMIUM						
FIRE	2,660,973	1,637,095	-	-	-	4,298,068
ALLIED	756,471	455,996	-	-	-	1,212,467
CRIME	7,308	4,636	-	-	-	11,944
TOTAL	\$3,424,752	\$2,097,727	-	-	-	\$5,522,479

*Note: The Terrorism Risk Insurance Act of 2002 requires insurers to report direct earned premium for commercial business written. This amount is shown on page 8.

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS YTD PERIOD ENDING SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
*SEE NOTE BELOW						
WRITTEN PREMIUMS						
FIRE	\$12,943,306	(\$85,823)	(\$6,670)	(\$366)	-	\$12,850,447
ALLIED	3,655,549	(11,721)	(2,129)	(87)	-	3,641,612
CRIME	34,641	(306)	-	-	-	34,335
TOTAL	16,633,496	(97,850)	(8,799)	(453)	-	16,526,394
CURRENT UNEARNED PREMIUM RESERVE @ 9-30-06						
FIRE	8,140,659	520,418	-	-	-	8,661,077
ALLIED	2,313,411	144,532	-	-	-	2,457,943
CRIME	21,717	1,260	-	-	-	22,977
TOTAL	10,475,787	666,210	-	-	-	11,141,997
PRIOR UNEARNED PREMIUM RESERVE @ 12-31-05						
FIRE	-	9,003,139	-	-	-	9,003,139
ALLIED	-	2,510,163	-	-	-	2,510,163
CRIME	-	25,694	-	-	-	25,694
TOTAL	-	11,538,996	-	-	-	11,538,996
EARNED PREMIUM						
FIRE	4,802,647	8,396,898	(6,670)	(366)	-	13,192,509
ALLIED	1,342,138	2,353,910	(2,129)	(87)	-	3,693,832
CRIME	12,924	24,128	-	-	-	37,052
TOTAL	\$6,157,709	\$10,774,936	(\$8,799)	(\$453)	-	\$16,923,393

*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 seven quarters:

	<u>Commercial</u>	<u>1-4 Family Tenant- Occupied</u>	<u>Total TRIA</u>		<u>Commercial</u>	<u>1-4 Family Tenant- Occupied</u>	<u>Total TRIA</u>
1Q05	471,393	1,887,597	2,358,990	1Q06	440,212	1,708,249	2,148,461
2Q05	466,321	1,888,109	2,354,430	2Q06	517,214	1,790,008	2,307,222
3Q05	462,884	1,926,953	2,389,837	3Q06	498,272	1,859,865	2,358,137
4Q05	458,201	1,752,828	2,211,029				

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, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage & Subrogation Received						
FIRE	\$792,562	\$1,628,372	(\$975)	-	(\$3,745)	\$2,416,214
ALLIED	148,412	77,688	3,288	-	-	229,388
CRIME	-	800	-	-	-	800
TOTAL	940,974	1,706,860	2,313	-	(3,745)	2,646,402
CURRENT CASE BASIS RESERVES (9-30-06)						
FIRE	1,420,072	1,763,088	21,485	40,000	-	3,244,645
ALLIED	148,241	217,159	-	-	3,300	368,700
CRIME	-	2,800	-	-	-	2,800
TOTAL	1,568,313	1,983,047	21,485	40,000	3,300	3,616,145
CURRENT I.B.N.R. RESERVES (9-30-06)						
FIRE	754,677	274,866	59,867	10,744	-	1,100,154
ALLIED	78,780	33,855	-	-	4,459	117,094
CRIME	-	437	-	-	-	437
TOTAL	833,457	309,158	59,867	10,744	4,459	1,217,685
PRIOR LOSS RESERVES (6-30-06)						
(Including I.B.N.R. Reserves)						
FIRE	1,366,615	3,052,847	197,074	85,739	-	4,702,275
ALLIED	147,125	145,201	20,763	-	7,759	320,848
CRIME	-	3,000	-	-	-	3,000
TOTAL	1,513,740	3,201,048	217,837	85,739	7,759	5,026,123
INCURRED LOSSES						
FIRE	1,600,696	613,479	(116,697)	(34,995)	(3,745)	2,058,738
ALLIED	228,308	183,501	(17,475)	-	-	394,334
CRIME	-	1,037	-	-	-	1,037
TOTAL	\$1,829,004	\$798,017	(\$134,172)	(\$34,995)	(\$3,745)	\$2,454,109

