

EXHIBIT 1**PENNSYLVANIA FAIR PLAN****Statement of Assets, Liabilities and Members' Equity at
June 30, 2008**

	LEDGER ASSETS	ASSETS NOT ADMITTED	NET ADMITTED ASSETS
<u>ASSETS</u>			
Cash	1,623,000.96	0.00	1,623,000.96
Investments	12,620,637.86	0.00	12,620,637.86
Due from Participating Members	0.00	0.00	0.00
Accrued Investment Income	0.00	0.00	0.00
Premiums Receivable	22,801.93	12,421.50	10,380.43
Other Receivables	45,222.33	0.00	45,222.33
Pre-paid Premium Tax	169,104.64	169,104.64	0.00
Pre-paid Expenses	187,576.69	187,576.69	0.00
Furniture & Equipment	167,452.51	167,452.51	0.00
Data Processing Equipment	31,816.16	31,816.16	0.00
Other Assets	0.00	0.00	0.00
TOTAL ASSETS	14,867,613.08	568,371.50	14,299,241.58
<u>LIABILITIES</u>			
Unpaid Losses (Incl. I.B.N.R.)			1,751,957.00
Unpaid Loss Adjustment Expenses			337,068.00
Unpaid Underwriting Expenses			58,425.00
Unpaid Post Retirement Benefits (Medical)			942,115.00
Unpaid Post Retirement Benefits (Pension)			43,109.00
Unearned Premiums			5,445,033.00
Unearned Advance Premiums			317,704.00
Claims Checks Payable			379,495.70
Amounts Withheld for Accounts of Others			110,177.64
Unpaid Premium Tax			0.00
TOTAL LIABILITIES			9,385,084.34
<u>MEMBERS' EQUITY</u>			
Members' Equity (Deficit)			4,914,157.24
TOTAL LIABILITIES & MEMBERS' EQUITY			14,299,241.58

EXHIBIT 2

PENNSYLVANIA FAIR PLAN
Income Statement for the Quarter and Year to Date Ending
June 30, 2008

	Quarter	Year
	<u>04/01/ - 06/30/2008</u>	<u>01/01/ - 06/30/2008</u>
<u>UNDERWRITING INCOME</u>		
Premiums Written	2,705,540.00	5,252,918.00
Change in Unearned Premiums	54,727.00	343,586.00
Premiums Earned	<u>2,760,267.00</u>	<u>5,596,504.00</u>
<u>DEDUCTIONS</u>		
Losses Incurred	843,057.83	2,512,899.15
Loss Adjustment Expenses Incurred	177,523.59	566,363.67
Other Underwriting Expenses Incurred	939,036.15	1,941,225.16
Post Retirement Benefits Incurred	108,845.23	214,163.07
Premium Tax Incurred	54,110.80	105,058.36
Total Underwriting Deductions	<u>2,122,573.60</u>	<u>5,339,709.41</u>
Net Underwriting Profit or Loss	637,693.40	256,794.59
<u>OTHER INCOME OR OUTGO</u>		
Net Investment Income	91,230.80	219,992.69
Other Income	9,079.76	6,477.12
Premiums/Assessments Charged-Off	(718.40)	(844.20)
Total Other Income or Outgo	<u>99,592.16</u>	<u>225,625.61</u>
Net Result of Operations	737,285.56	482,420.20
<u>EQUITY ACCOUNT</u>		
Beginning Members' Equity	4,206,220.87	4,651,869.07
Net Result of Operations	737,285.56	482,420.20
Change in Assets Not Admitted	(29,349.19)	(220,132.03)
Change in Post Retirement Benefits (Pension)	0.00	0.00
Assessment of Policy Year	0.00	0.00
Distribution of Policy Year	0.00	0.00
Policy Year Closeout	0.00	0.00
Assessments Charged-Off	0.00	0.00
Distributions Charged-Off	0.00	0.00
MEMBERS' EQUITY (DEFICIT)	<u><u>4,914,157.24</u></u>	<u><u>4,914,157.24</u></u>

