

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
BALANCE SHEET
AS OF JUNE 30, 2008

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	2,076,377			2,076,377 (Note 1)
INVESTMENTS	39,580,173			39,580,173
FIXED ASSETS	168,008		(168,008)	0
DATA PROCESSING EQUIPMENT	72,846			72,846
ACCOUNTS RECEIVABLE - OTHER	56,759			56,759
ACCOUNTS RECEIVABLE - ASSESSMENTS	3,760		(3,760)	0
PREPAID EXPENSES	21,577		(21,577)	0
TOTAL ASSETS	41,979,500	0	(193,345)	41,786,155
LIABILITIES & EQUITY				
LIABILITIES				
ACCOUNTS PAYABLE - BEACH PLAN				887,551
PREMIUM REFUND				20,386
PREMIUM SUSPENSE				326,329
ACCRUAL-PREMIUM TAX				(26,414)
ACCRUAL-POST RETIREMENT				551,152
ACCRUAL-PENSION				69,621
ACCRUAL-RENT				145,678
CLAIMS PAYABLE				(35,168)
PREPAID PREMIUMS				647,804
UNCLAIMED CHECKS				401,218
DISTRIBUTION PAYABLE				42,949
TOTAL LIABILITIES				3,031,106
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				1,851,066
UNPAID LAE RESERVES				170,697
UNEARNED PREMIUMS				13,351,947
TOTAL RESERVES				15,373,710
MEMBERS' EQUITY				23,381,339
TOTAL LIABILITIES & MEMBERS' EQUITY				41,786,155

Note 1- Each night, all funds remaining in the Associations' checking account are invested overnight in Repurchase Agreements and returned to the account the next morning , with interest. This transaction along with the reclassification (\$746,755) of the claim checks payable account may create a credit balance in the cash account. The overnight investments are included in the Investment account .

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
INCOME STATEMENT AND EQUITY ACCOUNT
AS OF JUNE 30, 2008

	QUARTER TO DATE	YEAR TO DATE
UNDERWRITING INCOME		
PREMIUMS EARNED	6,817,477	20,574,872
CEDED REINSURANCE PREMIUM	1,796,242	3,282,788
NET PREMIUMS EARNED	5,021,235	17,292,084
DEDUCTIONS		
LOSSES INCURRED	2,471,291	6,806,571
LOSS EXPENSE INCURRED	177,891	533,862
OPERATING EXPENSE INCURRED	1,721,962	4,891,352
PREMIUM TAXES	201,936	536,277
TOTAL DEDUCTIONS	4,573,080	12,768,062
NET UNDERWRITING GAIN OR (LOSS)	448,155	4,524,022
OTHER INCOME OR (OUTGO)		
INVESTMENT INCOME	323,974	1,097,159
MISCELLANEOUS INCOME	4,471	6,980
NET OTHER INCOME	328,445	1,104,139
NET INCOME OR (LOSS)	776,600	5,628,161
EQUITY ACCOUNT		
MEMBERS' EQUITY (PRIOR PERIOD)	22,589,582	17,690,641
NET INCOME OR (LOSS)	776,600	5,628,161
CHANGE IN ASSETS NOT ADMITTED	15,157	62,537
ASSESSMENTS OR (DISTRIBUTIONS)	0	0
PRIOR PERIOD ADJUSTMENT	0	0
NET CHANGE IN EQUITY	791,757	5,690,698
MEMBERS' EQUITY (CURRENT PERIOD)	23,381,339	23,381,339

The Aggregate Liability for the Association as of June 30, 2008 is \$4,539,523,277.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF JUNE 30, 2008

