

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## BALANCE SHEET AT DECEMBER 31, 2010

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b>ASSETS</b>				
BONDS	\$525,586	-	-	\$525,586
STOCKS	432,964	-	-	432,964
CASH & SHORT-TERM INVESTMENTS	10,450,591	-	-	10,450,591
PREPAID PENSION COST	968,687	-	968,687	-
ACCRUED INTEREST	-	25,047	-	25,047
FURNITURE & EQUIPMENT	43,181	-	43,181	-
EDP - EQUIPMENT & SOFTWARE	630,125	-	608,471	21,654
PREMIUMS RECEIVABLE	153,786	-	380	153,406
<b>TOTAL ASSETS</b>	<b>\$13,204,920</b>	<b>\$25,047</b>	<b>\$1,620,719</b>	<b>\$11,609,248</b>
<b>LIABILITIES</b>				
POST RETIREMENT BENEFITS (other than pensions)			4,333,204	
AMOUNTS HELD FOR OTHERS			699,357	
ADVANCE PREMIUMS			254,377	
RETURN PREMIUMS			73,341	
OTHER PAYABLES			233,118	
CLAIM CHECKS PAYABLE			12,779	
<b>TOTAL LIABILITIES</b>			<b>5,606,176</b>	
<b>RESERVES</b>				
UNEARNED PREMIUMS			5,880,650	
LOSS - CASE BASIS			1,525,536	
LOSS - I.B.N.R			495,946	
LOSS EXPENSE- ALLOCATED			309,155	
LOSS EXPENSE- UNALLOCATED			117,590	
ASSOCIATION EXPENSES			209,510	
TAXES & FEES			40,157	
<b>TOTAL RESERVES</b>			<b>8,578,544</b>	
<b>TOTAL LIABILITIES &amp; RESERVES</b>			<b>14,184,720</b>	
<b>EQUITY ACCOUNT</b>				
NET EQUITY AT DECEMBER 31, 2010				<b>(2,575,472)</b>
<b>TOTAL LIABILITIES PLUS EQUITY ACCOUNT</b>				<b>\$11,609,248</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## INCOME STATEMENT DECEMBER 31, 2010

	QUARTER-TO-DATE	YEAR-TO-DATE
<b><u>UNDERWRITING INCOME</u></b>		
PREMIUMS EARNED	<b>\$2,997,275</b>	<b>\$12,342,212</b>
<b><u>DEDUCTIONS</u></b>		
LOSSES INCURRED	1,483,473	5,830,277
LOSS EXPENSES INCURRED	390,591	1,653,636
COMMISSIONS INCURRED	244,147	1,032,077
OTHER UNDERWRITING EXPENSES	1,307,914	4,725,975
TAXES & FEES INCURRED	2,664	44,222
TOTAL DEDUCTIONS	3,428,788	13,286,186
UNDERWRITING LOSS	(431,514)	(943,975)
<b><u>INVESTMENT INCOME</u></b>		
NET INVESTMENT INCOME EARNED	37,407	118,357
NET REALIZED CAPITAL LOSS	(1,498)	(1,498)
NET INVESTMENT GAIN	35,909	116,858
<b><u>OTHER INCOME</u></b>		
*OTHER INCOME (EXPENSE) SEE NOTE BELOW:	-	(1,477,831)
INSTALLMENT SERVICE FEE	4,732	17,369
TOTAL OTHER INCOME	4,732	(1,460,462)
NET LOSS	(390,873)	(2,287,578)
<b><u>EQUITY ACCOUNT</u></b>		
NET EQUITY - PRIOR	(2,231,597)	(30,281)
NET LOSS FOR PERIOD	(390,873)	(2,287,578)
CHANGE IN PENSION OBLIGATION	722,032	929,703
CHANGE IN NONADMITTED ASSETS	(652,082)	(1,169,193)
NET UNREALIZED LOSS	(22,952)	(18,123)
CHANGE IN EQUITY	(343,875)	(2,545,191)
<b>NET EQUITY AT DECEMBER 31, 2010</b>	<b>(\$2,575,472)</b>	<b>(\$2,575,472)</b>

\*Note: Note: In July 2010, the Association initiated a major realignment of its organizational structure and processes.

