



# NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION

Statutory Financial Statements  
June 30, 2014

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## **Financial Statements**

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NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 BALANCE SHEET  
 AS OF JUNE 30, 2014

|  | LEDGER<br>ASSETS     | NON-LEDGER<br>ASSETS | ASSETS NOT<br>ADMITTED | ADMITTED<br>ASSETS   |
|--|----------------------|----------------------|------------------------|----------------------|
| <b>ASSETS</b>                          |                      |                      |                        |                      |
| CASH                                   | 15,187,655           | 0                    | 0                      | 15,187,655           |
| INVESTMENTS                            | 1,093,039,045        | 0                    | 0                      | 1,093,039,045        |
| INTEREST INCOME DUE OR ACCRUED         | 5,937,734            | 0                    | 0                      | 5,937,734            |
| FIXED ASSETS                           | 252,150              | 0                    | (252,150)              | 0                    |
| DATA PROCESSING EQUIPMENT              | 261,501              | 0                    | (32,490)               | 229,011              |
| ACCOUNTS RECEIVABLE - OTHER            | 29,006,226           | 0                    | 0                      | 29,006,226           |
| ACCOUNTS RECEIVABLE - ASSESSMENTS      | 2,663                | 0                    | (2,663)                | 0                    |
| ACCOUNTS RECEIVABLE - FAIR             | 462,759              | 0                    | 0                      | 462,759              |
| PROVISION FOR RETURN PREMIUM           | 10                   | 0                    | (10)                   | 0                    |
| PREPAID EXPENSE                        | 492,434              | 0                    | (492,434)              | 0                    |
| ACCRUAL-PREMIUM TAX                    | 1,270,817            | 0                    | 0                      | 1,270,817            |
| <b>TOTAL ASSETS</b>                    | <b>1,145,912,994</b> | <b>0</b>             | <b>(779,747)</b>       | <b>1,145,133,247</b> |
| <b>LIABILITIES &amp; SURPLUS</b>       |                      |                      |                        |                      |
| <b>LIABILITIES</b>                     |                      |                      |                        |                      |
| ACCOUNTS PAYABLE                       |                      |                      |                        | 23,000               |
| ACCOUNTS PAYABLE - OTHER               |                      |                      |                        | 393                  |
| PREMIUM SUSPENSE                       |                      |                      |                        | 1,646,499            |
| COMMISSION PAYABLE                     |                      |                      |                        | 6,851,304            |
| ACCRUAL-POST RETIREMENT                |                      |                      |                        | 2,914,606            |
| ACCRUAL-PENSION                        |                      |                      |                        | 931,805              |
| ACCRUAL-RENT                           |                      |                      |                        | 274,130              |
| CLAIMS PAYABLE                         |                      |                      |                        | 99,871               |
| PREPAID PREMIUMS                       |                      |                      |                        | 15,505,237           |
| UNCLAIMED CHECKS                       |                      |                      |                        | 1,741,723            |
| <b>TOTAL LIABILITIES</b>               |                      |                      |                        | <b>29,988,568</b>    |
| <b>RESERVES FOR</b>                    |                      |                      |                        |                      |
| UNPAID LOSSES (INCL. IBNR)             |                      |                      |                        | 10,646,194           |
| UNPAID LAE RESERVES                    |                      |                      |                        | 1,021,617            |
| UNEARNED PREMIUMS                      |                      |                      |                        | 208,598,226          |
| <b>TOTAL RESERVES</b>                  |                      |                      |                        | <b>220,266,037</b>   |
| <b>SURPLUS</b>                         |                      |                      |                        | <b>894,878,642</b>   |
| <b>TOTAL LIABILITIES &amp; SURPLUS</b> |                      |                      |                        | <b>1,145,133,247</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 INCOME STATEMENT AND SURPLUS ACCOUNT  
 FOR THE PERIOD ENDED JUNE 30, 2014

|                                 | QUARTER TO<br>DATE | YEAR TO<br>TO DATE |
|---------------------------------|--------------------|--------------------|
| <b>UNDERWRITING INCOME</b>      |                    |                    |
| PREMIUMS EARNED                 | 99,553,787         | 196,716,247        |
| CEDED REINSURANCE PREMIUMS      | 33,274,105         | 87,554,504         |
| NET PREMIUMS EARNED             | 66,279,682         | 109,161,743        |
| <b>DEDUCTIONS</b>               |                    |                    |
| LOSSES INCURRED                 | 14,154,768         | 22,602,093         |
| LOSS EXPENSE INCURRED           | 2,055,389          | 2,910,215          |
| OPERATING EXPENSE INCURRED      | 18,004,070         | 31,815,376         |
| PREMIUM TAXES                   | 3,447,934          | 5,885,130          |
| TOTAL DEDUCTIONS                | 37,662,161         | 63,212,814         |
| <b>OTHER INCOME</b>             |                    |                    |
| MISCELLANEOUS INCOME            | 91,524             | 182,067            |
| NET UNDERWRITING GAIN OR (LOSS) | 28,709,045         | 46,130,996         |
| <b>INVESTMENT INCOME</b>        |                    |                    |
| INVESTMENT INCOME               | 4,601,521          | 8,516,952          |
| NET INCOME OR (LOSS)            | 33,310,566         | 54,647,948         |
| <b>SURPLUS ACCOUNT</b>          |                    |                    |
| SURPLUS (PRIOR PERIOD)          | 862,053,207        | 841,454,384        |
| NET INCOME OR (LOSS)            | 33,310,566         | 54,647,948         |
| CHANGE IN ASSETS NOT ADMITTED   | (242,331)          | (289,264)          |
| MINIMUM PENSION LIABILITY       | 0                  | (722,226)          |
| CHANGE IN UNREALIZED GAIN/LOSS  | (242,800)          | (212,200)          |
| NET CHANGE IN SURPLUS           | 32,825,435         | 53,424,258         |
| SURPLUS (CURRENT PERIOD)        | 894,878,642        | 894,878,642        |

The Aggregate Liability for the Association as of June 30, 2014 is \$90,557,983,165.

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT  
 FOR THE PERIOD ENDED JUNE 30, 2014

|                                 | QUARTER TO DATE     |                     |                      |                 |                  |                 |          | TOTAL               |
|---------------------------------|---------------------|---------------------|----------------------|-----------------|------------------|-----------------|----------|---------------------|
|                                 | 2014                | 2013                | 2012 SP <sup>1</sup> | 2012            | 2011             | 2010            | 2009     |                     |
| <b>INCOME RECEIVED</b>          |                     |                     |                      |                 |                  |                 |          |                     |
| PREMIUMS WRITTEN                | 125,012,847         | (1,614,193)         | (160,152)            | 0               | 0                | 0               | 0        | 123,238,502         |
| CEDED REINSURANCE               | (31,020,274)        | (2,253,831)         | 0                    | 0               | 0                | 0               | 0        | (33,274,105)        |
| INTEREST RECEIVED               | 4,601,521           | 0                   | 0                    | 0               | 0                | 0               | 0        | 4,601,521           |
| MISCELLANEOUS INCOME            | 91,524              | 0                   | 0                    | 0               | 0                | 0               | 0        | 91,524              |
| <b>TOTAL INCOME</b>             | <b>98,685,618</b>   | <b>(3,868,024)</b>  | <b>(160,152)</b>     | <b>0</b>        | <b>0</b>         | <b>0</b>        | <b>0</b> | <b>94,657,442</b>   |
| <b>EXPENSES PAID</b>            |                     |                     |                      |                 |                  |                 |          |                     |
| LOSSES                          | 3,961,563           | 8,417,893           | 94,574               | 59,985          | 56,226           | (589)           | 0        | 12,589,652          |
| LOSS ADJUSTMENT EXPENSES        | 1,381,102           | 437,212             | 6,058                | 3,717           | 51,022           | 22,499          | 0        | 1,901,610           |
| COMMISSION                      | 16,556,561          | (209,845)           | (20,820)             | 0               | 0                | 0               | 0        | 16,325,896          |
| PREMIUM TAX                     | 3,447,934           | 0                   | 0                    | 0               | 0                | 0               | 0        | 3,447,934           |
| ADMINISTRATIVE EXPENSES         | 1,678,174           | 0                   | 0                    | 0               | 0                | 0               | 0        | 1,678,174           |
| <b>TOTAL EXPENSES PAID</b>      | <b>27,025,334</b>   | <b>8,645,260</b>    | <b>79,812</b>        | <b>63,702</b>   | <b>107,248</b>   | <b>21,910</b>   | <b>0</b> | <b>35,943,266</b>   |
| <b>NET CASH CHANGE</b>          | <b>71,660,284</b>   | <b>(12,513,284)</b> | <b>(239,964)</b>     | <b>(63,702)</b> | <b>(107,248)</b> | <b>(21,910)</b> | <b>0</b> | <b>58,714,176</b>   |
| <b>RESERVES:</b>                |                     |                     |                      |                 |                  |                 |          |                     |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                     |                     |                      |                 |                  |                 |          |                     |
| LOSSES (INCL. IBNR.)            | 6,003,845           | 4,189,656           | 7,500                | 212,078         | 158,115          | 75,000          | 0        | 10,646,194          |
| LOSS ADJUSTMENT EXPENSES        | 582,861             | 389,769             | 876                  | 25,325          | 15,107           | 7,679           | 0        | 1,021,617           |
| UNEARNED PREMIUMS               | 164,832,132         | 43,766,094          | 0                    | 0               | 0                | 0               | 0        | 208,598,226         |
| <b>ADD: (PRIOR PERIOD)</b>      |                     |                     |                      |                 |                  |                 |          |                     |
| LOSSES (INCL. IBNR)             | 3,883,298           | 4,587,914           | 46,158               | 288,360         | 200,348          | 75,000          | 0        | 9,081,078           |
| LOSS ADJUSTMENT EXPENSES        | 371,630             | 431,148             | 5,105                | 32,875          | 19,756           | 7,324           | 0        | 867,838             |
| UNEARNED PREMIUMS               | 78,236,192          | 106,677,319         | 0                    | 0               | 0                | 0               | 0        | 184,913,511         |
| <b>NET RESERVE CHANGE</b>       | <b>(88,927,718)</b> | <b>63,350,862</b>   | <b>42,887</b>        | <b>83,832</b>   | <b>46,882</b>    | <b>(355)</b>    | <b>0</b> | <b>(25,403,610)</b> |
| <b>NET OTHER CHANGES</b>        |                     |                     |                      |                 |                  |                 |          |                     |
| MINIMUM PENSION LIABILITY       | 0                   | 0                   | 0                    | 0               | 0                | 0               | 0        | 0                   |
| ASSETS NOT ADMITTED             | (242,331)           | 0                   | 0                    | 0               | 0                | 0               | 0        | (242,331)           |
| CHANGE IN UNREALIZED GAIN/LOSS  | (242,800)           | 0                   | 0                    | 0               | 0                | 0               | 0        | (242,800)           |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(485,131)</b>    | <b>0</b>            | <b>0</b>             | <b>0</b>        | <b>0</b>         | <b>0</b>        | <b>0</b> | <b>(485,131)</b>    |
| <b>SETTLEMENT ROLL FORWARD</b>  | <b>0</b>            | <b>0</b>            | <b>0</b>             | <b>0</b>        | <b>0</b>         | <b>0</b>        | <b>0</b> | <b>0</b>            |
| <b>CHANGE IN SURPLUS</b>        | <b>(17,752,565)</b> | <b>50,837,578</b>   | <b>(197,077)</b>     | <b>20,130</b>   | <b>(60,366)</b>  | <b>(22,265)</b> | <b>0</b> | <b>32,825,435</b>   |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT  
 FOR THE PERIOD ENDED JUNE 30, 2014

|                                 | YEAR TO DATE         |                     |                      |                  |                    |                  |                | TOTAL               |
|---------------------------------|----------------------|---------------------|----------------------|------------------|--------------------|------------------|----------------|---------------------|
|                                 | 2014                 | 2013                | 2012 SP <sup>1</sup> | 2012             | 2011               | 2010             | 2009           |                     |
| <b>INCOME RECEIVED</b>          |                      |                     |                      |                  |                    |                  |                |                     |
| PREMIUMS WRITTEN                | 214,310,722          | (2,619,598)         | (251,978)            | 0                | 0                  | 0                | 0              | 211,439,146         |
| CEDED REINSURANCE               | (31,020,274)         | (56,534,230)        | 0                    | 0                | 0                  | 0                | 0              | (87,554,504)        |
| INTEREST RECEIVED               | 8,516,952            | 0                   | 0                    | 0                | 0                  | 0                | 0              | 8,516,952           |
| MISCELLANEOUS INCOME            | 182,067              | 0                   | 0                    | 0                | 0                  | 0                | 0              | 182,067             |
| <b>TOTAL INCOME</b>             | <b>191,989,467</b>   | <b>(59,153,828)</b> | <b>(251,978)</b>     | <b>0</b>         | <b>0</b>           | <b>0</b>         | <b>0</b>       | <b>132,583,661</b>  |
| <b>EXPENSES PAID</b>            |                      |                     |                      |                  |                    |                  |                |                     |
| LOSSES                          | 4,128,316            | 11,842,889          | 355,902              | 189,451          | 3,267,310          | 99,411           | 0              | 19,883,279          |
| LOSS ADJUSTMENT EXPENSES        | 1,782,536            | 719,874             | 13,030               | 11,646           | 209,615            | 28,742           | 5,811          | 2,771,254           |
| COMMISSION                      | 28,602,335           | (340,548)           | (32,757)             | 0                | 0                  | 0                | 0              | 28,229,030          |
| PREMIUM TAX                     | 5,885,130            | 0                   | 0                    | 0                | 0                  | 0                | 0              | 5,885,130           |
| ADMINISTRATIVE EXPENSES         | 3,586,346            | 0                   | 0                    | 0                | 0                  | 0                | 0              | 3,586,346           |
| <b>TOTAL EXPENSES PAID</b>      | <b>43,984,663</b>    | <b>12,222,215</b>   | <b>336,175</b>       | <b>201,097</b>   | <b>3,476,925</b>   | <b>128,153</b>   | <b>5,811</b>   | <b>60,355,039</b>   |
| <b>NET CASH CHANGE</b>          | <b>148,004,804</b>   | <b>(71,376,043)</b> | <b>(588,153)</b>     | <b>(201,097)</b> | <b>(3,476,925)</b> | <b>(128,153)</b> | <b>(5,811)</b> | <b>72,228,622</b>   |
| <b>RESERVES:</b>                |                      |                     |                      |                  |                    |                  |                |                     |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                      |                     |                      |                  |                    |                  |                |                     |
| LOSSES (INCL. IBNR.)            | 6,003,845            | 4,189,656           | 7,500                | 212,078          | 158,115            | 75,000           | 0              | 10,646,194          |
| LOSS ADJUSTMENT EXPENSES        | 582,861              | 389,769             | 876                  | 25,325           | 15,107             | 7,679            | 0              | 1,021,617           |
| UNEARNED PREMIUMS               | 164,832,132          | 43,766,094          | 0                    | 0                | 0                  | 0                | 0              | 208,598,226         |
| <b>ADD: (PRIOR PERIOD)</b>      |                      |                     |                      |                  |                    |                  |                |                     |
| LOSSES (INCL. IBNR.)            | 0                    | 6,551,862           | 236,698              | 301,135          | 647,685            | 190,000          | 0              | 7,927,380           |
| LOSS ADJUSTMENT EXPENSES        | 0                    | 749,640             | 25,665               | 33,942           | 56,283             | 17,126           | 0              | 882,656             |
| UNEARNED PREMIUMS               | 0                    | 193,875,327         | 0                    | 0                | 0                  | 0                | 0              | 193,875,327         |
| <b>NET RESERVE CHANGE</b>       | <b>(171,418,838)</b> | <b>152,831,310</b>  | <b>253,987</b>       | <b>97,674</b>    | <b>530,746</b>     | <b>124,447</b>   | <b>0</b>       | <b>(17,580,674)</b> |
| <b>NET OTHER CHANGES</b>        |                      |                     |                      |                  |                    |                  |                |                     |
| MINIMUM PENSION LIABILITY       | (722,226)            | 0                   | 0                    | 0                | 0                  | 0                | 0              | (722,226)           |
| ASSETS NOT ADMITTED             | (289,264)            | 0                   | 0                    | 0                | 0                  | 0                | 0              | (289,264)           |
| CHANGE IN UNREALIZED GAIN/LOSS  | (212,200)            | 0                   | 0                    | 0                | 0                  | 0                | 0              | (212,200)           |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(1,223,690)</b>   | <b>0</b>            | <b>0</b>             | <b>0</b>         | <b>0</b>           | <b>0</b>         | <b>0</b>       | <b>(1,223,690)</b>  |
| SETTLEMENT ROLL FORWARD         | 0                    | 0                   | 0                    | 0                | 0                  | 0                | 0              | 0                   |
| <b>CHANGE IN SURPLUS</b>        | <b>(24,637,724)</b>  | <b>81,455,267</b>   | <b>(334,166)</b>     | <b>(103,423)</b> | <b>(2,946,179)</b> | <b>(3,706)</b>   | <b>(5,811)</b> | <b>53,424,258</b>   |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT FOR OPEN YEARS  
 AS OF JUNE 30, 2014