	2008	2007	2006	QUARTER TO DATE		2003	2002	TOTAL
	2005	2004						
INCOME RECEIVED								
PREMIUMS WRITTEN	5,538,110	(83,977)	0	0	0	0	0	5,454,133
INTEREST RECEIVED	323,974	0	0	0	0	0	0	323,974
MISCELLANEOUS INCOME	4,471	0	0	0	0	0	0	4,471
TOTAL INCOME	5,866,555	(83,977)	0	0	0	0	0	5,782,578
EXPENSES PAID								
LOSSES	1,074,153	1,651,187	9,918	1,317	0	0	0	2,736,575
LOSS ADJUSTMENT EXPENSES	132,713	66,076	11,873	0	0	1,500	0	212,162
COMMISSION	1,089,727	(12,597)	0	0	0	0	0	1,077,130
PREMIUM TAX	201,936	0	0	0	0	0	0	201,936
ADMINISTRATIVE EXPENSES	644,832	0	0	0	0	0	0	644,832
TOTAL EXPENSES PAID	3,143,361	1,704,666	21,791	1,317	0	1,500	0	4,872,635
NET CASH CHANGE	2,723,194	(1,788,643)	(21,791)	(1,317)	0	(1,500)	0	909,943
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	1,173,628	654,558	15,580	1,099	3,700	2,501	0	1,851,066
LOSS ADJUSTMENT EXPENSES	108,236	60,351	1,437	101	341	231	0	170,697
UNEARNED PREMIUMS	12,439,976	911,971	0	0	0	0	0	13,351,947
ADD:(PRIOR PERIOD)								
LOSSES (INCL. IBNR)	1,129,002	956,469	26,679	1,099	600	2,501	0	2,116,350
LOSS ADJUSTMENT EXPENSES	109,327	92,650	2,585	106	58	242	0	204,968
UNEARNED PREMIUMS	9,211,613	3,707,436	0	0	0	0	0	12,919,049
NET RESERVE CHANGE	(3,271,898)	3,129,675	12,247	5	(3,383)	11	0	(133,343)
NET OTHER CHANGES								
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	15,157	0	0	0	0	0	0	15,157
TOTAL NET OTHER CHANGES	15,157	0	0	0	0	0	0	15,157
ASSESSMENTS	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(533,547)	1,341,032	(9,544)	(1,312)	(3,383)	(1,489)	0	791,757

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT
AS OF JUNE 30, 2008

	YEAR TO DATE							
	2008	2007	2006	2005	2004	2003	2002	TOTAL
INCOME RECEIVED								
PREMIUMS WRITTEN	17,979,395	(1,739,278)	0	0	0	0	0	16,240,117
INTEREST RECEIVED	1,097,159	0	0	0	0	0	0	1,097,159
MISCELLANEOUS INCOME	6,980	0	0	0	0	0	0	6,980
TOTAL INCOME	19,083,534	(1,739,278)	0	0	0	0	0	17,344,256
EXPENSES PAID								
LOSSES	1,939,047	4,915,416	142,554	2,078	0	0	0	6,999,095
LOSS ADJUSTMENT EXPENSES	332,691	198,647	17,556	0	7,372	1,154	0	557,420
COMMISSION	2,918,451	(37,910)	0	0	0	0	0	2,880,541
PREMIUM TAX	536,277	0	0	0	0	0	0	536,277
ADMINISTRATIVE EXPENSES	2,010,811	0	0	0	0	0	0	2,010,811
TOTAL EXPENSES PAID	7,737,277	5,076,153	160,110	2,078	7,372	1,154	0	12,984,144
NET CASH CHANGE	11,346,257	(6,815,431)	(160,110)	(2,078)	(7,372)	(1,154)	0	4,360,112
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	1,173,628	654,558	15,580	1,099	3,700	2,501	0	1,851,066
LOSS ADJUSTMENT EXPENSES	108,236	60,351	1,437	101	341	231	0	170,697
UNEARNED PREMIUMS	12,439,976	911,971	0	0	0	0	0	13,351,947
ADD: (PRIOR PERIOD)								
LOSSES (INCL. IBNR.)	0	1,848,337	191,052	1,100	600	2,501	0	2,043,590
LOSS ADJUSTMENT EXPENSES	0	176,227	17,641	101	55	231	0	194,255
UNEARNED PREMIUMS	0	14,403,914	0	0	0	0	0	14,403,914
NET RESERVE CHANGE	(13,721,840)	14,801,598	191,676	1	(3,386)	0	0	1,268,049
NET OTHER CHANGES								
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	62,537	0	0	0	0	0	0	62,537
TOTAL NET OTHER CHANGES	62,537	0	0	0	0	0	0	62,537
ASSESSMENTS	0	0	0	0	0	5,943,196	0	5,943,196
DISTRIBUTIONS	0	0	0	0	0	0	(5,943,196)	(5,943,196)
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(2,313,046)	7,986,167	31,566	(2,077)	(10,758)	5,942,042	(5,943,196)	5,690,698

