

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
BALANCE SHEET
AS OF DECEMBER 31, 2005

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	(32,942,981)			(32,942,981) (Note 1)
INVESTMENTS	302,326,778			302,326,778
FIXED ASSETS	55,486		(55,486)	0
DATA PROCESSING EQUIPMENT	32,659			32,659
ACCOUNTS RECEIVABLE - FAIR	9,074			9,074
ACCOUNTS RECEIVABLE - OTHER	394,961			394,961
PREPAID EXPENSES	21,108		(21,108)	0
TOTAL ASSETS	269,897,085	0	(76,594)	269,820,491
LIABILITIES & EQUITY				
LIABILITIES				
A/P - FAIR PLAN				857,525
PREMIUM REFUND				1,437,813
PREMIUM SUSPENSE				798,292
ACCRUAL-PREMIUM TAX				698,873
ACCRUAL-POST RETIREMENT				542,224
ACCRUAL-PENSION				86,772
ACCRUAL-RENT				16,939
CLAIMS PAYABLE				372,595
PREPAID PREMIUMS				3,308,575
UNCLAIMED CHECKS				744,925
DISTRIBUTION PAYABLE				877,848
TOTAL LIABILITIES				9,742,381
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				26,315,067
UNPAID LAE RESERVES				1,796,008
UNEARNED PREMIUMS				71,652,020
TOTAL RESERVES				99,763,095
MEMBERS' EQUITY				160,315,015
TOTAL LIABILITIES & MEMBERS' EQUITY				269,820,491

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 (\$4,954,986) of the claim checks payable account creates the credit balance in the cash account . The overnight investments are included in the Investment account .

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
INCOME STATEMENT AND EQUITY ACCOUNT
AS OF DECEMBER 31, 2005

	YEAR TO DATE
UNDERWRITING INCOME	
<u>PREMIUMS EARNED</u>	<u>33,767,739</u>
DEDUCTIONS	
LOSSES INCURRED	(14,197,547)
LOSS EXPENSE INCURRED	(1,202,696)
OPERATING EXPENSE INCURRED	4,695,416
PREMIUM TAXES	677,600
<u>TOTAL DEDUCTIONS</u>	<u>(10,027,227)</u>
<u>NET UNDERWRITING GAIN OR (LOSS)</u>	<u>43,794,966</u>
OTHER INCOME OR (OUTGO)	
INVESTMENT INCOME	2,998,182
MISCELLANEOUS INCOME	(13,678)
<u>NET OTHER INCOME</u>	<u>2,984,504</u>
<u>NET INCOME OR (LOSS)</u>	<u>46,779,470</u>
EQUITY ACCOUNT	
<u>MEMBERS' EQUITY (PRIOR PERIOD)</u>	<u>154,946,695</u>
NET INCOME OR (LOSS)	46,779,470
CHANGE IN ASSETS NOT ADMITTED	15,853
ASSESSMENTS OR (DISTRIBUTIONS)	(41,427,003)
PRIOR PERIOD ADJUSTMENT	0
<u>NET CHANGE IN EQUITY</u>	<u>5,368,320</u>
<u>MEMBERS' EQUITY (CURRENT PERIOD)</u>	<u>160,315,015</u>

The Aggregate Liability for the Association as of December 31, 2005 is \$43,262,645,753.

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
MEMBERS' ACCOUNT
AS OF DECEMBER 31, 2005

	YEAR TO DATE							
	2006	2005	2004	2003	2002	2001	2000	TOTAL
INCOME RECEIVED								
PREMIUMS WRITTEN	32,746,755	159,774	0	0	0	0	0	32,906,529
INTEREST RECEIVED	2,998,182	0	0	0	0	0	0	2,998,182
MISCELLANEOUS INCOME	(13,678)	0	0	0	0	0	0	(13,678)
TOTAL INCOME	35,731,259	159,774	0	0	0	0	0	35,891,033
EXPENSES PAID								
LOSSES	57,162	30,529,832	1,028,446	22,357	0	0	0	31,637,797
LOSS ADJUSTMENT EXPENSES	57,936	1,844,235	89,584	17,773	5,320	0	0	2,014,848
COMMISSION	4,223,820	20,771	0	0	0	0	0	4,244,591
PREMIUM TAX	677,600	0	0	0	0	0	0	677,600
ADMINISTRATIVE EXPENSES	450,825	0	0	0	0	0	0	450,825
TOTAL EXPENSES PAID	5,467,343	32,394,838	1,118,030	40,130	5,320	0	0	39,025,661
NET CASH CHANGE	(32,235,064)	(32,235,064)	(1,118,030)	(40,130)	(5,320)	0	0	(3,134,628)
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	7,690,547	16,825,216	648,928	1,145,376	0	5,000	0	26,315,067
LOSS ADJUSTMENT EXPENSES	524,879	1,148,325	44,291	78,172	0	341	0	1,796,008
UNEARNED PREMIUMS	28,402,105	43,249,915	0	0	0	0	0	71,652,020
ADD: (PRIOR PERIOD)								
LOSSES (INCL. IBNR)	0	68,706,580	2,285,953	1,152,878	0	5,000	0	72,150,411
LOSS ADJUSTMENT EXPENSES	0	4,780,169	154,916	78,129	0	339	0	5,013,552
UNEARNED PREMIUMS	0	72,513,230	0	0	0	0	0	72,513,230
NET RESERVE CHANGE	(36,617,531)	84,776,523	1,747,650	7,459	0	(2)	0	49,914,098
NET OTHER CHANGES								
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	15,853	0	0	0	0	0	0	15,853
TOTAL NET OTHER CHANGES	15,853	0	0	0	0	0	0	15,853
ASSESSMENTS	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	(41,427,003)	(41,427,003)
INSOLVENT MEMBER	0	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	(6,337,762)	52,541,459	629,620	(32,671)	(5,320)	(2)	(41,427,003)	5,368,320