|                                 | 2014                 |                     |                        |                       | 2013                 |                     |                        |                       |
|---------------------------------|----------------------|---------------------|------------------------|-----------------------|----------------------|---------------------|------------------------|-----------------------|
|                                 | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL |
| <b>INCOME RECEIVED</b>          |                      |                     |                        |                       |                      |                     |                        |                       |
| PREMIUMS WRITTEN                | 75,283,764           | 13,867,734          | 112,510,452            | 12,648,772            | 130,377,435          | 23,741,604          | 208,684,216            | 23,278,197            |
| CEDED REINSURANCE               | (11,599,740)         | (3,023,163)         | (13,571,371)           | (2,826,000)           | (70,184,916)         | (18,303,021)        | (82,116,452)           | (17,109,346)          |
| INTEREST RECEIVED               | 2,991,863            | 551,120             | 4,471,294              | 502,677               | 4,712,755            | 852,152             | 7,548,381              | 831,660               |
| MISCELLANEOUS INCOME            | 63,957               | 11,781              | 95,582                 | 10,746                | 111,397              | 20,143              | 178,424                | 19,658                |
| <b>TOTAL INCOME</b>             | <b>66,739,844</b>    | <b>11,407,472</b>   | <b>103,505,957</b>     | <b>10,336,195</b>     | <b>65,016,671</b>    | <b>6,310,878</b>    | <b>134,294,569</b>     | <b>7,020,169</b>      |
| <b>EXPENSES PAID</b>            |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES                          | 464,920              | 0                   | 3,464,013              | 199,383               | 4,326,011            | 3,120,879           | 9,639,168              | 1,151,986             |
| LOSS ADJUSTMENT EXPENSES        | 330,116              | 82,325              | 1,113,289              | 256,806               | 2,300,946            | 587,310             | 3,365,796              | 679,257               |
| COMMISSION                      | 10,078,578           | 1,829,973           | 15,025,439             | 1,668,344             | 17,012,366           | 3,013,210           | 27,300,248             | 3,062,986             |
| PREMIUM TAX                     | 2,067,348            | 380,818             | 3,089,620              | 347,345               | 3,647,549            | 659,543             | 5,842,250              | 643,683               |
| ADMINISTRATIVE EXPENSES         | 1,259,824            | 232,067             | 1,882,788              | 211,669               | 2,723,213            | 492,406             | 4,361,748              | 480,566               |
| <b>TOTAL EXPENSES PAID</b>      | <b>14,200,786</b>    | <b>2,525,183</b>    | <b>24,575,149</b>      | <b>2,683,547</b>      | <b>30,010,085</b>    | <b>7,873,348</b>    | <b>50,509,210</b>      | <b>6,018,478</b>      |
| <b>NET CASH CHANGE</b>          | <b>52,539,058</b>    | <b>8,882,289</b>    | <b>78,930,808</b>      | <b>7,652,648</b>      | <b>35,006,586</b>    | <b>(1,562,470)</b>  | <b>83,785,359</b>      | <b>1,001,691</b>      |
| <b>RESERVES:</b>                |                      |                     |                        |                       |                      |                     |                        |                       |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES (INCL. IBNR.)            | 1,818,291            | 1,506,567           | 2,362,625              | 316,362               | 1,069,890            | 1,941,005           | 975,262                | 203,499               |
| LOSS ADJUSTMENT EXPENSES        | 185,451              | 144,745             | 223,263                | 29,402                | 120,911              | 159,709             | 91,741                 | 17,408                |
| UNEARNED PREMIUMS               | 58,432,473           | 10,821,575          | 86,048,179             | 9,529,905             | 14,783,193           | 2,226,578           | 24,482,735             | 2,273,588             |
| <b>NET RESERVE CHANGE</b>       | <b>60,436,215</b>    | <b>12,472,887</b>   | <b>88,634,067</b>      | <b>9,875,669</b>      | <b>15,973,994</b>    | <b>4,327,292</b>    | <b>25,549,738</b>      | <b>2,494,495</b>      |
| <b>NET OTHER CHANGES</b>        |                      |                     |                        |                       |                      |                     |                        |                       |
| ASSETS NOT ADMITTED             | (100,678)            | (18,546)            | (150,462)              | (16,915)              | (85,899)             | (15,532)            | (137,582)              | (15,159)              |
| MINIMUM PENSION LIABILITY       | (254,641)            | (46,907)            | (380,558)              | (42,783)              | 192,201              | 34,753              | 307,847                | 33,918                |
| CHANGE IN UNREALIZED GAIN/LOSS  | (74,542)             | (13,731)            | (111,402)              | (12,524)              | 71,714               | 12,967              | 114,864                | 12,655                |
| PRIOR PERIOD ADJUSTMENT         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(429,861)</b>     | <b>(79,184)</b>     | <b>(642,422)</b>       | <b>(72,222)</b>       | <b>178,016</b>       | <b>32,188</b>       | <b>285,129</b>         | <b>31,414</b>         |
| ASSESSMENTS                     | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| UNCLAIMED BALANCES              | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| DISTRIBUTIONS                   | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| SETTLEMENT ROLL FORWARD         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| INSOLVENT MEMBERS               | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>SURPLUS</b>                  | <b>(8,327,018)</b>   | <b>(3,669,782)</b>  | <b>(10,345,681)</b>    | <b>(2,295,243)</b>    | <b>19,210,608</b>    | <b>(5,857,574)</b>  | <b>58,520,750</b>      | <b>(1,461,390)</b>    |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT FOR OPEN YEARS  
 AS OF JUNE 30, 2014

|                                 | 2012 SP <sup>1</sup> |                     |                        |                       | 2012                 |                     |                        |                       |
|---------------------------------|----------------------|---------------------|------------------------|-----------------------|----------------------|---------------------|------------------------|-----------------------|
|                                 | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL |
| <b>INCOME RECEIVED</b>          |                      |                     |                        |                       |                      |                     |                        |                       |
| PREMIUMS WRITTEN                | 23,118,250           | 4,599,377           | 43,152,202             | 4,512,171             | 112,249,069          | 24,150,412          | 176,045,072            | 22,619,528            |
| CEDED REINSURANCE               | 0                    | 0                   | 0                      | 0                     | (79,785,070)         | (23,356,957)        | (72,757,551)           | (19,016,068)          |
| INTEREST RECEIVED               | 903,775              | 174,967             | 1,679,853              | 168,669               | 4,916,808            | 1,059,081           | 7,714,226              | 987,205               |
| MISCELLANEOUS INCOME            | 20,941               | 4,054               | 38,925                 | 3,908                 | 73,072               | 15,739              | 114,644                | 14,671                |
| <b>TOTAL INCOME</b>             | <b>24,042,966</b>    | <b>4,778,398</b>    | <b>44,870,980</b>      | <b>4,684,748</b>      | <b>37,453,879</b>    | <b>1,868,275</b>    | <b>111,116,391</b>     | <b>4,605,336</b>      |
| <b>EXPENSES PAID</b>            |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES                          | 1,075,546            | 73,337              | 1,144,479              | 38,622                | 7,147,345            | 355,831             | 5,296,064              | 588,938               |
| LOSS ADJUSTMENT EXPENSES        | 169,852              | 19,830              | 198,064                | 32,188                | 541,911              | 132,812             | 918,839                | 131,680               |
| COMMISSION                      | 2,875,034            | 579,682             | 5,352,124              | 636,503               | 14,564,870           | 3,146,157           | 22,896,229             | 3,035,433             |
| PREMIUM TAX                     | 648,957              | 125,636             | 1,206,220              | 121,113               | 3,130,925            | 674,402             | 4,912,265              | 628,632               |
| ADMINISTRATIVE EXPENSES         | 529,317              | 102,474             | 983,843                | 98,785                | 2,065,211            | 444,847             | 3,240,213              | 414,657               |
| <b>TOTAL EXPENSES PAID</b>      | <b>5,298,706</b>     | <b>900,959</b>      | <b>8,884,730</b>       | <b>927,211</b>        | <b>27,450,262</b>    | <b>4,754,049</b>    | <b>37,263,610</b>      | <b>4,799,340</b>      |
| <b>NET CASH CHANGE</b>          | <b>18,744,260</b>    | <b>3,877,439</b>    | <b>35,986,250</b>      | <b>3,757,537</b>      | <b>10,003,617</b>    | <b>(2,885,774)</b>  | <b>73,852,781</b>      | <b>(194,004)</b>      |
| <b>RESERVES:</b>                |                      |                     |                        |                       |                      |                     |                        |                       |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES (INCL. IBNR.)            | 7,500                | 0                   | 0                      | 0                     | 194,979              | 0                   | 17,099                 | 0                     |
| LOSS ADJUSTMENT EXPENSES        | 876                  | 0                   | 0                      | 0                     | 22,904               | 0                   | 2,421                  | 0                     |
| UNEARNED PREMIUMS               | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>NET RESERVE CHANGE</b>       | <b>8,376</b>         | <b>0</b>            | <b>0</b>               | <b>0</b>              | <b>217,883</b>       | <b>0</b>            | <b>19,520</b>          | <b>0</b>              |
| <b>NET OTHER CHANGES</b>        |                      |                     |                        |                       |                      |                     |                        |                       |
| ASSETS NOT ADMITTED             | (9,884)              | (1,914)             | (18,372)               | (1,845)               | (3,519)              | (758)               | (5,522)                | (707)                 |
| MINIMUM PENSION LIABILITY       | (18,105)             | (3,505)             | (33,652)               | (3,379)               | (71,051)             | (15,304)            | (111,475)              | (14,266)              |
| CHANGE IN UNREALIZED GAIN/LOSS  | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| PRIOR PERIOD ADJUSTMENT         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(27,989)</b>      | <b>(5,419)</b>      | <b>(52,024)</b>        | <b>(5,224)</b>        | <b>(74,570)</b>      | <b>(16,062)</b>     | <b>(116,997)</b>       | <b>(14,973)</b>       |
| ASSESSMENTS                     | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| UNCLAIMED BALANCES              | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| DISTRIBUTIONS                   | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| SETTLEMENT ROLL FORWARD         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| INSOLVENT MEMBERS               | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>SURPLUS</b>                  | <b>18,707,895</b>    | <b>3,872,020</b>    | <b>35,934,226</b>      | <b>3,752,313</b>      | <b>9,711,164</b>     | <b>(2,901,836)</b>  | <b>73,716,264</b>      | <b>(208,977)</b>      |



NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT FOR OPEN YEARS  
 AS OF JUNE 30, 2014

|                                 | 2011                 |                     |                        |                       | 2010                 |                     |                        |                       |
|---------------------------------|----------------------|---------------------|------------------------|-----------------------|----------------------|---------------------|------------------------|-----------------------|
|                                 | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL |
| <b>INCOME RECEIVED</b>          |                      |                     |                        |                       |                      |                     |                        |                       |
| PREMIUMS WRITTEN                | 103,039,026          | 24,126,886          | 153,939,767            | 21,851,014            | 107,961,660          | 24,604,092          | 147,716,323            | 22,281,802            |
| CEDED REINSURANCE               | (82,485,979)         | (23,325,090)        | (74,428,231)           | (19,932,342)          | (82,763,185)         | (25,235,286)        | (76,561,292)           | (18,819,536)          |
| INTEREST RECEIVED               | 8,016,572            | 1,865,588           | 12,007,566             | 1,690,484             | 8,673,709            | 1,969,081           | 11,872,425             | 1,782,772             |
| MISCELLANEOUS INCOME            | 165,522              | 38,519              | 247,925                | 34,904                | 1,179                | 267                 | 1,612                  | 242                   |
| <b>TOTAL INCOME</b>             | <b>28,735,141</b>    | <b>2,705,903</b>    | <b>91,767,027</b>      | <b>3,644,060</b>      | <b>33,873,363</b>    | <b>1,338,154</b>    | <b>83,029,068</b>      | <b>5,245,280</b>      |
| <b>EXPENSES PAID</b>            |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES                          | 25,904,001           | 18,217,870          | 71,107,568             | 15,969,724            | 8,927,858            | 1,984,150           | 14,981,285             | 3,505,698             |
| LOSS ADJUSTMENT EXPENSES        | 2,210,992            | 829,288             | 6,619,347              | 996,535               | 868,731              | 123,583             | 1,411,168              | 261,748               |
| COMMISSION                      | 13,255,897           | 3,044,658           | 19,934,778             | 2,811,185             | 13,935,104           | 3,146,518           | 19,156,366             | 2,864,950             |
| PREMIUM TAX                     | 2,875,921            | 669,274             | 4,307,678              | 606,456               | 3,015,112            | 684,482             | 4,127,034              | 619,719               |
| ADMINISTRATIVE EXPENSES         | 1,730,547            | 402,727             | 2,592,088              | 364,927               | 1,621,427            | 368,092             | 2,219,381              | 333,264               |
| <b>TOTAL EXPENSES PAID</b>      | <b>45,977,358</b>    | <b>23,163,817</b>   | <b>104,561,459</b>     | <b>20,748,827</b>     | <b>28,368,232</b>    | <b>6,306,825</b>    | <b>41,895,234</b>      | <b>7,585,379</b>      |
| <b>NET CASH CHANGE</b>          | <b>(17,242,217)</b>  | <b>(20,457,914)</b> | <b>(12,794,432)</b>    | <b>(17,104,767)</b>   | <b>5,505,131</b>     | <b>(4,968,671)</b>  | <b>41,133,834</b>      | <b>(2,340,099)</b>    |
| <b>RESERVES:</b>                |                      |                     |                        |                       |                      |                     |                        |                       |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                      |                     |                        |                       |                      |                     |                        |                       |
| LOSSES (INCL. IBNR.)            | 43,115               | 30,000              | 85,000                 | 0                     | 30,000               | 0                   | 45,000                 | 0                     |
| LOSS ADJUSTMENT EXPENSES        | 4,988                | 2,468               | 7,651                  | 0                     | 2,619                | 0                   | 5,060                  | 0                     |
| UNEARNED PREMIUMS               | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>NET RESERVE CHANGE</b>       | <b>48,103</b>        | <b>32,468</b>       | <b>92,651</b>          | <b>0</b>              | <b>32,619</b>        | <b>0</b>            | <b>50,060</b>          | <b>0</b>              |
| <b>NET OTHER CHANGES</b>        |                      |                     |                        |                       |                      |                     |                        |                       |
| ASSETS NOT ADMITTED             | 25,207               | 5,866               | 37,755                 | 5,315                 | 18,895               | 4,290               | 25,864                 | 3,884                 |
| MINIMUM PENSION LIABILITY       | (43,365)             | (10,092)            | (64,955)               | (9,145)               | 85,314               | 19,368              | 116,777                | 17,535                |
| CHANGE IN UNREALIZED GAIN/LOSS  | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| PRIOR PERIOD ADJUSTMENT         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(18,158)</b>      | <b>(4,226)</b>      | <b>(27,200)</b>        | <b>(3,830)</b>        | <b>104,209</b>       | <b>23,658</b>       | <b>142,641</b>         | <b>21,419</b>         |
| ASSESSMENTS                     | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| UNCLAIMED BALANCES              | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| DISTRIBUTIONS                   | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| SETTLEMENT ROLL FORWARD         | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| INSOLVENT MEMBERS               | 0                    | 0                   | 0                      | 0                     | 0                    | 0                   | 0                      | 0                     |
| <b>SURPLUS</b>                  | <b>(17,308,478)</b>  | <b>(20,494,608)</b> | <b>(12,914,283)</b>    | <b>(17,108,597)</b>   | <b>5,576,721</b>     | <b>(4,945,013)</b>  | <b>41,226,415</b>      | <b>(2,318,680)</b>    |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 SURPLUS ACCOUNT FOR OPEN YEARS  
 AS OF JUNE 30, 2014

