

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
BALANCE SHEET
AS OF JUNE 30, 2004

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
ASSETS				
CASH	(931,086)			(931,086) (Note 1)
INVESTMENTS	199,791,441			199,791,441
FIXED ASSETS	84,992		(84,992)	0
DATA PROCESSING EQUIPMENT	85,658			85,658
ACCOUNTS RECEIVABLE - FAIR	3,638,219			3,638,219
ACCOUNTS RECEIVABLE - OTHER	410,170			410,170
ASSESSMENTS RECEIVABLE	418,073		0	418,073
TOTAL ASSETS	203,497,467	0	(84,992)	203,412,475
LIABILITIES & EQUITY				
LIABILITIES				
PREMIUM REFUND				1,220,637
PREMIUM SUSPENSE				1,543,852
CLAIMS PAYABLE				(11,497)
ACCRUAL-PREMIUM TAX				24,396
ACCRUAL-POST RETIREMENT				190,526
ACCRUAL-PENSION				149,954
ACCRUAL-RENT				11,835
PREPAID PREMIUMS				3,550,318
UNCLAIMED CHECKS				829,212
DISTRIBUTION PAYABLE				39,462
TOTAL LIABILITIES				7,548,695
RESERVES FOR:				
UNPAID LOSSES (INCL. IBNR)				4,164,021
UNPAID LAE RESERVES				321,714
UNEARNED PREMIUMS				46,247,072
TOTAL RESERVES				50,732,807
MEMBERS' EQUITY				145,130,973
TOTAL LIABILITIES & MEMBERS' EQUITY				203,412,475

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 (\$3,817,862) 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
QUARTER ENDING JUNE 30, 2004

	THIRD QUARTER	YEAR TO DATE
<u>UNDERWRITING INCOME</u>		
PREMIUMS EARNED	21,030,338	64,911,939
<u>DEDUCTIONS</u>		
LOSSES INCURRED	1,101,388	5,394,520
LOSS EXPENSE INCURRED	109,581	386,964
OPERATING EXPENSE INCURRED	4,506,967	10,461,378
PREMIUM TAXES	642,581	1,476,875
TOTAL DEDUCTIONS	6,360,517	17,719,737
NET UNDERWRITING GAIN OR (LOSS)	14,669,821	47,192,202
<u>OTHER INCOME OR (OUTGO)</u>		
INVESTMENT INCOME	413,056	1,201,707
MISCELLANEOUS INCOME	11,686	19,659
NET OTHER INCOME	424,742	1,221,366
NET INCOME OR (LOSS)	15,094,563	48,413,568
<u>EQUITY ACCOUNT</u>		
MEMBERS' EQUITY (PRIOR PERIOD)	130,028,445	92,267,791
NET INCOME OR (LOSS)	15,094,563	48,413,568
CHANGE IN ASSETS NOT ADMITTED	7,965	404,267
ASSESSMENTS OR (DISTRIBUTIONS)	0	4,004,538
MINIMUM PENSION LIABILITY	0	40,809
NET CHANGE IN EQUITY	15,102,528	52,863,182
MEMBERS' EQUITY (CURRENT PERIOD)	145,130,973	145,130,973

The Aggregate Liability for the Association as of June 30, 2004 is \$16,819,346,224.

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
MEMBERS' ACCOUNT
QUARTER ENDING JUNE 30, 2004

THIRD QUARTER							
	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	31,684,757	(362,467)	0	0	0	0	31,322,290
INTEREST RECEIVED	413,056	0	0	0	0	0	413,056
MISCELLANEOUS INCOME	11,686	0	0	0	0	0	11,686
TOTAL INCOME	32,109,499	(362,467)	0	0	0	0	31,747,032
EXPENSES PAID							
LOSSES	468,224	7,439,546	78,083	0	0	0	7,985,853
LOSS ADJUSTMENT EXPENSES	88,922	396,018	41,344	1,047	3,155	0	530,486
COMMISSION	4,081,723	(47,121)	0	0	0	0	4,034,602
PREMIUM TAX	642,581	0	0	0	0	0	642,581
ADMINISTRATIVE EXPENSES	472,365	0	0	0	0	0	472,365
TOTAL EXPENSES PAID	5,753,815	7,788,443	119,427	1,047	3,155	0	13,665,887
NET CASH CHANGE	26,355,684	(8,150,910)	(119,427)	(1,047)	(3,155)	0	18,081,145
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	1,556,034	2,555,347	47,639	0	5,001	0	4,164,021
LOSS ADJUSTMENT EXPENSES	129,215	188,614	3,516	0	369	0	321,714
UNEARNED PREMIUMS	43,853,565	2,393,507	0	0	0	0	46,247,072
ADD: (PRIOR PERIOD)							
LOSSES (INCL. IBNR)	3,161,198	7,621,632	165,455	3,500	96,701	0	11,048,486
LOSS ADJUSTMENT EXPENSES	227,378	497,887	10,808	229	6,317	0	742,619
UNEARNED PREMIUMS	24,410,818	11,544,302	0	0	0	0	35,955,120
NET RESERVE CHANGE	(17,739,420)	14,526,353	125,108	3,729	97,648	0	(2,986,582)
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	7,965	0	0	0	0	0	7,965
TOTAL NET OTHER CHANGES	7,965	0	0	0	0	0	7,965
ASSESSMENTS	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0
CHANGE IN MEMBERS' EQUITY	8,624,229	6,375,443	5,681	2,682	94,493	0	15,102,528

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
MEMBERS' ACCOUNT
QUARTER ENDING JUNE 30, 2004

