

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 BALANCE SHEET
 AS OF DECEMBER 31, 2003

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	(7,087,265)			(7,087,265) (Note 1)
INVESTMENTS	186,446,154			186,446,154
FIXED ASSETS	100,764		(100,764)	0
DATA PROCESSING EQUIPMENT	130,288			130,288
ACCOUNTS RECEIVABLE - OTHER	299,342			299,342
ACCOUNTS RECEIVABLE - FAIR PLAN	1,147,566			1,147,566
ASSESSMENTS RECEIVABLE	368,419		(368,419)	0
TOTAL ASSETS	181,405,268	0	(469,183)	180,936,085
LIABILITIES & EQUITY				
LIABILITIES				
PREMIUM REFUND				18,040
COMMISSION PAYABLE				672,050
PREMIUM SUSPENSE				639,274
ACCRUAL-PREMIUM TAX				398,430
ACCRUAL-POST RETIREMENT				187,692
ACCRUAL-PENSION				149,954
ACCRUAL-RENT				11,835
CLAIMS PAYABLE				20,709
PREPAID PREMIUMS				2,305,942
UNCLAIMED CHECKS				580,147
DISTRIBUTION PAYABLE				292,003
TOTAL LIABILITIES				5,276,076
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				20,976,827
UNPAID LAE RESERVES				1,350,761
UNEARNED PREMIUMS				40,846,738
TOTAL RESERVES				63,174,326
MEMBERS' EQUITY				112,485,683
TOTAL LIABILITIES & MEMBERS' EQUITY				180,936,085

Note 1- Each night, all funds remaining in the Associations' checking account are invested overnight in Repurchase Agreements and returned to the account the next morning , with interest. This transaction along with the reclassification (\$6,779,792) of the claim checks payable account creates the credit balance in the cash account . The overnight investments are included in the Investment account .

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 INCOME STATEMENT AND EQUITY ACCOUNT
 QUARTER ENDING DECEMBER 31, 2003

	YEAR-TO-DATE
UNDERWRITING INCOME	
PREMIUMS EARNED	18,919,543
DEDUCTIONS	
LOSSES INCURRED	(4,225,942)
LOSS EXPENSE INCURRED	131,694
OPERATING EXPENSE INCURRED	2,866,252
PREMIUM TAXES	402,005
TOTAL DEDUCTIONS	(825,991)
NET UNDERWRITING GAIN OR (LOSS)	19,745,534
OTHER INCOME OR (OUTGO)	
INVESTMENT INCOME	404,558
MISCELLANEOUS INCOME	6,914
NET OTHER INCOME	411,472
NET INCOME OR (LOSS)	20,157,006
EQUITY ACCOUNT	
MEMBERS' EQUITY (PRIOR PERIOD)	92,267,791
NET INCOME OR (LOSS)	20,157,006
CHANGE IN ASSETS NOT ADMITTED	20,077
ASSESSMENTS OR (DISTRIBUTIONS)	0
PRIOR PERIOD ADJUSTMENT	40,809
NET CHANGE IN EQUITY	20,217,892
MEMBERS' EQUITY (CURRENT PERIOD)	112,485,683

The Aggregate Liability for the Association as of December 31, 2003 is \$17,796,901,333.

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 MEMBERS' ACCOUNT
 QUARTER ENDING DECEMBER 31, 2003

