

# PENNSYLVANIA FAIR PLAN

## EXHIBIT 1

### Statement of Assets, Liabilities and Members' Equity At December 31, 2006

	<u>LEDGER ASSETS</u>	<u>ASSETS NOT ADMITTED</u>	<u>NET ADMITTED ASSETS</u>
<b><u>ASSETS</u></b>			
Cash	2,212,755.77	0.00	2,212,755.77
Investments	11,828,876.90	0.00	11,828,876.90
Due from Participating Members	0.00	0.00	0.00
Accrued Investment Income	0.00	0.00	0.00
Premiums Receivable	22,150.80	9,911.40	12,239.40
Other Receivables	236,967.42	0.00	236,967.42
Pre-paid Premium Tax	0.00	0.00	0.00
Pre-paid Expenses	126,977.46	126,977.46	0.00
Furniture & Equipment	152,095.34	152,095.34	0.00
Data Processing Equipment	47,002.35	47,002.35	0.00
Other Assets	1,971.42	1,971.42	0.00
TOTAL ASSETS	<u>14,628,797.46</u>	<u>337,957.97</u>	<u>14,290,839.49</u>
<b><u>LIABILITIES</u></b>			
Unpaid Losses (Incl. I.B.N.R.)			1,779,223.00
Unpaid Loss Adjustment Expenses			292,100.00
Unpaid Underwriting Expenses			102,650.00
Unpaid Post Retirement Benefits			1,031,520.00
Unpaid Pension			645,235.00
Unearned Premiums			6,514,591.00
Unearned Advance Premiums			321,562.00
Claims Checks Payable			903,504.10
Amounts Withheld for Accounts of Others			177,578.25
Unpaid Premium Tax			<u>4,749.86</u>
TOTAL LIABILITIES			<u>11,772,713.21</u>
<b><u>MEMBERS' EQUITY</u></b>			
Members' Equity (Deficit)			<u>2,518,126.28</u>
TOTAL LIABILITIES & MEMBERS' EQUITY			<u>14,290,839.49</u>

# PENNSYLVANIA FAIR PLAN

## EXHIBIT 2

### Income Statement for the Quarter and Year to Date Ending December 31, 2006

	<u>Quarter</u>	<u>Year</u>
	<u>10/01/ - 12/31/2006</u>	<u>01/01/ - 12/31/2006</u>
<b><u>UNDERWRITING INCOME</u></b>		
Premiums Written	3,133,575.00	13,051,393.00
Change in Unearned Premiums	170,833.00	554,188.00
Premiums Earned	<u>3,304,408.00</u>	<u>13,605,581.00</u>
<b><u>DEDUCTIONS</u></b>		
Losses Incurred	865,081.68	6,148,865.45
Loss Adjustment Expenses Incurred	151,385.36	1,018,279.98
Other Underwriting Expenses Incurred	1,088,307.10	4,223,484.86
Post Retirement Benefits Incurred	122,190.40	301,954.81
Premium Tax Incurred	62,671.50	261,027.86
Total Underwriting Deductions	<u>2,289,636.04</u>	<u>11,953,612.96</u>
Net Underwriting Profit or Loss	1,014,771.96	1,651,968.04
<b><u>OTHER INCOME OR OUTGO</u></b>		
Net Investment Income	139,180.12	510,595.55
Other Income	339.42	4,661.56
Premiums Charged-Off	(3,114.70)	(9,961.35)
Total Other Income or Outgo	<u>136,404.84</u>	<u>505,295.76</u>
Net Result of Operations	1,151,176.80	2,157,263.80
<b><u>EQUITY ACCOUNT</u></b>		
Beginning Members' Equity	423,173.17	(205,068.17)
Net Result of Operations	1,151,176.80	2,157,263.80
Change in Assets Not Admitted	(37,746.64)	(50,036.48)
Change in Pension	938,629.00	612,172.00
Assessment of Policy Years	0.00	1,676,780.35
Distribution of Policy Years	0.00	0.00
Closeout of Policy Years	0.00	(1,676,780.35)
Distributions (Assessments) to Members Charged-Off	<u>42,893.95</u>	<u>3,795.13</u>
<b>MEMBERS' EQUITY (DEFICIT)</b>	<u>2,518,126.28</u>	<u>2,518,126.28</u>