|                                 | 2009                 |                     |                        |                       | TOTAL                |
|---------------------------------|----------------------|---------------------|------------------------|-----------------------|----------------------|
|                                 | BEACH<br>RESIDENTIAL | BEACH<br>COMMERCIAL | COASTAL<br>RESIDENTIAL | COASTAL<br>COMMERCIAL |                      |
| <b>INCOME RECEIVED</b>          |                      |                     |                        |                       |                      |
| PREMIUMS WRITTEN                | 112,514,439          | 25,327,907          | 136,240,598            | 22,316,884            | 1,912,758,653        |
| CEDED REINSURANCE               | (65,442,163)         | (22,369,372)        | (70,545,676)           | (15,868,160)          | (991,425,967)        |
| INTEREST RECEIVED               | 9,770,692            | 2,220,180           | 11,968,690             | 1,939,206             | 113,843,451          |
| MISCELLANEOUS INCOME            | 19,002               | 4,318               | 23,276                 | 3,771                 | 1,338,179            |
| <b>TOTAL INCOME</b>             | <b>56,861,970</b>    | <b>5,183,033</b>    | <b>77,686,888</b>      | <b>8,391,701</b>      | <b>1,036,514,316</b> |
| <b>EXPENSES PAID</b>            |                      |                     |                        |                       |                      |
| LOSSES                          | 5,437,779            | 272,877             | 3,065,310              | 89,083                | 207,549,725          |
| LOSS ADJUSTMENT EXPENSES        | 531,496              | 103,782             | 399,308                | 70,186                | 25,287,185           |
| COMMISSION                      | 15,437,289           | 3,253,844           | 16,733,407             | 2,855,321             | 248,506,493          |
| PREMIUM TAX                     | 3,103,876            | 705,290             | 3,802,120              | 616,032               | 53,259,300           |
| ADMINISTRATIVE EXPENSES         | 1,819,341            | 413,406             | 2,228,617              | 361,088               | 33,978,533           |
| <b>TOTAL EXPENSES PAID</b>      | <b>26,329,781</b>    | <b>4,749,199</b>    | <b>26,228,762</b>      | <b>3,991,710</b>      | <b>568,581,236</b>   |
| <b>NET CASH CHANGE</b>          | <b>30,532,189</b>    | <b>433,834</b>      | <b>51,458,126</b>      | <b>4,399,991</b>      | <b>467,933,080</b>   |
| <b>RESERVES:</b>                |                      |                     |                        |                       |                      |
| <b>DEDUCT: (CURRENT PERIOD)</b> |                      |                     |                        |                       |                      |
| LOSSES (INCL. IBNR.)            | 0                    | 0                   | 0                      | 0                     | 10,646,194           |
| LOSS ADJUSTMENT EXPENSES        | 0                    | 0                   | 0                      | 0                     | 1,021,617            |
| UNEARNED PREMIUMS               | 0                    | 0                   | 0                      | 0                     | 208,598,226          |
| <b>NET RESERVE CHANGE</b>       | <b>0</b>             | <b>0</b>            | <b>0</b>               | <b>0</b>              | <b>220,266,037</b>   |
| <b>NET OTHER CHANGES</b>        |                      |                     |                        |                       |                      |
| ASSETS NOT ADMITTED             | 101,345              | 23,029              | 124,144                | 20,114                | (187,586)            |
| MINIMUM PENSION LIABILITY       | (176,815)            | (40,177)            | (216,590)              | (35,093)              | (784,145)            |
| CHANGE IN UNREALIZED GAIN/LOSS  | 0                    | 0                   | 0                      | 0                     | 1                    |
| PRIOR PERIOD ADJUSTMENT         | 0                    | 0                   | 0                      | 0                     | 0                    |
| <b>TOTAL NET OTHER CHANGES</b>  | <b>(75,470)</b>      | <b>(17,148)</b>     | <b>(92,446)</b>        | <b>(14,979)</b>       | <b>(971,730)</b>     |
| ASSESSMENTS                     | 0                    | 0                   | 0                      | 0                     | 0                    |
| UNCLAIMED BALANCES              | (44,750)             | (10,599)            | (54,169)               | (8,243)               | (117,761)            |
| DISTRIBUTIONS                   | (241,482)            | (57,193)            | (292,320)              | (44,483)              | (635,478)            |
| SETTLEMENT ROLL FORWARD         | 352,579,026          | 60,206,056          | 191,049,802            | 45,101,684            | 648,936,568          |
| INSOLVENT MEMBERS               | 0                    | 0                   | 0                      | 0                     | 0                    |
| <b>SURPLUS</b>                  | <b>382,749,513</b>   | <b>60,554,950</b>   | <b>242,068,993</b>     | <b>49,433,970</b>     | <b>894,878,642</b>   |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 STATISTICAL REPORT OF PREMIUMS  
 FOR THE PERIOD ENDED JUNE 30, 2014

|   | QUARTER TO DATE    |                    |                      |                    | YEAR TO DATE       |                    |                      |                    |
|---|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|----------------------|--------------------|
|   | 2014               | 2013               | 2012 SP <sup>1</sup> | TOTAL              | 2014               | 2013               | 2012 SP <sup>1</sup> | TOTAL              |
| <b>PREMIUMS WRITTEN</b>                   |                    |                    |                      |                    |                    |                    |                      |                    |
| RESIDENTIAL - FIRE                        | 1,626,549          | (34,359)           | (31,848)             | 1,560,342          | 2,755,004          | (44,713)           | (31,848)             | 2,678,443          |
| RESIDENTIAL - EC                          | 13,285,213         | (192,396)          | (44,622)             | 13,048,195         | 21,700,361         | (263,066)          | (70,504)             | 21,366,791         |
| COMMERCIAL - FIRE                         | 152,301            | (313)              | 0                    | 151,988            | 226,496            | 9,232              | 0                    | 235,728            |
| COMMERCIAL - EC                           | 1,015,378          | (4,877)            | 0                    | 1,010,501          | 1,621,396          | 31,894             | 0                    | 1,653,290          |
| CRIME - RESIDENTIAL                       | 99,302             | (917)              | 0                    | 98,385             | 169,112            | 632                | 0                    | 169,744            |
| CRIME - COMMERCIAL                        | 0                  | 0                  | 0                    | 0                  | 0                  | 0                  | 0                    | 0                  |
| HOMEOWNER - BEACH                         | 1,108,381          | (21,165)           | (1,968)              | 1,085,248          | 1,999,890          | (33,868)           | (22,369)             | 1,943,653          |
| HOMEOWNER - COASTAL                       | 2,850,154          | (70,018)           | (40,287)             | 2,739,849          | 5,049,667          | (73,695)           | (40,287)             | 4,935,685          |
| HO - BEACH WIND                           | 27,330,802         | (341,248)          | (55,348)             | 26,934,206         | 46,072,179         | (595,804)          | (80,526)             | 45,395,849         |
| HO - COASTAL WIND                         | 56,393,075         | (698,188)          | 30,671               | 55,725,558         | 100,324,939        | (1,502,911)        | 25,526               | 98,847,554         |
| WIND - RESIDENTIAL                        | 1,667,511          | (35,063)           | (25,823)             | 1,606,625          | 2,587,218          | (48,959)           | (29,916)             | 2,508,343          |
| WIND - COMMERCIAL                         | 8,071,317          | (81,492)           | 0                    | 7,989,825          | 12,019,842         | (52,367)           | 0                    | 11,967,475         |
| COASTAL - RESIDENTIAL                     | 4,048,910          | (65,163)           | 9,073                | 3,992,820          | 7,135,846          | (142,500)          | 10,038               | 7,003,384          |
| COASTAL - COMMERCIAL                      | 7,363,954          | (68,994)           | 0                    | 7,294,960          | 12,648,772         | 96,527             | (12,092)             | 12,733,207         |
| <b>TOTAL</b>                              | <b>125,012,847</b> | <b>(1,614,193)</b> | <b>(160,152)</b>     | <b>123,238,502</b> | <b>214,310,722</b> | <b>(2,619,598)</b> | <b>(251,978)</b>     | <b>211,439,146</b> |
| <b>UNEARNED PREMIUMS (PRIOR PERIOD)</b>   |                    |                    |                      |                    |                    |                    |                      |                    |
| RESIDENTIAL - FIRE                        | 991,505            | 1,338,127          | 0                    | 2,329,632          | 0                  | 2,476,377          | 0                    | 2,476,377          |
| RESIDENTIAL - EC                          | 7,400,255          | 10,148,200         | 0                    | 17,548,455         | 0                  | 18,630,130         | 0                    | 18,630,130         |
| COMMERCIAL - FIRE                         | 64,394             | 90,501             | 0                    | 154,895            | 0                  | 161,069            | 0                    | 161,069            |
| COMMERCIAL - EC                           | 521,237            | 703,359            | 0                    | 1,224,596          | 0                  | 1,285,180          | 0                    | 1,285,180          |
| CRIME - RESIDENTIAL                       | 61,185             | 81,401             | 0                    | 142,586            | 0                  | 149,294            | 0                    | 149,294            |
| CRIME - COMMERCIAL                        | 0                  | 0                  | 0                    | 0                  | 0                  | 0                  | 0                    | 0                  |
| HOMEOWNER - BEACH                         | 779,879            | 1,070,719          | 0                    | 1,850,598          | 0                  | 1,926,962          | 0                    | 1,926,962          |
| HOMEOWNER - COASTAL                       | 1,919,551          | 2,671,257          | 0                    | 4,590,808          | 0                  | 4,781,032          | 0                    | 4,781,032          |
| HO - BEACH WIND                           | 16,502,351         | 22,500,276         | 0                    | 39,002,627         | 0                  | 40,701,608         | 0                    | 40,701,608         |
| HO - COASTAL WIND                         | 38,540,987         | 52,341,398         | 0                    | 90,882,385         | 0                  | 94,601,715         | 0                    | 94,601,715         |
| WIND - RESIDENTIAL                        | 808,916            | 1,293,859          | 0                    | 2,102,775          | 0                  | 2,353,733          | 0                    | 2,353,733          |
| WIND - COMMERCIAL                         | 3,437,096          | 5,025,442          | 0                    | 8,462,538          | 0                  | 9,615,646          | 0                    | 9,615,646          |
| COASTAL - RESIDENTIAL                     | 2,686,233          | 3,654,035          | 0                    | 6,340,268          | 0                  | 6,579,804          | 0                    | 6,579,804          |
| COASTAL - COMMERCIAL                      | 4,522,603          | 5,758,745          | 0                    | 10,281,348         | 0                  | 10,612,777         | 0                    | 10,612,777         |
| <b>TOTAL</b>                              | <b>78,236,192</b>  | <b>106,677,319</b> | <b>0</b>             | <b>184,913,511</b> | <b>0</b>           | <b>193,875,327</b> | <b>0</b>             | <b>193,875,327</b> |
| <b>UNEARNED PREMIUMS (CURRENT PERIOD)</b> |                    |                    |                      |                    |                    |                    |                      |                    |
| RESIDENTIAL - FIRE                        | 2,127,526          | 527,400            | 0                    | 2,654,926          | 2,127,526          | 527,400            | 0                    | 2,654,926          |
| RESIDENTIAL - EC                          | 16,892,285         | 4,027,598          | 0                    | 20,919,883         | 16,892,285         | 4,027,598          | 0                    | 20,919,883         |
| COMMERCIAL - FIRE                         | 176,585            | 36,016             | 0                    | 212,601            | 176,585            | 36,016             | 0                    | 212,601            |
| COMMERCIAL - EC                           | 1,243,463          | 278,237            | 0                    | 1,521,700          | 1,243,463          | 278,237            | 0                    | 1,521,700          |
| CRIME - RESIDENTIAL                       | 129,382            | 33,109             | 0                    | 162,491            | 129,382            | 33,109             | 0                    | 162,491            |
| CRIME - COMMERCIAL                        | 0                  | 0                  | 0                    | 0                  | 0                  | 0                  | 0                    | 0                  |
| HOMEOWNER - BEACH                         | 1,520,485          | 442,869            | 0                    | 1,963,354          | 1,520,485          | 442,869            | 0                    | 1,963,354          |
| HOMEOWNER - COASTAL                       | 3,819,951          | 1,117,060          | 0                    | 4,937,011          | 3,819,951          | 1,117,060          | 0                    | 4,937,011          |
| HO - BEACH WIND                           | 35,725,497         | 9,235,938          | 0                    | 44,961,435         | 35,725,497         | 9,235,938          | 0                    | 44,961,435         |
| HO - COASTAL WIND                         | 76,776,417         | 21,870,925         | 0                    | 98,647,342         | 76,776,417         | 21,870,925         | 0                    | 98,647,342         |
| WIND - RESIDENTIAL                        | 2,037,298          | 516,279            | 0                    | 2,553,577          | 2,037,298          | 516,279            | 0                    | 2,553,577          |
| WIND - COMMERCIAL                         | 9,401,527          | 1,912,325          | 0                    | 11,313,852         | 9,401,527          | 1,912,325          | 0                    | 11,313,852         |
| COASTAL - RESIDENTIAL                     | 5,451,811          | 1,494,750          | 0                    | 6,946,561          | 5,451,811          | 1,494,750          | 0                    | 6,946,561          |
| COASTAL - COMMERCIAL                      | 9,529,905          | 2,273,588          | 0                    | 11,803,493         | 9,529,905          | 2,273,588          | 0                    | 11,803,493         |
| <b>TOTAL</b>                              | <b>164,832,132</b> | <b>43,766,094</b>  | <b>0</b>             | <b>208,598,226</b> | <b>164,832,132</b> | <b>43,766,094</b>  | <b>0</b>             | <b>208,598,226</b> |
| <b>EARNED PREMIUMS</b>                    |                    |                    |                      |                    |                    |                    |                      |                    |
| RESIDENTIAL - FIRE                        | 490,528            | 776,368            | (31,848)             | 1,235,048          | 627,478            | 1,904,264          | (31,848)             | 2,499,894          |
| RESIDENTIAL - EC                          | 3,793,183          | 5,928,206          | (44,622)             | 9,676,767          | 4,808,076          | 14,339,466         | (70,504)             | 19,077,038         |
| COMMERCIAL - FIRE                         | 40,110             | 54,172             | 0                    | 94,282             | 49,911             | 134,285            | 0                    | 184,196            |
| COMMERCIAL - EC                           | 293,152            | 420,245            | 0                    | 713,397            | 377,933            | 1,038,837          | 0                    | 1,416,770          |
| CRIME - RESIDENTIAL                       | 31,105             | 47,375             | 0                    | 78,480             | 39,730             | 116,817            | 0                    | 156,547            |
| CRIME - COMMERCIAL                        | 0                  | 0                  | 0                    | 0                  | 0                  | 0                  | 0                    | 0                  |
| HOMEOWNER - BEACH                         | 367,775            | 606,685            | (1,968)              | 972,492            | 479,405            | 1,450,225          | (22,369)             | 1,907,261          |
| HOMEOWNER - COASTAL                       | 949,754            | 1,484,179          | (40,287)             | 2,393,646          | 1,229,716          | 3,590,277          | (40,287)             | 4,779,706          |
| HO - BEACH WIND                           | 8,107,656          | 12,923,090         | (55,348)             | 20,975,398         | 10,346,682         | 30,869,866         | (80,526)             | 41,136,022         |
| HO - COASTAL WIND                         | 18,157,645         | 29,772,285         | 30,671               | 47,960,601         | 23,548,522         | 71,227,879         | 25,526               | 94,801,927         |
| WIND - RESIDENTIAL                        | 439,129            | 742,517            | (25,823)             | 1,155,823          | 549,920            | 1,788,495          | (29,916)             | 2,308,499          |
| WIND - COMMERCIAL                         | 2,106,886          | 3,031,625          | 0                    | 5,138,511          | 2,618,315          | 7,650,954          | 0                    | 10,269,269         |
| COASTAL - RESIDENTIAL                     | 1,283,332          | 2,094,122          | 9,073                | 3,386,527          | 1,684,035          | 4,942,554          | 10,038               | 6,636,627          |
| COASTAL - COMMERCIAL                      | 2,356,652          | 3,416,163          | 0                    | 5,772,815          | 3,118,867          | 8,435,716          | (12,092)             | 11,542,491         |
| <b>TOTAL</b>                              | <b>38,416,907</b>  | <b>61,297,032</b>  | <b>(160,152)</b>     | <b>99,553,787</b>  | <b>49,478,590</b>  | <b>147,489,635</b> | <b>(251,978)</b>     | <b>196,716,247</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 STATISTICAL REPORT OF PREMIUMS  
 FOR THE PERIOD ENDED JUNE 30, 2014

