

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 MEMBERS' ACCOUNT FOR UNSETTLED YEARS
 AS OF SEPTEMBER 30, 2006

	2006				2005			
	BEACH RESIDENTIAL	BEACH COMMERCIAL	COASTAL RESIDENTIAL	COASTAL COMMERCIAL	BEACH RESIDENTIAL	BEACH COMMERCIAL	COASTAL RESIDENTIAL	COASTAL COMMERCIAL
INCOME RECEIVED								
PREMIUMS WRITTEN	85,695,110	19,979,662	55,806,455	12,371,436	71,220,575	14,481,706	36,499,282	8,625,042
INTEREST RECEIVED	7,009,092	1,634,158	4,564,469	1,011,873	3,459,812	697,805	1,761,489	409,716
MISCELLANEOUS INCOME	(12,561)	(2,928)	(8,180)	(1,813)	2,267	457	1,154	269
TOTAL INCOME	92,691,641	21,610,892	60,362,744	13,381,496	74,682,654	15,179,968	38,261,925	9,035,027
EXPENSES PAID								
LOSSES	1,835,220	218,663	669,003	292,763	19,934,260	24,163,391	10,215,830	6,401,605
LOSS ADJUSTMENT EXPENSES	232,198	93,722	138,576	40,960	1,431,796	693,252	1,002,490	255,549
COMMISSION	11,036,031	2,537,132	7,216,502	1,588,083	9,053,325	1,892,612	4,755,602	1,128,616
PREMIUM TAX	1,762,019	410,812	1,147,464	254,375	1,483,193	299,143	755,136	175,643
ADMINISTRATIVE EXPENSES	1,000,212	233,198	651,359	144,396	1,068,771	215,559	544,142	126,565
TOTAL EXPENSES PAID	15,865,680	3,493,527	9,822,904	2,320,577	32,971,344	27,263,957	17,273,200	8,087,978
NET CASH CHANGE	76,825,961	18,117,365	50,539,840	11,060,919	41,711,310	(12,083,989)	20,988,725	947,049
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	5,127,082	1,667,467	3,123,664	456,003	497,360	208,034	361,016	20,000
LOSS ADJUSTMENT EXPENSES	361,300	118,044	223,652	28,492	32,500	13,594	23,591	1,307
UNEARNED PREMIUMS	46,716,937	11,019,525	30,279,327	6,795,789	0	0	0	0
NET RESERVE CHANGE	52,205,319	12,805,036	33,626,643	7,280,284	529,860	221,628	384,607	21,307
NET OTHER CHANGES								
ASSETS NOT ADMITTED	3,905	911	2,545	564	6,209	1,252	3,161	736
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0
PRIOR PERIOD ADJUSTMENT	0	0	0	0	(125,302)	(25,272)	(63,795)	(14,839)
TOTAL NET OTHER CHANGES	3,905	911	2,545	564	(119,093)	(24,020)	(60,634)	(14,103)
ASSESSMENTS	0	0	0	0	159,060	0	0	0
DISTRIBUTIONS	0	0	0	0	(159,060)	0	0	0
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0
MEMBERS' EQUITY	24,624,547	5,313,240	16,915,742	3,781,199	41,062,357	(12,329,637)	20,543,484	911,639

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INCOME RECEIVED								
PREMIUMS WRITTEN	61,517,124	12,728,880	18,370,202	6,322,807	43,871,928	13,874,727	10,476,995	6,426,818
INTEREST RECEIVED	1,136,073	229,024	334,440	112,719	1,086,606	342,721	248,892	155,314
MISCELLANEOUS INCOME	2,158	434	634	214	(12,031)	(3,795)	(2,756)	(1,720)
TOTAL INCOME	62,655,355	12,958,338	18,705,276	6,435,740	44,946,503	14,213,653	10,723,131	6,580,412
EXPENSES PAID								
LOSSES	11,320,143	2,424,179	3,524,646	1,197,377	28,248,140	27,084,660	3,848,487	5,046,797
LOSS ADJUSTMENT EXPENSES	986,674	160,999	320,641	75,446	2,415,282	885,556	407,617	278,839
COMMISSION	7,680,722	1,584,913	2,601,362	834,881	5,704,804	1,801,946	1,307,146	807,189
PREMIUM TAX	1,312,394	264,569	386,346	130,213	969,857	305,897	222,150	138,626
ADMINISTRATIVE EXPENSES	1,241,643	252,209	329,811	116,404	1,102,136	354,925	261,524	149,442
TOTAL EXPENSES PAID	22,541,575	4,686,869	7,162,806	2,354,321	38,440,219	30,432,984	6,046,924	6,420,893
NET CASH CHANGE	40,113,780	8,271,469	11,542,470	4,081,419	6,506,284	(16,219,331)	4,676,207	159,519
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR)	147,942	0	53,483	0	20,100	128,773	0	10,000
LOSS ADJUSTMENT EXPENSES	9,667	0	3,495	0	1,313	8,415	0	653
UNEARNED PREMIUMS	0	0	0	0	0	0	0	0
NET RESERVE CHANGE	157,609	0	56,978	0	21,413	137,188	0	10,653
NET OTHER CHANGES								
ASSETS NOT ADMITTED	241,635	48,712	71,133	23,975	(150,489)	(48,462)	(35,709)	(20,405)
MINIMUM PENSION LIABILITY	(11,896)	(2,416)	(3,160)	(1,115)	15,590	5,021	3,699	2,114
PRIOR PERIOD ADJUSTMENT	29,810	6,055	7,919	2,795	0	0	0	0
TOTAL NET OTHER CHANGES	259,549	52,351	75,892	25,655	(134,899)	(43,441)	(32,010)	(18,291)
ASSESSMENTS	0	0	0	0	961,092	303,133	220,142	137,374
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0
MEMBERS' EQUITY	40,215,720	8,323,820	11,561,384	4,107,074	7,311,064	(16,096,827)	4,864,339	267,949

