



# NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION

Statutory Financial Statements  
June 30, 2016

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## **Financial Statements**

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NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
 FAIR PLAN  
 BALANCE SHEET  
 AS OF JUNE 30, 2016

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
<b>ASSETS</b>				
CASH	4,869,834	0	0	4,869,834
CASH EQUIVALENTS	9,504,744	0	0	9,504,744
INVESTMENTS	57,357,590	0	0	57,357,590
INTEREST INCOME DUE OR ACCRUED	243,949	0	0	243,949
FIXED ASSETS	280,332	0	(280,332)	0
DATA PROCESSING EQUIPMENT	192,151	0	(45,352)	146,799
ACCOUNTS RECEIVABLE - CPIP PLAN	632,414	0	0	632,414
ACCOUNTS RECEIVABLE - OTHER	6,313,449	0	0	6,313,449
ACCOUNTS RECEIVABLE - COMMISSION	2,135	0	(2,099)	36
ACCRUAL-PREMIUM TAX	230,449	0	0	230,449
PREPAID EXPENSES	1,166,126	0	(1,166,126)	0
<b>TOTAL ASSETS</b>	<b>80,793,173</b>	<b>0</b>	<b>(1,493,909)</b>	<b>79,299,264</b>
<b>LIABILITIES &amp; MEMBERS' SURPLUS</b>				
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE				32,055
PREMIUM SUSPENSE				385,983
PREMIUM REFUND				28,655
COMMISSION PAYABLE				1,688,972
ACCRUAL-POST RETIREMENT				2,162,554
ACCRUAL-PENSION				1,265,770
ACCRUAL-RENT				173,308
CLAIMS PAYABLE				167,267
PREPAID PREMIUMS				2,704,194
INSOLVENT COMPANY PAYABLE				60,185
UNCLAIMED CHECKS				1,089,204
<b>TOTAL LIABILITIES</b>				<b>9,758,147</b>
<b>RESERVES FOR</b>				
UNPAID LOSSES (INCL. IBNR)				4,139,905
UNPAID LAE RESERVES				440,920
UNEARNED PREMIUMS				38,779,166
<b>TOTAL RESERVES</b>				<b>43,359,991</b>
<b>MEMBERS' SURPLUS</b>				<b>26,181,126</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' SURPLUS</b>				<b>79,299,264</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
INCOME STATEMENT AND MEMBERS' ACCOUNT  
FOR THE PERIOD ENDED JUNE 30, 2016

	QUARTER TO DATE	YEAR TO DATE
<b>UNDERWRITING INCOME</b>		
<b>PREMIUMS EARNED</b>	18,809,228	37,204,799
<b>CEDED REINSURANCE PREMIUM</b>	3,994,111	5,938,804
<b>NET PREMIUMS EARNED</b>	14,815,117	31,265,995
<b>DEDUCTIONS</b>		
<b>LOSSES INCURRED</b>	7,514,656	17,275,756
<b>LOSS EXPENSE INCURRED</b>	960,917	1,522,601
<b>OPERATING EXPENSE INCURRED</b>	4,405,952	8,529,914
<b>PREMIUM TAXES</b>	564,620	1,085,521
<b>TOTAL DEDUCTIONS</b>	13,446,145	28,413,792
<b>OTHER INCOME</b>		
<b>MISCELLANEOUS INCOME</b>	30,212	87,799
<b>NET UNDERWRITING GAIN OR (LOSS)</b>	1,399,184	2,940,002
<b>INVESTMENT INCOME</b>		
<b>INVESTMENT INCOME</b>	178,130	393,464
<b>NET INCOME OR (LOSS)</b>	1,577,314	3,333,466
<b>MEMBERS' ACCOUNT</b>		
<b>MEMBERS' SURPLUS (PRIOR PERIOD)</b>	24,736,922	22,960,121
<b>NET INCOME OR (LOSS)</b>	1,577,314	3,333,466
<b>CHANGE IN ASSETS NOT ADMITTED</b>	(133,110)	(112,461)
<b>NET CHANGE IN MEMBERS' SURPLUS</b>	1,444,204	3,221,005
<b>MEMBERS' SURPLUS (CURRENT PERIOD)</b>	26,181,126	26,181,126

The Aggregate Liability for the Association as of June 30, 2016 is \$16,417,606,340.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT  
FOR THE PERIOD ENDED JUNE 30, 2016