	YEAR-TO-DATE						
	2004	2003	2002	2001	2000	1999	TOTAL
INCOME RECEIVED							
PREMIUMS WRITTEN	70,574,596	(796,506)	0	0	0	0	69,778,090
INTEREST RECEIVED	1,201,707	0	0	0	0	0	1,201,707
MISCELLANEOUS INCOME	19,659	0	0	0	0	0	19,659
TOTAL INCOME	71,795,962	(796,506)	0	0	0	0	70,999,456
EXPENSES PAID							
LOSSES	599,058	53,569,204	2,224,914	9,350	(22,367)	0	56,380,159
LOSS ADJUSTMENT EXPENSES	212,332	3,253,852	154,636	1,645	3,386	0	3,625,851
COMMISSION	9,075,250	(103,546)	0	0	0	0	8,971,704
PREMIUM TAX	1,476,875	0	0	0	0	0	1,476,875
ADMINISTRATIVE EXPENSES	1,489,674	0	0	0	0	0	1,489,674
TOTAL EXPENSES PAID	12,853,189	56,719,510	2,379,550	10,995	(18,981)	0	71,944,263
NET CASH CHANGE	58,942,773	(57,516,016)	(2,379,550)	(10,995)	18,981	0	(944,807)
RESERVES:							
DEDUCT: (CURRENT PERIOD)							
LOSSES (INCL. IBNR.)	1,556,034	2,555,347	47,639	0	5,001	0	4,164,021
LOSS ADJUSTMENT EXPENSES	129,215	188,614	3,516	0	369	0	321,714
UNEARNED PREMIUMS	43,853,565	2,393,507	0	0	0	0	46,247,072
ADD: (PRIOR PERIOD)							
LOSSES (INCL. IBNR)	0	53,609,420	1,457,038	4,501	78,701	0	55,149,660
LOSS ADJUSTMENT EXPENSES	0	3,461,158	94,071	291	5,081	0	3,560,601
UNEARNED PREMIUMS	0	41,380,921	0	0	0	0	41,380,921
NET RESERVE CHANGE	(45,538,814)	93,314,031	1,499,954	4,792	78,412	0	49,358,375
NET OTHER CHANGES							
PRIOR PERIOD ADJUSTMENT	40,809	0	0	0	0	0	40,809
ASSETS NOT ADMITTED	404,267	0	0	0	0	0	404,267
TOTAL NET OTHER CHANGES	445,076	0	0	0	0	0	445,076
ASSESSMENTS	0	1,621,741	0	0	0	4,295,470	5,917,211
DISTRIBUTIONS	0	0	0	0	0	(1,912,673)	(1,912,673)
CHANGE IN MEMBERS' EQUITY	13,849,035	37,419,756	(879,596)	(6,203)	97,393	2,382,797	52,863,182

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF PREMIUMS
QUARTER ENDING JUNE 30, 2004

	THIRD QUARTER 2004	THIRD QUARTER 2003	THIRD QUARTER TOTAL	YEAR TO DATE 2004	YEAR TO DATE 2003	YEAR TO DATE TOTAL
PREMIUMS WRITTEN						
RESIDENTIAL - FIRE	1,886,165	(41,396)	1,844,769	5,659,023	(111,995)	5,547,028
RESIDENTIAL - EC	9,475,672	(102,664)	9,373,008	20,261,211	(345,970)	19,915,241
COMMERCIAL - FIRE	224,213	(9,736)	214,477	561,131	(35,664)	525,467
COMMERCIAL - EC	400,612	(20,965)	379,647	967,975	(90,304)	877,671
CRIME - RESIDENTIAL	115,378	(2,057)	113,321	256,948	3,384	260,332
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	476,162	0	476,162	1,098,688	0	1,098,688
HOMEOWNERS - COASTAL	510,471	0	510,471	1,471,242	0	1,471,242
HO - BEACH WIND	7,198,887	(14,381)	7,184,506	16,233,261	(14,381)	16,218,880
HO - COASTAL WIND	4,113,785	0	4,113,785	9,271,682	0	9,271,682
WIND - RESIDENTIAL	877,152	(56,005)	821,147	1,577,228	(10,793)	1,566,435
WIND - COMMERCIAL	3,839,258	(58,930)	3,780,328	7,874,763	(112,843)	7,761,920
COASTAL - RESIDENTIAL	477,554	(26,178)	451,376	997,858	(106,537)	891,321
COASTAL - COMMERCIAL	2,089,448	(30,155)	2,059,293	4,343,586	28,597	4,372,183
TOTAL	31,684,757	(362,467)	31,322,290	70,574,596	(796,506)	69,778,090
UNEARNED PREMIUMS (PRIOR PERIOD)						
RESIDENTIAL - FIRE	1,678,756	945,614	2,624,370	0	3,666,118	3,666,118
RESIDENTIAL - EC	7,632,298	3,001,004	10,633,302	0	11,588,012	11,588,012
COMMERCIAL - FIRE	208,871	103,291	312,162	0	425,605	425,605
COMMERCIAL - EC	385,474	215,394	600,868	0	862,344	862,344
CRIME - RESIDENTIAL	94,168	47,455	141,623	0	191,752	191,752
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	459,723	100,787	560,510	0	157,767	157,767
HOMEOWNERS - COASTAL	518,410	113,654	632,064	0	306,253	306,253
HO - BEACH WIND	5,587,892	441,379	6,029,271	0	1,064,778	1,064,778
HO - COASTAL WIND	3,274,954	394,222	3,669,176	0	952,324	952,324
WIND - RESIDENTIAL	567,876	1,886,023	2,453,899	0	7,650,467	7,650,467
WIND - COMMERCIAL	2,300,147	1,588,093	3,888,240	0	6,503,407	6,503,407
COASTAL - RESIDENTIAL	343,219	1,071,935	1,415,154	0	4,558,096	4,558,096
COASTAL - COMMERCIAL	1,359,030	1,635,451	2,994,481	0	3,453,998	3,453,998
TOTAL	24,410,818	11,544,302	35,955,120	0	41,380,921	41,380,921
UNEARNED PREMIUMS (CURRENT PERIOD)						
RESIDENTIAL - FIRE	2,771,175	209,494	2,980,669	2,771,175	209,494	2,980,669
RESIDENTIAL - EC	13,457,590	662,631	14,120,221	13,457,590	662,631	14,120,221
COMMERCIAL - FIRE	340,262	18,427	358,689	340,262	18,427	358,689
COMMERCIAL - EC	607,313	38,374	645,687	607,313	38,374	645,687
CRIME - RESIDENTIAL	162,925	9,600	172,525	162,925	9,600	172,525
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	704,784	36,384	741,168	704,784	36,384	741,168
HOMEOWNERS - COASTAL	794,756	41,028	835,784	794,756	41,028	835,784
HO - BEACH WIND	10,019,297	126,723	10,146,020	10,019,297	126,723	10,146,020
HO - COASTAL WIND	5,758,483	117,498	5,875,981	5,758,483	117,498	5,875,981
WIND - RESIDENTIAL	1,152,700	397,347	1,550,047	1,152,700	397,347	1,550,047
WIND - COMMERCIAL	4,795,117	303,082	5,098,199	4,795,117	303,082	5,098,199
COASTAL - RESIDENTIAL	644,477	229,445	873,922	644,477	229,445	873,922
COASTAL - COMMERCIAL	2,644,686	203,474	2,848,160	2,644,686	203,474	2,848,160
TOTAL	43,853,565	2,393,507	46,247,072	43,853,565	2,393,507	46,247,072
EARNED PREMIUMS						
RESIDENTIAL - FIRE	793,746	694,724	1,488,470	2,887,848	3,344,629	6,232,477
RESIDENTIAL - EC	3,650,380	2,235,709	5,886,089	6,803,621	10,579,411	17,383,032
COMMERCIAL - FIRE	92,822	75,128	167,950	220,869	371,514	592,383
COMMERCIAL - EC	178,773	156,055	334,828	360,662	733,666	1,094,328
CRIME - RESIDENTIAL	46,621	35,798	82,419	94,023	185,536	279,559
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	231,101	64,403	295,504	393,904	121,383	515,287
HOMEOWNERS - COASTAL	234,125	72,626	306,751	676,486	265,225	941,711
HO - BEACH WIND	2,767,482	300,275	3,067,757	6,213,964	923,674	7,137,638
HO - COASTAL WIND	1,630,256	276,724	1,906,980	3,513,199	834,826	4,348,025
WIND - RESIDENTIAL	292,328	1,432,671	1,724,999	424,528	7,242,327	7,666,855
WIND - COMMERCIAL	1,344,288	1,226,081	2,570,369	3,079,646	6,087,482	9,167,128
COASTAL - RESIDENTIAL	176,296	816,312	992,608	353,381	4,222,114	4,575,495
COASTAL - COMMERCIAL	803,792	1,401,822	2,205,614	1,698,900	3,279,121	4,978,021
TOTAL	12,242,010	8,788,328	21,030,338	26,721,031	38,190,908	64,911,939

