

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
BALANCE SHEET
AS OF SEPTEMBER 30, 2006

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	(259,096)			(259,096) (Note 1)
INVESTMENTS	26,349,491			26,349,491
FIXED ASSETS	37,827		(37,827)	0
DATA PROCESSING EQUIPMENT	177,386			177,386
ACCOUNTS RECEIVABLE - BEACH	206,499			206,499
ACCOUNTS RECEIVABLE - OTHER	72,581			72,581
PREPAID EXPENSES	70,040		(70,040)	0
TOTAL ASSETS	26,654,728	0	(107,867)	26,546,861
LIABILITIES & EQUITY				
LIABILITIES				
ACCOUNTS PAYABLE				18,428
PREMIUM REFUND				16,319
PREMIUM SUSPENSE				472,844
ACCRUAL-PREMIUM TAX				165,078
ACCRUAL-POST RETIREMENT				813,943
ACCRUAL-PENSION				104,971
ACCRUAL-RENT				29,242
CLAIMS PAYABLE				6,579
PREPAID PREMIUMS				609,517
UNCLAIMED CHECKS				441,344
DISTRIBUTION PAYABLE				64,957
TOTAL LIABILITIES				2,743,222
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				3,190,700
UNPAID LAE RESERVES				323,590
UNEARNED PREMIUMS				13,559,173
TOTAL RESERVES				17,073,463
MEMBERS' EQUITY				6,730,176
TOTAL LIABILITIES & MEMBERS' EQUITY				26,546,861

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 (\$775,257) 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, 2006

	FOURTH QUARTER	YEAR TO DATE
UNDERWRITING INCOME		
PREMIUMS EARNED	6,409,039	25,451,245
DEDUCTIONS		
LOSSES INCURRED	3,608,709	5,078,840
LOSS EXPENSE INCURRED	372,460	339,685
OPERATING EXPENSE INCURRED	1,866,120	6,798,756
PREMIUM TAXES	200,735	699,572
TOTAL DEDUCTIONS	6,048,024	12,916,853
NET UNDERWRITING GAIN OR (LOSS)	361,015	12,534,392
OTHER INCOME OR (OUTGO)		
INVESTMENT INCOME	315,157	974,043
MISCELLANEOUS INCOME	(1,697)	(6,465)
NET OTHER INCOME	313,460	967,578
NET INCOME OR (LOSS)	674,475	13,501,970
EQUITY ACCOUNT		
MEMBERS' EQUITY (PRIOR PERIOD)	6,089,531	(4,449,838)
NET INCOME OR (LOSS)	674,475	13,501,970
CHANGE IN ASSETS NOT ADMITTED	(33,830)	4,470
ASSESSMENTS OR (DISTRIBUTIONS)	0	(2,326,426)
PRIOR PERIOD ADJUSTMENT	0	0
NET CHANGE IN EQUITY	640,645	11,180,014
MEMBERS' EQUITY (CURRENT PERIOD)	6,730,176	6,730,176

The Aggregate Liability for the Association as of September 30, 2006 is \$4,771,423,551.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF SEPTEMBER 30, 2006

	2006	2005	2004	FOURTH QUARTER		2001	2000	TOTAL
				2003	2002			
INCOME RECEIVED								
PREMIUMS WRITTEN	7,333,539	(30,614)	0	0	0	0	0	7,302,925
INTEREST RECEIVED	315,157	0	0	0	0	0	0	315,157
MISCELLANEOUS INCOME	(1,697)	0	0	0	0	0	0	(1,697)
TOTAL INCOME	7,646,999	(30,614)	0	0	0	0	0	7,616,385
EXPENSES PAID								
LOSSES	1,893,085	996,823	1,334	0	0	0	0	2,891,242
LOSS ADJUSTMENT EXPENSES	230,007	41,772	1,384	554	0	0	0	273,717
COMMISSION	1,062,784	(4,592)	0	0	0	0	0	1,058,192
PREMIUM TAX	200,735	0	0	0	0	0	0	200,735
ADMINISTRATIVE EXPENSES	807,928	0	0	0	0	0	0	807,928
TOTAL EXPENSES PAID	4,194,539	1,034,003	2,718	554	0	0	0	5,231,814
NET CASH CHANGE	3,452,460	(1,064,617)	(2,718)	(554)	0	0		2,384,571
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	2,461,408	452,091	36,700	238,000	1	2,500	0	3,190,700
LOSS ADJUSTMENT EXPENSES	249,417	45,980	3,733	24,206	0	254	0	323,590
UNEARNED PREMIUMS	13,559,173	0	0	0	0	0	0	13,559,173
ADD: (PRIOR PERIOD)								
LOSSES (INCL. IBNR.)	1,064,411	1,152,721	15,600	238,000	1	2,500	0	2,473,233
LOSS ADJUSTMENT EXPENSES	96,769	104,796	1,418	21,637	0	227	0	224,847
UNEARNED PREMIUMS	11,794,586	870,701	0	0	0	0	0	12,665,287
NET RESERVE CHANGE	(3,314,232)	1,630,147	(23,415)	(2,569)	0	(27)		(1,710,096)
NET OTHER CHANGES								
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	(33,830)	0	0	0	0	0	0	(33,830)
TOTAL NET OTHER CHANGES	(33,830)	0	0	0	0	0	0	(33,830)
ASSESSMENTS	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	104,398	565,530	(26,133)	(3,123)	0	(27)	0	640,645