|                                  | QUARTER TO DATE   |                   |                      |                   | YEAR TO DATE      |                   |                      |                    |
|----------------------------------|-------------------|-------------------|----------------------|-------------------|-------------------|-------------------|----------------------|--------------------|
|                                  | 2014              | 2013              | 2012 SP <sup>1</sup> | TOTAL             | 2014              | 2013              | 2012 SP <sup>1</sup> | TOTAL              |
| <b>CEDED REINSURANCE PREMIUM</b> |                   |                   |                      |                   |                   |                   |                      |                    |
| RESIDENTIAL - FIRE               | 0                 | 0                 | 0                    | 0                 | 0                 | 0                 | 0                    | 0                  |
| RESIDENTIAL - EC                 | 4,173,275         | 303,217           | 0                    | 4,476,492         | 4,173,275         | 7,605,771         | 0                    | 11,779,046         |
| COMMERCIAL - FIRE                | 0                 | 0                 | 0                    | 0                 | 0                 | 0                 | 0                    | 0                  |
| COMMERCIAL - EC                  | 262,884           | 19,100            | 0                    | 281,984           | 262,884           | 479,103           | 0                    | 741,987            |
| CRIME - RESIDENTIAL              | 0                 | 0                 | 0                    | 0                 | 0                 | 0                 | 0                    | 0                  |
| CRIME - COMMERCIAL               | 0                 | 0                 | 0                    | 0                 | 0                 | 0                 | 0                    | 0                  |
| HOMEOWNER - BEACH                | 328,605           | 23,875            | 0                    | 352,480           | 328,605           | 598,879           | 0                    | 927,484            |
| HOMEOWNER - COASTAL              | 492,907           | 35,813            | 0                    | 528,720           | 492,907           | 898,319           | 0                    | 1,391,226          |
| HO - BEACH WIND                  | 6,407,790         | 465,569           | 0                    | 6,873,359         | 6,407,790         | 11,678,152        | 0                    | 18,085,942         |
| HO - COASTAL WIND                | 11,599,743        | 842,799           | 0                    | 12,442,542        | 11,599,743        | 21,140,448        | 0                    | 32,740,191         |
| WIND - RESIDENTIAL               | 690,070           | 50,138            | 0                    | 740,208           | 690,070           | 1,257,647         | 0                    | 1,947,717          |
| WIND - COMMERCIAL                | 2,760,279         | 200,553           | 0                    | 2,960,832         | 2,760,279         | 5,030,589         | 0                    | 7,790,868          |
| COASTAL - RESIDENTIAL            | 1,478,721         | 107,439           | 0                    | 1,586,160         | 1,478,721         | 2,694,958         | 0                    | 4,173,679          |
| COASTAL - COMMERCIAL             | 2,826,000         | 205,328           | 0                    | 3,031,328         | 2,826,000         | 5,150,364         | 0                    | 7,976,364          |
| <b>TOTAL</b>                     | <b>31,020,274</b> | <b>2,253,831</b>  | <b>0</b>             | <b>33,274,105</b> | <b>31,020,274</b> | <b>56,534,230</b> | <b>0</b>             | <b>87,554,504</b>  |
| <b>NET EARNED PREMIUM</b>        |                   |                   |                      |                   |                   |                   |                      |                    |
| RESIDENTIAL - FIRE               | 490,528           | 776,368           | (31,848)             | 1,235,048         | 627,478           | 1,904,264         | (31,848)             | 2,499,894          |
| RESIDENTIAL - EC                 | (380,092)         | 5,624,989         | (44,622)             | 5,200,275         | 634,801           | 6,733,695         | (70,504)             | 7,297,992          |
| COMMERCIAL - FIRE                | 40,110            | 54,172            | 0                    | 94,282            | 49,911            | 134,285           | 0                    | 184,196            |
| COMMERCIAL - EC                  | 30,268            | 401,145           | 0                    | 431,413           | 115,049           | 559,734           | 0                    | 674,783            |
| CRIME - RESIDENTIAL              | 31,105            | 47,375            | 0                    | 78,480            | 39,730            | 116,817           | 0                    | 156,547            |
| CRIME - COMMERCIAL               | 0                 | 0                 | 0                    | 0                 | 0                 | 0                 | 0                    | 0                  |
| HOMEOWNER - BEACH                | 39,170            | 582,810           | (1,968)              | 620,012           | 150,800           | 851,346           | (22,369)             | 979,777            |
| HOMEOWNER - COASTAL              | 456,847           | 1,448,366         | (40,287)             | 1,864,926         | 736,809           | 2,691,958         | (40,287)             | 3,388,480          |
| HO - BEACH WIND                  | 1,699,866         | 12,457,521        | (55,348)             | 14,102,039        | 3,938,892         | 19,191,714        | (80,526)             | 23,050,080         |
| HO - COASTAL WIND                | 6,557,902         | 28,929,486        | 30,671               | 35,518,059        | 11,948,779        | 50,087,431        | 25,526               | 62,061,736         |
| WIND - RESIDENTIAL               | (250,941)         | 692,379           | (25,823)             | 415,615           | (140,150)         | 530,848           | (29,916)             | 360,782            |
| WIND - COMMERCIAL                | (653,393)         | 2,831,072         | 0                    | 2,177,679         | (141,964)         | 2,620,365         | 0                    | 2,478,401          |
| COASTAL - RESIDENTIAL            | (195,389)         | 1,986,683         | 9,073                | 1,800,367         | 205,314           | 2,247,596         | 10,038               | 2,462,948          |
| COASTAL - COMMERCIAL             | (469,348)         | 3,210,835         | 0                    | 2,741,487         | 292,867           | 3,285,352         | (12,092)             | 3,566,127          |
| <b>TOTAL</b>                     | <b>7,396,633</b>  | <b>59,043,201</b> | <b>(160,152)</b>     | <b>66,279,682</b> | <b>18,458,316</b> | <b>90,955,405</b> | <b>(251,978)</b>     | <b>109,161,743</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 STATISTICAL REPORT OF LOSSES  
 FOR THE PERIOD ENDED JUNE 30, 2014

QUARTER TO DATE

|   | 2014             | 2013             | 2012 SP <sup>1</sup> | 2012            | 2011           | 2010          | 2009     | TOTAL             |
|---|------------------|------------------|----------------------|-----------------|----------------|---------------|----------|-------------------|
| <b>PAID LOSSES</b>  |                  |                  |                      |                 |                |               |          |                   |
| RESIDENTIAL - FIRE  | 247,524          | 517,185          | 0                    | 949             | 0              | 0             | 0        | 765,658           |
| RESIDENTIAL - EC  | 67,055           | 421,925          | 59,883               | 19,171          | 0              | 0             | 0        | 568,034           |
| COMMERCIAL - FIRE   | 0                | 3,604            | 0                    | 0               | 0              | 0             | 0        | 3,604             |
| COMMERCIAL - EC   | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| CRIME - RESIDENTIAL                                       | 819              | 3,028            | 0                    | 0               | 0              | 0             | 0        | 3,847             |
| CRIME - COMMERCIAL  | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| HOMEOWNER - BEACH   | 767              | 356,748          | 0                    | 729             | 0              | 0             | 0        | 358,244           |
| HOMEOWNER - COASTAL                                       | 294,905          | 303,889          | 3,232                | 0               | 0              | 0             | 0        | 602,026           |
| HO - BEACH WIND   | 58,906           | 135,676          | 7,567                | 0               | 11,760         | 0             | 0        | 213,909           |
| HO - COASTAL WIND   | 2,503,825        | 4,511,317        | 13,044               | 35,101          | 42,912         | 3,211         | 0        | 7,109,410         |
| WIND - RESIDENTIAL  | 7,007            | 2,867            | 0                    | 0               | 0              | 0             | 0        | 9,874             |
| WIND - COMMERCIAL   | 0                | 253,335          | 0                    | 0               | 0              | 0             | 0        | 253,335           |
| COASTAL - RESIDENTIAL                                     | 581,372          | 1,115,955        | 2,706                | 4,035           | 865            | (3,800)       | 0        | 1,701,133         |
| COASTAL - COMMERCIAL                                      | 199,383          | 792,364          | 8,142                | 0               | 689            | 0             | 0        | 1,000,578         |
| <b>TOTAL</b>  | <b>3,961,563</b> | <b>8,417,893</b> | <b>94,574</b>        | <b>59,985</b>   | <b>56,226</b>  | <b>(589)</b>  | <b>0</b> | <b>12,589,652</b> |
| <b>OUTSTANDING LOSSES<br/>(CURRENT PERIOD INCL. IBNR)</b> |                  |                  |                      |                 |                |               |          |                   |
| RESIDENTIAL - FIRE  | 828,791          | 217,754          | 0                    | 41,000          | 0              | 0             | 0        | 1,087,545         |
| RESIDENTIAL - EC  | 396,201          | 59,076           | 6,500                | 153,979         | 30,099         | 0             | 0        | 645,855           |
| COMMERCIAL - FIRE   | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| COMMERCIAL - EC   | 14,099           | 0                | 0                    | 0               | 0              | 0             | 0        | 14,099            |
| CRIME - RESIDENTIAL                                       | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| CRIME - COMMERCIAL  | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| HOMEOWNER - BEACH   | 539,079          | 768,949          | 1,000                | 0               | 13,016         | 0             | 0        | 1,322,044         |
| HOMEOWNER - COASTAL                                       | 162,516          | 59,314           | 0                    | 13,099          | 0              | 15,000        | 0        | 249,929           |
| HO - BEACH WIND   | 6,698            | 21,635           | 0                    | 0               | 0              | 0             | 0        | 28,333            |
| HO - COASTAL WIND   | 2,102,284        | 896,150          | 0                    | 4,000           | 85,000         | 30,000        | 0        | 3,117,434         |
| WIND - RESIDENTIAL  | 47,522           | 2,476            | 0                    | 0               | 0              | 30,000        | 0        | 79,998            |
| WIND - COMMERCIAL   | 1,492,468        | 1,941,005        | 0                    | 0               | 30,000         | 0             | 0        | 3,463,473         |
| COASTAL - RESIDENTIAL                                     | 97,825           | 19,798           | 0                    | 0               | 0              | 0             | 0        | 117,623           |
| COASTAL - COMMERCIAL                                      | 316,362          | 203,499          | 0                    | 0               | 0              | 0             | 0        | 519,861           |
| <b>TOTAL</b>  | <b>6,003,845</b> | <b>4,189,656</b> | <b>7,500</b>         | <b>212,078</b>  | <b>158,115</b> | <b>75,000</b> | <b>0</b> | <b>10,646,194</b> |
| <b>OUTSTANDING LOSSES<br/>(PRIOR PERIOD INCL. IBNR)</b>   |                  |                  |                      |                 |                |               |          |                   |
| RESIDENTIAL - FIRE  | 404,830          | 478,444          | 30,000               | 41,000          | 0              | 0             | 0        | 954,274           |
| RESIDENTIAL - EC  | 383,092          | 250,811          | 0                    | 211,289         | 30,099         | 0             | 0        | 875,291           |
| COMMERCIAL - FIRE   | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| COMMERCIAL - EC   | 0                | 396              | 0                    | 0               | 0              | 0             | 0        | 396               |
| CRIME - RESIDENTIAL                                       | 0                | 6,599            | 0                    | 0               | 0              | 0             | 0        | 6,599             |
| CRIME - COMMERCIAL  | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| HOMEOWNER - BEACH   | 459,828          | 593,197          | 1,000                | 0               | 13,016         | 0             | 0        | 1,067,041         |
| HOMEOWNER - COASTAL                                       | 119,957          | 106,343          | 3,380                | 18,000          | 0              | 15,000        | 0        | 262,680           |
| HO - BEACH WIND   | 44,614           | 56,124           | 99                   | 5,000           | 0              | 0             | 0        | 105,837           |
| HO - COASTAL WIND   | 282,695          | 208,781          | 8,223                | 7,973           | 100,000        | 30,000        | 0        | 637,672           |
| WIND - RESIDENTIAL  | 38,319           | 5,098            | 0                    | 0               | 0              | 30,000        | 0        | 73,417            |
| WIND - COMMERCIAL   | 1,609,398        | 2,182,269        | 0                    | 0               | 30,000         | 0             | 0        | 3,821,667         |
| COASTAL - RESIDENTIAL                                     | 76,638           | 96,658           | 3,456                | 5,098           | 0              | 0             | 0        | 181,850           |
| COASTAL - COMMERCIAL                                      | 463,927          | 603,194          | 0                    | 0               | 27,233         | 0             | 0        | 1,094,354         |
| <b>TOTAL</b>  | <b>3,883,298</b> | <b>4,587,914</b> | <b>46,158</b>        | <b>288,360</b>  | <b>200,348</b> | <b>75,000</b> | <b>0</b> | <b>9,081,078</b>  |
| <b>INCURRED LOSSES</b>                                    |                  |                  |                      |                 |                |               |          |                   |
| RESIDENTIAL - FIRE  | 671,485          | 256,495          | (30,000)             | 949             | 0              | 0             | 0        | 898,929           |
| RESIDENTIAL - EC  | 80,164           | 230,190          | 66,383               | (38,139)        | 0              | 0             | 0        | 338,598           |
| COMMERCIAL - FIRE   | 0                | 3,604            | 0                    | 0               | 0              | 0             | 0        | 3,604             |
| COMMERCIAL - EC   | 14,099           | (396)            | 0                    | 0               | 0              | 0             | 0        | 13,703            |
| CRIME - RESIDENTIAL                                       | 819              | (3,571)          | 0                    | 0               | 0              | 0             | 0        | (2,752)           |
| CRIME - COMMERCIAL  | 0                | 0                | 0                    | 0               | 0              | 0             | 0        | 0                 |
| HOMEOWNER - BEACH   | 80,018           | 532,500          | 0                    | 729             | 0              | 0             | 0        | 613,247           |
| HOMEOWNER - COASTAL                                       | 337,464          | 256,860          | (148)                | (4,901)         | 0              | 0             | 0        | 589,275           |
| HO - BEACH WIND   | 20,990           | 101,187          | 7,468                | (5,000)         | 11,760         | 0             | 0        | 136,405           |
| HO - COASTAL WIND   | 4,323,414        | 5,198,686        | 4,821                | 31,128          | 27,912         | 3,211         | 0        | 9,589,172         |
| WIND - RESIDENTIAL  | 16,210           | 245              | 0                    | 0               | 0              | 0             | 0        | 16,455            |
| WIND - COMMERCIAL   | (116,930)        | 12,071           | 0                    | 0               | 0              | 0             | 0        | (104,859)         |
| COASTAL - RESIDENTIAL                                     | 602,559          | 1,039,095        | (750)                | (1,063)         | 865            | (3,800)       | 0        | 1,636,906         |
| COASTAL - COMMERCIAL                                      | 51,818           | 392,669          | 8,142                | 0               | (26,544)       | 0             | 0        | 426,085           |
| <b>TOTAL</b>  | <b>6,082,110</b> | <b>8,019,635</b> | <b>55,916</b>        | <b>(16,297)</b> | <b>13,993</b>  | <b>(589)</b>  | <b>0</b> | <b>14,154,768</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
COASTAL PROPERTY INSURANCE POOL  
STATISTICAL REPORT OF LOSSES  
FOR THE PERIOD ENDED JUNE 30, 2014