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
MEMBERS' ACCOUNT FOR UNSETTLED YEARS
AS OF JUNE 30, 2008

	2008	2007	2006	2005	2004	2003	2002	TOTAL
INCOME RECEIVED								
PREMIUMS WRITTEN	17,979,395	24,817,409	25,720,292	22,825,166	26,235,796	20,357,754	17,509,012	155,444,824
INTEREST RECEIVED	1,097,159	1,420,062	974,043	418,985	168,902	218,827	259,922	4,557,900
MISCELLANEOUS INCOME	6,980	11,056	(6,465)	(13,041)	(43,556)	2,946	7,389	(34,691)
TOTAL INCOME	19,083,534	26,248,527	26,687,870	23,231,110	26,361,142	20,579,527	17,776,323	159,968,033
EXPENSES PAID								
LOSSES	1,939,047	8,610,061	9,306,191	11,844,237	12,879,019	17,813,702	9,287,307	71,679,564
LOSS ADJUSTMENT EXPENSES	332,691	615,563	940,541	1,193,058	1,189,223	1,932,459	691,126	6,894,661
COMMISSION	2,918,451	4,074,577	3,777,738	3,296,157	3,803,425	2,956,416	2,592,873	23,419,637
PREMIUM TAX	536,277	743,482	699,572	701,486	655,512	583,115	503,873	4,423,317
ADMINISTRATIVE EXPENSES	2,010,811	2,011,767	3,033,088	3,118,977	3,074,619	3,018,670	2,779,410	19,047,342
TOTAL EXPENSES PAID	7,737,277	16,055,450	17,757,130	20,153,915	21,601,798	26,304,362	15,854,589	125,464,521
NET CASH CHANGE	11,346,257	10,193,077	8,930,740	3,077,195	4,759,344	(5,724,835)	1,921,734	34,503,512
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	1,173,628	654,558	15,580	1,099	3,700	2,501	0	1,851,066
LOSS ADJUSTMENT EXPENSES	108,236	60,351	1,437	101	341	231	0	170,697
UNEARNED PREMIUMS	12,439,976	911,971	0	0	0	0	0	13,351,947
RESERVES	13,721,840	1,626,880	17,017	1,200	4,041	2,732	0	15,373,710
NET OTHER CHANGES								
ASSETS NOT ADMITTED	62,537	(130,305)	4,470	4,481	158,368	(164,952)	(96,449)	(161,850)
PRIOR PERIOD ADJUSTMENT	0	0	0	(387,591)	69,869	0	0	(317,722)
MINIMUM PENSION LIABILITY	0	0	0	0	(27,883)	39,635	(109,504)	(97,752)
TOTAL NET OTHER CHANGES	62,537	(130,305)	4,470	(383,110)	200,354	(125,317)	(205,953)	(577,324)
ASSESSMENTS	0	0	0	0	0	6,544,642	4,230,713	10,775,355
DISTRIBUTIONS	0	0	0	0	0	0	(5,943,196)	(5,943,196)
INSOLVENT MEMBERS	0	0	0	0	0	0	(3,298)	(3,298)
MEMBERS' EQUITY	(2,313,046)	8,435,892	8,918,193	2,692,885	4,955,657	691,758	0	23,381,339

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF PREMIUMS
AS OF JUNE 30, 2008

