

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

BALANCE SHEET AT JUNE 30, 2006

	LEDGER ASSETS	NON-LEDGER ASSETS	NON- ADMITTED ASSETS	NET ADMITTED ASSETS
<u>ASSETS</u>				
CASH & SHORT-TERM INVESTMENTS	\$17,179,953	-	-	\$17,179,953
ACCRUED INTEREST	-	169,581	-	169,581
FURNITURE & EQUIPMENT	94,468	-	94,468	-
EDP - EQUIPMENT & SOFTWARE	934,765	-	894,804	39,961
LEASEHOLD IMPROVEMENTS	29,865	-	29,865	-
SUNDRY RECEIVABLE	42	-	-	42
TOTAL ASSETS	\$18,239,093	\$169,581	\$1,019,137	\$17,389,537
 <u>LIABILITIES</u>				
POST RETIREMENT BENEFITS (other than pensions)			1,864,122	
DEFINED BENEFIT PENSION PLAN			589,226	
AMOUNTS HELD FOR OTHERS			394,513	
ADVANCE PREMIUMS			453,987	
RETURN PREMIUMS			160,583	
OTHER PAYABLES			116,154	
CLAIM CHECKS PAYABLE			-	
TOTAL LIABILITIES			<hr/>	3,578,585
 <u>RESERVES</u>				
UNEARNED PREMIUMS			11,057,391	
LOSS - CASE BASIS			3,908,504	
LOSS - I.B.N.R			1,117,619	
LOSS EXPENSE- ALLOCATED			436,022	
LOSS EXPENSE- UNALLOCATED			175,395	
ASSOCIATION EXPENSES			310,412	
TAXES & FEES			15,977	
TOTAL RESERVES			<hr/>	17,021,320
TOTAL LIABILITIES & RESERVES			<hr/>	20,599,905
 <u>EQUITY ACCOUNT</u>				
NET EQUITY AT JUNE 30, 2006				(3,210,368)
TOTAL LIABILITIES PLUS EQUITY ACCOUNT			<hr/> <hr/>	\$17,389,537

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

INCOME STATEMENT JUNE 30, 2006

	QUARTER-TO-DATE	YEAR-TO-DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	\$5,682,018	\$11,400,914
<u>DEDUCTIONS</u>		
LOSSES INCURRED	3,108,941	6,181,364
LOSS EXPENSES INCURRED	362,006	698,378
COMMISSIONS INCURRED	490,682	966,851
OTHER UNDERWRITING EXPENSES	1,209,073	2,314,329
TAXES & FEES INCURRED	22,096	40,954
TOTAL DEDUCTIONS	5,192,798	10,201,876
UNDERWRITING GAIN	489,220	1,199,038
<u>OTHER INCOME</u>		
NET INVESTMENT INCOME	233,345	440,961
NET GAIN	722,565	1,639,999
<u>EQUITY ACCOUNT</u>		
NET EQUITY - PRIOR	(3,884,252)	(4,607,429)
NET GAIN FOR PERIOD	722,565	1,639,999
CHANGE IN NONADMITTED ASSETS	(48,681)	(242,938)
CHANGE IN EQUITY	673,884	1,397,061
NET EQUITY AT JUNE 30, 2006	(\$3,210,368)	(\$3,210,368)