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSSES
QUARTER ENDING JUNE 30, 2004

THIRD QUARTER						THIRD QUARTER TOTAL
	2004	2003	2002	2001	2000	
PAID LOSSES						
RESIDENTIAL - FIRE	89,295	122,154	722	0	0	212,171
RESIDENTIAL - EC	200,291	808,578	46,471	0	0	1,055,340
COMMERCIAL - FIRE	5,587	19,460	0	0	0	25,047
COMMERCIAL - EC	61,687	689,618	0	0	0	751,305
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	5,277	0	0	0	5,277
HOMEOWNERS - COASTAL	23,134	13,972	0	0	0	37,106
HO - BEACH WIND	24,602	111,564	0	0	0	136,166
HO - COASTAL WIND	28,120	28,673	0	0	0	56,793
WIND - RESIDENTIAL	12,721	509,090	17,028	0	0	538,839
WIND - COMMERCIAL	3,487	4,553,503	0	0	0	4,556,990
COASTAL - RESIDENTIAL	4,541	76,049	13,862	0	0	94,452
COASTAL - COMMERCIAL	14,759	501,608	0	0	0	516,367
TOTAL	468,224	7,439,546	78,083	0	0	7,985,853
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	136,572	174,112	2,000	0	5,001	317,685
RESIDENTIAL - EC	335,676	332,525	99	0	0	668,300
COMMERCIAL - FIRE	8,917	10,000	0	0	0	18,917
COMMERCIAL - EC	43,640	27,198	0	0	0	70,838
CRIME - RESIDENTIAL	0	250	0	0	0	250
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	231,578	9,599	0	0	0	241,177
HO - BEACH WIND	22,849	5,150	0	0	0	27,999
HO - COASTAL WIND	19,363	40,203	0	0	0	59,566
WIND - RESIDENTIAL	224,579	564,272	35,538	0	0	824,389
WIND - COMMERCIAL	258,365	689,675	0	0	0	948,040
COASTAL - RESIDENTIAL	134,747	366,121	0	0	0	500,868
COASTAL - COMMERCIAL	139,748	336,242	10,002	0	0	485,992
TOTAL	1,556,034	2,555,347	47,639	0	5,001	4,164,021
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	88,595	47,252	38,782	3,500	71,501	249,630
RESIDENTIAL - EC	544,228	1,132,036	43,100	0	12,200	1,731,564
COMMERCIAL - FIRE	277,611	10,000	0	0	0	287,611
COMMERCIAL - EC	0	779,301	0	0	0	779,301
CRIME - RESIDENTIAL	3,000	3,000	0	0	2,500	8,500
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	205,879	21,001	0	0	0	226,880
HO - BEACH WIND	93,620	229,452	0	0	0	323,072
HO - COASTAL WIND	34,236	70,502	0	0	0	104,738
WIND - RESIDENTIAL	416,120	1,234,173	39,202	0	8,500	1,697,995
WIND - COMMERCIAL	972,911	2,758,848	0	0	2,000	3,733,759
COASTAL - RESIDENTIAL	249,969	720,444	34,371	0	0	1,004,784
COASTAL - COMMERCIAL	275,029	615,623	10,000	0	0	900,652
TOTAL	3,161,198	7,621,632	165,455	3,500	96,701	11,048,486
INCURRED LOSSES						
RESIDENTIAL - FIRE	137,272	249,014	(36,060)	(3,500)	(66,500)	280,226
RESIDENTIAL - EC	(8,261)	9,067	3,470	0	(12,200)	(7,924)
COMMERCIAL - FIRE	(263,107)	19,460	0	0	0	(243,647)
COMMERCIAL - EC	105,327	(62,485)	0	0	0	42,842
CRIME - RESIDENTIAL	(3,000)	(2,750)	0	0	(2,500)	(8,250)
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	5,277	0	0	0	5,277
HOMEOWNERS - COASTAL	48,833	2,570	0	0	0	51,403
HO - BEACH WIND	(46,169)	(112,738)	0	0	0	(158,907)
HO - COASTAL WIND	13,247	(1,626)	0	0	0	11,621
WIND - RESIDENTIAL	(178,820)	(160,811)	13,364	0	(8,500)	(334,767)
WIND - COMMERCIAL	(711,059)	2,484,330	0	0	(2,000)	1,771,271
COASTAL - RESIDENTIAL	(110,681)	(278,274)	(20,509)	0	0	(409,464)
COASTAL - COMMERCIAL	(120,522)	222,227	2	0	0	101,707
TOTAL	(1,136,940)	2,373,261	(39,733)	(3,500)	(91,700)	1,101,388