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	2002				2001			
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INCOME RECEIVED								
PREMIUMS WRITTEN	37,077,994	12,819,548	5,366,055	5,546,852	34,706,831	10,613,765	3,966,521	4,058,334
INTEREST RECEIVED	1,196,773	412,074	168,931	175,180	2,071,772	627,809	215,338	224,128
MISCELLANEOUS INCOME	8,305	2,860	1,172	1,216	5,339	1,618	555	577
TOTAL INCOME	38,283,072	13,234,482	5,536,158	5,723,248	36,783,942	11,243,192	4,182,414	4,283,039
EXPENSES PAID								
LOSSES	6,293,773	2,228,427	240,991	105,050	2,706,230	114,715	89,190	109,076
LOSS ADJUSTMENT EXPENSES	491,354	150,930	23,840	4,015	191,545	118,080	8,464	6,317
COMMISSION	4,669,754	1,725,938	690,768	700,379	4,541,074	1,371,869	471,995	489,279
PREMIUM TAX	817,282	281,408	115,364	119,631	769,372	233,143	79,968	83,232
ADMINISTRATIVE EXPENSES	993,627	342,126	140,154	145,622	802,354	243,137	83,396	86,800
TOTAL EXPENSES PAID	13,265,790	4,728,829	1,211,117	1,074,697	9,010,575	2,080,944	733,013	774,704
NET CASH CHANGE	25,017,282	8,505,653	4,325,041	4,648,551	27,773,367	9,162,248	3,449,401	3,508,335
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR)	0	0	0	0	0	5,000	0	0
LOSS ADJUSTMENT EXPENSES	0	0	0	0	327	0	0	0
UNEARNED PREMIUMS	0	0	0	0	0	0	0	0
NET RESERVE CHANGE	0	0	0	0	327	5,000	0	0
NET OTHER CHANGES								
ASSETS NOT ADMITTED	(72,073)	(24,816)	(10,173)	(10,550)	(13,460)	(4,078)	(1,398)	(1,456)
MINIMUM PENSION LIABILITY	(44,532)	(15,331)	(5,840)	(7,300)	0	0	0	0
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
TOTAL NET OTHER CHANGES	(116,605)	(40,147)	(16,013)	(17,850)	(13,460)	(4,078)	(1,398)	(1,456)
ASSESSMENTS	778,200	267,919	109,807	113,914	795,554	227,840	86,852	86,580
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBERS	(11,322)	(925)	(1,330)	(248)	(17,033)	0	(4,038)	0
MEMBERS' EQUITY	25,667,555	8,732,500	4,417,505	4,744,367	28,538,101	9,381,010	3,530,817	3,593,459

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	2000				TOTAL
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INCOME RECEIVED					
PREMIUMS WRITTEN	32,475,301	10,055,887	3,085,970	2,973,903	641,015,710
INTEREST RECEIVED	1,984,615	538,681	170,110	141,758	32,121,372
MISCELLANEOUS INCOME	(11,552)	(3,136)	(990)	(825)	(33,058)
TOTAL INCOME	34,448,364	10,591,432	3,255,090	3,114,836	673,104,024
EXPENSES PAID					
LOSSES	2,874,564	436,232	28,245	18,170	161,669,826
LOSS ADJUSTMENT EXPENSES	365,580	46,638	13,310	7,923	10,847,593
COMMISSION	3,265,246	993,100	311,623	315,425	81,077,316
PREMIUM TAX	748,493	203,162	64,157	53,464	13,586,513
ADMINISTRATIVE EXPENSES	830,222	225,346	71,162	59,301	11,815,543
TOTAL EXPENSES PAID	8,084,105	1,904,478	488,497	454,283	278,996,791
					0
NET CASH CHANGE	26,364,259	8,686,954	2,766,593	2,660,553	394,107,233
RESERVES:					
DEDUCT: (CURRENT PERIOD)					
LOSSES (INCL. IBNR)	0	0	0	0	11,825,924
LOSS ADJUSTMENT EXPENSES	0	0	0	0	826,350
UNEARNED PREMIUMS	0	0	0	0	94,811,578
NET RESERVE CHANGE	0	0	0	0	107,463,852
NET OTHER CHANGES					0
ASSETS NOT ADMITTED	16,881	4,582	1,447	1,205	35,784
MINIMUM PENSION LIABILITY	0	0	0	0	(65,166)
PRIOR PERIOD ADJUSTMENT	0	0	0	0	(182,629)
TOTAL NET OTHER CHANGES	16,881	4,582	1,447	1,205	(212,011)
ASSESSMENTS	727,190	242,396	82,129	88,974	5,388,156
DISTRIBUTIONS	(26,973,492)	(8,875,495)	(2,850,129)	(2,727,887)	(41,586,063)
INSOLVENT MEMBERS	(134,838)	(58,437)	(40)	(22,845)	(251,056)
MEMBERS' EQUITY	(0)	0	0	(0)	249,982,407