

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
BALANCE SHEET
AS OF JUNE 30, 2004

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	(691,847)			(691,847) (Note 1)
INVESTMENTS	20,649,450			20,649,450
FIXED ASSETS	84,992		(84,992)	0
DATA PROCESSING EQUIPMENT	85,658			85,658
ACCOUNTS RECEIVABLE - OTHER	69,511			69,511
ASSESSMENT RECEIVABLE	141,499			141,499
PREPAID EXPENSES	87,006		(87,006)	0
TOTAL ASSETS	20,426,269	0	(171,998)	20,254,271
LIABILITIES & EQUITY				
LIABILITIES				
ACCOUNTS PAYABLE - BEACH PLAN				3,638,219
PREMIUM REFUND				25,590
PREMIUM SUSPENSE				511,911
PAYROLL TAXES				(383)
ACCRUAL-PREMIUM TAX				37,889
ACCRUAL-POST RETIREMENT				293,899
ACCRUAL-PENSION				224,421
ACCRUAL-RENT				17,752
CLAIMS PAYABLE				33,535
PREPAID PREMIUMS				565,766
UNCLAIMED CHECKS				393,893
DISTRIBUTION PAYABLE				12,671
TOTAL LIABILITIES				5,755,163
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				3,410,003
UNPAID LAE RESERVES				283,505
UNEARNED PREMIUMS				10,696,441
TOTAL RESERVES				14,389,949
MEMBERS' EQUITY				109,159
TOTAL LIABILITIES & MEMBERS' EQUITY				20,254,271

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 (\$462,087.30) of the claim checks payable account may create a credit balance in the cash account. The overnight investments are included in the Investment account .

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
INCOME STATEMENT AND EQUITY ACCOUNT
QUARTER ENDING JUNE 30, 2004

	THIRD QUARTER	YEAR - TO - DATE
UNDERWRITING INCOME		
PREMIUMS EARNED	5,227,970	17,137,259
DEDUCTIONS		
LOSSES INCURRED	4,473,300	6,304,604
LOSS EXPENSE INCURRED	421,870	440,182
OPERATING EXPENSE INCURRED	1,640,547	4,780,631
PREMIUM TAXES	126,283	472,356
TOTAL DEDUCTIONS	6,662,000	11,997,773
NET UNDERWRITING GAIN OR (LOSS)	(1,434,030)	5,139,486
OTHER INCOME OR (OUTGO)		
INVESTMENT INCOME	38,255	116,238
MISCELLANEOUS INCOME	3,445	(27,296)
NET OTHER INCOME	41,700	88,942
NET INCOME OR (LOSS)	(1,392,330)	5,228,428
EQUITY ACCOUNT		
MEMBERS' EQUITY (PRIOR PERIOD)	1,495,612	(3,262,223)
NET INCOME OR (LOSS)	(1,392,330)	5,228,428
CHANGE IN ASSETS NOT ADMITTED	5,877	115,187
ASSESSMENTS OR (DISTRIBUTIONS)	0	(1,981,556)
PRIOR PERIOD ADJUSTMENTS	0	9,323
NET CHANGE IN EQUITY	(1,386,453)	3,371,382
MEMBERS' EQUITY (CURRENT PERIOD)	109,159	109,159

The Aggregate Liability for the Association as of June 30, 2004 is \$4,303,874,109.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
QUARTER ENDING JUNE 30, 2004

