

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT DECEMBER 31, 2008

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
ASSETS				
CASH & SHORT-TERM INVESTMENTS	\$13,727,127	-	-	\$13,727,127
ACCRUED INTEREST	-	72,361	-	72,361
FURNITURE & EQUIPMENT	75,781	-	75,781	-
EDP - EQUIPMENT & SOFTWARE	685,686	-	620,197	65,489
LEASEHOLD IMPROVEMENTS	11,414	-	11,414	-
PREMIUMS RECEIVABLE	37,125	-	7,916	29,209
TOTAL ASSETS	\$14,537,133	\$72,361	\$715,308	\$13,894,186
LIABILITIES				
POST RETIREMENT BENEFITS (other than pensions)			2,259,960	
DEFINED BENEFIT PENSION PLAN			1,748,970	
AMOUNTS HELD FOR OTHERS			247,672	
ADVANCE PREMIUMS			253,203	
RETURN PREMIUMS			115,406	
OTHER PAYABLES			14,949	
CLAIM CHECKS PAYABLE			335	
TOTAL LIABILITIES			4,640,495	
RESERVES				
UNEARNED PREMIUMS			7,152,001	
LOSS - CASE BASIS			1,670,375	
LOSS - I.B.N.R			1,575,413	
LOSS EXPENSE- ALLOCATED			298,531	
LOSS EXPENSE- UNALLOCATED			135,456	
ASSOCIATION EXPENSES			175,045	
TAXES & FEES			40,035	
TOTAL RESERVES			11,046,856	
TOTAL LIABILITIES & RESERVES			15,687,351	
EQUITY ACCOUNT				
NET EQUITY AT DECEMBER 31, 2008				(1,793,165)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT				\$13,894,186