The restructuring charges noted above primarily relate to curtailment costs associated with our pension plan and post retirement benefit obligation.

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT QTD PERIOD ENDED DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b><u>INCOME RECEIVED</u></b>						
PREMIUMS WRITTEN	\$2,819,867	(\$7,066)	(\$485)	-	-	\$2,812,316
INSTALLMENT SERVICE FEE	4,732	-	-	-	-	4,732
INVESTMENT INCOME RECEIVED	37,657	-	-	-	-	37,657
NET REALIZED CAPITAL LOSS	(1,498)	-	-	-	-	(1,498)
TOTAL	2,860,758	(7,066)	(485)	-	-	2,853,207
<b><u>EXPENSES PAID</u></b>						
LOSSES PAID	1,190,441	442,713	18,000	-	34,163	1,685,317
ALLOCATED LOSS EXPENSE	70,349	65,649	7,504	6,694	8,206	158,402
UNALLOCATED LOSS EXPENSE	128,381	47,827	1,939	-	3,770	181,917
INSPECTION AND RATING ISO	7,327	-	-	-	-	7,327
SURVEYS & UNDERWRITING RPTS	23,995	-	-	-	-	23,995
BOARDS & BUREAUS	3,712	-	-	-	-	3,712
COMMISSIONS	244,839	(643)	(49)	-	-	244,147
ASSOCIATION EXPENSES	1,209,892	-	-	-	-	1,209,892
TAXES & FEES	-	-	-	-	-	-
TOTAL	2,878,937	555,546	27,394	6,694	46,139	3,514,710
<b>INCREASE (DECREASE)</b>	<b>(18,179)</b>	<b>(562,612)</b>	<b>(27,879)</b>	<b>(6,694)</b>	<b>(46,139)</b>	<b>(661,503)</b>
<b><u>DEDUCT</u></b>						
PRIOR ACCRUED INTEREST	25,297	-	-	-	-	25,297
CURRENT NONADMITTED ASSETS	1,620,719	-	-	-	-	1,620,719
NET UNREALIZED LOSS	22,952	-	-	-	-	22,952
TOTAL	1,668,968	-	-	-	-	1,668,968
<b><u>ADD</u></b>						
CURRENT ACCRUED INTEREST	25,047	-	-	-	-	25,047
PRIOR NONADMITTED ASSETS	968,636	-	-	-	-	968,636
CHANGE IN PENSION OBLIGATION	722,032	-	-	-	-	722,032
TOTAL	1,715,715	-	-	-	-	1,715,715
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>28,568</b>	<b>(562,612)</b>	<b>(27,879)</b>	<b>(6,694)</b>	<b>(46,139)</b>	<b>(614,756)</b>
<b><u>CURRENT RESERVES</u></b>						
UNEARNED PREMIUMS	5,880,650	-	-	-	-	5,880,650
UNPAID LOSSES	1,622,438	330,544	18,500	10,000	40,000	2,021,482
UNPAID LOSS EXPENSES	256,312	119,528	28,749	14,809	7,347	426,745
UNPAID ASSOCIATION EXPENSES	209,510	-	-	-	-	209,510
UNPAID TAXES & FEES	40,157	-	-	-	-	40,157
TOTAL	8,009,067	450,072	47,249	24,809	47,347	8,578,544
<b><u>PRIOR RESERVES</u></b>						
UNEARNED PREMIUMS	5,695,083	370,526	-	-	-	6,065,609
UNPAID LOSSES	1,238,277	882,491	17,558	10,000	75,000	2,223,326
UNPAID LOSSES EXPENSES	151,343	167,900	33,451	14,322	9,457	376,473
UNPAID ASSOCIATION EXPENSES	146,523	-	-	-	-	146,523
UNPAID TAXES & FEES	37,493	-	-	-	-	37,493
TOTAL	7,268,719	1,420,917	51,009	24,322	84,457	8,849,424
<b>NET CHANGE IN EQUITY</b>	<b>(\$711,780)</b>	<b>\$408,233</b>	<b>(\$24,119)</b>	<b>(\$7,181)</b>	<b>(\$9,029)</b>	<b>(\$343,875)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT YTD PERIOD ENDED DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b><u>INCOME RECEIVED</u></b>						
PREMIUMS WRITTEN	\$11,837,139	(\$77,574)	(\$4,533)	-	-	\$11,755,032
