

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

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
<b>ASSETS</b>				
CASH	(185,372)			(185,372) (Note 1)
INVESTMENTS	24,037,240			24,037,240
FIXED ASSETS	38,443		(38,443)	0
DATA PROCESSING EQUIPMENT	198,676			198,676
ACCOUNTS RECEIVABLE - BEACH	360,079			360,079
ACCOUNTS RECEIVABLE - OTHER	65,566			65,566
PREPAID EXPENSES	35,594		(35,594)	0
<b>TOTAL ASSETS</b>	<b>24,550,226</b>	<b>0</b>	<b>(74,037)</b>	<b>24,476,189</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>LIABILITIES</b>				
PREMIUM REFUND				16,133
AP-BEACH				516,887
GARNISHMENT PAYABLE				(1,138)
EMPLOYEE SAVINGS PAYABLE				473
PREMIUM SUSPENSE				430,945
ACCRUAL-PREMIUM TAX				(97,106)
ACCRUAL-POST RETIREMENT				814,662
ACCRUAL-PENSION				130,158
ACCRUAL-RENT				25,412
CLAIMS PAYABLE				34,127
PREPAID PREMIUMS				669,171
UNCLAIMED CHECKS				418,612
DISTRIBUTION PAYABLE				64,955
<b>TOTAL LIABILITIES</b>				<b>3,023,291</b>
<b>RESERVES FOR:</b>				
UNPAID LOSSES (INCL. IBNR)				2,473,233
UNPAID LAE RESERVES				224,847
UNEARNED PREMIUMS				12,665,287
<b>TOTAL RESERVES</b>				<b>15,363,367</b>
<b>MEMBERS' EQUITY</b>				<b>6,089,531</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>				<b>24,476,189</b>

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 (\$853,436) 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, 2006

	THIRD QUARTER	YEAR TO DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	6,382,173	19,042,206
<u>DEDUCTIONS</u>		
LOSSES INCURRED	3,089,011	1,470,131
LOSS EXPENSE INCURRED	251,550	(32,775)
OPERATING EXPENSE INCURRED	1,687,943	4,932,636
PREMIUM TAXES	178,682	498,837
TOTAL DEDUCTIONS	5,207,186	6,868,829
NET UNDERWRITING GAIN OR (LOSS)	1,174,987	12,173,377
<u>OTHER INCOME OR (OUTGO)</u>		
INVESTMENT INCOME	256,454	658,886
MISCELLANEOUS INCOME	(3,753)	(4,768)
NET OTHER INCOME	252,701	654,118
NET INCOME OR (LOSS)	1,427,688	12,827,495
<u>EQUITY ACCOUNT</u>		
MEMBERS' EQUITY (PRIOR PERIOD)	4,655,766	(4,449,838)
NET INCOME OR (LOSS)	1,427,688	12,827,495
CHANGE IN ASSETS NOT ADMITTED	6,077	38,300
ASSESSMENTS OR (DISTRIBUTIONS)	0	(2,326,426)
PRIOR PERIOD ADJUSTMENT	0	0
NET CHANGE IN EQUITY	1,433,765	10,539,369
MEMBERS' EQUITY (CURRENT PERIOD)	6,089,531	6,089,531

The Aggregate Liability for the Association as of June 30, 2006 is \$4,773,233,048.