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF SEPTEMBER 30, 2006

	YEAR TO DATE							
	2006	2005	2004	2003	2002	2001	2000	TOTAL
INCOME RECEIVED								
PREMIUMS WRITTEN	26,083,234	(443,411)	0	0	0	0	0	25,639,823
INTEREST RECEIVED	974,043	0	0	0	0	0	0	974,043
MISCELLANEOUS INCOME	(6,465)	0	0	0	0	0	0	(6,465)
TOTAL INCOME	27,050,812	(443,411)	0	0	0	0		26,607,401
EXPENSES PAID								
LOSSES	3,992,309	8,094,441	377,044	72,573	(11,500)	0	0	12,524,867
LOSS ADJUSTMENT EXPENSES	633,537	532,992	32,088	4,711	0	408	0	1,203,736
COMMISSION	3,832,180	(66,512)	0	0	0	0	0	3,765,668
PREMIUM TAX	699,572	0	0	0	0	0	0	699,572
ADMINISTRATIVE EXPENSES	3,033,088	0	0	0	0	0	0	3,033,088
TOTAL EXPENSES PAID	12,190,686	8,560,921	409,132	77,284	(11,500)	408	0	21,226,931
NET CASH CHANGE	14,860,126	(9,004,332)	(409,132)	(77,284)	11,500	(408)		5,380,470
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	2,461,408	452,091	36,700	238,000	1	2,500	0	3,190,700
LOSS ADJUSTMENT EXPENSES	249,417	45,980	3,733	24,206	0	254	0	323,590
UNEARNED PREMIUMS	13,559,173	0	0	0	0	0	0	13,559,173
ADD: (PRIOR PERIOD)								
LOSSES (INCL. IBNR.)	0	10,089,368	306,358	238,500	1	2,500	0	10,636,727
LOSS ADJUSTMENT EXPENSES	0	1,125,049	35,033	27,273	0	286	0	1,187,641
UNEARNED PREMIUMS	0	13,370,595	0	0	0	0	0	13,370,595
NET RESERVE CHANGE	(16,269,998)	24,086,941	300,958	3,567	0	32	0	8,121,500
NET OTHER CHANGES								
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	4,470	0	0	0	0	0	0	4,470
TOTAL NET OTHER CHANGES	4,470	0	0	0	0	0	0	4,470
ASSESSMENTS	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	(2,326,426)	(2,326,426)
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(1,405,402)	15,082,609	(108,174)	(73,717)	11,500	(376)	(2,326,426)	11,180,014