INSTALLMENT SERVICE FEE	17,369	-	-	-	-	17,369
INVESTMENT INCOME RECEIVED	127,635	-	-	-	-	127,635
NET REALIZED CAPITAL LOSS	(1,498)	-	-	-	-	(1,498)
TOTAL	11,980,645	(77,574)	(4,533)	-	-	11,898,538
<b><u>EXPENSES PAID</u></b>						
LOSSES PAID	1,691,961	4,446,809	676,026	9,243	17,756	6,841,795
ALLOCATED LOSS EXPENSE	138,578	431,045	57,812	30,824	29,388	687,647
UNALLOCATED LOSS EXPENSE	243,453	601,026	73,685	1,428	3,770	923,362
INSPECTION AND RATING ISO	37,142	-	-	-	-	37,142
SURVEYS & UNDERWRITING RPTS	99,475	-	-	-	-	99,475
BOARDS & BUREAUS	15,675	-	-	-	-	15,675
COMMISSIONS	1,039,452	(6,922)	(453)	-	-	1,032,077
ASSOCIATION EXPENSES	6,039,284	-	-	-	-	6,039,284
TAXES & FEES	36,951	11,182	-	-	-	48,133
TOTAL	9,341,971	5,483,140	807,070	41,495	50,914	15,724,590
<b>INCREASE (DECREASE)</b>	<b>2,638,674</b>	<b>(5,560,714)</b>	<b>(811,603)</b>	<b>(41,495)</b>	<b>(50,914)</b>	<b>(3,826,051)</b>
<b><u>DEDUCT</u></b>						
PRIOR ACCRUED INTEREST	-	34,325	-	-	-	34,325
CURRENT NONADMITTED ASSETS	1,620,719	-	-	-	-	1,620,719
NET UNREALIZED LOSS	18,123	-	-	-	-	18,123
TOTAL	1,638,842	34,325	-	-	-	1,673,167
<b><u>ADD</u></b>						
CURRENT ACCRUED INTEREST	25,047	-	-	-	-	25,047
PRIOR NONADMITTED ASSETS	-	451,525	-	-	-	451,525
CHANGE IN PENSION OBLIGATION	929,703	-	-	-	-	929,703
TOTAL	954,750	451,525	-	-	-	1,406,275
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>1,954,582</b>	<b>(5,143,514)</b>	<b>(811,603)</b>	<b>(41,495)</b>	<b>(50,914)</b>	<b>(4,092,943)</b>
<b><u>CURRENT RESERVES</u></b>						
UNEARNED PREMIUMS	5,880,650	-	-	-	-	5,880,650
UNPAID LOSSES	1,622,438	330,544	18,500	10,000	40,000	2,021,482
UNPAID LOSS EXPENSES	256,312	119,528	28,749	14,809	7,347	426,745
UNPAID ASSOCIATION EXPENSES	209,510	-	-	-	-	209,510
UNPAID TAXES & FEES	40,157	-	-	-	-	40,157
TOTAL	8,009,067	450,072	47,249	24,809	47,347	8,578,544
<b><u>PRIOR RESERVES</u></b>						
UNEARNED PREMIUMS	-	6,467,830	-	-	-	6,467,830
UNPAID LOSSES	-	1,977,195	765,930	75,875	214,000	3,033,000
UNPAID LOSSES EXPENSES	-	222,728	105,998	30,480	24,912	384,118
UNPAID ASSOCIATION EXPENSES	-	197,281	-	-	-	197,281
UNPAID TAXES & FEES	-	44,068	-	-	-	44,068
TOTAL	-	8,909,102	871,928	106,355	238,912	10,126,297
<b>NET CHANGE IN EQUITY</b>	<b>(\$6,054,485)</b>	<b>\$3,315,516</b>	<b>\$13,076</b>	<b>\$40,051</b>	<b>\$140,651</b>	<b>(\$2,545,191)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING DECEMBER 31, 2010

	12-31-10 QUARTER-TO-DATE	
<b>Premiums Written</b>	<b>\$2,812,316</b>	
Current Unearned Reserve	5,880,650	
Prior Unearned Reserve	6,065,609	
Change in Unearned Premium Reserve	184,959	
<b>Net Premium Earned</b>		<b>\$2,997,275</b>
Losses Paid	1,688,984	
Less Salvage & Subrogation	3,667	
<b>Net Losses Paid</b>	<b>1,685,317</b>	
Current Loss Reserve	2,021,482	
Prior Loss Reserve	2,223,326	
Change in Loss Reserve	(201,844)	
<b>Net Losses Incurred</b>		<b>1,483,473</b>
Allocated Loss Exp. Paid	158,402	