EXHIBIT 3**PENNSYLVANIA FAIR PLAN****Reconciliation of Ledger Assets As of****June 30, 2008****INCREASE IN LEDGER ASSETS**

Premiums Written	5,252,918.00
Other Income	6,477.12
Investment Income	219,992.69
Unearned Advance Premiums	26,621.00
Amounts Withheld for Accounts of Others	0.00
Claims Checks Payable	0.00
Premiums Charged-Off	0.00
Assessments/Distributions to Members Charged-Off	0.00
Assessment of Policy Year	0.00
Policy Year Closeout	0.00
TOTAL	5,506,008.81

DECREASE IN LEDGER ASSETS

Other Income	0.00
Losses Paid	2,555,012.15
Loss Adjustment Expenses Paid	571,525.67
Other Expenses Paid	2,302,715.59
Unearned Advance Premiums	0.00
Amounts Withheld for Accounts of Others	41,931.43
Claims Checks Payable	125,744.91
Premiums Charged-Off	844.20
Assessments/Distributions to Members Charged-Off	0.00
Distribution of Policy Year	0.00
Policy Year Closeout	0.00
TOTAL	5,597,773.95

Increase(Decrease) in Ledger Assets	(91,765.14)
Ledger Assets at 12/31/2007	14,959,378.22
Ledger Assets at 06/30/2008	14,867,613.08

EXHIBIT 5A

PENNSYLVANIA FAIR PLAN
Members' Account by Policy Year for the Quarter Ending
June 30, 2008

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>
Premiums Written	2,710,582.00	(5,042.00)	0.00	0.00	0.00	0.00	2,705,540.00
Other Income	9,079.76	0.00	0.00	0.00	0.00	0.00	9,079.76
Investment Income Received	91,230.80	0.00	0.00	0.00	0.00	0.00	91,230.80
Subtotal	2,810,892.56	(5,042.00)	0.00	0.00	0.00	0.00	2,805,850.56
EXPENSES PAID:							
Losses	118,351.16	1,147,593.20	65,945.47	0.00	0.00	0.00	1,331,889.83
Loss Adjustment Expenses	18,805.99	199,053.01	35,836.46	5,225.84	160.52	8,799.77	267,881.59
Other Underwriting Expenses	893,705.08	0.00	0.00	0.00	0.00	0.00	893,705.08
Premium Tax	54,211.64	(100.84)	0.00	0.00	0.00	0.00	54,110.80
Commissions	164,447.10	(311.80)	0.00	0.00	0.00	0.00	164,135.30
Premiums/Assessments Charged-off	0.00	718.80	(0.40)	0.00	0.00	0.00	718.40
Subtotal	1,249,520.97	1,346,952.37	101,781.53	5,225.84	160.52	8,799.77	2,712,441.00
BALANCE DUE COMPANIES	1,561,371.59	(1,351,994.37)	(101,781.53)	(5,225.84)	(160.52)	(8,799.77)	93,409.56
DEDUCT:							
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	(539,022.31)	0.00	0.00	0.00	0.00	0.00	(539,022.31)
Prior Pension	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	(539,022.31)	0.00	0.00	0.00	0.00	0.00	(539,022.31)
ADD:							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
Current Pension	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	1,532,022.40	(1,351,994.37)	(101,781.53)	(5,225.84)	(160.52)	(8,799.77)	64,060.37
DEDUCT:							
Current Unearned Premiums	4,074,403.00	1,370,630.00	0.00	0.00	0.00	0.00	5,445,033.00
Current Unpaid Losses (Incl. I.B.N.R.)	586,965.00	1,092,292.00	42,700.00	28,500.00	0.00	1,500.00	1,751,957.00
Current Unpaid Underwriting Expenses	58,425.00	0.00	0.00	0.00	0.00	0.00	58,425.00
Current Unpaid Post Retirement Benefits	985,224.00	0.00	0.00	0.00	0.00	0.00	985,224.00
Current Unpaid Loss Adjustment Expenses	112,929.00	210,152.00	8,215.00	5,483.00	0.00	289.00	337,068.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	5,817,946.00	2,673,074.00	50,915.00	33,983.00	0.00	1,789.00	8,577,707.00
ADD:							
Prior Unearned Premiums	2,339,216.00	3,160,544.00	0.00	0.00	0.00	0.00	5,499,760.00
Prior Unpaid Losses (Incl. I.B.N.R.)	92,500.00	1,989,839.00	128,450.00	28,500.00	0.00	1,500.00	2,240,789.00
Prior Unpaid Underwriting Expenses	68,384.00	0.00	0.00	0.00	0.00	0.00	68,384.00
Prior Unpaid Post Retirement Benefits	985,224.00	0.00	0.00	0.00	0.00	0.00	985,224.00
Prior Unpaid Loss Adjustment Expenses	17,644.00	379,558.00	24,502.00	5,436.00	0.00	286.00	427,426.00
Prior Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	3,502,968.00	5,529,941.00	152,952.00	33,936.00	0.00	1,786.00	9,221,583.00
Change in Post Retirement Benefits (Pension)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessment of Policy Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Policy Year Closeout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessments Charged-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions Charged-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET CHANGE IN MEMBERS' EQUITY	(782,955.60)	1,504,872.63	255.47	(5,272.84)	(160.52)	(8,802.77)	707,936.37