# PENNSYLVANIA FAIR PLAN

## EXHIBIT 3

### Reconciliation of Ledger Assets As of December 31, 2006

#### INCREASE IN LEDGER ASSETS

Premiums Written	13,051,393.00
Other Income	4,661.56
Investment Income	510,595.55
Unearned Advance Premiums	0.00
Amounts Withheld for Accounts of Others	28,373.83
Claims Checks Payable	230,024.39
Premiums Charged-Off	0.00
Distributions to Members Charged-Off	16,374.61
Assessment of Policy Years	1,676,780.35
Closeout of Policy Years	0.00
TOTAL	<u>15,518,203.29</u>

#### DECREASE IN LEDGER ASSETS

Other Income	0.00
Losses Paid	6,753,386.45
Loss Adjustment Expenses Paid	1,368,490.98
Other Expenses Paid	4,887,700.13
Unearned Advance Premiums	5,641.00
Amounts Withheld for Accounts of Others	0.00
Claims Checks Payable	0.00
Premiums Charged-Off	9,961.35
Assessments to Members Charged-Off	12,579.48
Distribution of Policy Years	0.00
Closeout of Policy Years	1,676,780.35
TOTAL	<u>14,714,539.74</u>

Increase(Decrease) in Ledger Assets	803,663.55
Ledger Assets at 12/31/2005	<u>13,825,133.91</u>
Ledger Assets at 12/31/2006	<u>14,628,797.46</u>

## PENNSYLVANIA FAIR PLAN

### EXHIBIT 4

#### Statement of Expenses Incurred For the Year Ending December 31, 2006

	<u>Loss Adj.</u> <u>Expenses</u>	<u>Acquisition</u> <u>Expenses</u>	<u>Inspection</u> <u>Expenses</u>	<u>General</u> <u>Expenses</u>	<u>TOTAL</u>
Claim Adjustment Services	816,268.35	0.00	0.00	0.00	816,268.35
Commissions	0.00	826,338.80	0.00	0.00	826,338.80
Boards, Bureaus & Associations	3,517.57	1,011.98	0.00	49,586.93	54,116.48
Salaries	323,591.00	779,559.81	0.00	952,795.33	2,055,946.14
Employee Relations & Welfare	144,177.55	347,569.63	0.00	424,807.32	916,554.50
Insurance	7,511.23	8,102.39	0.00	12,103.08	27,716.70
Travel & Travel Items	3,631.25	187.55	0.00	16,862.50	20,681.30
Rent & Rent Items	22,736.28	122,417.13	0.00	166,302.52	311,455.93
Equipment	2,249.65	32,023.78	0.00	55,712.60	89,986.03
Printing & Stationery	1,409.94	19,080.70	0.00	35,906.92	56,397.56
Postage, Telephone, & Telegraph	13,846.34	58,071.55	0.00	66,545.51	138,463.40
Legal & Auditing	805.48	2,136.14	0.00	29,277.61	32,219.23
Payroll Taxes	25,485.53	57,918.35	0.00	70,789.10	154,192.98
Premium Taxes	0.00	0.00	0.00	292,753.46	292,753.46
State & Local Insurance Taxes	0.00	0.00	0.00	14,612.27	14,612.27
Miscellaneous	3,260.81	19,075.75	0.00	108,095.89	130,432.45
Advertising	0.00	0.00	0.00	0.00	0.00
Inspections, Surveys & Reports	0.00	0.00	318,055.53	0.00	318,055.53
<b>TOTAL Expenses Paid</b>	<u>1,368,490.98</u>	<u>2,273,493.56</u>	<u>318,055.53</u>	<u>2,296,151.04</u>	<u>6,256,191.11</u>
ADD: Unpaid Expenses Current Year	292,100.00	416,023.00	24,829.00	698,067.86	1,431,019.86
Deduct: Unpaid Expenses Prior Year	642,311.00	443,034.00	23,383.00	773,735.46	1,882,463.46
<b>Expenses Incurred</b>	<u>1,018,279.98</u>	<u>2,246,482.56</u>	<u>319,501.53</u>	<u>2,220,483.44</u>	<u>5,804,747.51</u>

