

**NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
2022 RISK FINANCING STRUCTURE**

Prob of Exceed	Probability of Non-Exceed	Blended Avg Return Period		
0.88%	99.12%	114 Year	Catastrophe Recovery Charge: \$408M	\$3.833B
0.99%	99.01%	101 Year	5th Layer: \$275M xs \$3.15B (100% placed, \$275.0M) Annual Aggregate Reinsurance	\$3.4250B
1.17%	98.83%	85 Year	4th Layer: \$500M xs \$2.65B (50% placed, \$250.0M) Annual Aggregate Cat Bond (reset)	\$3.150B
1.52%	98.48%	66 Year	4th Layer: \$500M xs \$2.65B (50% placed, \$250.0M) Annual Aggregate Reinsurance	\$2.650B
1.59%	98.41%	63 Year	3rd Layer: \$100M xs \$2.550B (100% placed, \$100.0M) Annual Aggregate Reinsurance	\$2.550B
2.42%	97.58%	41 Year	2nd Layer: \$700M xs \$1.85B (47.1429% placed, \$330.0M) Annual Aggregate Cat Bond (New)	\$1.850B
2.79%	97.21%	36 Year	2nd Layer: \$700M xs \$1.85B (42.7901% placed, \$299.6M) Annual Aggregate Reinsurance	\$1.650B
3.19%	96.81%	31 Year	1st Layer: \$200M xs \$1.650B (64.463% placed, \$128.9M) Annual Aggregate Reinsurance	\$1.450B
6.37%	93.63%	16 Year	1st Layer: (35.537%, \$71.1M) MC Assessment	\$0.733B
			Underlying Layer: (70.55%, \$141.1M) Member Company Assessment	
			Underlying: \$200M xs \$1.450B (29.45% placed, \$58.9M) Annual Aggregate Reinsurance	
			Member Company Assessments: \$717.4M	
			Retained Earnings: \$732.6M	