

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## BALANCE SHEET AT DECEMBER 31, 2006

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b><u>ASSETS</u></b>				
CASH & SHORT-TERM INVESTMENTS	\$18,635,450	-	-	\$18,635,450
ACCRUED INTEREST	-	152,540	-	152,540
FURNITURE & EQUIPMENT	86,397	-	86,397	-
EDP - EQUIPMENT & SOFTWARE	871,563	-	834,143	37,420
LEASEHOLD IMPROVEMENTS	27,517	-	27,517	-
PREMIUMS RECEIVABLE	73,181	-	5,377	67,804
<b>TOTAL ASSETS</b>	<b>\$19,694,108</b>	<b>\$152,540</b>	<b>\$953,434</b>	<b>\$18,893,214</b>
<b><u>LIABILITIES</u></b>				
POST RETIREMENT BENEFITS (other than pensions)			1,944,756	
DEFINED BENEFIT PENSION PLAN			267,410	
AMOUNTS HELD FOR OTHERS			195,182	
ADVANCE PREMIUMS			274,268	
RETURN PREMIUMS			414,326	
OTHER PAYABLES			95,500	
CLAIM CHECKS PAYABLE			60,578	
<b>TOTAL LIABILITIES</b>			<b>3,252,020</b>	
<b><u>RESERVES</u></b>				
UNEARNED PREMIUMS			10,674,374	
LOSS - CASE BASIS			5,525,922	
LOSS - I.B.N.R			182,505	
LOSS EXPENSE- ALLOCATED			449,289	
LOSS EXPENSE- UNALLOCATED			135,789	
ASSOCIATION EXPENSES			200,542	
TAXES & FEES			53,963	
<b>TOTAL RESERVES</b>			<b>17,222,384</b>	
<b>TOTAL LIABILITIES &amp; RESERVES</b>			<b>20,474,404</b>	
<b><u>EQUITY ACCOUNT</u></b>				
NET EQUITY AT DECEMBER 31, 2006				<b>(1,581,190)</b>
<b>TOTAL LIABILITIES PLUS EQUITY ACCOUNT</b>				<b>\$18,893,214</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## INCOME STATEMENT DECEMBER 31, 2006

	QUARTER-TO-DATE	YEAR-TO-DATE
<b><u>UNDERWRITING INCOME</u></b>		
PREMIUMS EARNED	\$5,536,069	\$22,459,462
<b><u>DEDUCTIONS</u></b>		
LOSSES INCURRED	3,917,356	12,552,829
LOSS EXPENSES INCURRED	402,479	1,402,127
COMMISSIONS INCURRED	445,784	1,876,420
OTHER UNDERWRITING EXPENSES	1,156,978	4,643,835
TAXES & FEES INCURRED	16,874	77,065
TOTAL DEDUCTIONS	5,939,471	20,552,276
UNDERWRITING GAIN (LOSS)	(403,402)	1,907,186
<b><u>OTHER INCOME</u></b>		
NET INVESTMENT INCOME	271,449	974,472
NET GAIN (LOSS)	(131,953)	2,881,658
<b><u>EQUITY ACCOUNT</u></b>		
NET EQUITY - PRIOR	(1,807,333)	(4,607,429)
NET GAIN FOR PERIOD	(131,953)	2,881,658
CHANGE IN PENSION OBLIGATION	321,816	321,816
CHANGE IN NONADMITTED ASSETS	36,280	(177,235)
CHANGE IN EQUITY	226,143	3,026,239
NET EQUITY AT DECEMBER 31, 2006	(\$1,581,190)	(\$1,581,190)