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

	2006	2005	2004	2003	2002	2001	2000	TOTAL
INCOME RECEIVED								
PREMIUMS WRITTEN	26,083,234	22,825,166	26,235,796	20,357,754	17,509,012	15,494,428	14,629,409	143,134,799
INTEREST RECEIVED	974,043	418,985	168,902	218,827	259,922	795,169	1,250,277	4,086,125
MISCELLANEOUS INCOME	(6,465)	(13,041)	(43,556)	2,946	7,389	258	(1,271)	(53,740)
TOTAL INCOME	27,050,812	23,231,110	26,361,142	20,579,527	17,776,323	16,289,855	15,878,415	131,288,769
EXPENSES PAID								
LOSSES	3,992,309	11,566,047	12,839,988	17,580,341	9,287,307	7,594,078	9,150,828	72,010,898
LOSS ADJUSTMENT EXPENSES	633,537	1,166,240	1,179,642	1,928,670	691,126	580,596	763,049	6,942,860
COMMISSION	3,832,180	3,296,157	3,803,425	2,956,416	2,592,873	2,269,582	1,471,361	20,221,994
PREMIUM TAX	699,572	701,486	655,512	583,115	503,873	443,154	424,956	4,011,668
ADMINISTRATIVE EXPENSES	3,033,088	3,118,977	3,074,619	3,018,670	2,779,410	2,188,612	2,059,471	19,272,847
TOTAL EXPENSES PAID	12,190,686	19,848,907	21,553,186	26,067,212	15,854,589	13,076,022	13,869,665	122,460,267
NET CASH CHANGE	14,860,126	3,382,203	4,807,956	(5,487,685)	1,921,734	3,213,833	2,008,750	8,828,502
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	2,461,408	452,091	36,700	238,000	1	2,500	0	3,190,700
LOSS ADJUSTMENT EXPENSES	249,417	45,980	3,733	24,206	0	254	0	323,590
UNEARNED PREMIUMS	13,559,173	0	0	0	0	0	0	13,559,173
RESERVES	16,269,998	498,071	40,433	262,206	1	2,754	0	17,073,463
NET OTHER CHANGES								
ASSETS NOT ADMITTED	4,470	4,481	158,368	(164,952)	(96,449)	107,469	(66,943)	(53,556)
PRIOR PERIOD ADJUSTMENT	0	(387,591)	69,869	0	0	0	0	(317,722)
MINIMUM PENSION LIABILITY	0	0	(27,883)	39,635	(109,504)	0	0	(97,752)
TOTAL NET OTHER CHANGES	4,470	(383,110)	200,354	(125,317)	(205,953)	107,469	(66,943)	(469,030)
ASSESSMENTS	0	0	0	601,446	462,435	451,213	413,005	1,928,099
DISTRIBUTIONS	0	0	0	0	0	0	(2,326,426)	(2,326,426)
INSOLVENT MEMBERS	0	0	0	0	(3,298)	(4,237)	(28,386)	(35,921)
MEMBERS' EQUITY	(1,405,402)	2,501,022	4,967,877	(5,273,762)	2,174,917	3,765,524	0	6,730,176

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF PREMIUMS
AS OF SEPTEMBER 30, 2006

	FOURTH QUARTER 2006	FOURTH QUARTER 2005	FOURTH QUARTER TOTAL	YEAR TO DATE 2006	YEAR TO DATE 2005	YEAR TO DATE TOTAL
PREMIUMS WRITTEN						
RESIDENTIAL - FIRE	3,260,971	(12,588)	3,248,383	12,311,405	(177,276)	12,134,129
RESIDENTIAL - EC	3,290,357	(17,097)	3,273,260	11,689,733	(230,900)	11,458,833
COMMERCIAL - FIRE	373,310	(703)	372,607	1,105,495	(10,707)	1,094,788
COMMERCIAL - EC	347,159	(48)	347,111	737,865	(22,775)	715,090
CRIME - RESIDENTIAL	61,350	(178)	61,172	233,591	(1,646)	231,945
CRIME - COMMERCIAL	392	0	392	5,145	(107)	5,038
TOTAL	7,333,539	(30,614)	7,302,925	26,083,234	(443,411)	25,639,823
UNEARNED PREMIUMS (PRIOR PERIOD)						
RESIDENTIAL - FIRE	5,668,090	415,779	6,083,869	0	6,476,263	6,476,263
RESIDENTIAL - EC	5,310,439	378,580	5,689,019	0	5,847,611	5,847,611
COMMERCIAL - FIRE	457,281	43,081	500,362	0	609,541	609,541
COMMERCIAL - EC	245,659	25,301	270,960	0	310,942	310,942
CRIME - RESIDENTIAL	110,165	7,927	118,092	0	124,078	124,078
CRIME - COMMERCIAL	2,952	33	2,985	0	2,160	2,160
TOTAL	11,794,586	870,701	12,665,287	0	13,370,595	13,370,595
UNEARNED PREMIUMS (CURRENT PERIOD)						
RESIDENTIAL - FIRE	6,263,905	0	6,263,905	6,263,905	0	6,263,905
RESIDENTIAL - EC	6,119,160	0	6,119,160	6,119,160	0	6,119,160
COMMERCIAL - FIRE	600,082	0	600,082	600,082	0	600,082
COMMERCIAL - EC	453,039	0	453,039	453,039	0	453,039
CRIME - RESIDENTIAL	120,906	0	120,906	120,906	0	120,906
CRIME - COMMERCIAL	2,081	0	2,081	2,081	0	2,081
TOTAL	13,559,173	0	13,559,173	13,559,173	0	13,559,173
EARNED PREMIUMS						
RESIDENTIAL - FIRE	2,665,156	403,191	3,068,347	6,047,500	6,298,987	12,346,487
RESIDENTIAL - EC	2,481,636	361,483	2,843,119	5,570,573	5,616,711	11,187,284
COMMERCIAL - FIRE	230,509	42,378	272,887	505,413	598,834	1,104,247
COMMERCIAL - EC	139,779	25,253	165,032	284,826	288,167	572,993
CRIME - RESIDENTIAL	50,609	7,749	58,358	112,685	122,432	235,117
CRIME - COMMERCIAL	1,263	33	1,296	3,064	2,053	5,117
TOTAL	5,568,952	840,087	6,409,039	12,524,061	12,927,184	25,451,245