	QUARTER TO DATE 2008	QUARTER TO DATE 2007	QUARTER TO DATE TOTAL	YEAR TO DATE 2008	YEAR TO DATE 2007	YEAR TO DATE TOTAL
PREMIUMS WRITTEN						
RESIDENTIAL - FIRE	3,154,045	(30,280)	3,123,765	8,612,106	(69,018)	8,543,088
RESIDENTIAL - EC	3,784,494	(48,157)	3,736,337	9,832,808	(145,279)	9,687,529
COMMERCIAL - FIRE	181,440	(2,135)	179,305	636,282	(18,753)	617,529
COMMERCIAL - EC	156,994	(3,200)	153,794	531,008	(18,281)	512,727
CRIME - RESIDENTIAL	56,637	(205)	56,432	161,521	(1,401)	160,120
CRIME - COMMERCIAL	742	0	742	1,912	0	1,912
TOTAL	7,334,352	(83,977)	7,250,375	19,775,637	(252,732)	19,522,905
UNEARNED PREMIUMS (PRIOR PERIOD)						
RESIDENTIAL - FIRE	4,055,299	1,584,217	5,639,516	0	6,223,281	6,223,281
RESIDENTIAL - EC	4,471,554	1,857,246	6,328,800	0	7,157,891	7,157,891
COMMERCIAL - FIRE	336,175	152,170	488,345	0	580,183	580,183
COMMERCIAL - EC	268,183	84,464	352,647	0	323,545	323,545
CRIME - RESIDENTIAL	897	127	1,024	0	117,011	117,011
CRIME - COMMERCIAL	79,505	29,212	108,717	0	2,003	2,003
TOTAL	9,211,613	3,707,436	12,919,049	0	14,403,914	14,403,914
UNEARNED PREMIUMS (CURRENT PERIOD)						
RESIDENTIAL - FIRE	5,411,069	387,836	5,798,905	5,411,069	387,836	5,798,905
RESIDENTIAL - EC	6,228,181	453,194	6,681,375	6,228,181	453,194	6,681,375
COMMERCIAL - FIRE	381,633	42,361	423,994	381,633	42,361	423,994
COMMERCIAL - EC	315,539	21,561	337,100	315,539	21,561	337,100
CRIME - RESIDENTIAL	102,334	7,019	109,353	102,334	7,019	109,353
CRIME - COMMERCIAL	1,220	0	1,220	1,220	0	1,220
TOTAL	12,439,976	911,971	13,351,947	12,439,976	911,971	13,351,947
EARNED PREMIUMS						
RESIDENTIAL - FIRE	1,798,275	1,166,101	2,964,376	3,201,037	5,766,427	8,967,464
RESIDENTIAL - EC	2,027,867	1,355,895	3,383,762	3,604,627	6,559,418	10,164,045
COMMERCIAL - FIRE	135,982	107,674	243,656	254,649	519,069	773,718
COMMERCIAL - EC	109,638	59,703	169,341	215,469	283,703	499,172
CRIME - RESIDENTIAL	(44,800)	(7,097)	(51,897)	59,187	108,591	167,778
CRIME - COMMERCIAL	79,027	29,212	108,239	692	2,003	2,695
TOTAL	4,105,989	2,711,488	6,817,477	7,335,661	13,239,211	20,574,872
CEDED REINSURANCE PREMIUM						
RESIDENTIAL - FIRE	0	0	0	0	0	0
RESIDENTIAL - EC	1,688,467	0	1,688,467	1,688,467	1,382,488	3,070,955
COMMERCIAL - FIRE	0	0	0	0	0	0
COMMERCIAL - EC	107,775	0	107,775	107,775	104,058	211,833
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
TOTAL	1,796,242	0	1,796,242	1,796,242	1,486,546	3,282,788
NET EARNED PREMIUMS						
RESIDENTIAL - FIRE	1,798,275	1,166,101	2,964,376	3,201,037	5,766,427	8,967,464
RESIDENTIAL - EC	339,400	1,355,895	1,695,295	1,916,160	5,176,930	7,093,090
COMMERCIAL - FIRE	135,982	107,674	243,656	254,649	519,069	773,718
COMMERCIAL - EC	1,863	59,703	61,566	107,694	179,645	287,339
CRIME - RESIDENTIAL	(44,800)	(7,097)	(51,897)	59,187	108,591	167,778
CRIME - COMMERCIAL	79,027	29,212	108,239	692	2,003	2,695
TOTAL	2,309,747	2,711,488	5,021,235	5,539,419	11,752,665	17,292,084

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF JUNE 30, 2008

QUARTER TO DATE

	2008	2007	2006	2005	2004	2003	TOTAL
PAID LOSSES							
RESIDENTIAL - FIRE	717,931	1,116,671	5,400	0	0	0	1,840,002
RESIDENTIAL - EC	343,267	371,476	4,518	1,317	0	0	720,578
COMMERCIAL - FIRE	0	152,800	0	0	0	0	152,800
COMMERCIAL - EC	9,019	6,379	0	0	0	0	15,398
CRIME - RESIDENTIAL	3,936	3,861	0	0	0	0	7,797
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,074,153	1,651,187	9,918	1,317	0	0	2,736,575
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	674,856	341,814	11,580	0	3,100	2,500	1,033,850
RESIDENTIAL - EC	369,748	147,447	4,000	1,099	600	1	522,895
COMMERCIAL - FIRE	128,973	162,698	0	0	0	0	291,671
COMMERCIAL - EC	51	99	0	0	0	0	150
CRIME - RESIDENTIAL	0	2,500	0	0	0	0	2,500
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,173,628	654,558	15,580	1,099	3,700	2,501	1,851,066
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	564,047	563,846	21,580	0	0	2,500	1,151,973
RESIDENTIAL - EC	530,693	355,323	5,099	1,099	600	1	892,815
COMMERCIAL - FIRE	6,046	15,000	0	0	0	0	21,046
COMMERCIAL - EC	13,062	15,000	0	0	0	0	28,062
CRIME - RESIDENTIAL	15,154	7,300	0	0	0	0	22,454
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,129,002	956,469	26,679	1,099	600	2,501	2,116,350
INCURRED LOSSES							
RESIDENTIAL - FIRE	828,740	894,639	(4,600)	0	3,100	0	1,721,879
RESIDENTIAL - EC	182,322	163,600	3,419	1,317	0	0	350,658
COMMERCIAL - FIRE	122,927	300,498	0	0	0	0	423,425
COMMERCIAL - EC	(3,992)	(8,522)	0	0	0	0	(12,514)
CRIME - RESIDENTIAL	(11,218)	(939)	0	0	0	0	(12,157)
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,118,779	1,349,276	(1,181)	1,317	3,100	0	2,471,291

