

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

Company Income Statement and Schedule P data
December 31, 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)	(139,800.00)	3,942,079.00	3,801,243.00
2.0	EXTENDED COVERAGE				(116.00)	(29,586.00)	861,643.00	831,941.00
4.0	HOMEOWNERS				(24.00)	(41,946.00)	1,522,557.00	1,480,587.00
12.0	EARTHQUAKE					(63.00)	47,783.00	47,720.00
	TOTAL	0.00	0.00	0.00	(1,176.00)	(211,395.00)	6,374,062.00	6,161,491.00
S								
Less: Ceded Premiums								
1.0	FIRE						14,775.23	14,775.23
2.0	EXTENDED COVERAGE					(224.00)	129,951.75	129,727.75
4.0	HOMEOWNERS					(53.00)	42,440.37	42,387.37
12.0	EARTHQUAKE			0.00				0.00
	TOTAL	0.00	0.00	0.00	0.00	(277.00)	187,167.35	186,890.35
NET PREMIUMS WRITTEN								
1.0	FIRE	0.00	0.00	0.00	(1,036.00)	(139,800.00)	3,927,303.77	3,786,467.77
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(116.00)	(29,362.00)	731,691.25	702,213.25
4.0	HOMEOWNERS	0.00	0.00	0.00	(24.00)	(41,893.00)	1,480,116.63	1,438,199.63
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	(63.00)	47,783.00	47,720.00
	TOTAL	0.00	0.00	0.00	(1,176.00)	(211,118.00)	6,186,894.65	5,974,600.65
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						1,940,301.71	1,940,301.71
2.0	EXTENDED COVERAGE						421,188.09	421,188.09
4.0	HOMEOWNERS						725,116.09	725,116.09
12.0	EARTHQUAKE						23,645.59	23,645.59
	TOTAL	0.00	0.00	0.00	0.00	0.00	3,110,251.48	3,110,251.48

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

COMPANY INCOME STATEMENT
December 31, 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						3,638.81	3,638.81
4.0	HOMEOWNERS						433.61	433.61
12.0	EARTHQUAKE							0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	4,072.42	4,072.42
NET EARNED PREMIUMS								
1.0	FIRE	0.00	0.00	0.00	(1,036.00)	1,759,281.28	1,987,002.06	3,745,247.34
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(116.00)	294,932.79	314,141.97	608,958.76
4.0	HOMEOWNERS	0.00	0.00	0.00	(24.00)	603,119.30	755,434.15	1,358,529.45
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	22,928.78	24,137.41	47,066.19
	TOTAL	0.00	0.00	0.00	(1,176.00)	2,680,262.15	3,080,715.59	5,759,801.74
NET LOSSES INCURRED								
1.0	FIRE	0.00	0.00	0.00	(28,000.00)	629,483.04	1,074,819.90	1,676,302.94
2.0	EXTENDED COVERAGE	0.00	0.00	(1,450.00)	(3,679.00)	336,064.05	182,778.81	513,713.86
4.0	HOMEOWNERS	0.00	2,500.00	(4,240.00)	(12,914.86)	223,261.19	384,113.90	592,720.23
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	2,500.00	(5,690.00)	(44,593.86)	1,188,808.28	1,641,712.61	2,782,737.03
NET LAE INCURRED								
1.0	FIRE	0.00	(397.00)	(1,515.00)	(5,397.42)	76,312.88	218,853.25	287,856.71
2.0	EXTENDED COVERAGE	0.00	0.00	(36.33)	4.40	82,267.92	83,348.55	165,584.54
4.0	HOMEOWNERS	0.00	1,613.97	925.45	7,974.76	52,265.13	105,874.11	168,653.42
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	1,216.97	(625.88)	2,581.74	210,845.93	408,075.91	622,094.67
Commissions								
1.0	FIRE				(103.60)	(13,980.00)	394,207.90	380,124.30
2.0	EXTENDED COVERAGE				(11.60)	(2,958.60)	86,164.30	83,194.10
4.0	HOMEOWNERS				(1.20)	(2,097.30)	76,127.85	74,029.35
12.0	EARTHQUAKE				0.00	(1.65)	3,986.15	3,984.50
	TOTAL	0.00	0.00	0.00	(116.40)	(19,037.55)	560,486.20	541,332.25
Less: Ceded Commissions								
1.0	FIRE	0.00	0.00	0.00				0.00
2.0	EXTENDED COVERAGE	0.00	0.00	0.00		(67.20)	2,406.00	2,338.80
4.0	HOMEOWNERS	0.00	0.00	0.00		(15.90)	273.30	257.40
12.0	EARTHQUAKE	0.00	0.00	0.00				0.00
	TOTAL	0.00	0.00	0.00	0.00	(83.10)	2,679.30	2,596.20
NET COMMISSIONS INCURRED								
1.0	FIRE	0.00	0.00	0.00	(103.60)	(13,980.00)	394,207.90	380,124.30
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(11.60)	(2,891.40)	83,758.30	80,855.30
4.0	HOMEOWNERS	0.00	0.00	0.00	(1.20)	(2,081.40)	75,854.55	73,771.95
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	(1.65)	3,986.15	3,984.50
	TOTAL	0.00	0.00	0.00	(116.40)	(18,954.45)	557,806.90	538,736.05