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

	2006	2005	2004	THIRD QUARTER 2003	2002	2001	2000	TOTAL
<b>INCOME RECEIVED</b>								
PREMIUMS WRITTEN	6,675,991	(90,387)	0	0	0	0	0	6,585,604
INTEREST RECEIVED	256,454	0	0	0	0	0	0	256,454
MISCELLANEOUS INCOME	(3,753)	0	0	0	0	0	0	(3,753)
<b>TOTAL INCOME</b>	<b>6,928,692</b>	<b>(90,387)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,838,305</b>
<b>EXPENSES PAID</b>								
LOSSES	1,323,671	1,359,055	11,577	17,659	0	0	0	2,711,962
LOSS ADJUSTMENT EXPENSES	151,091	61,199	5,123	1,060	0	0	0	218,473
COMMISSION	985,166	(13,558)	0	0	0	0	0	971,608
PREMIUM TAX	178,682	0	0	0	0	0	0	178,682
ADMINISTRATIVE EXPENSES	716,335	0	0	0	0	0	0	716,335
<b>TOTAL EXPENSES PAID</b>	<b>3,354,945</b>	<b>1,406,696</b>	<b>16,700</b>	<b>18,719</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,797,060</b>
<b>NET CASH CHANGE</b>	<b>3,573,747</b>	<b>(1,497,083)</b>	<b>(16,700)</b>	<b>(18,719)</b>	<b>0</b>	<b>0</b>		<b>2,041,245</b>
<b>RESERVES:</b>								
<b>DEDUCT: (CURRENT PERIOD)</b>								
LOSSES (INCL. IBNR.)	1,064,411	1,152,721	15,600	238,000	1	2,500	0	2,473,233
LOSS ADJUSTMENT EXPENSES	96,769	104,796	1,418	21,637	0	227	0	224,847
UNEARNED PREMIUMS	11,794,586	870,701	0	0	0	0	0	12,665,287
<b>ADD: (PRIOR PERIOD)</b>								
LOSSES (INCL. IBNR)	579,669	1,231,715	39,298	243,001	1	2,500	0	2,096,184
LOSS ADJUSTMENT EXPENSES	53,030	112,684	3,596	22,231	0	229	0	191,770
UNEARNED PREMIUMS	8,999,158	3,462,698	0	0	0	0	0	12,461,856
<b>NET RESERVE CHANGE</b>	<b>(3,323,909)</b>	<b>2,678,879</b>	<b>25,876</b>	<b>5,595</b>	<b>0</b>	<b>2</b>		<b>(613,557)</b>
<b>NET OTHER CHANGES</b>								
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	6,077	0	0	0	0	0	0	6,077
							0	
<b>TOTAL NET OTHER CHANGES</b>	<b>6,077</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>6,077</b>
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
<b>CHANGE IN MEMBERS' EQUITY</b>	<b>255,915</b>	<b>1,181,796</b>	<b>9,176</b>	<b>(13,124)</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1,433,765</b>

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

	YEAR TO DATE							
	2006	2005	2004	2003	2002	2001	2000	TOTAL
<b>INCOME RECEIVED</b>								
PREMIUMS WRITTEN	18,749,695	(412,797)	0	0	0	0	0	18,336,898
INTEREST RECEIVED	658,886	0	0	0	0	0	0	658,886
MISCELLANEOUS INCOME	(4,768)	0	0	0	0	0	0	(4,768)
<b>TOTAL INCOME</b>	<b>19,403,813</b>	<b>(412,797)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>18,991,016</b>
<b>EXPENSES PAID</b>								
LOSSES	2,099,224	7,097,618	375,710	72,573	(11,500)	0	0	9,633,625
LOSS ADJUSTMENT EXPENSES	403,530	491,220	30,704	4,157	0	408	0	930,019
COMMISSION	2,769,396	(61,920)	0	0	0	0	0	2,707,476
PREMIUM TAX	498,837	0	0	0	0	0	0	498,837
ADMINISTRATIVE EXPENSES	2,225,160	0	0	0	0	0	0	2,225,160
<b>TOTAL EXPENSES PAID</b>	<b>7,996,147</b>	<b>7,526,918</b>	<b>406,414</b>	<b>76,730</b>	<b>(11,500)</b>	<b>408</b>	<b>0</b>	<b>15,995,117</b>
<b>NET CASH CHANGE</b>	<b>11,407,666</b>	<b>(7,939,715)</b>	<b>(406,414)</b>	<b>(76,730)</b>	<b>11,500</b>	<b>(408)</b>		<b>2,995,899</b>
<b>RESERVES:</b>								
<b>DEDUCT: (CURRENT PERIOD)</b>								
LOSSES (INCL. IBNR.)	1,064,411	1,152,721	15,600	238,000	1	2,500	0	2,473,233
LOSS ADJUSTMENT EXPENSES	96,769	104,796	1,418	21,637	0	227	0	224,847
UNEARNED PREMIUMS	11,794,586	870,701	0	0	0	0	0	12,665,287
<b>ADD: (PRIOR PERIOD)</b>								
LOSSES (INCL. IBNR)	0	10,089,368	306,358	238,500	1	2,500	0	10,636,727
LOSS ADJUSTMENT EXPENSES	0	1,125,049	35,033	27,273	0	286	0	1,187,641
UNEARNED PREMIUMS	0	13,370,595	0	0	0	0	0	13,370,595
<b>NET RESERVE CHANGE</b>	<b>(12,955,766)</b>	<b>22,456,794</b>	<b>324,373</b>	<b>6,136</b>	<b>0</b>	<b>59</b>	<b>0</b>	<b>9,831,596</b>
<b>NET OTHER CHANGES</b>								
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	38,300	0	0	0	0	0	0	38,300
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0
<b>TOTAL NET OTHER CHANGES</b>	<b>38,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,300</b>
ASSESSMENTS	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	(2,326,426)	(2,326,426)
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
<b>CHANGE IN MEMBERS' EQUITY</b>	<b>(1,509,800)</b>	<b>14,517,079</b>	<b>(82,041)</b>	<b>(70,594)</b>	<b>11,500</b>	<b>(349)</b>	<b>(2,326,426)</b>	<b>10,539,369</b>