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF JUNE 30, 2008

YEAR TO DATE

	2008	2007	2006	2005	2004	2003	TOTAL
PAID LOSSES							
RESIDENTIAL - FIRE	1,465,277	3,760,593	63,290	0	0	0	5,289,160
RESIDENTIAL - EC	421,351	764,155	78,930	2,078	0	0	1,266,514
COMMERCIAL - FIRE	22,011	247,551	0	0	0	0	269,562
COMMERCIAL - EC	19,762	131,293	334	0	0	0	151,389
CRIME - RESIDENTIAL	10,646	11,824	0	0	0	0	22,470
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,939,047	4,915,416	142,554	2,078	0	0	6,999,095
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	674,856	341,814	11,580	0	3,100	2,500	1,033,850
RESIDENTIAL - EC	369,748	147,447	4,000	1,099	600	1	522,895
COMMERCIAL - FIRE	128,973	162,698	0	0	0	0	291,671
COMMERCIAL - EC	51	99	0	0	0	0	150
CRIME - RESIDENTIAL	0	2,500	0	0	0	0	2,500
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	1,173,628	654,558	15,580	1,099	3,700	2,501	1,851,066
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	1,224,048	80,002	0	0	2,500	1,306,550
RESIDENTIAL - EC	0	544,306	111,050	1,099	600	1	657,056
COMMERCIAL - FIRE	0	48,924	0	0	0	0	48,924
COMMERCIAL - EC	0	14,988	0	1	0	0	14,989
CRIME - RESIDENTIAL	0	16,071	0	0	0	0	16,071
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	0	1,848,337	191,052	1,100	600	2,501	2,043,590
INCURRED LOSSES							
RESIDENTIAL - FIRE	2,140,133	2,878,359	(5,132)	0	3,100	0	5,016,460
RESIDENTIAL - EC	791,099	367,296	(28,120)	2,078	0	0	1,132,353
COMMERCIAL - FIRE	150,984	361,325	0	0	0	0	512,309
COMMERCIAL - EC	19,813	116,404	334	(1)	0	0	136,550
CRIME - RESIDENTIAL	10,646	(1,747)	0	0	0	0	8,899
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	3,112,675	3,721,637	(32,918)	2,077	3,100	0	6,806,571

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSSES
AS OF JUNE 30, 2008

IBNR TOTALS

	2008	2007	2006	2005	2004	2003	TOTAL
IBNR (CURRENT PERIOD)							
RESIDENTIAL - FIRE	344,207	0	0	0	0	0	344,207
RESIDENTIAL - EC	174,091	0	0	0	0	0	174,091
COMMERCIAL - FIRE	98,673	0	0	0	0	0	98,673
COMMERCIAL - EC	51	0	0	0	0	0	51
CRIME - RESIDENTIAL	0	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	617,022	0	0	0	0	0	617,022
IBNR (PRIOR PERIOD)							
RESIDENTIAL - FIRE	385,507	707,172	0	0	0	0	1,092,679
RESIDENTIAL - EC	298,780	355,633	0	0	0	0	654,413
COMMERCIAL - FIRE	6,046	25,424	0	0	0	0	31,470
COMMERCIAL - EC	8,062	7,789	0	0	0	0	15,851
CRIME - RESIDENTIAL	7,055	11,071	0	0	0	0	18,126
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	705,450	1,107,089	0	0	0	0	1,812,539