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT QTD PERIOD ENDED JUNE 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$5,772,599	(\$102,987)	(\$2,584)	(\$453)	-	\$5,666,575
INVESTMENT INCOME RECEIVED	203,201	-	-	-	-	203,201
TOTAL	<u>5,975,800</u>	<u>(102,987)</u>	<u>(2,584)</u>	<u>(453)</u>	-	<u>5,869,776</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	147,613	2,854,805	238,902	6,115	(17,743)	3,229,692
ALLOCATED LOSS EXPENSE	17,972	180,569	18,210	2,898	1,901	221,550
UNALLOCATED LOSS EXPENSE	3,180	103,857	20,323	1,672	2,554	131,586
INSPECTION AND RATING ISO	8,926	-	-	-	-	8,926
SURVEYS & UNDERWRITING RPTS	50,666	-	-	-	-	50,666
BOARDS & BUREAUS	3,300	-	-	-	-	3,300
COMMISSIONS	500,185	(9,200)	(258)	(45)	-	490,682
ASSOCIATION EXPENSES	1,150,169	-	-	-	-	1,150,169
TAXES & FEES	41,674	11,475	-	-	-	53,149
TOTAL	<u>1,923,685</u>	<u>3,141,506</u>	<u>277,177</u>	<u>10,640</u>	<u>(13,288)</u>	<u>5,339,720</u>
INCREASE (DECREASE)	<u>4,052,115</u>	<u>(3,244,493)</u>	<u>(279,761)</u>	<u>(11,093)</u>	<u>13,288</u>	<u>530,056</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	139,437	-	-	-	-	139,437
CURRENT NONADMITTED ASSETS	1,019,137	-	-	-	-	1,019,137
TOTAL	<u>1,158,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,158,574</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	169,581	-	-	-	-	169,581
PRIOR NONADMITTED ASSETS	970,455	-	-	-	-	970,455
TOTAL	<u>1,140,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140,036</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>4,033,577</u>	<u>(3,244,493)</u>	<u>(279,761)</u>	<u>(11,093)</u>	<u>13,288</u>	<u>511,518</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	8,236,706	2,820,685	-	-	-	11,057,391
UNPAID LOSSES	1,513,740	3,201,048	217,837	85,739	7,759	5,026,123
UNPAID LOSS EXPENSES	150,717	353,668	67,471	35,616	3,945	611,417
UNPAID ASSOCIATION EXPENSES	310,412	-	-	-	-	310,412
UNPAID TAXES & FEES	15,977	-	-	-	-	15,977
TOTAL	<u>10,227,552</u>	<u>6,375,401</u>	<u>285,308</u>	<u>121,355</u>	<u>11,704</u>	<u>17,021,320</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	4,545,630	6,527,204	-	-	-	11,072,834
UNPAID LOSSES	474,681	4,160,460	413,548	98,185	-	5,146,874
UNPAID LOSSES EXPENSES	57,834	407,837	95,345	41,531	-	602,547
UNPAID ASSOCIATION EXPENSES	314,400	-	-	-	-	314,400
UNPAID TAXES & FEES	47,030	-	-	-	-	47,030
TOTAL	<u>5,439,575</u>	<u>11,095,501</u>	<u>508,893</u>	<u>139,716</u>	<u>-</u>	<u>17,183,685</u>
NET CHANGE IN EQUITY	<u>(\$754,400)</u>	<u>\$1,475,607</u>	<u>(\$56,176)</u>	<u>\$7,268</u>	<u>\$1,584</u>	<u>\$673,884</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