Unallocated Loss Exp. Paid	181,917	
<b>Total Loss Exp. Paid</b>	<b>340,319</b>	
Current Loss Exp. Reserve	426,745	
Prior Loss Exp. Reserve	376,473	
Change in Loss Exp. Reserve	50,272	
<b>Net Loss Exp. Incurred</b>		<b>390,591</b>
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$1,874,064</b>
Taxes & Fees Paid	-	
Current Reserve	40,157	
Prior Reserve	37,493	
Change in Reserve for Taxes & Fees	2,664	
<b>Net Taxes &amp; Fees Incurred</b>		<b>2,664</b>
Commissions Expense Paid	244,147	
Board Bureaus & Inspections Paid	35,034	
Other Operating Exp. Paid	1,209,892	
<b>Total Underwriting Exp. Paid</b>	<b>1,489,074</b>	
Current Reserve	209,510	
Prior Reserve	146,523	
Change in Other Underwriting Exp. Reserve	62,987	
<b>Other Underwriting Exp. Incurred</b>		<b>1,552,060</b>
<b>Total Other Underwriting Exp. Incurred</b>		<b>1,554,725</b>
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$3,428,788</b>
<b>Underwriting Loss</b>		<b>(\$431,514)</b>
Net Investment Income Received	37,657	
Current Accrued Interest	25,047	
Prior Accrued Interest	25,297	
Change in Accrued Interest	(250)	
<b>Net Investment Income Earned</b>		<b>37,407</b>
Net Realized Capital Loss		(1,498)
<b>Net Investment Gain</b>		<b>35,909</b>
Installment Service Fee		4,732
<b>Net Loss</b>		<b>(\$390,873)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING DECEMBER 31, 2010

	12-31-10 YEAR-TO-DATE	
<b>Premiums Written</b>	<b>\$11,755,032</b>	
Current Unearned Reserve	5,880,650	
Prior Unearned Reserve	6,467,830	
Change in Unearned Premium Reserve	587,180	
<b>Net Premium Earned</b>		<b>\$12,342,212</b>
Losses Paid	6,900,272	
Less Salvage & Subrogation	58,477	
<b>Net Losses Paid</b>	<b>6,841,795</b>	
Current Loss Reserve	2,021,482	
Prior Loss Reserve	3,033,000	
Change in Loss Reserve	(1,011,518)	
<b>Net Losses Incurred</b>		<b>5,830,277</b>
Allocated Loss Exp. Paid	687,647	
Unallocated Loss Exp. Paid	923,362	
<b>Total Loss Exp. Paid</b>	<b>1,611,009</b>	
Current Loss Exp. Reserve	426,745	
Prior Loss Exp. Reserve	384,118	
Change in Loss Exp. Reserve	42,627	
<b>Net Loss Exp. Incurred</b>		<b>1,653,636</b>
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$7,483,913</b>
Taxes & Fees Paid	48,133	
Current Reserve	40,157	
Prior Reserve	44,068	
Change in Reserve for Taxes & Fees	(3,911)	
<b>Net Taxes &amp; Fees Incurred</b>		<b>44,222</b>
Commissions Expense Paid	1,032,077	
Board Bureaus & Inspections Paid	152,292	
Other Operating Exp. Paid	6,039,284	
<b>Total Underwriting Exp. Paid</b>	<b>7,223,653</b>	
Current Reserve	209,510	
Prior Reserve	197,281	
Change in Other Underwriting Exp. Reserve	12,229	
<b>Other Underwriting Exp. Incurred</b>		<b>7,235,882</b>
<b>Total Other Underwriting Exp. Incurred</b>		<b>7,280,104</b>
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$14,764,017</b>
<b>Underwriting Loss</b>		<b>(\$2,421,806)</b>
Net Investment Income Received	127,635	
