



# NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION

Statutory Financial Statements  
March 31, 2014

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## **Financial Statements**

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NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
BALANCE SHEET  
AS OF MARCH 31, 2014

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
<b>ASSETS</b>				
CASH	997,757	0	0	997,757
INVESTMENTS	48,857,658	0	0	48,857,658
INTEREST INCOME DUE OR ACCRUED	326,331	0	0	326,331
FIXED ASSETS	83,889	0	(83,889)	0
DATA PROCESSING EQUIPMENT	231,173	0	(38,173)	193,000
ACCOUNTS RECEIVABLE - CPIP PLAN	808,891	0	0	808,891
ACCOUNTS RECEIVABLE - OTHER	3,259,038	0	0	3,259,038
ACCOUNTS RECEIVABLE - SUBROGATION	389	0	(389)	0
ACCOUNTS RECEIVABLE - COMMISSION	4,884	0	(4,560)	324
ACCOUNTS RECEIVABLE - LATE FEES	36,816	0	(36,816)	0
PREPAID EXPENSES	359,852	0	(359,852)	0
<b>TOTAL ASSETS</b>	<b>54,966,678</b>	<b>0</b>	<b>(523,679)</b>	<b>54,442,999</b>
<b>LIABILITIES &amp; MEMBERS' SURPLUS</b>				
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE				23,000
PAYROLL PAYABLE				161
PREMIUM SUSPENSE				516,354
PREMIUM REFUND				207
COMMISSION PAYABLE				1,076,612
ACCRUAL-PREMIUM TAX				446,886
ACCRUAL-POST RETIREMENT				1,166,775
ACCRUAL-PENSION				380,596
ACCRUAL-RENT				119,086
CLAIMS PAYABLE				64,931
PREPAID PREMIUMS				1,427,709
UNCLAIMED CHECKS				507,729
<b>TOTAL LIABILITIES</b>				<b>5,730,046</b>
<b>RESERVES FOR</b>				
UNPAID LOSSES (INCL. IBNR)				4,251,903
UNPAID LAE RESERVES				400,718
UNEARNED PREMIUMS				27,416,875
<b>TOTAL RESERVES</b>				<b>32,069,496</b>
<b>MEMBERS' SURPLUS</b>				<b>16,643,457</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' SURPLUS</b>				<b>54,442,999</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
INCOME STATEMENT AND MEMBERS' ACCOUNT  
FOR THE YEAR ENDED MARCH 31, 2014

	YEAR TO DATE
<b>UNDERWRITING INCOME</b>	
PREMIUMS EARNED	13,260,844
CEDED REINSURANCE PREMIUM	3,220,024
NET PREMIUMS EARNED	10,040,820
<b>DEDUCTIONS</b>	
LOSSES INCURRED	8,088,593
LOSS EXPENSE INCURRED	621,106
OPERATING EXPENSE INCURRED	3,418,994
PREMIUM TAXES	382,855
TOTAL DEDUCTIONS	12,511,548
<b>OTHER INCOME</b>	
MISCELLANEOUS INCOME	79,649
NET UNDERWRITING GAIN OR (LOSS)	(2,391,079)
<b>INVESTMENT INCOME</b>	
INVESTMENT INCOME	154,027
NET INCOME OR (LOSS)	(2,237,052)
<b>MEMBERS' ACCOUNT</b>	
MEMBERS' SURPLUS (PRIOR PERIOD)	19,271,467
NET INCOME OR (LOSS)	(2,237,052)
CHANGE IN ASSETS NOT ADMITTED	(95,966)
ASSESSMENTS OR (DISTRIBUTIONS)	0
MINIMUM PENSION LIABILITY	(294,992)
NET CHANGE IN MEMBERS' SURPLUS	(2,628,010)
MEMBERS' SURPLUS (CURRENT PERIOD)	16,643,457

The Aggregate Liability for the Association as of March 31, 2014 is \$11,755,701,928.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT  
FOR THE YEAR ENDED MARCH 31, 2014

