

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

Company Income Statement and Schedule P data
 September 30, 2012

A.S. Line	Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	CALENDAR YEAR 2012
I							
Premiums Written							
1.0	FIRE			(1.00)	(140,212.00)	3,080,922.00	2,940,709.00
2.0	EXTENDED COVERAGE				(35,897.00)	890,766.00	854,869.00
4.0	HOMEOWNERS				(36,289.00)	1,301,004.00	1,264,715.00
12.0	EARTHQUAKE					37,796.00	37,796.00
	TOTAL	0.00	0.00	(1.00)	(212,398.00)	5,310,488.00	5,098,089.00
S							
Less: Ceded Premiums							
1.0	FIRE					10,341.38	10,341.38
2.0	EXTENDED COVERAGE				(227.00)	91,360.66	91,133.66
4.0	HOMEOWNERS				(45.00)	29,830.96	29,785.96
12.0	EARTHQUAKE	0.00					0.00
	TOTAL	0.00	0.00	0.00	(272.00)	131,533.00	131,261.00
NET PREMIUMS WRITTEN							
1.0	FIRE	0.00	0.00	(1.00)	(140,212.00)	3,070,580.62	2,930,367.62
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(35,670.00)	799,405.34	763,735.34
4.0	HOMEOWNERS	0.00	0.00	0.00	(36,244.00)	1,271,173.04	1,234,929.04
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	37,796.00	37,796.00
	TOTAL	0.00	0.00	(1.00)	(212,126.00)	5,178,955.00	4,966,828.00
plus: Unearned Premiums - Previous 12/31							
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	3,110,251.48	0.00	3,110,251.48
less: Ceded Unearned Premiums - Previous 12/31							
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	4,072.42	0.00	4,072.42
less: Unearned Premiums - Current							
1.0	FIRE				105,283.57	1,882,722.31	1,988,005.88
2.0	EXTENDED COVERAGE				22,106.59	547,443.22	569,549.81
4.0	HOMEOWNERS				38,226.93	807,044.53	845,271.46
12.0	EARTHQUAKE				1,407.95	23,109.54	24,517.49
	TOTAL	0.00	0.00	0.00	167,025.04	3,260,319.60	3,427,344.64

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

COMPANY INCOME STATEMENT
September 30, 2012

I N C O M E S T A T E M E N T	A.S. Line Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	CALENDAR YEAR 2012	I N C O M E S T A T E M E N T
	plus: Ceded Unearned Premiums - Current							
	1.0 FIRE						0.00	
	2.0 EXTENDED COVERAGE				169.68	3,594.64	3,764.32	
	4.0 HOMEOWNERS				12.58	493.02	505.60	
	12.0 EARTHQUAKE						0.00	
	TOTAL	0.00	0.00	0.00	182.26	4,087.66	4,269.92	
NET EARNED PREMIUMS								
	1.0 FIRE	0.00	0.00	(1.00)	1,694,806.14	1,187,858.31	2,882,663.45	
	2.0 EXTENDED COVERAGE	0.00	0.00	0.00	359,942.37	255,556.76	615,499.13	
	4.0 HOMEOWNERS	0.00	0.00	0.00	650,224.13	464,621.53	1,114,845.66	
	12.0 EARTHQUAKE	0.00	0.00	0.00	22,237.64	14,686.46	36,924.10	
	TOTAL	0.00	0.00	(1.00)	2,727,210.28	1,922,723.06	4,649,932.34	
NET LOSSES INCURRED								
	1.0 FIRE	0.00	4,175.00	0.00	512,747.31	702,549.22	1,219,471.53	
	2.0 EXTENDED COVERAGE	(97.44)	(3,000.00)	4,879.83	1,305,979.91	577,290.71	1,885,053.01	
	4.0 HOMEOWNERS	(8,121.35)	(2,592.00)	(100.12)	617,935.92	474,721.71	1,081,844.16	
	12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	
	TOTAL	(8,218.79)	(1,417.00)	4,779.71	2,436,663.14	1,754,561.64	4,186,368.70	
NET LAE INCURRED								
	1.0 FIRE	0.00	(1,610.24)	(1,512.24)	48,787.26	99,655.72	145,320.50	
	2.0 EXTENDED COVERAGE	(1,825.29)	138.10	1,340.11	200,418.79	162,078.66	362,150.37	
	4.0 HOMEOWNERS	(794.12)	140.87	16,255.06	97,323.22	117,739.39	230,664.42	
	12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	
	TOTAL	(2,619.41)	(1,331.27)	16,082.93	346,529.27	379,473.77	738,135.29	
Commissions								
	1.0 FIRE			(0.10)	(14,021.20)	308,092.20	294,070.90	
	2.0 EXTENDED COVERAGE				(3,589.70)	89,076.60	85,486.90	
	4.0 HOMEOWNERS				(1,814.45)	65,050.20	63,235.75	
	12.0 EARTHQUAKE					3,156.80	3,156.80	
	TOTAL	0.00	0.00	(0.10)	(19,425.35)	465,375.80	445,950.35	
Less: Ceded Commissions								
	1.0 FIRE	0.00					0.00	
	2.0 EXTENDED COVERAGE	0.00			(68.10)	1,805.70	1,737.60	
	4.0 HOMEOWNERS	0.00			(13.50)	229.20	215.70	
	12.0 EARTHQUAKE	0.00					0.00	
	TOTAL	0.00	0.00	0.00	(81.60)	2,034.90	1,953.30	
NET COMMISSIONS INCURRED								
	1.0 FIRE	0.00	0.00	(0.10)	(14,021.20)	308,092.20	294,070.90	
	2.0 EXTENDED COVERAGE	0.00	0.00	0.00	(3,521.60)	87,270.90	83,749.30	
	4.0 HOMEOWNERS	0.00	0.00	0.00	(1,800.95)	64,821.00	63,020.05	
	12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	3,156.80	3,156.80	
	TOTAL	0.00	0.00	(0.10)	(19,343.75)	463,340.90	443,997.05	