## YEAR TO DATE

|   | 2014              | 2013              | 2012 SP <sup>1</sup> | 2012           | 2011             | 2010            | 2009     | TOTAL             |
|---|-------------------|-------------------|----------------------|----------------|------------------|-----------------|----------|-------------------|
| <b>PAID LOSSES</b>  |                   |                   |                      |                |                  |                 |          |                   |
| RESIDENTIAL - FIRE  | 299,524           | 1,415,590         | 0                    | 3,113          | 0                | 0               | 0        | 1,718,227         |
| RESIDENTIAL - EC  | 83,587            | 820,861           | 247,675              | 33,059         | 1,533            | 0               | 0        | 1,186,715         |
| COMMERCIAL - FIRE   | 0                 | 3,604             | 0                    | 0              | 0                | 0               | 0        | 3,604             |
| COMMERCIAL - EC   | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| CRIME - RESIDENTIAL                                       | 819               | 9,581             | 0                    | 0              | 0                | 0               | 0        | 10,400            |
| CRIME - COMMERCIAL  | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| HOMEOWNER - BEACH   | 767               | 397,515           | 0                    | 729            | 0                | 0               | 0        | 399,011           |
| HOMEOWNER - COASTAL                                       | 332,548           | 603,014           | 31,428               | 384            | 3,788            | 0               | 0        | 971,162           |
| HO - BEACH WIND   | 73,216            | 256,758           | 7,567                | 34,093         | 11,760           | 0               | 0        | 383,394           |
| HO - COASTAL WIND   | 2,538,558         | 5,170,035         | 51,726               | 84,355         | 61,394           | 3,211           | 0        | 7,909,279         |
| WIND - RESIDENTIAL  | 7,007             | 12,883            | 0                    | 0              | 0                | 0               | 0        | 19,890            |
| WIND - COMMERCIAL   | 0                 | 964,610           | 0                    | 0              | 79,810           | 0               | 0        | 1,044,420         |
| COASTAL - RESIDENTIAL                                     | 592,907           | 1,233,486         | 9,364                | 4,035          | 1,598            | (3,800)         | 0        | 1,837,590         |
| COASTAL - COMMERCIAL                                      | 199,383           | 954,952           | 8,142                | 29,683         | 3,107,427        | 100,000         | 0        | 4,399,587         |
| <b>TOTAL</b>  | <b>4,128,316</b>  | <b>11,842,889</b> | <b>355,902</b>       | <b>189,451</b> | <b>3,267,310</b> | <b>99,411</b>   | <b>0</b> | <b>19,883,279</b> |
| <b>OUTSTANDING LOSSES<br/>(CURRENT PERIOD INCL. IBNR)</b> |                   |                   |                      |                |                  |                 |          |                   |
| RESIDENTIAL - FIRE  | 828,791           | 217,754           | 0                    | 41,000         | 0                | 0               | 0        | 1,087,545         |
| RESIDENTIAL - EC  | 396,201           | 59,076            | 6,500                | 153,979        | 30,099           | 0               | 0        | 645,855           |
| COMMERCIAL - FIRE   | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| COMMERCIAL - EC   | 14,099            | 0                 | 0                    | 0              | 0                | 0               | 0        | 14,099            |
| CRIME - RESIDENTIAL                                       | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| CRIME - COMMERCIAL  | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| HOMEOWNER - BEACH   | 539,079           | 768,949           | 1,000                | 0              | 13,016           | 0               | 0        | 1,322,044         |
| HOMEOWNER - COASTAL                                       | 162,516           | 59,314            | 0                    | 13,099         | 0                | 15,000          | 0        | 249,929           |
| HO - BEACH WIND   | 6,698             | 21,635            | 0                    | 0              | 0                | 0               | 0        | 28,333            |
| HO - COASTAL WIND   | 2,102,284         | 896,150           | 0                    | 4,000          | 85,000           | 30,000          | 0        | 3,117,434         |
| WIND - RESIDENTIAL  | 47,522            | 2,476             | 0                    | 0              | 0                | 30,000          | 0        | 79,998            |
| WIND - COMMERCIAL   | 1,492,468         | 1,941,005         | 0                    | 0              | 30,000           | 0               | 0        | 3,463,473         |
| COASTAL - RESIDENTIAL                                     | 97,825            | 19,798            | 0                    | 0              | 0                | 0               | 0        | 117,623           |
| COASTAL - COMMERCIAL                                      | 316,362           | 203,499           | 0                    | 0              | 0                | 0               | 0        | 519,861           |
| <b>TOTAL</b>  | <b>6,003,845</b>  | <b>4,189,656</b>  | <b>7,500</b>         | <b>212,078</b> | <b>158,115</b>   | <b>75,000</b>   | <b>0</b> | <b>10,646,194</b> |
| <b>OUTSTANDING LOSSES<br/>(PRIOR PERIOD INCL. IBNR)</b>   |                   |                   |                      |                |                  |                 |          |                   |
| RESIDENTIAL - FIRE  | 0                 | 417,476           | 8,059                | 51,000         | 0                | 0               | 0        | 476,535           |
| RESIDENTIAL - EC  | 0                 | 370,486           | 157,297              | 215,243        | 30,099           | 5,000           | 0        | 778,125           |
| COMMERCIAL - FIRE   | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| COMMERCIAL - EC   | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| CRIME - RESIDENTIAL                                       | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| CRIME - COMMERCIAL  | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| HOMEOWNER - BEACH   | 0                 | 115,675           | 6,000                | 0              | 13,016           | 0               | 0        | 134,691           |
| HOMEOWNER - COASTAL                                       | 0                 | 109,470           | 9,999                | 13,000         | 0                | 15,000          | 0        | 147,469           |
| HO - BEACH WIND   | 0                 | 129,671           | 3,000                | 3,296          | 0                | 0               | 0        | 135,967           |
| HO - COASTAL WIND   | 0                 | 600,322           | 33,196               | 15,399         | 130,000          | 30,000          | 0        | 808,917           |
| WIND - RESIDENTIAL  | 0                 | 48,536            | 0                    | 0              | 0                | 30,000          | 0        | 78,536            |
| WIND - COMMERCIAL   | 0                 | 3,766,447         | 0                    | 0              | 30,000           | 0               | 0        | 3,796,447         |
| COASTAL - RESIDENTIAL                                     | 0                 | 68,768            | 6,550                | 0              | 0                | 0               | 0        | 75,318            |
| COASTAL - COMMERCIAL                                      | 0                 | 925,011           | 12,597               | 3,197          | 444,570          | 110,000         | 0        | 1,495,375         |
| <b>TOTAL</b>  | <b>0</b>          | <b>6,551,862</b>  | <b>236,698</b>       | <b>301,135</b> | <b>647,685</b>   | <b>190,000</b>  | <b>0</b> | <b>7,927,380</b>  |
| <b>INCURRED LOSSES</b>                                    |                   |                   |                      |                |                  |                 |          |                   |
| RESIDENTIAL - FIRE  | 1,128,315         | 1,215,868         | (8,059)              | (6,887)        | 0                | 0               | 0        | 2,329,237         |
| RESIDENTIAL - EC  | 479,788           | 509,451           | 96,878               | (28,205)       | 1,533            | (5,000)         | 0        | 1,054,445         |
| COMMERCIAL - FIRE   | 0                 | 3,604             | 0                    | 0              | 0                | 0               | 0        | 3,604             |
| COMMERCIAL - EC   | 14,099            | 0                 | 0                    | 0              | 0                | 0               | 0        | 14,099            |
| CRIME - RESIDENTIAL                                       | 819               | 9,581             | 0                    | 0              | 0                | 0               | 0        | 10,400            |
| CRIME - COMMERCIAL  | 0                 | 0                 | 0                    | 0              | 0                | 0               | 0        | 0                 |
| HOMEOWNER - BEACH   | 539,846           | 1,050,789         | (5,000)              | 729            | 0                | 0               | 0        | 1,586,364         |
| HOMEOWNER - COASTAL                                       | 495,064           | 552,858           | 21,429               | 483            | 3,788            | 0               | 0        | 1,073,622         |
| HO - BEACH WIND   | 79,914            | 148,722           | 4,567                | 30,797         | 11,760           | 0               | 0        | 275,760           |
| HO - COASTAL WIND   | 4,640,842         | 5,465,863         | 18,530               | 72,956         | 16,394           | 3,211           | 0        | 10,217,796        |
| WIND - RESIDENTIAL  | 54,529            | (33,177)          | 0                    | 0              | 0                | 0               | 0        | 21,352            |
| WIND - COMMERCIAL   | 1,492,468         | (860,832)         | 0                    | 0              | 79,810           | 0               | 0        | 711,446           |
| COASTAL - RESIDENTIAL                                     | 690,732           | 1,184,516         | 2,814                | 4,035          | 1,598            | (3,800)         | 0        | 1,879,895         |
| COASTAL - COMMERCIAL                                      | 515,745           | 233,440           | (4,455)              | 26,486         | 2,662,857        | (10,000)        | 0        | 3,424,073         |
| <b>TOTAL</b>  | <b>10,132,161</b> | <b>9,480,683</b>  | <b>126,704</b>       | <b>100,394</b> | <b>2,777,740</b> | <b>(15,589)</b> | <b>0</b> | <b>22,602,093</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 STATISTICAL REPORT OF LOSSES  
 FOR THE PERIOD ENDED JUNE 30, 2014

| IBNR TOTALS                  |                  |                  |                      |          |          |          |          |                  |
|------------------------------|------------------|------------------|----------------------|----------|----------|----------|----------|------------------|
|                              | 2014             | 2013             | 2012 SP <sup>1</sup> | 2012     | 2011     | 2010     | 2009     | TOTAL            |
| <b>IBNR (CURRENT PERIOD)</b> |                  |                  |                      |          |          |          |          |                  |
| RESIDENTIAL - FIRE           | 450,962          | 0                | 0                    | 0        | 0        | 0        | 0        | 450,962          |
| RESIDENTIAL - EC             | 267,810          | 0                | 0                    | 0        | 0        | 0        | 0        | 267,810          |
| COMMERCIAL - FIRE            | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| COMMERCIAL - EC              | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| CRIME - RESIDENTIAL          | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| CRIME - COMMERCIAL           | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| HOMEOWNER - BEACH            | 539,079          | 0                | 0                    | 0        | 0        | 0        | 0        | 539,079          |
| HOMEOWNER - COASTAL          | 134,770          | 0                | 0                    | 0        | 0        | 0        | 0        | 134,770          |
| HO - BEACH WIND              | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| HO - COASTAL WIND            | 1,302,774        | 0                | 0                    | 0        | 0        | 0        | 0        | 1,302,774        |
| WIND - RESIDENTIAL           | 44,923           | 0                | 0                    | 0        | 0        | 0        | 0        | 44,923           |
| WIND - COMMERCIAL            | 1,482,468        | 0                | 0                    | 0        | 0        | 0        | 0        | 1,482,468        |
| COASTAL - RESIDENTIAL        | 44,923           | 0                | 0                    | 0        | 0        | 0        | 0        | 44,923           |
| COASTAL - COMMERCIAL         | 224,616          | 0                | 0                    | 0        | 0        | 0        | 0        | 224,616          |
| <b>TOTAL</b>                 | <b>4,492,325</b> | <b>0</b>         | <b>0</b>             | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>4,492,325</b> |
| <b>IBNR (PRIOR PERIOD)</b>   |                  |                  |                      |          |          |          |          |                  |
| RESIDENTIAL - FIRE           | 399,733          | 112,654          | 0                    | 0        | 0        | 0        | 0        | 512,387          |
| RESIDENTIAL - EC             | 366,647          | 183,950          | 0                    | 0        | 0        | 0        | 0        | 550,597          |
| COMMERCIAL - FIRE            | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| COMMERCIAL - EC              | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| CRIME - RESIDENTIAL          | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| CRIME - COMMERCIAL           | 0                | 0                | 0                    | 0        | 0        | 0        | 0        | 0                |
| HOMEOWNER - BEACH            | 459,828          | 37,076           | 0                    | 0        | 0        | 0        | 0        | 496,904          |
| HOMEOWNER - COASTAL          | 114,957          | 37,076           | 0                    | 0        | 0        | 0        | 0        | 152,033          |
| HO - BEACH WIND              | 38,319           | 37,076           | 0                    | 0        | 0        | 0        | 0        | 75,395           |
| HO - COASTAL WIND            | 268,233          | 185,378          | 0                    | 0        | 0        | 0        | 0        | 453,611          |
| WIND - RESIDENTIAL           | 38,319           | 18,538           | 0                    | 0        | 0        | 0        | 0        | 56,857           |
| WIND - COMMERCIAL            | 1,609,398        | 871,276          | 0                    | 0        | 0        | 0        | 0        | 2,480,674        |
| COASTAL - RESIDENTIAL        | 76,638           | 18,538           | 0                    | 0        | 0        | 0        | 0        | 95,176           |
| COASTAL - COMMERCIAL         | 459,828          | 352,218          | 0                    | 0        | 0        | 0        | 0        | 812,046          |
| <b>TOTAL</b>                 | <b>3,831,900</b> | <b>1,853,780</b> | <b>0</b>             | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>5,685,680</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
COASTAL PROPERTY INSURANCE POOL  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE PERIOD ENDED JUNE 30, 2014

