

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT MARCH 31, 2015

	LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>			
BONDS	\$1,109,341	-	\$1,109,341
STOCKS	1,045,230	-	1,045,230
CASH & SHORT-TERM INVESTMENTS	8,255,488	-	8,255,488
PREPAID EXPENSES	79,411	79,411	-
ACCRUED INTEREST	12,751	-	12,751
FURNITURE & EQUIPMENT	14,746	14,746	-
EDP - EQUIPMENT & SOFTWARE	127,406	89,952	37,454
PREMIUMS RECEIVABLE	159,634	11	159,623
TOTAL ASSETS	\$10,804,007	\$184,120	\$10,619,887
 <u>LIABILITIES</u>			
POST RETIREMENT BENEFITS (other than pensions)		3,964,793	
DEFINED BENEFIT PENSION PLAN		1,544,412	
AMOUNTS HELD FOR OTHERS		242,935	
PAYABLE FOR SECURITIES		251,116	
ADVANCE PREMIUMS		352,422	
RETURN PREMIUMS		110,012	
OTHER PAYABLES		12,920	
CLAIM CHECKS PAYABLE		-	
TOTAL LIABILITIES		6,478,610	6,478,610
 <u>RESERVES</u>			
UNEARNED PREMIUMS		5,250,914	
LOSS - CASE BASIS		1,066,484	
LOSS - I.B.N.R		737,984	
LOSS EXPENSE- ALLOCATED		275,442	
LOSS EXPENSE- UNALLOCATED		128,914	
ASSOCIATION EXPENSES		176,057	
TAXES & FEES		20,473	
TOTAL RESERVES		7,656,268	7,656,268
TOTAL LIABILITIES & RESERVES			14,134,878
 <u>EQUITY ACCOUNT</u>			
NET EQUITY AT MARCH 31, 2015			(3,514,991)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT			\$10,619,887

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT MARCH 31, 2015

	QUARTER-TO-DATE	
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED		\$2,628,579
<u>DEDUCTIONS</u>		
LOSSES INCURRED	1,081,111	
LOSS EXPENSES INCURRED	421,073	
COMMISSIONS INCURRED	205,445	
OTHER UNDERWRITING EXPENSES	1,468,878	
TAXES & FEES INCURRED	15,843	
TOTAL DEDUCTIONS		3,192,350
UNDERWRITING LOSS		(563,771)
<u>INVESTMENT INCOME</u>		
NET INVESTMENT INCOME EARNED	16,420	
NET REALIZED CAPITAL LOSS	(1,310)	
NET INVESTMENT GAIN		15,110
<u>OTHER INCOME</u>		
INSTALLMENT SERVICE FEE	4,809	
OTHER INCOME	-	
TOTAL OTHER INCOME		4,809
NET LOSS		(543,852)
<u>EQUITY ACCOUNT</u>		
NET EQUITY - PRIOR		(3,121,000)
NET LOSS FOR PERIOD	(543,852)	
CHANGE IN NONADMITTED ASSETS	138,171	
CHANGE IN NET UNREALIZED CAPITAL GAINS	11,690	
CHANGE IN EQUITY		(393,991)
NET EQUITY AT MARCH 31, 2015		(\$3,514,991)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED MARCH 31, 2015