	QUARTER TO DATE								TOTAL
	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	Closed Years 2003 - 2010	
<b>INCOME RECEIVED</b>									
PREMIUMS WRITTEN	20,891,688	(508,452)	0	0	0	0	0	0	20,383,236
CEDED REINSURANCE	(3,206,249)	(787,862)	0	0	0	0	0	0	(3,994,111)
INTEREST RECEIVED	178,130	0	0	0	0	0	0	0	178,130
MISCELLANEOUS INCOME	30,212	0	0	0	0	0	0	0	30,212
<b>TOTAL INCOME</b>	<b>17,893,781</b>	<b>(1,296,314)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,597,467</b>
<b>EXPENSES PAID</b>									
LOSSES	3,209,028	4,592,403	99,436	8,659	0	4,700	3,192	0	7,917,418
LOSS ADJUSTMENT EXPENSES	585,117	424,119	22,672	1,526	0	0	0	0	1,033,434
COMMISSION	3,183,251	(76,268)	0	0	0	0	0	0	3,106,983
PREMIUM TAX	564,620	0	0	0	0	0	0	0	564,620
ADMINISTRATIVE EXPENSES	1,298,969	0	0	0	0	0	0	0	1,298,969
<b>TOTAL EXPENSES PAID</b>	<b>8,840,985</b>	<b>4,940,254</b>	<b>122,108</b>	<b>10,185</b>	<b>0</b>	<b>4,700</b>	<b>3,192</b>	<b>0</b>	<b>13,921,424</b>
<b>NET CASH CHANGE</b>	<b>9,052,796</b>	<b>(6,236,568)</b>	<b>(122,108)</b>	<b>(10,185)</b>	<b>0</b>	<b>(4,700)</b>	<b>(3,192)</b>	<b>0</b>	<b>2,676,043</b>
<b>RESERVES:</b>									
<b>DEDUCT: (CURRENT PERIOD)</b>									
LOSSES (INCL. IBNR.)	2,066,343	1,610,419	249,544	213,599	0	0	0	0	4,139,905
LOSS ADJUSTMENT EXPENSES	220,536	171,484	26,285	22,615	0	0	0	0	440,920
UNEARNED PREMIUMS	30,039,714	8,739,452	0	0	0	0	0	0	38,779,166
<b>ADD: (PRIOR PERIOD)</b>									
LOSSES (INCL. IBNR)	2,340,573	1,538,340	450,957	212,698	0	99	0	0	4,542,667
LOSS ADJUSTMENT EXPENSES	258,605	182,474	49,225	23,123	0	10	0	0	513,437
UNEARNED PREMIUMS	16,539,515	20,665,643	0	0	0	0	0	0	37,205,158
<b>NET RESERVE CHANGE</b>	<b>(13,187,900)</b>	<b>11,865,102</b>	<b>224,353</b>	<b>(393)</b>	<b>0</b>	<b>109</b>	<b>0</b>	<b>0</b>	<b>(1,098,729)</b>
<b>NET OTHER CHANGES</b>									
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	(133,110)	0	0	0	0	0	0	0	(133,110)
<b>TOTAL NET OTHER CHANGES</b>	<b>(133,110)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(133,110)</b>
ASSESSMENTS	0	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0	0
CLOSED YEARS	0	0	0	0	0	0	0	0	0
<b>CHANGE IN MEMBERS' SURPLUS</b>	<b>(4,268,214)</b>	<b>5,628,534</b>	<b>102,245</b>	<b>(10,578)</b>	<b>0</b>	<b>(4,591)</b>	<b>(3,192)</b>	<b>0</b>	<b>1,444,204</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT  
FOR THE PERIOD ENDED JUNE 30, 2016

	YEAR TO DATE								TOTAL
	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	CLOSED YEARS 2003 - 2010	
<b>INCOME RECEIVED</b>									
PREMIUMS WRITTEN	39,767,348	(1,106,880)	0	0	0	0	0	0	38,660,468
CEDED REINSURANCE	(3,206,249)	(2,732,555)	0	0	0	0	0	0	(5,938,804)
INTEREST RECEIVED	393,464	0	0	0	0	0	0	0	393,464
MISCELLANEOUS INCOME	87,799	0	0	0	0	0	0	0	87,799
<b>TOTAL INCOME</b>	<b>37,042,362</b>	<b>(3,839,435)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,202,927</b>
<b>EXPENSES PAID</b>									
LOSSES	4,186,217	12,344,659	414,852	93,807	6,048	9,700	3,192	0	17,058,475
LOSS ADJUSTMENT EXPENSES	1,017,900	1,046,538	63,240	4,464	7,856	1,643	0	0	2,141,641
COMMISSION	6,095,820	(166,032)	0	0	0	0	0	0	5,929,788
PREMIUM TAX	1,085,521	0	0	0	0	0	0	0	1,085,521
ADMINISTRATIVE EXPENSES	2,600,126	0	0	0	0	0	0	0	2,600,126
<b>TOTAL EXPENSES PAID</b>	<b>14,985,584</b>	<b>13,225,165</b>	<b>478,092</b>	<b>98,271</b>	<b>13,904</b>	<b>11,343</b>	<b>3,192</b>	<b>0</b>	<b>28,815,551</b>
<b>NET CASH CHANGE</b>	<b>22,056,778</b>	<b>(17,064,600)</b>	<b>(478,092)</b>	<b>(98,271)</b>	<b>(13,904)</b>	<b>(11,343)</b>	<b>(3,192)</b>	<b>0</b>	<b>4,387,376</b>
<b>RESERVES:</b>									
<b>DEDUCT: (CURRENT PERIOD)</b>									
LOSSES (INCL. IBNR)	2,066,343	1,610,419	249,544	213,599	0	0	0	0	4,139,905
LOSS ADJUSTMENT EXPENSES	220,536	171,484	26,285	22,615	0	0	0	0	440,920
UNEARNED PREMIUMS	30,039,714	8,739,452	0	0	0	0	0	0	38,779,166
<b>ADD: (PRIOR PERIOD)</b>									
LOSSES (INCL. IBNR)	0	3,097,345	611,180	214,099	0	0	0	0	3,922,624
LOSS ADJUSTMENT EXPENSES	0	973,882	63,747	22,331	0	0	0	0	1,059,960
UNEARNED PREMIUMS	0	37,323,497	0	0	0	0	0	0	37,323,497
<b>NET RESERVE CHANGE</b>	<b>(32,326,593)</b>	<b>30,873,369</b>	<b>399,098</b>	<b>216</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,053,910)</b>
<b>NET OTHER CHANGES</b>									
MINIMUM PENSION LIABILITY	0	0	0	0	0	0	0	0	0
ASSETS NOT ADMITTED	(112,461)	0	0	0	0	0	0	0	(112,461)
<b>TOTAL NET OTHER CHANGES</b>	<b>(112,461)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(112,461)</b>
ASSESSMENTS	0	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0	0
CLOSED YEARS	0	0	0	0	0	0	0	0	0
<b>CHANGE IN MEMBERS' SURPLUS</b>	<b>(10,382,276)</b>	<b>13,808,769</b>	<b>(78,994)</b>	<b>(98,055)</b>	<b>(13,904)</b>	<b>(11,343)</b>	<b>(3,192)</b>	<b>0</b>	<b>3,221,005</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT FOR UNSETTLED YEARS  
AS OF JUNE 30, 2016

