

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

Company Income Statement and Schedule P data
September 30, 2011

A.S. Line	Description	Policy Year 2006	Policy Year 2007	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	CALENDAR YEAR 2011
I								
Premiums Written								
1.0	FIRE				(1,036.00)	(138,970.00)	2,990,094.00	2,850,088.00
2.0	EXTENDED COVERAGE				(116.00)	(29,017.00)	655,420.00	626,287.00
4.0	HOMEOWNERS				(24.00)	(40,518.00)	1,204,902.00	1,164,360.00
12.0	EARTHQUAKE					(63.00)	35,233.00	35,170.00
	TOTAL	0.00	0.00	0.00	(1,176.00)	(208,568.00)	4,885,649.00	4,675,905.00
S								
Less: Ceded Premiums								
1.0	FIRE						9,761.44	9,761.44
2.0	EXTENDED COVERAGE					(225.00)	86,581.72	86,356.72
4.0	HOMEOWNERS					(53.00)	27,506.39	27,453.39
12.0	EARTHQUAKE			0.00				0.00
	TOTAL	0.00	0.00	0.00	0.00	(278.00)	123,849.55	123,571.55
NET PREMIUMS WRITTEN								
1.0	FIRE	0.00	0.00	0.00	(1,036.00)	(138,970.00)	2,980,332.56	2,840,326.56
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(116.00)	(28,792.00)	568,838.28	539,930.28
4.0	HOMEOWNERS	0.00	0.00	0.00	(24.00)	(40,465.00)	1,177,395.61	1,136,906.61
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	(63.00)	35,233.00	35,170.00
	TOTAL	0.00	0.00	0.00	(1,176.00)	(208,290.00)	4,761,799.45	4,552,333.45
plus: Unearned Premiums - Previous 12/31								
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	2,895,702.25	0.00	2,895,702.25
less: Ceded Unearned Premiums - Previous 12/31								
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	4,322.10	0.00	4,322.10
less: Unearned Premiums - Current								
1.0	FIRE					100,205.75	1,828,343.34	1,928,549.09
2.0	EXTENDED COVERAGE					17,761.99	398,720.05	416,482.04
4.0	HOMEOWNERS					33,151.67	741,159.10	774,310.77
12.0	EARTHQUAKE					1,490.07	21,639.60	23,129.67
	TOTAL	0.00	0.00	0.00	0.00	152,609.48	2,989,862.09	3,142,471.57