EQUITY ACCOUNT YTD PERIOD ENDED JUNE 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
<u>INCOME RECEIVED</u>						
PREMIUMS WRITTEN	\$10,969,663	(\$41,102)	(\$8,799)	(\$453)	-	\$10,919,309
INVESTMENT INCOME RECEIVED	385,397	-	-	-	-	385,397
TOTAL	<u>11,355,060</u>	<u>(41,102)</u>	<u>(8,799)</u>	<u>(453)</u>	<u>-</u>	<u>11,304,706</u>
<u>EXPENSES PAID</u>						
LOSSES PAID	159,449	5,196,725	1,015,497	28,600	73,015	6,473,286
ALLOCATED LOSS EXPENSE	22,215	370,902	57,791	5,862	11,587	468,357
UNALLOCATED LOSS EXPENSE	3,673	201,519	52,674	2,994	7,860	268,720
INSPECTION AND RATING ISO	24,847	-	-	-	-	24,847
SURVEYS & UNDERWRITING RPTS	114,453	-	-	-	-	114,453
BOARDS & BUREAUS	6,600	-	-	-	-	6,600
COMMISSIONS	968,609	(875)	(838)	(45)	-	966,851
ASSOCIATION EXPENSES	2,104,967	-	-	-	-	2,104,967
TAXES & FEES	72,174	9,584	-	-	-	81,758
TOTAL	<u>3,476,987</u>	<u>5,777,855</u>	<u>1,125,124</u>	<u>37,411</u>	<u>92,462</u>	<u>10,509,839</u>
INCREASE (DECREASE)	<u>7,878,073</u>	<u>(5,818,957)</u>	<u>(1,133,923)</u>	<u>(37,864)</u>	<u>(92,462)</u>	<u>794,867</u>
<u>DEDUCT</u>						
PRIOR ACCRUED INTEREST	-	114,017	-	-	-	114,017
CURRENT NONADMITTED ASSETS	1,019,137	-	-	-	-	1,019,137
TOTAL	<u>1,019,137</u>	<u>114,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,133,154</u>
<u>ADD</u>						
CURRENT ACCRUED INTEREST	169,581	-	-	-	-	169,581
PRIOR NONADMITTED ASSETS	-	776,199	-	-	-	776,199
TOTAL	<u>169,581</u>	<u>776,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>945,780</u>
EQUITY IN ASSETS OF ASSOCIATION	<u>7,028,517</u>	<u>(5,156,775)</u>	<u>(1,133,923)</u>	<u>(37,864)</u>	<u>(92,462)</u>	<u>607,493</u>
<u>CURRENT RESERVES</u>						
UNEARNED PREMIUMS	8,236,706	2,820,685	-	-	-	11,057,391
UNPAID LOSSES	1,513,740	3,201,048	217,837	85,739	7,759	5,026,123
UNPAID LOSS EXPENSES	150,717	353,668	67,471	35,616	3,945	611,417
UNPAID ASSOCIATION EXPENSES	310,412	-	-	-	-	310,412
UNPAID TAXES & FEES	15,977	-	-	-	-	15,977
TOTAL	<u>10,227,552</u>	<u>6,375,401</u>	<u>285,308</u>	<u>121,355</u>	<u>11,704</u>	<u>17,021,320</u>
<u>PRIOR RESERVES</u>						
UNEARNED PREMIUMS	-	11,538,996	-	-	-	11,538,996
UNPAID LOSSES	-	3,726,860	1,281,665	132,835	176,685	5,318,045
UNPAID LOSSES EXPENSES	-	401,092	181,934	42,780	24,310	650,116
UNPAID ASSOCIATION EXPENSES	-	246,950	-	-	-	246,950
UNPAID TAXES & FEES	-	56,781	-	-	-	56,781
TOTAL	<u>-</u>	<u>15,970,679</u>	<u>1,463,599</u>	<u>175,615</u>	<u>200,995</u>	<u>17,810,888</u>
NET CHANGE IN EQUITY	<u>(\$3,199,035)</u>	<u>\$4,438,503</u>	<u>\$44,368</u>	<u>\$16,396</u>	<u>\$96,829</u>	<u>\$1,397,061</u>

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS QTD PERIOD ENDING JUNE 30, 2006

	6-30-06 QUARTER-TO-DATE	
Premiums Written	\$5,666,575	
Current Unearned Reserve	11,057,391	
Prior Unearned Reserve	11,072,834	
Change in Unearned Premium Reserve	15,443	
Net Premium Earned		\$5,682,018
Losses Paid	3,307,090	
Less Salvage & Subrogation	77,398	
Net Losses Paid	3,229,692	
Current Loss Reserve	5,026,123	
Prior Loss Reserve	5,146,874	
Change in Loss Reserve	(120,751)	
Net Losses Incurred		3,108,941
Allocated Loss Exp. Paid	221,550	
Unallocated Loss Exp. Paid	131,586	
Total Loss Exp. Paid	353,136	
Current Loss Exp. Reserve	611,417	
Prior Loss Exp. Reserve	602,547	
Change in Loss Exp. Reserve	8,870	
Net Loss Exp. Incurred		362,006
Total Loss & Loss Exp. Incurred		\$3,470,947
Taxes & Fees Paid	53,149	
Current Reserve	15,977	
Prior Reserve	47,030	
Change in Reserve for Taxes & Fees	(31,053)	
Net Taxes & Fees Incurred		22,096
Commissions Expense Paid	490,682	
Board Bureaus & Inspections Paid	62,892	
Other Operating Exp. Paid	1,150,169	
Total Underwriting Exp. Paid	1,703,743	
Current Reserve	310,412	
Prior Reserve	314,400	
Change in Other Underwriting Exp. Reserve	(3,988)	
Other Underwriting Exp. Incurred		1,699,755
Total Other Underwriting Exp. Incurred		1,721,851
Total Loss & Underwriting Exp. Incurred		\$5,192,798
Underwriting Gain		\$489,220
Net Investment Income Received	203,201	
Current Accrued Interest	169,581	
Prior Accrued Interest	139,437	
Change in Accrued Interest	30,144	
Net Investment Income Earned		233,345
Net Gain		\$722,565