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF PREMIUMS
 AS OF DECEMBER 31, 2005

	YEAR TO DATE 2006	YEAR TO DATE 2005	YEAR TO DATE TOTAL
<u>PREMIUMS WRITTEN</u>			
RESIDENTIAL - FIRE	1,404,163	(34,957)	1,369,206
RESIDENTIAL - EC	6,904,421	(48,596)	6,855,825
COMMERCIAL - FIRE	152,063	(9,269)	142,794
COMMERCIAL - EC	493,598	(18,734)	474,864
CRIME - RESIDENTIAL	68,216	315	68,531
CRIME - COMMERCIAL	0	0	0
HOMEOWNER - BEACH	728,886	(5,333)	723,553
HOMEOWNER - COASTAL	1,428,785	21,848	1,450,633
HO - BEACH WIND	6,995,940	(58,102)	6,937,838
HO - COASTAL WIND	9,043,775	153,755	9,197,530
WIND - RESIDENTIAL	551,137	(7,720)	543,417
WIND - COMMERCIAL	2,473,218	61,544	2,534,762
COASTAL - RESIDENTIAL	653,958	(14,043)	639,915
COASTAL - COMMERCIAL	1,848,595	119,066	1,967,661
TOTAL	32,746,755	159,774	32,906,529
<u>UNEARNED PREMIUMS (PRIOR PERIOD)</u>			
RESIDENTIAL - FIRE	0	3,552,761	3,552,761
RESIDENTIAL - EC	0	17,619,226	17,619,226
COMMERCIAL - FIRE	0	379,308	379,308
COMMERCIAL - EC	0	785,544	785,544
CRIME - RESIDENTIAL	0	177,982	177,982
CRIME - COMMERCIAL	0	96	96
HOMEOWNER - BEACH	0	1,441,097	1,441,097
HOMEOWNER - COASTAL	0	2,758,491	2,758,491
HO - BEACH WIND	0	15,334,575	15,334,575
HO - COASTAL WIND	0	16,395,989	16,395,989
WIND - RESIDENTIAL	0	1,428,638	1,428,638
WIND - COMMERCIAL	0	6,744,739	6,744,739
COASTAL - RESIDENTIAL	0	1,331,128	1,331,128
COASTAL - COMMERCIAL	0	4,563,656	4,563,656
TOTAL	0	72,513,230	72,513,230
<u>UNEARNED PREMIUMS (CURRENT PERIOD)</u>			
RESIDENTIAL - FIRE	1,220,725	2,082,329	3,303,054
RESIDENTIAL - EC	6,000,529	10,370,613	16,371,142
COMMERCIAL - FIRE	129,686	214,233	343,919
COMMERCIAL - EC	416,936	454,161	871,097
CRIME - RESIDENTIAL	59,229	103,553	162,782
CRIME - COMMERCIAL	0	71	71
HOMEOWNER - BEACH	634,644	855,089	1,489,733
HOMEOWNER - COASTAL	1,235,537	1,661,583	2,897,120
HO - BEACH WIND	6,082,954	9,172,815	15,255,769
HO - COASTAL WIND	7,833,525	9,974,206	17,807,731
WIND - RESIDENTIAL	477,475	848,360	1,325,835
WIND - COMMERCIAL	2,154,854	3,984,665	6,139,519
COASTAL - RESIDENTIAL	562,521	793,845	1,356,366
COASTAL - COMMERCIAL	1,593,490	2,734,392	4,327,882
TOTAL	28,402,105	43,249,915	71,652,020
<u>EARNED PREMIUMS</u>			
RESIDENTIAL - FIRE	183,438	1,435,475	1,618,913
RESIDENTIAL - EC	903,892	7,200,017	8,103,909
COMMERCIAL - FIRE	22,377	155,806	178,183
COMMERCIAL - EC	76,662	312,649	389,311
CRIME - RESIDENTIAL	8,987	74,744	83,731
CRIME - COMMERCIAL	0	25	25
HOMEOWNER - BEACH	94,242	580,675	674,917
HOMEOWNER - COASTAL	193,248	1,118,756	1,312,004
HO - BEACH WIND	912,986	6,103,658	7,016,644
HO - COASTAL WIND	1,210,250	6,575,538	7,785,788
WIND - RESIDENTIAL	73,662	572,558	646,220
WIND - COMMERCIAL	318,364	2,821,618	3,139,982
COASTAL - RESIDENTIAL	91,437	523,240	614,677
COASTAL - COMMERCIAL	255,105	1,948,330	2,203,435
TOTAL	4,344,650	29,423,089	33,767,739

