Message FROM THE PRESIDENT & CHAIRMAN

Pamela E. Davis, President and CEO and R. Lawrence Bacon, Chairman.

In the midst of significant changes in the insurance industry, we are ever more mindful of our role in supporting the worthy activities of our members. Our standing pledge to the nonprofit community is to objectively assess risk for the sector, offer fair rates for coverages, and hold a steady course during times of uncertainty.

To have witnessed the tragic events of September 11th left all of us shocked and hurt. As a ripple effect, these events and the uncertainty that followed brought dramatic changes to the insurance industry as companies responded to catastrophic losses. Even earlier in the year, however, the insurance market was tightening as many companies incurred losses higher than expected and found premiums to be too low and reserves to be inadequate. This difficult environment has forced other companies to increase minimum premiums, substantially raise premiums, and even refuse to renew coverage for nonprofits.

Our most direct impact involved reinsurance coverage. Although our loss experience has been favorable and our loss reserves are well funded, we faced the difficult task of negotiating a new reinsurance treaty at a time when the companies proposed across-the-board increases that we considered unjustified. Reinsurance is a major cost for us, and we are pleased to report that our strong track record was ultimately recognized and that increases in our premiums will be relatively modest for the members.

In good part we have the members themselves to thank for their continued efforts at loss prevention.

This was our first year operating as the Nonprofits Insurance Alliance Group (NIA Group). On January 1, all Nonprofits' Insurance Alliance of California (NIAC) employees were transferred to our nonprofit supporting organization, Alliance Member Services and our captive reinsurer, National Alliance of Nonprofits for Insurance, became operational. In the Fall of 2001, we launched Alliance of Nonprofits for Insurance, Risk Retention Group (ANI-RRG) in Colorado, Connecticut, District of Columbia, Delaware, Maryland, Nevada and Virginia. In September we launched a new property insurance program for members in cooperation with North American Elite.

During 2001, the NIA Group welcomed 722 new members and closed the year with 2,940 members. This year NIAC had 324 members who have been continuously insured with us for 10 or more years. Written premium revenue for the Group grew by $5.1 million and totaled $21.4 million, an increase of 30%. Our strong net income of $6.4 million reflects a reserve takedown by NIAC of $3.1 million because of better than anticipated claims experience for earlier years. At year-end, the NIA Group balance sheet showed a robust members' equity of $32 million and total assets of $78.5 million.

Continued on page 2

In addition to NIAC being a preferred partner of the California Association of Nonprofits, we are pleased that to-date the following nonprofit state associations have lent their endorsement to ANI-RRG: Colorado Association of Nonprofits, Delaware Association of Nonprofit Agencies, Washington Council of Agencies, Connecticut Association of Nonprofits, Michigan League for Human Services, and Ohio Association of Nonprofit Organizations. This is a wonderful example of the sector working together to bring this important service to nonprofits.

Confirming the soundness of our business strategy and financial stability, A.M. Best, assigned a rating of A- (Excellent) to NIAC and assigned a B++ (Very Good) rating to ANI-RRG. According to A.M. Best, "The rating reflects NIAC's sound capitalization, solid operating profitability and conservative loss reserving. Additionally, membership in the pool is increasing and member retention is very high due to historically stable rates and high quality services." While ANI-RRG was assigned an initial rating slightly lower than NIAC because it had no operating history, A.M. Best indicated that, "ANI-RRG will also benefit from the financial strength, management experience and franchise value of NIAC, which has a sound balance sheet and a high profile position in the nonprofit arena."

In support of our philosophy that risk control is simply good management, we continue to invest in management resources for nonprofits. In 2001, in conjunction with the Nonprofit Risk Management Center, we developed a Risk Management Resource Guide that was distributed to resource libraries at more than 70 nonprofit support centers in California and the states in which ANI-RRG is doing business. This resource guide, written in a clear, concise manner with sample forms, will become available on a secure "members only" portion of our web sites during 2002. Continuing our commitment to auto safety, we trained 850 member drivers free of charge during 2001. We also provided, free of charge, 187 individual telephone consultations with an employment law attorney for members needing assistance with difficult employment situations.

We are grateful to our members, brokers, friends and foundations that have shown their confidence in us over the years. In particular this year, we extend our appreciation to Swiss Re, which demonstrated its continuing commitment to reinsuring our Group in a most difficult and trying insurance environment. And, finally, to the many nonprofits that we have yet to welcome as members, we extend a hearty invitation to get to know us. We look forward to serving you!

Pamela E. Davis, President and CEO

R. Lawrence Bacon, Chairman

The Nonprofits Insurance Alliance *Group*

This year was our first year operating as a group of affiliated nonprofit organizations. And, this is our first annual report for the Nonprofits Insurance Alliance Group (NIA Group). The staff and management of Nonprofits' Insurance Alliance of California (NIAC) became employees of the new supporting organization, Alliance Member Services (AMS), on January 1, 2001. It took a bit of getting used to the new structure, but after a full year, we are delighted with the way things are working out. Nevertheless, the winning New Year's resolution this year among staff was, "I will learn to describe where I work in 100 words or less!" We love working for such an unusual group, but explaining it all can make for some unusual party conversation.

This structure enables one group of staff and management to serve nonprofits across the country, provides a vehicle for a nationwide spread of risk, and allows the efficient development of loss control resources for a wide range of members. The NIA Group has four independent, but related, boards of directors which share financial information, and which retain governance authority for their individual organizations in the NIA Group. We have provided an illustration below to help you understand how this group works together.

AMS

- 501(c)(3) supporting organization serving the other members of the NIA Group
- began operations January 2001
- members are all ANI-RRG and NIAC members
- employs all staff

NANI

reinsures NIAC

reinsures ANI-RRG

- 501(c)(3) captive reinsurer
- began operations January 2001
- controlled by ANI-RRG and NIAC members
- purchases commercial reinsurance for the NIA Group
- A.M. Best rated B++ (Very Good)

NIAC

- 501(c)(3) risk pool, California only
- began operations November 1989
- controlled by member-insureds in California
- A.M. Best rated A- (Excellent)

ANI-RRG

- 501(c)(3) risk retention group
- began operations September 2001
- controlled by member-insureds outside of California
- A.M. Best rated B++ (Very Good)

ANI-RRG = Alliance of Nonprofits for Insurance, Risk Retention Group

AMS = Alliance Member Services

NIAC = Nonprofits' Insurance Alliance of California

NIAC

Back row (l–r):

R. Lawrence Bacon, NIAC Chair
President, Bacon & Company

Roger W. Gilbert, NIAC Treasurer
President, Retired, Great American West

William R. Ahern
Board Member, East Bay School for Girls

Jack Shakely
President, California Community Foundation

Richard J. Welch, ARM
Director, Risk Management and Safety
City of Los Angeles

Middle row (l–r):

John M. Christensen, NIAC Secretary
Senior Vice President
Hope Rehabilitation Services