EXHIBIT 5B

PENNSYLVANIA FAIR PLAN

Members' Account by Policy Year for the Year to Date Ending

June 30, 2008

	2008	2007	2006	2005	2004	2003	TOTAL
Premiums Written	5,258,358.00	(5,440.00)	0.00	0.00	0.00	0.00	5,252,918.00
Other Income	6,477.12	0.00	0.00	0.00	0.00	0.00	6,477.12
Investment Income Received	219,992.69	0.00	0.00	0.00	0.00	0.00	219,992.69
Subtotal	5,484,827.81	(5,440.00)	0.00	0.00	0.00	0.00	5,479,387.81
EXPENSES PAID:							
Losses	121,061.41	2,200,904.42	221,218.32	(100.00)	0.00	11,928.00	2,555,012.15
Loss Adjustment Expenses	24,095.79	438,368.69	80,726.02	7,456.95	160.52	20,717.70	571,525.67
Other Underwriting Expenses	1,779,825.83	100,694.00	0.00	0.00	0.00	0.00	1,880,519.83
Premium Tax	105,167.16	(108.80)	0.00	0.00	0.00	0.00	105,058.36
Commissions	317,464.50	(327.10)	0.00	0.00	0.00	0.00	317,137.40
Premiums/Assessments Charged-off	0.00	844.90	(0.70)	0.00	0.00	0.00	844.20
Subtotal	2,347,614.69	2,740,376.11	301,943.64	7,356.95	160.52	32,645.70	5,430,097.61
BALANCE DUE COMPANIES	3,137,213.12	(2,745,816.11)	(301,943.64)	(7,356.95)	(160.52)	(32,645.70)	49,290.20
DEDUCT:							
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	0.00	(348,239.47)	0.00	0.00	0.00	0.00	(348,239.47)
Prior Pension		0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0.00	(348,239.47)	0.00	0.00	0.00	0.00	(348,239.47)
ADD:							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
Current Pension	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	2,568,841.62	(2,397,576.64)	(301,943.64)	(7,356.95)	(160.52)	(32,645.70)	(170,841.83)
DEDUCT:							
Current Unearned Premiums	4,074,403.00	1,370,630.00	0.00	0.00	0.00	0.00	5,445,033.00
Current Unpaid Losses (Incl. I.B.N.R.)	586,965.00	1,092,292.00	42,700.00	28,500.00	0.00	1,500.00	1,751,957.00
Current Unpaid Underwriting Expenses	58,425.00	0.00	0.00	0.00	0.00	0.00	58,425.00
Current Unpaid Post Retirement Benefits	985,224.00	0.00	0.00	0.00	0.00	0.00	985,224.00
Current Unpaid Loss Adjustment Expenses	112,929.00	210,152.00	8,215.00	5,483.00	0.00	289.00	337,068.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	5,817,946.00	2,673,074.00	50,915.00	33,983.00	0.00	1,789.00	8,577,707.00
ADD:							
Prior Unearned Premiums	0.00	5,788,619.00	0.00	0.00	0.00	0.00	5,788,619.00
Prior Unpaid Losses (Incl. I.B.N.R.)	0.00	1,344,570.00	418,500.00	28,500.00	0.00	2,500.00	1,794,070.00
Prior Unpaid Underwriting Expenses	0.00	100,694.00	0.00	0.00	0.00	0.00	100,694.00
Prior Unpaid Post Retirement Benefits	0.00	985,224.00	0.00	0.00	0.00	0.00	985,224.00
Prior Unpaid Loss Adjustment Expenses	0.00	256,485.00	79,831.00	5,437.00	0.00	477.00	342,230.00
Prior Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	0.00	8,475,592.00	498,331.00	33,937.00	0.00	2,977.00	9,010,837.00
Change in Post Retirement Benefits (Pension)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessment of Policy Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Policy Year Closeout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessments Charged-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions Charged-Off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET CHANGE IN MEMBERS' EQUITY	(3,249,104.38)	3,404,941.36	145,472.36	(7,402.95)	(160.52)	(31,457.70)	262,288.17