YEAR TO DATE

	2014	2013	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	TOTAL
<b>INCOME RECEIVED</b>														
PREMIUMS WRITTEN	14,080,272	(204,572)	(151,600)	0	0	0	0	0	0	0	0	0	0	13,724,100
CEDED REINSURANCE	0	(3,220,024)	0	0	0	0	0	0	0	0	0	0	0	(3,220,024)
INTEREST RECEIVED	154,027	0	0	0	0	0	0	0	0	0	0	0	0	154,027
MISCELLANEOUS INCOME	79,649	0	0	0	0	0	0	0	0	0	0	0	0	79,649
<b>TOTAL INCOME</b>	<b>14,313,948</b>	<b>(3,424,596)</b>	<b>(151,600)</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>0</b>	<b>0</b>	<b>10,737,752</b>
<b>EXPENSES PAID</b>														
LOSSES	401,961	5,841,886	651,536	146,694	4,587	6,298	0	0	0	0	0	0	0	7,052,962
LOSS ADJUSTMENT EXPENSES	213,720	394,670	6,416	7,779	7,202	0	0	0	0	0	0	0	0	629,787
COMMISSION	2,201,134	(30,686)	(22,740)	0	0	0	0	0	0	0	0	0	0	2,147,708
PREMIUM TAX	382,855	0	0	0	0	0	0	0	0	0	0	0	0	382,855
ADMINISTRATIVE EXPENSES	1,271,286	0	0	0	0	0	0	0	0	0	0	0	0	1,271,286
<b>TOTAL EXPENSES PAID</b>	<b>4,470,956</b>	<b>6,205,870</b>	<b>635,212</b>	<b>154,473</b>	<b>11,789</b>	<b>6,298</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,484,598</b>
<b>NET CASH CHANGE</b>	<b>9,842,992</b>	<b>(9,630,466)</b>	<b>(786,812)</b>	<b>(154,473)</b>	<b>(11,789)</b>	<b>(6,298)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(746,846)</b>
<b>RESERVES:</b>														
<b>DEDUCT: (CURRENT PERIOD)</b>														
LOSSES (INCL. IBNR.)	1,185,373	2,664,508	273,103	61,095	63,824	4,000	0	0	0	0	0	0	0	4,251,903
LOSS ADJUSTMENT EXPENSES	111,703	251,042	25,788	5,774	6,033	378	0	0	0	0	0	0	0	400,718
UNEARNED PREMIUMS	12,274,803	15,142,072	0	0	0	0	0	0	0	0	0	0	0	27,416,875
<b>ADD: (PRIOR PERIOD)</b>														
LOSSES (INCL. IBNR.)	0	2,100,254	948,037	105,157	62,824	0	0	0	0	0	0	0	0	3,216,272
LOSS ADJUSTMENT EXPENSES	0	308,256	85,985	9,489	5,669	0	0	0	0	0	0	0	0	409,399
UNEARNED PREMIUMS	0	26,953,619	0	0	0	0	0	0	0	0	0	0	0	26,953,619
<b>NET RESERVE CHANGE</b>	<b>(13,571,879)</b>	<b>11,304,507</b>	<b>735,131</b>	<b>47,777</b>	<b>(1,364)</b>	<b>(4,378)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,490,206)</b>
<b>NET OTHER CHANGES</b>														
MINIMUM PENSION LIABILITY	(294,992)	0	0	0	0	0	0	0	0	0	0	0	0	(294,992)
ASSETS NOT ADMITTED	(95,966)	0	0	0	0	0	0	0	0	0	0	0	0	(95,966)
<b>TOTAL NET OTHER CHANGES</b>	<b>(390,958)</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>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(390,958)</b>
ASSESSMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>CHANGE IN MEMBERS' SURPLUS</b>	<b>(4,119,845)</b>	<b>1,674,041</b>	<b>(51,681)</b>	<b>(106,696)</b>	<b>(13,153)</b>	<b>(10,676)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,628,010)</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT FOR UNSETTLED YEARS  
AS OF MARCH 31, 2014