	YEAR-TO-DATE						TOTAL
	2004	2003	2002	2001	2000	1999	
INCOME RECEIVED							
PREMIUMS WRITTEN	18,575,172	(189,812)	0	0	0	0	18,385,360
INTEREST RECEIVED	404,558	0	0	0	0	0	404,558
MISCELLANEOUS INCOME	6,914	0	0	0	0	0	6,914
TOTAL INCOME	18,986,644	(189,812)	0	0	0	0	18,796,832
EXPENSES PAID							
LOSSES	0	28,863,577	1,083,314	0	0	0	29,946,891
LOSS ADJUSTMENT EXPENSES	60,585	2,186,127	94,421	170	231	0	2,341,534
COMMISSION	2,387,923	(24,676)	0	0	0	0	2,363,247
PREMIUM TAX	402,005	0	0	0	0	0	402,005
ADMINISTRATIVE EXPENSES	503,005	0	0	0	0	0	503,005
TOTAL EXPENSES PAID	3,353,518	31,025,028	1,177,735	170	231	0	35,556,682
NET CASH CHANGE	15,633,126	(31,214,840)	(1,177,735)	(170)	(231)	0	(16,759,850)
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	5,155,012	15,339,374	381,239	4,501	96,701	0	20,976,827
LOSS ADJUSTMENT EXPENSES	352,555	967,768	24,053	284	6,101	0	1,350,761
UNEARNED PREMIUMS	16,212,718	24,634,020	0	0	0	0	40,846,738
ADD:(PRIOR PERIOD)							
LOSSES (INCL. IBNR.)	0	53,609,420	1,457,038	4,501	78,701	0	55,149,660
LOSS ADJUSTMENT EXPENSES	0	3,461,158	94,071	291	5,081	0	3,560,601
UNEARNED PREMIUMS	0	41,380,921	0	0	0	0	41,380,921
NET RESERVE CHANGE	(21,720,285)	57,510,337	1,145,817	7	(19,020)	0	36,916,856
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	40,809	0	0	0	0	0	40,809
ASSETS NOT ADMITTED	20,077	0	0	0	0	0	20,077
TOTAL NET OTHER CHANGES	60,886	0	0	0	0	0	60,886
ASSESSMENTS	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(6,026,273)	26,295,497	(31,918)	(163)	(19,251)	0	20,217,892

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF PREMIUMS
 QUARTER ENDING DECEMBER 31, 2003

	YEAR TO DATE 2004	YEAR TO DATE 2003	YEAR TO DATE TOTAL
<u>PREMIUMS WRITTEN</u>			
RESIDENTIAL - FIRE	2,041,045	(32,018)	2,009,027
RESIDENTIAL - EC	4,853,696	(154,293)	4,699,403
COMMERCIAL - FIRE	141,634	(15,982)	125,652
COMMERCIAL - EC	231,599	(57,010)	174,589
CRIME - RESIDENTIAL	67,378	6,106	73,484
CRIME - COMMERCIAL	0	0	0
HOMEOWNER - BEACH	240,023	0	240,023
HOMEOWNER - COASTAL	534,244	0	534,244
HO - BEACH WIND	4,305,037	0	4,305,037
HO - COASTAL WIND	2,569,849	0	2,569,849
WIND - RESIDENTIAL	243,657	89,625	333,282
WIND - COMMERCIAL	2,019,989	(33,058)	1,986,931
COASTAL - RESIDENTIAL	241,971	(62,343)	179,628
COASTAL - COMMERCIAL	1,085,050	69,161	1,154,211
TOTAL	<u>18,575,172</u>	<u>(189,812)</u>	<u>18,385,360</u>
<u>UNEARNED PREMIUMS (PRIOR PERIOD)</u>			
RESIDENTIAL - FIRE	0	3,666,118	3,666,118
RESIDENTIAL - EC	0	11,588,012	11,588,012
COMMERCIAL - FIRE	0	425,605	425,605
COMMERCIAL - EC	0	862,344	862,344
CRIME - RESIDENTIAL	0	191,752	191,752
CRIME - COMMERCIAL	0	0	0
HOMEOWNER - BEACH	0	157,767	157,767
HOMEOWNER - COASTAL	0	306,253	306,253
HO - BEACH WIND	0	1,064,778	1,064,778
HO - COASTAL WIND	0	952,324	952,324
WIND - RESIDENTIAL	0	7,650,467	7,650,467
WIND - COMMERCIAL	0	6,503,407	6,503,407
COASTAL - RESIDENTIAL	0	4,558,096	4,558,096
COASTAL - COMMERCIAL	0	3,453,998	3,453,998
TOTAL	<u>0</u>	<u>41,380,921</u>	<u>41,380,921</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF PREMIUMS
 QUARTER ENDING DECEMBER 31, 2003