EXHIBIT 5C

PENNSYLVANIA FAIR PLAN

Members' Account for Active Policy Years @

June 30, 2008

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>
Premiums Written	5,258,358.00	11,466,251.00	13,048,925.00	13,695,625.00	13,583,775.00	12,861,458.00	69,914,392.00
Other Income	6,477.12	(2,815.26)	4,661.56	33,514.85	55,015.35	80,667.71	177,521.33
Investment Income Received	219,992.69	571,916.77	458,992.55	270,882.82	72,562.64	19,356.83	1,613,704.30
Subtotal	5,484,827.81	12,035,352.51	13,512,579.11	14,000,022.67	13,711,352.99	12,961,482.54	71,705,617.63
EXPENSES PAID:							
Losses	121,061.41	3,677,483.52	5,805,936.99	5,823,165.93	5,162,057.87	5,789,172.61	26,378,878.33
Loss Adjustment Expenses	24,095.79	727,468.85	1,090,244.14	1,271,536.61	1,305,289.57	1,406,239.48	5,824,874.44
Other Underwriting Expenses	1,779,825.83	3,860,822.30	3,782,128.87	3,780,208.57	3,644,615.91	3,540,611.81	20,388,213.29
Premium Tax	105,167.16	229,325.02	260,978.50	273,912.50	271,675.50	257,229.16	1,398,287.84
Commissions	317,464.50	705,107.63	826,129.60	888,933.30	899,008.60	847,942.00	4,484,585.63
Premiums/Assessments Charged-off	0.00	2,424.20	4,760.66	12,259.36	9,549.08	8,941.82	37,935.12
Subtotal	2,347,614.69	9,202,631.52	11,770,178.76	12,050,016.27	11,292,196.53	11,850,136.88	58,512,774.65
BALANCE DUE COMPANIES	3,137,213.12	2,832,720.99	1,742,400.35	1,950,006.40	2,419,156.46	1,111,345.66	13,192,842.98
ADD:							
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
Current Pension	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	(568,371.50)	0.00	0.00	0.00	0.00	0.00	(568,371.50)
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	2,568,841.62	2,832,720.99	1,742,400.35	1,950,006.40	2,419,156.46	1,111,345.66	12,624,471.48
DEDUCT:							
Current Unearned Premiums	4,074,403.00	1,370,630.00	0.00	0.00	0.00	0.00	5,445,033.00
Current Unpaid Losses (Incl. I.B.N.R.)	586,965.00	1,092,292.00	42,700.00	28,500.00	0.00	1,500.00	1,751,957.00
Current Unpaid Underwriting Expenses	58,425.00	0.00	0.00	0.00	0.00	0.00	58,425.00
Current Unpaid Post Retirement Benefits	985,224.00	0.00	0.00	0.00	0.00	0.00	985,224.00
Current Unpaid Loss Adjustment Expenses	112,929.00	210,152.00	8,215.00	5,483.00	0.00	289.00	337,068.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	5,817,946.00	2,673,074.00	50,915.00	33,983.00	0.00	1,789.00	8,577,707.00
Change in Post Retirement Benefits (Pension)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessment of Policy Year	0.00	0.00	1,676,780.35	0.00	0.00	0.00	1,676,780.35
Distribution of Policy Year	0.00	0.00	0.00	0.00	0.00	(850,000.00)	(850,000.00)
Policy Year Closeout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assessments Charged-Off	0.00	0.00	0.00	0.00	0.00	(7,080.78)	(7,080.78)
Distributions Charged-Off	0.00	0.00	0.00	0.00	0.00	47,693.19	47,693.19
NET CHANGE IN MEMBERS' EQUITY	<u>(3,249,104.38)</u>	<u>159,646.99</u>	<u>3,368,265.70</u>	<u>1,916,023.40</u>	<u>2,419,156.46</u>	<u>300,169.07</u>	<u>4,914,157.24</u>