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2006

FOURTH QUARTER							FOURTH QUARTER TOTAL
	2006	2005	2004	2003	2002	2001	
PAID LOSSES							
RESIDENTIAL - FIRE	1,350,500	458,714	0	0	0	0	1,809,214
RESIDENTIAL - EC	443,824	190,549	1,334	0	0	0	635,707
COMMERCIAL - FIRE	69,266	344,305	0	0	0	0	413,571
COMMERCIAL - EC	18,064	0	0	0	0	0	18,064
CRIME - RESIDENTIAL	11,431	3,255	0	0	0	0	14,686
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,893,085	996,823	1,334	0	0	0	2,891,242
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	1,223,224	266,296	11,000	0	0	2,500	1,503,020
RESIDENTIAL - EC	1,120,214	78,396	25,700	238,000	1	0	1,462,311
COMMERCIAL - FIRE	13,851	10,000	0	0	0	0	23,851
COMMERCIAL - EC	89,767	96,300	0	0	0	0	186,067
CRIME - RESIDENTIAL	14,352	1,099	0	0	0	0	15,451
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	2,461,408	452,091	36,700	238,000	1	2,500	3,190,700
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	650,351	644,313	11,000	0	0	2,500	1,308,164
RESIDENTIAL - EC	358,519	240,608	4,600	238,000	1	0	841,728
COMMERCIAL - FIRE	25,577	170,000	0	0	0	0	195,577
COMMERCIAL - EC	20,905	96,300	0	0	0	0	117,205
CRIME - RESIDENTIAL	9,059	1,500	0	0	0	0	10,559
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,064,411	1,152,721	15,600	238,000	1	2,500	2,473,233
INCURRED LOSSES							
RESIDENTIAL - FIRE	1,923,373	80,697	0	0	0	0	2,004,070
RESIDENTIAL - EC	1,205,519	28,337	22,434	0	0	0	1,256,290
COMMERCIAL - FIRE	57,540	184,305	0	0	0	0	241,845
COMMERCIAL - EC	86,926	0	0	0	0	0	86,926
CRIME - RESIDENTIAL	16,724	2,854	0	0	0	0	19,578
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	3,290,082	296,193	22,434	0	0	0	3,608,709

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2006

	YEAR TO DATE						TOTAL YEAR TO DATE
	2006	2005	2004	2003	2002	2001	
PAID LOSSES							
RESIDENTIAL - FIRE	2,956,255	4,618,326	119,685	56,890	(7,000)	0	7,744,156
RESIDENTIAL - EC	727,025	2,691,715	162,785	14,627	(4,500)	0	3,591,652
COMMERCIAL - FIRE	220,576	569,381	52,561	1,056	0	0	843,574
COMMERCIAL - EC	60,903	182,010	41,738	0	0	0	284,651
CRIME - RESIDENTIAL	27,550	33,009	275	0	0	0	60,834
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	3,992,309	8,094,441	377,044	72,573	(11,500)	0	12,524,867
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	1,223,224	266,296	11,000	0	0	2,500	1,503,020
RESIDENTIAL - EC	1,120,214	78,396	25,700	238,000	1	0	1,462,311
COMMERCIAL - FIRE	13,851	10,000	0	0	0	0	23,851
COMMERCIAL - EC	89,767	96,300	0	0	0	0	186,067
CRIME - RESIDENTIAL	14,352	1,099	0	0	0	0	15,451
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	2,461,408	452,091	36,700	238,000	1	2,500	3,190,700
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	2,515,337	74,163	0	0	2,500	2,592,000
RESIDENTIAL - EC	0	7,312,708	182,195	238,500	1	0	7,733,404
COMMERCIAL - FIRE	0	30,454	25,000	0	0	0	55,454
COMMERCIAL - EC	0	160,619	25,000	0	0	0	185,619
CRIME - RESIDENTIAL	0	62,450	0	0	0	0	62,450
CRIME - COMMERCIAL	0	7,800	0	0	0	0	7,800
TOTAL	0	10,089,368	306,358	238,500	1	2,500	10,636,727
INCURRED LOSSES							
RESIDENTIAL - FIRE	4,179,479	2,369,285	56,522	56,890	(7,000)	0	6,655,176
RESIDENTIAL - EC	1,847,239	(4,542,597)	6,290	14,127	(4,500)	0	(2,679,441)
COMMERCIAL - FIRE	234,427	548,927	27,561	1,056	0	0	811,971
COMMERCIAL - EC	150,670	117,691	16,738	0	0	0	285,099
CRIME - RESIDENTIAL	41,902	(28,342)	275	0	0	0	13,835
CRIME - COMMERCIAL	0	(7,800)	0	0	0	0	(7,800)
TOTAL	6,453,717	(1,542,836)	107,386	72,073	(11,500)	0	5,078,840

