

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## BALANCE SHEET AT DECEMBER 31, 2012

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<b><u>ASSETS</u></b>				
BONDS	\$567,126	-	-	\$567,126
STOCKS	520,604	-	-	520,604
CASH & SHORT-TERM INVESTMENTS	6,172,159	-	-	6,172,159
PREPAID PENSION COST	1,049,818	-	1,049,818	-
ACCRUED INTEREST	-	11,915	-	11,915
FURNITURE & EQUIPMENT	6,375	-	6,375	-
EDP - EQUIPMENT & SOFTWARE	308,586	-	293,333	15,253
PREMIUMS RECEIVABLE	156,923	-	267	156,656
<b>TOTAL ASSETS</b>	<b>\$8,781,591</b>	<b>\$11,915</b>	<b>\$1,349,793</b>	<b>\$7,443,713</b>
 <b><u>LIABILITIES</u></b>				
POST RETIREMENT BENEFITS (other than pensions)			4,859,365	
DEFINED BENEFIT PENSION PLAN			962,532	
AMOUNTS HELD FOR OTHERS			322,133	
ADVANCE PREMIUMS			203,383	
RETURN PREMIUMS			100,966	
OTHER PAYABLES			10,352	
CLAIM CHECKS PAYABLE			123,709	
<b>TOTAL LIABILITIES</b>			<b>6,582,440</b>	
 <b><u>RESERVES</u></b>				
UNEARNED PREMIUMS			5,554,113	
LOSS - CASE BASIS			8,718,884	
LOSS - I.B.N.R			530,182	
LOSS EXPENSE- ALLOCATED			271,308	
LOSS EXPENSE- UNALLOCATED			108,294	
ASSOCIATION EXPENSES			150,194	
TAXES & FEES			39,371	
<b>TOTAL RESERVES</b>			<b>15,372,346</b>	
<b>TOTAL LIABILITIES &amp; RESERVES</b>			<b>21,954,786</b>	
 <b><u>EQUITY ACCOUNT</u></b>				
NET EQUITY AT DECEMBER 31, 2012				<b>(14,511,073)</b>
<b>TOTAL LIABILITIES PLUS EQUITY ACCOUNT</b>				<b>\$7,443,713</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## INCOME STATEMENT DECEMBER 31, 2012

	QUARTER-TO-DATE	YEAR-TO-DATE
<b><u>UNDERWRITING INCOME</u></b>		
PREMIUMS EARNED	\$2,797,150	\$11,191,051
<b><u>DEDUCTIONS</u></b>		
LOSSES INCURRED	10,424,639	14,531,303
LOSS EXPENSES INCURRED	564,580	1,427,016
COMMISSIONS INCURRED	232,714	952,837
OTHER UNDERWRITING EXPENSES	1,147,007	3,823,087
TAXES & FEES INCURRED	8,814	49,860
TOTAL DEDUCTIONS	12,377,754	20,784,103
UNDERWRITING LOSS	(9,580,604)	(9,593,052)
<b><u>INVESTMENT INCOME</u></b>		
NET INVESTMENT INCOME EARNED	25,024	67,311
NET REALIZED CAPITAL GAIN	2,180	11,065
NET INVESTMENT GAIN	27,204	78,376
<b><u>OTHER INCOME</u></b>		
OTHER INCOME	154	816
INSTALLMENT SERVICE FEE	5,319	21,561
TOTAL OTHER INCOME	5,473	22,377
NET LOSS	(9,547,927)	(9,492,299)
<b><u>EQUITY ACCOUNT</u></b>		
NET EQUITY - PRIOR	(4,724,054)	(4,908,696)
NET LOSS FOR PERIOD	(9,547,927)	(9,492,299)
CHANGE IN PENSION OBLIGATION	(285,918)	(285,918)
CHANGE IN NONADMITTED ASSETS	56,358	148,645
NET UNREALIZED GAIN (LOSS)	(9,532)	27,195
CHANGE IN EQUITY	(9,787,019)	(9,602,377)
NET EQUITY AT DECEMBER 31, 2012	(\$14,511,073)	(\$14,511,073)

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT QTD PERIOD ENDED DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b><u>INCOME RECEIVED</u></b>					