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

COMPANY INCOME STATEMENT
September 30, 2011

A.S. Line	Description	Policy Year 2006	Policy Year 2007	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	CALENDAR YEAR 2011
plus: Ceded Unearned Premiums - Current								
1.0	FIRE							0.00
2.0	EXTENDED COVERAGE					176.28	3,782.51	3,958.79
4.0	HOMEOWNERS					12.00	490.36	502.36
12.0	EARTHQUAKE							0.00
	TOTAL	0.00	0.00	0.00	0.00	188.28	4,272.87	4,461.15
NET EARNED PREMIUMS								
1.0	FIRE	0.00	0.00	0.00	(1,036.00)	1,659,905.53	1,151,989.22	2,810,858.75
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(116.00)	277,917.08	173,900.74	451,701.82
4.0	HOMEOWNERS	0.00	0.00	0.00	(24.00)	571,407.63	436,726.87	1,008,110.50
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	21,438.71	13,593.40	35,032.11
	TOTAL	0.00	0.00	0.00	(1,176.00)	2,530,668.95	1,776,210.23	4,305,703.18
NET LOSSES INCURRED								
1.0	FIRE	0.00	0.00	3,500.00	(28,000.00)	518,483.04	623,884.11	1,117,867.15
2.0	EXTENDED COVERAGE	0.00	0.00	(6,500.00)	73,321.00	331,997.54	159,848.08	558,666.62
4.0	HOMEOWNERS	0.00	2,500.00	(4,240.00)	(56,267.50)	217,457.77	217,483.77	376,934.04
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	2,500.00	(7,240.00)	(10,946.50)	1,067,938.35	1,001,215.96	2,053,467.81
NET LAE INCURRED								
1.0	FIRE	0.00	(397.00)	(1,515.00)	(5,402.42)	62,853.27	113,461.03	168,999.88
2.0	EXTENDED COVERAGE	29.00	398.69	214.00	1,902.76	83,468.06	87,768.32	173,780.83
4.0	HOMEOWNERS	0.00	1,479.01	(1,042.00)	5,379.89	44,595.33	118,353.13	168,765.36
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	136.00	3,591.00	3,727.00
	TOTAL	29.00	1,480.70	(2,343.00)	1,880.23	191,052.66	323,173.48	515,273.07
Commissions								
1.0	FIRE				(103.60)	(13,897.00)	299,009.40	285,008.80
2.0	EXTENDED COVERAGE				(11.60)	(2,901.70)	65,542.00	62,628.70
4.0	HOMEOWNERS				(1.20)	(2,025.90)	60,245.10	58,218.00
12.0	EARTHQUAKE					(1.65)	2,919.00	2,917.35
	TOTAL	0.00	0.00	0.00	(116.40)	(18,826.25)	427,715.50	408,772.85
Less: Ceded Commissions								
1.0	FIRE	0.00	0.00	0.00				0.00
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(67.50)	1,917.60		1,850.10
4.0	HOMEOWNERS	0.00	0.00	0.00	(15.90)	227.70		211.80
12.0	EARTHQUAKE	0.00	0.00	0.00				0.00
	TOTAL	0.00	0.00	0.00	(83.40)	2,145.30	0.00	2,061.90
NET COMMISSIONS INCURRED								
1.0	FIRE	0.00	0.00	0.00	(103.60)	(13,897.00)	299,009.40	285,008.80
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	55.90	(4,819.30)	65,542.00	60,778.60
4.0	HOMEOWNERS	0.00	0.00	0.00	14.70	(2,253.60)	60,245.10	58,006.20
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	(1.65)	2,919.00	2,917.35
	TOTAL	0.00	0.00	0.00	(33.00)	(20,971.55)	427,715.50	406,710.95

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

COMPANY INCOME STATEMENT
September 30, 2011

A.S. Line Description	Policy Year 2006	Policy Year 2007	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	CALENDAR YEAR 2011
NET OTHER OPERATING EXPENSES INCURRED							
TOTAL						444,775.46	444,775.46
TOTAL UNDERWRITING DEDUCTIONS							
TOTAL	29.00	3,980.70	(9,583.00)	(9,099.27)	1,238,019.46	2,196,880.40	3,420,227.29
NET UNDERWRITING GAIN or (LOSS)							
TOTAL	(29.00)	(3,980.70)	9,583.00	7,923.27	1,292,649.49	(420,670.17)	885,475.89
NET INVESTMENT INCOME INCURRED							
NET INVESTMENT INCOME EARNED					107,693.60	59,302.82	166,996.42
NET CAPITAL GAIN (LOSS)						48,348.18	48,348.18
TOTAL	0.00	0.00	0.00	0.00	107,693.60	107,651.00	215,344.60
NET OTHER INCOME							
TOTAL						62,841.88	62,841.88
NET INCOME (LOSS) before Taxes							
TOTAL	(29.00)	(3,980.70)	9,583.00	7,923.27	1,400,343.09	(250,177.29)	1,163,662.37
NET TAXES INCURRED							
FEDERAL INCOME TAX						395,645.20	395,645.20
							0.00
							0.00
							0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	395,645.20	395,645.20
OTHER INCREASE (DECREASE) TO SURPLUS							
UNREALIZED CAPITAL GAIN or (LOSS)					115,824.77	(451,665.10)	(335,840.33)
CHANGE IN NON-ADMITTED ASSETS						(7,865.64)	(7,865.64)
OTHER ADJUSTMENTS							0.00
TOTAL	0.00	0.00	0.00	0.00	115,824.77	(459,530.74)	(343,705.97)
NET CHANGE IN SURPLUS							
TOTAL	(29.00)	(3,980.70)	9,583.00	7,923.27	1,516,167.86	(1,105,353.23)	424,311.20