EXHIBIT 6A

PENNSYLVANIA FAIR PLAN

Premium Statistics by Line of Business and Policy Year for the Quarter & Year to Date Ending
June 30, 2008

	<u>QUARTER</u>			<u>YEAR</u>		
	04/01/2008 - 06/30/2008			01/01/2008 - 06/30/2008		
	<u>2008</u>	<u>2007</u>	<u>TOTAL</u>	<u>2008</u>	<u>2007</u>	<u>TOTAL</u>
	<u>PREMIUMS WRITTEN</u>					
Fire	1,996,252.00	(3,848.00)	1,992,404.00	3,854,604.00	(10,770.00)	3,843,834.00
Other Allied Lines	710,155.00	(1,194.00)	708,961.00	1,394,982.00	5,330.00	1,400,312.00
Crime	4,175.00	0.00	4,175.00	8,772.00	0.00	8,772.00
Total	2,710,582.00	(5,042.00)	2,705,540.00	5,258,358.00	(5,440.00)	5,252,918.00
	<u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u>					
Fire	1,708,980.00	2,304,422.00	4,013,402.00	0.00	4,223,862.00	4,223,862.00
Other Allied Lines	626,073.00	850,945.00	1,477,018.00	0.00	1,555,162.00	1,555,162.00
Crime	4,163.00	5,177.00	9,340.00	0.00	9,595.00	9,595.00
Total	2,339,216.00	3,160,544.00	5,499,760.00	0.00	5,788,619.00	5,788,619.00
	<u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u>					
Fire	2,990,771.00	1,000,846.00	3,991,617.00	2,990,771.00	1,000,846.00	3,991,617.00
Other Allied Lines	1,076,983.00	367,642.00	1,444,625.00	1,076,983.00	367,642.00	1,444,625.00
Crime	6,649.00	2,142.00	8,791.00	6,649.00	2,142.00	8,791.00
Total	4,074,403.00	1,370,630.00	5,445,033.00	4,074,403.00	1,370,630.00	5,445,033.00
	<u>PREMIUMS EARNED</u>					
Fire	714,461.00	1,299,728.00	2,014,189.00	863,833.00	3,212,246.00	4,076,079.00
Other Allied Lines	259,245.00	482,109.00	741,354.00	317,999.00	1,192,850.00	1,510,849.00
Crime	1,689.00	3,035.00	4,724.00	2,123.00	7,453.00	9,576.00
Total	975,395.00	1,784,872.00	2,760,267.00	1,183,955.00	4,412,549.00	5,596,504.00

EXHIBIT 6B

PENNSYLVANIA FAIR PLAN

Premium Statistics by Class of Business and Policy Year for the Quarter & Year to Date Ending
June 30, 2008
For Terrorism Reporting Requirements Only