	YEAR TO DATE 2004	YEAR TO DATE 2003	YEAR TO DATE TOTAL
<u>UNEARNED PREMIUMS (CURRENT PERIOD)</u>			
RESIDENTIAL - FIRE	1,208,213	2,130,282	3,338,495
RESIDENTIAL - EC	4,842,844	6,760,151	11,602,995
COMMERCIAL - FIRE	123,214	272,896	396,110
COMMERCIAL - EC	200,572	474,854	675,426
CRIME - RESIDENTIAL	64,501	110,343	174,844
CRIME - COMMERCIAL	0	0	0
HOMEOWNER - BEACH	198,154	110,871	309,025
HOMEOWNER - COASTAL	441,054	246,778	687,832
HO - BEACH WIND	3,689,078	775,420	4,464,498
HO - COASTAL WIND	2,195,785	996,493	3,192,278
WIND - RESIDENTIAL	367,438	4,382,000	4,749,438
WIND - COMMERCIAL	1,764,063	3,773,383	5,537,446
COASTAL - RESIDENTIAL	206,569	2,535,811	2,742,380
COASTAL - COMMERCIAL	911,233	2,064,738	2,975,971
TOTAL	<u>16,212,718</u>	<u>24,634,020</u>	<u>40,846,738</u>
<u>EARNED PREMIUMS</u>			
RESIDENTIAL - FIRE	832,832	1,503,818	2,336,650
RESIDENTIAL - EC	10,852	4,673,568	4,684,420
COMMERCIAL - FIRE	18,420	136,727	155,147
COMMERCIAL - EC	31,027	330,480	361,507
CRIME - RESIDENTIAL	2,877	87,515	90,392
CRIME - COMMERCIAL	0	0	0
HOMEOWNER - BEACH	41,869	46,896	88,765
HOMEOWNER - COASTAL	93,190	59,475	152,665
HO - BEACH WIND	615,959	289,358	905,317
HO - COASTAL WIND	374,064	(44,169)	329,895
WIND - RESIDENTIAL	(123,781)	3,358,092	3,234,311
WIND - COMMERCIAL	255,926	2,696,966	2,952,892
COASTAL - RESIDENTIAL	35,402	1,959,942	1,995,344
COASTAL - COMMERCIAL	173,817	1,458,421	1,632,238
TOTAL	<u>2,362,454</u>	<u>16,557,089</u>	<u>18,919,543</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF LOSSES
 QUARTER ENDING DECEMBER 31, 2003