	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	CLOSED YEARS 2003 - 2010	TOTAL
<b>INCOME RECEIVED</b>									
PREMIUMS WRITTEN	39,767,348	73,073,016	63,420,647	51,883,482	9,105,316	34,178,766	25,652,128	0	297,080,703
CEDED REINSURANCE	(3,206,249)	(8,244,266)	(11,656,004)	(11,099,303)	0	(11,781,803)	(11,874,590)	0	(57,862,215)
INTEREST RECEIVED	393,464	722,752	590,770	146,252	132,903	853,131	1,502,084	0	4,341,356
MISCELLANEOUS INCOME	87,799	218,652	93,937	96,178	(2,608)	(4,338)	32,118	0	521,738
<b>TOTAL INCOME</b>	<b>37,042,362</b>	<b>65,770,154</b>	<b>52,449,350</b>	<b>41,026,609</b>	<b>9,235,611</b>	<b>23,245,756</b>	<b>15,311,740</b>	<b>0</b>	<b>244,081,582</b>
<b>EXPENSES PAID</b>									
LOSSES	4,186,217	24,278,710	28,716,039	23,541,363	4,381,456	14,384,316	29,415,178	0	128,903,279
LOSS ADJUSTMENT EXPENSES	1,017,900	3,368,805	3,102,862	2,458,805	356,290	1,196,679	3,264,849	0	14,766,190
COMMISSION	6,095,820	11,083,414	9,858,257	7,896,417	1,345,779	5,070,837	3,790,105	0	45,140,629
PREMIUM TAX	1,085,521	2,045,876	1,733,829	1,474,974	292,140	952,649	697,226	0	8,282,215
ADMINISTRATIVE EXPENSES	2,600,126	5,095,289	5,574,135	4,383,744	1,020,633	2,762,867	2,413,922	0	23,850,716
<b>TOTAL EXPENSES PAID</b>	<b>14,985,584</b>	<b>45,872,094</b>	<b>48,985,122</b>	<b>39,755,303</b>	<b>7,396,298</b>	<b>24,367,348</b>	<b>39,581,280</b>	<b>0</b>	<b>220,943,029</b>
<b>NET CASH CHANGE</b>	<b>22,056,778</b>	<b>19,898,060</b>	<b>3,464,228</b>	<b>1,271,306</b>	<b>1,839,313</b>	<b>(1,121,592)</b>	<b>(24,269,540)</b>	<b>0</b>	<b>23,138,553</b>
<b>RESERVES:</b>									
<b>DEDUCT: (CURRENT PERIOD)</b>									
LOSSES (INCL. IBNR.)	2,066,343	1,610,419	249,544	213,599	0	0	0	0	4,139,905
LOSS ADJUSTMENT EXPENSES	220,536	171,484	26,285	22,615	0	0	0	0	440,920
UNEARNED PREMIUMS	30,039,714	8,739,452	0	0	0	0	0	0	38,779,166
<b>RESERVES</b>	<b>32,326,593</b>	<b>10,521,355</b>	<b>275,829</b>	<b>236,214</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,359,991</b>
<b>NET OTHER CHANGES</b>									
ASSETS NOT ADMITTED	(112,461)	(729,252)	(224,483)	(236,573)	(91,491)	(3,311)	102,126	0	(1,295,445)
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0	0
MINIMUM PENSION LIABILITY	0	(186,680)	(766,990)	221,614	(23,952)	(78,446)	(49,606)	0	(884,060)
<b>TOTAL NET OTHER CHANGES</b>	<b>(112,461)</b>	<b>(915,932)</b>	<b>(991,473)</b>	<b>(14,959)</b>	<b>(115,443)</b>	<b>(81,757)</b>	<b>52,520</b>	<b>0</b>	<b>(2,179,505)</b>
ASSESSMENTS	0	0	0	0	0	0	20,370,865	0	20,370,865
CLOSED YEARS	0	0	0	0	0	0	0	28,211,204	28,211,204
<b>MEMBERS' SURPLUS</b>	<b>(10,382,276)</b>	<b>8,460,773</b>	<b>2,196,926</b>	<b>1,020,133</b>	<b>1,723,870</b>	<b>(1,203,349)</b>	<b>(3,846,155)</b>	<b>28,211,204</b>	<b>26,181,126</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF PREMIUMS  
FOR THE PERIOD ENDED JUNE 30, 2016