## PENNSYLVANIA FAIR PLAN

EXHIBIT 5A

### Members' Account by Policy Year For the Quarter Ending December 31, 2006

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	3,135,663.00	(2,088.00)	0.00	0.00	0.00	0.00	3,133,575.00
Other Income	339.42	0.00	0.00	0.00	0.00	0.00	339.42
Investment Income Received	139,180.12	0.00	0.00	0.00	0.00	0.00	139,180.12
Subtotal	<u>3,275,182.54</u>	<u>(2,088.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,273,094.54</u>
<b>EXPENSES PAID:</b>							
Losses	1,174,190.66	744,175.18	83,633.82	31,448.02	0.00	0.00	2,033,447.68
Loss Adjustment Expenses	142,803.50	137,306.11	86,859.42	19,179.33	0.00	0.00	386,148.36
Other Underwriting Expenses	916,314.90	0.00	0.00	0.00	0.00	0.00	916,314.90
Premium Tax	57,963.40	(41.76)	0.00	0.00	0.00	0.00	57,921.64
Commissions	197,288.60	(138.00)	0.00	0.00	0.00	0.00	197,150.60
Premiums/Assessments Charged-off	3,119.06	(4.36)	0.00	0.00	0.00	0.00	3,114.70
Subtotal	<u>2,491,680.12</u>	<u>881,297.17</u>	<u>170,493.24</u>	<u>50,627.35</u>	<u>0.00</u>	<u>0.00</u>	<u>3,594,097.88</u>
<b>BALANCE DUE COMPANIES</b>	783,502.42	(883,385.17)	(170,493.24)	(50,627.35)	0.00	0.00	(321,003.34)
<b>DEDUCT:</b>							
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	(300,211.33)	0.00	0.00	0.00	0.00	0.00	(300,211.33)
Prior Pension	(1,583,864.00)	0.00	0.00	0.00	0.00	0.00	(1,583,864.00)
Subtotal	<u>(1,884,075.33)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(1,884,075.33)</u>
<b>ADD:</b>							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(337,957.97)	0.00	0.00	0.00	0.00	0.00	(337,957.97)
Current Pension	(645,235.00)	0.00	0.00	0.00	0.00	0.00	(645,235.00)
Subtotal	<u>(983,192.97)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(983,192.97)</u>
<b>EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION</b>	1,684,384.78	(883,385.17)	(170,493.24)	(50,627.35)	0.00	0.00	579,879.02
<b>DEDUCT:</b>							
Current Unearned Premiums	6,514,591.00	0.00	0.00	0.00	0.00	0.00	6,514,591.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,330,117.00	409,800.00	36,806.00	2,500.00	0.00	0.00	1,779,223.00
Current Unpaid Underwriting Expenses	102,650.00	0.00	0.00	0.00	0.00	0.00	102,650.00
Current Unpaid Post Retirement Benefits	1,031,520.00	0.00	0.00	0.00	0.00	0.00	1,031,520.00
Current Unpaid Loss Adjustment Expenses	218,369.00	67,278.00	6,043.00	410.00	0.00	0.00	292,100.00
Current Unpaid Premium Tax	4,749.86	0.00	0.00	0.00	0.00	0.00	4,749.86
Subtotal	<u>9,201,996.86</u>	<u>477,078.00</u>	<u>42,849.00</u>	<u>2,910.00</u>	<u>0.00</u>	<u>0.00</u>	<u>9,724,833.86</u>
<b>ADD:</b>							
Prior Unearned Premiums	6,262,982.00	422,442.00	0.00	0.00	0.00	0.00	6,685,424.00
Prior Unpaid Losses (Incl. I.B.N.R.)	1,293,644.00	1,160,445.00	415,000.00	78,500.00	0.00	0.00	2,947,589.00
Prior Unpaid Underwriting Expenses	33,179.00	0.00	0.00	0.00	0.00	0.00	33,179.00
Prior Unpaid Post Retirement Benefits	1,003,959.00	0.00	0.00	0.00	0.00	0.00	1,003,959.00
Prior Unpaid Loss Adjustment Expenses	231,230.00	207,422.00	74,179.00	14,032.00	0.00	0.00	526,863.00
Prior Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	<u>8,824,994.00</u>	<u>1,790,309.00</u>	<u>489,179.00</u>	<u>92,532.00</u>	<u>0.00</u>	<u>0.00</u>	<u>11,197,014.00</u>
Distributions Charged-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessments Charged-Off	0.00	0.00	0.00	42,893.95	0.00	0.00	42,893.95
Assessment of Policy Years	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Years	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closeout of Policy Years	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>NET CHANGE IN MEMBERS' EQUITY</b>	<u>1,307,381.92</u>	<u>429,845.83</u>	<u>275,836.76</u>	<u>81,888.60</u>	<u>0.00</u>	<u>0.00</u>	<u>2,094,953.11</u>