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT QTD PERIOD ENDED DECEMBER 31, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b><u>INCOME RECEIVED</u></b>						
PREMIUMS WRITTEN	\$5,104,312	(\$35,866)	-	-	-	\$5,068,446
INVESTMENT INCOME RECEIVED	307,582	-	-	-	-	307,582
TOTAL	5,411,894	(35,866)	-	-	-	<b>5,376,028</b>
<b><u>EXPENSES PAID</u></b>						
LOSSES PAID	1,683,933	1,387,304	1,723	-	(30,201)	3,042,759
ALLOCATED LOSS EXPENSE	125,864	96,193	8,426	3,766	852	235,101
UNALLOCATED LOSS EXPENSE	80,491	66,778	146	-	48	147,463
INSPECTION AND RATING ISO	8,926	-	-	-	-	8,926
SURVEYS & UNDERWRITING RPTS	55,051	-	-	-	-	55,051
BOARDS & BUREAUS	3,300	-	-	-	-	3,300
COMMISSIONS	448,915	(3,131)	-	-	-	445,784
ASSOCIATION EXPENSES	1,210,016	-	-	-	-	1,210,016
TAXES & FEES	-	(1,875)	-	-	-	(1,875)
TOTAL	3,616,496	1,545,269	10,295	3,766	(29,301)	<b>5,146,525</b>
<b>INCREASE (DECREASE)</b>	<b>1,795,398</b>	<b>(1,581,135)</b>	<b>(10,295)</b>	<b>(3,766)</b>	<b>29,301</b>	<b>229,503</b>
<b><u>DEDUCT</u></b>						
PRIOR ACCRUED INTEREST	188,673	-	-	-	-	188,673
CURRENT NONADMITTED ASSETS	953,434	-	-	-	-	953,434
TOTAL	1,142,107	-	-	-	-	<b>1,142,107</b>
<b><u>ADD</u></b>						
CURRENT ACCRUED INTEREST	152,540	-	-	-	-	152,540
PRIOR NONADMITTED ASSETS	989,714	-	-	-	-	989,714
CHANGE IN PENSION OBLIGATION	321,816	-	-	-	-	321,816
TOTAL	1,464,070	-	-	-	-	<b>1,464,070</b>
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>2,117,361</b>	<b>(1,581,135)</b>	<b>(10,295)</b>	<b>(3,766)</b>	<b>29,301</b>	<b>551,466</b>
<b><u>CURRENT RESERVES</u></b>						
UNEARNED PREMIUMS	10,674,374	-	-	-	-	10,674,374
UNPAID LOSSES	4,172,808	1,349,356	110,893	72,070	3,300	5,708,427
UNPAID LOSS EXPENSES	367,013	162,375	31,530	22,292	1,868	585,078
UNPAID ASSOCIATION EXPENSES	200,542	-	-	-	-	200,542
UNPAID TAXES & FEES	53,963	-	-	-	-	53,963
TOTAL	15,468,700	1,511,731	142,423	94,362	5,168	<b>17,222,384</b>
<b><u>PRIOR RESERVES</u></b>						
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 LOSSES 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	13,476,770	3,209,461	125,853	74,270	10,707	<b>16,897,061</b>
<b>NET CHANGE IN EQUITY</b>	<b>\$125,431</b>	<b>\$116,595</b>	<b>(\$26,865)</b>	<b>(\$23,858)</b>	<b>\$34,840</b>	<b>\$226,143</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT YTD PERIOD ENDED DECEMBER 31, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b><u>INCOME RECEIVED</u></b>						
PREMIUMS WRITTEN	\$21,737,808	(\$133,716)	(\$8,799)	(\$453)	-	\$21,594,840
INVESTMENT INCOME RECEIVED	935,949	-	-	-	-	935,949
TOTAL	<u>22,673,757</u>	<u>(133,716)</u>	<u>(8,799)</u>	<u>(453)</u>	-	<u>22,530,789</u>
<b><u>EXPENSES PAID</u></b>						
LOSSES PAID	2,784,355	8,290,890	1,019,533	28,600	39,069	12,162,447
ALLOCATED LOSS EXPENSE	224,284	593,023	74,729	11,698	13,123	916,857
UNALLOCATED LOSS EXPENSE	131,750	354,617	53,040	2,993	7,908	550,308
INSPECTION AND RATING ISO	42,699	-	-	-	-	42,699
SURVEYS & UNDERWRITING RPTS	214,933	-	-	-	-	214,933
BOARDS & BUREAUS	13,200	-	-	-	-	13,200
COMMISSIONS	1,886,567	(9,263)	(838)	(46)	-	1,876,420
ASSOCIATION EXPENSES	4,419,411	-	-	-	-	4,419,411
TAXES & FEES	72,174	7,709	-	-	-	79,883
TOTAL	<u>9,789,373</u>	<u>9,236,976</u>	<u>1,146,464</u>	<u>43,245</u>	<u>60,100</u>	<u>20,276,158</u>
<b>INCREASE (DECREASE)</b>	<b><u>12,884,384</u></b>	<b><u>(9,370,692)</u></b>	<b><u>(1,155,263)</u></b>	<b><u>(43,698)</u></b>	<b><u>(60,100)</u></b>	<b><u>2,254,631</u></b>
<b><u>DEDUCT</u></b>						
PRIOR ACCRUED INTEREST	-	114,017	-	-	-	114,017
CURRENT NONADMITTED ASSETS	953,434	-	-	-	-	953,434
TOTAL	<u>953,434</u>	<u>114,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,067,451</u>
<b><u>ADD</u></b>						
CURRENT ACCRUED INTEREST	152,540	-	-	-	-	152,540
PRIOR NONADMITTED ASSETS	-	776,199	-	-	-	776,199
CHANGE IN PENSION OBLIGATION	321,816	-	-	-	-	321,816
TOTAL	<u>474,356</u>	<u>776,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,250,555</u>
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b><u>12,405,306</u></b>	<b><u>(8,708,510)</u></b>	<b><u>(1,155,263)</u></b>	<b><u>(43,698)</u></b>	<b><u>(60,100)</u></b>	<b><u>2,437,735</u></b>
<b><u>CURRENT RESERVES</u></b>						
UNEARNED PREMIUMS	10,674,374	-	-	-	-	10,674,374
UNPAID LOSSES	4,172,808	1,349,356	110,893	72,070	3,300	5,708,427
UNPAID LOSS EXPENSES	367,013	162,375	31,530	22,292	1,868	585,078
UNPAID ASSOCIATION EXPENSES	200,542	-	-	-	-	200,542
UNPAID TAXES & FEES	53,963	-	-	-	-	53,963
TOTAL	<u>15,468,700</u>	<u>1,511,731</u>	<u>142,423</u>	<u>94,362</u>	<u>5,168</u>	<u>17,222,384</u>
<b><u>PRIOR RESERVES</u></b>						
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>
<b>NET CHANGE IN EQUITY</b>	<b><u>(\$3,063,394)</u></b>	<b><u>\$5,750,438</u></b>	<b><u>\$165,913</u></b>	<b><u>\$37,555</u></b>	<b><u>\$135,727</u></b>	<b><u>\$3,026,239</u></b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING DECEMBER 31, 2006