Rocky A. Burks
CEO, Independent Living Services of Northern California

Janice L. Stout
Human Resources Director, E Center

Meredeth Clark
President, CIS, a subsidiary of California Association of Nonprofits

Front row (l–r):

Pamela E. Davis
President and CEO, NIAC

Nancy Johnston-Bellard
Assistant Risk Manager
City and County of San Francisco

Not Pictured:

Phillip Kimble
Executive Director, Friendship Center for the Blind

Ellis Kirschenbaum
Senior Vice President of Administration
Children's Institute International

Boards of *Directors*

ANI-RRG

Back row (l–r):

Roger W. Gilbert, ANI-RRG Treasurer
President, Retired, Great American West

Wilson M. Jones, ANI-RRG Secretary
Chief Operating Officer, BoardSource

Pamela E. Davis
President and CEO, ANI-RRG

Richard J. Welch, ARM
Director, Risk Management and Safety
City of Los Angeles

Front row (l–r):

Audrey R. Alvarado, Ph.D.
Executive Director, National Council of Nonprofit Associations

R. Lawrence Bacon, ANI-RRG Chair
President, Bacon and Company

Not Pictured:

Tom Raffa
Board Member, Alliance for Nonprofit Management

Andrew Sargeant
President, Vermont Insurance Management, Inc.

Staff

Back Row (l-r):
Dawn Mueller
Jan Kirschner
Paul Roman
Chris Wafford
Sean Kelly

Row Four (l-r):
Abraham Panicker
Randy Gorman
Sherri East
Michele Thomas
Dusti McKeown
Lara Anderson

Row Three (l-r):
Bob Theilmann
Heather Nagel
Fred Rodriguez
Vikki Sanders
Kristi Fitzpatrick
Calley Bryce
Bob Shane

Row Two (l-r):
Nikki Graham
Vicki Campbell
Kathleen Palmer
Sandra Cornell
Stephanie Villarreal
Cindy Marshall
Dottie Lechtenberg

Front Row(l-r):
Brooke Estensen
Kim Aday
Claudia Weeks
Shaneen Takaki
Leah Price

Not Pictured:
Angela Rasbeary
Michael Pramuk

Management Team

Back row (l-r):

Lola Hogan, CPCU ARM
Vice President Claims

Steven Moody
Vice President
Insurance Operations

James H. Westbrook, C PCU
Senior Vice President
and CFO

Betty Johnson
Vice President
Information Technology

Front row (l-r):

Susan Bradshaw
Vice President
Marketing/Member Services

Pamela E. Davis
President and CEO

NIAC & ANI-RRG

a concept that works!

Photo by Carol Vogel

Good Samaritan Pet Adoption Center, Denver, CO *—An ANI-RRG member since 2001. This group of caring volunteers help abandoned pets find good homes, assist low income families with spay/neuter costs as well as other medical costs, and join together to provide a foster program in which abandoned animals are sheltered, loved and socialized until they are placed in permanent homes.*

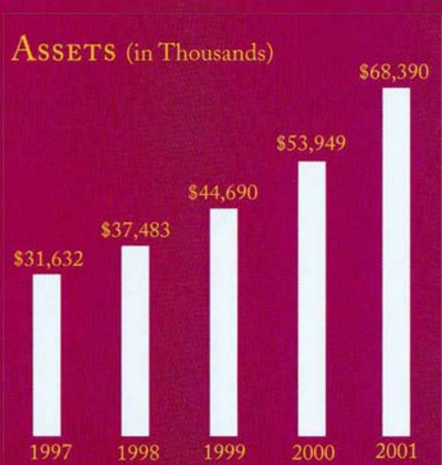
NIAC and ANI-RRG's missions are to serve 501(c)(3) tax-exempt nonprofit organizations by providing a stable source of reasonably priced liability insurance tailored to the specialized needs of the nonprofit sector, and to assist these organizations to develop and implement successful loss control and risk management programs.

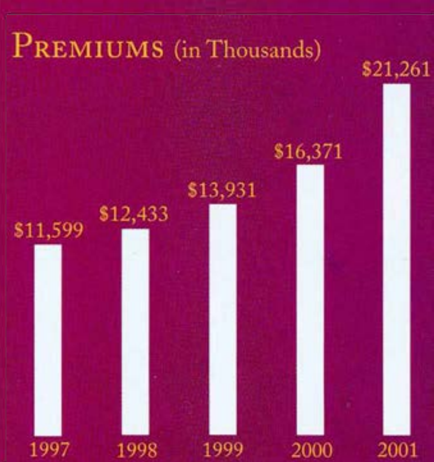
NIAC was created as a result of the liability insurance crisis in the mid-1980s when many nonprofits in California could not obtain insurance at any price. With more than 2,800 members, NIAC now insures one out of 10 active charities in California and is growing at the rate of more than two new members every business day.

In 1999 a feasibility study, underwritten by the David and Lucile Packard Foundation, was done to determine what it would take to expand NIAC's concept nationwide.

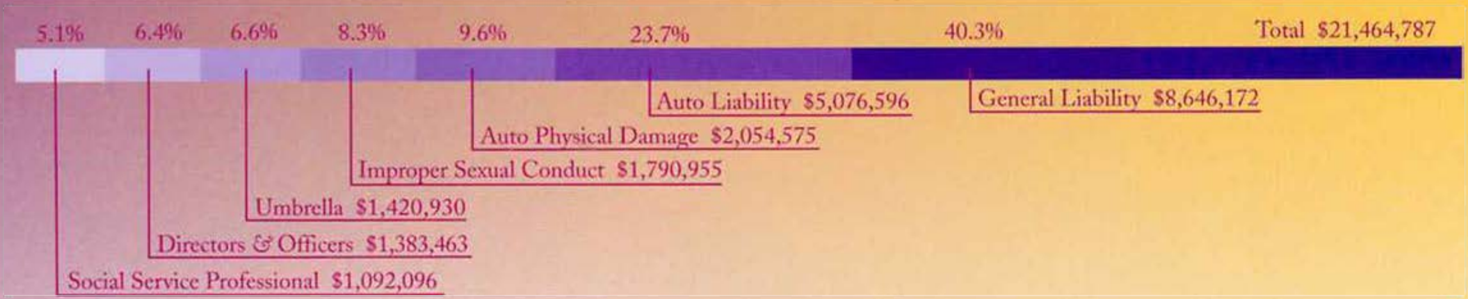
The results of that study yielded the Alliance of Nonprofits for Insurance, Risk Retention Group (ANI-RRG). ANI-RRG was incorporated in 1999 and began operations in September 2001. ANI-RRG is an insurance company owned by its nonprofit member-insureds and domiciled in Vermont. As a Risk Retention Group, it has filed to do business in most states, but the initial launch states are Colorado, Connecticut, Delaware, Maryland, Nevada, Pennsylvania, Virginia and the District of Columbia. In 2002 expansion states will include Ohio and Michigan in May, and Minnesota and North Carolina in November.