	2014	2013	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	TOTAL
<b>INCOME RECEIVED</b>														
PREMIUMS WRITTEN	14,080,274	53,040,137	9,910,427	34,178,764	25,652,128	25,870,913	25,907,860	27,028,619	27,763,765	25,720,292	22,825,166	26,235,796	20,357,754	338,571,895
CEDED REINSURANCE	0	(11,000,601)	0	(11,781,803)	(11,874,590)	(10,479,060)	(7,223,316)	(7,122,013)	(2,973,092)	0	0	0	0	(62,454,475)
INTEREST RECEIVED	154,027	146,252	132,903	853,131	1,502,084	1,087,329	1,176,278	1,366,204	1,420,062	974,043	418,985	168,902	218,827	9,619,027
MISCELLANEOUS INCOME	79,649	96,178	(2,608)	(4,338)	32,118	29	7,794	5,940	11,056	(6,465)	(13,041)	(43,556)	2,946	165,702
<b>TOTAL INCOME</b>	<b>14,313,950</b>	<b>42,281,966</b>	<b>10,040,722</b>	<b>23,245,754</b>	<b>15,311,740</b>	<b>16,479,211</b>	<b>19,868,616</b>	<b>21,278,750</b>	<b>26,221,791</b>	<b>26,687,870</b>	<b>23,231,110</b>	<b>26,361,142</b>	<b>20,579,527</b>	<b>285,902,149</b>
<b>EXPENSES PAID</b>														
LOSSES	401,961	13,501,523	4,164,195	14,224,123	29,286,015	14,153,264	9,512,547	10,071,811	9,602,525	9,391,473	11,903,208	12,872,292	17,813,702	156,898,639
LOSS ADJUSTMENT EXPENSES	213,720	1,726,421	338,084	1,179,467	3,226,779	1,208,108	691,277	691,453	674,186	1,027,784	1,193,396	1,142,507	1,932,459	15,245,641
COMMISSION	2,201,134	8,069,915	1,466,546	5,070,837	3,790,105	3,816,885	3,815,409	3,987,012	4,070,567	3,777,738	3,296,157	3,803,425	2,956,416	50,122,146
PREMIUM TAX	382,855	1,474,974	292,140	952,649	697,226	706,604	714,852	744,613	743,482	699,572	701,486	655,512	583,115	9,349,080
ADMINISTRATIVE EXPENSES	1,271,286	4,383,744	1,020,633	2,762,867	2,413,922	2,270,960	2,428,623	2,450,882	2,011,767	3,033,088	3,118,977	3,074,619	3,018,670	33,260,038
<b>TOTAL EXPENSES PAID</b>	<b>4,470,956</b>	<b>29,156,577</b>	<b>7,281,598</b>	<b>24,189,943</b>	<b>39,414,047</b>	<b>22,155,821</b>	<b>17,162,708</b>	<b>17,945,771</b>	<b>17,102,527</b>	<b>17,929,655</b>	<b>20,213,224</b>	<b>21,548,355</b>	<b>26,304,362</b>	<b>264,875,544</b>
<b>NET CASH CHANGE</b>	<b>9,842,994</b>	<b>13,125,389</b>	<b>2,759,124</b>	<b>(944,189)</b>	<b>(24,102,307)</b>	<b>(5,676,610)</b>	<b>2,705,908</b>	<b>3,332,979</b>	<b>9,119,264</b>	<b>8,758,215</b>	<b>3,017,886</b>	<b>4,812,787</b>	<b>(5,724,835)</b>	<b>21,026,605</b>
<b>RESERVES:</b>														
<b>DEDUCT: (CURRENT PERIOD)</b>														
LOSSES (INCL. IBNR.)	1,185,373	2,664,508	273,103	61,095	63,824	4,000	0	0	0	0	0	0	0	4,251,903
LOSS ADJUSTMENT EXPENSES	111,703	251,042	25,788	5,774	6,033	378	0	0	0	0	0	0	0	400,718
UNEARNED PREMIUMS	12,274,803	15,142,072	0	0	0	0	0	0	0	0	0	0	0	27,416,875
<b>RESERVES</b>	<b>13,571,879</b>	<b>18,057,622</b>	<b>298,891</b>	<b>66,869</b>	<b>69,857</b>	<b>4,378</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,069,496</b>
<b>NET OTHER CHANGES</b>														
ASSETS NOT ADMITTED	(95,966)	(236,573)	(91,491)	(3,311)	102,126	55,667	139,644	(137,890)	(130,305)	4,470	4,481	158,368	(164,952)	(395,732)
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	(387,591)	69,869	0	(317,722)
MINIMUM PENSION LIABILITY	(294,992)	221,614	(23,952)	(78,446)	(49,606)	97,618	(191,430)	0	0	0	0	(27,883)	39,635	(307,442)
<b>TOTAL NET OTHER CHANGES</b>	<b>(390,958)</b>	<b>(14,959)</b>	<b>(115,443)</b>	<b>(81,757)</b>	<b>52,520</b>	<b>153,285</b>	<b>(51,786)</b>	<b>(137,890)</b>	<b>(130,305)</b>	<b>4,470</b>	<b>(383,110)</b>	<b>200,354</b>	<b>(125,317)</b>	<b>(1,020,896)</b>
ASSESSMENTS	0	0	0	0	20,370,865	1,865,922	0	0	5,943,196	0	0	0	17,748,447	45,928,430
DISTRIBUTIONS	0	0	0	0	0	0	0	0	(5,943,196)	(10,690)	(4,664)	(11,615)	(11,203,805)	(17,173,970)
UNCLAIMED BALANCES	0	0	0	0	0	0	(48,441)	0	0	0	0	0	0	(48,441)
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0	0	0	0	14,917	(13,692)	1,225
<b>MEMBERS' SURPLUS</b>	<b>(4,119,843)</b>	<b>(4,947,192)</b>	<b>2,344,790</b>	<b>(1,092,815)</b>	<b>(3,748,779)</b>	<b>(3,661,781)</b>	<b>2,605,681</b>	<b>3,195,089</b>	<b>8,988,959</b>	<b>8,751,995</b>	<b>2,630,112</b>	<b>5,016,443</b>	<b>680,798</b>	<b>16,643,457</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF PREMIUMS  
FOR THE YEAR ENDED MARCH 31, 2014

