

**JOINT AND SURVIVOR ANNUITY**

An annuity with two annuitants, usually spouses. Payments continue until the death of the longest living of the two.

**JOINT UNDERWRITING ASSOCIATION / JUA**

Insurers which join together to provide coverage for a particular type of risk or size of exposure, when there are difficulties in obtaining coverage in the regular market, and which share in the profits and losses associated with the program. JUAs may be set up to provide auto and homeowners insurance and various commercial coverages, such as medical malpractice

**JUNK BONDS**

Corporate bonds with credit ratings of BB or less. They pay a higher yield than investment grade bonds because issuers have a higher perceived risk of default. Such bonds involve market risk that could force investors, including insurers, to sell the bonds when their value is low. Most states place limits on insurers' investments in these bonds. In general, because property/casualty insurers can be called upon to provide huge sums of money immediately after a disaster, their investments must be liquid. Less than 2 percent are in real estate and a similarly small percentage are in junk bonds.