	POLICY YEAR 2015	POLICY YEAR 2014	POLICY YEAR 2013	POLICY YEAR 2012	TOTAL
<u>INCOME RECEIVED</u>					
PREMIUMS WRITTEN	\$2,523,263	(\$62,185)	(\$814)	-	\$2,460,264
OTHER INCOME (includes installment service fees)	4,809	-	-	-	4,809
INVESTMENT INCOME RECEIVED	15,630	-	-	-	15,630
NET REALIZED CAPITAL LOSS	(1,310)	-	-	-	(1,310)
TOTAL	<u>2,542,392</u>	<u>(62,185)</u>	<u>(814)</u>	<u>-</u>	<u>2,479,393</u>
<u>EXPENSES PAID</u>					
LOSSES PAID	-	1,046,127	88,203	9,450	1,143,780
ALLOCATED LOSS EXPENSE	2,415	66,377	13,994	55,424	138,210
UNALLOCATED LOSS EXPENSE	-	246,775	20,807	2,371	269,953
INSPECTION AND RATING ISO	17,223	-	-	-	17,223
SURVEYS & UNDERWRITING RPTS	15,493	104	-	-	15,597
BOARDS & BUREAUS	4,125	-	-	-	4,125
COMMISSIONS	211,215	(5,689)	(81)	-	205,445
ASSOCIATION EXPENSES	1,457,729	-	-	-	1,457,729
TAXES & FEES	24,154	9,646	-	-	33,800
TOTAL	<u>1,732,354</u>	<u>1,363,340</u>	<u>122,923</u>	<u>67,245</u>	<u>3,285,862</u>
INCREASE (DECREASE)	810,038	(1,425,525)	(123,737)	(67,245)	(806,469)
<u>DEDUCT</u>					
PRIOR ACCRUED INTEREST	-	11,961	-	-	11,961
CURRENT NONADMITTED ASSETS	184,120	-	-	-	184,120
TOTAL	<u>184,120</u>	<u>11,961</u>	<u>-</u>	<u>-</u>	<u>196,081</u>
<u>ADD</u>					
CURRENT ACCRUED INTEREST	12,751	-	-	-	12,751
PRIOR NONADMITTED ASSETS	-	322,291	-	-	322,291
CHANGE IN NET UNREALIZED CAPITAL GAINS	11,690	-	-	-	11,690
TOTAL	<u>24,441</u>	<u>322,291</u>	<u>-</u>	<u>-</u>	<u>346,732</u>
EQUITY IN ASSETS OF ASSOCIATION	650,359	(1,115,195)	(123,737)	(67,245)	(655,818)
<u>CURRENT RESERVES</u>					
UNEARNED PREMIUMS	2,216,867	3,034,047	-	-	5,250,914
UNPAID LOSSES	175,500	1,464,603	67,003	97,362	1,804,468
UNPAID LOSS EXPENSES	26,803	337,106	38,863	1,584	404,356
UNPAID ASSOCIATION EXPENSES	176,057	-	-	-	176,057
UNPAID TAXES & FEES	20,473	-	-	-	20,473
TOTAL	<u>2,615,700</u>	<u>4,835,756</u>	<u>105,866</u>	<u>98,946</u>	<u>7,656,268</u>
<u>PRIOR RESERVES</u>					
UNEARNED PREMIUMS	-	5,419,229	-	-	5,419,229
UNPAID LOSSES	-	1,534,756	227,019	105,362	1,867,137
UNPAID LOSSES EXPENSES	-	296,046	71,752	23,648	391,446
UNPAID ASSOCIATION EXPENSES	-	201,853	-	-	201,853
UNPAID TAXES & FEES	-	38,430	-	-	38,430
TOTAL	<u>-</u>	<u>7,490,314</u>	<u>298,771</u>	<u>129,010</u>	<u>7,918,095</u>
NET CHANGE IN EQUITY	(\$1,965,341)	\$1,539,363	\$69,168	(\$37,181)	(\$393,991)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING MARCH 31, 2015

	03-31-15 QUARTER-TO-DATE	
Premiums Written	\$2,460,264	
Current Unearned Reserve	5,250,914	
Prior Unearned Reserve	5,419,229	
Change in Unearned Premium Reserve	168,315	
Net Premium Earned		\$2,628,579
Losses Paid	1,144,380	
Less Salvage & Subrogation	600	
Net Losses Paid	1,143,780	
Current Loss Reserve	1,804,468	
Prior Loss Reserve	1,867,137	
Change in Loss Reserve	(62,669)	
Net Losses Incurred		1,081,111
Allocated Loss Exp. Paid	138,210	
Unallocated Loss Exp. Paid	269,953	
Total Loss Exp. Paid	408,163	
Current Loss Exp. Reserve	404,356	
Prior Loss Exp. Reserve	391,446	
Change in Loss Exp. Reserve	12,910	
Net Loss Exp. Incurred		421,073
Total Loss & Loss Exp. Incurred		\$1,502,184
Taxes & Fees Paid	33,800	
Current Reserve	20,473	
Prior Reserve	38,430	
Change in Reserve for Taxes & Fees	(17,957)	
Net Taxes & Fees Incurred		15,843
Commissions Expense Paid	205,445	
Board Bureaus & Inspections Paid	36,945	
Other Operating Exp. Paid	1,457,729	
Total Underwriting Exp. Paid	1,700,119	
Current Reserve	176,057	
Prior Reserve	201,853	
Change in Other Underwriting Exp. Reserve	(25,796)	
Other Underwriting Exp. Incurred		1,674,323
Total Other Underwriting Exp. Incurred		1,690,166
Total Loss & Underwriting Exp. Incurred		\$3,192,350
Underwriting Loss		(\$563,771)
Net Investment Income Received		15,630
Current Accrued Interest	12,751	
Prior Accrued Interest	11,961	
Change in Accrued Interest	790	
Net Investment Income Earned		16,420
Net Realized Capital Loss		(1,310)
Net Investment Gain		15,110
Othe Income (includes installment service fees)		4,809
Net Loss		(\$543,852)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING MARCH 31, 2015