	<u>QUARTER</u>			<u>YEAR</u>		
	<u>04/01/2008 - 06/30/2008</u>			<u>01/01/2008 - 06/30/2008</u>		
	<u>2008</u>	<u>2007</u>	<u>TOTAL</u>	<u>2008</u>	<u>2007</u>	<u>TOTAL</u>
<u>PREMIUMS WRITTEN</u>						
Habitational (Owner Occupied)	1,658,785.00	(3,129.00)	1,655,656.00	3,316,456.00	(3,034.00)	3,313,422.00
Habitational (Non-Owner Occupied)	687,938.00	(1,306.00)	686,632.00	1,379,032.00	(1,662.00)	1,377,370.00
Commercial	363,859.00	(607.00)	363,252.00	562,870.00	(744.00)	562,126.00
Total	2,710,582.00	(5,042.00)	2,705,540.00	5,258,358.00	(5,440.00)	5,252,918.00
<u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u>						
Habitational (Owner Occupied)	1,491,928.00	2,016,520.00	3,508,448.00	0.00	3,592,928.00	3,592,928.00
Habitational (Non-Owner Occupied)	621,452.00	839,787.00	1,461,239.00	0.00	1,563,464.00	1,563,464.00
Commercial	225,836.00	304,237.00	530,073.00	0.00	632,227.00	632,227.00
Total	2,339,216.00	3,160,544.00	5,499,760.00	0.00	5,788,619.00	5,788,619.00
<u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u>						
Habitational (Owner Occupied)	2,600,467.00	875,225.00	3,475,692.00	2,600,467.00	875,225.00	3,475,692.00
Habitational (Non-Owner Occupied)	1,079,757.00	363,207.00	1,442,964.00	1,079,757.00	363,207.00	1,442,964.00
Commercial	394,179.00	132,198.00	526,377.00	394,179.00	132,198.00	526,377.00
Total	4,074,403.00	1,370,630.00	5,445,033.00	4,074,403.00	1,370,630.00	5,445,033.00
<u>PREMIUMS EARNED</u>						
Habitational (Owner Occupied)	550,246.00	1,138,166.00	1,688,412.00	715,989.00	2,714,669.00	3,430,658.00
Habitational (Non-Owner Occupied)	229,633.00	475,274.00	704,907.00	299,275.00	1,198,595.00	1,497,870.00
Commercial	195,516.00	171,432.00	366,948.00	168,691.00	499,285.00	667,976.00
Total	975,395.00	1,784,872.00	2,760,267.00	1,183,955.00	4,412,549.00	5,596,504.00
Premiums Earned for Terrorism Reporting	425,149.00	646,706.00	1,071,855.00	467,966.00	1,697,880.00	2,165,846.00

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

EXHIBIT 7A

PENNSYLVANIA FAIR PLAN

**Loss Statistics by Line of Business and Policy Year for the Quarter & Year to Date Ending
June 30, 2008**

**QUARTER
04/01/2008 - 06/30/2008**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>
	LOSSES PAID						
Fire	100,217.84	1,019,086.83	55,862.40	0.00	0.00	0.00	1,175,167.07
Other Allied Lines	18,133.32	128,506.37	10,083.07	0.00	0.00	0.00	156,722.76
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	118,351.16	1,147,593.20	65,945.47	0.00	0.00	0.00	1,331,889.83

	UNPAID PREVIOUS PERIOD (INCL. I.B.N.R.)						
Fire	65,500.00	1,727,244.00	112,050.00	28,000.00	0.00	500.00	1,933,294.00
Other Allied Lines	26,900.00	262,395.00	16,400.00	500.00	0.00	1,000.00	307,195.00
Crime	100.00	200.00	0.00	0.00	0.00	0.00	300.00
Total	92,500.00	1,989,839.00	128,450.00	28,500.00	0.00	1,500.00	2,240,789.00