Current Accrued Interest	25,047	
Prior Accrued Interest	34,325	
Change in Accrued Interest	(9,278)	
<b>Net Investment Income Earned</b>		<b>118,357</b>
Net Realized Capital Loss		(1,498)
<b>Net Investment Gain</b>		<b>116,858</b>
Installment Service Fee		17,369
<b>Net Loss</b>		<b>(\$2,287,578)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>*SEE NOTE BELOW</b>						
<b>WRITTEN PREMIUMS</b>						
FIRE	\$2,181,952	(\$5,640)	(\$377)	-	-	\$2,175,935
ALLIED	630,010	(1,426)	(108)	-	-	628,476
CRIME	7,905	-	-	-	-	7,905
<b>TOTAL</b>	<b>2,819,867</b>	<b>(7,066)</b>	<b>(485)</b>	<b>-</b>	<b>-</b>	<b>2,812,316</b>
<b>CURRENT UNEARNED PREMIUM RESERVE</b>						
<b>@ 12-31-10</b>						
FIRE	4,515,480	-	-	-	-	4,515,480
ALLIED	1,349,053	-	-	-	-	1,349,053
CRIME	16,117	-	-	-	-	16,117
<b>TOTAL</b>	<b>5,880,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,880,650</b>
<b>PRIOR UNEARNED PREMIUM RESERVE</b>						
<b>@ 09-30-10</b>						
FIRE	4,357,016	287,641	-	-	-	4,644,657
ALLIED	1,322,828	81,994	-	-	-	1,404,822
CRIME	15,239	891	-	-	-	16,130
<b>TOTAL</b>	<b>5,695,083</b>	<b>370,526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,065,609</b>
<b>EARNED PREMIUM</b>						
FIRE	2,023,488	282,001	(377)	-	-	2,305,112
ALLIED	603,785	80,568	(108)	-	-	684,245
CRIME	7,027	891	-	-	-	7,918
<b>TOTAL</b>	<b>\$2,634,300</b>	<b>\$363,460</b>	<b>(\$485)</b>	<b>-</b>	<b>-</b>	<b>\$2,997,275</b>

\*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, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>*SEE NOTE BELOW</b>						
<b>WRITTEN PREMIUMS</b>						
FIRE	\$9,098,755	(\$55,232)	(\$3,920)	-	-	\$9,039,603
ALLIED	2,707,085	(22,267)	(613)	-	-	2,684,205
CRIME	31,299	(75)	-	-	-	31,224
<b>TOTAL</b>	<b>11,837,139</b>	<b>(77,574)</b>	<b>(4,533)</b>	<b>-</b>	<b>-</b>	<b>11,755,032</b>
<b>CURRENT UNEARNED PREMIUM RESERVE</b>						
<b>@ 12-31-10</b>						
FIRE	4,515,480	-	-	-	-	4,515,480
ALLIED	1,349,053	-	-	-	-	1,349,053
CRIME	16,117	-	-	-	-	16,117
<b>TOTAL</b>	<b>5,880,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,880,650</b>
<b>PRIOR UNEARNED PREMIUM RESERVE</b>						
<b>@ 12-31-09</b>						
FIRE	-	4,972,289	-	-	-	4,972,289
ALLIED	-	1,477,551	-	-	-	1,477,551
CRIME	-	17,990	-	-	-	17,990
<b>TOTAL</b>	<b>-</b>	<b>6,467,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,467,830</b>
<b>EARNED PREMIUM</b>						
FIRE	4,583,275	4,917,057	(3,920)	-	-	9,496,412
ALLIED	1,358,032	1,455,284	(613)	-	-	2,812,703
CRIME	15,182	17,915	-	-	-	33,097
<b>TOTAL</b>	<b>\$5,956,489</b>	<b>\$6,390,256</b>	<b>(\$4,533)</b>	<b>-</b>	<b>-</b>	<b>\$12,342,212</b>

\*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>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>1Q09</b>	\$240,955	\$1,128,477	\$1,369,432	<b>1Q10</b>	\$201,698	\$1,099,395	\$1,301,093
<b>2Q09</b>	\$232,321	\$1,099,803	\$1,332,124	<b>2Q10</b>	\$195,915	\$970,853	\$1,166,768