	THIRD QUARTER						
	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	6,125,396	(60,301)	0	0	0	0	6,065,095
INTEREST RECEIVED	38,255	0	0	0	0	0	38,255
MISCELLANEOUS INCOME	3,445	0	0	0	0	0	3,445
TOTAL INCOME	6,167,096	(60,301)	0	0	0	0	6,106,795
EXPENSES PAID							
LOSSES	1,284,309	1,624,163	10,520	779	0	0	2,919,771
LOSS ADJUSTMENT EXPENSES	181,945	135,913	4,094	522	352	0	322,826
COMMISSION	889,055	(9,045)	0	0	0	0	880,010
PREMIUM TAX	126,283	0	0	0	0	0	126,283
ADMINISTRATIVE EXPENSES	760,537	0	0	0	0	0	760,537
TOTAL EXPENSES PAID	3,242,129	1,751,031	14,614	1,301	352	0	5,009,427
NET CASH CHANGE	2,924,967	(1,811,332)	(14,614)	(1,301)	(352)	0	1,097,368
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	2,671,516	727,986	3,001	0	7,500	0	3,410,003
LOSS ADJUSTMENT EXPENSES	222,523	60,115	248	0	619	0	283,505
UNEARNED PREMIUMS	9,966,268	730,173	0	0	0	0	10,696,441
ADD: (PRIOR PERIOD)							
LOSSES (INCL. IBNR)	420,879	1,374,800	22,399	3,198	35,198	0	1,856,474
LOSS ADJUSTMENT EXPENSES	44,144	134,375	2,189	313	3,440	0	184,461
UNEARNED PREMIUMS	7,004,629	2,854,687	0	0	0	0	9,859,316
NET RESERVE CHANGE	(5,390,655)	2,845,588	21,339	3,511	30,519	0	(2,489,698)
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	5,877	0	0	0	0	0	5,877
TOTAL NET OTHER CHANGES	5,877	0	0	0	0	0	5,877
ASSESSMENTS	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(2,459,811)	1,034,256	6,725	2,210	30,167	0	(1,386,453)

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
QUARTER ENDING JUNE 30, 2004

	YEAR TO DATE						
	2003	2002	2001	2000	1999	1998	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	17,207,242	(163,671)	0	0	0	0	17,043,571
INTEREST RECEIVED	116,238	0	0	0	0	0	116,238
MISCELLANEOUS INCOME	(27,296)	0	0	0	0	0	(27,296)
TOTAL INCOME	17,296,184	(163,671)	0	0	0	0	17,132,513
EXPENSES PAID							
LOSSES	1,944,384	12,501,428	419,196	25,779	997	0	14,891,784
LOSS ADJUSTMENT EXPENSES	388,144	1,258,095	56,251	1,322	352	0	1,704,164
COMMISSION	2,484,897	(24,551)	0	0	0	0	2,460,346
PREMIUM TAX	472,356	0	0	0	0	0	472,356
ADMINISTRATIVE EXPENSES	2,320,285	0	0	0	0	0	2,320,285
TOTAL EXPENSES PAID	7,610,066	13,734,972	475,447	27,101	1,349	0	21,848,935
NET CASH CHANGE	9,686,118	(13,898,643)	(475,447)	(27,101)	(1,349)	0	(4,716,422)
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	2,671,516	727,986	3,001	0	7,500	0	3,410,003
LOSS ADJUSTMENT EXPENSES	222,523	60,115	248	0	619	0	283,505
UNEARNED PREMIUMS	9,966,268	730,173	0	0	0	0	10,696,441
ADD: (PRIOR PERIOD)							
LOSSES (INCL. IBNR)	0	11,481,457	480,528	0	35,198	0	11,997,183
LOSS ADJUSTMENT EXPENSES	0	1,480,964	61,983	0	4,540	0	1,547,487
UNEARNED PREMIUMS	0	10,790,129	0	0	0	0	10,790,129
NET RESERVE CHANGE	(12,860,307)	22,234,276	539,262	0	31,619	0	9,944,850
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	9,323	0	0	0	0	0	9,323
ASSETS NOT ADMITTED	115,187	0	0	0	0	0	115,187
TOTAL NET OTHER CHANGES	124,510	0	0	0	0	0	124,510
ASSESSMENTS	0	601,446	0	0	0	0	601,446
DISTRIBUTIONS	0	0	0	0	0	(2,583,002)	(2,583,002)
CHANGE IN MEMBERS' EQUITY	(3,049,679)	8,937,079	63,815	(27,101)	30,270	(2,583,002)	3,371,382

