

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

	2006				2005			
	BEACH RESIDENTIAL	BEACH COMMERCIAL	COASTAL RESIDENTIAL	COASTAL COMMERCIAL	BEACH RESIDENTIAL	BEACH COMMERCIAL	COASTAL RESIDENTIAL	COASTAL COMMERCIAL
INCOME RECEIVED								
PREMIUMS WRITTEN	16,652,763	3,118,879	11,126,518	1,848,595	71,883,005	14,562,669	36,837,861	8,649,854
INTEREST RECEIVED	1,524,671	285,554	1,018,706	169,251	3,459,812	697,805	1,761,489	409,716
MISCELLANEOUS INCOME	(6,956)	(1,303)	(4,647)	(772)	2,267	457	1,154	269
TOTAL INCOME	18,170,478	3,403,130	12,140,577	2,017,074	75,345,084	15,260,931	38,600,504	9,059,839
EXPENSES PAID								
LOSSES	41,505	0	15,657	0	14,076,685	10,028,539	8,162,845	3,075,010
LOSS ADJUSTMENT EXPENSES	26,353	9,011	19,110	3,462	1,154,362	300,106	879,340	136,028
COMMISSION	2,143,830	394,489	1,441,065	244,435	9,139,441	1,903,137	4,799,617	1,131,842
PREMIUM TAX	344,581	64,536	230,231	38,251	1,483,193	299,143	755,136	175,643
ADMINISTRATIVE EXPENSES	229,264	42,937	153,178	25,450	1,068,771	215,559	544,142	126,565
TOTAL EXPENSES PAID	2,785,533	510,973	1,859,241	311,598	26,922,452	12,746,484	15,141,080	4,645,088
NET CASH CHANGE	15,384,945	2,892,157	10,281,336	1,705,476	48,422,632	2,514,447	23,459,424	4,414,751
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	1,984,379	4,213,427	1,060,353	432,388	4,380,783	9,086,178	2,333,651	1,024,604
LOSS ADJUSTMENT EXPENSES	135,431	287,567	72,370	29,511	298,991	620,133	159,272	69,929
UNEARNED PREMIUMS	14,475,556	2,701,476	9,631,583	1,593,490	23,432,759	4,653,130	12,429,634	2,734,392
NET RESERVE CHANGE	16,595,366	7,202,470	10,764,306	2,055,389	28,112,533	14,359,441	14,922,557	3,828,925
NET OTHER CHANGES								
ASSETS NOT ADMITTED	8,062	1,510	5,386	895	6,209	1,252	3,161	736
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0
PRIOR PERIOD ADJUSTMENT	0	0	0	0	(125,302)	(25,272)	(63,795)	(14,839)
TOTAL NET OTHER CHANGES	8,062	1,510	5,386	895	(119,093)	(24,020)	(60,634)	(14,103)
ASSESSMENTS	0	0	0	0	159,060	0	0	0
DISTRIBUTIONS	0	0	0	0	(159,060)	0	0	0
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0
MEMBERS' EQUITY	(1,202,359)	(4,308,803)	(477,584)	(349,018)	20,191,006	(11,869,014)	8,476,233	571,723

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	2004				2003			
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INCOME RECEIVED								
PREMIUMS WRITTEN	61,517,124	12,728,880	18,370,202	6,322,807	43,871,928	13,874,727	10,476,995	6,426,818
INTEREST RECEIVED	1,136,073	229,024	334,440	112,719	1,086,606	342,721	248,892	155,314
MISCELLANEOUS INCOME	2,158	434	634	214	(12,031)	(3,795)	(2,756)	(1,720)
TOTAL INCOME	62,655,355	12,958,338	18,705,276	6,435,740	44,946,503	14,213,653	10,723,131	6,580,412
EXPENSES PAID								
LOSSES	10,995,488	2,163,917	3,500,879	1,085,367	28,198,180	26,357,790	3,845,675	5,026,522
LOSS ADJUSTMENT EXPENSES	953,689	151,885	310,833	72,092	2,404,043	865,803	404,247	269,756
COMMISSION	7,680,722	1,584,913	2,601,362	834,881	5,704,804	1,801,946	1,307,146	807,189
PREMIUM TAX	1,312,394	264,569	386,346	130,213	969,857	305,897	222,150	138,626
ADMINISTRATIVE EXPENSES	1,241,643	252,209	329,811	116,404	1,102,136	354,925	261,524	149,442
TOTAL EXPENSES PAID	22,183,936	4,417,493	7,129,231	2,238,957	38,379,020	29,686,361	6,040,742	6,391,535
NET CASH CHANGE	40,471,419	8,540,845	11,576,045	4,196,783	6,567,483	(15,472,708)	4,682,389	188,877
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	335,016	40,099	243,813	30,000	1	1,145,375	0	0
LOSS ADJUSTMENT EXPENSES	22,865	2,737	16,641	2,048	0	78,172	0	0
UNEARNED PREMIUMS	0	0	0	0	0	0	0	0
NET RESERVE CHANGE	357,881	42,836	260,454	32,048	1	1,223,547	0	0
NET OTHER CHANGES								
ASSETS NOT ADMITTED	241,635	48,712	71,133	23,975	(150,489)	(48,462)	(35,709)	(20,405)
MINIMUM PENSION LIABILITY	(11,896)	(2,416)	(3,160)	(1,115)	15,590	5,021	3,699	2,114
PRIOR PERIOD ADJUSTMENT	29,810	6,055	7,919	2,795	0	0	0	0
TOTAL NET OTHER CHANGES	259,549	52,351	75,892	25,655	(134,899)	(43,441)	(32,010)	(18,291)
ASSESSMENTS	0	0	0	0	961,092	303,133	220,142	137,374
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0
MEMBERS' EQUITY	40,373,087	8,550,360	11,391,483	4,190,390	7,393,675	(16,436,563)	4,870,521	307,960