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

UNDERWRITING STATEMENT EARNED/INCURRED BASIS YTD PERIOD ENDING JUNE 30, 2006

	6-30-06 YEAR-TO-DATE	
Premiums Written	\$10,919,309	
Current Unearned Reserve	11,057,391	
Prior Unearned Reserve	11,538,996	
Change in Unearned Premium Reserve	481,605	
Net Premium Earned		\$11,400,914
Losses Paid	6,599,008	
Less Salvage & Subrogation	125,722	
Net Losses Paid	6,473,286	
Current Loss Reserve	5,026,123	
Prior Loss Reserve	5,318,045	
Change in Loss Reserve	(291,922)	
Net Losses Incurred		6,181,364
Allocated Loss Exp. Paid	468,357	
Unallocated Loss Exp. Paid	268,720	
Total Loss Exp. Paid	737,077	
Current Loss Exp. Reserve	611,417	
Prior Loss Exp. Reserve	650,116	
Change in Loss Exp. Reserve	(38,699)	
Net Loss Exp. Incurred		698,378
Total Loss & Loss Exp. Incurred		\$6,879,742
Taxes & Fees Paid	81,758	
Current Reserve	15,977	
Prior Reserve	56,781	
Change in Reserve for Taxes & Fees	(40,804)	
Net Taxes & Fees Incurred		40,954
Commissions Expense Paid	966,851	
Board Bureaus & Inspections Paid	145,900	
Other Operating Exp. Paid	2,104,967	
Total Underwriting Exp. Paid	3,217,718	
Current Reserve	310,412	
Prior Reserve	246,950	
Change in Other Underwriting Exp. Reserve	63,462	
Other Underwriting Exp. Incurred		3,281,180
Total Other Underwriting Exp. Incurred		3,322,134
Total Loss & Underwriting Exp. Incurred		\$10,201,876
Underwriting Gain		\$1,199,038
Net Investment Income Received	385,397	
Current Accrued Interest	169,581	
Prior Accrued Interest	114,017	
Change in Accrued Interest	55,564	
Net Investment Income Earned		440,961
Net Gain		\$1,639,999

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON PREMIUMS QTD PERIOD ENDING JUNE 30, 2006

*SEE NOTE BELOW	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
WRITTEN PREMIUMS						
FIRE	\$4,492,090	(\$82,017)	(\$2,071)	(\$366)	-	\$4,407,636
ALLIED	1,268,336	(20,781)	(513)	(87)	-	1,246,955
CRIME	12,173	(189)	-	-	-	11,984
TOTAL	5,772,599	(102,987)	(2,584)	(453)	-	5,666,575
CURRENT UNEARNED PREMIUM RESERVE						
@ 6-30-06						
FIRE	6,436,187	2,201,253	-	-	-	8,637,440
ALLIED	1,783,361	613,462	-	-	-	2,396,823
CRIME	17,158	5,970	-	-	-	23,128
TOTAL	8,236,706	2,820,685	-	-	-	11,057,391
PRIOR UNEARNED PREMIUM RESERVE						
@ 3-31-06						
FIRE	3,574,237	5,090,945	-	-	-	8,665,182
ALLIED	962,058	1,422,089	-	-	-	2,384,147
CRIME	9,335	14,170	-	-	-	23,505
TOTAL	4,545,630	6,527,204	-	-	-	11,072,834
EARNED PREMIUM						
FIRE	1,630,140	2,807,675	(2,071)	(366)	-	4,435,378
ALLIED	447,033	787,846	(513)	(87)	-	1,234,279
CRIME	4,350	8,011	-	-	-	12,361
TOTAL	\$2,081,523	\$3,603,532	(\$2,584)	(\$453)	-	\$5,682,018