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

	2006	2005	2004	2003	2002	2001	2000	TOTAL
<b>INCOME RECEIVED</b>								
PREMIUMS WRITTEN	18,749,695	22,855,780	26,235,796	20,357,754	17,509,012	15,494,428	14,629,409	135,831,874
INTEREST RECEIVED	658,886	418,985	168,902	218,827	259,922	795,169	1,250,277	3,770,968
MISCELLANEOUS INCOME	(4,768)	(13,041)	(43,556)	2,946	7,389	258	(1,271)	(52,043)
<b>TOTAL INCOME</b>	<b>19,403,813</b>	<b>23,261,724</b>	<b>26,361,142</b>	<b>20,579,527</b>	<b>17,776,323</b>	<b>16,289,855</b>	<b>15,878,415</b>	<b>123,672,384</b>
<b>EXPENSES PAID</b>								
LOSSES	2,099,224	10,569,224	12,838,654	17,580,341	9,287,307	7,594,078	9,150,828	69,119,656
LOSS ADJUSTMENT EXPENSES	403,530	1,124,468	1,178,258	1,928,116	691,126	580,596	763,049	6,669,143
COMMISSION	2,769,396	3,300,749	3,803,425	2,956,416	2,592,873	2,269,582	1,471,361	19,163,802
PREMIUM TAX	498,837	701,486	655,512	583,115	503,873	443,154	424,956	3,810,933
ADMINISTRATIVE EXPENSES	2,225,160	3,118,977	3,074,619	3,018,670	2,779,410	2,188,612	2,059,471	18,464,919
<b>TOTAL EXPENSES PAID</b>	<b>7,996,147</b>	<b>18,814,904</b>	<b>21,550,468</b>	<b>26,066,658</b>	<b>15,854,589</b>	<b>13,076,022</b>	<b>13,869,665</b>	<b>117,228,453</b>
<b>NET CASH CHANGE</b>	<b>11,407,666</b>	<b>4,446,820</b>	<b>4,810,674</b>	<b>(5,487,131)</b>	<b>1,921,734</b>	<b>3,213,833</b>	<b>2,008,750</b>	<b>6,443,931</b>
<b>RESERVES:</b>								
<b>DEDUCT: (CURRENT PERIOD)</b>								
LOSSES (INCL. IBNR.)	1,064,411	1,152,721	15,600	238,000	1	2,500	0	2,473,233
LOSS ADJUSTMENT EXPENSES	96,769	104,796	1,418	21,637	0	227	0	224,847
UNEARNED PREMIUMS	11,794,586	870,701	0	0	0	0	0	12,665,287
<b>RESERVES</b>	<b>12,955,766</b>	<b>2,128,218</b>	<b>17,018</b>	<b>259,637</b>	<b>1</b>	<b>2,727</b>	<b>0</b>	<b>15,363,367</b>
<b>NET OTHER CHANGES</b>								
ASSETS NOT ADMITTED	38,300	4,481	158,368	(164,952)	(96,449)	107,469	(66,943)	(19,726)
PRIOR PERIOD ADJUSTMENT	0	(387,591)	69,869	0	0	0	0	(317,722)
MINIMUM PENSION LIABILITY	0	0	(27,883)	39,635	(109,504)	0	0	(97,752)
<b>TOTAL NET OTHER CHANGES</b>	<b>38,300</b>	<b>(383,110)</b>	<b>200,354</b>	<b>(125,317)</b>	<b>(205,953)</b>	<b>107,469</b>	<b>(66,943)</b>	<b>(435,200)</b>
ASSESSMENTS	0	0	0	601,446	462,435	451,213	413,005	1,928,099
DISTRIBUTIONS	0	0	0	0	0	0	(2,326,426)	(2,326,426)
INSOLVENT MEMBERS	0	0	0	0	(3,298)	(4,237)	(28,386)	(35,921)
<b>MEMBERS' EQUITY</b>	<b>(1,509,800)</b>	<b>1,935,492</b>	<b>4,994,010</b>	<b>(5,270,639)</b>	<b>2,174,917</b>	<b>3,765,551</b>	<b>0</b>	<b>6,089,531</b>