	12-31-06 QUARTER-TO-DATE	
<b>Premiums Written</b>	<b>\$5,068,446</b>	
Current Unearned Reserve	10,674,374	
Prior Unearned Reserve	11,141,997	
Change in Unearned Premium Reserve	467,623	
<b>Net Premium Earned</b>		<b>\$5,536,069</b>
Losses Paid	3,085,053	
Less Salvage & Subrogation	42,294	
<b>Net Losses Paid</b>	<b>3,042,759</b>	
Current Loss Reserve	5,708,427	
Prior Loss Reserve	4,833,830	
Change in Loss Reserve	874,597	
<b>Net Losses Incurred</b>		<b>3,917,356</b>
Allocated Loss Exp. Paid	235,101	
Unallocated Loss Exp. Paid	147,463	
<b>Total Loss Exp. Paid</b>	<b>382,564</b>	
Current Loss Exp. Reserve	585,078	
Prior Loss Exp. Reserve	565,163	
Change in Loss Exp. Reserve	19,915	
<b>Net Loss Exp. Incurred</b>		<b>402,479</b>
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$4,319,835</b>
Taxes & Fees Paid	(1,875)	
Current Reserve	53,963	
Prior Reserve	35,214	
Change in Reserve for Taxes & Fees	18,749	
<b>Net Taxes &amp; Fees Incurred</b>		<b>16,874</b>
Commissions Expense Paid	445,784	
Board Bureaus & Inspections Paid	67,277	
Other Operating Exp. Paid	1,210,016	
<b>Total Underwriting Exp. Paid</b>	<b>1,723,077</b>	
Current Reserve	200,542	
Prior Reserve	320,857	
Change in Other Underwriting Exp. Reserve	(120,315)	
<b>Other Underwriting Exp. Incurred</b>		<b>1,602,762</b>
<b>Total Other Underwriting Exp. Incurred</b>		<b>1,619,636</b>
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$5,939,471</b>
<b>Underwriting Gain</b>		<b>(\$403,402)</b>
Net Investment Income Received	307,582	
Current Accrued Interest	152,540	
Prior Accrued Interest	188,673	
Change in Accrued Interest	(36,133)	
<b>Net Investment Income Earned</b>		<b>271,449</b>
<b>Net Gain</b>		<b>(\$131,953)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING DECEMBER 31, 2006