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
AS OF JUNE 30, 2004

	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	17,207,242	20,380,519	17,509,012	15,494,428	14,629,409	13,713,203	98,933,813
INTEREST RECEIVED	116,238	218,827	259,922	795,169	1,250,277	1,051,335	3,691,768
MISCELLANEOUS INCOME	(27,296)	2,946	7,389	258	(1,271)	(1,938)	(19,912)
TOTAL INCOME	17,296,184	20,602,292	17,776,323	16,289,855	15,878,415	14,762,600	102,605,669
EXPENSES PAID							
LOSSES	1,944,384	15,995,265	9,657,495	7,592,159	9,150,829	17,463,653	61,803,785
LOSS ADJUSTMENT EXPENSES	388,144	1,779,400	690,073	579,965	755,667	2,197,752	6,391,001
COMMISSION	2,484,897	2,959,830	2,592,873	2,269,582	1,471,361	1,345,858	13,124,401
PREMIUM TAX	472,356	583,115	503,873	443,154	424,956	401,793	2,829,247
ADMINISTRATIVE EXPENSES	2,320,285	3,018,670	2,779,410	2,188,612	2,059,471	1,790,972	14,157,420
TOTAL EXPENSES PAID	7,610,066	24,336,280	16,223,724	13,073,472	13,862,284	23,200,028	98,305,854
NET CASH CHANGE	9,686,118	(3,733,988)	1,552,599	3,216,383	2,016,131	(8,437,428)	4,299,815
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	2,671,516	727,986	3,001	0	7,500	0	3,410,003
LOSS ADJUSTMENT EXPENSES	222,523	60,115	248	0	619	0	283,505
UNEARNED PREMIUMS	9,966,268	730,173	0	0	0	0	10,696,441
RESERVES	12,860,307	1,518,274	3,249	0	8,119	0	14,389,949
NET OTHER CHANGES							
ASSETS NOT ADMITTED	115,187	(164,952)	(96,449)	107,469	(66,943)	599,076	493,388
PRIOR PERIOD ADJUSTMENT	9,323	0	0	0	0	0	9,323
MINIMUM PENSION LIABILITY	0	39,635	(109,504)	0	0	0	(69,869)
TOTAL NET OTHER CHANGES	124,510	(125,317)	(205,953)	107,469	(66,943)	599,076	432,842
ASSESSMENTS	0	601,446	462,435	451,213	413,005	20,421,354	22,349,453
DISTRIBUTIONS	0	0	0	0	0	(12,583,002)	(12,583,002)
MEMBERS' EQUITY	(3,049,679)	(4,776,133)	1,805,832	3,775,065	2,354,074	0	109,159

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF PREMIUMS
QUARTER ENDING JUNE 30, 2004

	THIRD QUARTER 2004	THIRD QUARTER 2003	THIRD QUARTER TOTAL	YEAR TO DATE 2004	YEAR TO DATE 2003	YEAR TO DATE TOTAL
PREMIUMS WRITTEN						
RESIDENTIAL - FIRE	3,036,054	(24,333)	3,011,721	8,524,475	(55,410)	8,469,065
RESIDENTIAL - EC	2,596,290	(25,660)	2,570,630	7,067,200	(78,144)	6,989,056
COMMERCIAL - FIRE	308,363	(4,911)	303,452	1,020,799	(13,546)	1,007,253
COMMERCIAL - EC	117,785	(4,450)	113,335	388,438	(12,026)	376,412
CRIME - RESIDENTIAL	64,490	(947)	63,543	202,806	(4,545)	198,261
CRIME - COMMERCIAL	2,414	0	2,414	3,524	0	3,524
TOTAL	6,125,396	(60,301)	6,065,095	17,207,242	(163,671)	17,043,571
UNEARNED PREMIUMS (PRIOR PERIOD)						
RESIDENTIAL - FIRE	3,490,470	1,374,068	4,864,538	0	5,200,037	5,200,037
RESIDENTIAL - EC	2,842,306	1,136,921	3,979,227	0	4,240,220	4,240,220
COMMERCIAL - FIRE	420,085	231,790	651,875	0	895,654	895,654
COMMERCIAL - EC	163,741	74,625	238,366	0	307,737	307,737
CRIME - RESIDENTIAL	88,027	37,224	125,251	0	145,230	145,230
CRIME - COMMERCIAL	0	59	59	0	1,251	1,251
TOTAL	7,004,629	2,854,687	9,859,316	0	10,790,129	10,790,129
UNEARNED PREMIUMS (CURRENT PERIOD)						
RESIDENTIAL - FIRE	4,949,339	349,778	5,299,117	4,949,339	349,778	5,299,117
RESIDENTIAL - EC	4,148,938	290,072	4,439,010	4,148,938	290,072	4,439,010
COMMERCIAL - FIRE	544,142	61,390	605,532	544,142	61,390	605,532
COMMERCIAL - EC	207,838	19,482	227,320	207,838	19,482	227,320
CRIME - RESIDENTIAL	114,117	9,451	123,568	114,117	9,451	123,568
CRIME - COMMERCIAL	1,894	0	1,894	1,894	0	1,894
TOTAL	9,966,268	730,173	10,696,441	9,966,268	730,173	10,696,441
EARNED PREMIUMS						
RESIDENTIAL - FIRE	1,577,185	999,957	2,577,142	3,575,136	4,794,849	8,369,985
RESIDENTIAL - EC	1,289,658	821,189	2,110,847	2,918,262	3,872,004	6,790,266
COMMERCIAL - FIRE	184,306	165,489	349,795	476,657	820,718	1,297,375
COMMERCIAL - EC	73,688	50,693	124,381	180,600	276,229	456,829
CRIME - RESIDENTIAL	38,400	26,826	65,226	88,689	131,234	219,923
CRIME - COMMERCIAL	520	59	579	1,630	1,251	2,881
TOTAL	3,163,757	2,064,213	5,227,970	7,240,974	9,896,285	17,137,259