NIAC





2001 Premium by Line (NIAC & ANI-RRG Combined)



Initial capital for ANI-RRG was provided by grants from the David and Lucile Packard Foundation and the Bill & Melinda Gates Foundation. Each foundation contributed $5 million in grants for a total of $10 million in capital for ANI-RRG and its affiliated company, the National Alliance of Nonprofits for Insurance (NANI), a captive reinsurer. NANI provides reinsurance to ANI-RRG and NIAC and is itself presently reinsured by Swiss Re. All of these affiliated companies, known as the Nonprofits Insurance Alliance Group, are also 501(c)(3) tax-exempt organizations governed by their nonprofit member-insureds. All of the NIA Group companies have related boards of directors and all exist only to serve 501(c)(3) tax-exempt nonprofits.

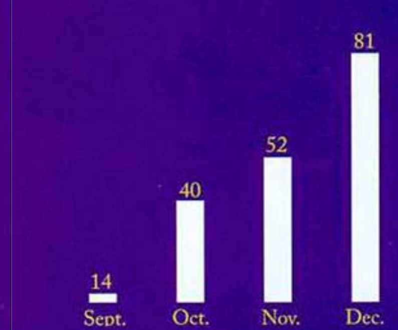
East Bay Consortium of Educational Institutions, Oakland, CA —*A NIAC member since 1999. The East Bay Consortium of Educational Institutions is a collaborative of 19 public and independent educational institutions in the Bay Area which provides enrichment programs for students and teachers. Pictured above, the "I'm Going to College" Program for elementary school children.*

ANI-RRG

Assets (in Thousands)

Premiums

Members



Member *Services*

Our philosophy is that practicing risk control is just good management! Providing practical and user-friendly risk management and loss control resources is much more fun and cost-effective than paying claims for preventable accidents and injuries. These resources for our member-insureds are free or highly subsidized. Some of the products and services provided in 2001 include:

Photo by Gary Robison

THE CHILDREN'S MUSEUM OF NORTHERN NEVADA, CARSON CITY, NV —*An ANI-RRG member since 2001. The Children's Museum of Northern Nevada offers innovative, hands-on learning adventures to children and families from economically and culturally diverse backgrounds. Unlike some museums, these visitors are encouraged to touch, poke, turn, pull and take part in the various exhibits.*

Educational Booklets

Seven booklets (available free on the website and in print) are currently available, covering topics such as special events, directors and officers insurance, what nonprofits need to know about lawsuits, managing volunteers, tips for your vehicle safety program, avoiding sexual abuse and managing technology risks. Each booklet explores liability issues faced by most nonprofits, and has been written specifically for the nonprofit reader. Many case studies and sample forms are available in each booklet.

Driver Training

During 2001, more than 850 drivers were trained throughout California. This important, practical training is also now available to ANI-RRG members.

D&O Attorney Advice

This resource offers free pre-termination consultation with a labor law attorney for members with a directors and officers policy with NIAC or ANI-RRG. In 2001, 187 members took advantage of this service. These consultations helped our members avoid the most common errors in terminating an employee, and as a result, helped avoid the negative publicity which can be caused by disgruntled former employees.

Newsletters

Three newsletters were distributed to members in 2001. Topics included avoiding claims and lawsuits, managing technology, and transportation issues. In 2002 look for our newsletters to be delivered electronically.

Nonprofit CARES

(Computer Assisted Risk Evaluation System)—NIAC Edition. In cooperation with the Nonprofit Risk Management Center, we developed an interactive CD-Rom risk assessment tool for California nonprofits. Six modules include the following topics: Introduction to Risk Management, Transportation, Contracts, Harm to Clients, Special Events and Employment Practices. We also make available a subsidized copy of the nationwide version to ANI-RRG members.

Video Lending Library

To complement their internal training programs, members can take advantage of our video lending library, a valuable resource for our members. Topics range from driver safety and employment practices to the prevention of sexual abuse. New titles are always being added to the library.

HEMET/SAN JACINTO COMMUNITY PANTRY, HEMET, CA —*A NIAC member since 2000. The Community Pantry has been providing assistance (primarily food) to low-income families in the area for over 35 years, through donations collected by local churches, service clubs, civic organizations, and various other collection points throughout the community.*

Web Sites

Members can order publications and videos on-line, and much of the loss control material may be downloaded. Plans in 2002 include a members-only secure area and e-commerce capabilities. Visit our web sites at www.insurancefornonprofits.org.

Workshops

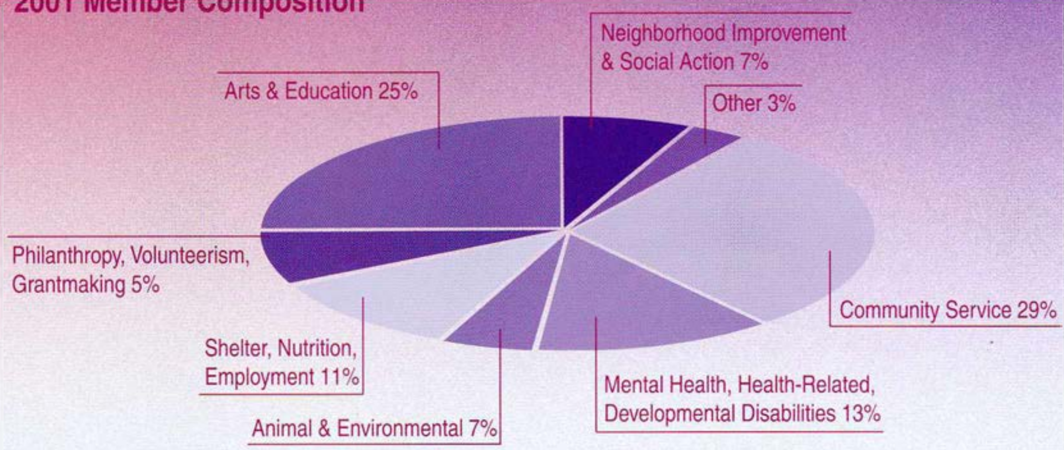
We continue to sponsor educational events, and to serve as a resource for insurance and risk management information for nonprofits. In 2001 staff made many presentations for the Nonprofit Risk Management Center, California Association of Nonprofits, CompassPoint, Delaware Association of Nonprofit Agencies, Colorado Association of Nonprofit Organizations, and the Peter Drucker School of Management.

"The NIA Group provides innovative and creative insurance solutions for the nonprofit community. On behalf of the Bill & Melinda Gates Foundation, I applaud your commitment to organizations that improve people's lives—there is no more important work than serving those who are most vulnerable in our world. Through your efforts, nonprofit organizations are tackling some of our world's most challenging dilemmas...and making a real difference."