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF JUNE 30, 2008

QUARTER TO DATE

	2008	2007	2006	2005	2004	2003	TOTAL
LOSS EXPENSES PAID							
RESIDENTIAL - FIRE	63,174	32,397	11,598	0	0	1,500	108,669
RESIDENTIAL - EC	66,336	29,315	275	0	0	0	95,926
COMMERCIAL - FIRE	1,627	2,869	0	0	0	0	4,496
COMMERCIAL - EC	1,319	997	0	0	0	0	2,316
CRIME - RESIDENTIAL	257	498	0	0	0	0	755
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	132,713	66,076	11,873	0	0	1,500	212,162
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	62,240	31,528	1,068	0	286	231	95,353
RESIDENTIAL - EC	34,101	13,600	369	101	55	0	48,226
COMMERCIAL - FIRE	11,890	14,984	0	0	0	0	26,874
COMMERCIAL - EC	5	9	0	0	0	0	14
CRIME - RESIDENTIAL	0	230	0	0	0	0	230
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	108,236	60,351	1,437	101	341	231	170,697
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	54,637	54,631	2,091	0	0	242	111,601
RESIDENTIAL - EC	51,407	34,427	494	106	58	0	86,492
COMMERCIAL - FIRE	586	1,460	0	0	0	0	2,046
COMMERCIAL - EC	1,268	1,460	0	0	0	0	2,728
CRIME - RESIDENTIAL	1,429	672	0	0	0	0	2,101
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	109,327	92,650	2,585	106	58	242	204,968
INCURRED LOSS EXPENSE							
RESIDENTIAL - FIRE	70,777	9,294	10,575	0	286	1,489	92,421
RESIDENTIAL - EC	49,030	8,488	150	(5)	(3)	0	57,660
COMMERCIAL - FIRE	12,931	16,393	0	0	0	0	29,324
COMMERCIAL - EC	56	(454)	0	0	0	0	(398)
CRIME - RESIDENTIAL	(1,172)	56	0	0	0	0	(1,116)
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	131,622	33,777	10,725	(5)	283	1,489	177,891

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF JUNE 30, 2008

YEAR TO DATE

	2008	2007	2006	2005	2004	2003	TOTAL
LOSS EXPENSES PAID							
RESIDENTIAL - FIRE	194,194	119,444	14,323	0	7,372	1,291	336,624
RESIDENTIAL - EC	128,134	69,497	3,233	0	0	(137)	200,727
COMMERCIAL - FIRE	5,432	5,324	0	0	0	0	10,756
COMMERCIAL - EC	4,674	3,884	0	0	0	0	8,558
CRIME - RESIDENTIAL	257	498	0	0	0	0	755
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	332,691	198,647	17,556	0	7,372	1,154	557,420
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	62,240	31,528	1,068	0	286	231	95,353
RESIDENTIAL - EC	34,101	13,600	369	101	55	0	48,226
COMMERCIAL - FIRE	11,890	14,984	0	0	0	0	26,874
COMMERCIAL - EC	5	9	0	0	0	0	14
CRIME - RESIDENTIAL	0	230	0	0	0	0	230
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	108,236	60,351	1,437	101	341	231	170,697
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	116,466	7,387	0	0	231	124,084
RESIDENTIAL - EC	0	51,991	10,254	101	55	0	62,401
COMMERCIAL - FIRE	0	4,461	0	0	0	0	4,461
COMMERCIAL - EC	0	1,367	0	0	0	0	1,367
CRIME - RESIDENTIAL	0	1,942	0	0	0	0	1,942
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	0	176,227	17,641	101	55	231	194,255
INCURRED LOSS EXPENSE							
RESIDENTIAL - FIRE	256,434	34,506	8,004	0	7,658	1,291	307,893
RESIDENTIAL - EC	162,235	31,106	(6,652)	0	0	(137)	186,552
COMMERCIAL - FIRE	17,322	15,847	0	0	0	0	33,169
COMMERCIAL - EC	4,679	2,526	0	0	0	0	7,205
CRIME - RESIDENTIAL	257	(1,214)	0	0	0	0	(957)
CRIME - COMMERCIAL	0	0	0	0	0	0	0
TOTAL	440,927	82,771	1,352	0	7,658	1,154	533,862

