

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT MARCH 31, 2020

	LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>			
BONDS	\$1,240,124	-	\$1,240,124
STOCKS	1,219,048	-	1,219,048
CASH & SHORT-TERM INVESTMENTS	8,644,888	-	8,644,888
PREPAID EXPENSES	74,505	74,505	-
ACCRUED INTEREST	79,895	-	79,895
FURNITURE & EQUIPMENT	60,891	60,891	-
EDP - EQUIPMENT & SOFTWARE	37,804	5,560	32,244
LEASEHOLD IMPROVEMENTS	13,462	13,462	-
PREMIUMS RECEIVABLE	88,479	5	88,474
TOTAL ASSETS	\$11,459,096	\$154,423	\$11,304,673
 <u>LIABILITIES</u>			
POST RETIREMENT BENEFITS (other than pensions)		902,887	
DEFINED BENEFIT PENSION PLAN		961,700	
AMOUNTS HELD FOR OTHERS		82,843	
PAYABLE FOR SECURITIES		17,949	
ADVANCE PREMIUMS		210,861	
RETURN PREMIUMS		53,044	
OTHER PAYABLES		6,524	
CLAIM CHECKS PAYABLE		10,458	
TOTAL LIABILITIES		2,246,266	
 <u>RESERVES</u>			
UNEARNED PREMIUMS		3,295,079	
LOSS - CASE BASIS		817,271	
LOSS - I.B.N.R		335,404	
LOSS EXPENSE- ALLOCATED		173,646	
LOSS EXPENSE- UNALLOCATED		110,122	
ASSOCIATION EXPENSES		158,895	
TAXES & FEES		106,428	
TOTAL RESERVES		4,996,845	
TOTAL LIABILITIES & RESERVES		7,243,111	
 <u>EQUITY ACCOUNT</u>			
NET EQUITY AT MARCH 31, 2020			4,061,562
TOTAL LIABILITIES PLUS EQUITY ACCOUNT			\$11,304,673

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT MARCH 31, 2020

	QUARTER-TO-DATE	
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED		\$1,706,522
<u>DEDUCTIONS</u>		
LOSSES INCURRED	583,863	
LOSS EXPENSES INCURRED	176,686	
COMMISSIONS INCURRED	118,987	
OTHER UNDERWRITING EXPENSES	811,464	
TAXES & FEES INCURRED	12,432	
TOTAL DEDUCTIONS		<u>1,703,432</u>
UNDERWRITING GAIN		3,090
<u>INVESTMENT INCOME</u>		
NET INVESTMENT INCOME EARNED	43,907	
NET REALIZED CAPITAL GAIN	16,953	
NET INVESTMENT GAIN		<u>60,860</u>
<u>OTHER INCOME</u>		
OTHER INCOME	948	
INSTALLMENT SERVICE FEE	2,892	
TOTAL OTHER INCOME		<u>3,840</u>
NET GAIN		<u>67,790</u>
<u>EQUITY ACCOUNT</u>		
NET EQUITY - PRIOR		3,985,936
NET GAIN FOR PERIOD	67,790	
CHANGE IN NONADMITTED ASSETS	57,243	
CHANGE IN NET UNREALIZED CAPITAL LOSS	<u>(49,407)</u>	
CHANGE IN EQUITY		75,626
NET EQUITY AT MARCH 31, 2020		<u><u>\$4,061,562</u></u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED MARCH 31, 2020