	QUARTER TO DATE			YEAR TO DATE		
	2016	2015	TOTAL	2016	2015	TOTAL
<b>PREMIUMS WRITTEN</b>						
RESIDENTIAL - FIRE	8,784,994	(206,384)	8,578,610	16,865,177	(479,895)	16,385,282
RESIDENTIAL - EC	11,182,335	(267,266)	10,915,069	21,034,365	(569,738)	20,464,627
COMMERCIAL - FIRE	320,546	(14,902)	305,644	671,473	(33,925)	637,548
COMMERCIAL - EC	506,668	(19,047)	487,621	1,011,147	(22,928)	988,219
CRIME - RESIDENTIAL	95,721	(853)	94,868	182,678	(394)	182,284
CRIME - COMMERCIAL	1,424	0	1,424	2,508	0	2,508
<b>TOTAL</b>	<b>20,891,688</b>	<b>(508,452)</b>	<b>20,383,236</b>	<b>39,767,348</b>	<b>(1,106,880)</b>	<b>38,660,468</b>
<b>UNEARNED PREMIUMS (PRIOR PERIOD)</b>						
RESIDENTIAL - FIRE	7,079,734	8,716,517	15,796,251	0	15,767,460	15,767,460
RESIDENTIAL - EC	8,643,685	11,097,721	19,741,406	0	19,996,730	19,996,730
COMMERCIAL - FIRE	307,158	313,381	620,539	0	586,945	586,945
COMMERCIAL - EC	431,277	437,375	868,652	0	789,400	789,400
CRIME - RESIDENTIAL	76,710	100,537	177,247	0	182,627	182,627
CRIME - COMMERCIAL	951	112	1,063	0	335	335
<b>TOTAL</b>	<b>16,539,515</b>	<b>20,665,643</b>	<b>37,205,158</b>	<b>0</b>	<b>37,323,497</b>	<b>37,323,497</b>
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>						
RESIDENTIAL - FIRE	12,717,291	3,706,040	16,423,331	12,717,291	3,706,040	16,423,331
RESIDENTIAL - EC	15,946,028	4,679,142	20,625,170	15,946,028	4,679,142	20,625,170
COMMERCIAL - FIRE	496,353	129,988	626,341	496,353	129,988	626,341
COMMERCIAL - EC	740,383	181,570	921,953	740,383	181,570	921,953
CRIME - RESIDENTIAL	137,708	42,688	180,396	137,708	42,688	180,396
CRIME - COMMERCIAL	1,951	24	1,975	1,951	24	1,975
<b>TOTAL</b>	<b>30,039,714</b>	<b>8,739,452</b>	<b>38,779,166</b>	<b>30,039,714</b>	<b>8,739,452</b>	<b>38,779,166</b>
<b>EARNED PREMIUMS</b>						
RESIDENTIAL - FIRE	3,147,437	4,804,093	7,951,530	4,147,886	11,581,525	15,729,411
RESIDENTIAL - EC	3,879,992	6,151,313	10,031,305	5,088,337	14,747,850	19,836,187
COMMERCIAL - FIRE	131,351	168,491	299,842	175,120	423,032	598,152
COMMERCIAL - EC	197,562	236,758	434,320	270,764	584,902	855,666
CRIME - RESIDENTIAL	34,723	56,996	91,719	44,970	139,545	184,515
CRIME - COMMERCIAL	424	88	512	557	311	868
<b>TOTAL</b>	<b>7,391,489</b>	<b>11,417,739</b>	<b>18,809,228</b>	<b>9,727,634</b>	<b>27,477,165</b>	<b>37,204,799</b>
<b>CEDED REINSURANCE PREMIUM</b>						
RESIDENTIAL - FIRE	0	0	0	0	0	0
RESIDENTIAL - EC	3,097,912	761,240	3,859,152	3,097,912	2,640,223	5,738,135
COMMERCIAL - FIRE	0	0	0	0	0	0
COMMERCIAL - EC	108,337	26,622	134,959	108,337	92,332	200,669
CRIME - RESIDENTIAL	0	0	0	0	0	0
CRIME - COMMERCIAL	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,206,249</b>	<b>787,862</b>	<b>3,994,111</b>	<b>3,206,249</b>	<b>2,732,555</b>	<b>5,938,804</b>
<b>NET EARNED PREMIUMS</b>						
RESIDENTIAL - FIRE	3,147,437	4,804,093	7,951,530	4,147,886	11,581,525	15,729,411
RESIDENTIAL - EC	782,080	5,390,073	6,172,153	1,990,425	12,107,627	14,098,052
COMMERCIAL - FIRE	131,351	168,491	299,842	175,120	423,032	598,152
COMMERCIAL - EC	89,225	210,136	299,361	162,427	492,570	654,997
CRIME - RESIDENTIAL	34,723	56,996	91,719	44,970	139,545	184,515
CRIME - COMMERCIAL	424	88	512	557	311	868
<b>TOTAL</b>	<b>4,185,240</b>	<b>10,629,877</b>	<b>14,815,117</b>	<b>6,521,385</b>	<b>24,744,610</b>	<b>31,265,995</b>



NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSSES  
FOR THE PERIOD ENDED JUNE 30, 2016

QUARTER TO DATE

	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	TOTAL
<b>PAID LOSSES</b>								
RESIDENTIAL - FIRE	2,131,365	2,457,236	23,881	7,180	0	4,700	3,192	4,627,554
RESIDENTIAL - EC	828,910	1,967,270	75,555	1,479	0	0	0	2,873,214
COMMERCIAL - FIRE	243,396	63,903	0	0	0	0	0	307,299
COMMERCIAL - EC	540	89,136	0	0	0	0	0	89,676
CRIME - RESIDENTIAL	4,817	14,858	0	0	0	0	0	19,675
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,209,028</b>	<b>4,592,403</b>	<b>99,436</b>	<b>8,659</b>	<b>0</b>	<b>4,700</b>	<b>3,192</b>	<b>7,917,418</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	1,356,727	965,284	225,445	49,000	0	0	0	2,596,456
RESIDENTIAL - EC	471,632	330,536	24,099	31,599	0	0	0	857,866
COMMERCIAL - FIRE	147,901	261,000	0	0	0	0	0	408,901
COMMERCIAL - EC	88,169	50,000	0	133,000	0	0	0	271,169
CRIME - RESIDENTIAL	1,914	3,599	0	0	0	0	0	5,513
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,066,343</b>	<b>1,610,419</b>	<b>249,544</b>	<b>213,599</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,139,905</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	1,441,838	739,821	378,468	48,000	0	99	0	2,608,226
RESIDENTIAL - EC	485,177	746,011	72,489	31,698	0	0	0	1,335,375
COMMERCIAL - FIRE	338,100	0	0	0	0	0	0	338,100
COMMERCIAL - EC	72,194	47,909	0	133,000	0	0	0	253,103
CRIME - RESIDENTIAL	3,264	4,599	0	0	0	0	0	7,863
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,340,573</b>	<b>1,538,340</b>	<b>450,957</b>	<b>212,698</b>	<b>0</b>	<b>99</b>	<b>0</b>	<b>4,542,667</b>
<b>INCURRED LOSSES</b>								
RESIDENTIAL - FIRE	2,046,254	2,682,699	(129,142)	8,180	0	4,601	3,192	4,615,784
RESIDENTIAL - EC	815,365	1,551,795	27,165	1,380	0	0	0	2,395,705
COMMERCIAL - FIRE	53,197	324,903	0	0	0	0	0	378,100
COMMERCIAL - EC	16,515	91,227	0	0	0	0	0	107,742
CRIME - RESIDENTIAL	3,467	13,858	0	0	0	0	0	17,325
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,934,798</b>	<b>4,664,482</b>	<b>(101,977)</b>	<b>9,560</b>	<b>0</b>	<b>4,601</b>	<b>3,192</b>	<b>7,514,656</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
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STATISTICAL REPORT OF LOSSES  
FOR THE PERIOD ENDED JUNE 30, 2016

	YEAR TO DATE							TOTAL
	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	
<b>PAID LOSSES</b>								
RESIDENTIAL - FIRE	2,691,949	7,070,357	244,198	89,051	0	9,700	3,192	10,108,447
RESIDENTIAL - EC	1,240,237	4,950,788	170,654	4,756	6,048	0	0	6,372,483
COMMERCIAL - FIRE	243,396	72,319	0	0	0	0	0	315,715
COMMERCIAL - EC	5,818	193,611	0	0	0	0	0	199,429
CRIME - RESIDENTIAL	4,817	57,584	0	0	0	0	0	62,401
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>4,186,217</b>	<b>12,344,659</b>	<b>414,852</b>	<b>93,807</b>	<b>6,048</b>	<b>9,700</b>	<b>3,192</b>	<b>17,058,475</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	1,356,727	965,284	225,445	49,000	0	0	0	2,596,456
RESIDENTIAL - EC	471,632	330,536	24,099	31,599	0	0	0	857,866
COMMERCIAL - FIRE	147,901	261,000	0	0	0	0	0	408,901
COMMERCIAL - EC	88,169	50,000	0	133,000	0	0	0	271,169
CRIME - RESIDENTIAL	1,914	3,599	0	0	0	0	0	5,513
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,066,343</b>	<b>1,610,419</b>	<b>249,544</b>	<b>213,599</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,139,905</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	0	2,253,157	532,586	49,500	0	0	0	2,835,243
RESIDENTIAL - EC	0	745,855	78,594	31,599	0	0	0	856,048
COMMERCIAL - FIRE	0	4,328	0	0	0	0	0	4,328
COMMERCIAL - EC	0	59,397	0	133,000	0	0	0	192,397
CRIME - RESIDENTIAL	0	34,608	0	0	0	0	0	34,608
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>3,097,345</b>	<b>611,180</b>	<b>214,099</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,922,624</b>
<b>INCURRED LOSSES</b>								
RESIDENTIAL - FIRE	4,048,676	5,782,484	(62,943)	88,551	0	9,700	3,192	9,869,660
RESIDENTIAL - EC	1,711,869	4,535,469	116,159	4,756	6,048	0	0	6,374,301
COMMERCIAL - FIRE	391,297	328,991	0	0	0	0	0	720,288
COMMERCIAL - EC	93,987	184,214	0	0	0	0	0	278,201
CRIME - RESIDENTIAL	6,731	26,575	0	0	0	0	0	33,306
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>6,252,560</b>	<b>10,857,733</b>	<b>53,216</b>	<b>93,307</b>	<b>6,048</b>	<b>9,700</b>	<b>3,192</b>	<b>17,275,756</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
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IBNR TOTALS

