

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

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	668,841			668,841 (Note 1)
INVESTMENTS	15,243,808			15,243,808
FIXED ASSETS	77,779		(77,779)	0
DATA PROCESSING EQUIPMENT	71,341			71,341
ACCOUNTS RECEIVABLE - OTHER	77,184			77,184
ACCOUNTS RECEIVABLE - BEACH	174,668			174,668
PREPAID EXPENSES	39,036		(39,036)	0
TOTAL ASSETS	16,352,657	0	(116,815)	16,235,842
LIABILITIES & EQUITY				
LIABILITIES				
ACCOUNTS PAYABLE				23,702
PREMIUM REFUND				20,138
PREMIUM SUSPENSE				626,535
PAYROLL TAXES				572
ACCRUAL-PREMIUM TAX				212,426
ACCRUAL-POST RETIREMENT				295,255
ACCRUAL-PENSION				162,642
ACCRUAL-RENT				21,582
CLAIMS PAYABLE				117,055
PREPAID PREMIUMS				565,953
UNCLAIMED CHECKS				384,316
DISTRIBUTION PAYABLE				78,930
TOTAL LIABILITIES				2,509,106
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				5,393,273
UNPAID LAE RESERVES				534,923
UNEARNED PREMIUMS				11,931,263
TOTAL RESERVES				17,859,459
MEMBERS' EQUITY				(4,132,723)
TOTAL LIABILITIES & MEMBERS' EQUITY				16,235,842

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 (\$1,048,468) 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
AS OF SEPTEMBER 30, 2004

	FOURTH QUARTER	YEAR - TO - DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	5,430,259	22,567,518
<u>DEDUCTIONS</u>		
LOSSES INCURRED	7,115,627	13,420,231
LOSS EXPENSE INCURRED	677,232	1,117,414
OPERATING EXPENSE INCURRED	1,718,341	6,498,973
PREMIUM TAXES	183,156	655,512
TOTAL DEDUCTIONS	9,694,356	21,692,130
NET UNDERWRITING GAIN OR (LOSS)	(4,264,097)	875,388
<u>OTHER INCOME OR (OUTGO)</u>		
INVESTMENT INCOME	52,664	168,902
MISCELLANEOUS INCOME	(16,260)	(43,556)
NET OTHER INCOME	36,404	125,346
NET INCOME OR (LOSS)	(4,227,693)	1,000,734
<u>EQUITY ACCOUNT</u>		
MEMBERS' EQUITY (PRIOR PERIOD)	109,159	(3,262,223)
NET INCOME OR (LOSS)	(4,227,693)	1,000,734
CHANGE IN ASSETS NOT ADMITTED	(46,851)	68,336
ASSESSMENTS OR (DISTRIBUTIONS)	0	(1,981,556)
PRIOR PERIOD ADJUSTMENTS	60,546	69,869
MINIMUM PENSION LIABILITY	(27,883)	(27,883)
NET CHANGE IN EQUITY	(4,241,881)	(870,500)
MEMBERS' EQUITY (CURRENT PERIOD)	(4,132,723)	(4,132,723)

The Aggregate Liability for the Association as of September 30, 2004 is \$4,319,847,646.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF SEPTEMBER 30, 2004