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF SEPTEMBER 30, 2006

IBNR TOTALS

	2006	2005	2004	2003	2002	2001	TOTAL
IBNR (CURRENT PERIOD)							
RESIDENTIAL - FIRE	474,906	0	0	0	0	0	474,906
RESIDENTIAL - EC	456,283	0	0	0	0	0	456,283
COMMERCIAL - FIRE	7,251	0	0	0	0	0	7,251
COMMERCIAL - EC	58,668	0	0	0	0	0	58,668
CRIME - RESIDENTIAL	4,852	0	0	0	0	0	4,852
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,001,960	0	0	0	0	0	1,001,960
IBNR (PRIOR PERIOD)							
RESIDENTIAL - FIRE	118,924	1,223,689	0	0	0	0	1,342,613
RESIDENTIAL - EC	76,521	3,669,431	0	0	0	0	3,745,952
COMMERCIAL - FIRE	17,780	23,454	0	0	0	0	41,234
COMMERCIAL - EC	10,655	78,519	0	0	0	0	89,174
CRIME - RESIDENTIAL	960	48,752	0	0	0	0	49,712
CRIME - COMMERCIAL	0	300	0	0	0	0	300
TOTAL	224,840	5,044,145	0	0	0	0	5,268,985

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF SEPTEMBER 30, 2006

FOURTH QUARTER							FOURTH QUARTER TOTAL
	2006	2005	2004	2003	2002	2001	
LOSS EXPENSES PAID							
RESIDENTIAL - FIRE	111,427	21,046	1,099	0	0	0	133,572
RESIDENTIAL - EC	109,842	17,460	285	554	0	0	128,141
COMMERCIAL - FIRE	5,154	1,888	0	0	0	0	7,042
COMMERCIAL - EC	3,029	1,378	0	0	0	0	4,407
CRIME - RESIDENTIAL	555	0	0	0	0	0	555
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	230,007	41,772	1,384	554	0	0	273,717
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	123,972	27,084	1,119	0	0	254	152,429
RESIDENTIAL - EC	113,512	7,973	2,614	24,206	0	0	148,305
COMMERCIAL - FIRE	1,402	1,017	0	0	0	0	2,419
COMMERCIAL - EC	9,076	9,794	0	0	0	0	18,870
CRIME - RESIDENTIAL	1,455	112	0	0	0	0	1,567
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	249,417	45,980	3,733	24,206	0	254	323,590
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	59,126	58,576	1,000	0	0	227	118,929
RESIDENTIAL - EC	32,594	21,874	418	21,637	0	0	76,523
COMMERCIAL - FIRE	2,325	15,455	0	0	0	0	17,780
COMMERCIAL - EC	1,901	8,755	0	0	0	0	10,656
CRIME - RESIDENTIAL	823	136	0	0	0	0	959
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	96,769	104,796	1,418	21,637	0	227	224,847
INCURRED LOSS EXPENSE							
RESIDENTIAL - FIRE	176,273	(10,446)	1,218	0	0	27	167,072
RESIDENTIAL - EC	190,760	3,559	2,481	3,123	0	0	199,923
COMMERCIAL - FIRE	4,231	(12,550)	0	0	0	0	(8,319)
COMMERCIAL - EC	10,204	2,417	0	0	0	0	12,621
CRIME - RESIDENTIAL	1,187	(24)	0	0	0	0	1,163
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	382,655	(17,044)	3,699	3,123	0	27	372,460