QUARTER TO DATE

|  | 2014             | 2013           | 2012 SP <sup>1</sup> | 2012           | 2011          | 2010          | 2009     | TOTAL            |
|--|------------------|----------------|----------------------|----------------|---------------|---------------|----------|------------------|
| <b>LOSS EXPENSES PAID</b>                                  |                  |                |                      |                |               |               |          |                  |
| RESIDENTIAL - FIRE   | 28,208           | 13,928         | 0                    | 0              | 0             | 0             | 0        | 42,136           |
| RESIDENTIAL - EC   | 99,832           | 26,717         | 3,653                | 352            | 677           | 0             | 0        | 131,231          |
| COMMERCIAL - FIRE  | 921              | 763            | 0                    | 0              | 0             | 0             | 0        | 1,684            |
| COMMERCIAL - EC  | 3,620            | 227            | 0                    | 0              | 0             | 0             | 0        | 3,847            |
| CRIME - RESIDENTIAL  | 774              | 270            | 0                    | 0              | 0             | 0             | 0        | 1,044            |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| HOMEOWNER - BEACH  | 12,637           | 6,724          | 0                    | 293            | 0             | 0             | 0        | 19,654           |
| HOMEOWNER - COASTAL  | 65,103           | 26,841         | 0                    | 226            | 0             | 4,057         | 0        | 96,227           |
| HO - BEACH WIND  | 105,291          | 16,562         | 731                  | 258            | 1,481         | 60            | 0        | 124,383          |
| HO - COASTAL WIND  | 730,293          | 247,948        | 1,674                | 2,064          | 29,170        | 6,001         | 0        | 1,017,150        |
| WIND - RESIDENTIAL   | 11,764           | 923            | 0                    | 0              | 200           | 1,542         | 0        | 14,429           |
| WIND - COMMERCIAL  | 46,468           | 10,358         | 0                    | 0              | 3,755         | 250           | 0        | 60,831           |
| COASTAL - RESIDENTIAL                                      | 171,397          | 64,638         | 0                    | 0              | 165           | 0             | 0        | 236,200          |
| COASTAL - COMMERCIAL                                       | 104,794          | 21,313         | 0                    | 524            | 15,574        | 10,589        | 0        | 152,794          |
| <b>TOTAL</b>   | <b>1,381,102</b> | <b>437,212</b> | <b>6,058</b>         | <b>3,717</b>   | <b>51,022</b> | <b>22,499</b> | <b>0</b> | <b>1,901,610</b> |
| <b>UNPAID LOSS EXPENSE<br/>(CURRENT PERIOD INCL. IBNR)</b> |                  |                |                      |                |               |               |          |                  |
| RESIDENTIAL - FIRE   | 87,655           | 25,580         | 0                    | 4,816          | 0             | 0             | 0        | 118,051          |
| RESIDENTIAL - EC   | 40,781           | 6,940          | 764                  | 18,088         | 3,536         | 0             | 0        | 70,109           |
| COMMERCIAL - FIRE  | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| COMMERCIAL - EC  | 1,664            | 0              | 0                    | 0              | 0             | 0             | 0        | 1,664            |
| CRIME - RESIDENTIAL  | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| HOMEOWNER - BEACH  | 51,730           | 85,763         | 112                  | 0              | 1,452         | 0             | 0        | 139,057          |
| HOMEOWNER - COASTAL  | 17,298           | 9,330          | 0                    | 2,061          | 0             | 2,360         | 0        | 31,049           |
| HO - BEACH WIND  | 747              | 2,412          | 0                    | 0              | 0             | 0             | 0        | 3,159            |
| HO - COASTAL WIND  | 196,979          | 80,662         | 0                    | 360            | 7,651         | 2,700         | 0        | 288,352          |
| WIND - RESIDENTIAL   | 4,538            | 216            | 0                    | 0              | 0             | 2,619         | 0        | 7,373            |
| WIND - COMMERCIAL  | 143,081          | 159,709        | 0                    | 0              | 2,468         | 0             | 0        | 305,258          |
| COASTAL - RESIDENTIAL                                      | 8,986            | 1,749          | 0                    | 0              | 0             | 0             | 0        | 10,735           |
| COASTAL - COMMERCIAL                                       | 29,402           | 17,408         | 0                    | 0              | 0             | 0             | 0        | 46,810           |
| <b>TOTAL</b>   | <b>582,861</b>   | <b>389,769</b> | <b>876</b>           | <b>25,325</b>  | <b>15,107</b> | <b>7,679</b>  | <b>0</b> | <b>1,021,617</b> |
| <b>UNPAID LOSS EXPENSE<br/>(PRIOR PERIOD INCL. IBNR)</b>   |                  |                |                      |                |               |               |          |                  |
| RESIDENTIAL - FIRE   | 38,787           | 55,215         | 3,462                | 4,732          | 0             | 0             | 0        | 102,196          |
| RESIDENTIAL - EC   | 36,937           | 28,945         | 0                    | 24,384         | 3,474         | 0             | 0        | 93,740           |
| COMMERCIAL - FIRE  | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| COMMERCIAL - EC  | 0                | 40             | 0                    | 0              | 0             | 0             | 0        | 40               |
| CRIME - RESIDENTIAL  | 0                | 779            | 0                    | 0              | 0             | 0             | 0        | 779              |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| HOMEOWNER - BEACH  | 43,944           | 69,997         | 118                  | 0              | 1,536         | 0             | 0        | 115,595          |
| HOMEOWNER - COASTAL  | 11,550           | 11,996         | 381                  | 2,031          | 0             | 1,692         | 0        | 27,650           |
| HO - BEACH WIND  | 4,256            | 5,297          | 9                    | 472            | 0             | 0             | 0        | 10,034           |
| HO - COASTAL WIND  | 27,086           | 20,964         | 826                  | 801            | 10,041        | 3,012         | 0        | 62,730           |
| WIND - RESIDENTIAL   | 3,662            | 445            | 0                    | 0              | 0             | 2,620         | 0        | 6,727            |
| WIND - COMMERCIAL  | 153,802          | 179,171        | 0                    | 0              | 2,463         | 0             | 0        | 335,436          |
| COASTAL - RESIDENTIAL                                      | 7,324            | 8,630          | 309                  | 455            | 0             | 0             | 0        | 16,718           |
| COASTAL - COMMERCIAL                                       | 44,282           | 49,669         | 0                    | 0              | 2,242         | 0             | 0        | 96,193           |
| <b>TOTAL</b>   | <b>371,630</b>   | <b>431,148</b> | <b>5,105</b>         | <b>32,875</b>  | <b>19,756</b> | <b>7,324</b>  | <b>0</b> | <b>867,838</b>   |
| <b>INCURRED LOSS EXPENSES</b>                              |                  |                |                      |                |               |               |          |                  |
| RESIDENTIAL - FIRE   | 77,076           | (15,707)       | (3,462)              | 84             | 0             | 0             | 0        | 57,991           |
| RESIDENTIAL - EC   | 103,676          | 4,712          | 4,417                | (5,944)        | 739           | 0             | 0        | 107,600          |
| COMMERCIAL - FIRE  | 921              | 763            | 0                    | 0              | 0             | 0             | 0        | 1,684            |
| COMMERCIAL - EC  | 5,284            | 187            | 0                    | 0              | 0             | 0             | 0        | 5,471            |
| CRIME - RESIDENTIAL  | 774              | (509)          | 0                    | 0              | 0             | 0             | 0        | 265              |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0              | 0             | 0             | 0        | 0                |
| HOMEOWNER - BEACH  | 20,423           | 22,490         | (6)                  | 293            | (84)          | 0             | 0        | 43,116           |
| HOMEOWNER - COASTAL  | 70,851           | 24,175         | (381)                | 256            | 0             | 4,725         | 0        | 99,626           |
| HO - BEACH WIND  | 101,782          | 13,677         | 722                  | (214)          | 1,481         | 60            | 0        | 117,508          |
| HO - COASTAL WIND  | 900,186          | 307,646        | 848                  | 1,623          | 26,780        | 5,689         | 0        | 1,242,772        |
| WIND - RESIDENTIAL   | 12,640           | 694            | 0                    | 0              | 200           | 1,541         | 0        | 15,075           |
| WIND - COMMERCIAL  | 35,747           | (9,104)        | 0                    | 0              | 3,760         | 250           | 0        | 30,653           |
| COASTAL - RESIDENTIAL                                      | 173,059          | 57,757         | (309)                | (455)          | 165           | 0             | 0        | 230,217          |
| COASTAL - COMMERCIAL                                       | 89,914           | (10,948)       | 0                    | 524            | 13,332        | 10,589        | 0        | 103,411          |
| <b>TOTAL</b>   | <b>1,592,333</b> | <b>395,833</b> | <b>1,829</b>         | <b>(3,833)</b> | <b>46,373</b> | <b>22,854</b> | <b>0</b> | <b>2,055,389</b> |



NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
COASTAL PROPERTY INSURANCE POOL  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE PERIOD ENDED JUNE 30, 2014

## YEAR TO DATE

|  | 2014             | 2013           | 2012 SP <sup>1</sup> | 2012          | 2011           | 2010          | 2009         | TOTAL            |
|--|------------------|----------------|----------------------|---------------|----------------|---------------|--------------|------------------|
| <b>LOSS EXPENSES PAID</b>                                  |                  |                |                      |               |                |               |              |                  |
| RESIDENTIAL - FIRE   | 38,919           | 23,409         | 150                  | 0             | 0              | 0             | 0            | 62,478           |
| RESIDENTIAL - EC   | 134,638          | 63,794         | 4,206                | 2,236         | 5,888          | 0             | 0            | 210,762          |
| COMMERCIAL - FIRE  | 921              | 763            | 0                    | 0             | 0              | 0             | 0            | 1,684            |
| COMMERCIAL - EC  | 3,974            | 1,369          | 0                    | 0             | 0              | 0             | 0            | 5,343            |
| CRIME - RESIDENTIAL  | 1,279            | 769            | 0                    | 0             | 0              | 0             | 0            | 2,048            |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| HOMEOWNER - BEACH  | 19,167           | 13,976         | 186                  | 293           | 0              | 0             | 0            | 33,622           |
| HOMEOWNER - COASTAL  | 100,324          | 49,201         | 1,383                | 226           | 337            | 4,700         | 5,811        | 161,982          |
| HO - BEACH WIND  | 121,856          | 46,563         | 950                  | 1,600         | 1,846          | 1,250         | 0            | 174,065          |
| HO - COASTAL WIND  | 824,043          | 350,855        | 4,406                | 4,893         | 38,533         | 9,014         | 0            | 1,231,744        |
| WIND - RESIDENTIAL   | 14,257           | 4,187          | 218                  | 0             | 200            | 2,600         | 0            | 21,462           |
| WIND - COMMERCIAL  | 77,430           | 43,207         | 0                    | 0             | 9,796          | 250           | 0            | 130,683          |
| COASTAL - RESIDENTIAL                                      | 188,922          | 81,625         | 1,220                | 0             | 165            | 0             | 0            | 271,932          |
| COASTAL - COMMERCIAL                                       | 256,806          | 40,156         | 311                  | 2,398         | 152,850        | 10,928        | 0            | 463,449          |
| <b>TOTAL</b>   | <b>1,782,536</b> | <b>719,874</b> | <b>13,030</b>        | <b>11,646</b> | <b>209,615</b> | <b>28,742</b> | <b>5,811</b> | <b>2,771,254</b> |
| <b>UNPAID LOSS EXPENSE<br/>(CURRENT PERIOD INCL. IBNR)</b> |                  |                |                      |               |                |               |              |                  |
| RESIDENTIAL - FIRE   | 87,655           | 25,580         | 0                    | 4,816         | 0              | 0             | 0            | 118,051          |
| RESIDENTIAL - EC   | 40,781           | 6,940          | 764                  | 18,088        | 3,536          | 0             | 0            | 70,109           |
| COMMERCIAL - FIRE  | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| COMMERCIAL - EC  | 1,664            | 0              | 0                    | 0             | 0              | 0             | 0            | 1,664            |
| CRIME - RESIDENTIAL  | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| HOMEOWNER - BEACH  | 51,730           | 85,763         | 112                  | 0             | 1,452          | 0             | 0            | 139,057          |
| HOMEOWNER - COASTAL  | 17,298           | 9,330          | 0                    | 2,061         | 0              | 2,360         | 0            | 31,049           |
| HO - BEACH WIND  | 747              | 2,412          | 0                    | 0             | 0              | 0             | 0            | 3,159            |
| HO - COASTAL WIND  | 196,979          | 80,662         | 0                    | 360           | 7,651          | 2,700         | 0            | 288,352          |
| WIND - RESIDENTIAL   | 4,538            | 216            | 0                    | 0             | 0              | 2,619         | 0            | 7,373            |
| WIND - COMMERCIAL  | 143,081          | 159,709        | 0                    | 0             | 2,468          | 0             | 0            | 305,258          |
| COASTAL - RESIDENTIAL                                      | 8,986            | 1,749          | 0                    | 0             | 0              | 0             | 0            | 10,735           |
| COASTAL - COMMERCIAL                                       | 29,402           | 17,408         | 0                    | 0             | 0              | 0             | 0            | 46,810           |
| <b>TOTAL</b>   | <b>582,861</b>   | <b>389,769</b> | <b>876</b>           | <b>25,325</b> | <b>15,107</b>  | <b>7,679</b>  | <b>0</b>     | <b>1,021,617</b> |
| <b>UNPAID LOSS EXPENSE<br/>(PRIOR PERIOD INCL. IBNR)</b>   |                  |                |                      |               |                |               |              |                  |
| RESIDENTIAL - FIRE   | 0                | 55,354         | 922                  | 5,836         | 0              | 0             | 0            | 62,112           |
| RESIDENTIAL - EC   | 0                | 54,767         | 18,001               | 24,632        | 3,445          | 572           | 0            | 101,417          |
| COMMERCIAL - FIRE  | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| COMMERCIAL - EC  | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| CRIME - RESIDENTIAL  | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| HOMEOWNER - BEACH  | 0                | 16,011         | 708                  | 0             | 1,536          | 0             | 0            | 18,255           |
| HOMEOWNER - COASTAL  | 0                | 14,807         | 1,115                | 1,449         | 0              | 1,672         | 0            | 19,043           |
| HO - BEACH WIND  | 0                | 15,444         | 282                  | 310           | 0              | 0             | 0            | 16,036           |
| HO - COASTAL WIND  | 0                | 72,810         | 3,130                | 1,452         | 12,259         | 2,829         | 0            | 92,480           |
| WIND - RESIDENTIAL   | 0                | 6,369          | 0                    | 0             | 0              | 3,002         | 0            | 9,371            |
| WIND - COMMERCIAL  | 0                | 395,988        | 0                    | 0             | 2,463          | 0             | 0            | 398,451          |
| COASTAL - RESIDENTIAL                                      | 0                | 6,969          | 470                  | 0             | 0              | 0             | 0            | 7,439            |
| COASTAL - COMMERCIAL                                       | 0                | 111,121        | 1,037                | 263           | 36,580         | 9,051         | 0            | 158,052          |
| <b>TOTAL</b>   | <b>0</b>         | <b>749,640</b> | <b>25,665</b>        | <b>33,942</b> | <b>56,283</b>  | <b>17,126</b> | <b>0</b>     | <b>882,656</b>   |
| <b>INCURRED LOSS EXPENSES</b>                              |                  |                |                      |               |                |               |              |                  |
| RESIDENTIAL - FIRE   | 126,574          | (6,365)        | (772)                | (1,020)       | 0              | 0             | 0            | 118,417          |
| RESIDENTIAL - EC   | 175,419          | 15,967         | (13,031)             | (4,308)       | 5,979          | (572)         | 0            | 179,454          |
| COMMERCIAL - FIRE  | 921              | 763            | 0                    | 0             | 0              | 0             | 0            | 1,684            |
| COMMERCIAL - EC  | 5,638            | 1,369          | 0                    | 0             | 0              | 0             | 0            | 7,007            |
| CRIME - RESIDENTIAL  | 1,279            | 769            | 0                    | 0             | 0              | 0             | 0            | 2,048            |
| CRIME - COMMERCIAL   | 0                | 0              | 0                    | 0             | 0              | 0             | 0            | 0                |
| HOMEOWNER - BEACH  | 70,897           | 83,728         | (410)                | 293           | (84)           | 0             | 0            | 154,424          |
| HOMEOWNER - COASTAL  | 117,622          | 43,724         | 268                  | 838           | 337            | 5,388         | 5,811        | 173,988          |
| HO - BEACH WIND  | 122,603          | 33,531         | 668                  | 1,290         | 1,846          | 1,250         | 0            | 161,188          |
| HO - COASTAL WIND  | 1,021,022        | 358,707        | 1,276                | 3,801         | 33,925         | 8,885         | 0            | 1,427,616        |
| WIND - RESIDENTIAL   | 18,795           | (1,966)        | 218                  | 0             | 200            | 2,217         | 0            | 19,464           |
| WIND - COMMERCIAL  | 220,511          | (193,072)      | 0                    | 0             | 9,801          | 250           | 0            | 37,490           |
| COASTAL - RESIDENTIAL                                      | 197,908          | 76,405         | 750                  | 0             | 165            | 0             | 0            | 275,228          |
| COASTAL - COMMERCIAL                                       | 286,208          | (53,557)       | (726)                | 2,135         | 116,270        | 1,877         | 0            | 352,207          |
| <b>TOTAL</b>   | <b>2,365,397</b> | <b>360,003</b> | <b>(11,759)</b>      | <b>3,029</b>  | <b>168,439</b> | <b>19,295</b> | <b>5,811</b> | <b>2,910,215</b> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS     | LOSSES         |                   | ALLOCATED CLAIMS EXPENSE |                |
|---------------|----------------------|----------------------|--------------|----------------|-------------------|--------------------------|----------------|
|               |                      |                      |              | OUTSTANDING    | PAID              | OUTSTANDING              | PAID           |
| <b>IRENE</b>  |                      |                      |              |                |                   |                          |                |
| 59            | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HABITATIONAL | 0              | 608,633           | 0                        | 74,426         |
| 59            | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | COMMERCIAL   | 110,000        | 42,237            | 11,000                   | 3,263          |
|               |                      |                      | TOTAL        | <u>110,000</u> | <u>650,870</u>    | <u>11,000</u>            | <u>77,689</u>  |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HABITATIONAL | 0              | 8,956,552         | 0                        | 814,733        |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | COMMERCIAL   | 0              | 1,076,814         | 0                        | 78,933         |
|               |                      |                      | TOTAL        | <u>0</u>       | <u>10,033,366</u> | <u>0</u>                 | <u>893,666</u> |