	YEAR-TO-DATE					YEAR-TO-DATE
	2004	2003	2002	2001	2000	TOTAL
PAID LOSSES						
RESIDENTIAL - FIRE	0	200,243	295,183	0	0	495,426
RESIDENTIAL - EC	0	10,725,571	568,735	0	0	11,294,306
COMMERCIAL - FIRE	0	13,603	0	0	0	13,603
COMMERCIAL - EC	0	664,344	0	0	0	664,344
CRIME - RESIDENTIAL	0	1,048	0	0	0	1,048
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	9,631	0	0	0	9,631
HOMEOWNER - COASTAL	0	67,658	0	0	0	67,658
HO - BEACH WIND	0	171,200	0	0	0	171,200
HO - COASTAL WIND	0	388,914	0	0	0	388,914
WIND - RESIDENTIAL	0	5,794,639	179,251	0	0	5,973,890
WIND - COMMERCIAL	0	6,458,050	(74,208)	0	0	6,383,842
COASTAL - RESIDENTIAL	0	2,583,622	62,236	0	0	2,645,858
COASTAL - COMMERCIAL	0	1,785,054	52,117	0	0	1,837,171
TOTAL	0	28,863,577	1,083,314	0	0	29,946,891
OUTSTANDING LOSSES						
(CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	1,243,106	79,998	42,943	3,501	19,001	1,388,549
RESIDENTIAL - EC	202,355	4,035,718	200,491	0	64,700	4,503,264
COMMERCIAL - FIRE	221,537	13,822	0	0	0	235,359
COMMERCIAL - EC	36,064	851,713	0	0	0	887,777
CRIME - RESIDENTIAL	0	1,396	0	0	2,500	3,896
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	3,099	0	0	0	3,099
HOMEOWNER - COASTAL	0	22,725	0	0	0	22,725
HO - BEACH WIND	103,040	276,626	0	0	0	379,666
HO - COASTAL WIND	51,619	101,262	0	0	0	152,881
WIND - RESIDENTIAL	772,803	2,282,566	72,064	0	8,500	3,135,933
WIND - COMMERCIAL	1,803,206	5,451,633	21,001	0	2,000	7,277,840
COASTAL - RESIDENTIAL	360,641	1,107,172	44,740	1,000	0	1,513,553
COASTAL - COMMERCIAL	360,641	1,111,644	0	0	0	1,472,285
TOTAL	5,155,012	15,339,374	381,239	4,501	96,701	20,976,827
OUTSTANDING LOSSES						
(PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	371,079	320,954	0	0	692,033
RESIDENTIAL - EC	0	24,983,639	678,549	3,501	1,000	25,666,689
COMMERCIAL - FIRE	0	57,460	0	0	64,700	122,160
COMMERCIAL - EC	0	531,352	0	0	0	531,352
CRIME - RESIDENTIAL	0	1,330	1,000	0	2,501	4,831
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	23,187	0	0	0	23,187
HOMEOWNER - COASTAL	0	170,031	0	0	0	170,031
HO - BEACH WIND	0	552,037	0	0	0	552,037
HO - COASTAL WIND	0	622,419	0	0	0	622,419
WIND - RESIDENTIAL	0	12,493,434	288,526	0	8,500	12,790,460
WIND - COMMERCIAL	0	3,935,131	11,001	0	2,000	3,948,132
COASTAL - RESIDENTIAL	0	5,622,345	82,007	1,000	0	5,705,352
COASTAL - COMMERCIAL	0	4,245,976	75,001	0	0	4,320,977
TOTAL	0	53,609,420	1,457,038	4,501	78,701	55,149,660
INCURRED LOSSES						
RESIDENTIAL - FIRE	1,243,106	(90,838)	17,172	3,501	19,001	1,191,942
RESIDENTIAL - EC	202,355	(10,222,350)	90,677	(3,501)	63,700	(9,869,119)
COMMERCIAL - FIRE	221,537	(30,035)	0	0	(64,700)	126,802
COMMERCIAL - EC	36,064	984,705	0	0	0	1,020,769
CRIME - RESIDENTIAL	0	1,114	(1,000)	0	(1)	113
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	(10,457)	0	0	0	(10,457)
HOMEOWNER - COASTAL	0	(79,648)	0	0	0	(79,648)
HO - BEACH WIND	103,040	(104,211)	0	0	0	(1,171)
HO - COASTAL WIND	51,619	(132,243)	0	0	0	(80,624)
WIND - RESIDENTIAL	772,803	(4,416,229)	(37,211)	0	0	(3,680,637)
WIND - COMMERCIAL	1,803,206	7,974,552	(64,208)	0	0	9,713,550
COASTAL - RESIDENTIAL	360,641	(1,931,551)	24,969	0	0	(1,545,941)
COASTAL - COMMERCIAL	360,641	(1,349,278)	(22,884)	0	0	(1,011,521)
TOTAL	5,155,012	(9,406,469)	7,515	0	18,000	(4,225,942)

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF LOSSES
 QUARTER ENDING DECEMBER 31, 2003

IBNR TOTALS

	2004	2003	2002	2001	2000	TOTAL
<u>IBNR (CURRENT PERIOD)</u>						
RESIDENTIAL - FIRE	1,240,606	0	0	0	0	1,240,606
RESIDENTIAL - EC	201,959	0	0	0	0	201,959
COMMERCIAL - FIRE	221,537	0	0	0	0	221,537
COMMERCIAL - EC	36,064	0	0	0	0	36,064
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	0	0	0	0	0
HOMEOWNER - COASTAL	0	0	0	0	0	0
HO - BEACH WIND	103,040	0	0	0	0	103,040
HO - COASTAL WIND	51,520	0	0	0	0	51,520
WIND - RESIDENTIAL	772,803	0	0	0	0	772,803
WIND - COMMERCIAL	1,803,206	0	0	0	0	1,803,206
COASTAL - RESIDENTIAL	360,641	0	0	0	0	360,641
COASTAL - COMMERCIAL	360,641	0	0	0	0	360,641
TOTAL	5,152,017	0	0	0	0	5,152,017
<u>IBNR (PRIOR PERIOD)</u>						
RESIDENTIAL - FIRE	0	190,560	0	0	0	190,560
RESIDENTIAL - EC	0	7,067,639	0	0	0	7,067,639
COMMERCIAL - FIRE	0	33,638	0	0	0	33,638
COMMERCIAL - EC	0	146,314	0	0	0	146,314
CRIME - RESIDENTIAL	0	1,330	0	0	0	1,330
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	6,385	0	0	0	6,385
HOMEOWNER - COASTAL	0	46,820	0	0	0	46,820
HO - BEACH WIND	0	152,010	0	0	0	152,010
HO - COASTAL WIND	0	171,391	0	0	0	171,391
WIND - RESIDENTIAL	0	3,522,011	0	0	0	3,522,011
WIND - COMMERCIAL	0	1,087,167	0	0	0	1,087,167
COASTAL - RESIDENTIAL	0	1,571,039	0	0	0	1,571,039
COASTAL - COMMERCIAL	0	1,189,834	0	0	0	1,189,834
TOTAL	0	15,186,138	0	0	0	15,186,138

