

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

Company Income Statement and Schedule P data
 December 31, 2013

A.S. Line Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	Policy Year 2013	CALENDAR YEAR 2013
I Premiums Written							
1.0 FIRE				(431.00)	(153,928.00)	4,262,097.00	4,107,738.00
2.0 EXTENDED COVERAGE				(144.00)	(55,364.00)	1,533,487.00	1,477,979.00
4.0 HOMEOWNERS					(55,281.00)	2,042,406.00	1,987,125.00
12.0 EARTHQUAKE					237.00	60,025.00	60,262.00
TOTAL	0.00	0.00	0.00	(575.00)	(264,336.00)	7,898,015.00	7,633,104.00
S Less: Ceded Premiums							
1.0 FIRE						52,763.22	52,763.22
2.0 EXTENDED COVERAGE					(178.00)	138,051.80	137,873.80
4.0 HOMEOWNERS					(29.00)	8,465.05	8,436.05
12.0 EARTHQUAKE	0.00						0.00
TOTAL	0.00	0.00	0.00	0.00	(207.00)	199,280.07	199,073.07
NET PREMIUMS WRITTEN							
1.0 FIRE	0.00	0.00	0.00	(431.00)	(153,928.00)	4,209,333.78	4,054,974.78
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	(144.00)	(55,186.00)	1,395,435.20	1,340,105.20
4.0 HOMEOWNERS	0.00	0.00	0.00	0.00	(55,252.00)	2,033,940.95	1,978,688.95
12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	237.00	60,025.00	60,262.00
TOTAL	0.00	0.00	0.00	(575.00)	(264,129.00)	7,698,734.93	7,434,030.93
plus: Unearned Premiums - Previous 12/31							
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	3,458,562.11	0.00	3,458,562.11
less: Ceded Unearned Premiums - Previous 12/31							
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	0.00	3,798.82
less: Unearned Premiums - Current							
1.0 FIRE						2,051,839.69	2,051,839.69
2.0 EXTENDED COVERAGE						767,048.16	767,048.16
4.0 HOMEOWNERS						961,447.46	961,447.46
12.0 EARTHQUAKE						28,278.15	28,278.15
TOTAL	0.00	0.00	0.00	0.00	0.00	3,808,613.46	3,808,613.46

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

COMPANY INCOME STATEMENT
December 31, 2013

A.S. Line	Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	Policy Year 2013	CALENDAR YEAR 2013
plus: Ceded Unearned Premiums - Current								
1.0	FIRE							0.00
2.0	EXTENDED COVERAGE						6,066.68	6,066.68
4.0	HOMEOWNERS						776.02	776.02
12.0	EARTHQUAKE							0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	6,842.70	6,842.70
NET EARNED PREMIUMS								
1.0	FIRE	0.00	0.00	0.00	(431.00)	1,829,233.98	2,157,494.09	3,986,297.07
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(144.00)	524,768.93	634,453.72	1,159,078.65
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	810,897.79	1,073,269.51	1,884,167.30
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	25,733.59	31,746.85	57,480.44
	TOTAL	0.00	0.00	0.00	(575.00)	3,190,634.29	3,896,964.17	7,087,023.46
NET LOSSES INCURRED								
1.0	FIRE	0.00	0.00	0.00	0.00	1,001,969.27	894,303.36	1,896,272.63
2.0	EXTENDED COVERAGE	0.00	0.00	4,493.02	113,858.75	108,717.49	212,052.40	439,121.66
4.0	HOMEOWNERS	0.00	0.00	(18,910.00)	27,396.84	285,036.64	457,141.65	750,665.13
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	(14,416.98)	141,255.59	1,395,723.40	1,563,497.41	3,086,059.42
NET LAE INCURRED								
1.0	FIRE	0.00	0.00	0.00	(985.00)	147,513.68	237,651.90	384,180.58
2.0	EXTENDED COVERAGE	0.00	0.00	1,056.89	22,380.57	54,006.18	102,572.83	180,016.47
4.0	HOMEOWNERS	0.00	(241.00)	(13,701.21)	(10,919.41)	60,801.05	110,448.35	146,387.78
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	560.00	560.00
	TOTAL	0.00	(241.00)	(12,644.32)	10,476.16	262,320.91	451,233.08	711,144.83
Commissions								
1.0	FIRE				(43.10)	(15,392.80)	426,209.70	410,773.80
2.0	EXTENDED COVERAGE				(14.40)	(5,536.40)	153,348.70	147,797.90
4.0	HOMEOWNERS					(2,764.05)	102,120.30	99,356.25
12.0	EARTHQUAKE					23.70	4,972.00	4,995.70
	TOTAL	0.00	0.00	0.00	(57.50)	(23,669.55)	686,650.70	662,923.65
Less: Ceded Commissions								
1.0	FIRE	0.00						0.00
2.0	EXTENDED COVERAGE	0.00				(53.40)	3,438.60	3,385.20
4.0	HOMEOWNERS	0.00				(8.70)	493.20	484.50
12.0	EARTHQUAKE	0.00						0.00
	TOTAL	0.00	0.00	0.00	0.00	(62.10)	3,931.80	3,869.70
NET COMMISSIONS INCURRED								
1.0	FIRE	0.00	0.00	0.00	(43.10)	(15,392.80)	426,209.70	410,773.80
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	(14.40)	(5,483.00)	149,910.10	144,412.70
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	(2,755.35)	101,627.10	98,871.75
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	23.70	4,972.00	4,995.70
	TOTAL	0.00	0.00	0.00	(57.50)	(23,607.45)	682,718.90	659,053.95