	12-31-06 YEAR-TO-DATE	
<b>Premiums Written</b>	<b>\$21,594,840</b>	
Current Unearned Reserve	10,674,374	
Prior Unearned Reserve	11,538,996	
Change in Unearned Premium Reserve	864,622	
<b>Net Premium Earned</b>		<b>\$22,459,462</b>
Losses Paid	12,336,241	
Less Salvage & Subrogation	173,794	
<b>Net Losses Paid</b>	12,162,447	
Current Loss Reserve	5,708,427	
Prior Loss Reserve	5,318,045	
Change in Loss Reserve	390,382	
<b>Net Losses Incurred</b>		12,552,829
Allocated Loss Exp. Paid	916,857	
Unallocated Loss Exp. Paid	550,308	
<b>Total Loss Exp. Paid</b>	1,467,165	
Current Loss Exp. Reserve	585,078	
Prior Loss Exp. Reserve	650,116	
Change in Loss Exp. Reserve	(65,038)	
<b>Net Loss Exp. Incurred</b>		1,402,127
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$13,954,956</b>
Taxes & Fees Paid	79,883	
Current Reserve	53,963	
Prior Reserve	56,781	
Change in Reserve for Taxes & Fees	(2,818)	
<b>Net Taxes &amp; Fees Incurred</b>		77,065
Commissions Expense Paid	1,876,420	
Board Bureaus & Inspections Paid	270,832	
Other Operating Exp. Paid	4,419,411	
<b>Total Underwriting Exp. Paid</b>	6,566,663	
Current Reserve	200,542	
Prior Reserve	246,950	
Change in Other Underwriting Exp. Reserve	(46,408)	
<b>Other Underwriting Exp. Incurred</b>		6,520,255
<b>Total Other Underwriting Exp. Incurred</b>		6,597,320
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$20,552,276</b>
<b>Underwriting Gain</b>		<b>\$1,907,186</b>
Net Investment Income Received	935,949	
Current Accrued Interest	152,540	
Prior Accrued Interest	114,017	
Change in Accrued Interest	38,523	
<b>Net Investment Income Earned</b>		974,472
<b>Net Gain</b>		<b>\$2,881,658</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING DECEMBER 31, 2006