PREMIUMS WRITTEN	\$2,687,235	(\$2,371)	-	-	\$2,684,864
INSTALLMENT SERVICE FEE	5,473	-	-	-	5,473
INVESTMENT INCOME RECEIVED	25,328	-	-	-	25,328
NET REALIZED CAPITAL GAIN	2,180	-	-	-	2,180
TOTAL	2,720,216	(2,371)	-	-	2,717,845
<b><u>EXPENSES PAID</u></b>					
LOSSES PAID	2,283,825	694,203	822	-	2,978,850
ALLOCATED LOSS EXPENSE	328,604	107,082	1,471	-	437,157
UNALLOCATED LOSS EXPENSE	142,680	43,391	119	-	186,190
INSPECTION AND RATING ISO	6,719	-	-	-	6,719
SURVEYS & UNDERWRITING RPTS	20,394	-	-	-	20,394
BOARDS & BUREAUS	4,125	-	-	-	4,125
COMMISSIONS	232,930	(216)	-	-	232,714
ASSOCIATION EXPENSES	1,069,455	-	-	-	1,069,455
TAXES & FEES	-	-	-	-	-
TOTAL	4,088,732	844,460	2,412	-	4,935,604
<b>INCREASE (DECREASE)</b>	<b>(1,368,516)</b>	<b>(846,831)</b>	<b>(2,412)</b>	<b>-</b>	<b>(2,217,759)</b>
<b><u>DEDUCT</u></b>					
PRIOR ACCRUED INTEREST	12,219	-	-	-	12,219
CURRENT NONADMITTED ASSETS	1,349,793	-	-	-	1,349,793
CHANGE IN PENSION OBLIGATION	285,918	-	-	-	285,918
NET UNREALIZED LOSS	9,532	-	-	-	9,532
TOTAL	1,657,462	-	-	-	1,657,462
<b><u>ADD</u></b>					
CURRENT ACCRUED INTEREST	11,915	-	-	-	11,915
PRIOR NONADMITTED ASSETS	1,406,152	-	-	-	1,406,152
TOTAL	1,418,067	-	-	-	1,418,067
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>(1,607,911)</b>	<b>(846,831)</b>	<b>(2,412)</b>	<b>-</b>	<b>(2,457,154)</b>
<b><u>CURRENT RESERVES</u></b>					
UNEARNED PREMIUMS	5,554,113	-	-	-	5,554,113
UNPAID LOSSES	7,694,673	1,502,130	52,263	-	9,249,066
UNPAID LOSS EXPENSES	205,072	142,893	31,637	-	379,602
UNPAID ASSOCIATION EXPENSES	150,194	-	-	-	150,194
UNPAID TAXES & FEES	39,371	-	-	-	39,371
TOTAL	13,643,423	1,645,023	83,900	-	15,372,346
<b><u>PRIOR RESERVES</u></b>					
UNEARNED PREMIUMS	5,338,528	327,871	-	-	5,666,399
UNPAID LOSSES	680,530	1,068,484	54,263	-	1,803,277
UNPAID LOSSES EXPENSES	153,479	242,306	42,584	-	438,369
UNPAID ASSOCIATION EXPENSES	103,880	-	-	-	103,880
UNPAID TAXES & FEES	30,557	-	-	-	30,557
TOTAL	6,306,974	1,638,661	96,847	-	8,042,482
<b>NET CHANGE IN EQUITY</b>	<b>(\$8,944,360)</b>	<b>(\$853,193)</b>	<b>\$10,535</b>	<b>-</b>	<b>(\$9,787,019)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## EQUITY ACCOUNT YTD PERIOD ENDED DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b><u>INCOME RECEIVED</u></b>					
PREMIUMS WRITTEN	\$11,140,808	(\$113,038)	(\$845)	-	\$11,026,925
INSTALLMENT SERVICE FEE	22,377	-	-	-	22,377
INVESTMENT INCOME RECEIVED	71,218	-	-	-	71,218
NET REALIZED CAPITAL GAIN	11,065	-	-	-	11,065
TOTAL	11,245,468	(113,038)	(845)	-	11,131,585
<b><u>EXPENSES PAID</u></b>					
LOSSES PAID	3,543,026	4,204,367	419,392	-	8,166,785