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
QUARTER ENDING JUNE 30, 2004

THIRD QUARTER

	2004	2003	2002	2001	2000	TOTAL THIRD QUARTER
PAID LOSSES						
RESIDENTIAL - FIRE	1,041,518	980,842	6,711	0	0	2,029,071
RESIDENTIAL - EC	158,719	461,022	1,612	779	0	622,132
COMMERCIAL - FIRE	79,740	112,402	0	0	0	192,142
COMMERCIAL - EC	3,390	56,394	2,197	0	0	61,981
CRIME - RESIDENTIAL	942	13,503	0	0	0	14,445
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	1,284,309	1,624,163	10,520	779	0	2,919,771
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	694,318	230,557	3,001	0	2,500	930,376
RESIDENTIAL - EC	60,318	408,133	0	0	5,000	473,451
COMMERCIAL - FIRE	1,891,650	80,499	0	0	0	1,972,149
COMMERCIAL - EC	18,823	7,599	0	0	0	26,422
CRIME - RESIDENTIAL	6,407	1,198	0	0	0	7,605
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	2,671,516	727,986	3,001	0	7,500	3,410,003
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	299,588	450,066	198	0	8,599	758,451
RESIDENTIAL - EC	99,258	677,748	22,102	3,198	23,099	825,405
COMMERCIAL - FIRE	18,862	151,495	0	0	0	170,357
COMMERCIAL - EC	3,072	92,600	0	0	3,500	99,172
CRIME - RESIDENTIAL	99	2,891	99	0	0	3,089
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	420,879	1,374,800	22,399	3,198	35,198	1,856,474
INCURRED LOSSES						
RESIDENTIAL - FIRE	1,436,248	761,333	9,514	0	(6,099)	2,200,996
RESIDENTIAL - EC	119,779	191,407	(20,490)	(2,419)	(18,099)	270,178
COMMERCIAL - FIRE	1,952,528	41,406	0	0	0	1,993,934
COMMERCIAL - EC	19,141	(28,607)	2,197	0	(3,500)	(10,769)
CRIME - RESIDENTIAL	7,250	11,810	(99)	0	0	18,961
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	3,534,946	977,349	(8,878)	(2,419)	(27,698)	4,473,300

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
QUARTER ENDING JUNE 30, 2004