	FOURTH QUARTER						
	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	6,687,846	(22,765)	0	0	0	0	6,665,081
INTEREST RECEIVED	52,664	0	0	0	0	0	52,664
MISCELLANEOUS INCOME	(16,260)	0	0	0	0	0	(16,260)
TOTAL INCOME	6,724,250	(22,765)	0	0	0	0	6,701,485
EXPENSES PAID							
LOSSES	4,431,044	990,434	(291,040)	1,919	0	0	5,132,357
LOSS ADJUSTMENT EXPENSES	341,831	82,254	649	223	857	0	425,814
COMMISSION	967,422	(3,415)	0	0	0	0	964,007
PREMIUM TAX	183,156	0	0	0	0	0	183,156
ADMINISTRATIVE EXPENSES	754,334	0	0	0	0	0	754,334
TOTAL EXPENSES PAID	6,677,787	1,069,273	(290,391)	2,142	857	0	7,459,668
NET CASH CHANGE	46,463	(1,092,038)	290,391	(2,142)	(857)	0	(758,183)
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	4,562,565	820,207	3,001	0	7,500	0	5,393,273
LOSS ADJUSTMENT EXPENSES	452,355	81,525	298	0	745	0	534,923
UNEARNED PREMIUMS	11,931,263	0	0	0	0	0	11,931,263
ADD: (PRIOR 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
NET RESERVE CHANGE	(4,085,876)	616,542	(50)	0	(126)	0	(3,469,510)
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	60,546	0	0	0	0	0	60,546
MINIMUM PENSION LIABILITY	(27,883)	0	0	0	0	0	(27,883)
ASSETS NOT ADMITTED	43,181	0	0	0	0	0	43,181
TOTAL NET OTHER CHANGES	75,844	0	0	0	0	0	75,844
ASSESSMENTS	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0
INSOLVENT MEMBERS	0	0	(57,409)	(4,237)	(28,386)	0	(90,032)
CHANGE IN MEMBERS' EQUITY	(3,963,569)	(475,496)	232,932	(6,379)	(29,369)	0	(4,241,881)

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF SEPTEMBER 30, 2004

	YEAR TO DATE						
	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	23,895,088	(186,436)	0	0	0	0	23,708,652
INTEREST RECEIVED	168,902	0	0	0	0	0	168,902
MISCELLANEOUS INCOME	(43,556)	0	0	0	0	0	(43,556)
TOTAL INCOME	24,020,434	(186,436)	0	0	0	0	23,833,998
EXPENSES PAID							
LOSSES	6,375,428	13,491,862	128,156	27,698	997	0	20,024,141
LOSS ADJUSTMENT EXPENSES	729,975	1,340,349	56,900	1,545	1,209	0	2,129,978
COMMISSION	3,452,319	(27,965)	0	0	0	0	3,424,354
PREMIUM TAX	655,512	0	0	0	0	0	655,512
ADMINISTRATIVE EXPENSES	3,074,619	0	0	0	0	0	3,074,619
TOTAL EXPENSES PAID	14,287,853	14,804,246	185,056	29,243	2,206	0	29,308,604
NET CASH CHANGE	9,732,581	(14,990,682)	(185,056)	(29,243)	(2,206)	0	(5,474,606)
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	4,562,565	820,207	3,001	0	7,500	0	5,393,273
LOSS ADJUSTMENT EXPENSES	452,355	81,525	298	0	745	0	534,923
UNEARNED PREMIUMS	11,931,263	0	0	0	0	0	11,931,263
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	(16,946,183)	22,850,818	539,212	0	31,493	0	6,475,340
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	69,869	0	0	0	0	0	69,869
MINIMUM PENSION LIABILITY	(27,883)	0	0	0	0	0	(27,883)
ASSETS NOT ADMITTED	158,368	0	0	0	0	0	158,368
TOTAL NET OTHER CHANGES	200,354	0	0	0	0	0	200,354
ASSESSMENTS	0	601,446	0	0	0	0	601,446
DISTRIBUTIONS	0	0	0	0	0	(2,583,002)	(2,583,002)
INSOLVENT MEMBERS	0	0	(57,409)	(4,237)	(28,386)	0	(90,032)
CHANGE IN MEMBERS' EQUITY	(7,013,248)	8,461,582	296,747	(33,480)	901	(2,583,002)	(870,500)

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
INCEPTION TO PERIOD ENDING SEPTEMBER 30, 2004