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

	THIRD QUARTER 2006	THIRD QUARTER 2005	THIRD QUARTER TOTAL	YEAR TO DATE 2006	YEAR TO DATE 2005	YEAR TO DATE TOTAL
<b>PREMIUMS WRITTEN</b>						
RESIDENTIAL - FIRE	3,150,124	(43,572)	3,106,552	9,050,434	(164,688)	8,885,746
RESIDENTIAL - EC	3,027,499	(56,235)	2,971,264	8,399,376	(213,803)	8,185,573
COMMERCIAL - FIRE	267,534	12,944	280,478	732,185	(10,004)	722,181
COMMERCIAL - EC	165,732	(3,207)	162,525	390,706	(22,727)	367,979
CRIME - RESIDENTIAL	62,345	(321)	62,024	172,241	(1,468)	170,773
CRIME - COMMERCIAL	2,757	4	2,761	4,753	(107)	4,646
TOTAL	6,675,991	(90,387)	6,585,604	18,749,695	(412,797)	18,336,898
<b>UNEARNED PREMIUMS (PRIOR PERIOD)</b>						
RESIDENTIAL - FIRE	4,400,059	1,663,469	6,063,528	0	6,476,263	6,476,263
RESIDENTIAL - EC	4,008,030	1,527,347	5,535,377	0	5,847,611	5,847,611
COMMERCIAL - FIRE	346,579	157,612	504,191	0	609,541	609,541
COMMERCIAL - EC	160,031	82,980	243,011	0	310,942	310,942
CRIME - RESIDENTIAL	83,197	31,064	114,261	0	124,078	124,078
CRIME - COMMERCIAL	1,262	226	1,488	0	2,160	2,160
TOTAL	8,999,158	3,462,698	12,461,856	0	13,370,595	13,370,595
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>						
RESIDENTIAL - FIRE	5,668,090	415,779	6,083,869	5,668,090	415,779	6,083,869
RESIDENTIAL - EC	5,310,439	378,580	5,689,019	5,310,439	378,580	5,689,019
COMMERCIAL - FIRE	457,281	43,081	500,362	457,281	43,081	500,362
COMMERCIAL - EC	245,659	25,301	270,960	245,659	25,301	270,960
CRIME - RESIDENTIAL	110,165	7,927	118,092	110,165	7,927	118,092
CRIME - COMMERCIAL	2,952	33	2,985	2,952	33	2,985
TOTAL	11,794,586	870,701	12,665,287	11,794,586	870,701	12,665,287
<b>EARNED PREMIUMS</b>						
RESIDENTIAL - FIRE	1,882,093	1,204,118	3,086,211	3,382,344	5,895,796	9,278,140
RESIDENTIAL - EC	1,725,090	1,092,532	2,817,622	3,088,937	5,255,228	8,344,165
COMMERCIAL - FIRE	156,832	127,475	284,307	274,904	556,456	831,360
COMMERCIAL - EC	80,104	54,472	134,576	145,047	262,914	407,961
CRIME - RESIDENTIAL	35,377	22,816	58,193	62,076	114,683	176,759
CRIME - COMMERCIAL	1,067	197	1,264	1,801	2,020	3,821
TOTAL	3,880,563	2,501,610	6,382,173	6,955,109	12,087,097	19,042,206