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF SEPTEMBER 30, 2006

	YEAR TO DATE						TOTAL YEAR TO DATE
	2006	2005	2004	2003	2002	2001	
LOSS EXPENSES PAID							
RESIDENTIAL - FIRE	340,146	186,608	9,308	1,330	0	0	537,392
RESIDENTIAL - EC	265,186	319,635	17,562	3,381	0	0	605,764
COMMERCIAL - FIRE	17,238	10,410	2,553	0	0	0	30,201
COMMERCIAL - EC	9,919	15,506	2,665	0	0	408	28,498
CRIME - RESIDENTIAL	995	833	0	0	0	0	1,828
CRIME - COMMERCIAL	53	0	0	0	0	0	53
TOTAL	633,537	532,992	32,088	4,711	0	408	1,203,736
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	123,972	27,084	1,119	0	0	254	152,429
RESIDENTIAL - EC	113,512	7,973	2,614	24,206	0	0	148,305
COMMERCIAL - FIRE	1,402	1,017	0	0	0	0	2,419
COMMERCIAL - EC	9,076	9,794	0	0	0	0	18,870
CRIME - RESIDENTIAL	1,455	112	0	0	0	0	1,567
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	249,417	45,980	3,733	24,206	0	254	323,590
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	280,498	8,481	0	0	286	289,265
RESIDENTIAL - EC	0	815,006	20,834	27,273	0	0	863,113
COMMERCIAL - FIRE	0	3,372	2,859	0	0	0	6,231
COMMERCIAL - EC	0	17,996	2,859	0	0	0	20,855
CRIME - RESIDENTIAL	0	7,319	0	0	0	0	7,319
CRIME - COMMERCIAL	0	858	0	0	0	0	858
TOTAL	0	1,125,049	35,033	27,273	0	286	1,187,641
INCURRED LOSS EXPENSE							
RESIDENTIAL - FIRE	464,118	(66,806)	1,946	1,330	0	(32)	400,556
RESIDENTIAL - EC	378,698	(487,398)	(658)	314	0	0	(109,044)
COMMERCIAL - FIRE	18,640	8,055	(306)	0	0	0	26,389
COMMERCIAL - EC	18,995	7,304	(194)	0	0	408	26,513
CRIME - RESIDENTIAL	2,450	(6,374)	0	0	0	0	(3,924)
CRIME - COMMERCIAL	53	(858)	0	0	0	0	(805)
TOTAL	882,954	(546,077)	788	1,644	0	376	339,685

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF SEPTEMBER 30, 2006

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	334,490	0	37,739
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	3,348	0	704
			TOTAL	0	337,838	0	38,443
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	468,231	0	50,191
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	33,292	0	3,634
			TOTAL	0	501,523	0	53,825
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	221,557	0	27,363
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	12,913	0	1,197
			TOTAL	0	234,470	0	28,560
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	0	7,182,024	0	907,074
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	0	746,460	0	50,970
			TOTAL	0	7,928,484	0	958,044
26	10/01/02 09/30/03	08/14/04 08/15/04	HABITATIONAL	0	235,197	0	31,967
26	10/01/02 09/30/03	08/14/04 08/15/04	COMMERCIAL	0	5,982	0	1,024
			TOTAL	0	241,179	0	32,991
26	10/01/03 09/30/04	08/14/04 08/15/04	HABITATIONAL	0	1,209,887	0	180,645
26	10/01/03 09/30/04	08/14/04 08/15/04	COMMERCIAL	0	359,428	0	13,816
			TOTAL	0	1,569,315	0	194,461

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF SEPTEMBER 30, 2006

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
39	10/01/03 09/30/04	03/08/05 03/09/05	HABITATIONAL	0	360,677	0	50,109
39	10/01/03 09/30/04	03/08/05 03/09/05	COMMERCIAL	0	33,028	0	2,731
			TOTAL	0	393,705	0	52,840
39	10/01/04 09/30/05	03/08/05 03/09/05	HABITATIONAL	0	217,903	0	30,868
39	10/01/04 09/30/05	03/08/05 03/09/05	COMMERCIAL	0	14,141	0	2,104
			TOTAL	0	232,044	0	32,972
41	10/01/03 09/30/04	03/30/05 04/03/05	HABITATIONAL	0	4,923	0	1,508
41	10/01/03 09/30/04	03/30/05 04/03/05	COMMERCIAL	0	0	0	1,291
			TOTAL	0	4,923	0	2,799
41	10/01/04 09/30/05	03/30/05 04/03/05	HABITATIONAL	0	12,567	0	554
41	10/01/04 09/30/05	03/30/05 04/03/05	COMMERCIAL	0	0	0	0
			TOTAL	0	12,567	0	554
50	10/01/03 09/30/04	09/13/05 09/16/05	HABITATIONAL	100	111,974	10	14,825
50	10/01/03 09/30/04	09/13/05 09/16/05	COMMERCIAL	0	41,738	0	2,665
			TOTAL	100	153,712	10	17,490
50	10/01/04 09/30/05	09/13/05 09/16/05	HABITATIONAL	20,501	1,999,133	2,050	241,792
50	10/01/04 09/30/05	09/13/05 09/16/05	COMMERCIAL	0	169,838	0	12,910
			TOTAL	20,501	2,168,971	2,050	254,702