	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	23,895,088	20,357,754	17,509,012	15,494,428	14,629,409	13,713,203	105,598,894
INTEREST RECEIVED	168,902	218,827	259,922	795,169	1,250,277	1,051,335	3,744,432
MISCELLANEOUS INCOME	(43,556)	2,946	7,389	258	(1,271)	(1,938)	(36,172)
TOTAL INCOME	24,020,434	20,579,527	17,776,323	16,289,855	15,878,415	14,762,600	109,307,154
EXPENSES PAID							
LOSSES	6,375,428	16,985,699	9,366,455	7,594,078	9,150,828	17,463,653	66,936,141
LOSS ADJUSTMENT EXPENSES	729,975	1,861,654	690,722	580,188	756,524	2,197,752	6,816,815
COMMISSION	3,452,319	2,956,416	2,592,873	2,269,582	1,471,361	1,345,858	14,088,409
PREMIUM TAX	655,512	583,115	503,873	443,154	424,956	401,793	3,012,403
ADMINISTRATIVE EXPENSES	3,074,619	3,018,670	2,779,410	2,188,612	2,059,471	1,790,972	14,911,754
TOTAL EXPENSES PAID	14,287,853	25,405,554	15,933,333	13,075,614	13,863,140	23,200,028	105,765,523
NET CASH CHANGE	9,732,581	(4,826,027)	1,842,990	3,214,241	2,015,275	(8,437,428)	3,541,631
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	4,562,565	820,207	3,001	0	7,500	0	5,393,273
LOSS ADJUSTMENT EXPENSES	452,355	81,525	298	0	745	0	534,923
UNEARNED PREMIUMS	11,931,263	0	0	0	0	0	11,931,263
RESERVES	16,946,183	901,732	3,299	0	8,245	0	17,859,459
NET OTHER CHANGES							
ASSETS NOT ADMITTED	158,368	(164,952)	(96,449)	107,469	(66,943)	599,076	536,569
PRIOR PERIOD ADJUSTMENT	69,869	0	0	0	0	0	69,869
MINIMUM PENSION LIABILITY	(27,883)	39,635	(109,504)	0	0	0	(97,752)
TOTAL NET OTHER CHANGES	200,354	(125,317)	(205,953)	107,469	(66,943)	599,076	508,686
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)
INSOLVENT MEMBERS	0	0	(57,409)	(4,237)	(28,386)	0	(90,032)
MEMBERS' EQUITY	(7,013,248)	(5,251,630)	2,038,764	3,768,686	2,324,706	0	(4,132,723)

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF PREMIUMS
AS OF SEPTEMBER 30, 2004

	FOURTH QUARTER 2004	FOURTH QUARTER 2003	FOURTH QUARTER TOTAL	YEAR TO DATE 2004	YEAR TO DATE 2003	YEAR TO DATE TOTAL
PREMIUMS WRITTEN						
RESIDENTIAL - FIRE	3,263,389	(9,920)	3,253,469	11,787,864	(65,330)	11,722,534
RESIDENTIAL - EC	2,860,674	(12,303)	2,848,371	9,927,874	(90,447)	9,837,427
COMMERCIAL - FIRE	340,671	(301)	340,370	1,361,470	(13,847)	1,347,623
COMMERCIAL - EC	147,459	(191)	147,268	535,897	(12,217)	523,680
CRIME - RESIDENTIAL	73,699	(50)	73,649	276,505	(4,595)	271,910
CRIME - COMMERCIAL	1,954	0	1,954	5,478	0	5,478
TOTAL	6,687,846	(22,765)	6,665,081	23,895,088	(186,436)	23,708,652
UNEARNED PREMIUMS (PRIOR PERIOD)						
RESIDENTIAL - FIRE	4,949,339	349,778	5,299,117	0	5,200,037	5,200,037
RESIDENTIAL - EC	4,148,938	290,072	4,439,010	0	4,240,220	4,240,220
COMMERCIAL - FIRE	544,142	61,390	605,532	0	895,654	895,654
COMMERCIAL - EC	207,838	19,482	227,320	0	307,737	307,737
CRIME - RESIDENTIAL	114,117	9,451	123,568	0	145,230	145,230
CRIME - COMMERCIAL	1,894	0	1,894	0	1,251	1,251
TOTAL	9,966,268	730,173	10,696,441	0	10,790,129	10,790,129
UNEARNED PREMIUMS (CURRENT PERIOD)						
RESIDENTIAL - FIRE	5,868,765	0	5,868,765	5,868,765	0	5,868,765
RESIDENTIAL - EC	5,054,413	0	5,054,413	5,054,413	0	5,054,413
COMMERCIAL - FIRE	623,105	0	623,105	623,105	0	623,105
COMMERCIAL - EC	249,783	0	249,783	249,783	0	249,783
CRIME - RESIDENTIAL	133,074	0	133,074	133,074	0	133,074
CRIME - COMMERCIAL	2,123	0	2,123	2,123	0	2,123
TOTAL	11,931,263	0	11,931,263	11,931,263	0	11,931,263
EARNED PREMIUMS						
RESIDENTIAL - FIRE	2,343,963	339,858	2,683,821	5,919,099	5,134,707	11,053,806
RESIDENTIAL - EC	1,955,199	277,769	2,232,968	4,873,461	4,149,773	9,023,234
COMMERCIAL - FIRE	261,708	61,089	322,797	738,365	881,807	1,620,172
COMMERCIAL - EC	105,514	19,291	124,805	286,114	295,520	581,634
CRIME - RESIDENTIAL	54,742	9,401	64,143	143,431	140,635	284,066
CRIME - COMMERCIAL	1,725	0	1,725	3,355	1,251	4,606
TOTAL	4,722,851	707,408	5,430,259	11,963,825	10,603,693	22,567,518