ALLOCATED LOSS EXPENSE	402,012	472,133	87,937	-	962,082
UNALLOCATED LOSS EXPENSE	231,940	306,980	38,920	-	577,840
INSPECTION AND RATING ISO	35,807	-	-	-	35,807
SURVEYS & UNDERWRITING RPTS	87,290	-	-	-	87,290
BOARDS & BUREAUS	16,500	-	-	-	16,500
COMMISSIONS	962,410	(9,488)	(85)	-	952,837
ASSOCIATION EXPENSES	3,744,361	-	-	-	3,744,361
TAXES & FEES	38,205	13,448	-	-	51,653
TOTAL	9,061,551	4,987,440	546,164	-	14,595,155
<b>INCREASE (DECREASE)</b>	<b>2,183,917</b>	<b>(5,100,478)</b>	<b>(547,009)</b>	<b>-</b>	<b>(3,463,570)</b>
<b><u>DEDUCT</u></b>					
PRIOR ACCRUED INTEREST	-	15,822	-	-	15,822
CURRENT NONADMITTED ASSETS	1,349,793	-	-	-	1,349,793
CHANGE IN PENSION OBLIGATION	285,918	-	-	-	285,918
TOTAL	1,635,711	15,822	-	-	1,651,533
<b><u>ADD</u></b>					
CURRENT ACCRUED INTEREST	11,915	-	-	-	11,915
PRIOR NONADMITTED ASSETS	-	1,498,439	-	-	1,498,439
NET UNREALIZED GAIN	27,195	-	-	-	27,195
TOTAL	39,110	1,498,439	-	-	1,537,549
<b>EQUITY IN ASSETS OF ASSOCIATION</b>	<b>587,316</b>	<b>(3,617,861)</b>	<b>(547,009)</b>	<b>-</b>	<b>(3,577,554)</b>
<b><u>CURRENT RESERVES</u></b>					
UNEARNED PREMIUMS	5,554,113	-	-	-	5,554,113
UNPAID LOSSES	7,694,673	1,502,130	52,263	-	9,249,066
UNPAID LOSS EXPENSES	205,072	142,893	31,637	-	379,602
UNPAID ASSOCIATION EXPENSES	150,194	-	-	-	150,194
UNPAID TAXES & FEES	39,371	-	-	-	39,371
TOTAL	13,643,423	1,645,023	83,900	-	15,372,346
<b><u>PRIOR RESERVES</u></b>					
UNEARNED PREMIUMS	-	5,718,239	-	-	5,718,239
UNPAID LOSSES	-	1,890,907	785,641	208,000	2,884,548
UNPAID LOSSES EXPENSES	-	323,366	130,388	38,754	492,508
UNPAID ASSOCIATION EXPENSES	-	211,065	-	-	211,065
UNPAID TAXES & FEES	-	41,164	-	-	41,164
TOTAL	-	8,184,741	916,029	246,754	9,347,524
<b>NET CHANGE IN EQUITY</b>	<b>(\$13,056,107)</b>	<b>\$2,921,857</b>	<b>\$285,120</b>	<b>\$246,754</b>	<b>(\$9,602,377)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING DECEMBER 31, 2012

	12-31-12 QUARTER-TO-DATE	
<b>Premiums Written</b>	<b>\$2,684,864</b>	
Current Unearned Reserve	5,554,113	
Prior Unearned Reserve	5,666,399	
Change in Unearned Premium Reserve	112,286	
<b>Net Premium Earned</b>	<b>112,286</b>	<b>\$2,797,150</b>
Losses Paid	2,980,289	
Less Salvage & Subrogation	1,439	
<b>Net Losses Paid</b>	<b>2,978,850</b>	
Current Loss Reserve	9,249,066	
Prior Loss Reserve	1,803,277	
Change in Loss Reserve	7,445,789	
<b>Net Losses Incurred</b>	<b>7,445,789</b>	<b>10,424,639</b>
Allocated Loss Exp. Paid	437,157	
Unallocated Loss Exp. Paid	186,190	
<b>Total Loss Exp. Paid</b>	<b>623,347</b>	
Current Loss Exp. Reserve	379,602	
Prior Loss Exp. Reserve	438,369	
Change in Loss Exp. Reserve	(58,767)	
<b>Net Loss Exp. Incurred</b>	<b>(58,767)</b>	<b>564,580</b>