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

COMPANY INCOME STATEMENT
December 31, 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						626,046.15	626,046.15
TOTAL UNDERWRITING DEDUCTIONS							
TOTAL	0.00	3,716.97	(6,315.88)	(42,128.52)	1,380,699.76	3,233,641.57	4,569,613.90
NET UNDERWRITING GAIN or (LOSS)							
TOTAL	0.00	(3,716.97)	6,315.88	40,952.52	1,299,562.39	(152,925.98)	1,190,187.84
NET INVESTMENT INCOME INCURRED							
NET INVESTMENT INCOME EARNED					107,693.60	125,965.56	233,659.16
NET CAPITAL GAIN (LOSS)						34,647.15	34,647.15
TOTAL	0.00	0.00	0.00	0.00	107,693.60	160,612.71	268,306.31
NET OTHER INCOME							
TOTAL						77,535.68	77,535.68
NET INCOME (LOSS) before Taxes							
TOTAL	0.00	(3,716.97)	6,315.88	40,952.52	1,407,255.99	85,222.41	1,536,029.83
NET TAXES INCURRED							
FEDERAL INCOME TAX						460,530.00	460,530.00
							0.00
							0.00
							0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	460,530.00	460,530.00
OTHER INCREASE (DECREASE) TO SURPLUS							
UNREALIZED CAPITAL GAIN or (LOSS)					(115,824.77)	18,589.50	(97,235.27)
CHANGE IN NON-ADMITTED ASSETS						(3,323.38)	(3,323.38)
OTHER ADJUSTMENTS						(333.00)	(333.00)
TOTAL	0.00	0.00	0.00	0.00	(115,824.77)	14,933.12	(100,891.65)
NET CHANGE IN SURPLUS							
TOTAL	0.00	(3,716.97)	6,315.88	40,952.52	1,291,431.22	(360,374.47)	974,608.18