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSSES
AS OF DECEMBER 31, 2005

	YEAR TO DATE						YEAR TO DATE TOTAL
	2006	2005	2004	2003	2002	2001	
PAID LOSSES							
RESIDENTIAL - FIRE	0	321,034	131,412	28,572	0	0	481,018
RESIDENTIAL - EC	28,587	4,679,030	167,404	0	0	0	4,875,021
COMMERCIAL - FIRE	0	205,086	14,015	0	0	0	219,101
COMMERCIAL - EC	0	727,130	9,739	0	0	0	736,869
CRIME - RESIDENTIAL	0	0	3,132	0	0	0	3,132
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	12,389	382,099	14,707	0	0	0	409,195
HOMEOWNER - COASTAL	15,657	713,991	31,872	0	0	0	761,520
HO - BEACH WIND	529	5,929,179	233,931	0	0	0	6,163,639
HO - COASTAL WIND	0	5,334,763	258,643	0	0	0	5,593,406
WIND - RESIDENTIAL	0	332,855	5,870	8,338	0	0	347,063
WIND - COMMERCIAL	0	8,635,791	135,469	(27,170)	0	0	8,744,090
COASTAL - RESIDENTIAL	0	499,225	12,268	5,940	0	0	517,433
COASTAL - COMMERCIAL	0	2,769,649	9,984	6,677	0	0	2,786,310
TOTAL	57,162	30,529,832	1,028,446	22,357	0	0	31,637,797
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	215,025	441,078	14,249	0	0	0	670,352
RESIDENTIAL - EC	892,826	2,046,216	85,841	0	0	0	3,024,883
COMMERCIAL - FIRE	35,916	50,000	0	32,601	0	5,000	123,517
COMMERCIAL - EC	31,160	76,001	0	0	0	0	107,161
CRIME - RESIDENTIAL	41	99	0	0	0	0	140
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	166,882	237,990	159,925	0	0	0	564,797
HOMEOWNER - COASTAL	160,503	228,895	153,813	0	0	0	543,211
HO - BEACH WIND	627,810	1,468,400	62,501	0	0	0	2,158,711
HO - COASTAL WIND	811,659	1,889,657	90,000	0	0	0	2,791,316
WIND - RESIDENTIAL	81,795	187,000	12,500	1	0	0	281,296
WIND - COMMERCIAL	4,146,351	8,960,177	40,099	1,112,774	0	0	14,259,401
COASTAL - RESIDENTIAL	88,191	215,099	0	0	0	0	303,290
COASTAL - COMMERCIAL	432,388	1,024,604	30,000	0	0	0	1,486,992
TOTAL	7,690,547	16,825,216	648,928	1,145,376	0	5,000	26,315,067
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	1,189,997	129,364	10,000	0	0	1,329,361
RESIDENTIAL - EC	0	18,729,525	557,981	20,101	0	5,000	19,312,607
COMMERCIAL - FIRE	0	8,110	0	0	0	0	8,110
COMMERCIAL - EC	0	728,636	25,000	0	0	0	753,636
CRIME - RESIDENTIAL	0	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	0	2,487,878	18,966	0	0	0	2,506,844
HOMEOWNER - COASTAL	0	2,001,960	360,354	0	0	0	2,362,314
HO - BEACH WIND	0	11,172,910	290,891	0	0	0	11,463,801
HO - COASTAL WIND	0	22,728,377	697,100	0	0	0	23,425,477
WIND - RESIDENTIAL	0	1,192,993	50,000	1	0	0	1,242,994
WIND - COMMERCIAL	0	4,512,573	45,099	1,112,775	0	0	5,670,447
COASTAL - RESIDENTIAL	0	1,909,338	42,500	10,001	0	0	1,961,839
COASTAL - COMMERCIAL	0	2,044,283	68,698	0	0	0	2,112,981
TOTAL	0	68,706,580	2,285,953	1,152,878	0	5,000	72,150,411
INCURRED LOSSES							
RESIDENTIAL - FIRE	215,025	(427,885)	16,297	18,572	0	0	(177,991)
RESIDENTIAL - EC	921,413	(12,004,279)	(304,736)	(20,101)	0	(5,000)	(11,412,703)
COMMERCIAL - FIRE	35,916	246,976	14,015	32,601	0	5,000	334,508
COMMERCIAL - EC	31,160	74,495	(15,261)	0	0	0	90,394
CRIME - RESIDENTIAL	41	99	3,132	0	0	0	3,272
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	179,271	(1,867,789)	155,666	0	0	0	(1,532,852)
HOMEOWNER - COASTAL	176,160	(1,059,074)	(174,669)	0	0	0	(1,057,583)
HO - BEACH WIND	628,339	(3,775,331)	5,541	0	0	0	(3,141,451)
HO - COASTAL WIND	811,659	(15,503,957)	(348,457)	0	0	0	(15,040,755)
WIND - RESIDENTIAL	81,795	(673,138)	(31,630)	8,338	0	0	(614,635)
WIND - COMMERCIAL	4,146,351	13,083,395	130,469	(27,171)	0	0	17,333,044
COASTAL - RESIDENTIAL	88,191	(1,195,014)	(30,232)	(4,061)	0	0	(1,141,116)
COASTAL - COMMERCIAL	432,388	1,749,970	(28,714)	6,677	0	0	2,160,321
TOTAL	7,747,709	(21,351,532)	(608,579)	14,855	0	0	(14,197,547)