	YEAR TO DATE					TOTAL YEAR TO DATE
	2004	2003	2002	2001	2000	
PAID LOSSES						
RESIDENTIAL - FIRE	1,551,181	3,739,093	187,038	25,000	0	5,502,312
RESIDENTIAL - EC	278,670	7,657,206	215,423	779	2,752	8,154,830
COMMERCIAL - FIRE	98,990	277,786	823	0	0	377,599
COMMERCIAL - EC	13,681	784,489	15,912	0	(1,755)	812,327
CRIME - RESIDENTIAL	1,862	42,854	0	0	0	44,716
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	1,944,384	12,501,428	419,196	25,779	997	14,891,784
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	694,318	230,557	3,001	0	2,500	930,376
RESIDENTIAL - EC	60,318	408,133	0	0	5,000	473,451
COMMERCIAL - FIRE	1,891,650	80,499	0	0	0	1,972,149
COMMERCIAL - EC	18,823	7,599	0	0	0	26,422
CRIME - RESIDENTIAL	6,407	1,198	0	0	0	7,605
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	2,671,516	727,986	3,001	0	7,500	3,410,003
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	561,196	139,700	0	10,099	710,995
RESIDENTIAL - EC	0	10,503,032	329,828	0	21,599	10,854,459
COMMERCIAL - FIRE	0	38,520	1,000	0	0	39,520
COMMERCIAL - EC	0	369,245	10,000	0	3,500	382,745
CRIME - RESIDENTIAL	0	9,464	0	0	0	9,464
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	0	11,481,457	480,528	0	35,198	11,997,183
INCURRED LOSSES						
RESIDENTIAL - FIRE	2,245,499	3,408,454	50,339	25,000	(7,599)	5,721,693
RESIDENTIAL - EC	338,988	(2,437,693)	(114,405)	779	(13,847)	(2,226,178)
COMMERCIAL - FIRE	1,990,640	319,765	(177)	0	0	2,310,228
COMMERCIAL - EC	32,504	422,843	5,912	0	(5,255)	456,004
CRIME - RESIDENTIAL	8,269	34,588	0	0	0	42,857
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	4,615,900	1,747,957	(58,331)	25,779	(26,701)	6,304,604

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
QUARTER ENDING JUNE 30, 2004

IBNR TOTALS

	2004	2003	2002	2001	2000	TOTAL
IBNR (CURRENT PERIOD)						
RESIDENTIAL - FIRE	79,572	0	0	0	0	79,572
RESIDENTIAL - EC	6,919	0	0	0	0	6,919
COMMERCIAL - FIRE	121,129	0	0	0	0	121,129
COMMERCIAL - EC	1,224	0	0	0	0	1,224
CRIME - RESIDENTIAL	2,110	0	0	0	0	2,110
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	210,954	0	0	0	0	210,954
IBNR (PRIOR PERIOD)						
RESIDENTIAL - FIRE	90,278	27,346	0	0	0	117,624
RESIDENTIAL - EC	30,093	417,479	0	0	0	447,572
COMMERCIAL - FIRE	18,268	1,520	0	0	0	19,788
COMMERCIAL - EC	2,973	14,721	0	0	0	17,694
CRIME - RESIDENTIAL	0	364	0	0	0	364
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	141,612	461,430	0	0	0	603,042

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDING JUNE 30, 2004

THIRD QUARTER						TOTAL THIRD QUARTER
	2004	2003	2002	2001	2000	
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	119,954	73,420	2,490	0	0	195,864
RESIDENTIAL - EC	45,654	53,846	1,267	522	0	101,289
COMMERCIAL - FIRE	14,614	3,292	0	0	0	17,906
COMMERCIAL - EC	1,470	4,270	152	0	352	6,244
CRIME - RESIDENTIAL	253	1,085	185	0	0	1,523
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	181,945	135,913	4,094	522	352	322,826
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	58,058	19,039	248	0	206	77,551
RESIDENTIAL - EC	5,044	33,702	0	0	413	39,159
COMMERCIAL - FIRE	157,308	6,647	0	0	0	163,955
COMMERCIAL - EC	1,565	628	0	0	0	2,193
CRIME - RESIDENTIAL	548	99	0	0	0	647
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	222,523	60,115	248	0	619	283,505
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	31,198	43,990	19	0	840	76,047
RESIDENTIAL - EC	10,340	66,244	2,160	313	2,258	81,315
COMMERCIAL - FIRE	2,231	14,807	0	0	0	17,038
COMMERCIAL - EC	364	9,051	0	0	342	9,757
CRIME - RESIDENTIAL	11	283	10	0	0	304
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	44,144	134,375	2,189	313	3,440	184,461
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	146,814	48,469	2,719	0	(634)	197,368
RESIDENTIAL - EC	40,358	21,304	(893)	209	(1,845)	59,133
COMMERCIAL - FIRE	169,691	(4,868)	0	0	0	164,823
COMMERCIAL - EC	2,671	(4,153)	152	0	10	(1,320)
CRIME - RESIDENTIAL	790	901	175	0	0	1,866
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	360,324	61,653	2,153	209	(2,469)	421,870