*Note: The Terrorism Risk Insurance Act of 2002 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 JUNE 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
*SEE NOTE BELOW						
WRITTEN PREMIUMS						
FIRE	\$8,577,861	(\$42,083)	(\$6,670)	(\$366)	-	\$8,528,742
ALLIED	2,369,028	1,213	(2,129)	(87)	-	2,368,025
CRIME	22,774	(232)	-	-	-	22,542
TOTAL	10,969,663	(41,102)	(8,799)	(453)	-	10,919,309
CURRENT UNEARNED PREMIUM RESERVE @ 6-30-06						
FIRE	6,436,187	2,201,253	-	-	-	8,637,440
ALLIED	1,783,361	613,462	-	-	-	2,396,823
CRIME	17,158	5,970	-	-	-	23,128
TOTAL	8,236,706	2,820,685	-	-	-	11,057,391
PRIOR UNEARNED PREMIUM RESERVE @ 12-31-05						
FIRE	-	9,003,139	-	-	-	9,003,139
ALLIED	-	2,510,163	-	-	-	2,510,163
CRIME	-	25,694	-	-	-	25,694
TOTAL	-	11,538,996	-	-	-	11,538,996
EARNED PREMIUM						
FIRE	2,141,674	6,759,803	(6,670)	(366)	-	8,894,441
ALLIED	585,667	1,897,914	(2,129)	(87)	-	2,481,365
CRIME	5,616	19,492	-	-	-	25,108
TOTAL	\$2,732,957	\$8,677,209	(\$8,799)	(\$453)	-	\$11,400,914

*Note: The Terrorism Risk Insurance Act of 2002 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 six 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>
1Q05	471,393	1,887,597	2,358,990	1Q06	440,212	1,708,249	2,148,461
2Q05	466,321	1,888,109	2,354,430	2Q06	517,214	1,790,008	2,307,222
3Q05	462,884	1,926,953	2,389,837				
4Q05	458,201	1,752,828	2,211,029				

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 JUNE 30, 2006

*SEE NOTE BELOW

PAID LOSSES

Net of Salvage & Subrogation Received

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
FIRE	\$122,810	\$2,648,677	\$218,601	\$9,388	(\$17,743)	\$2,981,733
ALLIED	24,803	201,670	20,301	(3,273)	-	243,501
CRIME	-	4,458	-	-	-	4,458
TOTAL	147,613	2,854,805	238,902	6,115	(17,743)	3,229,692

CURRENT CASE BASIS RESERVES (6-30-06)

FIRE	716,405	2,849,364	75,980	40,001	-	3,681,750
ALLIED	77,126	135,523	8,005	-	3,300	223,954
CRIME	-	2,800	-	-	-	2,800
TOTAL	793,531	2,987,687	83,985	40,001	3,300	3,908,504

CURRENT I.B.N.R. RESERVES (6-30-06)

FIRE	650,210	203,483	121,094	45,738	-	1,020,525
ALLIED	69,999	9,678	12,758	-	4,459	96,894
CRIME	-	200	-	-	-	200
TOTAL	720,209	213,361	133,852	45,738	4,459	1,117,619

PRIOR LOSS RESERVES (3-31-06)

(Including I.B.N.R. Reserves)

FIRE	406,874	3,838,044	382,606	98,185	-	4,725,709
ALLIED	67,807	319,524	30,942	-	-	418,273
CRIME	-	2,892	-	-	-	2,892
TOTAL	474,681	4,160,460	413,548	98,185	-	5,146,874

INCURRED LOSSES

FIRE	1,082,551	1,863,480	33,069	(3,058)	(17,743)	2,958,299
ALLIED	104,121	27,347	10,122	(3,273)	7,759	146,076
CRIME	-	4,566	-	-	-	4,566
TOTAL	\$1,186,672	\$1,895,393	\$43,191	(\$6,331)	(\$9,984)	\$3,108,941

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSSES YTD PERIOD ENDED JUNE 30, 2006

*SEE NOTE BELOW

PAID LOSSES

Net of Salvage & Subrogation Received

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
FIRE	\$122,810	\$4,675,064	\$960,188	\$13,618	\$72,015	\$5,843,695
ALLIED	36,639	517,203	55,309	14,982	1,000	625,133
CRIME	-	4,458	-	-	-	4,458
TOTAL	159,449	5,196,725	1,015,497	28,600	73,015	6,473,286

CURRENT CASE BASIS RESERVES (6-30-06)

FIRE	716,405	2,849,364	75,980	40,001	-	3,681,750
ALLIED	77,126	135,523	8,005	-	3,300	223,954
CRIME	-	2,800	-	-	-	2,800
TOTAL	793,531	2,987,687	83,985	40,001	3,300	3,908,504