Bill Gates, Sr., co-chair, Bill & Melinda Gates Foundation

Nonprofits: *Making a Difference* in our Communities

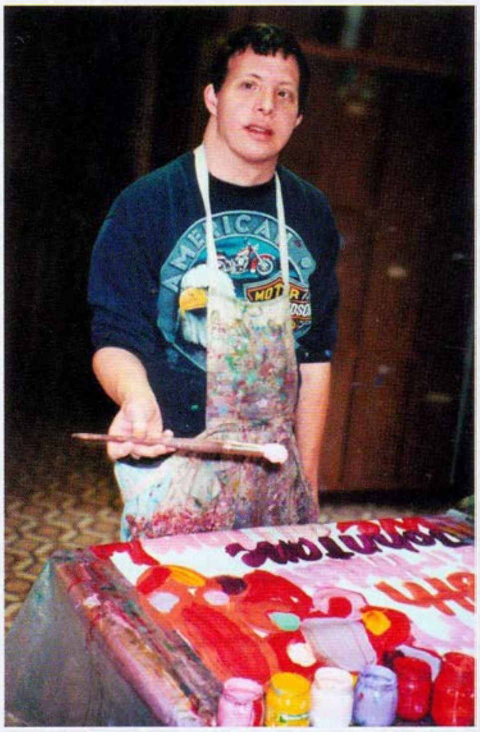
2001 Member Composition



Nonprofits across the country play a vital role in improving the quality of life in our communities. Today, economic pressures are putting even greater demands on nonprofits. Nevertheless, you can always find agencies in your community that are approaching community problems and opportunities with enthusiasm, persistence and imagination—and accomplishing amazing things!

As the NIA Group expands across the country, and as 501(c)(3) nonprofits ourselves, we are proud to be associated with so many agencies working for positive change in their communities.

To learn more about the diverse group of nonprofits that comprise our membership, take a few moments to read the following member profiles. A complete list (as of 12/31/2001) is furnished in the front pocket of this report.



Art Explorers, Fort Bragg, CA —*A NIAC member since 2001. Art Explorers provides a visual arts program for adults in their community with developmental disabilities. Pictured above, one of the program's artists paints a "Happy Birthday" banner for a friend.*

Member *Profiles*

Roger Barkley Community Center
La Cañada Flintridge, CA

The Roger Barkley Community Center has been providing educational and recreational services for children, youth and adults in the foothill communities of the San Fernando Valley since 1948.

The Center was originally founded as the La Cañada Youth Council, but renamed in 1998 in memorium of a dedicated community volunteer. The City of La Cañada Flintridge does not have a structured Parks and Recreation Department, so the Center fills an important need in the community.

Activities available through the Center include a half-day preschool, basketball and volleyball programs, as well as various personal enrichment classes and community programs which use the Center for their meetings.

Pictured above, a student in the Junior Ceramics program learns how to fire pottery in a kiln.

The Roger Barkley Community Center has been a NIAC member since 1999.

Rocky Mountain Center for Musical Arts • Lafayette, CO

The Rocky Mountain Center for Musical Arts opened in 1996 with 13 students and a dream to provide "Music for all...for life!" They now have 530 students and 150 volunteers committed to providing quality, creative, music-making experiences for students of all ages and abilities, regardless of cultural background or financial status.

The Center's offerings include individual lessons, small group lessons, a community chorus, a concert band and an annual musical dramatic performance.

Their Music Together® class provides music play for infants to four year-olds with their parents, and the "Introduction to Instruments" class gives four to five year-olds a sampling of various types of instruments.

The Rocky Mountain Center for Musical Arts has been an ANI-RRG member since 2001.

Member *Profiles*

West County Adult Day and Alzheimer's Respite Care Center • Richmond, CA

West County Adult Day and Alzheimer's Respite Care Center provides care and services to seniors during the day, while their primary caregivers are at work or elsewhere.

The Center cares for individuals with Alzheimer's Disease, stroke, Parkinson's Disease, seizure disorders, sight impairment and wanderers. Their goal is to help their participants to have the best quality of life possible and to provide respite to their caregivers.

Classes and activities at the Center include movement therapy, art therapy, music therapy, memory training, field trips, films and videos, storytelling and poetry, elder trivia and nature walks. Additional games and activities include golf putting, "Name That Tune," bingo, parties and various musical entertainers.

The Center also offers a family support group for caregivers, which is sponsored by the Alzheimer's Association.

West County Adult Day and Alzheimer's Respite Care Center has been a NIAC member since 1999.

Alpha Project for the Homeless • San Diego, CA

Alpha Project for the Homeless empowers individuals, families and communities by providing work, recovery and other support services to people who are motivated to change their lives and achieve self-sufficiency.

The Day Center is available with showers, restrooms, laundry services, storage, mail and message assistance, daytime refuge, counseling and referrals. The Step-Up program provides recovery services, GED assistance, housing assistance, training and employment assistance. Outreach services include homeless outreach (pictured below), a medical outreach van, homeless/runaway youth outreach, gang prevention/education outreach and transportation assistance for seniors.

Alpha Project for the Homeless has been a NIAC member since 2000.

Member *Profiles*

Community Association for Rehabilitation (CAR)
Palo Alto, CA

Community Association for Rehabilitation (CAR) promotes the achievements of people with developmental disabilities so they can continue to be valued members of the community. Each year, CAR serves more than 2,000 people with developmental disabilities who live in Santa Clara, San Mateo, and Santa Cruz counties.

CAR offers development, education and recreation programs for individuals with disabilities, as well as respite services for parents of children with developmental disabilities.

CAR also has a residential group home, an employment services program, and a swim center with a wheelchair accessible pool.

Pictured above, a local artist works with CAR students who are helping illustrate a book titled *How to Ride the Bus*, which will be used by other adults with developmental disabilities.

CAR has been a NIAC member since 1998.

Work Options for Women • Denver, CO

Work Options for Women (WOW) assists low-income women to transition from welfare to work. The program is structured so that women with few skills or little education can learn a tangible trade that will lead to steady employment.

Women who are referred to WOW receive a 16-week program which includes culinary job training, case management, life skills training, job placement and post-graduate follow-up services. They are given tools to achieve self-sufficiency and resolve barriers such as inadequate housing, childcare or medical care, domestic violence and low self-esteem.

Each day, the participants put their new skills to practice in WOW's cafeteria, which serves more than 300 people daily.

WOW has been an ANI-RRG member since 2001.

Member *Profiles*

Rainbow Bridge
Denver, CO

Rainbow Bridge was started in 1989 by two women who began taking groups of children to nursing homes to visit the residents. Five years later, Rainbow Bridge became a nonprofit organization and produced *Rainbow Bridge, An Intergenerational Musical*, which helped educate the community about the mutually beneficial results of pairing elders with community volunteers of all ages.

There are three main programs which match volunteers with elders: the Family and Elders Program—for individuals and families; the Youth and Elders Program—for school classes and other youth groups; and the Business/Community Group Program—for employees and community group members.

Young people gain life skills and respect for others and the adult groups experience a special bonding and enhanced team spirit as they work together. The elders receive companionship, intellectual stimulation, and the opportunity to be useful contributors.

Rainbow Bridge has been an ANI-RRG member since 2001.

Asian Resources
Sacramento, CA

Since 1980, Asian Resources has provided multiple social services for people of Asian descent who reside in the Sacramento area.