	UNPAID CURRENT PERIOD (INCL. I.B.N.R.)						
Fire	489,165.00	889,047.00	34,800.00	28,000.00	0.00	500.00	1,441,512.00
Other Allied Lines	97,700.00	203,045.00	7,900.00	500.00	0.00	1,000.00	310,145.00
Crime	100.00	200.00	0.00	0.00	0.00	0.00	300.00
Total	586,965.00	1,092,292.00	42,700.00	28,500.00	0.00	1,500.00	1,751,957.00

	LOSSES INCURRED						
Fire	523,882.84	180,889.83	(21,387.60)	0.00	0.00	0.00	683,385.07
Other Allied Lines	88,933.32	69,156.37	1,583.07	0.00	0.00	0.00	159,672.76
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	612,816.16	250,046.20	(19,804.53)	0.00	0.00	0.00	843,057.83

**YEAR TO DATE
01/01/2008 - 06/30/2008**

	LOSSES PAID						
Fire	100,217.84	1,860,697.30	184,943.91	0.00	0.00	11,928.00	2,157,787.05
Other Allied Lines	20,843.57	340,207.12	36,274.41	(100.00)	0.00	0.00	397,225.10
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	121,061.41	2,200,904.42	221,218.32	(100.00)	0.00	11,928.00	2,555,012.15

	UNPAID PREVIOUS PERIOD (INCL. I.B.N.R.)						
Fire	0.00	1,174,873.00	351,200.00	28,000.00	0.00	1,500.00	1,555,573.00
Other Allied Lines	0.00	169,397.00	67,300.00	500.00	0.00	1,000.00	238,197.00
Crime	0.00	300.00	0.00	0.00	0.00	0.00	300.00
Total	0.00	1,344,570.00	418,500.00	28,500.00	0.00	2,500.00	1,794,070.00

	UNPAID CURRENT PERIOD (INCL. I.B.N.R.)						
Fire	489,165.00	889,047.00	34,800.00	28,000.00	0.00	500.00	1,441,512.00
Other Allied Lines	97,700.00	203,045.00	7,900.00	500.00	0.00	1,000.00	310,145.00
Crime	100.00	200.00	0.00	0.00	0.00	0.00	300.00
Total	586,965.00	1,092,292.00	42,700.00	28,500.00	0.00	1,500.00	1,751,957.00

	LOSSES INCURRED						
Fire	589,382.84	1,574,871.30	(131,456.09)	0.00	0.00	10,928.00	2,043,726.05
Other Allied Lines	118,543.57	373,855.12	(23,125.59)	(100.00)	0.00	0.00	469,173.10
Crime	100.00	(100.00)	0.00	0.00	0.00	0.00	0.00
Total	708,026.41	1,948,626.42	(154,581.68)	(100.00)	0.00	10,928.00	2,512,899.15

	I.B.N.R. (CURRENT PERIOD)						
Fire	58,900.00	59,500.00	0.00	0.00	0.00	0.00	118,400.00
Other Allied Lines	21,100.00	21,900.00	0.00	0.00	0.00	0.00	43,000.00
Crime	100.00	200.00	0.00	0.00	0.00	0.00	300.00
Total	80,100.00	81,600.00	0.00	0.00	0.00	0.00	161,700.00

EXHIBIT 7B

PENNSYLVANIA FAIR PLAN**Loss Adjustment Statistics by Line of Business and Policy Year for the Quarter & Year to Date Ending
June 30, 2008****QUARTER****04/01/2008 - 06/30/2008**

