

KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
 10605 Shelbyville Road, Suite 102
 Louisville, Kentucky 40222

Company Income Statement and Schedule P Data
 December 31, 2010

A.S. Line	Description	Policy Year 2004	Policy Year 2005	Policy Year 2006	Policy Year 2007	Policy Year 2008	Policy Year 2009	Policy Year 2010	CALENDAR YEAR 2010
Premiums Written									
1.0	FIRE						(168,805.00)	3,896,158.00	3,727,353.00
2.0	EXTENDED COVERAGE						(35,725.00)	678,575.00	642,850.00
4.0	HOMEOWNERS						(45,790.00)	1,368,016.00	1,322,226.00
12.0	EARTHQUAKE						116.00	45,839.00	45,955.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	(250,204.00)	5,988,588.00	5,738,384.00
Less: Ceded Premiums									
1.0	FIRE							8,139.50	8,139.50
2.0	EXTENDED COVERAGE						(238.00)	125,930.12	125,692.12
4.0	HOMEOWNERS						(47.00)	7,081.83	7,034.83
12.0	EARTHQUAKE					0.00		39,154.30	39,154.30
	TOTAL	0.00	0.00	0.00	0.00	0.00	(285.00)	180,305.75	180,020.75
NET PREMIUMS WRITTEN									
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	(168,805.00)	3,888,018.50	3,719,213.50
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	(35,487.00)	552,644.88	517,157.88
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	(45,743.00)	1,360,934.17	1,315,191.17
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	116.00	6,684.70	6,800.70
	TOTAL	0.00	0.00	0.00	0.00	0.00	(249,919.00)	5,808,282.25	5,558,363.25
plus: Unearned Premiums - Previous 12/31									
1.0	FIRE						2,006,466.81		2,006,466.81
2.0	EXTENDED COVERAGE						335,137.27		335,137.27
4.0	HOMEOWNERS						644,468.39		644,468.39
12.0	EARTHQUAKE						23,103.25		23,103.25
	TOTAL	0.00	0.00	0.00	0.00		3,009,175.72	0.00	3,009,175.72
less: Ceded Unearned Premiums - Previous 12/31									
1.0	FIRE						3,860.68		3,860.68
2.0	EXTENDED COVERAGE								0.00
4.0	HOMEOWNERS						573.74		573.74
12.0	EARTHQUAKE								0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	4,434.42	0.00	4,434.42
less: Unearned Premiums - Current									
1.0	FIRE							1,899,081.28	1,899,081.28
2.0	EXTENDED COVERAGE							328,174.81	328,174.81
4.0	HOMEOWNERS							645,454.38	645,454.38
12.0	EARTHQUAKE							22,991.78	22,991.78
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	2,895,702.25	2,895,702.25

Note: Column totals and line totals may not balance due to the rounding of cents.

INCOME STATEMENT

INCOME STATEMENT

COMPANY INCOME STATEMENT
December 31, 2010

A.S. Line	Description	Policy	Policy	Policy	Policy	Policy	Policy	Policy	CALENDAR
		Year 2004	Year 2005	Year 2006	Year 2007	Year 2008	Year 2009	Year 2010	YEAR 2010
plus: Ceded Unearned Premiums - Current									
1.0	FIRE								0.00
2.0	EXTENDED COVERAGE							3,880.02	3,880.02
4.0	HOMEOWNERS							442.08	442.08
12.0	EARTHQUAKE								0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	4,322.10	4,322.10
NET EARNED PREMIUMS									
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	1,833,801.13	1,988,937.22	3,822,738.35
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	299,650.27	228,350.09	528,000.36
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	598,151.65	715,921.87	1,314,073.52
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	23,219.25	(16,307.08)	6,912.17
	TOTAL	0.00	0.00	0.00	0.00	0.00	2,754,822.30	2,916,902.10	5,671,724.40
NET LOSSES INCURRED									
1.0	FIRE	0.00	0.00	0.00	0.00	71,400.00	767,219.33	756,973.07	1,595,592.40
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	3,912.00	131,993.84	78,554.18	214,460.02
4.0	HOMEOWNERS	0.00	0.00	0.00	(6,174.00)	1,850.28	362,220.56	785,120.56	1,143,017.40
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	0.00	(6,174.00)	77,162.28	1,261,433.73	1,620,647.81	2,953,069.82
NET LAE INCURRED									
1.0	FIRE	0.00	0.00	(548.00)	(2,068.00)	(4,256.81)	97,583.68	215,370.21	306,081.08
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	1,062.31	32,916.32	36,775.54	70,754.17
4.0	HOMEOWNERS	0.00	0.00	0.00	(3,455.50)	(16,192.63)	35,222.84	153,316.20	168,890.91
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	(548.00)	(5,523.50)	(19,387.13)	165,722.84	405,461.95	545,726.16
Commissions									
1.0	FIRE						(16,880.50)	389,615.80	372,735.30
2.0	EXTENDED COVERAGE						(3,572.50)	67,857.50	64,285.00
4.0	HOMEOWNERS						(2,289.50)	68,400.80	66,111.30
12.0	EARTHQUAKE						6.80	3,847.35	3,854.15
	TOTAL	0.00	0.00	0.00	0.00	0.00	(22,735.70)	529,721.45	506,985.75
Less: Ceded Commissions									
1.0	FIRE	0.00	0.00	0.00	0.00	0.00			0.00
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	(71.40)	2,563.20	2,491.80
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	(14.10)	279.60	265.50
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	(85.50)	2,842.80	2,757.30
NET COMMISSIONS INCURRED									
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	(16,880.50)	389,615.80	372,735.30
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	(3,501.10)	65,294.30	61,793.20
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	(2,275.40)	68,121.20	65,845.80
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	6.80	3,847.35	3,854.15
	TOTAL	0.00	0.00	0.00	0.00	0.00	(22,650.20)	526,878.65	504,228.45