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF LOSSES
 AS OF DECEMBER 31, 2005

IBNR TOTALS							
	2006	2005	2004	2003	2002	2001	TOTAL
IBNR (CURRENT PERIOD)							
RESIDENTIAL - FIRE	194,925	0	0	0	0	0	194,925
RESIDENTIAL - EC	879,576	0	0	0	0	0	879,576
COMMERCIAL - FIRE	35,916	0	0	0	0	0	35,916
COMMERCIAL - EC	31,160	0	0	0	0	0	31,160
CRIME - RESIDENTIAL	41	0	0	0	0	0	41
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	164,232	0	0	0	0	0	164,232
HOMEOWNER - COASTAL	157,955	0	0	0	0	0	157,955
HO - BEACH WIND	627,710	0	0	0	0	0	627,710
HO - COASTAL WIND	811,659	0	0	0	0	0	811,659
WIND - RESIDENTIAL	81,795	0	0	0	0	0	81,795
WIND - COMMERCIAL	4,146,351	0	0	0	0	0	4,146,351
COASTAL - RESIDENTIAL	88,191	0	0	0	0	0	88,191
COASTAL - COMMERCIAL	432,388	0	0	0	0	0	432,388
TOTAL	7,651,899	0	0	0	0	0	7,651,899
IBNR (PRIOR PERIOD)							
RESIDENTIAL - FIRE	0	505,757	0	0	0	0	505,757
RESIDENTIAL - EC	0	7,923,543	0	0	0	0	7,923,543
COMMERCIAL - FIRE	0	3,010	0	0	0	0	3,010
COMMERCIAL - EC	0	298,036	0	0	0	0	298,036
CRIME - RESIDENTIAL	0	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	0	105,366	0	0	0	0	105,366
HOMEOWNER - COASTAL	0	2,001,960	0	0	0	0	2,001,960
HO - BEACH WIND	0	4,816,744	0	0	0	0	4,816,744
HO - COASTAL WIND	0	9,633,488	0	0	0	0	9,633,488
WIND - RESIDENTIAL	0	602,093	0	0	0	0	602,093
WIND - COMMERCIAL	0	2,408,372	0	0	0	0	2,408,372
COASTAL - RESIDENTIAL	0	903,140	0	0	0	0	903,140
COASTAL - COMMERCIAL	0	903,140	0	0	0	0	903,140
TOTAL	0	30,104,649	0	0	0	0	30,104,649