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

COMPANY INCOME STATEMENT
September 30, 2012

A.S. Line Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	CALENDAR YEAR 2012
INCOME STATEMENT						
TOTAL OTHER OPERATING EXPENSES INCURRED						
TOTAL					552,854.34	552,854.34
TOTAL UNDERWRITING DEDUCTIONS						
TOTAL	(10,838.20)	(2,748.27)	20,862.54	2,763,848.66	3,150,230.65	5,921,355.38
NET UNDERWRITING GAIN or (LOSS)						
TOTAL	10,838.20	2,748.27	(20,863.54)	(36,638.38)	(1,227,507.59)	(1,271,423.04)
NET INVESTMENT INCOME INCURRED						
NET INVESTMENT INCOME EARNED				99,642.57	71,902.12	171,544.69
NET CAPITAL GAIN (LOSS)					40,479.70	40,479.70
TOTAL	0.00	0.00	0.00	99,642.57	112,381.82	212,024.39
NET OTHER INCOME						
TOTAL					79,977.41	79,977.41
NET INCOME (LOSS) before Taxes						
TOTAL	10,838.20	2,748.27	(20,863.54)	63,004.19	(1,035,148.36)	(979,421.24)
NET TAXES INCURRED						
FEDERAL INCOME TAX					(333,003.00)	(333,003.00)
						0.00
						0.00
						0.00
TOTAL	0.00	0.00	0.00	0.00	(333,003.00)	(333,003.00)
OTHER INCREASE (DECREASE) TO SURPLUS						
UNREALIZED CAPITAL GAIN or (LOSS)				(15,589.50)	240,554.90	224,965.40
CHANGE IN NON-ADMITTED ASSETS					12,380.62	12,380.62
OTHER ADJUSTMENTS						0.00
						0.00
TOTAL	0.00	0.00	0.00	(15,589.50)	252,935.52	237,346.02
NET CHANGE IN SURPLUS						
TOTAL	10,838.20	2,748.27	(20,863.54)	47,414.69	(449,209.84)	(409,072.22)

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSSES
 September 30, 2012

A.S. Line	Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		CALENDAR YEAR 2012
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	
Paid Losses												
1.0	FIRE				4,275.00			123,675.67	494,526.64	680,549.22		1,303,026.53
2.0	EXTENDED COVERAGE		3,402.56				7,879.83	26,262.89	1,246,077.02	521,373.71		1,804,996.01
4.0	HOMEOWNERS		2,878.65					124,039.31	584,685.48	441,121.71		1,152,725.15
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	6,281.21	0.00	4,275.00	0.00	7,879.83	273,977.87	2,325,289.14	1,643,044.64		4,260,747.69
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
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	5,800.00	0.00	0.00	0.00	0.00		5,800.00
Case Outstanding Losses - Current												
1.0	FIRE					5,800.00		21,000.00	75,000.00	22,000.00		123,800.00
2.0	EXTENDED COVERAGE								44,100.00	28,800.00		72,900.00
4.0	HOMEOWNERS						17,500.00		40,720.13	33,600.00		91,820.13
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	5,800.00	17,500.00	21,000.00	159,820.13	84,400.00		288,520.13
IBNR Loss Reserves - Current												
1.0	FIRE									0.00		0.00
2.0	EXTENDED COVERAGE							2,840.00		27,117		29,957.00
4.0	HOMEOWNERS									0.00		0.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	2,840.00	0.00	27,117.00		29,957.00
Case Outstanding Losses - Prior												
1.0	FIRE			100.00				190,500.00				190,600.00
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	14,500.00	100.00	3,000.00	0.00	20,600.12	321,500.00	0.00	0.00		359,700.12

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COMPANY SCHEDULE P REPORT OF LOSSES
September 30, 2012