<b>3Q09</b>	\$222,824	\$1,065,251	\$1,288,075	<b>3Q10</b>	\$185,585	\$952,708	\$1,138,293
<b>4Q09</b>	\$213,283	\$1,029,253	\$1,242,536	<b>4Q10</b>	\$181,972	\$934,145	\$1,116,117

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, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>PAID LOSSES</b>						
<b>Net of Salvage &amp; Subrogation Received</b>						
FIRE	\$1,120,569	\$370,838	-	-	\$34,163	\$1,525,570
ALLIED	69,872	71,875	18,000	-	-	159,747
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,190,441</b>	<b>442,713</b>	<b>18,000</b>	<b>-</b>	<b>34,163</b>	<b>1,685,317</b>
<b>CURRENT CASE BASIS RESERVES (12-31-10)</b>						
FIRE	1,056,131	123,500	-	-	40,000	1,219,631
ALLIED	227,405	50,000	18,500	10,000	-	305,905
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,283,536</b>	<b>173,500</b>	<b>18,500</b>	<b>10,000</b>	<b>40,000</b>	<b>1,525,536</b>
<b>CURRENT I.B.N.R. RESERVES (12-31-10)</b>						
FIRE	278,859	111,786	-	-	-	390,645
ALLIED	60,043	45,258	-	-	-	105,301
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>338,902</b>	<b>157,044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>495,946</b>
<b>PRIOR LOSS RESERVES (09-30-10)</b>						
<b>(Including I.B.N.R. Reserves)</b>						
FIRE	1,160,657	655,901	2,558	-	75,000	1,894,116
ALLIED	77,620	226,590	15,000	10,000	-	329,210
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,238,277</b>	<b>882,491</b>	<b>17,558</b>	<b>10,000</b>	<b>75,000</b>	<b>2,223,326</b>
<b>INCURRED LOSSES</b>						
FIRE	1,294,902	(49,777)	(2,558)	-	(837)	1,241,730
ALLIED	279,700	(59,457)	21,500	-	-	241,743
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$1,574,602</b>	<b>(\$109,234)</b>	<b>\$18,942</b>	<b>-</b>	<b>(\$837)</b>	<b>\$1,483,473</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>PAID LOSSES</b>						
<b>Net of Salvage &amp; Subrogation Received</b>						
FIRE	\$1,467,028	\$3,005,777	\$640,732	\$17,500	\$18,136	\$5,149,173
ALLIED	224,933	1,441,032	35,294	(8,257)	(380)	1,692,622
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,691,961</b>	<b>4,446,809</b>	<b>676,026</b>	<b>9,243</b>	<b>17,756</b>	<b>6,841,795</b>
<b>CURRENT CASE BASIS RESERVES (12-31-10)</b>						
FIRE	1,056,131	123,500	-	-	40,000	1,219,631
ALLIED	227,405	50,000	18,500	10,000	-	305,905
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,283,536</b>	<b>173,500</b>	<b>18,500</b>	<b>10,000</b>	<b>40,000</b>	<b>1,525,536</b>
<b>CURRENT I.B.N.R. RESERVES (12-31-10)</b>						
FIRE	278,859	111,786	-	-	-	390,645
ALLIED	60,043	45,258	-	-	-	105,301
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>338,902</b>	<b>157,044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>495,946</b>
<b>PRIOR LOSS RESERVES (12-31-09)</b>						
<b>(Including I.B.N.R. Reserves)</b>						
FIRE	-	1,530,569	726,456	65,875	214,000	2,536,900
ALLIED	-	446,626	39,474	10,000	-	496,100