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2004

FOURTH QUARTER

	2004	2003	2002	2001	2000	TOTAL FOURTH QUARTER
PAID LOSSES						
RESIDENTIAL - FIRE	1,138,807	391,231	(41,601)	0	0	1,488,437
RESIDENTIAL - EC	1,137,484	426,208	(249,439)	1,919	0	1,316,172
COMMERCIAL - FIRE	1,782,676	142,870	0	0	0	1,925,546
COMMERCIAL - EC	362,037	24,528	0	0	0	386,565
CRIME - RESIDENTIAL	10,040	5,597	0	0	0	15,637
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	4,431,044	990,434	(291,040)	1,919	0	5,132,357

**OUTSTANDING LOSSES
(CURRENT PERIOD INCL. IBNR)**

RESIDENTIAL - FIRE	937,102	169,992	0	0	2,500	1,109,594
RESIDENTIAL - EC	1,743,371	553,607	3,001	0	5,000	2,304,979
COMMERCIAL - FIRE	1,783,069	83,009	0	0	0	1,866,078
COMMERCIAL - EC	91,464	13,500	0	0	0	104,964
CRIME - RESIDENTIAL	7,559	99	0	0	0	7,658
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	4,562,565	820,207	3,001	0	7,500	5,393,273

**OUTSTANDING LOSSES
(PRIOR 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

INCURRED LOSSES

RESIDENTIAL - FIRE	1,381,591	330,666	(44,602)	0	0	1,667,655
RESIDENTIAL - EC	2,820,537	571,682	(246,438)	1,919	0	3,147,700
COMMERCIAL - FIRE	1,674,095	145,380	0	0	0	1,819,475
COMMERCIAL - EC	434,678	30,429	0	0	0	465,107
CRIME - RESIDENTIAL	11,192	4,498	0	0	0	15,690
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	6,322,093	1,082,655	(291,040)	1,919	0	7,115,627

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2004

	YEAR TO DATE					TOTAL YEAR TO DATE
	2004	2003	2002	2001	2000	
PAID LOSSES						
RESIDENTIAL - FIRE	2,689,988	4,130,324	145,437	25,000	0	6,990,749
RESIDENTIAL - EC	1,416,154	8,083,414	(34,016)	2,698	2,752	9,471,002
COMMERCIAL - FIRE	1,881,666	420,656	823	0	0	2,303,145
COMMERCIAL - EC	375,718	809,017	15,912	0	(1,755)	1,198,892
CRIME - RESIDENTIAL	11,902	48,451	0	0	0	60,353
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	6,375,428	13,491,862	128,156	27,698	997	20,024,141
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	937,102	169,992	0	0	2,500	1,109,594
RESIDENTIAL - EC	1,743,371	553,607	3,001	0	5,000	2,304,979
COMMERCIAL - FIRE	1,783,069	83,009	0	0	0	1,866,078
COMMERCIAL - EC	91,464	13,500	0	0	0	104,964
CRIME - RESIDENTIAL	7,559	99	0	0	0	7,658
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	4,562,565	820,207	3,001	0	7,500	5,393,273
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	3,627,090	3,739,120	5,737	25,000	(7,599)	7,389,348
RESIDENTIAL - EC	3,159,525	(1,866,011)	(360,843)	2,698	(13,847)	921,522
COMMERCIAL - FIRE	3,664,735	465,145	(177)	0	0	4,129,703
COMMERCIAL - EC	467,182	453,272	5,912	0	(5,255)	921,111
CRIME - RESIDENTIAL	19,461	39,086	0	0	0	58,547
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	10,937,993	2,830,612	(349,371)	27,698	(26,701)	13,420,231