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$10,989,219</b>
Taxes & Fees Paid	-	
Current Reserve	39,371	
Prior Reserve	30,557	
Change in Reserve for Taxes & Fees	8,814	
<b>Net Taxes &amp; Fees Incurred</b>	<b>8,814</b>	<b>8,814</b>
Commissions Expense Paid	232,714	
Board Bureaus & Inspections Paid	31,238	
Other Operating Exp. Paid	1,069,455	
<b>Total Underwriting Exp. Paid</b>	<b>1,333,407</b>	
Current Reserve	150,194	
Prior Reserve	103,880	
Change in Other Underwriting Exp. Reserve	46,314	
<b>Other Underwriting Exp. Incurred</b>	<b>46,314</b>	<b>1,379,721</b>
<b>Total Other Underwriting Exp. Incurred</b>		<b>1,388,535</b>
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$12,377,754</b>
<b>Underwriting Loss</b>		<b>(\$9,580,604)</b>
Net Investment Income Received	25,328	
Current Accrued Interest	11,915	
Prior Accrued Interest	12,219	
Change in Accrued Interest	(304)	
<b>Net Investment Income Earned</b>	<b>(304)</b>	<b>25,024</b>
Net Realized Capital Gain		2,180
<b>Net Investment Gain</b>		<b>27,204</b>
Installment Service Fee		5,473
<b>Net Loss</b>		<b>(\$9,547,927)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING DECEMBER 31, 2012

	12-31-12 YEAR-TO-DATE	
<b>Premiums Written</b>	<b>\$11,026,925</b>	
Current Unearned Reserve	5,554,113	
Prior Unearned Reserve	5,718,239	
Change in Unearned Premium Reserve	164,126	
<b>Net Premium Earned</b>		<b>\$11,191,051</b>
Losses Paid	8,277,594	
Less Salvage & Subrogation	110,809	
<b>Net Losses Paid</b>	<b>8,166,785</b>	
Current Loss Reserve	9,249,066	
Prior Loss Reserve	2,884,548	
Change in Loss Reserve	6,364,518	
<b>Net Losses Incurred</b>		<b>14,531,303</b>
Allocated Loss Exp. Paid	962,082	
Unallocated Loss Exp. Paid	577,840	
<b>Total Loss Exp. Paid</b>	<b>1,539,922</b>	
Current Loss Exp. Reserve	379,602	
Prior Loss Exp. Reserve	492,508	
Change in Loss Exp. Reserve	(112,906)	
<b>Net Loss Exp. Incurred</b>		<b>1,427,016</b>
<b>Total Loss &amp; Loss Exp. Incurred</b>		<b>\$15,958,319</b>
Taxes & Fees Paid	51,653	
Current Reserve	39,371	
Prior Reserve	41,164	
Change in Reserve for Taxes & Fees	(1,793)	
<b>Net Taxes &amp; Fees Incurred</b>		<b>49,860</b>
Commissions Expense Paid	952,837	
Board Bureaus & Inspections Paid	139,597	
Other Operating Exp. Paid	3,744,361	
<b>Total Underwriting Exp. Paid</b>	<b>4,836,795</b>	
Current Reserve	150,194	
Prior Reserve	211,065	
Change in Other Underwriting Exp. Reserve	(60,871)	
<b>Other Underwriting Exp. Incurred</b>		<b>4,775,924</b>
<b>Total Other Underwriting Exp. Incurred</b>		<b>4,825,784</b>
<b>Total Loss &amp; Underwriting Exp. Incurred</b>		<b>\$20,784,103</b>
<b>Underwriting Loss</b>		<b>(\$9,593,052)</b>