*SEE NOTE BELOW	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b>WRITTEN PREMIUMS</b>						
FIRE	\$3,988,377	(\$27,958)	-	-	-	\$3,960,419
ALLIED	1,106,202	(7,908)	-	-	-	1,098,294
CRIME	9,733	-	-	-	-	9,733
<b>TOTAL</b>	<b>5,104,312</b>	<b>(35,866)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,068,446</b>
<b>CURRENT UNEARNED PREMIUM RESERVE @ 12-31-06</b>						
FIRE	8,308,331	-	-	-	-	8,308,331
ALLIED	2,344,617	-	-	-	-	2,344,617
CRIME	21,426	-	-	-	-	21,426
<b>TOTAL</b>	<b>10,674,374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,674,374</b>
<b>PRIOR UNEARNED PREMIUM RESERVE @ 9-30-06</b>						
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
<b>TOTAL</b>	<b>10,475,787</b>	<b>666,210</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,141,997</b>
<b>EARNED PREMIUM</b>						
FIRE	3,820,705	492,460	-	-	-	4,313,165
ALLIED	1,074,996	136,624	-	-	-	1,211,620
CRIME	10,024	1,260	-	-	-	11,284
<b>TOTAL</b>	<b>\$4,905,725</b>	<b>\$630,344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$5,536,069</b>

\*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 DECEMBER 31, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b>*SEE NOTE BELOW</b>						
<b>WRITTEN PREMIUMS</b>						
FIRE	\$16,931,683	(\$113,781)	(\$6,670)	(\$366)	-	\$16,810,866
ALLIED	4,761,751	(19,629)	(2,129)	(87)	-	4,739,906
CRIME	44,374	(306)	-	-	-	44,068
<b>TOTAL</b>	<b>21,737,808</b>	<b>(133,716)</b>	<b>(8,799)</b>	<b>(453)</b>	<b>-</b>	<b>21,594,840</b>
<b>CURRENT UNEARNED PREMIUM RESERVE @ 12-31-06</b>						
FIRE	8,308,331	-	-	-	-	8,308,331
ALLIED	2,344,617	-	-	-	-	2,344,617
CRIME	21,426	-	-	-	-	21,426
<b>TOTAL</b>	<b>10,674,374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,674,374</b>
<b>PRIOR UNEARNED PREMIUM RESERVE @ 12-31-05</b>						
FIRE	-	9,003,139	-	-	-	9,003,139
ALLIED	-	2,510,163	-	-	-	2,510,163
CRIME	-	25,694	-	-	-	25,694
<b>TOTAL</b>	<b>-</b>	<b>11,538,996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,538,996</b>
<b>EARNED PREMIUM</b>						
FIRE	8,623,352	8,889,358	(6,670)	(366)	-	17,505,674
ALLIED	2,417,134	2,490,534	(2,129)	(87)	-	4,905,452
CRIME	22,948	25,388	-	-	-	48,336
<b>TOTAL</b>	<b>\$11,063,434</b>	<b>\$11,405,280</b>	<b>(\$8,799)</b>	<b>(\$453)</b>	<b>-</b>	<b>\$22,459,462</b>

\*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 eight 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>
<b>1Q05</b>	471,393		1,887,597	2,358,990	<b>1Q06</b>	440,212	1,708,249	2,148,461
<b>2Q05</b>	466,321		1,888,109	2,354,430	<b>2Q06</b>	517,214	1,790,008	2,307,222
<b>3Q05</b>	462,884		1,926,953	2,389,837	<b>3Q06</b>	498,272	1,859,865	2,358,137
<b>4Q05</b>	458,201		1,752,828	2,211,029	<b>4Q06</b>	502,822	1,778,363	2,281,185

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, 2006

\*SEE NOTE BELOW

### PAID LOSSES

#### Net of Salvage & Subrogation Received

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
FIRE	\$1,549,117	\$1,320,176	\$1,723	-	(\$29,233)	\$2,841,783
ALLIED	134,570	67,128	-	-	(968)	200,730
CRIME	246	-	-	-	-	246
<b>TOTAL</b>	<b>1,683,933</b>	<b>1,387,304</b>	<b>1,723</b>	<b>-</b>	<b>(30,201)</b>	<b>3,042,759</b>