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSSES
QUARTER ENDING JUNE 30, 2004

	YEAR-TO-DATE					YEAR-TO-DATE TOTAL
	2004	2003	2002	2001	2000	
PAID LOSSES						
RESIDENTIAL - FIRE	90,543	711,311	321,021	9,350	0	1,132,225
RESIDENTIAL - EC	269,839	14,507,363	707,431	0	5,500	15,490,133
COMMERCIAL - FIRE	5,587	71,877	4,091	0	0	81,555
COMMERCIAL - EC	98,277	1,628,134	86,594	0	0	1,813,005
CRIME - RESIDENTIAL	0	3,844	0	0	0	3,844
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	500	14,908	0	0	0	15,408
HOMEOWNERS - COASTAL	37,252	104,641	0	0	0	141,893
HO - BEACH WIND	33,432	332,277	0	0	0	365,709
HO - COASTAL WIND	28,120	425,937	0	0	0	454,057
WIND - RESIDENTIAL	12,721	7,318,337	247,300	0	0	7,578,358
WIND - COMMERCIAL	3,487	21,504,558	727,887	0	0	22,235,932
COASTAL - RESIDENTIAL	4,541	2,937,948	78,473	0	(27,867)	2,993,095
COASTAL - COMMERCIAL	14,759	4,008,069	52,117	0	0	4,074,945
TOTAL	599,058	53,569,204	2,224,914	9,350	(22,367)	56,380,159
OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	136,572	174,112	2,000	0	5,001	317,685
RESIDENTIAL - EC	335,676	332,525	99	0	0	668,300
COMMERCIAL - FIRE	8,917	10,000	0	0	0	18,917
COMMERCIAL - EC	43,640	27,198	0	0	0	70,838
CRIME - RESIDENTIAL	0	250	0	0	0	250
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	231,578	9,599	0	0	0	241,177
HO - BEACH WIND	22,849	5,150	0	0	0	27,999
HO - COASTAL WIND	19,363	40,203	0	0	0	59,566
WIND - RESIDENTIAL	224,579	564,272	35,538	0	0	824,389
WIND - COMMERCIAL	258,365	689,675	0	0	0	948,040
COASTAL - RESIDENTIAL	134,747	366,121	0	0	0	500,868
COASTAL - COMMERCIAL	139,748	336,242	10,002	0	0	485,992
TOTAL	1,556,034	2,555,347	47,639	0	5,001	4,164,021
OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	371,079	320,954	0	0	692,033
RESIDENTIAL - EC	0	24,983,639	678,549	3,501	1,000	25,666,689
COMMERCIAL - FIRE	0	57,460	0	0	64,700	122,160
COMMERCIAL - EC	0	531,352	0	0	0	531,352
CRIME - RESIDENTIAL	0	1,330	1,000	0	2,501	4,831
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	23,187	0	0	0	23,187
HOMEOWNERS - COASTAL	0	170,031	0	0	0	170,031
HO - BEACH WIND	0	552,037	0	0	0	552,037
HO - COASTAL WIND	0	622,419	0	0	0	622,419
WIND - RESIDENTIAL	0	12,493,434	288,526	0	8,500	12,790,460
WIND - COMMERCIAL	0	3,935,131	11,001	0	2,000	3,948,132
COASTAL - RESIDENTIAL	0	5,622,345	82,007	1,000	0	5,705,352
COASTAL - COMMERCIAL	0	4,245,976	75,001	0	0	4,320,977
TOTAL	0	53,609,420	1,457,038	4,501	78,701	55,149,660
INCURRED LOSSES						
RESIDENTIAL - FIRE	227,115	514,344	2,067	9,350	5,001	757,877
RESIDENTIAL - EC	605,515	(10,143,751)	28,981	(3,501)	4,500	(9,508,256)
COMMERCIAL - FIRE	14,504	24,417	4,091	0	(64,700)	(21,688)
COMMERCIAL - EC	141,917	1,123,980	86,594	0	0	1,352,491
CRIME - RESIDENTIAL	0	2,764	(1,000)	0	(2,501)	(737)
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	500	(8,279)	0	0	0	(7,779)
HOMEOWNERS - COASTAL	268,830	(55,791)	0	0	0	213,039
HO - BEACH WIND	56,281	(214,610)	0	0	0	(158,329)
HO - COASTAL WIND	47,483	(156,279)	0	0	0	(108,796)
WIND - RESIDENTIAL	237,300	(4,610,825)	(5,688)	0	(8,500)	(4,387,713)
WIND - COMMERCIAL	261,852	18,259,102	716,886	0	(2,000)	19,235,840
COASTAL - RESIDENTIAL	139,288	(2,318,276)	(3,534)	(1,000)	(27,867)	(2,211,389)
COASTAL - COMMERCIAL	154,507	98,335	(12,882)	0	0	239,960
TOTAL	2,155,092	2,515,131	815,515	4,849	(96,067)	5,394,520