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	2002				2001			
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INCOME RECEIVED								
PREMIUMS WRITTEN	37,077,994	12,819,548	5,366,055	5,546,852	34,706,831	10,613,765	3,966,521	4,058,334
INTEREST RECEIVED	1,196,773	412,074	168,931	175,180	2,071,772	627,809	215,338	224,128
MISCELLANEOUS INCOME	8,305	2,860	1,172	1,216	5,339	1,618	555	577
TOTAL INCOME	38,283,072	13,234,482	5,536,158	5,723,248	36,783,942	11,243,192	4,182,414	4,283,039
EXPENSES PAID								
LOSSES	6,293,773	2,228,427	240,991	105,050	2,706,230	114,715	89,190	109,076
LOSS ADJUSTMENT EXPENSES	454,736	150,930	23,840	4,015	191,545	118,080	8,464	6,317
COMMISSION	4,669,754	1,725,938	690,768	700,379	4,541,074	1,371,869	471,995	489,279
PREMIUM TAX	817,282	281,408	115,364	119,631	769,372	233,143	79,968	83,232
ADMINISTRATIVE EXPENSES	993,627	342,126	140,154	145,622	802,354	243,137	83,396	86,800
TOTAL EXPENSES PAID	13,229,172	4,728,829	1,211,117	1,074,697	9,010,575	2,080,944	733,013	774,704
NET CASH CHANGE	25,053,900	8,505,653	4,325,041	4,648,551	27,773,367	9,162,248	3,449,401	3,508,335
RESERVES:								
DEDUCT: (CURRENT PERIOD)								
LOSSES (INCL. IBNR.)	0	0	0	0	0	5,000	0	0
LOSS ADJUSTMENT EXPENSES	0	0	0	0	0	341	0	0
UNEARNED PREMIUMS	0	0	0	0	0	0	0	0
NET RESERVE CHANGE	0	0	0	0	0	5,341	0	0
NET OTHER CHANGES								
ASSETS NOT ADMITTED	(72,073)	(24,816)	(10,173)	(10,550)	(13,460)	(4,078)	(1,398)	(1,456)
MINIMUM PENSION LIABILITY	(44,532)	(15,331)	(5,840)	(7,300)	0	0	0	0
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0
TOTAL NET OTHER CHANGES	(116,605)	(40,147)	(16,013)	(17,850)	(13,460)	(4,078)	(1,398)	(1,456)
ASSESSMENTS	778,200	267,919	109,807	113,914	795,554	227,840	86,852	86,580
DISTRIBUTIONS	0	0	0	0	0	0	0	0
INSOLVENT MEMBERS	(11,322)	(925)	(1,330)	(248)	(17,033)	0	(4,038)	0
MEMBERS' EQUITY	25,704,173	8,732,500	4,417,505	4,744,367	28,538,428	9,380,669	3,530,817	3,593,459

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	2000				
	BEACH RESIDENTIAL	BEACH COMMERCIAL	COASTAL RESIDENTIAL	COASTAL COMMERCIAL	TOTAL
INCOME RECEIVED					
PREMIUMS WRITTEN	32,475,301	10,055,887	3,085,970	2,973,903	501,016,586
INTEREST RECEIVED	1,984,615	538,681	170,110	141,758	20,899,962
MISCELLANEOUS INCOME	(11,552)	(3,136)	(990)	(825)	(21,254)
					0
TOTAL INCOME	34,448,364	10,591,432	3,255,090	3,114,836	521,895,294
					0
EXPENSES PAID					
LOSSES	2,874,564	436,232	28,245	18,170	131,818,722
LOSS ADJUSTMENT EXPENSES	365,580	46,638	13,310	7,923	9,351,498
COMMISSION	3,265,246	993,100	311,623	315,425	63,067,269
PREMIUM TAX	748,493	203,162	64,157	53,464	10,689,442
ADMINISTRATIVE EXPENSES	830,222	225,346	71,162	59,301	10,237,207
					0
TOTAL EXPENSES PAID	8,084,105	1,904,478	488,497	454,283	225,164,138
					0
NET CASH CHANGE	26,364,259	8,686,954	2,766,593	2,660,553	296,731,156
					0
RESERVES:					
DEDUCT: (CURRENT PERIOD)					
LOSSES (INCL. IBNR.)	0	0	0	0	26,315,067
LOSS ADJUSTMENT EXPENSES	0	0	0	0	1,796,008
UNEARNED PREMIUMS	0	0	0	0	71,652,020
					0
NET RESERVE CHANGE	0	0	0	0	99,763,095
					0
NET OTHER CHANGES					
ASSETS NOT ADMITTED	16,881	4,582	1,447	1,205	43,712
MINIMUM PENSION LIABILITY	0	0	0	0	(65,166)
PRIOR PERIOD ADJUSTMENT	0	0	0	0	(182,629)
TOTAL NET OTHER CHANGES	16,881	4,582	1,447	1,205	(204,083)
					0
ASSESSMENTS	727,190	242,396	82,129	88,974	5,388,156
DISTRIBUTIONS	(26,973,492)	(8,875,495)	(2,850,129)	(2,727,887)	(41,586,063)
INSOLVENT MEMBERS	(134,838)	(58,437)	(40)	(22,845)	(251,056)
					0
MEMBERS' EQUITY	(0)	0	0	(0)	160,315,015