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

THIRD QUARTER							THIRD QUARTER TOTAL
	2006	2005	2004	2003	2002	2001	
<b>PAID LOSSES</b>							
RESIDENTIAL - FIRE	909,336	990,681	11,177	14,890	0	0	1,926,084
RESIDENTIAL - EC	217,416	214,285	400	2,769	0	0	434,870
COMMERCIAL - FIRE	142,754	144,569	0	0	0	0	287,323
COMMERCIAL - EC	42,839	2,235	0	0	0	0	45,074
CRIME - RESIDENTIAL	11,326	7,285	0	0	0	0	18,611
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,323,671</b>	<b>1,359,055</b>	<b>11,577</b>	<b>17,659</b>	<b>0</b>	<b>0</b>	<b>2,711,962</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	650,351	644,313	11,000	0	0	2,500	1,308,164
RESIDENTIAL - EC	358,519	240,608	4,600	238,000	1	0	841,728
COMMERCIAL - FIRE	25,577	170,000	0	0	0	0	195,577
COMMERCIAL - EC	20,905	96,300	0	0	0	0	117,205
CRIME - RESIDENTIAL	9,059	1,500	0	0	0	0	10,559
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,064,411</b>	<b>1,152,721</b>	<b>15,600</b>	<b>238,000</b>	<b>1</b>	<b>2,500</b>	<b>2,473,233</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	464,084	803,264	30,000	1	0	2,500	1,299,849
RESIDENTIAL - EC	89,965	250,350	9,298	243,000	1	0	592,614
COMMERCIAL - FIRE	15,000	150,001	0	0	0	0	165,001
COMMERCIAL - EC	1,550	15,501	0	0	0	0	17,051
CRIME - RESIDENTIAL	9,070	12,599	0	0	0	0	21,669
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>579,669</b>	<b>1,231,715</b>	<b>39,298</b>	<b>243,001</b>	<b>1</b>	<b>2,500</b>	<b>2,096,184</b>
<b>INCURRED LOSSES</b>							
RESIDENTIAL - FIRE	1,095,603	831,730	(7,823)	14,889	0	0	1,934,399
RESIDENTIAL - EC	485,970	204,543	(4,298)	(2,231)	0	0	683,984
COMMERCIAL - FIRE	153,331	164,568	0	0	0	0	317,899
COMMERCIAL - EC	62,194	83,034	0	0	0	0	145,228
CRIME - RESIDENTIAL	11,315	(3,814)	0	0	0	0	7,501
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,808,413</b>	<b>1,280,061</b>	<b>(12,121)</b>	<b>12,658</b>	<b>0</b>	<b>0</b>	<b>3,089,011</b>

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

	YEAR TO DATE						TOTAL YEAR TO DATE
	2006	2005	2004	2003	2002	2001	
<b>PAID LOSSES</b>							
RESIDENTIAL - FIRE	1,605,755	4,159,612	119,685	56,890	(7,000)	0	5,934,942
RESIDENTIAL - EC	283,201	2,501,166	161,451	14,627	(4,500)	0	2,955,945
COMMERCIAL - FIRE	151,310	225,076	52,561	1,056	0	0	430,003
COMMERCIAL - EC	42,839	182,010	41,738	0	0	0	266,587
CRIME - RESIDENTIAL	16,119	29,754	275	0	0	0	46,148
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,099,224</b>	<b>7,097,618</b>	<b>375,710</b>	<b>72,573</b>	<b>(11,500)</b>	<b>0</b>	<b>9,633,625</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	650,351	644,313	11,000	0	0	2,500	1,308,164
RESIDENTIAL - EC	358,519	240,608	4,600	238,000	1	0	841,728
COMMERCIAL - FIRE	25,577	170,000	0	0	0	0	195,577
COMMERCIAL - EC	20,905	96,300	0	0	0	0	117,205
CRIME - RESIDENTIAL	9,059	1,500	0	0	0	0	10,559
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,064,411</b>	<b>1,152,721</b>	<b>15,600</b>	<b>238,000</b>	<b>1</b>	<b>2,500</b>	<b>2,473,233</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	0	2,515,337	74,163	0	0	2,500	2,592,000
RESIDENTIAL - EC	0	7,312,708	182,195	238,500	1	0	7,733,404
COMMERCIAL - FIRE	0	30,454	25,000	0	0	0	55,454
COMMERCIAL - EC	0	160,619	25,000	0	0	0	185,619
CRIME - RESIDENTIAL	0	62,450	0	0	0	0	62,450
CRIME - COMMERCIAL	0	7,800	0	0	0	0	7,800
<b>TOTAL</b>	<b>0</b>	<b>10,089,368</b>	<b>306,358</b>	<b>238,500</b>	<b>1</b>	<b>2,500</b>	<b>10,636,727</b>
<b>INCURRED LOSSES</b>							
RESIDENTIAL - FIRE	2,256,106	2,288,588	56,522	56,890	(7,000)	0	4,651,106
RESIDENTIAL - EC	641,720	(4,570,934)	(16,144)	14,127	(4,500)	0	(3,935,731)
COMMERCIAL - FIRE	176,887	364,622	27,561	1,056	0	0	570,126
COMMERCIAL - EC	63,744	117,691	16,738	0	0	0	198,173
CRIME - RESIDENTIAL	25,178	(31,196)	275	0	0	0	(5,743)
CRIME - COMMERCIAL	0	(7,800)	0	0	0	0	(7,800)
<b>TOTAL</b>	<b>3,163,635</b>	<b>(1,839,029)</b>	<b>84,952</b>	<b>72,073</b>	<b>(11,500)</b>	<b>0</b>	<b>1,470,131</b>



NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
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AS OF JUNE 30, 2006

IBNR TOTALS

	2006	2005	2004	2003	2002	2001	TOTAL
<b>IBNR (CURRENT PERIOD)</b>							
RESIDENTIAL - FIRE	118,924	0	0	0	0	0	118,924
RESIDENTIAL - EC	76,521	0	0	0	0	0	76,521
COMMERCIAL - FIRE	17,780	0	0	0	0	0	17,780
COMMERCIAL - EC	10,655	0	0	0	0	0	10,655
CRIME - RESIDENTIAL	960	0	0	0	0	0	960
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>224,840</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>224,840</b>
<b>IBNR (PRIOR PERIOD)</b>							
RESIDENTIAL - FIRE	118,168	1,223,689	0	0	0	0	1,341,857
RESIDENTIAL - EC	53,874	3,669,431	0	0	0	0	3,723,305
COMMERCIAL - FIRE	15,000	23,454	0	0	0	0	38,454
COMMERCIAL - EC	1,550	78,519	0	0	0	0	80,069
CRIME - RESIDENTIAL	1,970	48,752	0	0	0	0	50,722
CRIME - COMMERCIAL	0	300	0	0	0	0	300
<b>TOTAL</b>	<b>190,562</b>	<b>5,044,145</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,234,707</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
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AS OF JUNE 30, 2006

THIRD QUARTER

	2006	2005	2004	2003	2002	2001	THIRD QUARTER TOTAL
<b>LOSS EXPENSES PAID</b>							
RESIDENTIAL - FIRE	95,698	39,519	4,608	301	0	0	140,126
RESIDENTIAL - EC	47,574	18,900	515	759	0	0	67,748
COMMERCIAL - FIRE	5,803	2,472	0	0	0	0	8,275
COMMERCIAL - EC	1,941	209	0	0	0	0	2,150
CRIME - RESIDENTIAL	75	99	0	0	0	0	174
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>151,091</b>	<b>61,199</b>	<b>5,123</b>	<b>1,060</b>	<b>0</b>	<b>0</b>	<b>218,473</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	59,126	58,576	1,000	0	0	227	118,929
RESIDENTIAL - EC	32,594	21,874	418	21,637	0	0	76,523
COMMERCIAL - FIRE	2,325	15,455	0	0	0	0	17,780
COMMERCIAL - EC	1,901	8,755	0	0	0	0	10,656
CRIME - RESIDENTIAL	823	136	0	0	0	0	959
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>96,769</b>	<b>104,796</b>	<b>1,418</b>	<b>21,637</b>	<b>0</b>	<b>227</b>	<b>224,847</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	42,455	73,487	2,745	0	0	229	118,916
RESIDENTIAL - EC	8,231	22,903	851	22,231	0	0	54,216
COMMERCIAL - FIRE	1,372	13,723	0	0	0	0	15,095
COMMERCIAL - EC	142	1,418	0	0	0	0	1,560
CRIME - RESIDENTIAL	830	1,153	0	0	0	0	1,983
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>53,030</b>	<b>112,684</b>	<b>3,596</b>	<b>22,231</b>	<b>0</b>	<b>229</b>	<b>191,770</b>
<b>INCURRED LOSS EXPENSE</b>							
RESIDENTIAL - FIRE	112,369	24,608	2,863	301	0	(2)	140,139
RESIDENTIAL - EC	71,937	17,871	82	165	0	0	90,055
COMMERCIAL - FIRE	6,756	4,204	0	0	0	0	10,960
COMMERCIAL - EC	3,700	7,546	0	0	0	0	11,246
CRIME - RESIDENTIAL	68	(918)	0	0	0	0	(850)
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>194,830</b>	<b>53,311</b>	<b>2,945</b>	<b>466</b>	<b>0</b>	<b>(2)</b>	<b>251,550</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
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AS OF JUNE 30, 2006