A.S. Line Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		CALENDAR YEAR 2012
	Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
	2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	
IBNR Loss Reserves - Prior											
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	2,592.00	0.00	0.00	0.00	24,764.00	0.00	0.00		27,356.00
Incurred Losses											
1.0 FIRE	0.00	0.00	(100.00)	4,275.00	0.00	0.00	(56,779.33)	569,526.64	702,549.22	0.00	1,219,471.53
2.0 EXTENDED COVERAGE	0.00	(97.44)	0.00	(3,000.00)	0.00	4,879.83	15,802.89	1,290,177.02	577,290.71	0.00	1,885,053.01
4.0 HOMEOWNERS	0.00	(8,121.35)	(2,592.00)	0.00	0.00	(100.12)	(7,469.69)	625,405.61	474,721.71	0.00	1,081,844.16
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
TOTAL	0.00	(8,218.79)	(2,692.00)	1,275.00	0.00	4,779.71	(48,446.13)	2,485,109.27	1,754,561.64		4,186,368.70
Open Claims											
1.0 FIRE						1	1	1	4		7
2.0 EXTENDED COVERAGE								12	9		21
4.0 HOMEOWNERS								9	8		17
12.0 EARTHQUAKE											0
TOTAL	0	0	0	0	0	1	1	22	21		45
Claims Closed with Loss Payment											
1.0 FIRE							6	26	21		53
2.0 EXTENDED COVERAGE		1		1		3	5	250	118		378
4.0 HOMEOWNERS		1					6	116	60		183
12.0 EARTHQUAKE											0
TOTAL	0	2	0	1	0	3	17	392	199		614
Claims Closed w/o Loss Payment											
1.0 FIRE			1		1						2
2.0 EXTENDED COVERAGE				1	2	2			1		6
4.0 HOMEOWNERS			2	2	2	4	1				11
12.0 EARTHQUAKE											0
TOTAL	0	0	3	3	5	6	1	0	1		19

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

KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
 10605 Shelbyville Road, Suite 102
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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
 September 30, 2012

A.S. Line	Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		CALENDAR YEAR 2012
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	
Paid Loss Adjustment Expense												
1.0	FIRE					1,487.76		9,448.20	34,291.71	32,190.79		77,418.46
2.0	EXTENDED COVERAGE		566.60		799.10	1,408.50		3,757.06	149,478.37	73,179.23		229,188.86
4.0	HOMEOWNERS		1,053.50	3,096.60		10,739.31		5,303.30	71,757.44	44,202.23		136,152.38
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	1,620.10	3,096.60	799.10	13,635.57	0.00	18,508.56	255,527.52	149,572.25		442,759.70
Paid Unallocated Loss Adjustment Fees												
1.0	FIRE				138.68			4,011.89	20,268.71	60,117.93		84,537.21
2.0	EXTENDED COVERAGE		110.37			255.61		851.94	46,276.42	69,609.43		117,103.77
4.0	HOMEOWNERS		93.38					4,023.69	22,705.79	47,963.16		74,786.02
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	203.75	0.00	138.68	255.61	0.00	8,887.52	89,250.92	177,690.52		276,427.00
Case Outstanding LAE - Current												
1.0	FIRE							4,925.00	2,500.00	4,500.00		11,925.00
2.0	EXTENDED COVERAGE					500.00			5,500.00	3,500.00		9,500.00
4.0	HOMEOWNERS					14,194.75		500.00	4,500.00	4,500.00		23,694.75
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	14,694.75	0.00	5,425.00	12,500.00	12,500.00		45,119.75
IBNR ALAE Reserves - Current												
1.0	FIRE							347.00		2,847.00		3,194.00
2.0	EXTENDED COVERAGE							80.00		759.00		839.00
4.0	HOMEOWNERS					710.00		5,658.00		12,688.00		19,056.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	710.00	0.00	6,085.00	0.00	16,294.00		23,089.00
IBNR Unallocated LAE Reserves - Current												
1.0	FIRE									0.00		0.00
2.0	EXTENDED COVERAGE					337.00		170.00		15,031.00		15,538.00
4.0	HOMEOWNERS					574.00				8,386.00		8,960.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	911.00	0.00	170.00	0.00	23,417.00		24,498.00
Case Outstanding LAE - Prior												
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	3,668.26	4,422.65	500.00	0.00	4,656.00	17,039.25	0.00	0.00		30,286.16

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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
September 30, 2012

A.S. Line Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		CALENDAR YEAR 2012
	Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
	2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	
IBNR ALAE Reserves - Prior											
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	8,365.00	0.00	12,936.00	0.00	0.00		21,301.00
IBNR Unallocated LAE Reserves - Prior											
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	775.00	0.00	443.00	0.00	1,103.00	0.00	19,850.00	0.00	0.00		22,171.00
Incurred Loss Adjustment Expense											
1.0 FIRE	0.00	0.00	(1,748.92)	138.68	0.00	(1,512.24)	(8,273.16)	57,060.42	99,655.72		145,320.50
2.0 EXTENDED COVERAGE	(186.00)	(1,639.29)	(161.00)	299.10	176.00	1,164.11	(836.00)	201,254.79	162,078.66		362,150.37
4.0 HOMEOWNERS	(589.00)	(205.12)	140.87	0.00	(8,023.00)	24,278.06	(1,640.01)	98,963.23	117,739.39		230,664.42
12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
TOTAL	(775.00)	(1,844.41)	(1,769.05)	437.78	(7,847.00)	23,929.93	(10,749.17)	357,278.44	379,473.77		738,135.29

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