	YEAR TO DATE			
	2014	2013	2012 SP <sup>1</sup>	TOTAL
<b>PREMIUMS WRITTEN</b>				
RESIDENTIAL - FIRE	6,527,752	(192,014)	(147,429)	6,188,309
RESIDENTIAL - EC	7,070,031	(72,171)	(4,171)	6,993,689
COMMERCIAL - FIRE	176,520	31,124	0	207,644
COMMERCIAL - EC	212,098	26,403	0	238,501
CRIME - RESIDENTIAL	93,871	2,086	0	95,957
CRIME - COMMERCIAL	0	0	0	0
<b>TOTAL</b>	<b>14,080,272</b>	<b>(204,572)</b>	<b>(151,600)</b>	<b>13,724,100</b>
<b>UNEARNED PREMIUMS (PRIOR PERIOD)</b>				
RESIDENTIAL - FIRE	0	12,296,192	0	12,296,192
RESIDENTIAL - EC	0	13,757,256	0	13,757,256
COMMERCIAL - FIRE	0	309,598	0	309,598
COMMERCIAL - EC	0	403,021	0	403,021
CRIME - RESIDENTIAL	0	187,438	0	187,438
CRIME - COMMERCIAL	0	114	0	114
<b>TOTAL</b>	<b>0</b>	<b>26,953,619</b>	<b>0</b>	<b>26,953,619</b>
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>				
RESIDENTIAL - FIRE	5,687,926	6,865,527	0	12,553,453
RESIDENTIAL - EC	6,169,038	7,737,766	0	13,906,804
COMMERCIAL - FIRE	154,252	192,801	0	347,053
COMMERCIAL - EC	181,474	241,408	0	422,882
CRIME - RESIDENTIAL	82,113	104,554	0	186,667
CRIME - COMMERCIAL	0	16	0	16
<b>TOTAL</b>	<b>12,274,803</b>	<b>15,142,072</b>	<b>0</b>	<b>27,416,875</b>
<b>EARNED PREMIUMS</b>				
RESIDENTIAL - FIRE	839,826	5,238,651	(147,429)	5,931,048
RESIDENTIAL - EC	900,993	5,947,319	(4,171)	6,844,141
COMMERCIAL - FIRE	22,268	147,921	0	170,189
COMMERCIAL - EC	30,624	188,016	0	218,640
CRIME - RESIDENTIAL	11,758	84,970	0	96,728
CRIME - COMMERCIAL	0	98	0	98
<b>TOTAL</b>	<b>1,805,469</b>	<b>11,606,975</b>	<b>(151,600)</b>	<b>13,260,844</b>
<b>CEDED REINSURANCE PREMIUM</b>				
RESIDENTIAL - FIRE	0	0	0	0
RESIDENTIAL - EC	0	3,105,023	0	3,105,023
COMMERCIAL - FIRE	0	0	0	0
COMMERCIAL - EC	0	115,001	0	115,001
CRIME - RESIDENTIAL	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>3,220,024</b>	<b>0</b>	<b>3,220,024</b>
<b>NET EARNED PREMIUMS</b>				
RESIDENTIAL - FIRE	839,826	5,238,651	(147,429)	5,931,048
RESIDENTIAL - EC	900,993	2,842,296	(4,171)	3,739,118
COMMERCIAL - FIRE	22,268	147,921	0	170,189
COMMERCIAL - EC	30,624	73,015	0	103,639
CRIME - RESIDENTIAL	11,758	84,970	0	96,728
CRIME - COMMERCIAL	0	98	0	98
<b>TOTAL</b>	<b>1,805,469</b>	<b>8,386,951</b>	<b>(151,600)</b>	<b>10,040,820</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSSES  
FOR THE YEAR ENDED MARCH 31, 2014