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
AS OF DECEMBER 31, 2005

	YEAR TO DATE						YEAR TO DATE TOTAL
	2006	2005	2004	2003	2002	2001	
LOSS EXPENSES PAID							
RESIDENTIAL - FIRE	434	13,838	2,350	0	0	0	16,622
RESIDENTIAL - EC	10,762	392,099	28,193	0	5,320	0	436,374
COMMERCIAL - FIRE	0	0	0	0	0	0	0
COMMERCIAL - EC	843	22,718	764	0	0	0	24,325
CRIME - RESIDENTIAL	30	1,519	0	0	0	0	1,549
CRIME - COMMERCIAL	172	8,620	0	0	0	0	8,792
HOMEOWNER - BEACH	1,523	27,320	1,210	0	0	0	30,053
HOMEOWNER - COASTAL	3,140	67,000	3,126	0	0	0	73,266
HO - BEACH WIND	12,611	372,702	18,211	0	0	0	403,524
HO - COASTAL WIND	14,470	533,837	25,670	0	0	0	573,977
WIND - RESIDENTIAL	993	30,206	1,016	600	0	0	32,815
WIND - COMMERCIAL	7,996	216,970	2,834	16,309	0	0	244,109
COASTAL - RESIDENTIAL	1,500	54,032	2,065	0	0	0	57,597
COASTAL - COMMERCIAL	3,462	103,374	4,145	864	0	0	111,845
TOTAL	57,936	1,844,235	89,584	17,773	5,320	0	2,014,848
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	14,672	30,104	972	0	0	0	45,748
RESIDENTIAL - EC	60,935	139,655	5,859	0	0	0	206,449
COMMERCIAL - FIRE	2,451	3,413	0	2,225	0	341	8,430
COMMERCIAL - EC	2,127	5,187	0	0	0	0	7,314
CRIME - RESIDENTIAL	3	7	0	0	0	0	10
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	11,390	16,243	10,915	0	0	0	38,548
HOMEOWNER - COASTAL	10,955	15,622	10,498	0	0	0	37,075
HO - BEACH WIND	42,849	100,219	4,266	0	0	0	147,334
HO - COASTAL WIND	55,396	128,969	6,143	0	0	0	190,508
WIND - RESIDENTIAL	5,582	12,763	853	0	0	0	19,198
WIND - COMMERCIAL	282,989	611,533	2,737	75,947	0	0	973,206
COASTAL - RESIDENTIAL	6,019	14,681	0	0	0	0	20,700
COASTAL - COMMERCIAL	29,511	69,929	2,048	0	0	0	101,488
TOTAL	524,879	1,148,323	44,293	78,172	0	341	1,796,008
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)							
RESIDENTIAL - FIRE	0	82,729	8,767	678	0	0	92,173
RESIDENTIAL - EC	0	1,301,914	37,814	1,362	0	339	1,341,429
COMMERCIAL - FIRE	0	347	0	0	0	0	347
COMMERCIAL - EC	0	50,822	1,694	0	0	0	52,516
CRIME - RESIDENTIAL	0	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0	0
HOMEOWNER - BEACH	0	169,034	1,285	0	0	0	170,320
HOMEOWNER - COASTAL	0	143,917	24,421	0	0	0	168,338
HO - BEACH WIND	0	725,848	19,713	0	0	0	745,561
HO - COASTAL WIND	0	1,631,123	47,241	0	0	0	1,678,365
WIND - RESIDENTIAL	0	83,327	3,388	0	0	0	86,716
WIND - COMMERCIAL	0	315,733	3,056	75,411	0	0	394,200
COASTAL - RESIDENTIAL	0	133,115	2,880	678	0	0	136,672
COASTAL - COMMERCIAL	0	142,260	4,656	0	0	0	146,915
TOTAL	0	4,780,169	154,916	78,129	0	339	5,013,552
INCURRED LOSS EXPENSES							
RESIDENTIAL - FIRE	15,106	(38,787)	(5,445)	(678)	0	0	(29,803)
RESIDENTIAL - EC	71,697	(770,160)	(3,762)	(1,362)	5,320	(339)	(698,606)
COMMERCIAL - FIRE	2,451	3,066	0	2,225	0	341	8,083
COMMERCIAL - EC	2,970	(22,917)	(930)	0	0	0	(20,877)
CRIME - RESIDENTIAL	33	1,526	0	0	0	0	1,559
CRIME - COMMERCIAL	172	8,620	0	0	0	0	8,792
HOMEOWNER - BEACH	12,913	(125,471)	10,840	0	0	0	(101,719)
HOMEOWNER - COASTAL	14,095	(61,295)	(10,797)	0	0	0	(57,997)
HO - BEACH WIND	55,460	(252,927)	2,764	0	0	0	(194,703)
HO - COASTAL WIND	69,866	(968,317)	(15,428)	0	0	0	(913,880)
WIND - RESIDENTIAL	6,575	(40,358)	(1,519)	600	0	0	(34,703)
WIND - COMMERCIAL	290,985	512,770	2,515	16,845	0	0	823,115
COASTAL - RESIDENTIAL	7,519	(64,402)	(815)	(678)	0	0	(58,375)
COASTAL - COMMERCIAL	32,973	31,043	1,537	864	0	0	66,418
TOTAL	582,815	(1,787,611)	(21,039)	17,816	5,320	2	(1,202,696)

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	459,850	0	46,224
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	22,462	0	2,520
			TOTAL	0	482,312	0	48,744
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	5,000	11,673,626	500	1,169,936
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	1,146,594	0	70,288
			TOTAL	5,000	12,820,220	500	1,240,224
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	591,665	0	46,166
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	0	0	0
			TOTAL	0	591,665	0	46,166
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	20,152	14,711,767	2,015	1,226,108
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	0	1,763,631	0	82,531
			TOTAL	20,152	16,475,398	2,015	1,308,639
1	10/01/02 09/30/03	08/03/04	HABITATIONAL	0	194,429	0	22,595
1	10/01/02 09/30/03	08/03/04	COMMERCIAL	0	9,599	0	891
			TOTAL	0	204,028	0	23,486
1	10/01/03 09/30/04	08/03/04	HABITATIONAL	0	1,165,092	0	122,176
1	10/01/03 09/30/04	08/03/04	COMMERCIAL	0	368,141	0	16,415
			TOTAL	0	1,533,233	0	138,591