## PENNSYLVANIA FAIR PLAN

### EXHIBIT 5B

#### Members' Account by Policy Year Year to Date Ending December 31, 2006

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	13,030,088.00	21,305.00	0.00	0.00	0.00	0.00	13,051,393.00
Other Income	4,661.56	0.00	0.00	0.00	0.00	0.00	4,661.56
Investment Income Received	458,992.55	51,603.00	0.00	0.00	0.00	0.00	510,595.55
Subtotal	<u>13,493,742.11</u>	<u>72,908.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>13,566,650.11</u>
<b>EXPENSES PAID:</b>							
Losses	2,006,450.60	4,376,593.60	315,862.63	54,033.79	1,000.00	(554.17)	6,753,386.45
Loss Adjustment Expenses	290,553.81	770,703.84	174,479.76	132,250.07	337.96	165.54	1,368,490.98
Other Underwriting Expenses	3,679,478.87	89,129.00	0.00	0.00	0.00	0.00	3,768,607.87
Premium Tax	255,851.90	36,901.56	0.00	0.00	0.00	0.00	292,753.46
Commissions	824,952.00	1,386.80	0.00	0.00	0.00	0.00	826,338.80
Premiums/Assessments Charged-off	3,637.66	6,324.09	(0.40)	0.00	0.00	0.00	9,961.35
Subtotal	<u>7,060,924.84</u>	<u>5,281,038.89</u>	<u>490,341.99</u>	<u>186,283.86</u>	<u>1,337.96</u>	<u>(388.63)</u>	<u>13,019,538.91</u>
<b>BALANCE DUE COMPANIES</b>	6,432,817.27	(5,208,130.89)	(490,341.99)	(186,283.86)	(1,337.96)	388.63	547,111.20
<b>DEDUCT:</b>							
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	0.00	(287,921.49)	0.00	0.00	0.00	0.00	(287,921.49)
Prior Pension	0.00	(1,257,407.00)	0.00	0.00	0.00	0.00	(1,257,407.00)
Subtotal	<u>0.00</u>	<u>(1,545,328.49)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(1,545,328.49)</u>
<b>ADD:</b>							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(337,957.97)	0.00	0.00	0.00	0.00	0.00	(337,957.97)
Current Pension	(645,235.00)	0.00	0.00	0.00	0.00	0.00	(645,235.00)
Subtotal	<u>(983,192.97)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(983,192.97)</u>
<b>EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION</b>	5,449,624.30	(3,662,802.40)	(490,341.99)	(186,283.86)	(1,337.96)	388.63	1,109,246.72
<b>DEDUCT:</b>							
Current Unearned Premiums	6,514,591.00	0.00	0.00	0.00	0.00	0.00	6,514,591.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,330,117.00	409,800.00	36,806.00	2,500.00	0.00	0.00	1,779,223.00
Current Unpaid Underwriting Expenses	102,650.00	0.00	0.00	0.00	0.00	0.00	102,650.00
Current Unpaid Post Retirement Benefits	1,031,520.00	0.00	0.00	0.00	0.00	0.00	1,031,520.00
Current Unpaid Loss Adjustment Expenses	218,369.00	67,278.00	6,043.00	410.00	0.00	0.00	292,100.00
Current Unpaid Premium Tax	4,749.86	0.00	0.00	0.00	0.00	0.00	4,749.86
Subtotal	<u>9,201,996.86</u>	<u>477,078.00</u>	<u>42,849.00</u>	<u>2,910.00</u>	<u>0.00</u>	<u>0.00</u>	<u>9,724,833.86</u>
<b>ADD:</b>							
Prior Unearned Premiums	0.00	7,068,779.00	0.00	0.00	0.00	0.00	7,068,779.00
Prior Unpaid Losses (Incl. I.B.N.R.)	0.00	1,496,388.00	738,856.00	147,500.00	1,000.00	0.00	2,383,744.00
Prior Unpaid Underwriting Expenses	0.00	89,129.00	0.00	0.00	0.00	0.00	89,129.00
Prior Unpaid Post Retirement Benefits	0.00	1,114,548.00	0.00	0.00	0.00	0.00	1,114,548.00
Prior Unpaid Loss Adjustment Expenses	0.00	403,208.00	199,089.00	39,744.00	270.00	0.00	642,311.00
Prior Unpaid Premium Tax	0.00	36,475.46	0.00	0.00	0.00	0.00	36,475.46
Subtotal	<u>0.00</u>	<u>10,208,527.46</u>	<u>937,945.00</u>	<u>187,244.00</u>	<u>1,270.00</u>	<u>0.00</u>	<u>11,334,986.46</u>
Distributions Charged-Off	0.00	0.00	0.00	16,374.61	0.00	0.00	16,374.61
Assessments Charged-Off	0.00	0.00	0.00	(12,579.48)	0.00	0.00	(12,579.48)
Assessment of Policy Years	1,676,780.35	0.00	0.00	0.00	0.00	0.00	1,676,780.35
Distribution of Policy Years	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closeout of Policy Years	0.00	0.00	0.00	0.00	(1,144,797.36)	(531,982.99)	(1,676,780.35)
<b>NET CHANGE IN MEMBERS' EQUITY</b>	<u>(2,075,592.21)</u>	<u>6,068,647.06</u>	<u>404,754.01</u>	<u>1,845.27</u>	<u>(1,144,865.32)</u>	<u>(531,594.36)</u>	<u>2,723,194.45</u>