### CURRENT CASE BASIS RESERVES (12-31-06)

FIRE	4,138,369	980,927	27,719	40,000	-	5,187,015
ALLIED	160,489	134,118	40,000	-	3,300	337,907
CRIME	-	1,000	-	-	-	1,000
<b>TOTAL</b>	<b>4,298,858</b>	<b>1,116,045</b>	<b>67,719</b>	<b>40,000</b>	<b>3,300</b>	<b>5,525,922</b>

### CURRENT I.B.N.R. RESERVES (12-31-06)

FIRE	(121,344)	205,064	17,672	32,070	-	133,462
ALLIED	(4,706)	28,038	25,502	-	-	48,834
CRIME	-	209	-	-	-	209
<b>TOTAL</b>	<b>(126,050)</b>	<b>233,311</b>	<b>43,174</b>	<b>32,070</b>	<b>-</b>	<b>182,505</b>

### PRIOR LOSS RESERVES (9-30-06)

(Including I.B.N.R. Reserves)

FIRE	2,174,749	2,037,954	81,352	50,744	-	4,344,799
ALLIED	227,021	251,014	-	-	7,759	485,794
CRIME	-	3,237	-	-	-	3,237
<b>TOTAL</b>	<b>2,401,770</b>	<b>2,292,205</b>	<b>81,352</b>	<b>50,744</b>	<b>7,759</b>	<b>4,833,830</b>

### INCURRED LOSSES

FIRE	3,391,393	468,213	(34,238)	21,326	(29,233)	3,817,461
ALLIED	63,332	(21,730)	65,502	-	(5,427)	101,677
CRIME	246	(2,028)	-	-	-	(1,782)
<b>TOTAL</b>	<b>\$3,454,971</b>	<b>\$444,455</b>	<b>\$31,264</b>	<b>\$21,326</b>	<b>(\$34,660)</b>	<b>\$3,917,356</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED DECEMBER 31, 2006

\*SEE NOTE BELOW

### PAID LOSSES

#### Net of Salvage & Subrogation Received

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
FIRE	\$2,464,489	\$7,623,612	\$960,936	\$13,618	\$39,037	\$11,101,692
ALLIED	319,620	662,020	58,597	14,982	32	1,055,251
CRIME	246	5,258	-	-	-	5,504
<b>TOTAL</b>	<b>2,784,355</b>	<b>8,290,890</b>	<b>1,019,533</b>	<b>28,600</b>	<b>39,069</b>	<b>12,162,447</b>

### CURRENT CASE BASIS RESERVES (12-31-06)

FIRE	4,138,369	980,927	27,719	40,000	-	5,187,015
ALLIED	160,489	134,118	40,000	-	3,300	337,907
CRIME	-	1,000	-	-	-	1,000
<b>TOTAL</b>	<b>4,298,858</b>	<b>1,116,045</b>	<b>67,719</b>	<b>40,000</b>	<b>3,300</b>	<b>5,525,922</b>

### CURRENT I.B.N.R. RESERVES (12-31-06)

FIRE	(121,344)	205,064	17,672	32,070	-	133,462
ALLIED	(4,706)	28,038	25,502	-	-	48,834
CRIME	-	209	-	-	-	209
<b>TOTAL</b>	<b>(126,050)</b>	<b>233,311</b>	<b>43,174</b>	<b>32,070</b>	<b>-</b>	<b>182,505</b>

### 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	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>3,726,860</b>	<b>1,281,665</b>	<b>132,835</b>	<b>176,685</b>	<b>5,318,045</b>