Note: Column totals and line totals may not balance due to the rounding of cents.

INCOME STATEMENT

COMPANY INCOME STATEMENT
December 31, 2010

INCOME STATEMENT

A.S. Line Description	Policy Year 2004	Policy Year 2005	Policy Year 2006	Policy Year 2007	Policy Year 2008	Policy Year 2009	Policy Year 2010	CALENDAR YEAR 2010
TOTAL OTHER OPERATING EXPENSES INCURRED								
TOTAL							657,984.63	657,984.63
TOTAL UNDERWRITING DEDUCTIONS								
TOTAL	0.00	0.00	(548.00)	(11,697.50)	57,775.15	1,404,506.37	3,210,973.04	4,661,009.06
NET UNDERWRITING GAIN or (LOSS)								
TOTAL	0.00	0.00	548.00	11,697.50	(57,775.15)	1,350,315.93	(294,070.94)	1,010,715.34
NET INVESTMENT INCOME INCURRED								
NET INVESTMENT INCOME EARNED						106,350.62	118,220.36	224,570.98
NET CAPITAL GAIN (LOSS)							6,482.28	6,482.28
TOTAL	0.00	0.00	0.00	0.00	0.00	106,350.62	124,702.64	231,053.26
NET OTHER INCOME								
TOTAL							161,349.05	161,349.05
NET INCOME (LOSS) before Taxes								
TOTAL	0.00	0.00	548.00	11,697.50	(57,775.15)	1,456,666.55	(8,019.25)	1,403,117.65
NET TAXES INCURRED								
FEDERAL INCOME TAX							403,589.00	403,589.00
								0.00
								0.00
								0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	403,589.00	403,589.00
OTHER INCREASE (DECREASE) TO SURPLUS								
UNREALIZED CAPITAL GAIN or (LOSS)						21,506.93	115,824.77	137,331.70
CHANGE IN NON-ADMITTED ASSETS						54,003.00	78,844.00	132,847.00
OTHER ADJUSTMENTS							(1,786.00)	(1,786.00)
TOTAL	0.00	0.00	0.00	0.00	0.00	75,509.93	192,882.77	268,392.70
NET CHANGE IN SURPLUS								
TOTAL	0.00	0.00	548.00	11,697.50	(57,775.15)	1,532,176.48	(218,725.48)	1,267,921.35