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
26	10/01/02 09/30/03	08/14/04 08/15/04	HABITATIONAL	12,500	819,722	1,250	56,999
26	10/01/02 09/30/03	08/14/04 08/15/04	COMMERCIAL	0	22,799	0	924
			TOTAL	12,500	842,521	1,250	57,923
26	10/01/03 09/30/04	08/14/04 08/15/04	HABITATIONAL	10,001	3,003,922	1,000	278,492
26	10/01/03 09/30/04	08/14/04 08/15/04	COMMERCIAL	0	188,361	0	8,963
			TOTAL	10,001	3,192,283	1,000	287,455
50	10/01/03 09/30/04	09/13/05 09/16/05	HABITATIONAL	74,000	148,231	7,400	16,371
50	10/01/03 09/30/04	09/13/05 09/16/05	COMMERCIAL	0	14,015	0	764
			TOTAL	74,000	162,246	7,400	17,135
50	10/01/04 09/30/05	09/13/05 09/16/05	HABITATIONAL	1,831,633	4,562,143	183,163	394,418
50	10/01/04 09/30/05	09/13/05 09/16/05	COMMERCIAL	70,001	789,376	7,000	30,346
			TOTAL	1,901,634	5,351,519	190,163	424,764
53	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	148,000	80,666	14,800	9,840
53	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	6,000	0	600	0
			TOTAL	154,000	80,666	15,400	9,840
53	10/01/05 09/30/06	10/07/05 10/14/05	HABITATIONAL	7,500	0	750	123
53	10/01/05 09/30/06	10/07/05 10/14/05	COMMERCIAL	0	0	0	0
			TOTAL	7,500	0	750	123

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
BEACH WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	169,707	0	16,898
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	82,741	0	6,233
			TOTAL	0	252,448	0	23,131
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	0	7,297,313	0	654,284
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	37,785,920	0	1,269,761
			TOTAL	0	45,083,233	0	1,924,045
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	247,573	0	20,698
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	1,575,586	0	78,054
			TOTAL	0	1,823,159	0	98,752
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	1	7,650,316	0	657,775
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	1,112,774	23,307,190	111,277	813,790
			TOTAL	1,112,775	30,957,506	111,278	1,471,565
1	10/01/02 09/30/03	08/03/04	HABITATIONAL	0	31,680	0	3,765
1	10/01/02 09/30/03	08/03/04	COMMERCIAL	0	27,742	0	3,201
			TOTAL	0	59,422	0	6,966
1	10/01/03 09/30/04	08/03/04	HABITATIONAL	0	154,354	0	12,211
1	10/01/03 09/30/04	08/03/04	COMMERCIAL	0	390,186	0	19,110
			TOTAL	0	544,540	0	31,321

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
26	10/01/02 09/30/03	08/14/04 08/15/04	HABITATIONAL	0	139,427	0	12,768
26	10/01/02 09/30/03	08/14/04 08/15/04	COMMERCIAL	0	800,158	0	47,138
			TOTAL	0	939,585	0	59,906
26	10/01/03 09/30/04	08/14/04 08/15/04	HABITATIONAL	0	151,060	0	8,780
26	10/01/03 09/30/04	08/14/04 08/15/04	COMMERCIAL	0	599,848	0	41,252
			TOTAL	0	750,908	0	50,032
50	10/01/03 09/30/04	09/13/05 09/16/05	HABITATIONAL	12,500	5,870	1,250	1,016
50	10/01/03 09/30/04	09/13/05 09/16/05	COMMERCIAL	35,000	51,935	3,500	2,279
			TOTAL	47,500	57,805	4,750	3,295
50	10/01/04 09/30/05	09/13/05 09/16/05	HABITATIONAL	183,500	336,563	18,350	30,820
50	10/01/04 09/30/05	09/13/05 09/16/05	COMMERCIAL	8,937,677	8,640,945	893,768	216,997
			TOTAL	9,121,177	8,977,508	912,118	247,817
53	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	0	19,873	0	2,905
53	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	22,500	66,923	2,250	2,600
			TOTAL	22,500	86,796	2,250	5,505
COASTAL WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
97	10/01/97 09/30/98	09/14/99 09/16/99	HABITATIONAL	0	54,862	0	4,430
97	10/01/97 09/30/98	09/14/99 09/16/99	COMMERCIAL	0	33,718	0	1,426
			TOTAL	0	88,580	0	5,856