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

COMPANY INCOME STATEMENT
December 31, 2013

A.S. Line	Description	Policy Year 2008	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	Policy Year 2013	CALENDAR YEAR 2013
I	TOTAL OTHER OPERATING EXPENSES INCURRED						844,919.23	844,919.23
N	TOTAL						844,919.23	844,919.23
C	TOTAL UNDERWRITING DEDUCTIONS							
O	TOTAL	0.00	(241.00)	(27,061.30)	151,674.25	1,634,436.86	3,542,368.62	5,301,177.43
M	NET UNDERWRITING GAIN or (LOSS)							
E	TOTAL	0.00	241.00	27,061.30	(152,249.25)	1,556,197.43	354,595.55	1,785,846.03
S	NET INVESTMENT INCOME INCURRED							
T	NET INVESTMENT INCOME EARNED					142,569.04	62,783.50	205,352.54
E	NET CAPITAL GAIN (LOSS)						334,737.37	334,737.37
M	TOTAL	0.00	0.00	0.00	0.00	142,569.04	397,520.87	540,089.91
E	NET OTHER INCOME							
N	TOTAL						101,917.62	101,917.62
T	NET INCOME (LOSS) before Taxes							
	TOTAL	0.00	241.00	27,061.30	(152,249.25)	1,698,766.47	854,034.04	2,427,853.56
	NET TAXES INCURRED							
	FEDERAL INCOME TAX						788,505.00	788,505.00
								0.00
								0.00
								0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	788,505.00	788,505.00
	OTHER INCREASE (DECREASE) TO SURPLUS							
	UNREALIZED CAPITAL GAIN or (LOSS)					448,720.50	(249,028.20)	199,692.30
	CHANGE IN NON-ADMITTED ASSETS						1,571.72	1,571.72
	OTHER ADJUSTMENTS							0.00
	CHANGE IN NET DEFERRED INCOME TAX						(68,000.00)	(68,000.00)
	TOTAL	0.00	0.00	0.00	0.00	448,720.50	(315,456.48)	133,264.02
	NET CHANGE IN SURPLUS							
	TOTAL	0.00	241.00	27,061.30	(152,249.25)	2,147,486.97	(249,927.44)	1,772,612.58

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSSES
 December 31, 2013

A.S. Line	Description	Policy Year 2008 Accident Year		Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		Policy Year 2012 Accident Year		Policy Year 2013 Accident Year		CALENDAR YEAR
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2013
Paid Losses														
1.0	FIRE									8,000.00	1,008,969.27	569,826.48		1,586,795.75
2.0	EXTENDED COVERAGE					4,493.02			128,027.75	56,859.12	127,400.37	178,686.40		495,466.66
4.0	HOMEOWNERS						0.00		31,196.84	70,940.15	257,814.37	190,829.90		550,781.26
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	4,493.02	0.00	0.00	159,224.59	135,799.27	1,394,184.01	939,342.78	0.00	2,633,043.67
Paid Salv/Subro														
1.0	FIRE									(20,000.00)		(4,910.12)		(24,910.12)
2.0	EXTENDED COVERAGE													0.00
4.0	HOMEOWNERS						(1,410.00)			(84.58)				(1,494.58)
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	(1,410.00)	0.00	(1,410.00)	(20,084.58)	0.00	(4,910.12)	0.00	(26,404.70)
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
Case Outstanding Losses - Current														
1.0	FIRE										5,000.00	328,500.00		333,500.00
2.0	EXTENDED COVERAGE											25,500.00		25,500.00
4.0	HOMEOWNERS										3,500.00	260,075.75		263,575.75
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,500.00	614,075.75	0.00	622,575.75
IBNR Loss Reserves - Current														
1.0	FIRE											887.00		887.00
2.0	EXTENDED COVERAGE							6,526.00		7,637		7,866.00		22,029.00
4.0	HOMEOWNERS									2,918.00		6,236.00		9,154.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	6,526.00	0.00	10,555.00	0.00	14,989.00	0.00	32,070.00
Case Outstanding Losses - Prior														
1.0	FIRE					0.00								0.00
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	0.00	17,500.00	0.00	22,800.00	109,543.30	0.00	0.00	0.00	149,843.30

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COMPANY SCHEDULE P REPORT OF LOSSES
December 31, 2013