CURRENT I.B.N.R. RESERVES (6-30-06)

FIRE	650,210	203,483	121,094	45,738	-	1,020,525
ALLIED	69,999	9,678	12,758	-	4,459	96,894
CRIME	-	200	-	-	-	200
TOTAL	720,209	213,361	133,852	45,738	4,459	1,117,619

PRIOR LOSS RESERVES (12-31-05)

(Including I.B.N.R. Reserves)

FIRE	-	3,321,077	1,177,545	82,071	174,353	4,755,046
ALLIED	-	405,783	104,120	50,764	2,332	562,999
CRIME	-	-	-	-	-	-
TOTAL	-	3,726,860	1,281,665	132,835	176,685	5,318,045

INCURRED LOSSES

FIRE	1,489,425	4,406,834	(20,283)	17,286	(102,338)	5,790,924
ALLIED	183,765	256,621	(28,048)	(35,782)	6,427	382,982
CRIME	-	7,458	-	-	-	7,458
TOTAL	\$1,673,190	\$4,670,913	(\$48,331)	(\$18,496)	(\$95,911)	\$6,181,364

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) QTD PERIOD ENDING JUNE 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$10,657	\$214,707	\$34,084	\$3,040	\$4,435	\$266,923
ALLIED	10,495	69,004	4,449	1,530	20	85,498
CRIME	-	715	-	-	-	715
TOTAL	21,152	284,426	38,533	4,570	4,455	353,136
CURRENT LOSS EXPENSE RESERVES @ 6-30-06						
FIRE	136,068	337,294	61,040	35,616	-	570,018
ALLIED	14,649	16,043	6,431	-	3,945	41,068
CRIME	-	331	-	-	-	331
TOTAL	150,717	353,668	67,471	35,616	3,945	611,417
PRIOR LOSS EXPENSE RESERVES @ 3-31-06						
FIRE	49,573	376,232	88,211	41,531	-	555,547
ALLIED	8,261	31,322	7,134	-	-	46,717
CRIME	-	283	-	-	-	283
TOTAL	57,834	407,837	95,345	41,531	-	602,547
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	97,152	175,769	6,913	(2,875)	4,435	281,394
ALLIED	16,883	53,725	3,746	1,530	3,965	79,849
CRIME	-	763	-	-	-	763
TOTAL	\$114,035	\$230,257	\$10,659	(\$1,345)	\$8,400	\$362,006

NEW JERSEY INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT ON LOSS EXPENSES (INCLUDES ALLOCATED AND UNALLOCATED LOSS EXPENSES) YTD PERIOD ENDING JUNE 30, 2006

	POLICY YEAR 2006	POLICY YEAR 2005	POLICY YEAR 2004	POLICY YEAR 2003	POLICY YEAR 2002 & PRIOR	TOTAL
LOSS EXPENSES PAID (ALAE AND ULAE)						
FIRE	\$12,028	\$404,403	\$93,785	\$3,539	\$18,569	\$532,324
ALLIED	13,860	166,527	16,680	5,317	878	203,262
CRIME	-	1,491	-	-	-	1,491
TOTAL	25,888	572,421	110,465	8,856	19,447	737,077
CURRENT LOSS EXPENSE RESERVES @ 6-30-06						
FIRE	136,068	337,294	61,040	35,616	-	570,018
ALLIED	14,649	16,043	6,431	-	3,945	41,068
CRIME	-	331	-	-	-	331
TOTAL	150,717	353,668	67,471	35,616	3,945	611,417
PRIOR LOSS EXPENSE RESERVES @ 12-31-05						
FIRE	-	357,421	167,154	26,431	23,999	575,005
ALLIED	-	43,671	14,780	16,349	311	75,111
CRIME	-	-	-	-	-	-
TOTAL	-	401,092	181,934	42,780	24,310	650,116
ALAE & ULAE LOSS EXPENSES INCURRED						
FIRE	148,096	384,276	(12,329)	12,724	(5,430)	527,337
ALLIED	28,509	138,899	8,331	(11,032)	4,512	169,219
CRIME	-	1,822	-	-	-	1,822
TOTAL	\$176,605	\$524,997	(\$3,998)	\$1,692	(\$918)	\$698,378