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 STATISTICAL REPORT OF LOSSES
 QUARTER ENDING JUNE 30, 2004

IBNR TOTALS						
	2004	2003	2002	2001	2000	TOTAL
<u>IBNR (CURRENT PERIOD)</u>						
RESIDENTIAL - FIRE	78,154	0	0	0	0	78,154
RESIDENTIAL - EC	191,341	0	0	0	0	191,341
COMMERCIAL - FIRE	3,818	0	0	0	0	3,818
COMMERCIAL - EC	18,640	0	0	0	0	18,640
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	67,374	0	0	0	0	67,374
HO - BEACH WIND	0	0	0	0	0	0
HO - COASTAL WIND	11,229	0	0	0	0	11,229
WIND - RESIDENTIAL	224,579	0	0	0	0	224,579
WIND - COMMERCIAL	258,266	0	0	0	0	258,266
COASTAL - RESIDENTIAL	134,747	0	0	0	0	134,747
COASTAL - COMMERCIAL	134,747	0	0	0	0	134,747
TOTAL	1,122,895	0	0	0	0	1,122,895
<u>IBNR (PRIOR PERIOD)</u>						
RESIDENTIAL - FIRE	69,908	190,560	0	0	0	260,468
RESIDENTIAL - EC	429,436	7,067,639	0	0	0	7,497,075
COMMERCIAL - FIRE	277,413	33,638	0	0	0	311,051
COMMERCIAL - EC	0	146,314	0	0	0	146,314
CRIME - RESIDENTIAL	0	1,330	0	0	0	1,330
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	6,385	0	0	0	6,385
HOMEOWNERS - COASTAL	55,483	46,820	0	0	0	102,303
HO - BEACH WIND	83,224	152,010	0	0	0	235,234
HO - COASTAL WIND	27,741	171,391	0	0	0	199,132
WIND - RESIDENTIAL	416,120	3,522,011	0	0	0	3,938,131
WIND - COMMERCIAL	943,205	1,087,167	0	0	0	2,030,372
COASTAL - RESIDENTIAL	249,672	1,571,039	0	0	0	1,820,711
COASTAL - COMMERCIAL	221,931	1,189,834	0	0	0	1,411,765
TOTAL	2,774,133	15,186,138	0	0	0	17,960,271

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDING JUNE 30, 2004

THIRD QUARTER

	2004	2003	2002	2001	2000	THIRD QUARTER TOTAL
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	19,516	9,138	2,208	45	0	30,907
RESIDENTIAL - EC	21,223	70,656	614	0	3,155	95,648
COMMERCIAL - FIRE	3,556	1,756	0	0	0	5,312
COMMERCIAL - EC	13,450	30,216	0	0	0	43,666
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	13,235	1,202	0	0	0	14,437
HO - BEACH WIND	3,658	10,090	0	0	0	13,748
HO - COASTAL WIND	6,309	1,635	0	0	0	7,944
WIND - RESIDENTIAL	1,770	30,940	1,126	0	0	33,836
WIND - COMMERCIAL	2,557	188,714	35,332	0	0	226,603
COASTAL - RESIDENTIAL	2,700	11,773	2,064	1,002	0	17,539
COASTAL - COMMERCIAL	948	39,898	0	0	0	40,846
TOTAL	88,922	396,018	41,344	1,047	3,155	530,486
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	11,081	12,851	148	0	369	24,449
RESIDENTIAL - EC	27,225	24,544	7	0	0	51,776
COMMERCIAL - FIRE	707	738	0	0	0	1,445
COMMERCIAL - EC	3,459	2,008	0	0	0	5,467
CRIME - RESIDENTIAL	0	18	0	0	0	18
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	17,955	709	0	0	0	18,664
HO - BEACH WIND	1,687	380	0	0	0	2,067
HO - COASTAL WIND	1,572	2,967	0	0	0	4,539
WIND - RESIDENTIAL	19,449	41,650	2,623	0	0	63,722
WIND - COMMERCIAL	22,373	50,906	0	0	0	73,279
COASTAL - RESIDENTIAL	11,669	27,024	0	0	0	38,693
COASTAL - COMMERCIAL	12,038	24,819	738	0	0	37,595
TOTAL	129,215	188,614	3,516	0	369	321,714
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	6,314	3,087	2,533	229	4,671	16,834
RESIDENTIAL - EC	38,783	73,951	2,816	0	797	116,347
COMMERCIAL - FIRE	20,222	653	0	0	0	20,875
COMMERCIAL - EC	0	50,908	0	0	0	50,908
CRIME - RESIDENTIAL	196	196	0	0	163	555
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	13,867	1,372	0	0	0	15,239
HO - BEACH WIND	6,742	14,989	0	0	0	21,731
HO - COASTAL WIND	2,445	4,606	0	0	0	7,051
WIND - RESIDENTIAL	30,314	80,623	2,561	0	555	114,053
WIND - COMMERCIAL	70,653	180,223	0	0	131	251,007
COASTAL - RESIDENTIAL	18,207	47,063	2,245	0	0	67,515
COASTAL - COMMERCIAL	19,635	40,216	653	0	0	60,504
TOTAL	227,378	497,887	10,808	229	6,317	742,619
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	24,283	18,902	(177)	(184)	(4,302)	38,522
RESIDENTIAL - EC	9,665	21,249	(2,195)	0	2,358	31,077
COMMERCIAL - FIRE	(15,959)	1,841	0	0	0	(14,118)
COMMERCIAL - EC	16,909	(18,684)	0	0	0	(1,775)
CRIME - RESIDENTIAL	(196)	(178)	0	0	(163)	(537)
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	17,323	539	0	0	0	17,862
HO - BEACH WIND	(1,397)	(4,519)	0	0	0	(5,916)
HO - COASTAL WIND	5,436	(4)	0	0	0	5,432
WIND - RESIDENTIAL	(9,095)	(8,033)	1,188	0	(555)	(16,495)
WIND - COMMERCIAL	(45,723)	59,397	35,332	0	(131)	48,875
COASTAL - RESIDENTIAL	(3,838)	(8,266)	(181)	1,002	0	(11,283)
COASTAL - COMMERCIAL	(6,649)	24,501	85	0	0	17,937
TOTAL	(9,241)	86,745	34,052	818	(2,793)	109,581