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

COMPANY SCHEDULE P REPORT OF LOSSES
 September 30, 2011

A.S. Line	Description	Policy Year 2006 Accident Year		Policy Year 2007 Accident Year		Policy Year 2008 Accident Year		Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		CALENDAR YEAR
		2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2011
Paid Losses														
1.0	FIRE									105,489.04	475,994.00	270,634.11		852,117.15
2.0	EXTENDED COVERAGE									1,400.00	323,816.54	124,324.08		449,540.62
4.0	HOMEOWNERS			2,500.00					2,177.15	276,915.37	202,145.40	72,488.77		556,226.69
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	2,177.15	383,804.41	1,001,955.94	467,446.96		1,857,884.46
Paid Salv/Subro														
1.0	FIRE													0.00
2.0	EXTENDED COVERAGE													0.00
4.0	HOMEOWNERS									(800.00)				(800.00)
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(800.00)	0.00	0.00		(800.00)
Salv/Subro Reserve														
1.0	FIRE									5,800.00				5,800.00
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	5,800.00	0.00	0.00		5,800.00
Case Outstanding Losses - Current														
1.0	FIRE						3,500.00	100.00		5,800.00		353,250.00		362,650.00
2.0	EXTENDED COVERAGE							80,000.00			9,000.00	20,000.00		109,000.00
4.0	HOMEOWNERS						11,000.00				60,000.00	134,300.00		205,300.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	14,500.00	80,100.00	0.00	5,800.00	69,000.00	507,550.00		676,950.00
IBNR Loss Reserves - Current														
1.0	FIRE									0.00		0.00		0.00
2.0	EXTENDED COVERAGE									1,569.00		15,524.00		17,093.00
4.0	HOMEOWNERS									1,086.00		10,695.00		11,781.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,655.00	0.00	26,219.00		28,874.00
Case Outstanding Losses - Prior														
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	3,000.00	14,500.00	50,100.00	42,444.65	366,384.00	0.00	0.00		476,428.65

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COMPANY SCHEDULE P REPORT OF LOSSES
September 30, 2011

A.S. Line Description	Policy Year 2006 Accident Year		Policy Year 2007 Accident Year		Policy Year 2008 Accident Year		Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		CALENDAR YEAR
	2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2011
IBNR Loss Reserves - Prior													
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	4,240.00	0.00	679.00	0.00	22,293.00	0.00	0.00		27,212.00
Incurred Losses													
1.0 FIRE	0.00	0.00	0.00	0.00	0.00	3,500.00	0.00	(28,000.00)	42,489.04	475,994.00	623,884.11	0.00	1,117,867.15
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(3,000.00)	(3,500.00)	79,321.00	(6,000.00)	(819.00)	332,816.54	159,848.08	0.00	558,666.62
4.0 HOMEOWNERS	0.00	0.00	2,500.00	0.00	(4,240.00)	0.00	(50,000.00)	(6,267.50)	(44,687.63)	262,145.40	217,483.77	0.00	376,934.04
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
TOTAL	0.00	0.00	2,500.00	0.00	(7,240.00)	0.00	29,321.00	(40,267.50)	(3,017.59)	1,070,955.94	1,001,215.96	0.00	2,053,467.81
Open Claims													
1.0 FIRE						1	1		0	0	13		14
2.0 EXTENDED COVERAGE						1		0	0	3	6		10
4.0 HOMEOWNERS			0			1	1	0	0	6	4		12
12.0 EARTHQUAKE													0
TOTAL	0	0	0	0	0	2	2	0	0	9	23		36
Claims Closed with Loss Payment													
1.0 FIRE							0		5	17	12		34
2.0 EXTENDED COVERAGE						0		0	1	83	47		131
4.0 HOMEOWNERS			1			0	0	2	9	41	30		83
12.0 EARTHQUAKE													0
TOTAL	0	0	1	0	0	0	0	2	15	141	89		248
Claims Closed w/o Loss Payment													
1.0 FIRE							0		0	0	0		0
2.0 EXTENDED COVERAGE						0		1	1	0	0		2
4.0 HOMEOWNERS			0			0	1	1	0	2	0		4
12.0 EARTHQUAKE													0
TOTAL	0	0	0	0	0	0	1	2	1	2	0		6