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>1,977,195</b>	<b>765,930</b>	<b>75,875</b>	<b>214,000</b>	<b>3,033,000</b>
<b>INCURRED LOSSES</b>						
FIRE	2,802,018	1,710,494	(85,724)	(48,375)	(155,864)	4,222,549
ALLIED	512,381	1,089,664	14,320	(8,257)	(380)	1,607,728
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$3,314,399</b>	<b>\$2,800,158</b>	<b>(\$71,404)</b>	<b>(\$56,632)</b>	<b>(\$156,244)</b>	<b>\$5,830,277</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>						
FIRE	\$159,399	\$76,031	\$4,916	\$928	\$11,976	\$253,250
ALLIED	39,331	37,445	4,527	5,766	-	87,069
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>198,730</b>	<b>113,476</b>	<b>9,443</b>	<b>6,694</b>	<b>11,976</b>	<b>340,319</b>
<b>CURRENT LOSS EXPENSE RESERVES @ 12-31-10</b>						
FIRE	210,901	85,082	-	-	7,347	303,330
ALLIED	45,411	34,446	28,749	14,809	-	123,415
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>256,312</b>	<b>119,528</b>	<b>28,749</b>	<b>14,809</b>	<b>7,347</b>	<b>426,745</b>
<b>PRIOR LOSS EXPENSE RESERVES @ 09-30-10</b>						
FIRE	141,856	124,789	4,873	-	9,457	280,975
ALLIED	9,487	43,111	28,578	14,322	-	95,498
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>151,343</b>	<b>167,900</b>	<b>33,451</b>	<b>14,322</b>	<b>9,457</b>	<b>376,473</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>						
FIRE	228,444	36,324	43	928	9,866	275,605
ALLIED	75,255	28,780	4,698	6,253	-	114,986
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$303,699</b>	<b>\$65,104</b>	<b>\$4,741</b>	<b>\$7,181</b>	<b>\$9,866</b>	<b>\$390,591</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING DECEMBER 31, 2010

	POLICY YEAR 2010	POLICY YEAR 2009	POLICY YEAR 2008	POLICY YEAR 2007	POLICY YEAR 2006 & PRIOR	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>						
FIRE	\$265,464	\$568,063	\$103,465	\$17,633	\$30,082	\$984,707
ALLIED	116,567	464,008	28,032	14,619	3,076	626,302
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>382,031</b>	<b>1,032,071</b>	<b>131,497</b>	<b>32,252</b>	<b>33,158</b>	<b>1,611,009</b>
<b>CURRENT LOSS EXPENSE RESERVES @ 12-31-10</b>						
FIRE	210,901	85,082	-	-	7,347	303,330
ALLIED	45,411	34,446	28,749	14,809	-	123,415
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>256,312</b>	<b>119,528</b>	<b>28,749</b>	<b>14,809</b>	<b>7,347</b>	<b>426,745</b>
<b>PRIOR LOSS EXPENSE RESERVES @ 12-31-09</b>						
FIRE	-	172,416	100,536	26,463	24,912	324,327
ALLIED	-	50,312	5,462	4,017	-	59,791
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>222,728</b>	<b>105,998</b>	<b>30,480</b>	<b>24,912</b>	<b>384,118</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>						
FIRE	476,365	480,729	2,929	(8,830)	12,517	963,710
ALLIED	161,978	448,142	51,319	25,411	3,076	689,926
CRIME	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$638,343</b>	<b>\$928,871</b>	<b>\$54,248</b>	<b>\$16,581</b>	<b>\$15,593</b>	<b>\$1,653,636</b>