## PENNSYLVANIA FAIR PLAN

**EXHIBIT 5C**

**Members' Account by Policy Year  
For Active Policy Years at December 31, 2006**

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	13,030,088.00	13,695,625.00	13,583,775.00	12,861,458.00	12,109,324.00	11,309,536.00	76,589,806.00
Other Income	4,661.56	33,514.85	55,015.35	80,667.71	27,087.72	6,188.13	207,135.32
Investment Income Received	458,992.55	270,882.82	72,562.64	19,356.83	39,911.04	158,416.49	1,020,122.37
Subtotal	<u>13,493,742.11</u>	<u>14,000,022.67</u>	<u>13,711,352.99</u>	<u>12,961,482.54</u>	<u>12,176,322.76</u>	<u>11,474,140.62</u>	<u>77,817,063.69</u>
<b><u>EXPENSES PAID:</u></b>							
Losses	2,006,450.60	5,602,556.79	5,151,753.18	5,812,765.95	5,485,786.85	4,691,564.30	28,750,877.67
Loss Adjustment Expenses	290,553.81	1,046,291.79	1,296,360.34	1,365,481.48	934,416.70	864,727.61	5,797,831.73
Other Underwriting Expenses	3,679,478.87	3,780,208.57	3,644,615.91	3,540,611.81	3,303,371.86	3,414,976.31	21,363,263.33
Premium Tax	255,851.90	273,912.50	271,675.50	257,229.16	242,186.48	225,773.62	1,526,629.16
Commissions	824,952.00	888,933.30	899,008.60	847,942.00	798,235.90	721,782.60	4,980,854.40
Premiums/Assessments Charged-off	3,637.66	12,260.06	9,549.08	8,941.82	17,527.61	23,333.19	75,249.42
Subtotal	<u>7,060,924.84</u>	<u>11,604,163.01</u>	<u>11,272,962.61</u>	<u>11,832,972.22</u>	<u>10,781,525.40</u>	<u>9,942,157.63</u>	<u>62,494,705.71</u>
<b>BALANCE DUE COMPANIES</b>	6,432,817.27	2,395,859.66	2,438,390.38	1,128,510.32	1,394,797.36	1,531,982.99	15,322,357.98
<b><u>ADD:</u></b>							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(337,957.97)	0.00	0.00	0.00	0.00	0.00	(337,957.97)
Current Pension	(645,235.00)	0.00	0.00	0.00	0.00	0.00	(645,235.00)
Subtotal	<u>(983,192.97)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(983,192.97)</u>
<b>EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION</b>	5,449,624.30	2,395,859.66	2,438,390.38	1,128,510.32	1,394,797.36	1,531,982.99	14,339,165.01
<b><u>DEDUCT:</u></b>							
Current Unearned Premiums	6,514,591.00	0.00	0.00	0.00	0.00	0.00	6,514,591.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,330,117.00	409,800.00	36,806.00	2,500.00	0.00	0.00	1,779,223.00
Current Unpaid Underwriting Expenses	102,650.00	0.00	0.00	0.00	0.00	0.00	102,650.00
Current Unpaid Post Retirement Benefits	1,031,520.00	0.00	0.00	0.00	0.00	0.00	1,031,520.00
Current Unpaid Loss Adjustment Expenses	218,369.00	67,278.00	6,043.00	410.00	0.00	0.00	292,100.00
Current Unpaid Premium Tax	4,749.86	0.00	0.00	0.00	0.00	0.00	4,749.86
Subtotal	<u>9,201,996.86</u>	<u>477,078.00</u>	<u>42,849.00</u>	<u>2,910.00</u>	<u>0.00</u>	<u>0.00</u>	<u>9,724,833.86</u>
Distributions Charged-Off	0.00	0.00	0.00	16,374.61	0.00	0.00	16,374.61
Assessments Charged-Off	0.00	0.00	0.00	(12,579.48)	0.00	0.00	(12,579.48)
Assessment of Policy Years	1,676,780.35	0.00	0.00	0.00	0.00	0.00	1,676,780.35
Distribution of Policy Years	0.00	0.00	0.00	(850,000.00)	(250,000.00)	(1,000,000.00)	(2,100,000.00)
Closeout of Policy Years	0.00	0.00	0.00	0.00	(1,144,797.36)	(531,982.99)	(1,676,780.35)
<b>NET CHANGE IN MEMBERS' EQUITY</b>	<u>(2,075,592.21)</u>	<u>1,918,781.66</u>	<u>2,395,541.38</u>	<u>279,395.45</u>	<u>0.00</u>	<u>0.00</u>	<u>2,518,126.28</u>