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
 QUARTER ENDING DECEMBER 31, 2003

YEAR-TO-DATE

	2004	2003	2002	2001	2000	TOTAL
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	13,905	16,240	13,134	170	0	43,449
RESIDENTIAL - EC	3,060	974,314	46,521	0	134	1,024,029
COMMERCIAL - FIRE	2,317	735	0	0	0	3,052
COMMERCIAL - EC	590	26,368	0	0	0	26,958
CRIME - RESIDENTIAL	0	186	0	0	0	186
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	2,761	0	0	0	2,761
HOMEOWNER - COASTAL	0	4,683	0	0	0	4,683
HO - BEACH WIND	1,215	17,250	0	0	0	18,465
HO - COASTAL WIND	608	29,919	0	0	0	30,527
WIND - RESIDENTIAL	9,115	557,334	19,330	0	0	585,779
WIND - COMMERCIAL	21,268	194,218	7,012	0	0	222,498
COASTAL - RESIDENTIAL	4,254	270,038	7,447	0	97	281,836
COASTAL - COMMERCIAL	4,253	92,081	977	0	0	97,311
TOTAL	60,585	2,186,127	94,421	170	231	2,341,534
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	85,007	5,047	2,709	221	1,199	94,183
RESIDENTIAL - EC	13,838	254,615	12,649	0	4,082	285,184
COMMERCIAL - FIRE	15,151	872	0	0	0	16,023
COMMERCIAL - EC	2,467	53,735	0	0	0	56,202
CRIME - RESIDENTIAL	0	88	0	0	158	246
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	196	0	0	0	196
HOMEOWNER - COASTAL	0	1,434	0	0	0	1,434
HO - BEACH WIND	7,047	17,452	0	0	0	24,499
HO - COASTAL WIND	3,530	6,389	0	0	0	9,919
WIND - RESIDENTIAL	52,855	144,008	4,547	0	536	201,946
WIND - COMMERCIAL	123,328	343,946	1,325	0	126	468,725
COASTAL - RESIDENTIAL	24,666	69,852	2,823	63	0	97,404
COASTAL - COMMERCIAL	24,666	70,134	0	0	0	94,800
TOTAL	352,555	967,768	24,053	284	6,101	1,350,761
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	23,957	20,722	0	0	44,679
RESIDENTIAL - EC	0	1,613,006	43,809	226	65	1,657,106
COMMERCIAL - FIRE	0	3,710	0	0	4,177	7,887
COMMERCIAL - EC	0	34,305	0	0	0	34,305
CRIME - RESIDENTIAL	0	86	65	0	161	312
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	1,497	0	0	0	1,497
HOMEOWNER - COASTAL	0	10,978	0	0	0	10,978
HO - BEACH WIND	0	35,641	0	0	0	35,641
HO - COASTAL WIND	0	40,184	0	0	0	40,184
WIND - RESIDENTIAL	0	806,607	18,628	0	549	825,784
WIND - COMMERCIAL	0	254,063	710	0	129	254,902
COASTAL - RESIDENTIAL	0	362,993	5,295	65	0	368,353
COASTAL - COMMERCIAL	0	274,131	4,842	0	0	278,973
TOTAL	0	3,461,158	94,071	291	5,081	3,560,601
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	98,912	(2,670)	(4,879)	391	1,199	92,953
RESIDENTIAL - EC	16,898	(384,077)	15,361	(226)	4,151	(347,893)
COMMERCIAL - FIRE	17,468	(2,103)	0	0	(4,177)	11,188
COMMERCIAL - EC	3,057	45,798	0	0	0	48,855
CRIME - RESIDENTIAL	0	188	(65)	0	(3)	120
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNER - BEACH	0	1,460	0	0	0	1,460
HOMEOWNER - COASTAL	0	(4,861)	0	0	0	(4,861)
HO - BEACH WIND	8,262	(939)	0	0	0	7,323
HO - COASTAL WIND	4,138	(3,876)	0	0	0	262
WIND - RESIDENTIAL	61,970	(105,265)	5,249	0	(13)	(38,059)
WIND - COMMERCIAL	144,596	284,101	7,627	0	(3)	436,321
COASTAL - RESIDENTIAL	28,920	(23,103)	4,975	(2)	97	10,887
COASTAL - COMMERCIAL	28,919	(111,916)	(3,865)	0	0	(86,862)
TOTAL	413,140	(307,263)	24,403	163	1,251	131,694