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
97	10/01/98 09/30/99	09/14/99 09/16/99	HABITATIONAL	0	1,902,730	0	203,454
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	2,976,572	0	119,056
			TOTAL	0	4,879,302	0	322,510
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	73,903	0	9,732
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	5,360	0	947
			TOTAL	0	79,263	0	10,679
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	0	3,019,407	0	316,748
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	0	4,939,620	0	256,511
			TOTAL	0	7,959,027	0	573,259
1	10/01/02 09/30/03	08/03/04	HABITATIONAL	0	5,565	0	722
			TOTAL	0	5,565	0	722
1	10/01/03 09/30/04	08/03/04	HABITATIONAL	0	0	0	204
1	10/01/03 09/30/04	08/03/04	COMMERCIAL	0	13,348	0	1,278
			TOTAL	0	13,348	0	1,482
26	10/01/02 09/30/03	08/14/04 08/15/04	HABITATIONAL	0	104,665	0	8,523
26	10/01/02 09/30/03	08/14/04 08/15/04	COMMERCIAL	0	18,076	0	4,859
			TOTAL	0	122,741	0	13,382
26	10/01/03 09/30/04	08/14/04 08/15/04	HABITATIONAL	0	196,459	0	13,913
26	10/01/03 09/30/04	08/14/04 08/15/04	COMMERCIAL	0	994,920	0	49,652
			TOTAL	0	1,191,379	0	63,565

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF DECEMBER 31, 2005

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	0	18,405	0	3,483
50	10/01/03 09/30/04	09/13/05 09/16/05	COMMERCIAL	30,000	85,456	3,000	3,594
				<u>30,000</u>	<u>103,861</u>	<u>3,000</u>	<u>7,077</u>
50	10/01/04 09/30/05	09/13/05 09/16/05	HABITATIONAL	202,500	611,818	20,250	66,617
50	10/01/04 09/30/05	09/13/05 09/16/05	COMMERCIAL	981,104	2,730,094	98,110	101,350
				<u>1,183,604</u>	<u>3,341,912</u>	<u>118,360</u>	<u>167,967</u>
53	10/01/04 09/30/05	10/07/05 10/14/05	HABITATIONAL	10,000	195	1,000	327
53	10/01/04 09/30/05	10/07/05 10/14/05	COMMERCIAL	37,500	135,501	3,750	6,261
				<u>47,500</u>	<u>135,696</u>	<u>4,750</u>	<u>6,588</u>
HOMEOWNERS AND HOMEOWNERS WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
95	10/01/02 09/30/03	09/18/03	HO-BEACH	0	92,968	0	8,089
95	10/01/02 09/30/03	09/18/03	BEACH HO WIND	0	465,172	0	36,138
95	10/01/02 09/30/03	09/18/03	BEACH HO COAST	0	419,065	0	31,876
95	10/01/03 09/30/04	09/18/03	BEACH HO COAST	0	23	0	188
			TOTAL	<u>0</u>	<u>977,228</u>	<u>0</u>	<u>76,291</u>
1	10/01/02 09/30/03	08/03/04	HOMEOWNERS	0	289	0	306
1	10/01/02 09/30/03	08/03/04	BEACH HO WIND	0	26,502	0	1,823
				<u>0</u>	<u>26,791</u>	<u>0</u>	<u>2,129</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2005

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
1	10/01/03 09/30/04	08/03/04	HO BEACH	0	43,882	0	3,785
1	10/01/03 09/30/04	08/03/04	HO COASTAL	0	0	0	162
1	10/01/03 09/30/04	08/03/04	BEACH HO WIND	22,500	610,563	2,250	40,840
1	10/01/03 09/30/04	08/03/04	COASTAL HO WIND	0	30,997	0	2,486
				22,500	685,442	2,250	47,273
26	10/01/02 09/30/03	08/14/04 08/15/04	HOMEOWNERS	0	49,790	0	4,096
26	10/01/02 09/30/03	08/14/04 08/15/04	BEACH HO WIND	0	10,465	0	1,661
26	10/01/02 09/30/03	08/14/04 08/15/04	COASTAL HO WIND	0	25,751	0	3,283
				0	86,006	0	9,040
26	10/01/03 09/30/04	08/14/04 08/15/04	HO- BEACH	0	99,573	0	9,401
26	10/01/03 09/30/04	08/14/04 08/15/04	HO-COASTAL	9,323	245,892	932	15,760
26	10/01/03 09/30/04	08/14/04 08/15/04	BEACH HO WIND	0	1,097,825	0	93,117
26	10/01/03 09/30/04	08/14/04 08/15/04	COASTAL HO WIND	0	1,184,197	0	128,168
				9,323	2,627,487	932	246,446
50	10/01/03 09/30/04	09/13/05 09/16/05	HO-BEACH	0	0	0	149
50	10/01/03 09/30/04	09/13/05 09/16/05	HO-COASTAL	22,500	21,361	2,250	2,739