	YEAR TO DATE							TOTAL
	2014	2013	2012 SP <sup>1</sup>	2012	2011	2010	2009	
<b>PAID LOSSES</b>								
RESIDENTIAL - FIRE	272,518	3,958,450	601,001	113,308	0	6,479	0	4,951,756
RESIDENTIAL - EC	129,443	1,796,188	22,834	33,386	4,587	0	0	1,986,438
COMMERCIAL - FIRE	0	47,298	0	0	0	(181)	0	47,117
COMMERCIAL - EC	0	31,622	25,000	0	0	0	0	56,622
CRIME - RESIDENTIAL	0	8,328	2,701	0	0	0	0	11,029
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>401,961</b>	<b>5,841,886</b>	<b>651,536</b>	<b>146,694</b>	<b>4,587</b>	<b>6,298</b>	<b>0</b>	<b>7,052,962</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	632,751	1,666,908	252,505	798	2,824	0	0	2,555,786
RESIDENTIAL - EC	481,074	846,606	16,098	60,297	61,000	4,000	0	1,469,075
COMMERCIAL - FIRE	32	99	0	0	0	0	0	131
COMMERCIAL - EC	60,957	136,098	0	0	0	0	0	197,055
CRIME - RESIDENTIAL	10,559	14,797	4,500	0	0	0	0	29,856
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,185,373</b>	<b>2,664,508</b>	<b>273,103</b>	<b>61,095</b>	<b>63,824</b>	<b>4,000</b>	<b>0</b>	<b>4,251,903</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	0	1,324,275	851,598	5,010	2,824	0	0	2,183,707
RESIDENTIAL - EC	0	502,862	31,939	100,147	60,000	0	0	694,948
COMMERCIAL - FIRE	0	99,841	0	0	0	0	0	99,841
COMMERCIAL - EC	0	150,503	60,000	0	0	0	0	210,503
CRIME - RESIDENTIAL	0	22,773	4,500	0	0	0	0	27,273
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>2,100,254</b>	<b>948,037</b>	<b>105,157</b>	<b>62,824</b>	<b>0</b>	<b>0</b>	<b>3,216,272</b>
<b>INCURRED LOSSES</b>								
RESIDENTIAL - FIRE	905,269	4,301,083	1,908	109,096	0	6,479	0	5,323,835
RESIDENTIAL - EC	610,517	2,139,932	6,993	(6,464)	5,587	4,000	0	2,760,565
COMMERCIAL - FIRE	32	(52,444)	0	0	0	(181)	0	(52,593)
COMMERCIAL - EC	60,957	17,217	(35,000)	0	0	0	0	43,174
CRIME - RESIDENTIAL	10,559	352	2,701	0	0	0	0	13,612
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,587,334</b>	<b>6,406,140</b>	<b>(23,398)</b>	<b>102,632</b>	<b>5,587</b>	<b>10,298</b>	<b>0</b>	<b>8,088,593</b>



NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSSES  
FOR THE YEAR ENDED MARCH 31, 2014

IBNR TOTALS

	2014	2013	2012 SP <sup>1</sup>	2012	2011	2010	2009	TOTAL
<b>IBNR (CURRENT PERIOD)</b>								
RESIDENTIAL - FIRE	570,641	0	0	0	0	0	0	570,641
RESIDENTIAL - EC	327,862	0	0	0	0	0	0	327,862
COMMERCIAL - FIRE	32	0	0	0	0	0	0	32
COMMERCIAL - EC	47,760	0	0	0	0	0	0	47,760
CRIME - RESIDENTIAL	9,559	0	0	0	0	0	0	9,559
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>955,854</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>955,854</b>
<b>IBNR (PRIOR PERIOD)</b>								
RESIDENTIAL - FIRE	0	410,155	0	0	0	0	0	410,155
RESIDENTIAL - EC	0	130,529	0	0	0	0	0	130,529
COMMERCIAL - FIRE	0	19,544	0	0	0	0	0	19,544
COMMERCIAL - EC	0	41,207	0	0	0	0	0	41,207
CRIME - RESIDENTIAL	0	6,075	0	0	0	0	0	6,075
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>607,510</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>607,510</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE YEAR ENDED MARCH 31, 2014