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDING JUNE 30, 2004

	YEAR-TO-DATE					YEAR TO DATE
	2004	2003	2002	2001	2000	TOTAL
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	271,646	208,585	12,714	800	0	493,745
RESIDENTIAL - EC	91,368	985,985	40,159	522	0	1,118,034
COMMERCIAL - FIRE	14,614	10,593	211	0	0	25,418
COMMERCIAL - EC	8,804	50,595	2,982	0	352	62,733
CRIME - RESIDENTIAL	1,712	2,337	185	0	0	4,234
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	388,144	1,258,095	56,251	1,322	352	1,704,164
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	58,058	19,039	248	0	206	77,551
RESIDENTIAL - EC	5,044	33,702	0	0	413	39,159
COMMERCIAL - FIRE	157,308	6,647	0	0	0	163,955
COMMERCIAL - EC	1,565	628	0	0	0	2,193
CRIME - RESIDENTIAL	548	99	0	0	0	647
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	222,523	60,115	248	0	619	283,505
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	72,386	18,020	0	1,303	91,709
RESIDENTIAL - EC	0	1,354,760	42,544	0	2,786	1,400,090
COMMERCIAL - FIRE	0	4,969	129	0	0	5,098
COMMERCIAL - EC	0	47,628	1,290	0	451	49,369
CRIME - RESIDENTIAL	0	1,221	0	0	0	1,221
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	0	1,480,964	61,983	0	4,540	1,547,487
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	329,704	155,238	(5,058)	800	(1,097)	479,587
RESIDENTIAL - EC	96,412	(335,073)	(2,385)	522	(2,373)	(242,897)
COMMERCIAL - FIRE	171,922	12,271	82	0	0	184,275
COMMERCIAL - EC	10,369	3,595	1,692	0	(99)	15,557
CRIME - RESIDENTIAL	2,260	1,215	185	0	0	3,660
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	610,667	(162,754)	(5,484)	1,322	(3,569)	440,182

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
82	10/01/94 09/30/95	07/12/96	HABITATIONAL	0	494,853	0	62,452
82	10/01/94 09/30/95	07/12/96	COMMERCIAL	0	50,197	0	5,805
			TOTAL	0	545,050	0	68,257
82	10/01/95 09/30/96	07/12/96	HABITATIONAL	0	1,511,336	0	211,709
82	10/01/95 09/30/96	07/12/96	COMMERCIAL	0	260,719	0	21,083
			TOTAL	0	1,772,055	0	232,792
88	10/01/94 09/30/95	09/05/96 09/06/96	HABITATIONAL	0	1,062,341	0	142,807
88	10/01/94 09/30/95	09/05/96 09/06/96	COMMERCIAL	0	144,103	0	11,551
			TOTAL	0	1,206,444	0	154,358
88	10/01/95 09/30/96	09/05/96 09/06/96	HABITATIONAL	0	13,968,567	0	1,774,079
88	10/01/95 09/30/96	09/05/96 09/06/96	COMMERCIAL	0	2,940,414	0	189,641
			TOTAL	0	16,908,981	0	1,963,720
43	10/01/96 09/30/97	03/05/98 03/09/98	HABITATIONAL	0	26,027	0	1,689
			TOTAL	0	26,027	0	1,689
49	10/01/96 09/30/97	05/07/98 05/08/98	HABITATIONAL	0	12,367	0	1,330
49	10/01/96 09/30/97	05/07/98 05/08/98	COMMERCIAL	0	5,371	0	314
			TOTAL	0	17,738	0	1,644