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT DECEMBER 31, 2008

	QUARTER-TO-DATE	YEAR-TO-DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$3,747,861	\$15,922,954
<u>DEDUCTIONS</u>		
LOSSES INCURRED	1,675,345	8,088,791
LOSS EXPENSES INCURRED	338,087	1,364,699
COMMISSIONS INCURRED	298,175	1,300,964
OTHER UNDERWRITING EXPENSES	1,141,302	4,524,547
TAXES & FEES INCURRED	14,295	53,386
TOTAL DEDUCTIONS	3,467,204	15,332,387
UNDERWRITING GAIN	280,657	590,567
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	106,910	490,921
NET GAIN	387,567	1,081,488
<u>EQUITY ACCOUNT</u>		
NET EQUITY - PRIOR	(495,295)	(137,490)
NET GAIN FOR PERIOD	387,567	1,081,488
CHANGE IN PENSION OBLIGATION	(1,748,970)	(2,992,586)
CHANGE IN NONADMITTED ASSETS	63,533	255,423
CHANGE IN EQUITY	(1,297,870)	(1,655,675)
NET EQUITY AT DECEMBER 31, 2008	(\$1,793,165)	(\$1,793,165)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$3,385,050	(\$12,524)	(\$42)	-	-	\$3,372,484
INVESTMENT INCOME RECEIVED	148,389	-	-	-	-	148,389
TOTAL	<u>3,533,439</u>	<u>(12,524)</u>	<u>(42)</u>	<u>-</u>	<u>-</u>	<u>3,520,873</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	727,129	1,209,231	(30,672)	5,296	(2,879)	1,908,105
ALLOCATED LOSS EXPENSE	79,779	65,129	8,325	3,529	-	156,762
UNALLOCATED LOSS EXPENSE	59,545	99,855	496	434	-	160,330
INSPECTION AND RATING ISO	8,641	-	-	-	-	8,641
SURVEYS & UNDERWRITING RPTS	25,528	-	-	-	-	25,528
BOARDS & BUREAUS	3,300	-	-	-	-	3,300
COMMISSIONS	299,425	(1,246)	(4)	-	-	298,175
ASSOCIATION EXPENSES	1,139,349	-	-	-	-	1,139,349
TAXES & FEES	-	-	-	-	-	-
TOTAL	<u>2,342,696</u>	<u>1,372,969</u>	<u>(21,855)</u>	<u>9,259</u>	<u>(2,879)</u>	<u>3,700,190</u>
INCREASE (DECREASE)	<u>1,190,743</u>	<u>(1,385,493)</u>	<u>21,813</u>	<u>(9,259)</u>	<u>2,879</u>	<u>(179,317)</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	113,840	-	-	-	-	113,840
CURRENT NONADMITTED ASSETS	715,308	-	-	-	-	715,308
CHANGE IN PENSION OBLIGATION	1,748,970	-	-	-	-	1,748,970
TOTAL	<u>2,578,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,578,118</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	72,361	-	-	-	-	72,361
PRIOR NONADMITTED ASSETS	778,841	-	-	-	-	778,841
TOTAL	<u>851,202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>851,202</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>(536,173)</u>	<u>(1,385,493)</u>	<u>21,813</u>	<u>(9,259)</u>	<u>2,879</u>	<u>(1,906,233)</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	7,152,001	-	-	-	-	7,152,001
UNPAID LOSSES	2,357,246	670,061	98,500	50,000	69,981	3,245,788
UNPAID LOSS EXPENSES	261,646	126,156	30,075	10,240	5,870	433,987
UNPAID ASSOCIATION EXPENSES	175,045	-	-	-	-	175,045
UNPAID TAXES & FEES	40,035	-	-	-	-	40,035
TOTAL	<u>9,985,973</u>	<u>796,217</u>	<u>128,575</u>	<u>60,240</u>	<u>75,851</u>	<u>11,046,856</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	7,050,684	476,694	-	-	-	7,527,378
UNPAID LOSSES	1,635,956	1,601,558	114,747	56,306	69,981	3,478,548
UNPAID LOSSES EXPENSES	162,710	190,070	41,490	12,126	6,596	412,992
UNPAID ASSOCIATION EXPENSES	210,561	-	-	-	-	210,561
UNPAID TAXES & FEES	25,740	-	-	-	-	25,740
TOTAL	<u>9,085,651</u>	<u>2,268,322</u>	<u>156,237</u>	<u>68,432</u>	<u>76,577</u>	<u>11,655,219</u>
NET CHANGE IN EQUITY	<u>(\$1,436,495)</u>	<u>\$86,612</u>	<u>\$49,475</u>	<u>(\$1,067)</u>	<u>\$3,605</u>	<u>(\$1,297,870)</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$14,717,929	(\$40,772)	(\$9,335)	-	-	\$14,667,822
INVESTMENT INCOME RECEIVED	512,889	-	-	-	-	512,889
TOTAL	<u>15,230,818</u>	<u>(40,772)</u>	<u>(9,335)</u>	<u>-</u>	<u>-</u>	<u>15,180,711</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	1,618,933	6,864,653	277,148	(9,382)	57,074	8,808,426
ALLOCATED LOSS EXPENSE	155,057	448,557	72,084	30,880	20,224	726,802
UNALLOCATED LOSS EXPENSE	116,371	502,102	41,486	586	6,006	666,551
INSPECTION AND RATING ISO	42,502	-	-	-	-	42,502
SURVEYS & UNDERWRITING RPTS	118,726	-	-	-	-	118,726
BOARDS & BUREAUS	14,025	-	-	-	-	14,025
COMMISSIONS	1,307,159	(5,323)	(871)	-	-	1,300,965
ASSOCIATION EXPENSES	4,362,565	-	-	-	-	4,362,565
TAXES & FEES	51,995	3,933	-	-	-	55,928
TOTAL	<u>7,787,333</u>	<u>7,813,922</u>	<u>389,847</u>	<u>22,084</u>	<u>83,304</u>	<u>16,096,490</u>
INCREASE (DECREASE)	<u>7,443,485</u>	<u>(7,854,694)</u>	<u>(399,182)</u>	<u>(22,084)</u>	<u>(83,304)</u>	<u>(915,779)</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	-	94,329	-	-	-	94,329
CURRENT NONADMITTED ASSETS	715,308	-	-	-	-	715,308
CHANGE IN PENSION OBLIGATION	2,992,586	-	-	-	-	2,992,586
TOTAL	<u>3,707,894</u>	<u>94,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,802,223</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	72,361	-	-	-	-	72,361
PRIOR NONADMITTED ASSETS	-	970,731	-	-	-	970,731
TOTAL	<u>72,361</u>	<u>970,731</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,043,092</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>3,807,952</u>	<u>(6,978,292)</u>	<u>(399,182)</u>	<u>(22,084)</u>	<u>(83,304)</u>	<u>(3,674,910)</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	7,152,001	-	-	-	-	7,152,001
UNPAID LOSSES	2,357,246	670,061	98,500	50,000	69,981	3,245,788
UNPAID LOSS EXPENSES	261,646	126,156	30,075	10,240	5,870	433,987
UNPAID ASSOCIATION EXPENSES	175,045	-	-	-	-	175,045
UNPAID TAXES & FEES	40,035	-	-	-	-	40,035
TOTAL	<u>9,985,973</u>	<u>796,217</u>	<u>128,575</u>	<u>60,240</u>	<u>75,851</u>	<u>11,046,856</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	-	8,407,133	-	-	-	8,407,133
UNPAID LOSSES	-	2,856,832	883,223	69,896	155,472	3,965,423
UNPAID LOSSES EXPENSES	-	271,825	147,948	25,967	16,901	462,641
UNPAID ASSOCIATION EXPENSES	-	188,316	-	-	-	188,316
UNPAID TAXES & FEES	-	42,577	-	-	-	42,577
TOTAL	<u>-</u>	<u>11,766,683</u>	<u>1,031,171</u>	<u>95,863</u>	<u>172,373</u>	<u>13,066,090</u>
NET CHANGE IN EQUITY	<u>(\$6,178,021)</u>	<u>\$3,992,174</u>	<u>\$503,414</u>	<u>\$13,539</u>	<u>\$13,218</u>	<u>(\$1,655,675)</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING DECEMBER 31, 2008