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
September 30, 2011

A.S. Line	Description	Policy Year 2006 Accident Year		Policy Year 2007 Accident Year		Policy Year 2008 Accident Year		Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		CALENDAR YEAR
		2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	2011
Paid Loss Adjustment Expense														
1.0	FIRE			0.00		0.00		0.00	118.50	8,578.71	32,525.99	29,348.64		70,571.84
2.0	EXTENDED COVERAGE			0.00		253.00		0.00	737.40	817.50	60,458.44	30,108.58		92,374.92
4.0	HOMEOWNERS			1,479.01		0.00		12,613.40	1,552.76	8,092.42	33,542.26	19,829.07		77,108.92
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	1,479.01	0.00	253.00	0.00	12,613.40	2,408.66	17,488.63	126,526.69	79,286.29		240,055.68
Paid Unallocated Loss Adjustment Fees														
1.0	FIRE									6,316.20	33,602.42	62,123.11		102,041.73
2.0	EXTENDED COVERAGE			149.69					130.36	83.83	22,080.29	31,668.74		54,112.91
4.0	HOMEOWNERS									16,532.52	15,429.18	34,271.06		66,232.76
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	149.69	0.00	0.00	0.00	0.00	130.36	22,932.55	71,111.89	128,062.91		222,387.40
Case Outstanding LAE - Current														
1.0	FIRE							1,743.92		340.00	1,707.07	21,989.28		25,780.27
2.0	EXTENDED COVERAGE						2,316.26	0.00		0.00	2,000.00	3,000.00		7,316.26
4.0	HOMEOWNERS						4,621.55	3,724.56		0.00	5,731.00	34,000.00		48,077.11
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	6,937.81	5,468.48	0.00	340.00	9,438.07	58,989.28		81,173.64
IBNR ALAE Reserves - Current														
1.0	FIRE													0.00
2.0	EXTENDED COVERAGE	29.00		249.00		809.00		2,276.00		1,587.00		15,702.00		20,652.00
4.0	HOMEOWNERS									1,163.00		11,463.00		12,626.00
12.0	EARTHQUAKE									136.00		3,591.00		3,727.00
	TOTAL	29.00	0.00	249.00	0.00	809.00	0.00	2,276.00	0.00	2,886.00	0.00	30,756.00		37,005.00
IBNR Unallocated LAE Reserves - Current														
1.0	FIRE													0.00
2.0	EXTENDED COVERAGE							153.00		280.00		7,289.00		7,722.00
4.0	HOMEOWNERS									3,300.00		18,790.00		22,090.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	153.00	0.00	3,580.00	0.00	26,079.00		29,812.00
Case Outstanding LAE - Prior														
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	500.00	6,937.81	10,113.92	2,718.75	13,325.17	0.00	0.00		33,595.65

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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
September 30, 2011

A.S. Line	Description	Policy Year 2006		Policy Year 2007		Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		CALENDAR YEAR 2011
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2006	2007	2007	2008	2008	2009	2009	2010	2010	2011	2011	2012	
IBNR ALAE Reserves - Prior														
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	397.00	0.00	1,515.00	0.00	3,313.00	0.00	27,939.00	0.00	0.00		33,164.00
IBNR Unallocated LAE Reserves - Prior														
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	1,390.00	0.00	5,024.00	0.00	21,987.00	0.00	0.00		28,401.00
Incurred Loss Adjustment Expense														
1.0	FIRE	0.00	0.00	(397.00)	0.00	(1,515.00)	0.00	(4,816.00)	(586.42)	(4,982.21)	67,835.48	113,461.03		168,999.88
2.0	EXTENDED COVERAGE	29.00	0.00	398.69	0.00	214.00	0.00	2,035.00	(132.24)	(1,070.67)	84,538.73	87,768.32		173,780.83
4.0	HOMEOWNERS	0.00	0.00	1,479.01	0.00	(1,042.00)	0.00	4,840.96	538.93	(10,107.11)	54,702.44	118,353.13		168,765.36
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	136.00	0.00	3,591.00		3,727.00
	TOTAL	29.00	0.00	1,480.70	0.00	(2,343.00)	0.00	2,059.96	(179.73)	(16,023.99)	207,076.65	323,173.48		515,273.07

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