YEAR TO DATE

	2006	2005	2004	2003	2002	2001	TOTAL YEAR TO DATE
<b>LOSS EXPENSES PAID</b>							
RESIDENTIAL - FIRE	228,719	165,562	8,209	1,330	0	0	403,820
RESIDENTIAL - EC	155,344	302,175	17,277	2,827	0	0	477,623
COMMERCIAL - FIRE	12,084	8,522	2,553	0	0	0	23,159
COMMERCIAL - EC	6,890	14,128	2,665	0	0	408	24,091
CRIME - RESIDENTIAL	440	833	0	0	0	0	1,273
CRIME - COMMERCIAL	53	0	0	0	0	0	53
<b>TOTAL</b>	<b>403,530</b>	<b>491,220</b>	<b>30,704</b>	<b>4,157</b>	<b>0</b>	<b>408</b>	<b>930,019</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	59,126	58,576	1,000	0	0	227	118,929
RESIDENTIAL - EC	32,594	21,874	418	21,637	0	0	76,523
COMMERCIAL - FIRE	2,325	15,455	0	0	0	0	17,780
COMMERCIAL - EC	1,901	8,755	0	0	0	0	10,656
CRIME - RESIDENTIAL	823	136	0	0	0	0	959
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>96,769</b>	<b>104,796</b>	<b>1,418</b>	<b>21,637</b>	<b>0</b>	<b>227</b>	<b>224,847</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	0	280,498	8,481	0	0	286	289,265
RESIDENTIAL - EC	0	815,006	20,834	27,273	0	0	863,113
COMMERCIAL - FIRE	0	3,372	2,859	0	0	0	6,231
COMMERCIAL - EC	0	17,996	2,859	0	0	0	20,855
CRIME - RESIDENTIAL	0	7,319	0	0	0	0	7,319
CRIME - COMMERCIAL	0	858	0	0	0	0	858
<b>TOTAL</b>	<b>0</b>	<b>1,125,049</b>	<b>35,033</b>	<b>27,273</b>	<b>0</b>	<b>286</b>	<b>1,187,641</b>
<b>INCURRED LOSS EXPENSE</b>							
RESIDENTIAL - FIRE	287,845	(56,360)	728	1,330	0	(59)	233,484
RESIDENTIAL - EC	187,938	(490,957)	(3,139)	(2,809)	0	0	(308,967)
COMMERCIAL - FIRE	14,409	20,605	(306)	0	0	0	34,708
COMMERCIAL - EC	8,791	4,887	(194)	0	0	408	13,892
CRIME - RESIDENTIAL	1,263	(6,350)	0	0	0	0	(5,087)
CRIME - COMMERCIAL	53	(858)	0	0	0	0	(805)
<b>TOTAL</b>	<b>500,299</b>	<b>(529,033)</b>	<b>(2,911)</b>	<b>(1,479)</b>	<b>0</b>	<b>349</b>	<b>(32,775)</b>

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

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	221,557	0	27,363
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	12,913	0	1,197
			TOTAL	0	234,470	0	28,560
95	10/01/02 09/30/03	09/18/03	HABITATIONAL		7,182,024	0	907,074
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	0	746,460	0	50,970
			TOTAL	0	7,928,484	0	958,044
39	10/01/03 09/30/04	03/08/05 03/09/05	HABITATIONAL	0	400	0	282
39	10/01/03 09/30/04	03/08/05 03/09/05	COMMERCIAL	0	0	0	0
			TOTAL	0	400	0	282
39	10/01/04 09/30/05	03/08/05 03/09/05	HABITATIONAL	0	0	0	0
39	10/01/04 09/30/05	03/08/05 03/09/05	COMMERCIAL	0	0	0	0
			TOTAL	0	0	0	0
41	10/01/03 09/30/04	03/30/05 04/03/05	HABITATIONAL	0	4,923	0	1,508
41	10/01/03 09/30/04	03/30/05 04/03/05	COMMERCIAL	0	0	0	1,291
			TOTAL	0	4,923	0	2,799
41	10/01/04 09/30/05	03/30/05 04/03/05	HABITATIONAL	0	12,567	0	554
41	10/01/04 09/30/05	03/30/05 04/03/05	COMMERCIAL	0	0	0	0
			TOTAL	0	12,567	0	554