	POLICY YEAR 2020	POLICY YEAR 2019	POLICY YEAR 2018	POLICY YEAR 2017	TOTAL
<u>INCOME RECEIVED</u>					
PREMIUMS WRITTEN	\$1,563,360	(\$37,421)	(\$600)	(\$222)	\$1,525,117
OTHER INCOME (includes installment service fees)	3,840	-	-	-	3,840
INVESTMENT INCOME RECEIVED	40,843	-	-	-	40,843
NET REALIZED CAPITAL GAIN	16,953	-	-	-	16,953
TOTAL	<u>1,624,996</u>	<u>(37,421)</u>	<u>(600)</u>	<u>(222)</u>	<u>1,586,753</u>
<u>EXPENSES PAID</u>					
LOSSES PAID	14,302	447,233	(17,843)	(187)	443,505
ALLOCATED LOSS EXPENSE	1,632	44,695	3,896	5,015	55,238
UNALLOCATED LOSS EXPENSE	3,449	107,836	9,659	-	120,944
INSPECTION AND RATING ISO	17,898	-	-	-	17,898
SURVEYS & UNDERWRITING RPTS	5,411	-	-	-	5,411
BOARDS & BUREAUS	4,100	-	-	-	4,100
COMMISSIONS	122,898	(3,843)	(46)	(22)	118,987
ASSOCIATION EXPENSES	738,214	-	-	-	738,214
TAXES & FEES	19,638	8,429	-	-	28,067
TOTAL	<u>927,542</u>	<u>604,350</u>	<u>(4,334)</u>	<u>4,806</u>	<u>1,532,364</u>
INCREASE (DECREASE)	<u>697,454</u>	<u>(641,771)</u>	<u>3,734</u>	<u>(5,028)</u>	<u>54,389</u>
<u>DEDUCT</u>					
PRIOR ACCRUED INTEREST	-	76,831	-	-	76,831
CURRENT NONADMITTED ASSETS	154,423	-	-	-	154,423
CHANGE IN NET UNREALIZED CAPITAL LOSS	49,407	-	-	-	49,407
TOTAL	<u>203,830</u>	<u>76,831</u>	<u>-</u>	<u>-</u>	<u>280,661</u>
<u>ADD</u>					
CURRENT ACCRUED INTEREST	79,895	-	-	-	79,895
PRIOR NONADMITTED ASSETS	-	211,666	-	-	211,666
TOTAL	<u>79,895</u>	<u>211,666</u>	<u>-</u>	<u>-</u>	<u>291,561</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>573,519</u>	<u>(506,936)</u>	<u>3,734</u>	<u>(5,028)</u>	<u>65,289</u>
<u>CURRENT RESERVES</u>					
UNEARNED PREMIUMS	1,368,528	1,926,551	-	-	3,295,079
UNPAID LOSSES	74,292	1,022,593	46,690	9,100	1,152,675
UNPAID LOSS EXPENSES	16,265	196,187	46,565	24,751	283,768
UNPAID ASSOCIATION EXPENSES	158,895	-	-	-	158,895
UNPAID TAXES & FEES	106,428	-	-	-	106,428
TOTAL	<u>1,724,408</u>	<u>3,145,331</u>	<u>93,255</u>	<u>33,851</u>	<u>4,996,845</u>
<u>PRIOR RESERVES</u>					
UNEARNED PREMIUMS	-	3,476,484	-	-	3,476,484
UNPAID LOSSES	-	868,911	134,306	9,100	1,012,317
UNPAID LOSSES EXPENSES	-	172,063	76,589	34,612	283,264
UNPAID ASSOCIATION EXPENSES	-	113,054	-	-	113,054
UNPAID TAXES & FEES	-	122,063	-	-	122,063
TOTAL	<u>-</u>	<u>4,752,575</u>	<u>210,895</u>	<u>43,712</u>	<u>5,007,182</u>
NET CHANGE IN EQUITY	<u>(\$1,150,889)</u>	<u>\$1,100,308</u>	<u>\$121,374</u>	<u>\$4,833</u>	<u>\$75,626</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING MARCH 31, 2020

	03-31-20 QUARTER-TO-DATE	
Premiums Written	\$1,525,117	
Current Unearned Reserve	3,295,079	
Prior Unearned Reserve	3,476,484	
Change in Unearned Premium Reserve	181,405	
Net Premium Earned		\$1,706,522
Losses Paid	501,593	
Less Salvage & Subrogation	58,088	
Net Losses Paid	443,505	
Current Loss Reserve	1,152,675	
Prior Loss Reserve	1,012,317	
Change in Loss Reserve	140,358	
Net Losses Incurred		583,863
Allocated Loss Exp. Paid	55,238	
Unallocated Loss Exp. Paid	120,944	
Total Loss Exp. Paid	176,182	
Current Loss Exp. Reserve	283,768	
Prior Loss Exp. Reserve	283,264	
Change in Loss Exp. Reserve	504	
Net Loss Exp. Incurred		176,686
Total Loss & Loss Exp. Incurred		\$760,549
Taxes & Fees Paid	28,067	
Current Reserve	106,428	
Prior Reserve	122,063	
Change in Reserve for Taxes & Fees	(15,635)	
Net Taxes & Fees Incurred		12,432
Commissions Expense Paid	118,987	
Board Bureaus & Inspections Paid	27,409	
Other Operating Exp. Paid	738,214	
Total Underwriting Exp. Paid	884,610	
Current Reserve	158,895	
Prior Reserve	113,054	
Change in Other Underwriting Exp. Reserve	45,841	
Other Underwriting Exp. Incurred		930,451
Total Other Underwriting Exp. Incurred		942,883
Total Loss & Underwriting Exp. Incurred		\$1,703,432
Underwriting Gain		\$3,090
Net Investment Income Received	40,843	
Current Accrued Interest	79,895	
Prior Accrued Interest	76,831	
Change in Accrued Interest	3,064	
Net Investment Income Earned		43,907
Net Realized Capital Gain		16,953
Net Investment Gain		60,860
Othe Income (includes installment service fees)		3,840
Net Gain		\$67,790