**BEACH WIND & HAIL ONLY REPORT OF NAMED STORM LOSSES**

|    |                      |                      |              |               |                   |              |                |
|----|----------------------|----------------------|--------------|---------------|-------------------|--------------|----------------|
| 59 | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HABITATIONAL | 60,000        | 67,206            | 6,000        | 10,048         |
| 59 | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | COMMERCIAL   | 0             | 1,009,256         | 0            | 42,759         |
|    |                      |                      | TOTAL        | <u>60,000</u> | <u>1,076,462</u>  | <u>6,000</u> | <u>52,807</u>  |
| 59 | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HABITATIONAL | 0             | 820,994           | 0            | 92,686         |
| 59 | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | COMMERCIAL   | 90,000        | 16,451,648        | 9,000        | 701,861        |
|    |                      |                      | TOTAL        | <u>90,000</u> | <u>17,272,642</u> | <u>9,000</u> | <u>794,547</u> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS        | LOSSES         |                   | ALLOCATED CLAIMS EXPENSE |                  |
|--|----------------------|----------------------|-----------------|----------------|-------------------|--------------------------|------------------|
|  |                      |                      |                 | OUTSTANDING    | PAID              | OUTSTANDING              | PAID             |
| <b>COASTAL WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b>                   |                      |                      |                 |                |                   |                          |                  |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HABITATIONAL    | 30,000         | 1,011,099         | 3,000                    | 96,821           |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | COMMERCIAL      | 35,000         | 3,012,082         | 3,500                    | 186,967          |
|  |                      |                      | TOTAL           | <u>65,000</u>  | <u>4,023,181</u>  | <u>6,500</u>             | <u>283,788</u>   |
| 59   | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HABITATIONAL    | 37,000         | 10,583,368        | 3,700                    | 1,014,836        |
| 59   | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | COMMERCIAL      | 926,374        | 15,147,513        | 92,637                   | 949,351          |
|  |                      |                      | TOTAL           | <u>963,374</u> | <u>25,730,882</u> | <u>96,337</u>            | <u>1,964,187</u> |
| <b>HOMEOWNERS AND HOMEOWNERS WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |                 |                |                   |                          |                  |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HO-BEACH        | 0              | 74,193            | 0                        | 8,044            |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HO-COASTAL      | 45,000         | 391,904           | 4,500                    | 37,326           |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HO WIND BEACH   | 0              | 726,679           | 0                        | 69,513           |
| 59   | 10/01/09<br>09/30/10 | 08/26/11<br>08/28/11 | HO WIND COASTAL | 30,000         | 5,309,870         | 3,000                    | 461,056          |
|  |                      |                      |                 | <u>75,000</u>  | <u>6,502,646</u>  | <u>7,500</u>             | <u>575,939</u>   |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS           | LOSSES           |                    | ALLOCATED CLAIMS EXPENSE |                   |
|---------------|----------------------|----------------------|--------------------|------------------|--------------------|--------------------------|-------------------|
|               |                      |                      |                    | OUTSTANDING      | PAID               | OUTSTANDING              | PAID              |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HO-BEACH           | 0                | 589,148            | 0                        | 54,488            |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HO-COASTAL         | 0                | 3,149,483          | 0                        | 290,361           |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HO WIND BEACH      | 0                | 8,400,103          | 0                        | 840,857           |
| 59            | 10/01/10<br>09/30/11 | 08/26/11<br>08/28/11 | HO WIND COASTAL    | 260,732          | 52,373,004         | 26,073                   | 4,627,866         |
|               |                      |                      |                    | <u>260,732</u>   | <u>64,511,739</u>  | <u>26,073</u>            | <u>5,813,572</u>  |
|               |                      |                      | <b>TOTAL IRENE</b> | <u>1,624,106</u> | <u>129,801,787</u> | <u>162,411</u>           | <u>10,456,194</u> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS     | LOSSES      |               | ALLOCATED CLAIMS EXPENSE |              |
|--|----------------------|----------------------|--------------|-------------|---------------|--------------------------|--------------|
|  |                      |                      |              | OUTSTANDING | PAID          | OUTSTANDING              | PAID         |
| <b>BERYL</b>   |                      |                      |              |             |               |                          |              |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HABITATIONAL | 0           | 20,383        | 0                        | 1,939        |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>20,383</u> | <u>0</u>                 | <u>1,939</u> |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HABITATIONAL | 0           | 24,981        | 0                        | 3,131        |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>24,981</u> | <u>0</u>                 | <u>3,131</u> |
| <b>COASTAL WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |              |             |               |                          |              |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HABITATIONAL | 0           | 16,928        | 0                        | 1,838        |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>16,928</u> | <u>0</u>                 | <u>1,838</u> |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HABITATIONAL | 0           | 12,867        | 0                        | 2,652        |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | COMMERCIAL   | 0           | 7,435         | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>20,302</u> | <u>0</u>                 | <u>2,652</u> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS           | LOSSES      |         | ALLOCATED CLAIMS EXPENSE |        |
|--|----------------------|----------------------|--------------------|-------------|---------|--------------------------|--------|
|  |                      |                      |                    | OUTSTANDING | PAID    | OUTSTANDING              | PAID   |
| <b>HOMEOWNERS AND HOMEOWNERS WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |                    |             |         |                          |        |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HO-BEACH           | 0           | 0       | 0                        | 0      |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HO-COASTAL         | 0           | 1,692   | 0                        | 638    |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HO WIND BEACH      | 0           | 39,149  | 0                        | 4,709  |
| 20   | 10/01/10<br>09/30/11 | 05/29/12<br>05/31/12 | HO WIND COASTAL    | 0           | 73,628  | 0                        | 6,995  |
|  |                      |                      |                    | 0           | 114,469 | 0                        | 12,342 |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HO-BEACH           | 0           | 0       | 0                        | 255    |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HO-COASTAL         | 0           | 1,178   | 0                        | 370    |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HO WIND BEACH      | 0           | 58,212  | 0                        | 5,141  |
| 20   | 10/01/11<br>09/30/12 | 05/29/12<br>05/31/12 | HO WIND COASTAL    | 0           | 221,708 | 0                        | 15,907 |
|  |                      |                      |                    | 0           | 281,098 | 0                        | 21,673 |
|  |                      |                      | <b>TOTAL BERYL</b> | 0           | 478,161 | 0                        | 43,575 |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS     | LOSSES         |                | ALLOCATED CLAIMS EXPENSE |               |
|---------------|----------------------|----------------------|--------------|----------------|----------------|--------------------------|---------------|
|               |                      |                      |              | OUTSTANDING    | PAID           | OUTSTANDING              | PAID          |
| <b>SANDY</b>  |                      |                      |              |                |                |                          |               |
| 90            | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HABITATIONAL | 0              | 275,081        | 0                        | 64,475        |
| 90            | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | COMMERCIAL   | 0              | 52,493         | 0                        | 7,245         |
|               |                      |                      | TOTAL        | <u>0</u>       | <u>327,574</u> | <u>0</u>                 | <u>71,720</u> |
| 90            | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HABITATIONAL | 100,000        | 58,548         | 10,000                   | 8,495         |
| 90            | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | COMMERCIAL   | 0              | 0              | 0                        | 0             |
| 90            | 10/01/12<br>09/30/13 | 10/26/12<br>10/31/12 | HABITATIONAL | 0              | 0              | 0                        | 60            |
|               |                      |                      | TOTAL        | <u>100,000</u> | <u>58,548</u>  | <u>10,000</u>            | <u>8,555</u>  |

**BEACH WIND & HAIL ONLY REPORT OF NAMED STORM LOSSES**

|    |                      |                      |              |          |                |          |               |
|----|----------------------|----------------------|--------------|----------|----------------|----------|---------------|
| 90 | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HABITATIONAL | 0        | 63,160         | 0        | 9,809         |
| 90 | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | COMMERCIAL   | 0        | 45,235         | 0        | 9,876         |
|    |                      |                      | TOTAL        | <u>0</u> | <u>108,395</u> | <u>0</u> | <u>19,685</u> |
| 90 | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HABITATIONAL | 0        | 1,060          | 0        | 647           |
| 90 | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | COMMERCIAL   | 0        | 42,349         | 0        | 9,326         |
|    |                      |                      | TOTAL        | <u>0</u> | <u>43,409</u>  | <u>0</u> | <u>9,973</u>  |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS           | LOSSES         |                  | ALLOCATED CLAIMS EXPENSE |                |
|--|----------------------|----------------------|--------------------|----------------|------------------|--------------------------|----------------|
|  |                      |                      |                    | OUTSTANDING    | PAID             | OUTSTANDING              | PAID           |
| <b>COASTAL WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b>                   |                      |                      |                    |                |                  |                          |                |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HABITATIONAL       | 0              | 61,902           | 0                        | 10,385         |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | COMMERCIAL         | 5,599          | 46,040           | 560                      | 5,552          |
|  |                      |                      | TOTAL              | <u>5,599</u>   | <u>107,942</u>   | <u>560</u>               | <u>15,937</u>  |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HABITATIONAL       | 0              | 4,449            | 0                        | 550            |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | COMMERCIAL         | 0              | 436              | 0                        | 632            |
| 90   | 10/01/12<br>09/30/13 | 10/26/12<br>10/31/12 | HABITATIONAL       | 6,550          | 0                | 655                      | 49             |
|  |                      |                      | TOTAL              | <u>6,550</u>   | <u>4,885</u>     | <u>655</u>               | <u>1,231</u>   |
| <b>HOMEOWNERS AND HOMEOWNERS WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |                    |                |                  |                          |                |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HO-BEACH           | 0              | 10,356           | 0                        | 2,542          |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HO-COASTAL         | 0              | 24,218           | 0                        | 5,347          |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HO WIND BEACH      | 2,999          | 718,412          | 300                      | 93,626         |
| 90   | 10/01/11<br>09/30/12 | 10/26/12<br>10/31/12 | HO WIND COASTAL    | 2,999          | 472,441          | 300                      | 59,311         |
|  |                      |                      |                    | <u>5,998</u>   | <u>1,225,427</u> | <u>600</u>               | <u>160,826</u> |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HO-BEACH           | 0              | 0                | 0                        | 0              |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HO-COASTAL         | 0              | 14,084           | 0                        | 1,272          |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HO WIND BEACH      | 2,999          | 36,710           | 300                      | 4,019          |
| 90   | 10/01/12<br>12/31/12 | 10/26/12<br>10/31/12 | HO WIND COASTAL    | 0              | 21,204           | 0                        | 6,885          |
|  |                      |                      |                    | <u>2,999</u>   | <u>71,998</u>    | <u>300</u>               | <u>12,176</u>  |
|  |                      |                      | <b>TOTAL SANDY</b> | <u>121,146</u> | <u>1,948,178</u> | <u>12,115</u>            | <u>300,103</u> |



NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS     | LOSSES      |               | ALLOCATED CLAIMS EXPENSE |              |
|--|----------------------|----------------------|--------------|-------------|---------------|--------------------------|--------------|
|  |                      |                      |              | OUTSTANDING | PAID          | OUTSTANDING              | PAID         |
| <b>ANDREA</b>  |                      |                      |              |             |               |                          |              |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HABITATIONAL | 0           | 0             | 0                        | 264          |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>0</u>      | <u>0</u>                 | <u>264</u>   |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HABITATIONAL | 0           | 23,822        | 0                        | 4,144        |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>23,822</u> | <u>0</u>                 | <u>4,144</u> |
| <b>BEACH WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |              |             |               |                          |              |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HABITATIONAL | 0           | 0             | 0                        | 0            |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>0</u>      | <u>0</u>                 | <u>0</u>     |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HABITATIONAL | 0           | 4,711         | 0                        | 550          |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | COMMERCIAL   | 0           | 0             | 0                        | 0            |
|  |                      |                      | TOTAL        | <u>0</u>    | <u>4,711</u>  | <u>0</u>                 | <u>550</u>   |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
 COASTAL PROPERTY INSURANCE POOL  
 REPORT OF NAMED STORM LOSSES  
 AS OF JUNE 30, 2014

| CAT<br>NUMBER  | POLICY<br>YEAR       | CAT<br>DATE          | BUSINESS            | LOSSES        |                | ALLOCATED CLAIMS EXPENSE |               |
|--|----------------------|----------------------|---------------------|---------------|----------------|--------------------------|---------------|
|  |                      |                      |                     | OUTSTANDING   | PAID           | OUTSTANDING              | PAID          |
| <b>COASTAL WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b>                   |                      |                      |                     |               |                |                          |               |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HABITATIONAL        | 3,098         | 9,927          | 310                      | 1,345         |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | COMMERCIAL          | 3,098         | 0              | 310                      | 250           |
|  |                      |                      | TOTAL               | <u>6,196</u>  | <u>9,927</u>   | <u>620</u>               | <u>1,595</u>  |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HABITATIONAL        | 0             | 11,077         | 0                        | 1,960         |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | COMMERCIAL          | 0             | 0              | 0                        | 275           |
|  |                      |                      | TOTAL               | <u>0</u>      | <u>11,077</u>  | <u>0</u>                 | <u>2,235</u>  |
| <b>HOMEOWNERS AND HOMEOWNERS WIND &amp; HAIL ONLY REPORT OF NAMED STORM LOSSES</b> |                      |                      |                     |               |                |                          |               |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HO-BEACH            | 0             | 0              | 0                        | 0             |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HO-COASTAL          | 0             | 2,883          | 0                        | 753           |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HO WIND BEACH       | 0             | 4,730          | 0                        | 1,655         |
| 152  | 10/01/11<br>09/30/12 | 06/06/13<br>06/08/13 | HO WIND COASTAL     | 0             | 64,304         | 0                        | 9,179         |
|  |                      |                      |                     | <u>0</u>      | <u>71,917</u>  | <u>0</u>                 | <u>11,587</u> |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HO-BEACH            | 0             | 22,469         | 0                        | 1,056         |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HO-COASTAL          | 0             | 0              | 0                        | 308           |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HO WIND BEACH       | 4,349         | 22,642         | 435                      | 3,808         |
| 152  | 10/01/12<br>09/30/13 | 06/06/13<br>06/08/13 | HO WIND COASTAL     | 5,998         | 108,471        | 600                      | 16,161        |
|  |                      |                      |                     | <u>10,347</u> | <u>153,583</u> | <u>1,035</u>             | <u>21,333</u> |
|  |                      |                      | <b>TOTAL ANDREA</b> | <u>16,543</u> | <u>275,037</u> | <u>1,654</u>             | <u>41,708</u> |

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
COASTAL PROPERTY INSURANCE POOL  
AS OF JUNE 30, 2014

AGGREGATE LIABILITY BY COUNTIES

RESIDENTIAL AGGREGATE LIABILITY

| COUNTY       | DWELLING BEACH LIABILITY * | DWELLING 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 WIND LIABILITY * | DWELLING BEACH WIND COUNT | DWELLING COASTAL WIND LIABILITY* | DWELLING COASTAL WIND COUNT | TOTAL RESIDENTIAL BEACH LIABILITY * | TOTAL RESIDENTIAL COUNT |
|--------------|----------------------------|----------------------|----------------------------|-----------------------|-------------------------------|-------------------------|--------------------------|---------------------|-----------------------------|-----------------------|---------------------------------|---------------------------|----------------------------------|-----------------------------|-------------------------------------|-------------------------|
| BEAUFORT     | 0                          | 0                    | 0                          | 0                     | 117,624,210                   | 235                     | 0                        | 0                   | 1,709,936,923               | 4,948                 | 0                               | 0                         | 139,883,854                      | 1,536                       | 1,967,444,987                       | 6,719                   |
| BRUNSWICK    | 1,752,271,801              | 7,532                | 132,573,480                | 222                   | 429,929,530                   | 822                     | 2,298,655,954            | 4,939               | 8,961,372,157               | 21,362                | 143,125,412                     | 617                       | 421,103,865                      | 3,338                       | 14,139,032,199                      | 38,832                  |
| CAMDEN       | 0                          | 0                    | 0                          | 0                     | 30,106,320                    | 57                      | 0                        | 0                   | 563,032,364                 | 1,462                 | 0                               | 0                         | 35,480,408                       | 275                         | 628,619,092                         | 1,794                   |
| CARTERET     | 626,649,428                | 4,538                | 132,550,260                | 220                   | 276,814,390                   | 526                     | 2,157,989,960            | 4,338               | 4,990,846,909               | 12,682                | 147,002,554                     | 678                       | 337,658,398                      | 2,396                       | 8,669,511,899                       | 25,378                  |
| CHOWAN       | 20,000                     | 2                    | 0                          | 0                     | 21,450,390                    | 48                      | 0                        | 0                   | 782,983,266                 | 2,074                 | 0                               | 0                         | 63,157,578                       | 560                         | 867,611,234                         | 2,684                   |
| CRAVEN       | 600,200                    | 2                    | 0                          | 0                     | 360,759,230                   | 725                     | 0                        | 0                   | 3,730,544,425               | 10,367                | 0                               | 0                         | 319,194,929                      | 2,272                       | 4,411,098,784                       | 13,366                  |
| CURRITUCK    | 697,476,454                | 1,892                | 9,908,760                  | 13                    | 105,877,873                   | 202                     | 1,664,617,740            | 2,167               | 1,736,499,409               | 4,320                 | 56,102,708                      | 131                       | 108,938,740                      | 816                         | 4,379,421,684                       | 9,541                   |
| DARE         | 2,316,573,749              | 9,916                | 342,905,740                | 546                   | 51,832,200                    | 93                      | 5,232,578,659            | 10,186              | 765,344,031                 | 1,625                 | 318,802,716                     | 1,176                     | 31,501,330                       | 179                         | 9,059,538,225                       | 23,721                  |
| HYDE         | 79,967,948                 | 383                  | 4,401,480                  | 7                     | 8,897,870                     | 23                      | 96,420,355               | 216                 | 119,240,640                 | 425                   | 13,708,917                      | 68                        | 21,216,751                       | 264                         | 343,853,961                         | 1,386                   |
| JONES        | 0                          | 0                    | 0                          | 0                     | 26,059,420                    | 59                      | 0                        | 0                   | 268,191,529                 | 862                   | 0                               | 0                         | 28,369,136                       | 308                         | 322,620,085                         | 1,229                   |
| NEW HANOVER  | 565,675,377                | 2,556                | 190,311,140                | 387                   | 893,272,770                   | 1,757                   | 1,412,786,312            | 2,771               | 14,555,811,069              | 34,077                | 112,067,912                     | 452                       | 779,804,036                      | 4,401                       | 18,509,728,616                      | 46,401                  |
| ONSLOW       | 183,524,637                | 1,013                | 28,636,730                 | 47                    | 452,931,800                   | 975                     | 397,366,078              | 842                 | 6,273,751,883               | 19,316                | 31,286,560                      | 126                       | 970,122,371                      | 6,465                       | 8,337,620,059                       | 28,784                  |
| PAMLICO      | 0                          | 0                    | 0                          | 0                     | 29,241,610                    | 58                      | 0                        | 0                   | 895,691,828                 | 2,198                 | 0                               | 0                         | 62,674,623                       | 519                         | 987,608,061                         | 2,775                   |
| PASQUOTANK   | 0                          | 0                    | 0                          | 0                     | 117,120,260                   | 252                     | 0                        | 0                   | 1,371,144,059               | 3,888                 | 0                               | 0                         | 138,159,407                      | 959                         | 1,626,423,726                       | 5,099                   |
| PENDER       | 277,558,139                | 1,312                | 33,064,460                 | 58                    | 154,328,110                   | 292                     | 574,292,737              | 1,229               | 3,138,586,474               | 8,048                 | 38,061,060                      | 154                       | 235,436,356                      | 1,895                       | 4,451,327,336                       | 12,988                  |
| PERQUIMANS   | 0                          | 0                    | 0                          | 0                     | 29,717,920                    | 71                      | 0                        | 0                   | 706,529,266                 | 1,799                 | 0                               | 0                         | 55,265,613                       | 503                         | 791,512,799                         | 2,373                   |
| TYRRELL      | 0                          | 0                    | 0                          | 0                     | 6,350,740                     | 15                      | 0                        | 0                   | 148,466,000                 | 485                   | 0                               | 0                         | 19,093,049                       | 241                         | 173,909,789                         | 741                     |
| WASHINGTON   | 0                          | 0                    | 0                          | 0                     | 21,160,490                    | 50                      | 0                        | 0                   | 364,891,540                 | 1,111                 | 0                               | 0                         | 37,198,247                       | 407                         | 423,250,277                         | 1,568                   |
| <b>TOTAL</b> | <b>6,500,317,733</b>       | <b>29,146</b>        | <b>874,352,050</b>         | <b>1,500</b>          | <b>3,133,475,133</b>          | <b>6,260</b>            | <b>13,834,707,795</b>    | <b>26,688</b>       | <b>51,082,863,772</b>       | <b>131,049</b>        | <b>860,157,839</b>              | <b>3,402</b>              | <b>3,804,258,691</b>             | <b>27,334</b>               | <b>80,090,133,013</b>               | <b>225,379</b>          |

COMMERCIAL AGGREGATE LIABILITY

TOTAL LIABILITY

| COUNTY       | COMMERCIAL BEACH LIABILITY * | COMMERCIAL BEACH COUNT | COMMERCIAL BEACH WIND LIABILITY* | COMMERCIAL BEACH WIND COUNT | COMMERCIAL COASTAL WIND LIABILITY * | COMMERCIAL COASTAL WIND COUNT | TOTAL COMMERCIAL BEACH LIABILITY * | TOTAL COMMERCIAL COUNT | COUNTY       | TOTAL BEACH LIABILITY * | TOTAL BEACH COUNT |
|--------------|------------------------------|------------------------|----------------------------------|-----------------------------|-------------------------------------|-------------------------------|------------------------------------|------------------------|--------------|-------------------------|-------------------|
| BEAUFORT     | 0                            | 0                      | 0                                | 0                           | 244,194,552                         | 356                           | 244,194,552                        | 356                    | BEAUFORT     | 2,211,639,539           | 7,075             |
| BRUNSWICK    | 25,680,865                   | 59                     | 357,429,705                      | 201                         | 954,431,629                         | 888                           | 1,337,542,199                      | 1,148                  | BRUNSWICK    | 15,476,574,398          | 39,980            |
| CAMDEN       | 0                            | 0                      | 0                                | 0                           | 35,704,835                          | 56                            | 35,704,835                         | 56                     | CAMDEN       | 664,323,927             | 1,850             |
| CARTERET     | 28,057,710                   | 70                     | 726,016,713                      | 344                         | 953,054,154                         | 975                           | 1,707,128,577                      | 1,389                  | CARTERET     | 10,376,640,476          | 26,767            |
| CHOWAN       | 0                            | 0                      | 0                                | 0                           | 150,967,693                         | 182                           | 150,967,693                        | 182                    | CHOWAN       | 1,018,578,927           | 2,866             |
| CRAVEN       | 0                            | 0                      | 0                                | 0                           | 829,930,605                         | 896                           | 829,930,605                        | 896                    | CRAVEN       | 5,241,029,389           | 14,262            |
| CURRITUCK    | 3,320,100                    | 15                     | 92,794,320                       | 85                          | 153,236,865                         | 234                           | 249,351,285                        | 334                    | CURRITUCK    | 4,628,772,969           | 9,875             |
| DARE         | 114,438,707                  | 205                    | 988,056,775                      | 777                         | 196,123,680                         | 151                           | 1,298,619,162                      | 1,133                  | DARE         | 10,358,157,587          | 24,854            |
| HYDE         | 8,513,749                    | 18                     | 47,813,969                       | 56                          | 19,531,950                          | 51                            | 75,859,668                         | 125                    | HYDE         | 419,713,629             | 1,511             |
| JONES        | 0                            | 0                      | 0                                | 0                           | 38,334,232                          | 82                            | 38,334,232                         | 82                     | JONES        | 360,954,317             | 1,311             |
| NEW HANOVER  | 83,641,557                   | 161                    | 539,892,514                      | 331                         | 1,782,419,679                       | 1,346                         | 2,405,953,750                      | 1,838                  | NEW HANOVER  | 20,915,682,366          | 48,239            |
| ONSLOW       | 3,377,700                    | 13                     | 78,310,647                       | 24                          | 1,194,409,665                       | 1,577                         | 1,276,098,012                      | 1,614                  | ONSLOW       | 9,613,718,071           | 30,398            |
| PAMLICO      | 0                            | 0                      | 0                                | 0                           | 86,952,977                          | 151                           | 86,952,977                         | 151                    | PAMLICO      | 1,074,561,038           | 2,926             |
| PASQUOTANK   | 0                            | 0                      | 0                                | 0                           | 280,878,912                         | 370                           | 280,878,912                        | 370                    | PASQUOTANK   | 1,907,302,638           | 5,469             |
| PENDER       | 13,241,123                   | 22                     | 73,672,332                       | 62                          | 212,417,267                         | 302                           | 299,330,722                        | 386                    | PENDER       | 4,750,658,058           | 13,374            |
| PERQUIMANS   | 0                            | 0                      | 0                                | 0                           | 69,732,025                          | 113                           | 69,732,025                         | 113                    | PERQUIMANS   | 861,244,824             | 2,486             |
| TYRRELL      | 0                            | 0                      | 0                                | 0                           | 24,459,414                          | 47                            | 24,459,414                         | 47                     | TYRRELL      | 198,369,203             | 788               |
| WASHINGTON   | 0                            | 0                      | 0                                | 0                           | 56,811,532                          | 100                           | 56,811,532                         | 100                    | WASHINGTON   | 480,061,809             | 1,668             |
| <b>TOTAL</b> | <b>280,271,511</b>           | <b>563</b>             | <b>2,903,986,975</b>             | <b>1,880</b>                | <b>7,283,591,666</b>                | <b>7,877</b>                  | <b>10,467,850,152</b>              | <b>10,320</b>          | <b>TOTAL</b> | <b>90,557,983,165</b>   | <b>235,699</b>    |

\* 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.

# North Carolina Insurance Underwriting Association

## Notes To Statutory Financial Statements

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### Note 1. Change in Fiscal Year End

On May 16, 2013, the Board of Directors of the Association approved a change in the Association's fiscal year end from September 30 to December 31 of each year. This change to the calendar year reporting cycle began January 1, 2013. As a result of the change, the Association had a three month transition period from October 1, 2012 through December 31, 2012, the results of which will be separately reported and classified as a short period (SP).