	2016	2015	2014	2012 SP <sup>1</sup>	2012 SP1	2012	2011	TOTAL
<b>IBNR (CURRENT PERIOD)</b>								
RESIDENTIAL - FIRE	714,966	0	0	0	0	0	0	714,966
RESIDENTIAL - EC	236,224	0	0	0	0	0	0	236,224
COMMERCIAL - FIRE	112,596	0	0	0	0	0	0	112,596
COMMERCIAL - EC	74,670	0	0	0	0	0	0	74,670
CRIME - RESIDENTIAL	1,518	0	0	0	0	0	0	1,518
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,139,974</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,139,974</b>
<b>IBNR (PRIOR PERIOD)</b>								
RESIDENTIAL - FIRE	718,207	0	0	0	0	0	0	718,207
RESIDENTIAL - EC	367,712	0	0	0	0	0	0	367,712
COMMERCIAL - FIRE	93,100	0	0	0	0	0	0	93,100
COMMERCIAL - EC	69,695	0	0	0	0	0	0	69,695
CRIME - RESIDENTIAL	2,165	0	0	0	0	0	0	2,165
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,250,879</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,250,879</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE PERIOD ENDED JUNE 30, 2016

QUARTER TO DATE

	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	TOTAL
<b>LOSS EXPENSES PAID</b>								
RESIDENTIAL - FIRE	172,228	103,715	11,962	448	0	0	0	288,353
RESIDENTIAL - EC	395,003	307,086	10,710	1,078	0	0	0	713,877
COMMERCIAL - FIRE	7,720	3,373	0	0	0	0	0	11,093
COMMERCIAL - EC	8,133	8,718	0	0	0	0	0	16,851
CRIME - RESIDENTIAL	2,033	1,227	0	0	0	0	0	3,260
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>585,117</b>	<b>424,119</b>	<b>22,672</b>	<b>1,526</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,033,434</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	143,084	100,682	23,515	5,111	0	0	0	272,392
RESIDENTIAL - EC	52,214	37,988	2,770	3,632	0	0	0	96,604
COMMERCIAL - FIRE	15,674	27,223	0	0	0	0	0	42,897
COMMERCIAL - EC	9,361	5,215	0	13,872	0	0	0	28,448
CRIME - RESIDENTIAL	203	376	0	0	0	0	0	579
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>220,536</b>	<b>171,484</b>	<b>26,285</b>	<b>22,615</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>440,920</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	156,768	77,283	39,536	5,014	0	10	0	278,611
RESIDENTIAL - EC	57,262	99,715	9,689	4,237	0	0	0	170,903
COMMERCIAL - FIRE	36,077	0	0	0	0	0	0	36,077
COMMERCIAL - EC	8,138	4,997	0	13,872	0	0	0	27,007
CRIME - RESIDENTIAL	360	479	0	0	0	0	0	839
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>258,605</b>	<b>182,474</b>	<b>49,225</b>	<b>23,123</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>513,437</b>
<b>INCURRED LOSS EXPENSE</b>								
RESIDENTIAL - FIRE	158,544	127,114	(4,059)	545	0	(10)	0	282,134
RESIDENTIAL - EC	389,955	245,359	3,791	473	0	0	0	639,578
COMMERCIAL - FIRE	(12,683)	30,596	0	0	0	0	0	17,913
COMMERCIAL - EC	9,356	8,936	0	0	0	0	0	18,292
CRIME - RESIDENTIAL	1,876	1,124	0	0	0	0	0	3,000
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>547,048</b>	<b>413,129</b>	<b>(268)</b>	<b>1,018</b>	<b>0</b>	<b>(10)</b>	<b>0</b>	<b>960,917</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE PERIOD ENDED JUNE 30, 2016

