

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

Company Income Statement and Schedule P data
 December 31, 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			(47.00)	(144,137.00)	4,060,911.00	3,916,727.00
2.0	EXTENDED COVERAGE				(36,906.00)	1,178,671.00	1,141,765.00
4.0	HOMEOWNERS				(36,911.00)	1,733,058.00	1,696,147.00
12.0	EARTHQUAKE					51,459.00	51,459.00
	TOTAL	0.00	0.00	(47.00)	(217,954.00)	7,024,099.00	6,806,098.00
S							
Less: Ceded Premiums							
1.0	FIRE					14,252.47	14,252.47
2.0	EXTENDED COVERAGE				(231.00)	125,068.64	124,837.64
4.0	HOMEOWNERS				(45.00)	40,970.00	40,925.00
12.0	EARTHQUAKE	0.00					0.00
	TOTAL	0.00	0.00	0.00	(276.00)	180,291.11	180,015.11
NET PREMIUMS WRITTEN							
1.0	FIRE	0.00	0.00	(47.00)	(144,137.00)	4,046,658.53	3,902,474.53
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(36,675.00)	1,053,602.36	1,016,927.36
4.0	HOMEOWNERS	0.00	0.00	0.00	(36,866.00)	1,692,088.00	1,655,222.00
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	51,459.00	51,459.00
	TOTAL	0.00	0.00	(47.00)	(217,678.00)	6,843,807.89	6,626,082.89
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					1,983,161.98	1,983,161.98
2.0	EXTENDED COVERAGE					583,322.66	583,322.66
4.0	HOMEOWNERS					866,580.88	866,580.88
12.0	EARTHQUAKE					25,496.59	25,496.59
	TOTAL	0.00	0.00	0.00	0.00	3,458,562.11	3,458,562.11

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

COMPANY INCOME STATEMENT
December 31, 2012

A.S. Line	Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	CALENDAR YEAR 2012
plus: Ceded Unearned Premiums - Current							
1.0	FIRE						0.00
2.0	EXTENDED COVERAGE					3,367.73	3,367.73
4.0	HOMEOWNERS					431.09	431.09
12.0	EARTHQUAKE						0.00
	TOTAL	0.00	0.00	0.00	0.00	3,798.82	3,798.82
NET EARNED PREMIUMS							
1.0	FIRE	0.00	0.00	(47.00)	1,796,164.71	2,063,496.55	3,859,614.26
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	380,874.28	473,647.43	854,521.71
4.0	HOMEOWNERS	0.00	0.00	0.00	687,816.48	825,938.21	1,513,754.69
12.0	EARTHQUAKE	0.00	0.00	0.00	23,645.59	25,962.41	49,608.00
	TOTAL	0.00	0.00	(47.00)	2,888,501.06	3,389,044.60	6,277,498.66
NET LOSSES INCURRED							
1.0	FIRE	0.00	(100.00)	0.00	500,471.89	932,646.44	1,433,018.33
2.0	EXTENDED COVERAGE	(97.44)	1,275.00	4,879.83	1,361,514.93	692,124.33	2,059,696.65
4.0	HOMEOWNERS	(8,121.35)	(2,592.00)	(100.12)	655,457.31	702,358.18	1,347,002.02
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	2,517,444.13	2,327,128.95	4,839,717.00
NET LAE INCURRED							
1.0	FIRE	0.00	(1,748.92)	(1,512.24)	55,377.22	152,944.16	205,060.22
2.0	EXTENDED COVERAGE	(1,805.76)	301.31	1,048.34	223,375.86	198,508.38	421,428.13
4.0	HOMEOWNERS	(777.60)	628.87	15,907.06	129,348.35	157,872.89	302,979.57
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	(2,583.36)	(818.74)	15,443.16	408,101.43	509,325.43	929,467.92
Commissions							
1.0	FIRE			(4.70)	(14,413.70)	406,091.10	391,672.70
2.0	EXTENDED COVERAGE				(3,690.60)	117,867.10	114,176.50
4.0	HOMEOWNERS				(1,845.55)	86,652.90	84,807.35
12.0	EARTHQUAKE					4,285.70	4,285.70
	TOTAL	0.00	0.00	(4.70)	(19,949.85)	614,896.80	594,942.25
Less: Ceded Commissions							
1.0	FIRE	0.00					0.00
2.0	EXTENDED COVERAGE	0.00			(69.30)	2,235.30	2,166.00
4.0	HOMEOWNERS	0.00			(13.50)	273.00	259.50
12.0	EARTHQUAKE	0.00					0.00
	TOTAL	0.00	0.00	0.00	(82.80)	2,508.30	2,425.50
NET COMMISSIONS INCURRED							
1.0	FIRE	0.00	0.00	(4.70)	(14,413.70)	406,091.10	391,672.70
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(3,621.30)	115,631.80	112,010.50
4.0	HOMEOWNERS	0.00	0.00	0.00	(1,832.05)	86,379.90	84,547.85
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	4,285.70	4,285.70
	TOTAL	0.00	0.00	(4.70)	(19,867.05)	612,388.50	592,516.75