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
49	10/01/97 09/30/98	05/07/98 05/08/98	HABITATIONAL	0	33,296	0	1,156
49	10/01/97 09/30/98	05/07/98 05/08/98	COMMERCIAL	0	1,204	0	500
		TOTAL		0	34,500	0	1,656
52	10/01/96 09/30/97	05/22/98 05/26/98	HABITATIONAL	0	12,551	0	186
52	10/01/96 09/30/97	05/22/98 05/26/98	COMMERCIAL	0	19,956	0	408
		TOTAL		0	32,507	0	594
52	10/01/97 09/30/98	05/22/98 05/26/98	HABITATIONAL	0	23,810	0	1,206
52	10/01/97 09/30/98	05/22/98 05/26/98	COMMERCIAL	0	278	0	0
		TOTAL		0	24,088	0	1,206
96	10/01/97 09/30/98	08/29/99 09/07/99	HABITATIONAL	0	47,472	0	4,884
96	10/01/97 09/30/98	08/29/99 09/07/99	COMMERCIAL	0	3,874	0	390
		TOTAL		0	51,346	0	5,274
96	10/01/98 09/30/99	08/29/99 09/07/99	HABITATIONAL	5,000	662,121	500	75,860
96	10/01/98 09/30/99	08/29/99 09/07/99	COMMERCIAL	0	127,787	0	6,718
		TOTAL		5,000	789,908	500	82,578
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	340,132	0	53,186
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	27,029	0	2,625
		TOTAL		0	367,161	0	55,811

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

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	9,291,194	0	1,352,216
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	924,773	0	86,687
		TOTAL		0	10,215,967	0	1,438,903
77	10/01/01 09/30/02	12/04/02 12/05/02	HABITATIONAL	0	405,146	0	8,647
77	10/01/01 09/30/02	12/04/02 12/05/02	COMMERCIAL	0	17,576	0	14,355
		TOTAL		0	422,722	0	23,002
77	10/01/02 09/30/03	12/04/02 12/05/02	HABITATIONAL	0	79,187	0	4,032
77	10/01/02 09/30/03	12/04/02 12/05/02	COMMERCIAL	0	4,979	0	0
		TOTAL		0	84,166	0	4,032
81	10/01/01 09/30/02	01/13/03 01/26/03	HABITATIONAL	0	11,932	0	1,609
81	10/01/01 09/30/02	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
		TOTAL		0	11,932	0	1,609
81	10/01/02 09/30/03	01/13/03 01/26/03	HABITATIONAL	0	99,372	0	3,656
81	10/01/02 09/30/03	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
		TOTAL		0	99,372	0	3,656
82	10/01/01 09/30/02	02/14/03 02/18/03	HABITATIONAL	0	1,493	0	185
82	10/01/01 09/30/02	02/14/03 02/18/03	COMMERCIAL	0	33,243	0	1,798
		TOTAL		0	34,736	0	1,983

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
82	10/01/02 09/30/03	02/14/03 02/18/03	HABITATIONAL	0	0	0	242
82	10/01/02 09/30/03	02/14/03 02/18/03	COMMERCIAL	0	4,868	0	0
		TOTAL		0	4,868	0	242
83	10/01/01 09/30/02	02/21/03 02/23/03	HABITATIONAL	0	25,083	0	173
83	10/01/01 09/30/02	02/21/03 02/23/03	COMMERCIAL	0	0	0	1,054
		TOTAL		0	25,083	0	1,227
83	10/01/02 09/30/03	02/21/03 02/23/03	HABITATIONAL	0	16,032	0	1,173
83	10/01/02 09/30/03	02/21/03 02/23/03	COMMERCIAL	0	0	0	0
		TOTAL		0	16,032	0	1,173
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	337,468	0	37,739
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	3,348	0	704
		TOTAL		0	340,816	0	38,443
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	2,099	465,810	210	49,569
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	33,292	0	3,634
		TOTAL		2,099	499,102	210	53,203
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	219,780	0	27,164
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	12,913	0	1,197
		TOTAL		0	232,693	0	28,361

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

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	64,506	7,079,536	6,451	893,396
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	5,000	731,404	500	45,727
			TOTAL	69,506	7,810,940	6,951	939,123
16	10/01/02 09/30/03	03/03/04 03/08/04	HABITATIONAL	4,245	246,428	425	42,440
16	10/01/02 09/30/03	03/03/04 03/08/04	COMMERCIAL	0	12,093	0	1,542
			TOTAL	4,245	258,521	425	43,982
16	10/01/03 09/30/04	03/03/04 03/08/04	HABITATIONAL	9,988	152,222	999	26,857
16	10/01/03 09/30/04	03/03/04 03/08/04	COMMERCIAL	0	52,214	0	2,707
			TOTAL	9,988	204,436	999	29,564