YEAR TO DATE

	2014	2013	2012 SP <sup>1</sup>	2012	2011	2010	2009	TOTAL
<b>LOSS EXPENSES PAID</b>								
RESIDENTIAL - FIRE	74,044	149,190	1,601	1,070	0	0	0	225,905
RESIDENTIAL - EC	136,212	238,415	4,815	6,709	7,202	0	0	393,353
COMMERCIAL - FIRE	577	1,399	0	0	0	0	0	1,976
COMMERCIAL - EC	2,682	5,168	0	0	0	0	0	7,850
CRIME - RESIDENTIAL	205	498	0	0	0	0	0	703
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>213,720</b>	<b>394,670</b>	<b>6,416</b>	<b>7,779</b>	<b>7,202</b>	<b>0</b>	<b>0</b>	<b>629,787</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	59,641	157,562	23,868	75	267	0	0	241,413
RESIDENTIAL - EC	45,392	80,024	1,522	5,699	5,766	378	0	138,781
COMMERCIAL - FIRE	3	9	0	0	0	0	0	12
COMMERCIAL - EC	5,678	12,139	0	0	0	0	0	17,817
CRIME - RESIDENTIAL	989	1,308	398	0	0	0	0	2,695
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>111,703</b>	<b>251,042</b>	<b>25,788</b>	<b>5,774</b>	<b>6,033</b>	<b>378</b>	<b>0</b>	<b>400,718</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	0	198,736	76,847	452	255	0	0	276,290
RESIDENTIAL - EC	0	70,594	2,882	9,037	5,414	0	0	87,927
COMMERCIAL - FIRE	0	13,378	0	0	0	0	0	13,378
COMMERCIAL - EC	0	22,350	5,858	0	0	0	0	28,208
CRIME - RESIDENTIAL	0	3,198	398	0	0	0	0	3,596
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>308,256</b>	<b>85,985</b>	<b>9,489</b>	<b>5,669</b>	<b>0</b>	<b>0</b>	<b>409,399</b>
<b>INCURRED LOSS EXPENSE</b>								
RESIDENTIAL - FIRE	133,685	108,016	(51,378)	693	12	0	0	191,028
RESIDENTIAL - EC	181,604	247,845	3,455	3,371	7,554	378	0	444,207
COMMERCIAL - FIRE	580	(11,970)	0	0	0	0	0	(11,390)
COMMERCIAL - EC	8,360	(5,043)	(5,858)	0	0	0	0	(2,541)
CRIME - RESIDENTIAL	1,194	(1,392)	0	0	0	0	0	(198)
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>325,423</b>	<b>337,456</b>	<b>(53,781)</b>	<b>4,064</b>	<b>7,566</b>	<b>378</b>	<b>0</b>	<b>621,106</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
REPORT OF NAMED STORM LOSSES  
AS OF MARCH 31, 2014

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
<b>IRENE</b>							
59	10/01/09 09/30/10	08/26/11 08/28/11	HABITATIONAL	4,000	1,583,189	400	216,132
59	10/01/09 09/30/10	08/26/11 08/28/11	COMMERCIAL	0	66,094	0	4,516
			<b>TOTAL</b>	<b>4,000</b>	<b>1,649,283</b>	<b>400</b>	<b>220,648</b>
59	10/01/10 09/30/11	08/26/11 08/28/11	HABITATIONAL	117,198	17,327,000	11,720	2,161,218
59	10/01/10 09/30/11	08/26/11 08/28/11	COMMERCIAL	0	745,336	0	94,800
			<b>TOTAL</b>	<b>117,198</b>	<b>18,072,336</b>	<b>11,720</b>	<b>2,256,018</b>
			<b>TOTAL IRENE</b>	<b>121,198</b>	<b>19,721,619</b>	<b>12,120</b>	<b>2,476,666</b>
<b>BERYL</b>							
20	10/01/10 09/30/11	05/29/12 05/31/12	HABITATIONAL	0	61,799	0	5,762
			<b>TOTAL</b>	<b>0</b>	<b>61,799</b>	<b>0</b>	<b>5,762</b>
20	10/01/11 09/30/12	05/29/12 05/31/12	HABITATIONAL	0	245,123	0	16,589
			<b>TOTAL</b>	<b>0</b>	<b>245,123</b>	<b>0</b>	<b>16,589</b>
			<b>TOTAL BERYL</b>	<b>0</b>	<b>306,922</b>	<b>0</b>	<b>22,351</b>
<b>SANDY</b>							
90	10/01/11 09/30/12	10/26/12 10/31/12	HABITATIONAL	0	240,769	0	36,963
90	10/01/11 09/30/12	10/26/12 10/31/12	COMMERCIAL	0	1,859	0	360
			<b>TOTAL</b>	<b>0</b>	<b>242,628</b>	<b>0</b>	<b>37,323</b>
90	10/01/12 12/31/12	10/26/12 10/31/12	HABITATIONAL	0	11,729	0	2,514
			<b>TOTAL</b>	<b>0</b>	<b>11,729</b>	<b>0</b>	<b>2,514</b>
			<b>TOTAL SANDY</b>	<b>0</b>	<b>254,357</b>	<b>0</b>	<b>39,837</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
 FAIR PLAN  
 REPORT OF NAMED STORM LOSSES  
 AS OF MARCH 31, 2014