A.S. Line	Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		Policy Year 2013		CALENDAR
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		YEAR
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2013
IBNR Loss Reserves - Prior														
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	0.00	0.00	0.00	25,382.00
Incurred Losses														
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(12,000.00)	1,013,969.27	894,303.36	0.00	1,896,272.63
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	4,493.02	0.00	4,831.00	109,027.75	(18,682.88)	127,400.37	212,052.40	0.00	439,121.66
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	(18,910.00)	0.00	27,396.84	23,722.27	261,314.37	457,141.65	0.00	750,665.13
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	0.00	0.00	4,493.02	(18,910.00)	4,831.00	136,424.59	(6,960.61)	1,402,684.01	1,563,497.41	0.00	3,086,059.42
Open Claims														
1.0	FIRE										1	6		7
2.0	EXTENDED COVERAGE											5		5
4.0	HOMEOWNERS										1	7		8
12.0	EARTHQUAKE													0
	TOTAL	0	0	0	0	0	0	0	0	0	2	18	0	20
Claims Closed with Loss Payment														
1.0	FIRE									2	28	21		51
2.0	EXTENDED COVERAGE					1			22	22	45	48		138
4.0	HOMEOWNERS						1		8	16	28	23		76
12.0	EARTHQUAKE													0
	TOTAL	0	0	0	0	1	1	0	30	40	101	92	0	265
Claims Closed w/o Loss Payment														
1.0	FIRE			1		1								2
2.0	EXTENDED COVERAGE				2	2	2	1		1				8
4.0	HOMEOWNERS			2	2	2	4	1	2					13
12.0	EARTHQUAKE													0
	TOTAL	0	0	3	4	5	6	2	2	1	0	0	0	23

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KENTUCKY FAIR PLAN REINSURANCE ASSOCIATION
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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
 December 31, 2013

A.S. Line	Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		Policy Year 2013		CALENDAR YEAR 2013
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	
Paid Loss Adjustment Expense														
1.0	FIRE									7,380.94	55,037.14	49,821.30		112,239.38
2.0	EXTENDED COVERAGE					692.80			14,202.79	12,695.39	32,351.22	45,360.61		105,302.81
4.0	HOMEOWNERS			247.00			1,170.80		3,696.54	12,595.40	34,237.59	32,198.34		84,145.67
12.0	EARTHQUAKE											560.00		560.00
	TOTAL	0.00	0.00	247.00	0.00	692.80	1,170.80	0.00	17,899.33	32,671.73	121,625.95	127,940.25	0.00	302,247.86
Paid Unallocated Loss Adjustment Fees														
1.0	FIRE									(972.42)	94,419.02	159,689.42		253,136.02
2.0	EXTENDED COVERAGE					364.09			10,374.78	4,607.60	14,338.97	50,615.22		80,300.66
4.0	HOMEOWNERS						(114.26)		2,528.05	5,741.81	25,343.25	55,524.47		89,023.32
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	364.09	(114.26)	0.00	12,902.83	9,376.99	134,101.24	265,829.11	0.00	422,460.00
Case Outstanding LAE - Current														
1.0	FIRE										750.00	10,472.18		11,222.18
2.0	EXTENDED COVERAGE						500.00					3,000.00		3,500.00
4.0	HOMEOWNERS								500.00		500.00	3,864.54		4,864.54
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	500.00	500.00	0.00	0.00	1,250.00	17,336.72	0.00	19,586.72
IBNR ALAE Reserves - Current														
1.0	FIRE													0.00
2.0	EXTENDED COVERAGE							1,125.00		2,839.00		1,390.00		5,354.00
4.0	HOMEOWNERS					200.00		1,443.00		6,146.00		4,280.00		12,069.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	200.00	0.00	2,568.00	0.00	8,985.00	0.00	5,670.00	0.00	17,423.00
IBNR Unallocated LAE Reserves - Current														
1.0	FIRE									268.00		17,669.00		17,937.00
2.0	EXTENDED COVERAGE							698.00		817.00		2,207.00		3,722.00
4.0	HOMEOWNERS									499.00		14,581.00		15,080.00
12.0	EARTHQUAKE													0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	698.00	0.00	1,584.00	0.00	34,457.00	0.00	36,739.00
Case Outstanding LAE - Prior														
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				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	0.00	0.00	0.00	31,321.75

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COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
December 31, 2013

A.S. Line	Description	Policy Year 2008		Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		Policy Year 2013		CALENDAR YEAR 2013
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2008	2009	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	
IBNR ALAE Reserves - Prior														
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	0.00	0.00	0.00	45,257.00
IBNR Unallocated LAE Reserves - Prior														
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	0.00	0.00	0.00	10,733.00
Incurred Loss Adjustment Expense														
1.0	FIRE	0.00	0.00	0.00	0.00	0.00	0.00	(985.00)	0.00	(2,692.48)	150,206.16	237,651.90	0.00	384,180.58
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	1,056.89	0.00	(697.00)	23,077.57	7,315.99	46,690.19	102,572.83	0.00	180,016.47
4.0	HOMEOWNERS	0.00	0.00	(241.00)	0.00	(736.00)	(12,965.21)	(16,644.00)	5,724.59	720.21	60,080.84	110,448.35	0.00	146,387.78
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	560.00	0.00	560.00
	TOTAL	0.00	0.00	(241.00)	0.00	320.89	(12,965.21)	(18,326.00)	28,802.16	5,343.72	256,977.19	451,233.08	0.00	711,144.83

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