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF SEPTEMBER 30, 2006

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
53	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	0	94,166	0	16,345
53	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	0	1,388	0	347
			TOTAL	0	95,554	0	16,692
53	10/01/05 09/30/06	10/07/05 10/14/05	HABITATIONAL	0	0	0	1,384
53	10/01/05 09/30/06	10/07/05 10/14/05	COMMERCIAL	0	0	0	0
			TOTAL	0	0	0	1,384
82	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	46,000	17,992	4,600	3,611
82	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	0		0	0
			TOTAL	46,000	17,992	4,600	3,611
82	10/01/05 09/30/06	10/07/05 10/14/05	HABITATIONAL	560,372	227,863	56,037	38,706
82	10/01/05 09/30/06	10/07/05 10/14/05	COMMERCIAL	13,000	0	1,300	0
			TOTAL	573,372	227,863	57,337	38,706
40	10/01/04 09/30/05	03/25/05 03/28/05	HABITATIONAL	0	1,907	0	0
40	10/01/04 09/30/05	03/25/05 03/28/05	COMMERCIAL	0	0	0	0
			TOTAL	0	1,907	0	0
39	10/01/04 09/30/05	03/07/05 03/09/05	HABITATIONAL	0	4,358	0	598
39	10/01/04 09/30/05	03/07/05 03/09/05	COMMERCIAL	0	0	0	0
			TOTAL	0	4,358	0	598

**NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF SEPTEMBER 30, 2006**

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	20,475,562	344	699,000	12	21,174,562	356
ALEXANDER	7,464,254	126	540,500	5	8,004,754	131
ALLEGHANY	2,784,834	29	20,000	1	2,804,834	30
ANSON	11,395,500	276	33,000	1	11,428,500	277
ASHE	8,219,100	151	260,200	9	8,479,300	160
AVERY	4,135,450	50	472,500	2	4,607,950	52
BEAUFORT	63,171,566	1,179	2,533,245	29	65,704,811	1,208
BERTIE	22,097,074	478	2,693,745	30	24,790,819	508
BLADEN	54,775,144	1,180	930,100	24	55,705,244	1,204
BRUNSWICK	521,937,891	7,601	26,403,425	87	548,341,316	7,688
BUMCOMBE	24,675,868	459	2,228,000	9	26,903,868	468
BURKE	9,492,515	183	281,210	6	9,773,725	189
CABARRUS	19,982,075	334	1,033,500	11	21,015,575	345
CALDWELL	16,415,359	364	428,000	7	16,843,359	371
CAMDEN	18,257,898	241	1,891,200	4	20,149,098	245
CARTERET	219,051,332	3,504	8,367,863	64	227,419,195	3,568
CASWELL	9,349,758	195	527,500	10	9,877,258	205
CATAWBA	21,828,414	376	2,031,000	19	23,859,414	395
CHATHAM	11,472,690	222	409,600	5	11,882,290	227
CHEROKEE	1,312,500	31	95,000	2	1,407,500	33
CHOWAN	17,714,964	287	3,495,393	6	21,210,357	293
CLAY	858,800	21	0	0	858,800	21
CLEVELAND	20,956,602	379	153,000	5	21,109,602	384
COLUMBUS	145,450,339	3,070	3,865,000	64	149,315,339	3,134
CRAVEN	108,070,671	1,555	5,206,443	30	113,277,114	1,585
CUMBERLAND	157,501,920	2,636	7,278,953	73	164,780,873	2,709
CURRITUCK	67,659,014	877	7,280,986	40	74,940,000	917
DARE	68,119,011	711	13,465,600	37	81,584,611	748
DAVIDSON	45,056,361	756	3,351,600	21	48,407,961	777
DAVIE	2,428,620	42	11,000	1	2,439,620	43
DUPLIN	50,074,715	1,038	3,036,000	43	53,110,715	1,081
DURHAM	55,401,394	700	14,813,828	38	70,215,222	738
EDGECOMBE	28,171,298	586	1,975,133	19	30,146,431	605
FORSYTH	45,557,547	666	7,632,550	45	53,190,097	711
FRANKLIN	21,163,250	365	737,000	13	21,900,250	378
GASTON	50,621,509	873	2,001,651	26	52,623,160	899
GATES	9,965,580	183	265,000	5	10,230,580	188
GRAHAM	807,500	16	64,000	1	871,500	17
GRANVILLE	6,299,321	115	739,000	2	7,038,321	117
GREENE	9,148,559	186	661,000	10	9,809,559	196
GUILFORD	84,886,440	1,243	10,527,745	70	95,414,185	1,313
HALIFAX	42,402,973	925	3,182,000	42	45,584,973	967
HARNETT	51,292,648	944	2,012,500	22	53,305,148	966
HAYWOOD	9,118,290	152	339,500	6	9,457,790	158
HENDERSON	9,140,712	136	694,000	8	9,834,712	144
HERTFORD	14,240,859	287	984,000	10	15,224,859	297
HOKE	29,418,574	652	1,283,300	20	30,701,874	672
HYDE	10,270,525	202	2,006,882	17	12,277,407	219
IREDELL	18,536,482	348	1,216,000	11	19,752,482	359
JACKSON	5,588,555	106	990,000	3	6,578,555	109
JOHNSTON	66,405,855	1,128	4,005,300	64	70,411,155	1,192
JONES	13,768,739	268	374,000	6	14,142,739	274
LEE	16,392,544	266	669,200	11	17,061,744	277
LENOIR	59,715,267	1,138	2,571,000	43	62,286,267	1,181
LINCOLN	13,574,651	227	410,500	5	13,985,151	232

**NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF SEPTEMBER 30, 2006**

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
MCDOWELL	7,228,750	180	60,000	1	7,288,750	181
MACON	6,462,081	101	0	0	6,462,081	101
MADISON	4,495,250	74	932,980	2	5,428,230	76
MARTIN	21,384,210	455	2,255,900	34	23,640,110	489
MECKLENBURG	65,498,759	834	14,710,801	40	80,209,560	874
MITCHELL	2,453,650	50	96,000	1	2,549,650	51
MONTGOMERY	15,793,336	322	767,500	6	16,560,836	328
MOORE	17,337,568	343	949,000	10	18,286,568	353
NASH	29,812,447	567	2,124,000	20	31,936,447	587
NEW HANOVER	468,784,348	4,837	10,119,312	60	478,903,660	4,897
NORTHAMPTON	15,924,966	349	855,900	13	16,780,866	362
ONSLow	244,090,617	3,888	7,254,721	73	251,345,338	3,961
ORANGE	14,151,334	154	713,058	6	14,864,392	160
PAMLICO	25,631,873	482	3,468,000	11	29,099,873	493
PASQUOTANK	51,986,151	799	2,974,087	29	54,960,238	828
PENDER	118,209,780	1,896	4,811,996	27	123,021,776	1,923
PERQUIMANS	22,195,150	305	239,000	4	22,434,150	309
PERSON	11,940,538	222	830,517	9	12,771,055	231
PITT	69,704,521	1,154	12,951,476	74	82,655,997	1,228
POLK	2,538,935	59	50,000	1	2,588,935	60
RANDOLPH	19,425,885	332	789,500	12	20,215,385	344
RICHMOND	49,639,611	1,155	1,421,600	25	51,061,211	1,180
ROBESON	231,716,151	5,603	14,254,550	157	245,970,701	5,760
ROCKINGHAM	23,932,945	570	2,029,000	23	25,961,945	593
ROWAN	22,049,510	372	2,180,500	9	24,230,010	381
RUTHERFORD	14,271,185	273	1,324,500	8	15,595,685	281
SAMPSON	51,904,740	1,033	3,031,795	40	54,936,535	1,073
SCOTLAND	25,885,587	607	513,700	8	26,399,287	615
STANLEY	10,339,786	184	210,000	4	10,549,786	188
STOKES	4,264,524	83	680,000	5	4,944,524	88
SURRY	21,839,793	443	1,554,478	22	23,394,271	465
SWAIN	868,649	18	28,000	1	896,649	19
TRANSYLVANIA	3,870,600	19	0	0	3,870,600	19
TYRRELL	7,786,896	152	1,866,700	15	9,653,596	167
UNION	14,692,154	263	1,240,600	5	15,932,754	268
VANCE	30,669,237	560	1,584,000	13	32,253,237	573
WAKE	91,788,101	1,107	36,949,526	58	128,737,627	1,165
WARREN	12,389,380	277	1,911,200	10	14,300,580	287
WASHINGTON	15,464,780	222	1,021,200	17	16,485,980	239
WATAUGA	11,551,260	93	57,500	4	11,608,760	97
WAYNE	88,934,154	1,684	10,636,575	90	99,570,729	1,774
WILKES	14,683,910	293	413,000	6	15,096,910	299
WILSON	37,241,534	782	5,121,235	48	42,362,769	830
YADKIN	5,825,893	116	236,000	3	6,061,893	119
YANCY	6,241,090	120	50,000	2	6,291,090	122
	4,456,976,492	73,839	314,447,059	2,160	4,771,423,551	75,999

* 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.