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

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
50	10/01/03 09/30/04	09/13/05 09/16/05	HABITATIONAL	4,000	111,976	400	14,825
50	10/01/03 09/30/04	09/13/05 09/16/05	COMMERCIAL	0	41,738	0	2,665
		TOTAL		4,000	153,714	400	17,490
50	10/01/04 09/30/05	09/13/05 09/16/05	HABITATIONAL	94,274	1,945,948	9,427	239,141
50	10/01/04 09/30/05	09/13/05 09/16/05	COMMERCIAL	0	171,648	0	13,125
		TOTAL		94,274	2,117,596	9,427	252,266
53	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	0	94,167	0	16,345
53	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	0	1,388	0	347
		TOTAL		0	95,555	0	16,692
53	10/01/05 09/30/06	10/07/05 10/14/05	HABITATIONAL	0	0	0	1,383
53	10/01/05 09/30/06	10/07/05 10/14/05	COMMERCIAL	0	0	0	0
		TOTAL		0	0	0	1,383

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	22,625,935	379
ALEXANDER	7,724,754	126
ALLEGHANY	3,257,334	34
ANSON	11,336,900	274
ASHE	8,573,300	164
AVERY	4,921,650	56
BEAUFORT	65,464,390	1,213
BERTIE	25,016,874	502
BLADEN	55,858,177	1,213
BRUNSWICK	526,884,150	7,649
BUMCOMBE	26,950,378	474
BURKE	8,485,825	175
CABARRUS	22,029,075	359
CALDWELL	16,181,969	365
CAMDEN	18,629,948	251
CARTERET	221,719,071	3,557
CASWELL	9,568,258	208
CATAWBA	22,905,414	406
CHATHAM	12,508,990	238
CHEROKEE	1,429,500	34
CHOWAN	21,555,044	292
CLAY	828,800	20
CLEVELAND	21,814,402	403
COLUMBUS	152,167,708	3,191
CRAVEN	110,451,757	1,574
CUMBERLAND	169,073,211	2,786
CURRITUCK	76,467,016	921
DARE	73,644,619	752
DAVIDSON	49,545,406	794
DAVIE	3,121,620	48
DUPLIN	52,812,815	1,100
DURHAM	67,582,441	770
EDGECOMBE	30,089,961	602
FORSYTH	54,612,308	720
FRANKLIN	22,159,360	379
GASTON	56,136,546	933
GATES	10,770,280	199
GRAHAM	884,500	17
GRANVILLE	7,225,321	118
GREENE	9,972,038	206
GUILFORD	96,399,910	1,324
HALIFAX	45,471,266	974
HARNETT	54,316,665	987
HAYWOOD	9,349,190	152
HENDERSON	11,907,603	147
HERTFORD	15,198,859	301

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
HOKE	32,151,156	703
HYDE	11,693,867	210
IREDELL	19,922,982	364
JACKSON	6,845,655	113
JOHNSTON	72,384,268	1,210
JONES	14,176,499	270
LEE	17,598,344	286
LENOIR	66,872,867	1,201
LINCOLN	13,772,022	231
MCDOWELL	7,405,450	183
MACON	6,733,081	104
MADISON	4,789,150	83
MARTIN	23,481,600	492
MECKLENBURG	86,867,061	944
MITCHELL	2,202,650	48
MONTGOMERY	16,960,986	336
MOORE	18,278,668	345
NASH	34,211,627	603
NEW HANOVER	470,841,370	4,873
NORTHAMPTON	16,413,764	359
ONSLOW	246,214,581	3,967
ORANGE	14,724,638	162
PAMLICO	25,960,560	474
PASQUOTANK	56,504,738	846
PENDER	124,951,745	1,906
PERQUIMANS	21,317,250	291
PERSON	12,105,555	224
PITT	85,029,975	1,262
POLK	2,494,935	61
RANDOLPH	21,215,615	352
RICHMOND	52,738,840	1,199
ROBESON	245,596,490	5,843
ROCKINGHAM	26,020,381	606
ROWAN	25,492,530	398
RUTHERFORD	15,793,185	285
SAMPSON	55,543,645	1,096
SCOTLAND	26,270,930	620
STANLEY	10,219,686	185
STOKES	4,364,524	82
SURRY	24,250,021	477
SWAIN	920,649	21
TRANSYLVANIA	4,037,600	20
TYRRELL	10,154,396	173
UNION	17,622,953	284
VANCE	32,824,017	586
WAKE	135,361,045	1,225

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

AGGREGATE LIABILITY BY COUNTIES

COUNTY	FAIR LIABILITY *	FAIR COUNT
WARREN	13,280,862	278
WASHINGTON	16,261,480	229
WATAUGA	10,971,160	97
WAYNE	100,954,046	1,777
WILKES	15,743,610	302
WILSON	46,440,992	844
YADKIN	6,017,719	118
YANCY	6,599,090	123
	<u>4,773,233,048</u>	<u>76,758</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 .