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
QUARTER ENDING JUNE 30, 2004

YEAR-TO-DATE						YEAR TO DATE TOTAL
	2004	2003	2002	2001	2000	
LOSS EXPENSES PAID						
RESIDENTIAL - FIRE	37,775	45,205	16,041	273	0	99,294
RESIDENTIAL - EC	57,554	1,218,353	51,637	0	3,289	1,330,833
COMMERCIAL - FIRE	5,873	2,491	0	0	0	8,364
COMMERCIAL - EC	16,522	81,520	0	0	0	98,042
CRIME - RESIDENTIAL	0	898	0	0	0	898
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	3,142	2,761	0	0	0	5,903
HOMEOWNERS - COASTAL	23,916	6,971	0	0	0	30,887
HO - BEACH WIND	10,525	28,974	0	0	0	39,499
HO - COASTAL WIND	10,160	33,251	0	0	0	43,411
WIND - RESIDENTIAL	10,885	641,854	22,938	0	0	675,677
WIND - COMMERCIAL	23,825	685,717	52,995	0	0	762,537
COASTAL - RESIDENTIAL	6,954	306,052	10,048	1,372	97	324,523
COASTAL - COMMERCIAL	5,201	199,805	977	0	0	205,983
TOTAL	212,332	3,253,852	154,636	1,645	3,386	3,625,851
UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	11,081	12,851	148	0	369	24,449
RESIDENTIAL - EC	27,225	24,544	7	0	0	51,776
COMMERCIAL - FIRE	707	738	0	0	0	1,445
COMMERCIAL - EC	3,459	2,008	0	0	0	5,467
CRIME - RESIDENTIAL	0	18	0	0	0	18
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	0	0	0	0	0
HOMEOWNERS - COASTAL	17,955	709	0	0	0	18,664
HO - BEACH WIND	1,687	380	0	0	0	2,067
HO - COASTAL WIND	1,572	2,967	0	0	0	4,539
WIND - RESIDENTIAL	19,449	41,650	2,623	0	0	63,722
WIND - COMMERCIAL	22,373	50,906	0	0	0	73,279
COASTAL - RESIDENTIAL	11,669	27,024	0	0	0	38,693
COASTAL - COMMERCIAL	12,038	24,819	738	0	0	37,595
TOTAL	129,215	188,614	3,516	0	369	321,714
UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)						
RESIDENTIAL - FIRE	0	23,957	20,722	0	0	44,679
RESIDENTIAL - EC	0	1,613,006	43,809	226	65	1,657,106
COMMERCIAL - FIRE	0	3,710	0	0	4,177	7,887
COMMERCIAL - EC	0	34,305	0	0	0	34,305
CRIME - RESIDENTIAL	0	86	65	0	161	312
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	0	1,497	0	0	0	1,497
HOMEOWNERS - COASTAL	0	10,978	0	0	0	10,978
HO - BEACH WIND	0	35,641	0	0	0	35,641
HO - COASTAL WIND	0	40,184	0	0	0	40,184
WIND - RESIDENTIAL	0	806,607	18,628	0	549	825,784
WIND - COMMERCIAL	0	254,063	710	0	129	254,902
COASTAL - RESIDENTIAL	0	362,993	5,295	65	0	368,353
COASTAL - COMMERCIAL	0	274,131	4,842	0	0	278,973
TOTAL	0	3,461,158	94,071	291	5,081	3,560,601
INCURRED LOSS EXPENSES						
RESIDENTIAL - FIRE	48,856	34,099	(4,533)	273	369	79,064
RESIDENTIAL - EC	84,779	(370,109)	7,835	(226)	3,224	(274,497)
COMMERCIAL - FIRE	6,580	(481)	0	0	(4,177)	1,922
COMMERCIAL - EC	19,981	49,223	0	0	0	69,204
CRIME - RESIDENTIAL	0	830	(65)	0	(161)	604
CRIME - COMMERCIAL	0	0	0	0	0	0
HOMEOWNERS - BEACH	3,142	1,264	0	0	0	4,406
HOMEOWNERS - COASTAL	41,871	(3,298)	0	0	0	38,573
HO - BEACH WIND	12,212	(6,287)	0	0	0	5,925
HO - COASTAL WIND	11,732	(3,966)	0	0	0	7,766
WIND - RESIDENTIAL	30,334	(123,103)	6,933	0	(549)	(86,385)
WIND - COMMERCIAL	46,198	482,560	52,285	0	(129)	580,914
COASTAL - RESIDENTIAL	18,623	(29,917)	4,753	1,307	97	(5,137)
COASTAL - COMMERCIAL	17,239	(49,507)	(3,127)	0	0	(35,395)
TOTAL	341,547	(18,692)	64,081	1,354	(1,326)	386,964