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF JUNE 30, 2004

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	26,910,138	423
ALEXANDER	6,398,474	108
ALLEGHANY	3,486,048	39
ANSON	11,878,074	306
ASHE	7,067,352	158
AVERY	3,158,900	59
BEAUFORT	51,873,046	1,038
BERTIE	18,407,088	414
BLADEN	54,621,068	1,186
BRUNSWICK	401,598,933	7,085
BUMCOMBE	29,205,925	571
BURKE	8,146,001	188
CABARRUS	22,365,243	400
CALDWELL	17,950,229	392
CAMDEN	16,170,266	258
CARTERET	164,268,058	3,168
CASWELL	8,760,372	201
CATAWBA	22,111,856	430
CHATHAM	13,228,125	264
CHEROKEE	2,468,000	50
CHOWAN	16,884,453	275
CLAY	1,558,000	31
CLEVELAND	22,605,740	393
COLUMBUS	146,750,509	3,276
CRAVEN	72,136,137	1,269
CUMBERLAND	184,160,361	2,830
CURRITUCK	60,548,316	898
DARE	64,111,999	681
DAVIDSON	49,502,661	802
DAVIE	3,711,516	61
DUPLIN	48,979,888	1,102
DURHAM	78,323,349	1,010
EDGECOMBE	31,247,498	639
FORSYTH	70,418,883	942
FRANKLIN	21,388,245	404
GASTON	60,072,391	1,057
GATES	7,387,431	166
GRAHAM	994,900	19
GRANVILLE	6,299,541	114
GREENE	9,673,701	198
GUILFORD	108,687,620	1,567
HALIFAX	35,734,730	817
HARNETT	55,582,411	1,053
HAYWOOD	8,906,993	163
HENDERSON	11,954,860	172
HERTFORD	12,023,858	277

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF JUNE 30, 2004

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
HOKE	32,518,593	722
HYDE	7,384,226	168
IREDELL	23,209,411	402
JACKSON	8,294,737	129
JOHNSTON	66,452,149	1,188
JONES	9,919,112	221
LEE	19,151,619	312
LENOIR	53,137,009	1,099
LINCOLN	14,208,052	257
MCDOWELL	8,868,900	218
MACON	4,732,325	82
MADISON	4,548,850	95
MARTIN	17,451,299	424
MECKLENBURG	111,341,477	1,303
MITCHELL	2,136,350	52
MONTGOMERY	12,324,661	255
MOORE	19,797,620	362
NASH	32,308,876	580
NEW HANOVER	383,364,594	4,610
NORTHAMPTON	12,400,160	299
ONslow	202,754,628	3,628
ORANGE	15,297,887	188
PAMLICO	16,455,193	394
PASQUOTANK	42,641,811	755
PENDER	88,724,476	1,686
PERQUIMANS	11,544,590	240
PERSON	12,071,178	228
PITT	66,384,428	1,133
POLK	2,245,509	61
RANDOLPH	20,817,851	382
RICHMOND	48,155,836	1,207
ROBESON	236,026,252	6,024
ROCKINGHAM	29,752,546	744
ROWAN	26,893,750	452
RUTHERFORD	15,543,435	295
SAMPSON	55,167,063	1,147
SCOTLAND	29,590,920	639
STANLEY	10,101,552	189
STOKES	5,748,424	91
SURRY	23,045,777	479
SWAIN	1,036,300	21
TRANSYLVANIA	2,839,600	28
TYRRELL	7,559,746	162
UNION	20,636,144	323
VANCE	25,680,236	544
WAKE	159,167,240	1,549

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF JUNE 30, 2004

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
WARREN	12,512,952	272
WASHINGTON	10,577,070	166
WATAUGA	7,537,235	93
WAYNE	97,827,394	1,817
WILKES	18,534,791	344
WILSON	45,880,005	875
YADKIN	6,471,593	130
YANCY	5,381,490	113
	4,303,874,109	76,131

* 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 of coverage, are not factored into this amount .