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
88	10/01/94 09/30/95	09/05/96 09/06/96	HABITATIONAL	0	3,531,635	0	194,528
88	10/01/94 09/30/95	09/05/96 09/06/96	COMMERCIAL	5,000	198,455	500	19,019
			TOTAL	<u>5,000</u>	<u>3,730,090</u>	<u>500</u>	<u>213,547</u>
88	10/01/95 09/30/96	09/05/96 09/06/96	HABITATIONAL	0	42,080,072	0	2,363,059
88	10/01/95 09/30/96	09/05/96 09/06/96	COMMERCIAL	0	4,787,683	0	172,783
			TOTAL	<u>0</u>	<u>46,867,755</u>	<u>0</u>	<u>2,535,842</u>
66	10/01/96 09/30/97	08/26/98 08/27/98	HABITATIONAL	0	1,956,405	0	151,945
66	10/01/96 09/30/97	08/26/98 08/27/98	COMMERCIAL	0	249,682	0	11,667
			TOTAL	<u>0</u>	<u>2,206,087</u>	<u>0</u>	<u>163,612</u>
66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	8,000	18,366,946	800	1,451,409
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	2,171,569	0	99,365
			TOTAL	<u>8,000</u>	<u>20,538,515</u>	<u>800</u>	<u>1,550,774</u>
96	10/01/97 09/30/98	08/29/99 09/07/99	HABITATIONAL	0	411,911	0	30,168
96	10/01/97 09/30/98	08/29/99 09/07/99	COMMERCIAL	0	0	0	120
			TOTAL	<u>0</u>	<u>411,911</u>	<u>0</u>	<u>30,288</u>
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	25,000	459,850	2,500	46,224
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	22,462	0	2,520
			TOTAL	<u>25,000</u>	<u>482,312</u>	<u>2,500</u>	<u>48,744</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	5,000	11,673,626	500	1,169,936
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	1,146,594	0	70,288
			TOTAL	<u>5,000</u>	<u>12,820,220</u>	<u>500</u>	<u>1,240,224</u>
81	10/01/01 09/30/02	01/13/03 01/26/03	HABITATIONAL	12,000	834,752	1,200	27,982
81	10/01/01 09/30/02	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>12,000</u>	<u>834,752</u>	<u>1,200</u>	<u>27,982</u>
81	10/01/02 09/30/03	01/13/03 01/26/03	HABITATIONAL	10	161,437	1	4,792
81	10/01/02 09/30/03	01/13/03 01/26/03	COMMERCIAL	0	1,638	0	272
			TOTAL	<u>10</u>	<u>163,075</u>	<u>1</u>	<u>5,064</u>
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	2,052	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>0</u>	<u>2,052</u>	<u>0</u>	<u>0</u>
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	1,151	0	
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>0</u>	<u>1,151</u>	<u>0</u>	<u>0</u>
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	120,408	506,450	12,041	39,591
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>120,408</u>	<u>506,450</u>	<u>12,041</u>	<u>39,591</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	4,040,856	10,694,955	404,086	976,439
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	851,416	659,947	85,142	26,523
			TOTAL	<u>4,892,272</u>	<u>11,354,902</u>	<u>489,227</u>	<u>1,002,962</u>
BEACH WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
88	10/01/94 09/30/95	09/05/96 09/06/96	HABITATIONAL	0	1,667,593	0	81,076
88	10/01/94 09/30/95	09/05/96 09/06/96	COMMERCIAL	0	585,950	0	21,793
			TOTAL	<u>0</u>	<u>2,253,543</u>	<u>0</u>	<u>102,869</u>
88	10/01/95 09/30/96	09/05/96 09/06/96	HABITATIONAL	0	21,909,370	0	1,131,621
88	10/01/95 09/30/96	09/05/96 09/06/96	COMMERCIAL	2,000	68,201,398	200	1,846,914
			TOTAL	<u>2,000</u>	<u>90,110,768</u>	<u>200</u>	<u>2,978,535</u>
66	10/01/96 09/30/97	08/26/98 08/27/98	HABITATIONAL	0	1,071,347	0	79,261
66	10/01/96 09/30/97	08/26/98 08/27/98	COMMERCIAL	0	3,402,561	0	93,565
			TOTAL	<u>0</u>	<u>4,473,908</u>	<u>0</u>	<u>172,826</u>
66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	8,500	12,515,028	850	828,403
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	40,890,832	0	1,887,321
			TOTAL	<u>8,500</u>	<u>53,405,860</u>	<u>850</u>	<u>2,715,724</u>
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	169,707	0	16,898
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	82,741	0	6,233
			TOTAL	<u>0</u>	<u>252,448</u>	<u>0</u>	<u>23,131</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	0	7,288,777	0	653,683
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	37,785,920	0	1,266,126
			TOTAL	0	45,074,697	0	1,919,809
81	10/01/01 09/30/02	01/13/03 01/26/03	HABITATIONAL	0	2,064	0	0
81	10/01/01 09/30/02	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	0	2,064	0	0
81	10/01/02 09/30/03	01/13/03 01/26/03	HABITATIONAL	0	0	0	0
81	10/01/02 09/30/03	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	0	0	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	950	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	950	0	0
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	1,000	0	100	1,079
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	1,000	0	100	1,079
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	69,564	178,071	6,956	17,092
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	20,001	73,723	2,000	3,890
			TOTAL	89,565	251,794	8,957	20,982