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
88	10/01/94 09/30/95	09/05/96 09/06/96	HABITATIONAL	0	3,531,635	0	194,528
88	10/01/94 09/30/95	09/05/96 09/06/96	COMMERCIAL	0	198,455	0	19,019
			TOTAL	0	3,730,090	0	213,547
88	10/01/95 09/30/96	09/05/96 09/06/96	HABITATIONAL	0	42,085,572	0	2,366,214
88	10/01/95 09/30/96	09/05/96 09/06/96	COMMERCIAL	0	4,787,683	0	172,783
			TOTAL	0	46,873,255	0	2,538,997
66	10/01/96 09/30/97	08/26/98 08/27/98	HABITATIONAL	0	1,956,405	0	151,945
66	10/01/96 09/30/97	08/26/98 08/27/98	COMMERCIAL	0	249,682	0	11,667
			TOTAL	0	2,206,087	0	163,612
66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	0	18,366,946	0	1,451,409
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	2,171,569	0	99,365
			TOTAL	0	20,538,515	0	1,550,774
96	10/01/97 09/30/98	08/29/99 09/07/99	HABITATIONAL	0	411,911	0	30,168
96	10/01/97 09/30/98	08/29/99 09/07/99	COMMERCIAL	0	0	0	120
			TOTAL	0	411,911	0	30,288
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	09/14/99	COMMERCIAL	0	1,146,594	0	70,288

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
	09/30/99	09/16/99	TOTAL	5,000	12,820,220	500	1,240,224
81	10/01/01 09/30/02	01/13/03 01/26/03	HABITATIONAL	0	866,183	0	27,982
81	10/01/01 09/30/02	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	0	866,183	0	27,982
81	10/01/02 09/30/03	01/13/03 01/26/03	HABITATIONAL	0	212,762	0	10,931
81	10/01/02 09/30/03	01/13/03 01/26/03	COMMERCIAL	0	1,638	0	272
			TOTAL	0	214,400	0	11,203
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	2,052	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	2,052	0	0
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	1,151	0	
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	1,151	0	0
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	591,665	0	45,332
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	0	0	0
			TOTAL	0	591,665	0	45,332
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	281,645	14,238,678	28,165	1,194,094
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	0	1,759,346	0	82,531
			TOTAL	281,645	15,998,024	28,165	1,276,625
16	10/01/02	03/03/04	HABITATIONAL	0	18,226	0	2,922

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
	09/30/03	03/08/04					
16	10/01/02 09/30/03	03/03/04 03/08/04	COMMERCIAL	0	0	0	0
		TOTAL		0	18,226	0	2,922
16	10/01/03 09/30/04	03/03/04 03/08/04	HABITATIONAL	0	1,828	0	587
16	10/01/03 09/30/04	03/03/04 03/08/04	COMMERCIAL	0	5,587	0	1,010
		TOTAL		0	7,415	0	1,597
BEACH WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
88	10/01/94 09/30/95	09/05/96 09/06/96	HABITATIONAL	0	1,667,593	0	81,076
88	10/01/94 09/30/95	09/05/96 09/06/96	COMMERCIAL	0	585,950	0	21,793
		TOTAL		0	2,253,543	0	102,869
88	10/01/95 09/30/96	09/05/96 09/06/96	HABITATIONAL	0	21,909,370	0	1,131,621
88	10/01/95 09/30/96	09/05/96 09/06/96	COMMERCIAL	0	68,201,398	0	1,846,914
		TOTAL		0	90,110,768	0	2,978,535
66	10/01/96 09/30/97	08/26/98 08/27/98	HABITATIONAL	0	1,071,347	0	79,261
66	10/01/96 09/30/97	08/26/98 08/27/98	COMMERCIAL	0	3,402,561	0	93,565
		TOTAL		0	4,473,908	0	172,826
66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	0	12,487,161	0	828,501
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	40,890,832	0	1,887,321
		TOTAL		0	53,377,993	0	2,715,822
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

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
			TOTAL	0	252,448	0	23,131

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

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	7,288,777	0	653,683
97	10/01/98 09/30/99	09/14/99 09/16/99	COMMERCIAL	0	37,785,920	0	1,266,126
			TOTAL	0	45,074,697	0	1,919,809
81	10/01/01 09/30/02	01/13/03 01/26/03	HABITATIONAL	0	2,064	0	0
81	10/01/01 09/30/02	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	0	2,064	0	0
81	10/01/02 09/30/03	01/13/03 01/26/03	HABITATIONAL	0	0	0	0
81	10/01/02 09/30/03	01/13/03 01/26/03	COMMERCIAL	0	0	0	0
			TOTAL	0	0	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	950	0	0
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	950	0	0
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	0	0	1,079
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	0	0	1,079
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	35,538	239,931	3,554	20,318
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	0	818,233	0	48,221
			TOTAL	35,538	1,058,164	3,554	68,539
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	555,875	7,260,372	55,588	636,584
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	674,155	21,529,159	67,416	678,632

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
			TOTAL	1,230,030	28,789,531	123,003	1,315,216
16	10/01/02 09/30/03	03/03/04 03/08/04	HABITATIONAL	100	8,255	10	972
16	10/01/02 09/30/03	03/03/04 03/08/04	COMMERCIAL	3,000	4,618	300	780
			TOTAL	3,100	12,873	310	1,752
16	10/01/03 09/30/04	03/03/04 03/08/04	HABITATIONAL	0	0	0	0
16	10/01/03 09/30/04	03/03/04 03/08/04	COMMERCIAL	0	692	0	308
			TOTAL	0	692	0	308

COASTAL WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES

66	10/01/97 09/30/98	08/26/98 08/27/98	HABITATIONAL	0	691,776	0	88,723
66	10/01/97 09/30/98	08/26/98 08/29/98	COMMERCIAL	0	1,099,485	0	80,486
			TOTAL	0	1,791,261	0	169,209
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
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
88	10/01/01 09/30/02	05/02/03 05/11/03	HABITATIONAL	0	1,921	0	291
88	10/01/01 09/30/02	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	1,921	0	291