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
				<b>ANDREA</b>			
152	10/01/12 09/30/13	06/06/13 06/08/13	HABITATIONAL	5,446	145,240	545	26,998
TOTAL				<u>5,446</u>	<u>145,240</u>	<u>545</u>	<u>26,998</u>
<b>TOTAL ANDREA</b>				<u>5,446</u>	<u>145,240</u>	<u>545</u>	<u>26,998</u>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF MARCH 31, 2014

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	95,663,655	1,003	3,318,121	12	98,981,776	1,015
ALEXANDER	26,941,012	296	2,200,000	6	29,141,012	302
ALLEGHANY	9,584,379	97	90,000	2	9,674,379	99
ANSON	37,067,900	580	1,407,500	6	38,475,400	586
ASHE	29,644,422	278	25,000	1	29,669,422	279
AVERY	22,386,810	195	0	0	22,386,810	195
BEAUFORT	159,166,138	1,884	10,722,289	52	169,888,427	1,936
BERTIE	70,346,511	979	2,139,100	30	72,485,611	1,009
BLADEN	117,828,669	1,882	2,739,970	25	120,568,639	1,907
BRUNSWICK	754,411,057	9,114	6,476,300	53	760,887,357	9,167
BUNCOMBE	106,030,775	970	2,764,500	11	108,795,275	981
BURKE	65,691,820	704	1,516,000	10	67,207,820	714
CABARRUS	94,431,374	810	4,239,000	7	98,670,374	817
CALDWELL	78,375,304	955	1,108,100	7	79,483,404	962
CAMDEN	33,248,990	289	311,600	6	33,560,590	295
CARTERET	339,040,865	4,097	8,833,122	46	347,873,987	4,143
CASWELL	18,717,361	305	432,000	7	19,149,361	312
CATAWBA	111,083,791	1,145	3,148,600	18	114,232,391	1,163
CHATHAM	51,686,591	533	648,400	5	52,334,991	538
CHEROKEE	20,846,839	202	1,645,660	6	22,492,499	208
CHOWAN	39,063,126	381	680,000	9	39,743,126	390
CLAY	15,989,103	145	0	0	15,989,103	145
CLEVELAND	99,569,323	919	2,172,500	12	101,741,823	931
COLUMBUS	234,629,761	3,632	4,046,700	43	238,676,461	3,675
CRAVEN	220,117,821	2,184	5,152,371	38	225,270,192	2,222
CUMBERLAND	362,303,715	4,010	7,363,012	49	369,666,727	4,059
CURRITUCK	107,481,857	1,030	4,517,118	23	111,998,975	1,053
DARE	92,068,485	788	9,772,575	36	101,841,060	824
DAVIDSON	111,561,744	1,112	3,364,750	20	114,926,494	1,132
DAVIE	20,536,905	198	0	0	20,536,905	198
DUPLIN	182,228,539	2,274	4,288,233	41	186,516,772	2,315
DURHAM	130,654,192	1,178	8,115,667	25	138,769,859	1,203
EDGECOMBE	116,404,241	1,424	4,135,164	25	120,539,405	1,449
FORSYTH	201,776,753	1,715	6,421,300	28	208,198,053	1,743
FRANKLIN	42,496,910	605	269,800	6	42,766,710	611
GASTON	161,994,221	1,660	11,435,762	42	173,429,983	1,702
GATES	46,865,003	514	324,800	2	47,189,803	516
GRAHAM	5,560,400	49	64,000	1	5,624,400	50
GRANVILLE	32,048,423	328	829,000	2	32,877,423	330
GREENE	57,927,411	659	2,155,000	14	60,082,411	673
GUILFORD	252,348,672	2,342	19,268,842	57	271,617,514	2,399
HALIFAX	169,324,677	2,069	4,855,080	54	174,179,757	2,123
HARNETT	188,163,038	2,251	3,191,500	22	191,354,538	2,273
HAYWOOD	57,152,743	452	605,000	4	57,757,743	456
HENDERSON	42,023,186	363	284,200	3	42,307,386	366
HERTFORD	61,758,677	739	1,713,300	9	63,471,977	748
HOKE	81,437,342	1,132	4,317,760	19	85,755,102	1,151
HYDE	15,290,709	225	1,904,680	13	17,195,389	238
IREDELL	105,148,337	1,063	2,598,540	11	107,746,877	1,074
JACKSON	37,223,023	297	1,830,400	6	39,053,423	303
JOHNSTON	258,972,428	2,956	8,185,950	71	267,158,378	3,027
JONES	23,069,398	351	572,000	7	23,641,398	358
LEE	48,788,614	530	597,580	7	49,386,194	537