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	2,276,868	5,786,692	227,687	555,482
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	5,380,376	6,566,104	538,038	192,662
			TOTAL	<u>7,657,244</u>	<u>12,352,796</u>	<u>765,724</u>	<u>748,144</u>

COASTAL WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES

66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	0	691,776	0	88,723
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	1,099,485	0	80,486
			TOTAL	<u>0</u>	<u>1,791,261</u>	<u>0</u>	<u>169,209</u>
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	54,862	0	4,430
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	33,718	0	1,426
			TOTAL	<u>0</u>	<u>88,580</u>	<u>0</u>	<u>5,856</u>
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	0	1,902,730	0	203,454
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	2,976,572	0	119,056
			TOTAL	<u>0</u>	<u>4,879,302</u>	<u>0</u>	<u>322,510</u>
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	1,921	0	291
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>0</u>	<u>1,921</u>	<u>0</u>	<u>291</u>
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	3,059	0	352
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	<u>0</u>	<u>3,059</u>	<u>0</u>	<u>352</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2003

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	44,739	53,299	4,474	6,871
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	3,875	0	392
			TOTAL	44,739	57,174	4,474	7,263
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	1,093,973	2,599,784	109,397	270,636
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	960,597	1,785,054	96,060	92,081
			TOTAL	2,054,570	4,384,838	205,457	362,717
HOMEOWNERS AND HOMEOWNERS WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
95	10/01/02 09/30/03	09/18/03	HOMEOWNERS	24,825	74,568	2,482	7,169
95	10/01/02 09/30/03	09/18/03	BEACH HO WIND	276,626	171,200	27,663	17,250
95	10/01/02 09/30/03	09/18/03	BEACH HO COAST	101,262	385,665	10,126	29,919
			TOTAL	301,451	245,768	30,145	24,419