	12-31-08 QUARTER-TO-DATE	
Premiums Written	\$3,372,484	
Current Unearned Reserve	7,152,001	
Prior Unearned Reserve	7,527,378	
Change in Unearned Premium Reserve	<u>375,377</u>	
Net Premium Earned		\$3,747,861
Losses Paid	1,957,874	
Less Salvage & Subrogation	<u>49,769</u>	
Net Losses Paid	1,908,105	
Current Loss Reserve	3,245,788	
Prior Loss Reserve	3,478,548	
Change in Loss Reserve	<u>(232,760)</u>	
Net Losses Incurred		1,675,345
Allocated Loss Exp. Paid	156,762	
Unallocated Loss Exp. Paid	<u>160,330</u>	
Total Loss Exp. Paid	317,092	
Current Loss Exp. Reserve	433,987	
Prior Loss Exp. Reserve	412,992	
Change in Loss Exp. Reserve	<u>20,995</u>	
Net Loss Exp. Incurred		338,087
Total Loss & Loss Exp. Incurred		\$2,013,432
Taxes & Fees Paid	-	
Current Reserve	40,035	
Prior Reserve	25,740	
Change in Reserve for Taxes & Fees	<u>14,295</u>	
Net Taxes & Fees Incurred		14,295
Commissions Expense Paid	298,175	
Board Bureaus & Inspections Paid	37,469	
Other Operating Exp. Paid	<u>1,139,349</u>	
Total Underwriting Exp. Paid	1,474,993	
Current Reserve	175,045	
Prior Reserve	210,561	
Change in Other Underwriting Exp. Reserve	<u>(35,516)</u>	
Other Underwriting Exp. Incurred		1,439,477
Total Other Underwriting Exp. Incurred		<u>1,453,772</u>
Total Loss & Underwriting Exp. Incurred		\$3,467,204
Underwriting Gain		\$280,657
Net Investment Income Received	148,389	
Current Accrued Interest	72,361	
Prior Accrued Interest	113,840	
Change in Accrued Interest	<u>(41,479)</u>	
Net Investment Income Earned		106,910
Net Gain		\$387,567