Net Investment Income Received	71,218	
Current Accrued Interest	11,915	
Prior Accrued Interest	15,822	
Change in Accrued Interest	(3,907)	
<b>Net Investment Income Earned</b>		<b>67,311</b>
Net Realized Capital Gain		11,065
<b>Net Investment Gain</b>		<b>78,376</b>
Installment Service Fee		22,377
<b>Net Loss</b>		<b>(\$9,492,299)</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>*SEE NOTE BELOW</b>					
<b>WRITTEN PREMIUMS</b>					
FIRE	\$2,020,312	(\$1,775)	-	-	\$2,018,537
ALLIED	659,278	(596)	-	-	658,682
CRIME	7,645	-	-	-	7,645
<b>TOTAL</b>	<b>2,687,235</b>	<b>(2,371)</b>	<b>-</b>	<b>-</b>	<b>2,684,864</b>
<b>CURRENT UNEARNED PREMIUM RESERVE</b>					
<b>@ 12-31-12</b>					
FIRE	4,155,835	-	-	-	4,155,835
ALLIED	1,382,422	-	-	-	1,382,422
CRIME	15,856	-	-	-	15,856
<b>TOTAL</b>	<b>5,554,113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,554,113</b>
<b>PRIOR UNEARNED PREMIUM RESERVE</b>					
<b>@ 09-30-12</b>					
FIRE	3,994,911	255,582	-	-	4,250,493
ALLIED	1,328,203	71,509	-	-	1,399,712
CRIME	15,414	780	-	-	16,194
<b>TOTAL</b>	<b>5,338,528</b>	<b>327,871</b>	<b>-</b>	<b>-</b>	<b>5,666,399</b>
<b>EARNED PREMIUM</b>					
FIRE	1,859,388	253,807	-	-	2,113,195
ALLIED	605,059	70,913	-	-	675,972
CRIME	7,203	780	-	-	7,983
<b>TOTAL</b>	<b>\$2,471,650</b>	<b>325,500</b>	<b>-</b>	<b>-</b>	<b>\$2,797,150</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, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>*SEE NOTE BELOW</b>					
<b>WRITTEN PREMIUMS</b>					
FIRE	\$8,387,272	(\$87,176)	(\$628)	-	\$8,299,468
ALLIED	2,722,297	(24,628)	(217)	-	2,697,452
CRIME	31,239	(1,234)	-	-	30,005
<b>TOTAL</b>	<b>11,140,808</b>	<b>(113,038)</b>	<b>(845)</b>	<b>-</b>	<b>11,026,925</b>
<b>CURRENT UNEARNED PREMIUM RESERVE</b>					
<b>@ 12-31-12</b>					
FIRE	4,155,835	-	-	-	4,155,835
ALLIED	1,382,422	-	-	-	1,382,422
CRIME	15,856	-	-	-	15,856
<b>TOTAL</b>	<b>5,554,113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,554,113</b>
<b>PRIOR UNEARNED PREMIUM RESERVE</b>					
<b>@ 12-31-11</b>					
FIRE	-	4,409,603	-	-	4,409,603
ALLIED	-	1,292,283	-	-	1,292,283
CRIME	-	16,353	-	-	16,353
<b>TOTAL</b>	<b>-</b>	<b>5,718,239</b>	<b>-</b>	<b>-</b>	<b>5,718,239</b>
<b>EARNED PREMIUM</b>					
FIRE	4,231,437	4,322,427	(628)	-	8,553,236
ALLIED	1,339,875	1,267,655	(217)	-	2,607,313
CRIME	15,383	15,119	-	-	30,502
<b>TOTAL</b>	<b>\$5,586,695</b>	<b>\$5,605,201</b>	<b>(\$845)</b>	<b>-</b>	<b>\$11,191,051</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>1-4 Family Tenant-</u>			<u>1-4 Family Tenant-</u>			
	<u>Commercial</u>	<u>Occupied</u>	<u>Total TRIA</u>	<u>Commercial</u>	<u>Occupied</u>	<u>Total TRIA</u>	