YEAR TO DATE

	2016	2015	2014	2013	2012 SP <sup>1</sup>	2012	2011	TOTAL
<b>LOSS EXPENSES PAID</b>								
RESIDENTIAL - FIRE	258,667	234,763	28,552	2,341	7,157	1,643	0	533,123
RESIDENTIAL - EC	733,294	783,801	34,384	2,123	699	0	0	1,554,301
COMMERCIAL - FIRE	7,990	3,940	0	0	0	0	0	11,930
COMMERCIAL - EC	14,342	19,803	0	0	0	0	0	34,145
CRIME - RESIDENTIAL	3,607	4,231	304	0	0	0	0	8,142
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,017,900</b>	<b>1,046,538</b>	<b>63,240</b>	<b>4,464</b>	<b>7,856</b>	<b>1,643</b>	<b>0</b>	<b>2,141,641</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	143,084	100,682	23,515	5,111	0	0	0	272,392
RESIDENTIAL - EC	52,214	37,988	2,770	3,632	0	0	0	96,604
COMMERCIAL - FIRE	15,674	27,223	0	0	0	0	0	42,897
COMMERCIAL - EC	9,361	5,215	0	13,872	0	0	0	28,448
CRIME - RESIDENTIAL	203	376	0	0	0	0	0	579
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>220,536</b>	<b>171,484</b>	<b>26,285</b>	<b>22,615</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>440,920</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>								
RESIDENTIAL - FIRE	0	705,419	55,550	5,163	0	0	0	766,132
RESIDENTIAL - EC	0	219,825	8,197	3,296	0	0	0	231,318
COMMERCIAL - FIRE	0	1,169	0	0	0	0	0	1,169
COMMERCIAL - EC	0	38,117	0	13,872	0	0	0	51,989
CRIME - RESIDENTIAL	0	9,352	0	0	0	0	0	9,352
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>973,882</b>	<b>63,747</b>	<b>22,331</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,059,960</b>
<b>INCURRED LOSS EXPENSE</b>								
RESIDENTIAL - FIRE	401,751	(369,974)	(3,483)	2,289	7,157	1,643	0	39,383
RESIDENTIAL - EC	785,508	601,964	28,957	2,459	699	0	0	1,419,587
COMMERCIAL - FIRE	23,664	29,994	0	0	0	0	0	53,658
COMMERCIAL - EC	23,703	(13,099)	0	0	0	0	0	10,604
CRIME - RESIDENTIAL	3,810	(4,745)	304	0	0	0	0	(631)
CRIME - COMMERCIAL	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,238,436</b>	<b>244,140</b>	<b>25,778</b>	<b>4,748</b>	<b>7,856</b>	<b>1,643</b>	<b>0</b>	<b>1,522,601</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF JUNE 30, 2016

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	167,239,616	1,493	6,626,121	18	173,865,737	1,511
ALEXANDER	46,927,815	484	2,848,000	8	49,775,815	492
ALLEGHANY	16,409,773	160	140,000	3	16,549,773	163
ANSON	51,855,942	700	3,002,500	14	54,858,442	714
ASHE	37,542,682	340	100,000	1	37,642,682	341
AVERY	37,134,150	313	775,000	2	37,909,150	315
BEAUFORT	217,811,748	2,316	15,171,348	76	232,983,096	2,392
BERTIE	87,361,741	1,098	5,667,400	48	93,029,141	1,146
BLADEN	140,429,030	2,018	5,452,222	39	145,881,252	2,057
BRUNSWICK	918,461,355	9,793	14,485,775	79	932,947,130	9,872
BUNCOMBE	185,574,853	1,461	3,075,400	12	188,650,253	1,473
BURKE	112,385,053	1,134	6,365,300	17	118,750,353	1,151
CABARRUS	144,381,239	1,137	7,082,460	17	151,463,699	1,154
CALDWELL	116,082,731	1,234	1,433,850	12	117,516,581	1,246
CAMDEN	40,600,684	310	311,600	6	40,912,284	316
CARTERET	445,042,904	4,511	15,443,543	64	460,486,447	4,575
CASWELL	29,212,904	398	713,000	10	29,925,904	408
CATAWBA	192,473,381	1,697	11,727,696	31	204,201,077	1,728
CHATHAM	81,287,469	731	2,386,700	6	83,674,169	737
CHEROKEE	28,801,154	279	1,828,400	6	30,629,554	285
CHOWAN	53,009,459	478	2,162,155	17	55,171,614	495
CLAY	27,312,117	238	264,000	1	27,576,117	239
CLEVELAND	156,796,915	1,285	6,059,483	24	162,856,398	1,309
COLUMBUS	276,940,423	3,747	10,425,200	59	287,365,623	3,806
CRAVEN	289,053,945	2,542	15,988,314	64	305,042,259	2,606
CUMBERLAND	454,909,094	4,447	45,099,262	74	500,008,356	4,521
CURRITUCK	145,390,736	1,184	7,678,118	28	153,068,854	1,212
DARE	112,518,983	871	11,604,300	45	124,123,283	916
DAVIDSON	175,065,024	1,522	15,732,675	44	190,797,699	1,566
DAVIE	33,137,591	287	0	0	33,137,591	287
DUPLIN	225,850,301	2,516	10,253,332	65	236,103,633	2,581
DURHAM	197,053,123	1,560	14,449,667	30	211,502,790	1,590
EDGECOMBE	152,691,857	1,633	10,400,864	46	163,092,721	1,679
FORSYTH	301,029,376	2,344	18,342,261	38	319,371,637	2,382
FRANKLIN	73,372,782	842	2,107,100	14	75,479,882	856
GASTON	233,187,575	2,145	20,884,550	73	254,072,125	2,218
GATES	67,602,503	640	575,700	5	68,178,203	645
GRAHAM	15,545,078	133	64,000	1	15,609,078	134
GRANVILLE	63,188,430	580	1,183,800	4	64,372,230	584
GREENE	76,695,196	820	3,846,100	23	80,541,296	843
GUILFORD	370,227,250	3,064	119,562,562	81	489,789,812	3,145
HALIFAX	213,729,885	2,380	8,153,072	66	221,882,957	2,446
HARNETT	225,505,750	2,436	4,323,470	32	229,829,220	2,468
HAYWOOD	107,527,907	758	2,103,000	3	109,630,907	761
HENDERSON	79,575,273	661	1,397,600	8	80,972,873	669
HERTFORD	83,236,997	871	4,692,474	20	87,929,471	891
HOKE	98,598,700	1,260	5,781,260	20	104,379,960	1,280
HYDE	18,233,778	246	3,541,653	19	21,775,431	265
IREDELL	167,907,504	1,451	6,337,760	22	174,245,264	1,473
JACKSON	57,095,125	414	1,857,200	6	58,952,325	420
JOHNSTON	333,957,293	3,352	9,695,850	77	343,653,143	3,429
JONES	30,341,526	403	1,542,500	11	31,884,026	414
LEE	70,091,729	693	2,353,480	15	72,445,209	708