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 AS OF DECEMBER 31, 2003

AGGREGATE LIABILITY BY COUNTIES

COUNTY	BEACH LIABILITY *	BEACH COUNT	HOMEOWNER BEACH LIABILITY*	HOMEOWNER BEACH COUNT	HOMEOWNER COASTAL LIABILITY *	HOMEOWNER COASTAL COUNT	HO WIND BEACH LIABILITY*	HO WIND BEACH COUNT	HO WIND COASTAL LIABILITY *	HO WIND COASTAL COUNT	DWELLING BEACH LIABILITY *	DWELLING BEACH COUNT	DWELLING COASTAL LIABILITY *	DWELLING COASTAL COUNT	TOTAL BEACH LIABILITY *	TOTAL COUNT
BEAUFORT	0	0	0	0	7,124,358	17	0	0	10,020,191	40	0	0	62,250,876	272	79,395,425	329
BRUNSWICK	1,081,091,988	6,462	31,126,671	49	45,828,003	99	118,444,472	297	99,364,644	296	709,116,377	2,505	600,451,019	2,147	2,685,423,174	11,855
CAMDEN	0	0	0	0	1,643,000	4	0	0	8,168,479	37	0	0	26,887,753	137	36,699,232	178
CARTERET	424,348,452	4,385	17,447,200	25	33,939,049	69	99,152,874	246	175,988,864	547	1,086,378,158	2,695	910,797,992	3,002	2,748,052,589	10,969
CHOWAN	0	0	0	0	297,200	1	0	0	2,364,600	10	0	0	31,116,748	95	33,778,548	106
CRAVEN	0	0	0	0	37,208,579	93	0	0	43,680,657	150	0	0	211,003,536	656	291,892,772	899
CURRITUCK	713,133,373	2,612	826,000	1	3,084,600	5	76,507,064	113	34,508,848	115	374,191,207	1,002	129,854,605	633	1,332,105,697	4,481
DARE	1,849,403,325	11,138	29,270,012	47	3,092,258	5	234,737,901	525	38,693,481	79	1,890,938,091	5,992	198,683,703	425	4,244,818,771	18,211
HYDE	54,415,496	378	651,000	1	245,000	1	1,056,400	4	604,000	1	37,273,557	87	16,996,456	71	111,241,909	543
JONES	0	0	0	0	1,740,000	5	0	0	2,209,300	10	0	0	5,525,541	43	9,474,841	58
NEW HANOVER	485,777,743	2,572	15,840,841	28	83,292,963	186	74,861,073	186	524,984,076	1,393	901,365,303	1,830	2,364,577,773	6,543	4,450,699,772	12,738
ONSLow	115,492,417	928	8,418,400	14	46,112,179	102	30,551,910	74	87,390,797	426	114,812,914	411	430,034,940	1,611	832,813,557	3,566
PAMLICO	0	0	0	0	1,190,200	4	0	0	11,185,600	26	0	0	68,877,845	195	81,253,645	225
PASQUOTANK	0	0	0	0	3,857,000	10	0	0	14,155,502	73	0	0	50,969,656	267	68,982,158	350
PENDER	169,969,304	1,362	2,515,000	5	11,099,365	26	28,995,799	75	43,264,937	182	227,487,476	767	241,023,470	1,459	724,355,351	3,876
PERQUIMANS	0	0	0	0	311,000	1	0	0	3,340,700	13	0	0	30,572,513	56	34,224,213	70
TYRRELL	0	0	0	0	277,000	1	0	0	1,011,000	3	0	0	8,893,832	25	10,181,832	29
WASHINGTON	0	0	0	0	1,215,200	4	0	0	0	0	0	0	20,292,647	57	21,507,847	61
4,893,632,098	29,837	106,095,124	170	281,556,954	633	664,307,493	1,520	1,100,935,676	3,401	5,341,563,083	15,289	5,408,810,905	17,694	17,796,901,333	68,544	

* Based upon the total Building and Personal Property amounts. Dwelling "other coverages, " which are additional amounts of insurance based upon Coverage A and Commercial policy extensions, are not factored into this amount.