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSSES
 December 31, 2010

A.S. Line	Description	Policy Year 2004		Policy Year 2005		Policy Year 2006		Policy Year 2007		Policy Year 2008		Policy Year 2009		Policy Year 2010		CALENDAR YEAR 2010
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2010	
Paid Losses																
1.0	FIRE										75,500.00	66,312.99	892,198.34	693,973.07		1,727,984.40
2.0	EXTENDED COVERAGE											11,273.92	141,393.92	74,766.18		227,434.02
4.0	HOMEOWNERS										55,610.28	21,046.11	315,961.63	463,231.56		855,849.58
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	131,110.28	98,633.02	1,349,553.89	1,231,970.81		2,811,268.00
Paid Salv/Subro																
1.0	FIRE															0.00
2.0	EXTENDED COVERAGE															0.00
4.0	HOMEOWNERS															0.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Salv/Subro Reserve																
1.0	FIRE															0.00
2.0	EXTENDED COVERAGE															0.00
4.0	HOMEOWNERS															0.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Outstanding Losses - Current																
1.0	FIRE											100.00	28,000.00	63,000.00		91,100.00
2.0	EXTENDED COVERAGE									3,000.00	3,500.00		6,000.00	1,000.00		13,500.00
4.0	HOMEOWNERS										11,000.00	50,000.00	8,444.65	302,384.00		371,828.65
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00	14,500.00	50,100.00	42,444.65	366,384.00		476,428.65
IBNR Loss Reserves - Current																
1.0	FIRE															0.00
2.0	EXTENDED COVERAGE											679.00		2,788.00		3,467.00
4.0	HOMEOWNERS									4,240.00				19,505.00		23,745.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,240.00	0.00	679.00	0.00	22,293.00		27,212.00
Case Outstanding Losses - Prior																
1.0	FIRE									4,000.00	100.00	205,600.00				209,700.00
2.0	EXTENDED COVERAGE									0.00	0.00	9,000.00				9,000.00
4.0	HOMEOWNERS									0.00	69,000.00	33,231.83				102,231.83
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	69,100.00	247,831.83	0.00	0.00		320,931.83

Note: Column totals and line totals may not balance due to the rounding of cents.

SCHEDULE P DATA

SCHEDULE P DATA

COMPANY SCHEDULE P REPORT OF LOSSES
December 31, 2010

A.S. Line	Description	Policy Year 2004		Policy Year 2005		Policy Year 2006		Policy Year 2007		Policy Year 2008		Policy Year 2009		Policy Year 2010		CALENDAR YEAR 2010
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2010	
IBNR Loss Reserves - Prior																
1.0	FIRE											13,792.00				13,792.00
2.0	EXTENDED COVERAGE									2,588.00		18,353.00				20,941.00
4.0	HOMEOWNERS							6,174.00		0.00		0.00				6,174.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	6,174.00	0.00	2,588.00	0.00	32,145.00	0.00	0.00		40,907.00
Incurred Losses																
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,000.00)	75,400.00	(152,979.01)	920,198.34	756,973.07	0.00	1,595,592.40
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	412.00	3,500.00	(15,400.08)	147,393.92	78,554.18	0.00	214,460.02
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	0.00	(6,174.00)	0.00	4,240.00	(2,389.72)	37,814.28	324,406.28	785,120.56	0.00	1,143,017.40
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	(6,174.00)	0.00	652.00	76,510.28	(130,564.81)	1,391,998.54	1,620,647.81		2,953,069.82
Open Claims																
1.0	FIRE										0	1	2	4		7
2.0	EXTENDED COVERAGE			0						1	1	0	2	1		5
4.0	HOMEOWNERS										1	3	7			12
12.0	EARTHQUAKE															0
	TOTAL	0	0	0	0	0	0	0	0	1	2	2	7	12		24
Claims Closed with Loss Payment																
1.0	FIRE									1		7	42	38		88
2.0	EXTENDED COVERAGE									0		7	43	25		75
4.0	HOMEOWNERS									1		6	29	32		68
12.0	EARTHQUAKE															0
	TOTAL	0	0	0	0	0	0	0	0	2		20	114	95		231
Claims Closed w/o Loss Payment																
1.0	FIRE									0		0	0	0		0
2.0	EXTENDED COVERAGE									0		1	0	0		1
4.0	HOMEOWNERS									0		1	0	0		1
12.0	EARTHQUAKE									0						0
	TOTAL	0	0	0	0	0	0	0	0	0	0	2	0	0		2

SCHEDULE P DATA

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
 10605 Shelbyville Road, Suite 102
 Louisville, Kentucky 40222

COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
 December 31, 2010

A.S. Line	Description	Policy Year 2004		Policy Year 2005		Policy Year 2006		Policy Year 2007		Policy Year 2008		Policy Year 2009		Policy Year 2010		CALENDAR
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		YEAR
		2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2010	2010
Paid Loss Adjustment Expense																
1.0	FIRE									1,392.46		10,675.60	62,441.34	56,596.88		131,106.28
2.0	EXTENDED COVERAGE									484.70	895.40	3,610.65	33,753.23	16,612.09		55,356.07
4.0	HOMEOWNERS						2,112.50			828.00	3,751.15	5,770.82	24,952.72	34,983.06		72,398.25
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	2,112.50	0.00	1,312.70	6,039.01	20,057.07	121,147.29	108,192.03		258,860.60
Paid Unallocated Loss Adjustment Fees																
1.0	FIRE									(251.30)	4,737.03	(8,744.47)	67,922.79	138,556.21		202,220.26
2.0	EXTENDED COVERAGE									172.13	200.82	130.47	9,787.97	16,324.45		26,615.84
4.0	HOMEOWNERS										(106.33)	1,682.61	19,442.86	79,138.09		100,157.23
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(79.17)	4,831.52	(6,931.39)	97,153.62	234,018.75		328,993.33
Case Outstanding LAE - Current																
1.0	FIRE											1,743.92	704.92	6,764.12		9,212.96
2.0	EXTENDED COVERAGE									500.00	2,316.26		1,000.00			3,816.26
4.0	HOMEOWNERS										4,621.55	8,370.00	1,013.83	6,561.05		20,566.43
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	6,937.81	10,113.92	2,718.75	13,325.17		33,595.65
IBNR ALAE Reserves - Current																
1.0	FIRE						397.00		1,515.00			3,313.00		10,082.00		15,307.00
2.0	EXTENDED COVERAGE													3,488.00		3,488.00
4.0	HOMEOWNERS													14,369.00		14,369.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	397.00	0.00	1,515.00	0.00		3,313.00	0.00	27,939.00		33,164.00
IBNR Unallocated LAE Reserves - Current																
1.0	FIRE											1,503.00		3,371.00		4,874.00
2.0	EXTENDED COVERAGE									348.00		394.00		351.00		1,093.00
4.0	HOMEOWNERS									1,042.00		3,127.00		18,265.00		22,434.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,390.00	0.00		5,024.00	0.00	21,987.00		28,401.00
Case Outstanding LAE - Prior																
1.0	FIRE									1,000.00		12,824.42				13,824.42
2.0	EXTENDED COVERAGE											1,500.00				1,500.00
4.0	HOMEOWNERS						2,000.00			4,000.00	1,500.00	2,000.00				9,500.00
12.0	EARTHQUAKE															0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00	2,000.00	2,500.00		16,324.42	0.00	0.00		24,824.42

Note: Column totals and line totals may not balance due to the rounding of cents.

SCHEDULE P DATA

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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
December 31, 2010

A.S. Line Description	Policy Year 2004		Policy Year 2005		Policy Year 2006		Policy Year 2007		Policy Year 2008		Policy Year 2009		Policy Year 2010		CALENDAR
	Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		YEAR
	2004	2005	2005	2006	2006	2007	2007	2008	2008	2009	2009	2010	2010	2010	2010
IBNR ALAE Reserves - Prior															
1.0 FIRE					548.00		2,465.00		10,645.00		17,026.00				30,684.00
2.0 EXTENDED COVERAGE									3,586.00		11,883.00				15,469.00
4.0 HOMEOWNERS							2,926.00		17,033.00		25,409.00				45,368.00
12.0 EARTHQUAKE															0.00
TOTAL	0.00	0.00	0.00	0.00	548.00	0.00	5,391.00	0.00	31,264.00	0.00	54,318.00	0.00	0.00		91,521.00
IBNR Unallocated LAE Reserves - Prior															
1.0 FIRE									5.00		12,126.00				12,131.00
2.0 EXTENDED COVERAGE									269.00		2,377.00				2,646.00
4.0 HOMEOWNERS							642.00		3,796.00		1,728.00				6,166.00
12.0 EARTHQUAKE															0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	642.00	0.00	4,070.00	0.00	16,231.00	0.00	0.00		20,943.00
Incurred Loss Adjustment Expense															
1.0 FIRE	0.00	0.00	0.00	0.00	(548.00)	0.00	(2,068.00)	0.00	(9,386.30)	5,129.49	(33,485.37)	131,069.05	215,370.21		306,081.08
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,350.17)	3,412.48	(11,624.88)	44,541.20	36,775.54		70,754.17
4.0 HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	0.00	(3,455.50)	0.00	(22,959.00)	6,766.37	(10,186.57)	45,409.41	153,316.20		168,890.91
12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
TOTAL	0.00	0.00	0.00	0.00	(548.00)	0.00	(5,523.50)	0.00	(34,695.47)	15,308.34	(55,296.82)	221,019.66	405,461.95		545,726.16

Note: Column totals and line totals may not balance due to the rounding of cents.

SCHEDULE P DATA

SCHEDULE P DATA