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

COMPANY INCOME STATEMENT
December 31, 2012

A.S. Line	Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	CALENDAR YEAR 2012
I	TOTAL OTHER OPERATING EXPENSES INCURRED						
N	TOTAL					774,484.69	774,484.69
C	TOTAL UNDERWRITING DEDUCTIONS						
O	TOTAL	(10,802.15)	(2,235.74)	20,218.17	2,905,678.51	4,223,327.57	7,136,186.36
M	NET UNDERWRITING GAIN or (LOSS)						
E	TOTAL	10,802.15	2,235.74	(20,265.17)	(17,177.45)	(834,282.97)	(858,687.70)
S	NET INVESTMENT INCOME INCURRED						
T	NET INVESTMENT INCOME EARNED				99,642.57	142,569.04	242,211.61
E	NET CAPITAL GAIN (LOSS)					72,633.43	72,633.43
M	TOTAL	0.00	0.00	0.00	99,642.57	215,202.47	314,845.04
E	NET OTHER INCOME						
N	TOTAL					93,854.03	93,854.03
T	NET INCOME (LOSS) before Taxes						
	TOTAL	10,802.15	2,235.74	(20,265.17)	82,465.12	(525,226.47)	(449,988.63)
	NET TAXES INCURRED						
	FEDERAL INCOME TAX					(204,904.00)	(204,904.00)
							0.00
							0.00
							0.00
	TOTAL	0.00	0.00	0.00	0.00	(204,904.00)	(204,904.00)
	OTHER INCREASE (DECREASE) TO SURPLUS						
	UNREALIZED CAPITAL GAIN or (LOSS)				(15,589.50)	214,641.75	199,052.25
	CHANGE IN NON-ADMITTED ASSETS				3,323.38	9,595.57	12,918.95
	OTHER ADJUSTMENTS					(68,000.00)	(68,000.00)
							0.00
	TOTAL	0.00	0.00	0.00	(12,266.12)	156,237.32	143,971.20
	NET CHANGE IN SURPLUS						
	TOTAL	10,802.15	2,235.74	(20,265.17)	70,199.00	(164,085.15)	(101,113.43)