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
88	10/01/02 09/30/03	05/02/03 05/11/03	HABITATIONAL	0	3,059	0	352
88	10/01/02 09/30/03	05/02/03 05/11/03	COMMERCIAL	0	0	0	0
			TOTAL	0	3,059	0	352
95	10/01/01 09/30/02	09/18/03	HABITATIONAL	0	69,536	0	9,472
95	10/01/01 09/30/02	09/18/03	COMMERCIAL	10,001	3,875	1,000	392
			TOTAL	10,001	73,411	1,000	9,864
95	10/01/02 09/30/03	09/18/03	HABITATIONAL	351,321	2,928,303	35,132	299,661
95	10/01/02 09/30/03	09/18/03	COMMERCIAL	333,396	3,973,280	33,340	197,991
			TOTAL	684,717	6,901,583	68,472	497,652
16	10/01/02 09/30/03	03/03/04 03/08/04	HABITATIONAL	700	9,848	70	1,408
16	10/01/02 09/30/03	03/03/04 03/08/04	COMMERCIAL	0	25,567	0	1,415
			TOTAL	700	35,415	70	2,823
16	10/01/03 09/30/04	03/03/04 03/08/04	HABITATIONAL	0	3,452	0	340
16	10/01/03 09/30/04	03/03/04 03/08/04	COMMERCIAL	0	14,759	0	606
			TOTAL	0	18,211	0	946
HOMEOWNERS AND HOMEOWNERS WIND & HAIL ONLY REPORT OF CATASTROPHE LOSSES							
95	10/01/02 09/30/03	09/18/03	HOMEOWNERS	0	85,388	0	8,089
95	10/01/02 09/30/03	09/18/03	BEACH HO WIND	0	332,278	0	28,789
95	10/01/02 09/30/03	09/18/03	BEACH HO COAST	40,104	413,789	4,010	31,804
			TOTAL	40,104	831,455	0	68,682

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
 BEACH PLAN
 REPORT OF CATASTROPHE LOSSES TO MEMBER COMPANIES
 AS OF JUNE 30, 2004

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
16	10/01/02 09/30/03	03/03/04 03/08/04	HOMEOWNERS	0	0	0	0
16	10/01/02 09/30/03	03/03/04 03/08/04	BEACH HO WIND	0	0	0	185
16	10/01/02 09/30/03	03/03/04 03/08/04	BEACH HO COAST	0	8,137	0	890
				0	8,137	0	1,075
16	10/01/03 09/30/04	03/03/04 03/08/04	HOMEOWNERS	0	3,848	0	533
16	10/01/03 09/30/04	03/03/04 03/08/04	BEACH HO WIND	0	6,553	0	909
16	10/01/03 09/30/04	03/03/04 03/08/04	BEACH HO COAST	5,664	4,087	566	185
				5,664	14,488	566	1,442

NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION
BEACH PLAN
AS OF JUNE 30, 2004

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 *	HO WIND COASTAL COUNT	DWELLING BEACH WIND LIABILITY *	DWELLING BEACH WIND COUNT	DWELLING COASTAL WIND LIABILITY *	DWELLING COASTAL WIND COUNT	TOTAL BEACH LIABILITY *	TOTAL COUNT
BEAUFORT	0	0	0	0	20,365,358	49	0	0	24,444,756	88	0	0	58,301,269	242	103,111,383	379
BRUNSWICK	1,146,438,756	6,687	106,867,707	168	153,093,490	318	136,667,386	335	243,802,892	696	403,162,787	1,053	442,318,061	1,357	2,632,351,079	10,614
CAMDEN	0	0	0	0	5,691,050	14	0	0	20,321,779	73	0	0	16,014,154	92	42,026,983	179
CARTERET	465,532,157	4,456	53,070,492	78	116,943,223	241	155,754,234	339	258,222,250	804	786,915,893	1,343	662,776,543	1,812	2,499,214,792	9,073
CHOWAN	0	0	0	0	2,910,000	7	0	0	11,178,238	43	0	0	29,360,160	57	43,448,398	107
CRAVEN	0	0	0	0	120,771,725	299	0	0	111,528,296	375	0	0	207,246,181	499	439,546,202	1,173
CURRITUCK	760,289,999	2,584	826,000	1	15,983,290	33	177,992,791	237	71,611,400	226	191,258,997	457	91,096,497	377	1,309,058,974	3,915
DARE	1,989,490,614	11,158	103,687,040	164	9,316,858	16	383,148,271	763	48,744,022	111	1,308,060,869	3,250	162,698,469	250	4,005,146,143	15,712
HYDE	60,359,313	388	651,000	1	1,806,500	6	2,415,000	5	1,892,390	12	36,114,694	72	15,106,376	65	118,345,273	549
JONES	0	0	0	0	3,837,219	12	0	0	6,089,306	32	0	0	3,778,587	39	13,705,112	83
NEW HANOVER	518,100,812	2,620	72,369,710	112	283,675,806	587	109,338,022	241	694,392,843	1,999	624,575,314	884	1,442,481,970	3,072	3,744,934,477	9,515
ONSLow	120,990,440	925	22,722,900	39	138,179,777	289	46,789,872	107	174,532,970	785	69,730,410	145	351,337,687	1,096	924,284,056	3,386
PAMLICO	0	0	0	0	5,237,600	14	0	0	22,730,680	72	0	0	52,782,840	128	80,751,120	214
PASQUOTANK	0	0	0	0	14,130,800	36	0	0	35,738,682	172	0	0	57,941,065	224	107,810,547	432
PENDER	180,338,028	1,383	17,655,800	26	44,212,167	102	50,095,735	127	95,749,818	330	129,808,573	337	150,784,315	976	668,644,436	3,281
PERQUIMANS	0	0	0	0	3,184,000	7	0	0	10,796,738	40	0	0	29,885,533	67	43,866,271	114
TYRRELL	0	0	0	0	1,192,000	4	0	0	2,638,860	11	0	0	12,435,074	42	16,265,934	57
WASHINGTON	0	0	0	0	4,021,200	14	0	0	1,374,000	7	0	0	21,439,844	53	26,835,044	74
	5,241,540,119	30,201	377,850,649	589	944,552,063	2,048	1,062,201,311	2,154	1,835,789,920	5,876	3,549,627,537	7,541	3,807,784,625	10,448	16,819,346,224	58,857

* 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.