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2004

IBNR TOTALS

	2004	2003	2002	2001	2000	TOTAL
IBNR (CURRENT PERIOD)						
RESIDENTIAL - FIRE	(11,896)	0	0	0	0	(11,896)
RESIDENTIAL - EC	(22,093)	0	0	0	0	(22,093)
COMMERCIAL - FIRE	(18,451)	0	0	0	0	(18,451)
COMMERCIAL - EC	(971)	0	0	0	0	(971)
CRIME - RESIDENTIAL	(540)	0	0	0	0	(540)
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	(53,951)	0	0	0	0	(53,951)
IBNR (PRIOR PERIOD)						
RESIDENTIAL - FIRE	79,572	27,346	0	0	0	106,918
RESIDENTIAL - EC	6,919	417,479	0	0	0	424,398
COMMERCIAL - FIRE	121,129	1,520	0	0	0	122,649
COMMERCIAL - EC	1,224	14,721	0	0	0	15,945
CRIME - RESIDENTIAL	2,110	364	0	0	0	2,474
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	210,954	461,430	0	0	0	672,384

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF SEPTEMBER 30, 2004

FOURTH QUARTER						TOTAL FOURTH QUARTER
	2004	2003	2002	2001	2000	
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	82,142	22,300	0	223	0	104,665
RESIDENTIAL - EC	230,161	47,974	189	0	0	278,324
COMMERCIAL - FIRE	9,940	4,882	0	0	0	14,822
COMMERCIAL - EC	18,186	7,098	460	0	857	26,601
CRIME - RESIDENTIAL	1,402	0	0	0	0	1,402
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	341,831	82,254	649	223	857	425,814
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	92,891	16,896	0	0	248	110,035
RESIDENTIAL - EC	172,815	55,026	298	0	497	228,636
COMMERCIAL - FIRE	176,838	8,251	0	0	0	185,089
COMMERCIAL - EC	9,071	1,342	0	0	0	10,413
CRIME - RESIDENTIAL	740	10	0	0	0	750
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	452,355	81,525	298	0	745	534,923
UNPAID LOSS EXPENSE (PRIOR 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
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	116,975	20,157	(248)	223	42	137,149
RESIDENTIAL - EC	397,932	69,298	487	0	84	467,801
COMMERCIAL - FIRE	29,470	6,486	0	0	0	35,956
COMMERCIAL - EC	25,692	7,812	460	0	857	34,821
CRIME - RESIDENTIAL	1,594	(89)	0	0	0	1,505
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	571,663	103,664	699	223	983	677,232

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF SEPTEMBER 30, 2004

	YEAR-TO-DATE					YEAR TO DATE
	2004	2003	2002	2001	2000	TOTAL
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	353,788	230,885	12,714	1,023	0	598,410
RESIDENTIAL - EC	321,529	1,033,959	40,348	522	0	1,396,358
COMMERCIAL - FIRE	24,554	15,475	211	0	0	40,240
COMMERCIAL - EC	26,990	57,693	3,442	0	1,209	89,334
CRIME - RESIDENTIAL	3,114	2,337	185	0	0	5,636
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	729,975	1,340,349	56,900	1,545	1,209	2,129,978
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	92,891	16,896	0	0	248	110,035
RESIDENTIAL - EC	172,815	55,026	298	0	497	228,636
COMMERCIAL - FIRE	176,838	8,251	0	0	0	185,089
COMMERCIAL - EC	9,071	1,342	0	0	0	10,413
CRIME - RESIDENTIAL	740	10	0	0	0	750
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	452,355	81,525	298	0	745	534,923
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	446,679	175,395	(5,306)	1,023	(1,055)	616,736
RESIDENTIAL - EC	494,344	(265,775)	(1,898)	522	(2,289)	224,904
COMMERCIAL - FIRE	201,392	18,757	82	0	0	220,231
COMMERCIAL - EC	36,061	11,407	2,152	0	758	50,378
CRIME - RESIDENTIAL	3,854	1,126	185	0	0	5,165
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	1,182,330	(59,090)	(4,785)	1,545	(2,586)	1,117,414