**EXHIBIT 6A**

**PENNSYLVANIA FAIR PLAN**

Premium Statistics by Line of Business and Policy Year  
For the Quarter and Year to Date Ending December 31, 2006

**QUARTER**

10/01/2006 - 12/31/2006

**YEAR TO DATE**

01/01/2006 - 12/31/2006

**PREMIUMS WRITTEN**

	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>TOTAL</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>TOTAL</u></b>
Fire	2,257,594.00	(1,422.00)	2,256,172.00	9,435,688.00	16,176.00	9,451,864.00
Other Allied Lines	873,831.00	(666.00)	873,165.00	3,573,887.00	5,129.00	3,579,016.00
Crime	4,238.00	0.00	4,238.00	20,513.00	0.00	20,513.00
Total	<u>3,135,663.00</u>	<u>(2,088.00)</u>	<u>3,133,575.00</u>	<u>13,030,088.00</u>	<u>21,305.00</u>	<u>13,051,393.00</u>

**UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD**

Fire	4,542,391.00	307,337.00	4,849,728.00	0.00	5,192,844.00	5,192,844.00
Other Allied Lines	1,710,062.00	114,559.00	1,824,621.00	0.00	1,863,703.00	1,863,703.00
Crime	10,529.00	546.00	11,075.00	0.00	12,232.00	12,232.00
Total	<u>6,262,982.00</u>	<u>422,442.00</u>	<u>6,685,424.00</u>	<u>0.00</u>	<u>7,068,779.00</u>	<u>7,068,779.00</u>

**UNEARNED PREMIUMS AT THE END OF THE PERIOD**

Fire	4,709,670.00	0.00	4,709,670.00	4,709,670.00	0.00	4,709,670.00
Other Allied Lines	1,794,780.00	0.00	1,794,780.00	1,794,780.00	0.00	1,794,780.00
Crime	10,141.00	0.00	10,141.00	10,141.00	0.00	10,141.00
Total	<u>6,514,591.00</u>	<u>0.00</u>	<u>6,514,591.00</u>	<u>6,514,591.00</u>	<u>0.00</u>	<u>6,514,591.00</u>

**PREMIUMS EARNED**

Fire	2,090,315.00	305,915.00	2,396,230.00	4,726,018.00	5,209,020.00	9,935,038.00
Other Allied Lines	789,113.00	113,893.00	903,006.00	1,779,107.00	1,868,832.00	3,647,939.00
Crime	4,626.00	546.00	5,172.00	10,372.00	12,232.00	22,604.00
Total	<u>2,884,054.00</u>	<u>420,354.00</u>	<u>3,304,408.00</u>	<u>6,515,497.00</u>	<u>7,090,084.00</u>	<u>13,605,581.00</u>



## PENNSYLVANIA FAIR PLAN

### EXHIBIT 6B

**Premium Statistics by Class of Business and Policy Year  
For Terrorism Reporting Requirements Only  
For the Quarter and Year to Date Ending December 31, 2006**