<b>1Q11</b>	\$171,961	\$886,780	\$1,058,741	<b>1Q12</b>	\$147,363	\$848,111	\$995,474
<b>2Q11</b>	\$164,318	\$874,116	\$1,038,434	<b>2Q12</b>	\$144,440	\$845,292	\$989,732
<b>3Q11</b>	\$162,257	\$880,517	\$1,042,774	<b>3Q12</b>	\$141,933	\$845,366	\$987,299
<b>4Q11</b>	\$155,412	\$890,056	\$1,045,468	<b>4Q12</b>	\$141,618	\$841,685	\$983,303

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, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>PAID LOSSES</b>					
<b>Net of Salvage &amp; Subrogation Received</b>					
FIRE	\$611,337	\$381,347	(\$1,089)	-	\$991,595
ALLIED	1,672,488	312,856	1,911	-	1,987,255
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>2,283,825</b>	<b>694,203</b>	<b>822</b>	<b>-</b>	<b>2,978,850</b>
<b>CURRENT CASE BASIS RESERVES (12-31-12)</b>					
FIRE	1,451,409	337,927	52,263	-	1,841,599
ALLIED	5,805,125	1,072,160	-	-	6,877,285
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>7,256,534</b>	<b>1,410,087</b>	<b>52,263</b>	<b>-</b>	<b>8,718,884</b>
<b>CURRENT I.B.N.R. RESERVES (12-31-12)</b>					
FIRE	87,634	22,058	-	-	109,692
ALLIED	350,505	69,985	-	-	420,490
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>438,139</b>	<b>92,043</b>	<b>-</b>	<b>-</b>	<b>530,182</b>
<b>PRIOR LOSS RESERVES (09-30-12)</b>					
<b>(Including I.B.N.R. Reserves)</b>					
FIRE	497,434	885,509	52,263	-	1,435,206
ALLIED	183,096	182,975	2,000	-	368,071
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>680,530</b>	<b>1,068,484</b>	<b>54,263</b>	<b>-</b>	<b>1,803,277</b>
<b>INCURRED LOSSES</b>					
FIRE	1,652,946	(144,177)	(1,089)	-	1,507,680
ALLIED	7,645,022	1,272,026	(89)	-	8,916,959
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>\$9,297,968</b>	<b>\$1,127,849</b>	<b>(\$1,178)</b>	<b>-</b>	<b>\$10,424,639</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>PAID LOSSES</b>					
<b>Net of Salvage &amp; Subrogation Received</b>					
FIRE	\$1,703,218	\$3,291,277	\$328,933	-	\$5,323,428
ALLIED	1,839,808	911,493	90,459	-	2,841,760
CRIME	-	1,597	-	-	1,597
<b>TOTAL</b>	<b>3,543,026</b>	<b>4,204,367</b>	<b>419,392</b>	<b>-</b>	<b>8,166,785</b>
<b>CURRENT CASE BASIS RESERVES (12-31-12)</b>					
FIRE	1,451,409	337,927	52,263	-	1,841,599
ALLIED	5,805,125	1,072,160	-	-	6,877,285
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>7,256,534</b>	<b>1,410,087</b>	<b>52,263</b>	<b>-</b>	<b>8,718,884</b>
<b>CURRENT I.B.N.R. RESERVES (12-31-12)</b>					
FIRE	87,634	22,058	-	-	109,692
ALLIED	350,505	69,985	-	-	420,490
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>438,139</b>	<b>92,043</b>	<b>-</b>	<b>-</b>	<b>530,182</b>
<b>PRIOR LOSS RESERVES (12-31-11)</b>					
<b>(Including I.B.N.R. Reserves)</b>					