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage & Subrogation Received						
FIRE	\$915,372	\$6,303,436	\$959,213	\$13,618	\$68,270	\$8,259,909
ALLIED	185,050	594,892	58,597	14,982	1,000	854,521
CRIME	-	5,258	-	-	-	5,258
TOTAL	1,100,422	6,903,586	1,017,810	28,600	69,270	9,119,688
CURRENT CASE BASIS RESERVES (9-30-06)						
FIRE	1,420,072	1,763,088	21,485	40,000	-	3,244,645
ALLIED	148,241	217,159	-	-	3,300	368,700
CRIME	-	2,800	-	-	-	2,800
TOTAL	1,568,313	1,983,047	21,485	40,000	3,300	3,616,145
CURRENT I.B.N.R. RESERVES (9-30-06)						
FIRE	754,677	274,866	59,867	10,744	-	1,100,154
ALLIED	78,780	33,855	-	-	4,459	117,094
CRIME	-	437	-	-	-	437
TOTAL	833,457	309,158	59,867	10,744	4,459	1,217,685
PRIOR LOSS RESERVES (12-31-05)						
(Including I.B.N.R. Reserves)						
FIRE	-	3,321,077	1,177,545	82,071	174,353	4,755,046
ALLIED	-	405,783	104,120	50,764	2,332	562,999
CRIME	-	-	-	-	-	-
TOTAL	-	3,726,860	1,281,665	132,835	176,685	5,318,045
INCURRED LOSSES						
FIRE	3,090,121	5,020,313	(136,980)	(17,709)	(106,083)	7,849,662
ALLIED	412,071	440,123	(45,523)	(35,782)	6,427	777,316
CRIME	-	8,495	-	-	-	8,495
TOTAL	\$3,502,192	\$5,468,931	(\$182,503)	(\$53,491)	(\$99,656)	\$8,635,473

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
LOSS EXPENSES PAID						
(ALAE AND ULAE)						
FIRE	\$74,052	\$174,495	\$6,533	\$1,329	\$685	\$257,094
ALLIED	49,739	37,457	2,199	741	-	90,136
CRIME	-	296	-	-	-	296
TOTAL	123,791	212,248	8,732	2,070	685	347,526
CURRENT LOSS EXPENSE RESERVES						
9-30-06						
FIRE	220,159	223,200	44,501	23,526	-	511,386
ALLIED	22,983	27,492	-	-	2,948	53,423
CRIME	-	354	-	-	-	354
TOTAL	243,142	251,046	44,501	23,526	2,948	565,163
PRIOR LOSS EXPENSE RESERVES						
6-30-06						
FIRE	136,068	337,294	61,040	35,616	-	570,018
ALLIED	14,649	16,043	6,431	-	3,945	41,068
CRIME	-	331	-	-	-	331
TOTAL	150,717	353,668	67,471	35,616	3,945	611,417
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	158,143	60,401	(10,006)	(10,761)	685	198,462
ALLIED	58,073	48,906	(4,232)	741	(997)	102,491
CRIME	-	319	-	-	-	319
TOTAL	\$216,216	\$109,626	(\$14,238)	(\$10,020)	(\$312)	\$301,272

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING SEPTEMBER 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$86,080	\$578,897	\$100,318	\$4,868	\$19,253	\$789,416
ALLIED	63,600	203,984	18,879	6,058	878	293,399
CRIME	-	1,788	-	-	-	1,788
TOTAL	149,680	784,669	119,197	10,926	20,131	1,084,603
CURRENT LOSS EXPENSE RESERVES @ 9-30-06						
FIRE	220,159	223,200	44,501	23,526	-	511,386
ALLIED	22,983	27,492	-	-	2,948	53,423
CRIME	-	354	-	-	-	354
TOTAL	243,142	251,046	44,501	23,526	2,948	565,163
PRIOR LOSS EXPENSE RESERVES @ 12-31-05						
FIRE	-	357,421	167,154	26,431	23,999	575,005
ALLIED	-	43,671	14,780	16,349	311	75,111
CRIME	-	-	-	-	-	-
TOTAL	-	401,092	181,934	42,780	24,310	650,116
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	306,239	444,676	(22,335)	1,963	(4,746)	725,797
ALLIED	86,583	187,805	4,099	(10,291)	3,515	271,711
CRIME	-	2,142	-	-	-	2,142
TOTAL	\$392,822	\$634,623	(\$18,236)	(\$8,328)	(\$1,231)	\$999,650