	<u>QUARTER</u>			<u>YEAR TO DATE</u>		
	10/01/2006 - 12/31/2006			01/01/2006 - 12/31/2006		
	<b><u>PREMIUMS WRITTEN</u></b>					
	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>TOTAL</u></b>	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>TOTAL</u></b>
Habitational (Owner Occupied)	1,948,207.00	(1,299.00)	1,946,908.00	8,063,863.00	13,326.00	8,077,189.00
Habitational (Non-Owner Occupied)	855,030.00	(566.00)	854,464.00	3,504,854.00	6,002.00	3,510,856.00
Commercial	332,426.00	(223.00)	332,203.00	1,461,371.00	1,977.00	1,463,348.00
Total	3,135,663.00	(2,088.00)	3,133,575.00	13,030,088.00	21,305.00	13,051,393.00
	<b><u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u></b>					
Habitational (Owner Occupied)	3,943,267.00	265,872.00	4,209,139.00	0.00	4,339,380.00	4,339,380.00
Habitational (Non-Owner Occupied)	1,666,535.00	112,447.00	1,778,982.00	0.00	1,830,206.00	1,830,206.00
Commercial	653,180.00	44,123.00	697,303.00	0.00	899,193.00	899,193.00
Total	6,262,982.00	422,442.00	6,685,424.00	0.00	7,068,779.00	7,068,779.00
	<b><u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u></b>					
Habitational (Owner Occupied)	4,056,241.00	0.00	4,056,241.00	4,056,241.00	0.00	4,056,241.00
Habitational (Non-Owner Occupied)	1,780,527.00	0.00	1,780,527.00	1,780,527.00	0.00	1,780,527.00
Commercial	677,823.00	0.00	677,823.00	677,823.00	0.00	677,823.00
Total	6,514,591.00	0.00	6,514,591.00	6,514,591.00	0.00	6,514,591.00
	<b><u>PREMIUMS EARNED</u></b>					
Habitational (Owner Occupied)	1,835,233.00	264,573.00	2,099,806.00	4,007,622.00	4,352,706.00	8,360,328.00
Habitational (Non-Owner Occupied)	741,038.00	111,881.00	852,919.00	1,724,327.00	1,836,208.00	3,560,535.00
Commercial	307,783.00	43,900.00	351,683.00	783,548.00	901,170.00	1,684,718.00
Total	2,884,054.00	420,354.00	3,304,408.00	6,515,497.00	7,090,084.00	13,605,581.00
Premiums Earned for Terrorism Reporting Requirements	1,048,821.00	155,781.00	1,204,602.00	2,507,875.00	2,737,378.00	5,245,253.00

**NOTE: Terrorism Reporting Requirements include: Habitational (Non-Owner Occupied) & Commercial lines for Premiums Earned only!**

**EXHIBIT 7**

**PENNSYLVANIA FAIR PLAN**  
**Reporting Schedule P Number of Claims Outstanding**  
**FOR THE TEN YEAR PERIOD ENDING DECEMBER 31, 2006**

<u>Coverage</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>Total</u>
Fire	62	7	1	1	0	0	0	0	0	0	71
Other Allied	55	3	1	0	0	0	0	0	0	0	59
Crime	0	0	0	0	0	0	0	0	0	0	0
Homeowners	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	117	10	2	1	0	0	0	0	0	0	130

**NOTES:**

- 1) Members should apply their respective percentages of participations to the reported Claims Outstanding by line by year.
- 2) Claims counts should be reported in whole numbers. Members should utilize the method employed in their respective filings. i.e., either the "round up" or "truncated" method.
- 3) Members are advised the Pennsylvania FAIR Plan claim counts are accumulated per claim.



## PENNSYLVANIA FAIR PLAN

### EXHIBIT 7B

#### Loss Adjustment Statistics by Line of Business and Policy Year For the Quarter and Year to Date Ending December 31, 2006