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF SEPTEMBER 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 SEPTEMBER 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 SEPTEMBER 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
		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
		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
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

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

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
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
			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	3,000	219,780	300	27,164
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	12,913	0	1,197
			TOTAL	3,000	232,693	300	28,361
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	20,099	7,156,075	2,010	900,863
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	6,000	731,404	600	50,970
			TOTAL	26,099	7,887,479	2,610	951,833
16	10/01/02 09/30/03	03/03/04 03/08/04	HABITATIONAL	198	249,870	20	43,071
16	10/01/02 09/30/03	03/03/04 03/08/04	COMMERCIAL	0	12,092	0	1,542
			TOTAL	198	261,962	20	44,613

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

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
16	10/01/03 09/30/04	03/03/04 03/08/04	HABITATIONAL	7,799	156,419	780	28,038
16	10/01/03 09/30/04	03/03/04 03/08/04	COMMERCIAL	0	56,502	0	2,707
			TOTAL	7,799	212,921	780	30,745
1	10/01/02 09/30/03	08/03/04	HABITATIONAL	5,000	4,596	500	1,314
			TOTAL	5,000	4,596	500	1,314
1	10/01/03 09/30/04	08/03/04	HABITATIONAL	21,500	37,712	2,150	4,503
			TOTAL	21,500	37,712	2,150	4,503
2	10/01/02 09/30/03	08/12/04 08/13/04	HABITATIONAL	0	6,029	0	1,317
			TOTAL	0	6,029	0	1,317
2	10/01/03 09/30/04	08/12/04 08/13/04	HABITATIONAL	96,500	153,106	9,650	9,206
			TOTAL	96,500	153,106	9,650	9,206
26	10/01/02 09/30/03	08/14/04 08/15/04	HABITATIONAL	206,535	188,556	20,654	23,374
26	10/01/02 09/30/03	08/14/04 08/15/04	COMMERCIAL	0	5,982	0	1,024
			TOTAL	206,535	194,538	20,654	24,398
26	10/01/03 09/30/04	08/14/04 08/15/04	HABITATIONAL	1,094,093	851,651	109,409	129,310
26	10/01/03 09/30/04	08/14/04 08/15/04	COMMERCIAL	67,336	349,329	6,734	11,390
			TOTAL	1,161,429	1,200,980	116,143	140,700
27	10/01/02 09/30/03	08/29/04 08/30/04	HABITATIONAL	5,000	0	500	268
			TOTAL	5,000	0	500	268

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

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
27	10/01/03 09/30/04	08/29/04 08/30/04	HABITATIONAL	30,000	7,393	3,000	2,166
27	10/01/03 09/30/04	08/29/04 08/30/04	COMMERCIAL	7,500	0	750	0
			TOTAL	37,500	7,393	3,750	2,166
28	10/01/02 09/30/03	09/03/04 09/08/04	HABITATIONAL	25,000	34,319	2,500	1,350
			TOTAL	25,000	34,319	2,500	1,350
28	10/01/03 09/30/04	09/03/04 09/08/04	HABITATIONAL	222,600	14,886	22,260	2,560
28	10/01/03 09/30/04	09/03/04 09/08/04	COMMERCIAL	0	5,049	0	434
			TOTAL	222,600	19,935	22,260	2,994
30	10/01/02 09/30/03	09/15/04 09/18/04	HABITATIONAL	12,500	0	1,250	0
			TOTAL	12,500	0	1,250	0
30	10/01/03 09/30/04	09/15/04 09/18/04	HABITATIONAL	238,100	2,115	23,810	640
30	10/01/03 09/30/04	09/15/04 09/18/04	COMMERCIAL	7,500	0	750	0
			TOTAL	245,600	2,115	24,560	640