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSSES
 December 31, 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							123,675.67	578,251.22	952,646.44		1,654,573.33
2.0	EXTENDED COVERAGE		3,402.56		4,275.00		7,879.83	26,262.89	1,327,857.04	608,945.33		1,978,622.65
4.0	HOMEOWNERS		2,878.65					124,039.31	659,127.00	652,306.88		1,438,351.84
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	6,281.21	0.00	4,275.00	0.00	7,879.83	273,977.87	2,565,235.26	2,213,898.65		5,071,547.82
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						5,800.00
2.0	EXTENDED COVERAGE								19,000.00	61,800.00		80,800.00
4.0	HOMEOWNERS						17,500.00		3,800.00	47,743.30		69,043.30
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	5,800.00	17,500.00	0.00	22,800.00	109,543.30		155,643.30
IBNR Loss Reserves - Current												
1.0	FIRE									0.00		0.00
2.0	EXTENDED COVERAGE							1,695.00		21,379		23,074.00
4.0	HOMEOWNERS									2,308.00		2,308.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	1,695.00	0.00	23,687.00		25,382.00
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
December 31, 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)	0.00	0.00	0.00	(77,779.33)	578,251.22	952,646.44	0.00	1,453,018.33
2.0	EXTENDED COVERAGE	0.00	(97.44)	0.00	1,275.00	0.00	4,879.83	14,657.89	1,346,857.04	692,124.33	0.00	2,059,696.65
4.0	HOMEOWNERS	0.00	(8,121.35)	(2,592.00)	0.00	0.00	(100.12)	(7,469.69)	662,927.00	702,358.18	0.00	1,347,002.02
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	(70,591.13)	2,588,035.26	2,347,128.95	0.00	4,859,717.00
Open Claims												
1.0	FIRE											0
2.0	EXTENDED COVERAGE								3	12		15
4.0	HOMEOWNERS						1		1	8		10
12.0	EARTHQUAKE											0
	TOTAL	0	0	0	0	0	1	0	4	20		25
Claims Closed with Loss Payment												
1.0	FIRE							6	28	34		68
2.0	EXTENDED COVERAGE		1		1		3	5	268	140		418
4.0	HOMEOWNERS		1					6	134	82		223
12.0	EARTHQUAKE											0
	TOTAL	0	2	0	1	0	3	17	430	256		709
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	1			12
12.0	EARTHQUAKE											0
	TOTAL	0	0	3	3	5	6	1	1	1		20

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
 December 31, 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	10,044.00	38,238.57	50,353.82		100,124.15
2.0	EXTENDED COVERAGE		566.60		799.10		1,408.50	3,757.06	162,042.39	93,631.46		262,205.11
4.0	HOMEOWNERS		1,053.50	3,096.60			10,912.31	5,303.30	86,692.09	59,285.27		166,343.07
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	1,620.10	3,096.60	799.10	0.00	13,808.57	19,104.36	286,973.05	203,270.55		528,672.33
Paid Unallocated Loss Adjustment Fees												
1.0	FIRE							4,721.68	28,393.22	93,221.34		126,336.24
2.0	EXTENDED COVERAGE		129.90		163.21		300.84	1,002.66	58,248.75	91,233.92		151,079.28
4.0	HOMEOWNERS		109.90					4,735.56	30,655.40	74,325.62		109,826.48
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	239.80	0.00	163.21	0.00	300.84	10,459.90	117,297.37	258,780.88		387,242.00
Case Outstanding LAE - Current												
1.0	FIRE									1,000.00		1,000.00
2.0	EXTENDED COVERAGE						500.00		1,500.00	7,500.00		9,500.00
4.0	HOMEOWNERS						14,021.75	500.00	500.00	5,800.00		20,821.75
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	14,521.75	500.00	2,000.00	14,300.00		31,321.75
IBNR ALAE Reserves - Current												
1.0	FIRE							985.00		8,369.00		9,354.00
2.0	EXTENDED COVERAGE							1,322.00		549.00		1,871.00
4.0	HOMEOWNERS			488.00				17,884.00		15,660.00		34,032.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	488.00	0.00	0.00	0.00	20,191.00	0.00	24,578.00		45,257.00
IBNR Unallocated LAE Reserves - Current												
1.0	FIRE									0.00		0.00
2.0	EXTENDED COVERAGE							1,198.00		5,594.00		6,792.00
4.0	HOMEOWNERS					936.00		203.00		2,802.00		3,941.00
12.0	EARTHQUAKE											0.00
	TOTAL	0.00	0.00	0.00	0.00	936.00	0.00	1,401.00	0.00	8,396.00		10,733.00
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
December 31, 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)	0.00	0.00	(1,512.24)	(11,254.57)	66,631.79	152,944.16		205,060.22
2.0	EXTENDED COVERAGE	(186.00)	(1,619.76)	(161.00)	462.31	(161.00)	1,209.34	1,584.72	221,791.14	198,508.38		421,428.13
4.0	HOMEOWNERS	(589.00)	(188.60)	628.87	0.00	(8,371.00)	24,278.06	11,500.86	117,847.49	157,872.89		302,979.57
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)	(1,808.36)	(1,281.05)	462.31	(8,532.00)	23,975.16	1,831.01	406,270.42	509,325.43		929,467.92

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