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING DECEMBER 31, 2008

	12-31-08 YEAR-TO-DATE	
Premiums Written	\$14,667,822	
Current Unearned Reserve	7,152,001	
Prior Unearned Reserve	8,407,133	
Change in Unearned Premium Reserve	1,255,132	
Net Premium Earned		\$15,922,954
Losses Paid	9,138,497	
Less Salvage & Subrogation	330,071	
Net Losses Paid	8,808,426	
Current Loss Reserve	3,245,788	
Prior Loss Reserve	3,965,423	
Change in Loss Reserve	(719,635)	
Net Losses Incurred		8,088,791
Allocated Loss Exp. Paid	726,802	
Unallocated Loss Exp. Paid	666,551	
Total Loss Exp. Paid	1,393,353	
Current Loss Exp. Reserve	433,987	
Prior Loss Exp. Reserve	462,641	
Change in Loss Exp. Reserve	(28,654)	
Net Loss Exp. Incurred		1,364,699
Total Loss & Loss Exp. Incurred		\$9,453,490
Taxes & Fees Paid	55,928	
Current Reserve	40,035	
Prior Reserve	42,577	
Change in Reserve for Taxes & Fees	(2,542)	
Net Taxes & Fees Incurred		53,386
Commissions Expense Paid	1,300,964	
Board Bureaus & Inspections Paid	175,253	
Other Operating Exp. Paid	4,362,565	
Total Underwriting Exp. Paid	5,838,782	
Current Reserve	175,045	
Prior Reserve	188,316	
Change in Other Underwriting Exp. Reserve	(13,271)	
Other Underwriting Exp. Incurred		5,825,511
Total Other Underwriting Exp. Incurred		5,878,897
Total Loss & Underwriting Exp. Incurred		\$15,332,387
Underwriting Gain		\$590,567
Net Investment Income Received	512,889	
Current Accrued Interest	72,361	
Prior Accrued Interest	94,329	
Change in Accrued Interest	(21,968)	
Net Investment Income Earned		490,921
Net Gain		\$1,081,488

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
*SEE NOTE BELOW						
WRITTEN PREMIUMS						
FIRE	\$2,587,700	(\$8,294)	(\$33)	-	-	\$2,579,373
ALLIED	787,463	(4,220)	(9)	-	-	783,234
CRIME	9,887	(10)	-	-	-	9,877
TOTAL	3,385,050	(12,524)	(42)	-	-	3,372,484
CURRENT UNEARNED PREMIUM RESERVE						
@ 12-31-08						
FIRE	5,449,093	-	-	-	-	5,449,093
ALLIED	1,681,154	-	-	-	-	1,681,154
CRIME	21,754	-	-	-	-	21,754
TOTAL	7,152,001	-	-	-	-	7,152,001
PRIOR UNEARNED PREMIUM RESERVE						
@ 9-30-08						
FIRE	5,368,384	367,843	-	-	-	5,736,227
ALLIED	1,660,754	107,915	-	-	-	1,768,669
CRIME	21,546	936	-	-	-	22,482
TOTAL	7,050,684	476,694	-	-	-	7,527,378
EARNED PREMIUM						
FIRE	2,506,991	359,549	(33)	-	-	2,866,507
ALLIED	767,063	103,695	(9)	-	-	870,749
CRIME	9,679	926	-	-	-	10,605
TOTAL	\$3,283,733	\$464,170	(\$42)	-	-	\$3,747,861