The One Stop Career Center offers vocational computer training, assessment, job development/job placement and work experience programs.

Other programs include English as a second language classes, citizenship classes, a youth employment and training program, a nutrition program for low-income families and a summer lunch program (pictured below). The organization also assists seniors and in 2001 opened *My Sister's House*, Sacramento's first shelter for battered Asian women and children, providing services to Sacramento's more than 18 Asian language groups.

Asian Resources has been a NIAC member since 1994.

Independent Auditors' Report

Deloitte & Touche LLP

To the Boards of Directors of Nonprofits Insurance Alliance Group:

We have audited the accompanying combined balance sheets of Nonprofits Insurance Alliance Group (the "Group") as of December 31, 2001 and 2000 and the related combined statements of income, members' equity and cash flows for the years then ended. These combined financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such combined financial statements present fairly, in all material respects, the financial position of Nonprofits Insurance Alliance Group as of December 31, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

San Francisco, California
March 8, 2002

Nonprofits Insurance Alliance Group

Combined Balance Sheets

December 31, 2001 and 2000

	2001	2000
ASSETS		
Investments:		
Restricted investments at fair value	$ —	$ 1,232,710
Investments at fair value	51,999,385	37,297,370
Total investments	51,999,385	38,530,080
Cash	723,303	108,077
Premiums receivable, net of allowance for doubtful accounts of $7,299 in 2001 and $4,259 in 2000	4,618,395	2,738,885
Interest receivable	530,132	468,678
Prepaid expenses and other assets	111,321	81,212
Reinsurance recoverable	10,463,640	8,084,180
Prepaid reinsurance premium	1,747,430	1,456,440
Deferred acquisition costs	1,831,503	1,463,671
Assets held in trust	35,043	820,172
Property and equipment, net of accumulated depreciation of $564,546 in 2001 and $225,117 in 2000	6,496,872	5,086,108
TOTAL	$ 78,557,024	$ 58,837,503
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES:		
Loss and loss adjustment expense reserves	$ 27,299,082	$ 22,924,752
Loans payable	4,405,000	4,560,000
Unearned premiums	9,772,713	7,555,794
Reinsurance payable	2,898,494	1,272,266
Accounts payable and other accrued liabilities	2,207,264	2,225,726
Total liabilities	46,582,553	38,538,538
SUBORDINATED DEBT	—	155,600
MEMBERS' EQUITY:		
Members' contributions	900,507	900,507
Capital contribution	10,000,000	5,000,000
Retained earnings	20,290,361	13,887,516
Accumulated other comprehensive income	783,603	355,342
Total members' equity	31,974,471	20,143,365
TOTAL	$ 78,557,024	$ 58,837,503

See notes to combined financial statements.

Nonprofits Insurance Alliance Group

Combined Statements of Income

Years Ended December 31, 2001 and 2000

	2001	2000
REVENUES:		
Gross written premium	$ 21,476,428	$ 16,370,936
Ceded premium	(3,826,878)	(3,208,603)
Net written premium	17,649,550	13,162,333
(Increase) in unearned premium, net	(1,925,928)	(1,181,396)
Net earned premium	15,723,622	11,980,937
Net restricted investment income	—	98,697
Net investment income	2,469,807	1,875,164
Net realized gain on sales of investments	158,216	48,373
Other income	1,316,011	542,811
Total revenues	19,667,656	14,545,982
EXPENSES:		
Losses and loss adjustment expenses incurred		
Amount incurred during current year	10,633,001	7,937,984
Change in claims reserve	(3,143,030)	(5,090,011)
Salaries and employee benefits	3,061,575	2,213,727
Commission expense	2,499,247	1,886,574
Other expense	214,018	218,367
Total expenses	13,264,811	7,166,641
NET INCOME	$ 6,402,845	$ 7,379,341

See notes to combined financial statements.

Nonprofits Insurance Alliance Group

Combined Statements of Members' Equity

Years Ended December 31, 2001 and 2000

	Capital Contributions	Members' Contributions	Retained Earnings	Comprehensive Income	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
BALANCES, January 1, 2000	$ —	$ 873,513	$ 6,508,175		$ (307,778)	$ 7,073,910
Comprehensive income:						
Net income			7,379,341	$ 7,379,341		7,379,341
Other comprehensive income						
Unrealized gain on securities				663,120		
Other comprehensive income				663,120	663,120	663,120
Comprehensive income				$ 8,042,461		
Capital contributions	5,000,000					5,000,000
Members' contributions		26,994				26,994
BALANCES, December 31, 2000	5,000,000	900,507	13,887,516		355,342	20,143,365
Comprehensive income:						
Net income			6,402,845	$ 6,402,845		6,402,845
Other comprehensive income						
Unrealized gain on securities				428,261		
Other comprehensive income				428,261	428,261	428,261
Comprehensive income				$ 6,831,106		
Capital contributions	5,000,000					5,000,000
BALANCES, December 31, 2001	$10,000,000	$ 900,507	$ 20,290,361		$ 783,603	$31,974,471

DISCLOSURE OF RECLASSIFICATION AMOUNT:	2001	2000
Net unrealized holding gains arising during period	$ 586,477	$ 711,493
Less reclassification adjustment for (gains) included in net income	(158,216)	(48,373)
Net unrealized gains in securities	$ 428,261	$ 663,120

See notes to combined financial statements.

Nonprofits Insurance Alliance Group

Combined Statements of Cash Flows

Years Ended December 31, 2001 and 2000

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 6,402,845	$ 7,379,341
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized (gains) on sales of investments	(158,216)	(48,373)
Depreciation and amortization	339,429	78,743
Amortization of premium of debt securities	88,623	(155,662)
Loss on disposal of property and equipment	—	31,889
Changes in assets and liabilities:		
Premiums receivable	(1,879,510)	(642,027)
Interest receivable	(61,454)	(96,214)
Prepaid expenses and deposits	(30,109)	(22,177)
Reinsurance recoverable	(2,379,460)	2,613,074
Prepaid reinsurance premium	(290,990)	(313,073)
Deferred acquisitions costs	(367,832)	(295,784)
Assets held in trust	785,129	(820,172)
Loss and loss adjustment expense reserves	4,374,330	(4,790,262)
Unearned premiums	2,216,919	1,494,468
Reinsurance payable	1,626,228	143,940
Accounts payable and other accrued liabilities	(18,463)	518,139
Net cash provided by operating activities	10,647,469	5,075,850
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(105,804,059)	(103,026,402)
Sales and maturities of investments	92,789,807	93,765,555
Purchases of property and equipment	(1,707,391)	(4,648,144)
Net cash used in investing activities	(14,721,643)	(13,908,991)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from capital contributions	5,000,000	5,000,000
Subordinated debt principal repayment	(155,600)	(848,000)
Proceed from issuance of bonds	—	4,560,000
Repayment of loans payable	(155,000)	26,994
Net cash provided by financing activities	4,689,400	8,738,994
NET INCREASE (DECREASE) IN CASH	615,226	(94,147)
CASH, beginning of year	108,077	202,224
CASH, end of year	$ 723,303	$ 108,077
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION -		
Capitalized interest expense	$ 42,802	$ 84,494
Cash paid for interest expense	$ 90,441	$ 20,072
Transfer of restricted investments to unrestricted investments	$ 1,232,710	

See notes to combined financial statements.