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF JUNE 30, 2016

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
LENOIR	220,672,708	2,384	10,244,719	51	230,917,427	2,435
LINCOLN	101,586,997	865	2,617,670	14	104,204,667	879
MCDOWELL	70,427,330	825	1,240,000	6	71,667,330	831
MACON	52,615,219	462	150,000	1	52,765,219	463
MADISON	29,053,320	266	1,325,000	4	30,378,320	270
MARTIN	126,637,931	1,314	9,009,083	59	135,647,014	1,373
MECKLENBURG	328,575,643	2,211	11,421,100	29	339,996,743	2,240
MITCHELL	39,560,518	357	250,000	1	39,810,518	358
MONTGOMERY	87,083,349	1,062	7,161,639	34	94,244,988	1,096
MOORE	84,477,860	871	3,596,833	17	88,074,693	888
NASH	247,036,472	2,286	11,482,500	41	258,518,972	2,327
NEW HANOVER	915,985,977	6,358	14,802,735	76	930,788,712	6,434
NORTHAMPTON	81,847,678	1,007	1,546,266	17	83,393,944	1,024
ONSLOW	535,768,468	5,138	24,430,320	76	560,198,788	5,214
ORANGE	77,055,982	545	1,665,227	5	78,721,209	550
PAMLICO	62,937,776	743	3,351,200	8	66,288,976	751
PASQUOTANK	151,979,193	1,320	9,295,184	39	161,274,377	1,359
PENDER	247,557,417	2,800	3,224,000	27	250,781,417	2,827
PERQUIMANS	65,959,721	542	973,200	11	66,932,921	553
PERSON	60,827,656	650	1,379,262	12	62,206,918	662
PITT	517,114,805	4,169	19,231,744	84	536,346,549	4,253
POLK	30,160,483	230	921,800	4	31,082,283	234
RANDOLPH	136,265,518	1,328	3,336,360	20	139,601,878	1,348
RICHMOND	114,818,828	1,566	7,785,241	35	122,604,069	1,601
ROBESON	480,946,895	7,414	19,367,534	121	500,314,429	7,535
ROCKINGHAM	170,187,492	1,955	7,148,071	35	177,335,563	1,990
ROWAN	181,904,299	1,468	10,124,068	25	192,028,367	1,493
RUTHERFORD	91,804,162	863	4,335,000	22	96,139,162	885
SAMPSON	228,338,891	2,796	8,179,542	57	236,518,433	2,853
SCOTLAND	69,505,563	948	2,228,000	11	71,733,563	959
STANLEY	66,343,233	640	2,975,980	7	69,319,213	647
STOKES	46,679,940	482	809,000	6	47,488,940	488
SURRY	106,585,894	1,247	4,470,690	29	111,056,584	1,276
SWAIN	58,119,263	376	2,089,700	8	60,208,963	384
TRANSYLVANIA	21,845,540	159	65,000	1	21,910,540	160
TYRRELL	19,775,150	228	1,093,828	10	20,868,978	238
UNION	137,171,889	1,063	4,707,283	14	141,879,172	1,077
VANCE	103,242,183	1,290	1,700,500	18	104,942,683	1,308
WAKE	513,459,927	3,158	64,245,426	51	577,705,353	3,209
WARREN	50,309,026	642	1,552,200	13	51,861,226	655
WASHINGTON	46,630,602	492	2,164,120	12	48,794,722	504
WATAUGA	78,638,919	441	4,021,125	9	82,660,044	450
WAYNE	298,160,163	3,562	23,624,212	91	321,784,375	3,653
WILKES	96,222,994	1,063	1,365,440	15	97,588,434	1,078
WILSON	201,761,989	1,912	12,460,352	73	214,222,341	1,985
YADKIN	35,607,371	447	668,300	10	36,275,671	457
YANCY	41,355,226	388	671,900	6	42,027,126	394
	<b>15,613,998,909</b>	<b>151,743</b>	<b>803,607,431</b>	<b>2,819</b>	<b>16,417,606,340</b>	<b>154,562</b>

\* 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.

# North Carolina Joint Underwriting Association

## Notes To Statutory Financial Statements

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### Note 1. Change in Fiscal Year End

On May 16, 2013, the Board of Directors of the Association approved a change in the Association's fiscal year end from September 30 to December 31 of each year. This change to the calendar year reporting cycle began January 1, 2013. As a result of the change, the Association had a three month transition period from October 1, 2012 through December 31, 2012, the results of which will be separately reported and classified as a short period (SP).