*Note: The Terrorism Risk Insurance Program Reauthorization Act of 2007 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, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
*SEE NOTE BELOW						
WRITTEN PREMIUMS						
FIRE	\$11,243,301	(\$26,384)	(\$6,117)	-	-	\$11,210,800
ALLIED	3,432,012	(13,710)	(3,218)	-	-	3,415,084
CRIME	42,616	(678)	-	-	-	41,938
TOTAL	14,717,929	(40,772)	(9,335)	-	-	14,667,822
CURRENT UNEARNED PREMIUM RESERVE						
@ 12-31-08						
FIRE	5,449,093	-	-	-	-	5,449,093
ALLIED	1,681,154	-	-	-	-	1,681,154
CRIME	21,754	-	-	-	-	21,754
TOTAL	7,152,001	-	-	-	-	7,152,001
PRIOR UNEARNED PREMIUM RESERVE						
@ 12-31-07						
FIRE	-	6,477,918	-	-	-	6,477,918
ALLIED	-	1,910,020	-	-	-	1,910,020
CRIME	-	19,195	-	-	-	19,195
TOTAL	-	8,407,133	-	-	-	8,407,133
EARNED PREMIUM						
FIRE	5,794,208	6,451,534	(6,117)	-	-	12,239,625
ALLIED	1,750,858	1,896,310	(3,218)	-	-	3,643,950
CRIME	20,862	18,517	-	-	-	39,379
TOTAL	\$7,565,928	\$8,366,361	(\$9,335)	-	-	\$15,922,954

*Note: The Terrorism Risk Insurance Program Reauthorization Act of 2007 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>1-4 Family Tenant-</u>		<u>Total TRIA</u>		<u>1-4 Family Tenant-</u>		<u>Total TRIA</u>
	<u>Commercial</u>	<u>Occupied</u>			<u>Commercial</u>	<u>Occupied</u>	
1Q07	373,063	1,685,854	2,058,917	1Q08	308,798	1,352,322	1,661,121
2Q07	353,077	1,607,900	1,960,977	2Q08	290,257	1,298,046	1,588,303
3Q07	336,591	1,538,294	1,874,885	3Q08	275,833	1,251,408	1,527,241
4Q07	321,577	1,441,430	1,763,007	4Q08	257,213	1,202,886	1,460,099

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, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage & Subrogation Received						
FIRE	\$633,445	\$1,129,182	(\$29,997)	-	(\$2,879)	\$1,729,751
ALLIED	93,684	80,049	(675)	5,296	-	178,354
CRIME	-	-	-	-	-	-
TOTAL	727,129	1,209,231	(30,672)	5,296	(2,879)	1,908,105
CURRENT CASE BASIS RESERVES (12-31-08)						
FIRE	1,049,264	340,655	98,500	50,000	68,981	1,607,400
ALLIED	30,000	31,975	-	-	1,000	62,975
CRIME	-	-	-	-	-	-
TOTAL	1,079,264	372,630	98,500	50,000	69,981	1,670,375
CURRENT I.B.N.R. RESERVES (12-31-08)						
FIRE	1,242,458	271,909	-	-	-	1,514,367
ALLIED	35,524	25,522	-	-	-	61,046
CRIME	-	-	-	-	-	-
TOTAL	1,277,982	297,431	-	-	-	1,575,413
PRIOR LOSS RESERVES (9-30-08) (Including I.B.N.R. Reserves)						
FIRE	1,494,501	1,461,485	111,363	51,005	68,981	3,187,335
ALLIED	141,455	140,073	3,384	5,301	1,000	291,213
CRIME	-	-	-	-	-	-
TOTAL	1,635,956	1,601,558	114,747	56,306	69,981	3,478,548
INCURRED LOSSES						
FIRE	1,430,666	280,261	(42,860)	(1,005)	(2,879)	1,664,183
ALLIED	17,753	(2,527)	(4,059)	(5)	-	11,162
CRIME	-	-	-	-	-	-
TOTAL	\$1,448,419	\$277,734	(\$46,919)	(\$1,010)	(\$2,879)	\$1,675,345