Nonprofits Insurance Alliance Group

Notes to Combined Financial Statements

Years Ended December 31, 2001 and 2000

1. Organization

Nonprofits Insurance Alliance Group (the "Group") consists of nonprofit companies whose primary activities include serving 501(c)(3) tax-exempt nonprofit organizations by providing a stable source of reasonably priced liability insurance coverage tailored to the specialized needs of the nonprofit sector, and assisting these organizations to develop and implement successful loss control and risk management programs. The Group includes Nonprofits' Insurance Alliance of California, Inc. ("NIAC"), Alliance of Nonprofits for Insurance, Risk Retention Group, Inc. ("ANI-RRG"), National Alliance of Nonprofits for Insurance, Inc. ("NANI"), and Alliance Member Services, Inc. ("AMS").

NIAC operates as a risk pool in California pursuant to authorization under Section 5005.1 of the California Corporations Code. NIAC provides commercial general liability, social service professional liability, automobile liability, auto physical damage, employer's non-owned and hired auto liability, improper sexual conduct and directors and officers liability and umbrella liability coverage to its members.

ANI-RRG and NANI operate as captive insurance companies in Vermont pursuant to authorization under 8 V.S.A., Section 6002., and are subject to the rules, regulation and supervision of the Vermont Department of Banking, Insurance, Securities, and Health Care Administration. ANI-RRG provides commercial general liability, social service professional liability, employee benefits liability, business auto liability, and non-owned and hired automobile liability, improper sexual conduct liability, directors and officers liability and umbrella liability coverage to its members. NANI provides reinsurance to affiliates in the Group and certain other carriers providing coverage for NIAC and ANI-RRG members. The capital contributions to ANI-RRG of $1,000,000 in 2001 and $1,000,000 in 2000 and to NANI of $4,000,000 in 2001 and $4,000,000 in 2000 were provided by Bill & Melinda Gates Foundation and David and Lucile Packard Foundation.

AMS is a nonprofit company incorporated in Vermont to provide management services to affiliates in the Group and is responsible for their overall operation, including policy services, claim management, member services, reinsurance negotiations, marketing, accounting and financial management, and general and administration management.

On January 1, 2001, NIAC transferred its employees and its employment obligations and related assets and liabilities, including its 401(k) plan, to AMS. AMS recorded the assets and liabilities at the carrying amount in the accounts of NIAC at the time of transfer.

The combined financial statements include the accounts of NIAC, ANI-RRG, NANI and AMS. All balances and transactions between these companies have been eliminated.

2. Summary of Significant Accounting Policies

Financial Statement Estimates - The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition - Premiums are recognized as earned on a pro rata basis over the terms of the policies, usually twelve months. Unearned premiums reserves are established to cover the unexpired portion of premiums written.

Deferred Acquisition Costs - Policy acquisition costs incurred are deferred and amortized over the period of premium recognition. These costs generally include commissions, underwriting, policy issuance and marketing costs. Amortization of acquisition costs was $3,889,676 for 2001 and $2,625,148 for 2000. Anticipated investment income is not considered in determining if a premium deficiency exists.

Property and Equipment - Data processing equipment, purchased software and office furniture and equipment are stated at cost, net of accumulated depreciation, and depreciated over five years using the straight-line method. Building is stated at cost, net of accumulated depreciation, and depreciated over 40 years using the straight-line method. Land is stated at historical cost. Upon retirement or disposition of property and equipment, any gain or loss is included in income. Costs for internal-use software are capitalized in accordance with Statement of Position (SOP) 98-1, "Accounting for the Costs of Software Developed or Obtained for Internal Use."

Investments - The Group has classified all of its investment portfolio as "available-for-sale securities." Investments that are classified as "available-for-sale securities" are reported at market value, with unrealized gains and losses excluded from earnings and reported as a separate component of members' equity. Net realized investment gains or losses are recognized based upon the specific identification of investments sold. The Group has investments in commercial paper. Although such investments meet the criteria for cash equivalents, the Group has elected to include commercial paper in investments.

Liability for Losses and Loss Adjustment Expenses ("LAE") - The liability for losses and LAE consists of estimated costs of each unpaid claim reported prior to the close of the accounting period, as well as those incurred but not yet reported. Management and the Group's consulting actuary believe that the reserves for losses and LAE at December 31, 2001 and 2000 are appropriately established in the aggregate and adequate to cover the ultimate net cost of reported and unreported claims arising from losses which had occurred by that date. The establishment of appropriate reserves is an inherently uncertain process.

Such reserves are necessarily based on estimates and the ultimate net cost may vary from such estimates. These estimates are regularly reviewed and updated using the most current information available. Any resulting adjustments, which may be material are reflected in current operations.

Reinsurance - Reinsurance recoverables (including amounts related to claims incurred but not reported) and prepaid reinsurance premiums are reported as assets. Estimated reinsurance recoverables are recognized in a manner consistent with the liabilities relating to the underlying insured contracts.

Income Taxes - The companies in the Group are tax-exempt for federal tax purposes under Section 501(c)(3) of the Internal Revenue Code.

Estimated fair value of financial instruments - The carrying value of cash, premium receivable and reinsurance payable approximate their estimated fair value. Fair value of investment securities is estimated by using quoted market prices for most securities. Estimated fair values of debt securities are based on average bid prices, or for newly issued securities, the average bid prices of similar issues with the same life and expected yields. Fair value of loan payable is estimated to be carrying value, as the loan has a variable interest rate. Due to the unique repayment features of this debt, it is not practicable to estimate the fair value of the subordinated debt.

Restricted Investments

In September 2001, NIAC repaid the subordinated debt (see Note 7), thereby lifting the investment restriction. The remaining restricted investments have been transferred to unrestricted investments.

The proceeds from the issuance of subordinated debt and related earned interest were held as restricted investments and could not be commingled with any other funds before the repayment was sent. Funds in these restricted accounts could be withdrawn only to fund obligations of NIAC to its policyholders and claimants related to all loss and loss adjustment expenses and to make payments for principal and/or interest related to the subordinated debt. Funds in the restricted accounts could not be used for operating expenses of NIAC. To date, funds have been used only for interest and principal payments on the subordinated debt. Such interest expense was $2,334 and $20,072 in 2001 and 2000, respectively.

Restricted investments, carried in the accompanying balance sheets at estimated fair value, consisted of the following as of December 31, 2000:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate obligations	$ 199,776	$ 2,295	$ —	$ 202,071
U.S. government and agency obligations	366,049	2,833	—	368,882
Money market account	49,863			49,863
Mortgage-backed securities	363,150	207	—	363,357
Asset-backed securities	246,751	1,786	—	248,537
Total	$ 1,225,589	$ 7,121	$ —	$ 1,232,710

In 2000, gross realized gains and (losses) on sales of fixed maturity securities were $9,275, and $(8,772) respectively.