##### QUARTER

10/01/2006 - 12/31/2006

	<u>LOSS ADJUSTMENT EXPENSES PAID</u>						
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Fire	79,904.27	94,843.36	86,859.42	8,149.57	0.00	0.00	269,756.62
Other Allied Lines	62,899.23	42,462.75	0.00	11,029.76	0.00	0.00	116,391.74
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	142,803.50	137,306.11	86,859.42	19,179.33	0.00	0.00	386,148.36
	<u>UNPAID PREVIOUS PERIOD</u>						
Fire	204,687.00	187,689.00	74,179.00	13,853.00	0.00	0.00	480,408.00
Other Allied Lines	26,507.00	19,733.00	0.00	179.00	0.00	0.00	46,419.00
Crime	36.00	0.00	0.00	0.00	0.00	0.00	36.00
Total	231,230.00	207,422.00	74,179.00	14,032.00	0.00	0.00	526,863.00
	<u>UNPAID CURRENT PERIOD</u>						
Fire	193,743.00	59,742.00	6,027.00	246.00	0.00	0.00	259,758.00
Other Allied Lines	24,593.00	7,536.00	16.00	164.00	0.00	0.00	32,309.00
Crime	33.00	0.00	0.00	0.00	0.00	0.00	33.00
Total	218,369.00	67,278.00	6,043.00	410.00	0.00	0.00	292,100.00
	<u>LOSS ADJUSTMENT EXPENSES INCURRED</u>						
Fire	68,960.27	(33,103.64)	18,707.42	(5,457.43)	0.00	0.00	49,106.62
Other Allied Lines	60,985.23	30,265.75	16.00	11,014.76	0.00	0.00	102,281.74
Crime	(3.00)	0.00	0.00	0.00	0.00	0.00	(3.00)
Total	129,942.50	(2,837.89)	18,723.42	5,557.33	0.00	0.00	151,385.36

##### YEAR TO DATE

01/01/2006 - 12/31/2006

	<u>LOSS ADJUSTMENT EXPENSES PAID</u>						
Fire	159,249.17	460,265.32	154,450.05	61,886.35	337.96	165.54	836,354.39
Other Allied Lines	131,304.64	310,438.52	20,029.71	70,363.72	0.00	0.00	532,136.59
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	290,553.81	770,703.84	174,479.76	132,250.07	337.96	165.54	1,368,490.98
	<u>UNPAID PREVIOUS PERIOD</u>						
Fire	0.00	347,434.00	182,922.00	35,433.00	270.00	0.00	566,059.00
Other Allied Lines	0.00	55,720.00	16,167.00	4,311.00	0.00	0.00	76,198.00
Crime	0.00	54.00	0.00	0.00	0.00	0.00	54.00
Total	0.00	403,208.00	199,089.00	39,744.00	270.00	0.00	642,311.00
	<u>UNPAID CURRENT PERIOD</u>						
Fire	193,743.00	59,742.00	6,027.00	246.00	0.00	0.00	259,758.00
Other Allied Lines	24,593.00	7,536.00	16.00	164.00	0.00	0.00	32,309.00
Crime	33.00	0.00	0.00	0.00	0.00	0.00	33.00
Total	218,369.00	67,278.00	6,043.00	410.00	0.00	0.00	292,100.00
	<u>LOSS ADJUSTMENT EXPENSES INCURRED</u>						
Fire	352,992.17	172,573.32	(22,444.95)	26,699.35	67.96	165.54	530,053.39
Other Allied Lines	155,897.64	262,254.52	3,878.71	66,216.72	0.00	0.00	488,247.59
Crime	33.00	(54.00)	0.00	0.00	0.00	0.00	(21.00)
Total	508,922.81	434,773.84	(18,566.24)	92,916.07	67.96	165.54	1,018,279.98

## EXHIBIT 8

**PENNSYLVANIA FAIR PLAN****Report of Catastrophe Losses  
For the Quarter Ending December 31, 2006**

<u>Catastrophe Number</u>	<u>Policy Year</u>	<u>Date of Loss</u>	<u>Line of Business</u>	<u>Unpaid Losses</u>	<u>Losses Paid</u>	<u>Allocated Unpaid Loss Adjustment Expense</u>	<u>Loss Adjustment Expenses Paid</u>
01	2003	08/01/2004	Other	0.00	0.00	0.00	5,635.55
59	2005	01/18/2006	Other	0.00	164.75	0.00	232.00
77	2005	06/25/2006	Other	0.00	5,628.34	0.00	624.00
78	2005	07/18/2006	Other	0.00	5,396.97	0.00	1,024.00
89	2005	12/01/2006	Other	2,400.00	677.45	120.00	134.50
77	2006	06/25/2006	Other	0.00	0.00	0.00	744.00
78	2006	07/18/2006	Other	0.00	3,045.64	0.00	346.00
89	2006	12/01/2006	Other	20,200.00	14,616.20	1,010.00	2,119.38
<b>TOTAL</b>				<b>22,600.00</b>	<b>29,529.35</b>	<b>1,130.00</b>	<b>10,859.43</b>