	2008	2007	2006	2005	2004	2003	TOTAL
LOSS ADJUSTMENT EXPENSES PAID							
Fire	10,254.95	109,117.19	20,669.05	219.81	160.52	8,700.23	149,121.75
Other Allied Lines	8,551.04	89,935.82	15,167.41	5,006.03	0.00	99.54	118,759.84
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	18,805.99	199,053.01	35,836.46	5,225.84	160.52	8,799.77	267,881.59
UNPAID PREVIOUS PERIOD							
Fire	12,494.00	329,469.00	21,374.00	5,341.00	0.00	95.00	368,773.00
Other Allied Lines	5,131.00	50,051.00	3,128.00	95.00	0.00	191.00	58,596.00
Crime	19.00	38.00	0.00	0.00	0.00	0.00	57.00
Total	17,644.00	379,558.00	24,502.00	5,436.00	0.00	286.00	427,426.00
UNPAID CURRENT PERIOD							
Fire	94,113.00	171,049.00	6,695.00	5,386.00	0.00	97.00	277,340.00
Other Allied Lines	18,797.00	39,064.00	1,520.00	97.00	0.00	192.00	59,670.00
Crime	19.00	39.00	0.00	0.00	0.00	0.00	58.00
Total	112,929.00	210,152.00	8,215.00	5,483.00	0.00	289.00	337,068.00
LOSS ADJUSTMENT EXPENSES INCURRED							
Fire	91,873.95	(49,302.81)	5,990.05	264.81	160.52	8,702.23	57,688.75
Other Allied Lines	22,217.04	78,948.82	13,559.41	5,008.03	0.00	100.54	119,833.84
Crime	0.00	1.00	0.00	0.00	0.00	0.00	1.00
Total	114,090.99	29,647.01	19,549.46	5,272.84	160.52	8,802.77	177,523.59

YEAR TO DATE**01/01/2008 - 06/30/2008**

	2008	2007	2006	2005	2004	2003	TOTAL
LOSS ADJUSTMENT EXPENSES PAID							
Fire	10,254.95	238,081.22	42,795.64	1,785.48	160.52	20,445.05	313,522.86
Other Allied Lines	13,840.84	200,287.47	37,930.38	5,671.47	0.00	272.65	258,002.81
Crime	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	24,095.79	438,368.69	80,726.02	7,456.95	160.52	20,717.70	571,525.67
UNPAID PREVIOUS PERIOD							
Fire	0.00	224,113.00	66,993.00	5,341.00	0.00	286.00	296,733.00
Other Allied Lines	0.00	32,314.00	12,838.00	96.00	0.00	191.00	45,439.00
Crime	0.00	58.00	0.00	0.00	0.00	0.00	58.00
Total	0.00	256,485.00	79,831.00	5,437.00	0.00	477.00	342,230.00
UNPAID CURRENT PERIOD							
Fire	94,113.00	171,049.00	6,695.00	5,386.00	0.00	97.00	277,340.00
Other Allied Lines	18,797.00	39,064.00	1,520.00	97.00	0.00	192.00	59,670.00
Crime	19.00	39.00	0.00	0.00	0.00	0.00	58.00
Total	112,929.00	210,152.00	8,215.00	5,483.00	0.00	289.00	337,068.00
LOSS ADJUSTMENT EXPENSES INCURRED							
Fire	104,367.95	185,017.22	(17,502.36)	1,830.48	160.52	20,256.05	294,129.86
Other Allied Lines	32,637.84	207,037.47	26,612.38	5,672.47	0.00	273.65	272,233.81
Crime	19.00	(19.00)	0.00	0.00	0.00	0.00	0.00
Total	137,024.79	392,035.69	9,110.02	7,502.95	160.52	20,529.70	566,363.67

EXHIBIT 8

PENNSYLVANIA
Report of Catastrophe Losses for the Quarter Ending
June 30, 2008

Cat #	Policy Year	Date of Loss	Line of Business	Unpaid Losses	Paid Losses	Alloc. Unpaid LAE	Paid Loss Adjustment Expenses
89	2005	12/01/2006	Other	500	0.00	25	4,372.24
94	2006	02/14/2007	Other	500	0.00	25	345.00
98	2006	04/15/2007	Other	0	1,200.00	0	1,367.76
30	2007	03/08/2008	Other	1,000	27,074.00	50	7,436.00
98	2007	04/15/2007	Other	500	0.00	25	3,004.94
30	2008	03/08/2008	Other	1,000	3,675.97	50	1,155.75
TOTAL				3,500	31,949.97	175	17,681.69