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

COMPANY SCHEDULE P REPORT OF LOSSES
 December 31, 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	586,994.00			873,364.90	1,565,847.94
2.0 EXTENDED COVERAGE						1,550.00			1,400.00	335,452.05			169,478.81	507,880.86
4.0 HOMEOWNERS			2,500.00					40,760.64	2,177.15	276,915.37	251,434.70		252,604.90	826,392.76
12.0 EARTHQUAKE														0.00
TOTAL	0.00	0.00	2,500.00	0.00	0.00	1,550.00	40,760.64	2,177.15	383,804.41	1,173,880.75		1,295,448.61	2,900,121.56	
Paid Salv/Subro														
1.0 FIRE														0.00
2.0 EXTENDED COVERAGE														0.00
4.0 HOMEOWNERS														(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								100.00		5,800.00			190,500.00	196,400.00
2.0 EXTENDED COVERAGE						3,500.00			3,000.00		3,000.00		8,000.00	17,500.00
4.0 HOMEOWNERS						11,000.00					17,600.12		123,000.00	151,600.12
12.0 EARTHQUAKE														0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	14,500.00	100.00	3,000.00	5,800.00	20,600.12		321,500.00	365,500.12	
IBNR Loss Reserves - Current														
1.0 FIRE													10,955.00	10,955.00
2.0 EXTENDED COVERAGE													5,300.00	5,300.00
4.0 HOMEOWNERS								2,592.00					8,509.00	11,101.00
12.0 EARTHQUAKE														0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	2,592.00	0.00	0.00	0.00		24,764.00	27,356.00	
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
December 31, 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 2011
	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	0.00	0.00	(28,000.00)	42,489.04	586,994.00	1,074,819.90	0.00	1,676,302.94
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(3,000.00)	1,550.00	(679.00)	(3,000.00)	(2,388.00)	338,452.05	182,778.81	0.00	513,713.86
4.0 HOMEOWNERS	0.00	0.00	2,500.00	0.00	(4,240.00)	0.00	(6,647.36)	(6,267.50)	(45,773.63)	269,034.82	384,113.90	0.00	592,720.23
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)	1,550.00	(7,326.36)	(37,267.50)	(5,672.59)	1,194,480.87	1,641,712.61		2,782,737.03
Open Claims													
1.0 FIRE						1	1		0	0	6		7
2.0 EXTENDED COVERAGE						1		1	0	1	2		5
4.0 HOMEOWNERS			0			1			0	2	1		4
12.0 EARTHQUAKE													0
TOTAL	0	0	0	0	0	2	1	1	0	3	9		16
Claims Closed with Loss Payment													
1.0 FIRE							0		5	20	31		56
2.0 EXTENDED COVERAGE						1		0	1	88	61		151
4.0 HOMEOWNERS			1			0	1	2	9	47	39		99
12.0 EARTHQUAKE													0
TOTAL	0	0	1	0	0	1	1	2	15	155	131		306
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
 December 31, 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	
Paid Loss Adjustment Expense														
1.0	FIRE			0.00		0.00		0.00	118.50	8,578.71	39,116.88	68,627.07		116,441.16
2.0	EXTENDED COVERAGE			0.00		253.00	289.00	0.00	737.40	817.50	63,202.82	43,829.94		109,129.66
4.0	HOMEOWNERS			1,479.01		0.00	4,648.00	13,659.23	1,552.76	8,092.42	40,469.80	35,002.52		104,903.74
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	1,479.01	0.00	253.00	4,937.00	13,659.23	2,408.66	17,488.63	142,789.50	147,459.53		330,474.56
Paid Unallocated Loss Adjustment Fees														
1.0	FIRE									5,694.51	40,139.90	123,220.93		169,055.34
2.0	EXTENDED COVERAGE						83.67			75.57	20,850.03	33,823.61		54,832.88
4.0	HOMEOWNERS			134.96				2,200.34	117.53	14,905.28	18,029.68	53,746.59		89,134.38
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	134.96	0.00	0.00	83.67	2,200.34	117.53	20,675.36	79,019.61	210,791.13		313,022.60
Case Outstanding LAE - Current														
1.0	FIRE							1,743.92		0.00	3,000.00	12,904.25		17,648.17
2.0	EXTENDED COVERAGE						2,316.26	0.00	500.00	0.00	1,000.00	1,000.00		4,816.26
4.0	HOMEOWNERS						1,352.00	2,678.73		0.00	656.00	3,135.00		7,821.73
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	3,668.26	4,422.65	500.00	0.00	4,656.00	17,039.25		30,286.16
IBNR ALAE Reserves - Current														
1.0	FIRE											2,737.00		2,737.00
2.0	EXTENDED COVERAGE											3,700.00		3,700.00
4.0	HOMEOWNERS									8,365.00		6,499.00		14,864.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,365.00	0.00	12,936.00		21,301.00
IBNR Unallocated LAE Reserves - Current														
1.0	FIRE							5.00		0.00		11,364.00		11,369.00
2.0	EXTENDED COVERAGE					186.00		161.00		161.00		995.00		1,503.00
4.0	HOMEOWNERS					589.00		277.00		942.00		7,491.00		9,299.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	775.00	0.00	443.00	0.00	1,103.00	0.00	19,850.00		22,171.00
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
December 31, 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	(4,811.00)	(586.42)	(5,943.90)	82,256.78	218,853.25		287,856.71
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(409.00)	372.67	(233.00)	237.40	(2,784.93)	85,052.85	83,348.55		165,584.54
4.0 HOMEOWNERS	0.00	0.00	1,613.97	0.00	(453.00)	1,378.45	7,318.30	656.46	(6,890.35)	59,155.48	105,874.11		168,653.42
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
TOTAL	0.00	0.00	1,216.97	0.00	(2,377.00)	1,751.12	2,274.30	307.44	(15,619.18)	226,465.11	408,075.91		622,094.67

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