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2008

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
82	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	0	56,033	0	6,883
82	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	0	0	0	0
			TOTAL	0	56,033	0	6,883
82	10/01/05 09/30/06	10/07/05 10/14/05	HABITATIONAL	0	476,424	0	81,342
82	10/01/05 09/30/06	10/07/05 10/14/05	COMMERCIAL	0	12,539	0	1,429
			TOTAL	0	488,963	0	82,771
98	10/01/05 09/30/06	04/13/07 04/17/07	HABITATIONAL	0	196,558	0	27,766
98	10/01/05 09/30/06	04/13/07 04/17/07	COMMERCIAL	0	1,330	0	371
			TOTAL	0	197,888	0	28,137
98	10/01/06 09/30/07	04/13/07 04/17/07	HABITATIONAL	0	163,264	0	24,330
98	10/01/06 09/30/07	04/13/07 04/17/07	COMMERCIAL	0	18,109	0	1,464
			TOTAL	0	181,373	0	25,794
12	10/01/06 09/30/07	03/08/08 03/11/08	HABITATIONAL	2,888	177,544	289	24,750
12	10/01/06 09/30/07	03/08/08 03/11/08	COMMERCIAL	0	3,293	0	655
			TOTAL	2,888	180,837	289	25,405
12	10/01/07 09/30/08	03/08/08 03/11/08	HABITATIONAL	1,000	69,617	100	13,200
12	10/01/07 09/30/08	03/08/08 03/11/08	COMMERCIAL	0	7,867	0	530
			TOTAL	1,000	77,484	100	13,730

**NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF JUNE 30, 2008**

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	18,622,156	307	1,940,741	8	20,562,897	315
ALEXANDER	6,890,574	126	595,000	5	7,485,574	131
ALLEGHANY	1,966,534	29	20,000	1	1,986,534	30
ANSON	10,900,420	250	33,000	1	10,933,420	251
ASHE	7,000,700	120	0	0	7,000,700	120
AVERY	3,213,850	45	430,000	1	3,643,850	46
BEAUFORT	71,903,842	1,244	3,364,245	38	75,268,087	1,282
BERTIE	22,454,874	482	2,264,500	27	24,719,374	509
BLADEN	53,496,263	1,133	1,071,100	20	54,567,363	1,153
BRUNSWICK	500,049,914	7,567	15,694,490	82	515,744,404	7,649
BUMCOMBE	17,588,270	364	1,830,000	9	19,418,270	373
BURKE	9,643,683	166	193,210	4	9,836,893	170
CABARRUS	17,551,228	296	316,000	2	17,867,228	298
CALDWELL	16,597,313	349	833,500	8	17,430,813	357
CAMDEN	17,548,316	227	431,100	4	17,979,416	231
CARTERET	218,072,428	3,477	10,046,655	58	228,119,083	3,535
CASWELL	8,459,358	180	696,000	11	9,155,358	191
CATAWBA	19,907,043	398	493,500	11	20,400,543	409
CHATHAM	11,538,390	219	32,000	1	11,570,390	220
CHEROKEE	1,266,500	31	75,000	1	1,341,500	32
CHOWAN	23,813,393	313	2,381,393	4	26,194,786	317
CLAY	668,842	12	0	0	668,842	12
CLEVELAND	18,194,958	325	95,000	3	18,289,958	328
COLUMBUS	140,086,115	2,838	4,629,500	51	144,715,615	2,889
CRAVEN	112,367,391	1,594	4,247,143	26	116,614,534	1,620
CUMBERLAND	134,240,530	2,235	5,354,623	59	139,595,153	2,294
CURRITUCK	60,521,907	821	4,109,476	28	64,631,383	849
DARE	72,211,186	746	6,691,550	32	78,902,736	778
DAVIDSON	40,289,370	668	2,781,502	22	43,070,872	690
DAVIE	2,802,250	45	11,000	1	2,813,250	46
DUPLIN	49,315,504	981	2,273,500	34	51,589,004	1,015
DURHAM	42,014,912	540	8,318,036	24	50,332,948	564
EDGECOMBE	27,076,467	569	1,953,133	20	29,029,600	589
FORSYTH	38,041,185	562	9,709,750	31	47,750,935	593
FRANKLIN	18,580,001	349	715,000	12	19,295,001	361
GASTON	41,473,775	744	1,425,370	19	42,899,145	763
GATES	9,049,180	166	189,000	5	9,238,180	171
GRAHAM	677,500	14	64,000	1	741,500	15
GRANVILLE	5,114,455	96	839,000	3	5,953,455	99
GREENE	8,548,629	167	747,500	9	9,296,129	176
GUILFORD	62,925,646	976	9,337,745	62	72,263,391	1,038
HALIFAX	44,511,693	941	3,873,000	46	48,384,693	987
HARNETT	44,679,975	848	1,824,500	14	46,504,475	862
HAYWOOD	5,891,090	112	150,000	3	6,041,090	115
HENDERSON	6,537,439	109	518,000	5	7,055,439	114
HERTFORD	13,688,187	272	840,000	9	14,528,187	281
HOKE	26,524,259	568	834,500	15	27,358,759	583
HYDE	10,726,185	192	1,443,905	15	12,170,090	207
IREDELL	16,980,440	325	1,050,000	9	18,030,440	334
JACKSON	3,965,177	81	1,270,000	2	5,235,177	83
JOHNSTON	52,113,264	958	3,663,900	53	55,777,164	1,011
JONES	14,300,547	287	496,500	7	14,797,047	294
LEE	12,904,519	231	867,200	11	13,771,719	242

**NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION
FAIR PLAN
AS OF JUNE 30, 2008**

AGGREGATE LIABILITY BY COUNTIES

	RESIDENTIAL		COMMERCIAL			TOTAL	
	FAIR	FAIR	FAIR	FAIR		FAIR	FAIR
LENOIR	56,376,201	1,070	3,032,500	35		59,408,701	1,105
LINCOLN	12,309,946	224	758,000	4		13,067,946	228
MCDOWELL	7,096,550	170	105,000	2		7,201,550	172
MACON	4,824,670	77	0	0		4,824,670	77
MADISON	3,046,350	64	806,000	2		3,852,350	66
MARTIN	21,203,771	446	825,500	19		22,029,271	465
MECKLENBURG	46,573,091	610	12,300,964	40		58,874,055	650
MITCHELL	3,170,040	53	96,000	1		3,266,040	54
MONTGOMERY	16,030,392	328	1,081,500	8		17,111,892	336
MOORE	15,905,027	321	352,000	8		16,257,027	329
NASH	29,494,356	570	1,369,000	15		30,863,356	585
NEW HANOVER	478,935,422	4,730	14,045,812	63		492,981,234	4,793
NORTHAMPTON	15,033,389	327	690,900	11		15,724,289	338
ONslow	254,834,698	3,865	7,045,400	63		261,880,098	3,928
ORANGE	9,362,207	132	584,058	4		9,946,265	136
PAMLICO	30,416,371	487	2,476,000	9		32,892,371	496
PASQUOTANK	57,799,766	831	2,992,712	24		60,792,478	855
PENDER	128,412,005	2,012	4,165,206	23		132,577,211	2,035
PERQUIMANS	23,087,415	313	387,000	4		23,474,415	317
PERSON	9,310,505	180	1,199,926	10		10,510,431	190
PITT	69,871,699	1,110	8,390,658	56		78,262,357	1,166
POLK	2,206,498	46	50,000	1		2,256,498	47
RANDOLPH	15,807,327	286	627,500	12		16,434,827	298
RICHMOND	45,839,100	1,035	1,925,554	19		47,764,654	1,054
ROBESON	226,934,003	5,275	11,853,750	119		238,787,753	5,394
ROCKINGHAM	20,411,681	485	2,055,700	22		22,467,381	507
ROWAN	20,535,246	330	2,722,500	6		23,257,746	336
RUTHERFORD	11,224,293	219	272,000	4		11,496,293	223
SAMPSON	50,565,148	979	2,786,800	31		53,351,948	1,010
SCOTLAND	27,655,110	608	562,700	7		28,217,810	615
STANLEY	10,334,659	179	45,000	1		10,379,659	180
STOKES	4,454,524	78	666,000	4		5,120,524	82
SURRY	19,855,728	413	1,542,978	21		21,398,706	434
SWAIN	775,500	14	28,000	1		803,500	15
TRANSYLVANIA	2,607,600	18	0	0		2,607,600	18
TYRRELL	8,620,550	153	1,839,400	14		10,459,950	167
UNION	13,248,629	241	997,000	3		14,245,629	244
VANCE	30,524,840	547	452,500	8		30,977,340	555
WAKE	69,551,435	882	60,665,437	55		130,216,872	937
WARREN	11,892,815	271	1,472,000	8		13,364,815	279
WASHINGTON	19,673,350	292	1,237,500	14		20,910,850	306
WATAUGA	7,601,660	71	297,500	1		7,899,160	72
WAYNE	80,134,550	1,528	7,720,175	77		87,854,725	1,605
WILKES	15,163,207	275	453,000	7		15,616,207	282
WILSON	35,712,484	737	2,327,235	44		38,039,719	781
YADKIN	4,991,520	117	220,000	3		5,211,520	120
YANCY	6,011,190	114	0	0		6,011,190	114
	4,250,934,145	69,808	288,589,132	1,810		4,539,523,277	71,618

* 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.