4. Investments

Unrestricted investments, carried in the accompanying balance sheets at estimated fair value, consist of the following as of December 31, 2001 and 2000:

2001	Cost or Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate obligations	$ 15,592,356	$ 424,555	$ (10,759)	$ 16,006,152
U.S. government and agency obligations	18,448,669	237,492	(71,262)	18,614,899
Money market account	447,780	—	—	447,780
Mortgage-backed securities	7,744,847	76,773	(16,095)	7,805,525
Asset-backed securities	6,502,221	120,996	—	6,623,217
Other debt securities	1,599,258	110	—	1,599,368
Total debt securities	50,335,131	859,926	(98,116)	51,096,941
Equity securities	880,000	52,727	(30,283)	902,444
Total investments	$ 51,215,131	$ 912,653	$ (128,399)	$ 51,999,385

2000	Cost or Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate obligations	$ 8,428,885	$ 155,342	$ —	$ 8,584,227
U.S. government and agency obligations	8,301,201	213,073	—	8,514,274
Money market account	436,965	—	—	436,965
Mortgage-backed securities	5,307,719	—	(9,979)	5,297,740
Asset-backed securities	4,739,570	50,362	—	4,789,932
Other debt securities	8,623,976	—	(2,181)	8,621,795
Total debt securities	35,838,316	418,777	(12,160)	36,244,933
Equity securities	1,110,182	—	(57,745)	1,052,437
Total investments	$ 36,948,498	$ 418,777	$ (69,905)	$ 37,297,370

The amortized cost and estimated fair value of unrestricted investments at December 31, 2001, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or repayment penalties.

	Amortized Cost	Estimated Fair Value
Due in 1 year or less	$ 6,264,940	$ 6,315,535
Due after 1 year through 5 years	17,689,401	18,090,616
Due after 5 years	12,133,722	12,262,048
Mortgage-backed securities	7,744,847	7,805,525
Asset-backed securities	6,502,221	6,623,217
Total	$ 50,335,131	$ 51,096,941

Gross realized gains and (losses) on sales of fixed maturity securities were $693,114 and $(285,884) in 2001, respectively, and $7,362 and $(66,899) in 2000, respectively. Gross realized gains (losses) on sales of equity securities were $71,452 and $(320,466) in 2001, respectively, and $202,144 and $(94,737) in 2000, respectively.

Based on the requirement of the Vermont Department of Banking, Insurance, Securities, and Health Care Administration, ANI-RRG and NANI have maintained at least $500,000 and $750,000, respectively, of investment in the U.S. Treasury Bills in 2001.

5. Property and Equipment

Property and equipment at December 31 consists of:

	2001	2000
Computers and software	$ 801,322	$ 432,537
Furniture and fixtures	140,588	1,885
Leasehold improvements	6,223	—
Internal software	1,460,405	975,744
Land	900,000	900,000
Building	3,752,880	3,001,059
Total	7,061,418	5,311,225
Accumulated depreciation	(564,546)	(225,117)
Property and equipment, net	$ 6,496,872	$ 5,086,108

Depreciation expense of $339,429 and $78,743, including amortization of leasehold improvements, was recognized for the years ended December 31, 2001 and 2000, respectively.

6. Loss and Loss Adjustment Expense Reserves

Activity in the loss and loss adjustment expense reserves is summarized as follows:

	2001	2000
Gross loss and loss adjustment expense reserves, January 1	$ 22,924,752	$ 27,715,014
Reinsurance recoverables	(8,084,180)	(10,697,254)
Net loss and loss adjustment expense reserves	14,840,572	17,017,760
Incurred related to:		
Current year	10,633,001	7,937,984
Prior years	(3,143,030)	(5,090,011)
Total incurred	7,489,971	2,847,973
Paid related to:		
Current year	1,596,727	1,531,223
Prior years	3,898,374	3,493,938
Total paid	5,495,101	5,025,161
Net loss and loss adjustment expense reserves, December 31	16,835,442	14,840,572
Reinsurance recoverables	10,463,640	8,084,180
Gross loss and loss adjustment expense reserves, December 31	$ 27,299,082	$ 22,924,752

As a result of changes in estimates of insured events in prior years, the loss and loss adjustment expense reserves decreased by $3,143,030 and $5,090,011 in 2001 and 2000, respectively. In evaluating its 2001 and 2000 actuarial reports, the Company determined that the actual experience in its general liability and auto liability business has developed more favorably than original estimates. As a result, management has determined that the reserve reduction for prior years is appropriate.

7. Subordinated Debt

In September 2001, the Company repaid the remaining principle of the subordinated debt.

In 1989, a total of $1,300,000 was provided by foundations to NIAC in the form of restricted assets (see Note 3) in the amounts listed below:

The Ford Foundation	$ 500,000
Wallace Alexander Gerbode Foundation	250,000
David and Lucile Packard Foundation	250,000
San Francisco Foundation	100,000
Marin Community Foundation	100,000
Walter S. Johnson Foundation	100,000
Total	$ 1,300,000

NIAC paid 2% simple interest per year on these funds. Payment of interest was made in quarterly installments and amounted to $2,334 and $20,072 in 2001 and 2000, respectively.

Principal amounts were considered to be due and payable only when an independent actuary certified that to make such repayment would in no way jeopardize the financial stability of NIAC. Interest payments were able to be postponed at any time if management determined that paying interest would have jeopardized the financial stability of NIAC.

In October 2000, NIAC's independent actuary concluded that NIAC could repay up to $850,000 of the subordinated loans in fiscal year 2000 without jeopardizing the ability to meet current obligations or affecting the Company's ability to continue to grow. The Company repaid $848,000 of the subordinated debt in 2000. In March 2001, the Company's independent actuary concluded that the Company could repay the remaining $155,600 principal in fiscal year 2001 without jeopardizing the Company's ability to grow.

Bond Issuance

On May 1, 2000, NIAC entered into an agreement with the California Statewide Communities Development Authority (the "Authority") to borrow $4,560,000, which represents all of the proceeds from the Authority's May 1, 2000, Series 2000A bond issuance.

Interest payments are due monthly. The interest rate is variable, dependent upon the current market rate as determined by an independent marketing agent named in the original agreement. The interest rate is assessed on a weekly basis.

Principle repayments are due annually on September 1, as follows:

2002	$ 160,000
2003	165,000
2004	170,000
2005	180,000
2006	185,000
Thereafter	3,545,000
Total	$ 4,405,000

The bond proceeds were used to finance the costs of the acquisition, construction, improvement and equipping of NIAC's new administrative building. As of December 31, 2001 and 2000, the Company had unspent loan proceeds of $35,043 and $820,172, respectively, which are being held by the Trustee.