	POLICY YEAR 2015	POLICY YEAR 2014	POLICY YEAR 2013	POLICY YEAR 2012	TOTAL
*SEE NOTE BELOW					
WRITTEN PREMIUMS					
FIRE	\$1,892,572	(\$44,953)	(\$607)	-	\$1,847,012
ALLIED	627,193	(16,601)	(207)	-	610,385
CRIME	3,498	(631)	-	-	2,867
TOTAL	2,523,263	(62,185)	(814)	-	2,460,264
CURRENT UNEARNED PREMIUM RESERVE					
@ 03-31-15					
FIRE	1,663,086	2,241,087	-	-	3,904,173
ALLIED	550,676	784,943	-	-	1,335,619
CRIME	3,105	8,017	-	-	11,122
TOTAL	2,216,867	3,034,047	-	-	5,250,914
PRIOR UNEARNED PREMIUM RESERVE					
@ 12-31-14					
FIRE	-	4,005,840	-	-	4,005,840
ALLIED	-	1,398,752	-	-	1,398,752
CRIME	-	14,637	-	-	14,637
TOTAL	-	5,419,229	-	-	5,419,229
EARNED PREMIUM					
FIRE	229,486	1,719,800	(607)	-	1,948,679
ALLIED	76,517	597,208	(207)	-	673,518
CRIME	393	5,989	-	-	6,382
TOTAL	\$306,396	\$2,322,997	(\$814)	-	\$2,628,579

*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 five 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>	
1Q14	\$120,676	\$826,530	\$947,206	1Q15	\$103,113	\$822,286	\$925,399
2Q14	\$118,191	\$829,320	\$947,511				
3Q14	\$115,639	\$839,761	\$955,400				
4Q14	\$107,740	\$853,290	\$961,030				

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 MARCH 31, 2015

	POLICY YEAR 2015	POLICY YEAR 2014	POLICY YEAR 2013	POLICY YEAR 2012	TOTAL
PAID LOSSES					
Net of Salvage & Subrogation Received					
FIRE	-	\$943,482	\$76,878	(\$460)	\$1,019,900
ALLIED	-	102,645	11,325	9,910	123,880
CRIME	-	-	-	-	-
TOTAL	-	1,046,127	88,203	9,450	1,143,780
CURRENT CASE BASIS RESERVES (03-31-15)					
FIRE	155,000	479,846	12,001	37,262	684,109
ALLIED	10,500	262,140	49,635	60,100	382,375
CRIME	-	-	-	-	-
TOTAL	165,500	741,986	61,636	97,362	1,066,484
CURRENT I.B.N.R. RESERVES (03-31-15)					
FIRE	9,366	467,320	1,045	-	477,731
ALLIED	634	255,297	4,322	-	260,253
CRIME	-	-	-	-	-
TOTAL	10,000	722,617	5,367	-	737,984
PRIOR LOSS RESERVES (12-31-14)					
(Including I.B.N.R. Reserves)					
FIRE	-	1,354,361	124,842	37,262	1,516,465
ALLIED	-	180,395	102,177	68,100	350,672
CRIME	-	-	-	-	-
TOTAL	-	1,534,756	227,019	105,362	1,867,137
INCURRED LOSSES					
FIRE	164,366	536,287	(\$34,918)	(460)	665,275
ALLIED	11,134	439,687	(\$36,895)	1,910	415,836
CRIME	-	-	-	-	-
TOTAL	\$175,500	\$975,974	(\$71,813)	\$1,450	\$1,081,111

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING MARCH 31, 2015

	POLICY YEAR 2015	POLICY YEAR 2014	POLICY YEAR 2013	POLICY YEAR 2012	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)					
FIRE	\$1,343	\$269,899	\$24,636	\$30,095	\$325,973
ALLIED	1,072	43,253	10,165	27,700	82,190
CRIME	-	-	-	-	-
TOTAL	2,415	313,152	34,801	57,795	408,163
CURRENT LOSS EXPENSE RESERVES @ 03-31-15					
FIRE	25,103	218,008	7,567	606	251,284
ALLIED	1,700	119,098	31,296	978	153,072
CRIME	-	-	-	-	-
TOTAL	26,803	337,106	38,863	1,584	404,356
PRIOR LOSS EXPENSE RESERVES @ 12-31-14					
FIRE	-	261,249	39,458	8,364	309,071
ALLIED	-	34,797	32,294	15,284	82,375
CRIME	-	-	-	-	-
TOTAL	-	296,046	71,752	23,648	391,446
ALAE & ULAE LOSS EXPENSES INCURRED					
FIRE	26,446	226,658	(7,255)	22,337	268,186
ALLIED	2,772	127,554	9,167	13,394	152,887
CRIME	-	-	-	-	-
TOTAL	\$29,218	\$354,212	\$1,912	\$35,731	\$421,073