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING MARCH 31, 2020

	POLICY YEAR 2020	POLICY YEAR 2019	POLICY YEAR 2018	POLICY YEAR 2017	TOTAL
*SEE NOTE BELOW					
WRITTEN PREMIUMS					
FIRE	\$1,142,772	(\$26,553)	(\$521)	(\$222)	\$1,115,476
ALLIED	417,717	(10,310)	(79)	-	407,328
CRIME	2,871	(558)	-	-	2,313
TOTAL	1,563,360	(37,421)	(600)	(222)	1,525,117
CURRENT UNEARNED PREMIUM RESERVE					
@ 03-31-20					
FIRE	1,000,859	1,395,377	-	-	2,396,236
ALLIED	365,351	527,472	-	-	892,823
CRIME	2,318	3,702	-	-	6,020
TOTAL	1,368,528	1,926,551	-	-	3,295,079
PRIOR UNEARNED PREMIUM RESERVE					
@ 12-31-19					
FIRE	-	2,512,727	-	-	2,512,727
ALLIED	-	956,143	-	-	956,143
CRIME	-	7,614	-	-	7,614
TOTAL	-	3,476,484	-	-	3,476,484
EARNED PREMIUM					
FIRE	141,913	1,090,797	(521)	(222)	1,231,967
ALLIED	52,366	418,361	(79)	-	470,648
CRIME	553	3,354	-	-	3,907
TOTAL	\$194,832	\$1,512,512	(\$600)	(\$222)	\$1,706,522

*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>	
1Q19	\$68,105	\$581,834	\$649,939	1Q20	\$61,243	\$522,245	\$583,488
2Q19	\$64,508	\$569,553	\$634,061				
3Q19	\$65,122	\$557,567	\$622,689				
4Q19	\$65,924	\$540,988	\$606,912				

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, 2020

	POLICY YEAR 2020	POLICY YEAR 2019	POLICY YEAR 2018	POLICY YEAR 2017	TOTAL
PAID LOSSES					
Net of Salvage & Subrogation Received					
FIRE	-	\$338,120	\$4,347	(\$187)	\$342,280
ALLIED	14,302	109,113	(22,190)	-	101,225
CRIME	-	-	-	-	-
TOTAL	14,302	447,233	(17,843)	(187)	443,505
CURRENT CASE BASIS RESERVES (03-31-20)					
FIRE	20,000	723,891	-	-	743,891
ALLIED	8,000	51,280	5,000	9,100	73,380
CRIME	-	-	-	-	-
TOTAL	28,000	775,171	5,000	9,100	817,271
CURRENT I.B.N.R. RESERVES (03-31-20)					
FIRE	33,066	231,054	-	-	264,120
ALLIED	13,226	16,368	41,690	-	71,284
CRIME	-	-	-	-	-
TOTAL	46,292	247,422	41,690	-	335,404
PRIOR LOSS RESERVES (12-31-19)					
(Including I.B.N.R. Reserves)					
FIRE	-	826,577	21,135	-	847,712
ALLIED	-	42,334	113,171	9,100	164,605
CRIME	-	-	-	-	-
TOTAL	-	868,911	134,306	9,100	1,012,317
INCURRED LOSSES					
FIRE	53,066	466,488	(16,788)	(187)	502,579
ALLIED	35,528	134,427	(88,671)	-	81,284
CRIME	-	-	-	-	-
TOTAL	\$88,594	\$600,915	(\$105,459)	(\$187)	\$583,863

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING MARCH 31, 2020

	POLICY YEAR 2020	POLICY YEAR 2019	POLICY YEAR 2018	POLICY YEAR 2017	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)					
FIRE	\$400	\$110,151	\$2,180	-	\$112,731
ALLIED	4,681	42,380	11,375	5,015	63,451
CRIME	-	-	-	-	-
TOTAL	5,081	152,531	13,555	5,015	176,182
CURRENT LOSS EXPENSE RESERVES @ 03-31-20					
FIRE	11,618	183,209	-	-	194,827
ALLIED	4,647	12,978	46,565	24,751	88,941
CRIME	-	-	-	-	-
TOTAL	16,265	196,187	46,565	24,751	283,768
PRIOR LOSS EXPENSE RESERVES @ 12-31-19					
FIRE	-	163,680	12,053	-	175,733
ALLIED	-	8,383	64,536	34,612	107,531
CRIME	-	-	-	-	-
TOTAL	-	172,063	76,589	34,612	283,264
ALAE & ULAE LOSS EXPENSES INCURRED					
FIRE	12,018	129,680	(9,873)	-	131,825
ALLIED	9,328	46,975	(6,596)	(4,846)	44,861
CRIME	-	-	-	-	-
TOTAL	\$21,346	\$176,655	(\$16,469)	(\$4,846)	\$176,686