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF DECEMBER 31, 2005

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	BEACH HO WIND	52,500	211,205	5,250	15,933
50	10/01/03 09/30/04	09/13/05 09/16/05	BEACH HO COAST	85,000	248,676	8,500	27,552
				<u>160,000</u>	<u>481,242</u>	<u>16,000</u>	<u>46,373</u>
50	10/01/04 09/30/05	09/13/05 09/16/05	HO-BEACH	60,000	375,694	6,000	31,682
50	10/01/04 09/30/04	09/13/05 09/16/05	HO-COASTAL	92,500	624,001	9,250	54,694
50	10/01/04 09/30/05	09/13/05 09/16/05	BEACH HO WIND	1,422,006	6,308,400	142,201	394,844
50	10/01/04 09/30/05	09/13/05 09/16/05	BEACH HO COAST	1,703,973	5,920,029	170,397	600,749
				<u>3,278,479</u>	<u>13,228,124</u>	<u>327,848</u>	<u>1,081,969</u>
53	10/01/04 09/30/05	10/07/05 10/14/05	HO-BEACH	0	4,532	0	786
53	10/01/04 09/30/05	10/07/05 10/14/05	HO-COASTAL	23,918	30,646	2,392	4,760
53	10/01/04 09/30/05	10/07/05 10/14/05	BEACH HO WIND	25,497	86,771	2,550	8,698
53	10/01/04 09/30/05	10/07/05 10/14/05	BEACH HO COAST	153,500	122,980	15,350	19,182
				<u>202,915</u>	<u>244,929</u>	<u>20,292</u>	<u>33,426</u>

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
AS OF DECEMBER 31, 2005

AGGREGATE LIABILITY BY COUNTIES

COUNTY	BEACH LIABILITY *	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 *	COASTAL COUNT	DWELLING BEACH WIND LIABILITY *	DWELLING BEACH WIND COUNT	DWELLING COASTAL WIND LIABILITY *	DWELLING COASTAL WIND COUNT	TOTAL BEACH LIABILITY *	TOTAL COUNT
BEAUFORT					66,296,760	150			233,494,103	751			88,095,201	418	387,886,064	1,319
BRUNSWICK	1,354,446,341	7,244	212,558,012	311	570,548,886	1,088	1,300,829,821	2,963	2,601,657,455	6,813	343,692,587	411	627,855,978	1,752	7,011,589,080	20,582
CAMDEN					17,159,700	40			112,738,563	355			30,821,976	127	160,720,239	522
CARTERET	546,525,583	4602	144,286,355	212	274,300,625	536	1,429,548,557	3,050	2,594,396,753	7,425	704,243,090	758	696,348,146	1,787	6,389,649,109	18,370
CHOWAN					15,190,700	36			125,113,060	405			70,817,185	260	211,120,945	701
CRAVEN					314,829,421	704			505,997,027	1,612			272,816,455	826	1,093,642,903	3,142
CURRITUCK	858,939,293	2,462	12,372,400	13	61,594,640	122	1,069,370,054	1,348	446,545,557	1,278	143,495,449	282	120,732,041	400	2,713,049,434	5,905
DARE	2,304,445,103	10,949	362,498,007	538	38,714,100	64	3,098,093,758	6,145	336,276,658	667	1,251,687,238	2,209	181,329,682	221	7,573,044,546	20,793
HYDE	68,874,857	400	2,616,600	4	7,740,000	23	23,859,664	62	14,578,059	57	39,719,694	75	21,168,417	112	178,557,291	733
JONES					17,172,566	48			36,512,068	134			10,835,488	94	64,520,122	276
NEW HANOVER	643,802,503	2,655	178,404,329	287	705,598,313	1,393	1,086,043,438	2,027	7,045,242,959	17,679	549,504,092	528	1,331,611,785	2,553	11,540,207,419	27,122
ONslow	144,306,106	932	45,196,200	68	388,113,726	813	294,460,572	668	1,542,199,848	5,829	74,999,487	82	443,835,439	1,696	2,933,111,378	10,088
PAMLICO					16,028,100	39			213,702,362	569			60,881,908	219	290,612,370	827
PASQUOTANK					73,010,910	172			245,378,016	925			137,086,129	541	455,475,055	1,638
PENDER	223,945,972	1,388	31,169,200	45	139,440,738	286	373,219,799	903	916,064,382	2,774	115,041,936	166	169,528,766	1,116	1,968,410,793	6,678
PERQUIMANS					18,177,000	44			112,584,176	349			35,676,854	239	166,438,030	632
TYRRELL					5,031,200	14			16,228,020	62			19,964,836	88	41,224,056	164
WASHINGTON					8,792,600	26			45,624,006	151			28,970,313	141	83,386,919	318
	6,145,285,758	30,632	989,101,103	1,478	2,737,739,985	5,598	8,675,425,663	17,166	17,144,333,072	47,835	3,222,383,573	4,511	4,348,376,599	12,590	43,262,645,753	119,810
						66,023										

* 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.