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF MARCH 31, 2014

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
LENOIR	172,730,568	2,141	6,212,031	46	178,942,599	2,187
LINCOLN	64,163,818	602	723,500	9	64,887,318	611
MCDOWELL	41,383,849	527	685,200	3	42,069,049	530
MACON	28,958,981	296	230,000	2	29,188,981	298
MADISON	19,468,365	189	822,000	3	20,290,365	192
MARTIN	104,626,414	1,157	5,443,050	44	110,069,464	1,201
MECKLENBURG	232,936,422	1,650	9,336,800	23	242,273,222	1,673
MITCHELL	29,290,251	282	0	0	29,290,251	282
MONTGOMERY	66,753,651	894	682,470	6	67,436,121	900
MOORE	63,288,345	686	3,564,560	10	66,852,905	696
NASH	192,047,984	2,038	2,619,000	14	194,666,984	2,052
NEW HANOVER	759,309,551	5,881	7,983,535	46	767,293,086	5,927
NORTHAMPTON	66,471,723	912	951,666	16	67,423,389	928
ONslow	407,439,850	4,610	11,995,550	54	419,435,400	4,664
ORANGE	49,276,970	376	910,200	2	50,187,170	378
PAMLICO	50,937,645	650	2,948,100	8	53,885,745	658
PASQUOTANK	112,244,841	1,063	3,577,520	23	115,822,361	1,086
PENDER	204,243,906	2,576	2,152,200	21	206,396,106	2,597
PERQUIMANS	50,682,278	459	737,500	9	51,419,778	468
PERSON	33,125,610	449	654,162	9	33,779,772	458
PITT	400,197,597	3,614	19,597,708	62	419,795,305	3,676
POLK	18,444,567	156	0	0	18,444,567	156
RANDOLPH	79,659,402	868	1,716,700	14	81,376,102	882
RICHMOND	79,118,031	1,282	5,264,300	23	84,382,331	1,305
ROBESON	418,545,226	7,211	12,726,450	96	431,271,676	7,307
ROCKINGHAM	98,671,075	1,343	2,197,000	21	100,868,075	1,364
ROWAN	109,211,370	966	3,226,100	10	112,437,470	976
RUTHERFORD	68,032,317	662	1,480,100	9	69,512,417	671
SAMPSON	177,535,437	2,373	3,703,022	30	181,238,459	2,403
SCOTLAND	49,597,157	816	571,500	6	50,168,657	822
STANLEY	41,878,772	463	275,000	3	42,153,772	466
STOKES	27,862,693	317	395,000	5	28,257,693	322
SURRY	66,251,795	855	2,177,668	20	68,429,463	875
SWAIN	34,535,893	238	1,089,500	6	35,625,393	244
TRANSYLVANIA	13,208,830	112	65,000	1	13,273,830	113
TYRRELL	14,392,420	205	246,000	6	14,638,420	211
UNION	90,474,116	776	6,221,283	10	96,695,399	786
VANCE	64,785,743	1,015	562,500	9	65,348,243	1,024
WAKE	312,209,597	2,206	23,961,868	36	336,171,465	2,242
WARREN	29,497,891	455	1,107,700	7	30,605,591	462
WASHINGTON	35,563,828	417	1,134,000	12	36,697,828	429
WATAUGA	49,519,598	285	515,000	5	50,034,598	290
WAYNE	241,785,542	3,175	15,079,320	61	256,864,862	3,236
WILKES	63,606,543	778	475,000	8	64,081,543	786
WILSON	154,420,934	1,686	7,126,285	58	161,547,219	1,744
YADKIN	22,443,156	312	228,500	5	22,671,656	317
YANCY	27,903,942	295	625,000	2	28,528,942	297
	<u>11,402,907,534</u>	<u>126,212</u>	<u>352,794,394</u>	<u>1,882</u>	<u>11,755,701,928</u>	<u>128,094</u>

\* Based upon the total Building and Personal Property amounts. Dwelling " other coverages," which are additional amounts of insurance based upon Coverage A and Commercial policy extensions of coverage, are not factored into this amount.

# North Carolina Joint 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).