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
PAID LOSSES						
Net of Salvage & Subrogation Received						
FIRE	\$1,376,524	\$6,148,541	\$250,647	(\$17,248)	\$28,074	\$7,786,538
ALLIED	242,409	715,810	26,501	7,866	29,000	1,021,586
CRIME	-	302	-	-	-	302
TOTAL	1,618,933	6,864,653	277,148	(9,382)	57,074	8,808,426
CURRENT CASE BASIS RESERVES (12-31-08)						
FIRE	1,049,264	340,655	98,500	50,000	68,981	1,607,400
ALLIED	30,000	31,975	-	-	1,000	62,975
CRIME	-	-	-	-	-	-
TOTAL	1,079,264	372,630	98,500	50,000	69,981	1,670,375
CURRENT I.B.N.R. RESERVES (12-31-08)						
FIRE	1,242,458	271,909	-	-	-	1,514,367
ALLIED	35,524	25,522	-	-	-	61,046
CRIME	-	-	-	-	-	-
TOTAL	1,277,982	297,431	-	-	-	1,575,413
PRIOR LOSS RESERVES (12-31-07)						
(Including I.B.N.R. Reserves)						
FIRE	-	2,741,413	833,575	51,052	110,000	3,736,040
ALLIED	-	114,234	49,648	18,844	45,472	228,198
CRIME	-	1,185	-	-	-	1,185
TOTAL	-	2,856,832	883,223	69,896	155,472	3,965,423
INCURRED LOSSES						
FIRE	3,668,246	4,019,692	(484,428)	(18,300)	(12,945)	7,172,265
ALLIED	307,933	659,073	(23,147)	(10,978)	(15,472)	917,409
CRIME	-	(883)	-	-	-	(883)
TOTAL	\$3,976,179	\$4,677,882	(\$507,575)	(\$29,278)	(\$28,417)	\$8,088,791

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$104,988	\$136,552	\$5,656	\$2,927	-	\$250,123
ALLIED	34,336	28,432	3,165	1,036	-	66,969
CRIME	-	-	-	-	-	-
TOTAL	139,324	164,984	8,821	3,963	-	317,092
CURRENT LOSS EXPENSE RESERVES @ 12-31-08						
FIRE	254,373	115,331	30,075	10,240	2,827	412,846
ALLIED	7,273	10,825	-	-	3,043	21,141
CRIME	-	-	-	-	-	-
TOTAL	261,646	126,156	30,075	10,240	5,870	433,987
PRIOR LOSS EXPENSE RESERVES @ 9-30-08						
FIRE	148,641	173,447	40,267	10,985	2,578	375,918
ALLIED	14,069	16,623	1,223	1,141	4,018	37,074
CRIME	-	-	-	-	-	-
TOTAL	162,710	190,070	41,490	12,126	6,596	412,992
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	210,720	78,436	(4,536)	2,182	249	287,051
ALLIED	27,540	22,634	1,942	(105)	(975)	51,036
CRIME	-	-	-	-	-	-
TOTAL	\$238,260	\$101,070	(\$2,594)	\$2,077	(\$726)	\$338,087

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING DECEMBER 31, 2008

	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$187,709	\$743,789	\$95,974	\$25,773	\$15,557	\$1,068,802
ALLIED	83,719	206,220	17,596	5,693	10,673	323,901
CRIME	-	650	-	-	-	650
TOTAL	271,428	950,659	113,570	31,466	26,230	1,393,353
CURRENT LOSS EXPENSE RESERVES @ 12-31-08						
FIRE	254,373	115,331	30,075	10,240	2,827	412,846
ALLIED	7,273	10,825	-	-	3,043	21,141
CRIME	-	-	-	-	-	-
TOTAL	261,646	126,156	30,075	10,240	5,870	433,987
PRIOR LOSS EXPENSE RESERVES @ 12-31-07						
FIRE	-	260,843	136,365	207	6,842	404,257
ALLIED	-	10,869	11,583	25,760	10,059	58,271
CRIME	-	113	-	-	-	113
TOTAL	-	271,825	147,948	25,967	16,901	462,641
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	442,082	598,277	(10,316)	35,806	11,542	1,077,391
ALLIED	90,992	206,176	6,013	(20,067)	3,657	286,771
CRIME	-	537	-	-	-	537
TOTAL	\$533,074	\$804,990	(\$4,303)	\$15,739	\$15,200	\$1,364,699