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	26,549,190	428
ALEXANDER	6,418,474	104
ALLEGHANY	3,580,334	39
ANSON	11,894,374	302
ASHE	7,014,452	154
AVERY	3,440,500	58
BEAUFORT	52,443,223	1,054
BERTIE	17,690,888	393
BLADEN	53,508,284	1,188
BRUNSWICK	412,977,104	7,129
BUMCOMBE	28,469,125	558
BURKE	7,816,077	183
CABARRUS	22,365,248	401
CALDWELL	16,247,729	373
CAMDEN	17,647,218	264
CARTERET	174,480,410	3,238
CASWELL	8,382,100	196
CATAWBA	22,634,356	430
CHATHAM	13,643,875	268
CHEROKEE	2,374,500	45
CHOWAN	18,042,053	270
CLAY	1,309,500	26
CLEVELAND	22,636,832	396
COLUMBUS	147,333,870	3,278
CRAVEN	73,882,727	1,268
CUMBERLAND	180,949,206	2,844
CURRITUCK	61,371,543	901
DARE	64,976,434	681
DAVIDSON	50,390,481	824
DAVIE	3,529,680	57
DUPLIN	48,718,657	1,085
DURHAM	75,150,622	965
EDGECOMBE	31,492,481	643
FORSYTH	69,943,044	916
FRANKLIN	20,774,760	391
GASTON	60,698,619	1,048
GATES	8,568,231	175
GRAHAM	1,039,900	20
GRANVILLE	5,964,341	111
GREENE	8,898,251	191
GUILFORD	104,460,503	1,516
HALIFAX	36,577,835	841
HARNETT	54,765,431	1,051
HAYWOOD	8,402,179	158
HENDERSON	12,127,260	174
HERTFORD	12,649,858	282

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
HOKE	31,845,069	713
HYDE	8,208,706	173
IREDELL	21,128,171	392
JACKSON	8,295,343	126
JOHNSTON	67,560,314	1,203
JONES	10,174,302	229
LEE	20,924,019	324
LENOIR	53,827,609	1,107
LINCOLN	14,599,052	267
MCDOWELL	8,022,400	203
MACON	4,282,825	79
MADISON	4,740,850	95
MARTIN	17,720,181	425
MECKLENBURG	108,351,793	1,278
MITCHELL	2,027,850	50
MONTGOMERY	12,838,861	262
MOORE	19,516,398	355
NASH	32,547,998	586
NEW HANOVER	389,855,869	4,648
NORTHAMPTON	12,551,460	305
ONSLOW	210,505,790	3,744
ORANGE	14,697,378	177
PAMLICO	17,028,343	398
PASQUOTANK	39,127,221	757
PENDER	89,688,357	1,700
PERQUIMANS	11,747,590	231
PERSON	12,288,580	226
PITT	66,373,578	1,151
POLK	2,487,509	62
RANDOLPH	21,018,201	382
RICHMOND	48,706,436	1,204
ROBESON	233,683,970	5,948
ROCKINGHAM	28,677,912	718
ROWAN	26,315,437	443
RUTHERFORD	16,097,735	308
SAMPSON	54,445,513	1,123
SCOTLAND	29,054,820	629
STANLEY	10,484,305	188
STOKES	4,887,174	84
SURRY	22,989,727	477
SWAIN	971,300	19
TRANSYLVANIA	2,884,100	25
TYRRELL	7,564,046	152
UNION	19,391,094	316
VANCE	25,611,452	542
WAKE	152,905,366	1,523

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
WARREN	12,367,052	267
WASHINGTON	11,738,670	178
WATAUGA	7,306,235	92
WAYNE	98,963,739	1,817
WILKES	18,059,461	334
WILSON	46,395,925	896
YADKIN	6,316,811	123
YANCY	5,815,990	119
	4,319,847,646	76,090

* 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 .