### INCURRED LOSSES

FIRE	6,481,514	5,488,526	(171,218)	3,617	(135,316)	11,667,123
ALLIED	475,403	418,393	19,979	(35,782)	1,000	878,993
CRIME	246	6,467	-	-	-	6,713
<b>TOTAL</b>	<b>\$6,957,163</b>	<b>\$5,913,386</b>	<b>(\$151,239)</b>	<b>(\$32,165)</b>	<b>(\$134,316)</b>	<b>\$12,552,829</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING DECEMBER 31, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID</b>						
<b>(ALAE AND ULAE)</b>						
FIRE	\$138,310	\$129,213	\$7,468	\$3,766	\$876	\$279,633
ALLIED	67,666	33,508	1,104	-	24	102,302
CRIME	379	250	-	-	-	629
<b>TOTAL</b>	<b>206,355</b>	<b>162,971</b>	<b>8,572</b>	<b>3,766</b>	<b>900</b>	<b>382,564</b>
<b>CURRENT LOSS EXPENSE RESERVES</b>						
<b>12-31-06</b>						
FIRE	353,312	142,716	12,906	22,292	-	531,226
ALLIED	13,701	19,513	18,624	-	1,868	53,706
CRIME	-	146	-	-	-	146
<b>TOTAL</b>	<b>367,013</b>	<b>162,375</b>	<b>31,530</b>	<b>22,292</b>	<b>1,868</b>	<b>585,078</b>
<b>PRIOR LOSS EXPENSE RESERVES</b>						
<b>9-30-06</b>						
FIRE	220,159	223,200	44,501	23,526	-	511,386
ALLIED	22,983	27,492	-	-	2,948	53,423
CRIME	-	354	-	-	-	354
<b>TOTAL</b>	<b>243,142</b>	<b>251,046</b>	<b>44,501</b>	<b>23,526</b>	<b>2,948</b>	<b>565,163</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>						
FIRE	271,463	48,729	(24,127)	2,532	876	299,473
ALLIED	58,384	25,529	19,728	-	(1,056)	102,585
CRIME	379	42	-	-	-	421
<b>TOTAL</b>	<b>\$330,226</b>	<b>\$74,300</b>	<b>(\$4,399)</b>	<b>\$2,532</b>	<b>(\$180)</b>	<b>\$402,479</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING DECEMBER 31, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>						
FIRE	\$224,389	\$708,111	\$107,786	\$8,633	\$20,129	\$1,069,048
ALLIED	131,266	237,492	19,983	6,058	902	395,701
CRIME	379	2,037	-	-	-	2,416
<b>TOTAL</b>	<b>356,034</b>	<b>947,640</b>	<b>127,769</b>	<b>14,691</b>	<b>21,031</b>	<b>1,467,165</b>
<b>CURRENT LOSS EXPENSE RESERVES @ 12-31-06</b>						
FIRE	353,312	142,716	12,906	22,292	-	531,226
ALLIED	13,701	19,513	18,624	-	1,868	53,706
CRIME	-	146	-	-	-	146
<b>TOTAL</b>	<b>367,013</b>	<b>162,375</b>	<b>31,530</b>	<b>22,292</b>	<b>1,868</b>	<b>585,078</b>
<b>PRIOR LOSS EXPENSE RESERVES @ 12-31-05</b>						
FIRE	-	357,421	167,154	26,431	23,999	575,005
ALLIED	-	43,671	14,780	16,349	311	75,111
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>401,092</b>	<b>181,934</b>	<b>42,780</b>	<b>24,310</b>	<b>650,116</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>						
FIRE	577,701	493,406	(46,462)	4,494	(3,870)	1,025,269
ALLIED	144,967	213,334	23,827	(10,291)	2,459	374,296
CRIME	379	2,183	-	-	-	2,562
<b>TOTAL</b>	<b>\$723,047</b>	<b>\$708,923</b>	<b>(\$22,635)</b>	<b>(\$5,797)</b>	<b>(\$1,411)</b>	<b>\$1,402,127</b>