Interest expense on the bonds totaled $119,563 and $95,841 for the years ended December 31, 2001 and 2000, respectively. Interest expense incurred from May 1, 2000 through March 1, 2001 has been capitalized as part of the building. Capitalized interest to March 1, 2001 was $127,296.

Reinsurance

Effective January 1, 2001, NANI provides reinsurance to affiliates in the Group. In the normal course of business, NANI reinsures with other third-party companies through contractual agreements. The reinsurers are rated A++ by A.M. Best. Such agreements serve to limit the companies' loss on large claims. Risks reinsured would become an expense of the companies in the event the reinsurer is unable to or will not fulfill the obligations assumed under the agreements.

For the year ended December 31, 2001, NANI's reinsurance retention and coverage are primarily as follows:

Company Retention	Up to $250,000
First Excess of Loss	$250,000 - $1,000,000
Second Excess of Loss	$1,000,000 - $3,000,000
Umbrella Quota Share	$1,000,000 - $10,000,000

For the year ended December 31, 2001, NIAC's reinsurance retention and coverage were as follows:

Company Retention	$0 - $150,000
First Excess of Loss	$150,000 - $1,000,000
NANI Retention	$150,000 - $250,000
Second Excess of Loss	$1,000,000 - $2,000,000
Umbrella	$1,000,000 - $10,000,000

For the year ended December 31, 2001, ANI-RRG's retention and coverage were primarily as follows:

Company Retention	$0 - $25,000
First Excess of Loss	$25,000 - $1,000,000
NANI Retention	$25,000 - $250,000
Second Excess of Loss	$1,000,000 - $3,000,000
Umbrella	$1,000,000 - $10,000,000

These limits are on a "per occurrence" basis and "losses" for the purposes of these agreements include indemnity and allocated loss adjustment expenses.

Before January 1, 2001, NIAC obtained reinsurance from third-party companies. For the year ended December 31, 2000, NIAC's reinsurance retention and coverage were as follows:

Company Retention	$0 - $150,000
First Excess	$150,000 - $1,000,000
Second Excess	$1,000,000 - $2,000,000
Umbrella	$1,000,000 - $10,000,000

These limits are on a "per occurrence" basis and "losses" for the purposes of these agreements include indemnity and allocated loss adjustment expenses. The policies for umbrella coverage are 100% ceded on a treaty basis. NIAC received ceding commission on this business of $320,661 in 2000, which is included as a reduction of commission expense and other expense.

The table below reflects the financial statement captions which are stated net of the effects of reinsurance:

Reinsurance Ceded	2001	2000
Premiums earned	$ 3,526,937	$ 2,895,536
Loss and loss adjustment expenses incurred	4,200,410	(793,578)

For the year ended December 31, 2001 NANI received ceding commission of $425,458. The ceding commission is recorded as a reduction of commission expense and other expense.

In 2000, NIAC paid a fixed reinsurance premium based on gross premium written, subject to a profit-sharing arrangement which could result in a refund of reinsurance premium as a result of favorable loss experience. As a result of experience to date, no provision has been made for potential profit sharing under this agreement. For the second layer, NIAC pays a fixed reinsurance premium based on gross premiums written.

In 1997 – 1999 NIAC participated in a profit sharing provision in the first layer of reinsurance. NIAC has accrued this receipt as a liability in its financial statements. In 1994-1996, for the first layer of reinsurance, NIAC paid a preliminary reinsurance premium to third party reinsurers based on gross premiums written, subject to additional premium in the event of unfavorable loss experience. Considerable judgment is involved in estimating the ultimate premium to be paid under this reinsurance agreement. Based on expected loss experience, NIAC accrued the maximum possible premium in each year. Reinsurance payable at December 31, 2001 and 2000 includes $873,013 and $981,632, respectively, of additional premiums related to potential adverse loss experience. In the event of favorable loss experience, this premium would result in income to NIAC. For the second layer, NIAC paid a fixed reinsurance premium based on gross premiums written, subject to a profit-sharing arrangement which could result in a refund of reinsurance premium as a result of favorable loss experience. As a result of experience to date, no provision has been made for potential profit sharing under this agreement. For the third layer, NIAC paid a fixed reinsurance premium based on gross premiums written.

During 1993, NIAC received a $394,791 refund of reinsurance premiums from third party reinsurers due to favorable loss experience in prior years and has subsequently received an additional refund of $628,773 and $17,722 in 1999 and 1998, respectively, and repaid to the reinsurer $38,123 and $172,785 in 1997 and 1996, respectively, due to subsequent development. In 1999 NIAC repaid to the reinsurers $628,773. As future development of loss experience may require additional repayment, NIAC is continuing to accrue the maximum liability. In 2000, NIAC received $128,140 from the reinsurers. In 2001, NIAC paid $110,417 to reinsurers and received $1,090,380 from the reinsurers.

Reinsurance recoverable includes $3,185,663 (39% of total reinsurance recoverable) and $3,096,900 (38%) at December 31, 2000, respectively, due from two third party reinsurance companies, both of which are rated A++ by A.M. Best.

10. 401(k) Profit Sharing Plan

As of January 1, 1999, NIAC adopted a new safe harbor 401(k) plan (the "Plan"). The employer contributions are limited to 4% of each employee's gross salary. Eligibility for the plan occurs on the first day of each quarter. On January 1, 2001, the Plan was transferred to AMS. The amounts contributed to the Plan were $90,114 and $77,018 in 2001 and 2000, respectively.

11. Capital And Surplus

ANI-RRG and NANI are required by the Vermont Department of Banking, Insurance, Securities, and Health Care Administration to maintain capital and surplus at minimum of $500,000 and $750,000, respectively. Their ability to pay dividends to their members is restricted and subject to regulatory approval. At December 31, 2001, the reported capital of ANI-RRG and NANI was in excess of the minimum regulatory requirement.

Nonprofits Insurance Alliance Group

Individual audited financials for the Nonprofits' Insurance Alliance of California (NIAC) and Alliance of Nonprofits for Insurance, Risk Retention Group (ANI-RRG) are available on the web at www.InsuranceforNonprofits.org, or you may request a copy to be mailed to you by calling 1-800-359-6422.

The Alliance Member Services *Team*

Alliance Member Services is the nonprofit support organization that provides services to Nonprofits' Insurance Alliance of California and Alliance of Nonprofits for Insurance, Risk Retention Group.

How to Reach Staff:

To reach a staff member dial (800) 359-6422, then the extension number next to his or her name. Email addresses are first initial plus last name @InsuranceforNonprofits.org.

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39 Lola Hogan, CPCU ARM *Vice President Claims*
26 Betty Johnson, *Vice President Information Technology*
54 Steven Moody, *Vice President Insurance Operations*
36 James H. Westbrook, CPCU, *Senior Vice President and CFO*

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31 Vicki Campbell, *Senior Claims Examiner*
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53 Jan Kirschner, *Senior Claims Examiner*
30 Kathleen Palmer, *Claims Support Specialist*
49 Vikki Sanders, *Claims Examiner*

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60 Sherri East, *Underwriting Assistant*
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