FIRE	-	1,416,428	511,251	185,000	2,112,679
ALLIED	-	474,479	274,390	23,000	771,869
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>1,890,907</b>	<b>785,641</b>	<b>208,000</b>	<b>2,884,548</b>
<b>INCURRED LOSSES</b>					
FIRE	3,242,261	2,234,834	(130,055)	(185,000)	5,162,040
ALLIED	7,995,438	1,579,159	(183,931)	(23,000)	9,367,666
CRIME	-	1,597	-	-	1,597
<b>TOTAL</b>	<b>\$11,237,699</b>	<b>\$3,815,590</b>	<b>(\$313,986)</b>	<b>(\$208,000)</b>	<b>\$14,531,303</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>					
FIRE	\$69,738	\$54,217	\$814	-	\$124,769
ALLIED	401,546	96,256	776	-	498,578
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>471,284</b>	<b>150,473</b>	<b>1,590</b>	<b>-</b>	<b>623,347</b>
<b>CURRENT LOSS EXPENSE RESERVES @ 12-31-12</b>					
FIRE	41,018	34,244	31,637	-	106,899
ALLIED	164,054	108,649	-	-	272,703
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>205,072</b>	<b>142,893</b>	<b>31,637</b>	<b>-</b>	<b>379,602</b>
<b>PRIOR LOSS EXPENSE RESERVES @ 09-30-12</b>					
FIRE	112,185	200,812	41,015	-	354,012
ALLIED	41,294	41,494	1,569	-	84,357
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>153,479</b>	<b>242,306</b>	<b>42,584</b>	<b>-</b>	<b>438,369</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>					
FIRE	(1,429)	(112,351)	(8,564)	-	(122,344)
ALLIED	524,306	163,411	(793)	-	686,924
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>\$522,877</b>	<b>\$51,060</b>	<b>(\$9,357)</b>	<b>-</b>	<b>\$564,580</b>

# NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

## STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING DECEMBER 31, 2012

	POLICY YEAR 2012	POLICY YEAR 2011	POLICY YEAR 2010	POLICY YEAR 2009	TOTAL
<b>LOSS EXPENSES PAID (ALAE AND ULAE)</b>					
FIRE	\$186,609	\$459,900	\$76,114	-	\$722,623
ALLIED	447,343	319,083	50,743	-	817,169
CRIME	-	130	-	-	130
<b>TOTAL</b>	<b>633,952</b>	<b>779,113</b>	<b>126,857</b>	<b>-</b>	<b>1,539,922</b>
<b>CURRENT LOSS EXPENSE RESERVES @ 12-31-12</b>					
FIRE	41,018	34,244	31,637	-	106,899
ALLIED	164,054	108,649	-	-	272,703
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>205,072</b>	<b>142,893</b>	<b>31,637</b>	<b>-</b>	<b>379,602</b>
<b>PRIOR LOSS EXPENSE RESERVES @ 12-31-11</b>					
FIRE	-	242,225	84,849	34,469	361,543
ALLIED	-	81,141	45,539	4,285	130,965
CRIME	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>323,366</b>	<b>130,388</b>	<b>38,754</b>	<b>492,508</b>
<b>ALAE &amp; ULAE LOSS EXPENSES INCURRED</b>					
FIRE	227,627	251,919	22,902	(34,469)	467,979
ALLIED	611,397	346,591	5,204	(4,285)	958,907
CRIME	-	130	-	-	130
<b>TOTAL</b>	<b>\$839,024</b>	<b>\$598,640</b>	<b>\$28,106</b>	<b>(\$38,754)</b>	<b>\$1,427,016</b>