

PENNSYLVANIA FAIR PLAN

EXHIBIT 1

Statement of Assets, Liabilities and Members' Equity At September 30, 2004

	<u>LEDGER ASSETS</u>	<u>ASSETS NOT ADMITTED</u>	<u>NET ADMITTED ASSETS</u>
<u>ASSETS</u>			
Cash	5,677,939.99	0.00	5,677,939.99
Investments	4,350,784.90	0.00	4,350,784.90
Due from Participating Members	0.00	0.00	0.00
Accrued Investment Income	0.00	0.00	0.00
Premiums Receivable	42,994.40	26,850.90	16,143.50
Other Receivables	62,135.14	0.00	62,135.14
Pre-paid Premium Tax	22,903.94	0.00	22,903.94
Pre-paid Expenses	86,518.26	86,518.26	0.00
Furniture & Equipment	214,593.08	214,593.08	0.00
Data Processing Equipment	44,800.03	44,800.03	0.00
Other Assets	4,511.72	4,511.72	0.00
TOTAL ASSETS	<u>10,507,181.46</u>	<u>377,273.99</u>	<u>10,129,907.47</u>
<u>LIABILITIES</u>			
Unpaid Losses (Incl. I.B.N.R.)			2,834,266.00
Unpaid Loss Adjustment Expenses			415,467.00
Unpaid Underwriting Expenses			90,915.00
Unpaid Post Retirement Benefits			2,341,307.00
Unearned Premiums			6,894,059.00
Unearned Advance Premiums			346,598.00
Claims Checks Payable			514,482.23
Amounts Withheld for Accounts of Others			151,697.30
Unpaid Premium Tax			<u>0.00</u>
TOTAL LIABILITIES			13588791.53
<u>MEMBERS' EQUITY</u>			
Members' Equity (Deficit)			<u>(3,458,884.06)</u>
TOTAL LIABILITIES & MEMBERS' EQUITY			<u>10,129,907.47</u>

PENNSYLVANIA FAIR PLAN

EXHIBIT 2

Income Statement for the Quarter and Year to Date Ending September 30, 2004

	<u>Quarter</u>	<u>Year</u>
	<u>07/01/ - 09/30/2004</u>	<u>01/01/ - 09/30/2004</u>
<u>UNDERWRITING INCOME</u>		
Premiums Written	3,471,302.00	10,111,303.00
Change in Unearned Premiums	(171,921.00)	(350,072.00)
Premiums Earned	<u>3,299,381.00</u>	<u>9,761,231.00</u>
<u>DEDUCTIONS</u>		
Losses Incurred	1,940,919.95	4,815,927.41
Loss Adjustment Expenses Incurred	427,966.12	1,049,565.28
Other Underwriting Expenses Incurred	1,062,687.33	3,253,313.94
Post Retirement Benefits Incurred	111,149.94	202,524.94
Premium Tax Incurred	69,426.04	202,226.06
Total Underwriting Deductions	<u>3,612,149.38</u>	<u>9,523,557.63</u>
Net Underwriting Profit or Loss	(312,768.38)	237,673.37
<u>OTHER INCOME OR OUTGO</u>		
Net Investment Income	10,646.21	24,346.56
Other Income	15,286.68	46,057.94
Premiums/Assessments Charged-Off	(2,870.80)	(22,248.15)
Total Other Income or Outgo	<u>23,062.09</u>	<u>48,156.35</u>
Net Result of Operations	(289,706.29)	285,829.72
<u>EQUITY ACCOUNT</u>		
Beginning Members' Equity	(3,124,876.62)	(3,764,621.93)
Net Result of Operations	(289,706.29)	285,829.72
Change in Assets Not Admitted	(44,301.15)	19,908.15
Distribution of Policy Year 2001	0.00	0.00
Distribution of Policy Year 2002	0.00	0.00
Distribution of Policy Year 2003	<u>0.00</u>	<u>0.00</u>
MEMBERS' EQUITY (DEFICIT)	<u>(3,458,884.06)</u>	<u>(3,458,884.06)</u>

PENNSYLVANIA FAIR PLAN

EXHIBIT 3

Reconciliation of Ledger Assets As of September 30, 2004

INCREASE IN LEDGER ASSETS

Premiums Written	10,111,303.00
Other Income	46,057.94
Investment Income	24,346.56
Unearned Advance Premiums	101,231.00
Amounts Withheld for Accounts of Others	0.00
Claims Checks Payable	0.00
Premiums/Assessments Charged-Off	0.00
TOTAL	<u>10,282,938.50</u>

DECREASE IN LEDGER ASSETS

Other Income	0.00
Losses Paid	4,166,536.41
Loss Adjustment Expenses Paid	928,336.28
Other Expenses Paid	3,681,777.62
Unearned Advance Premiums	0.00
Amounts Withheld for Accounts of Others	17,601.78
Claims Checks Payable	30,484.06
Premiums/Assessments Charged-Off	22,248.15
Distribution of Policy Year 2001	0.00
Distribution of Policy Year 2002	0.00
Distribution of Policy Year 2003	0.00
TOTAL	<u>8,846,984.30</u>

Increase(Decrease) in Ledger Assets	1,435,954.20
Ledger Assets at 12/31/2003	9,071,227.26
Ledger Assets at 09/30/2004	<u>10,507,181.46</u>

PENNSYLVANIA FAIR PLAN

Members' Account by Policy Year For the Quarter Ending September 30, 2004

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	3,479,077.00	(7,775.00)	0.00	0.00	3,471,302.00
Other Income	15,286.68	0.00	0.00	0.00	15,286.68
Investment Income Received	10,646.21	0.00	0.00	0.00	10,646.21
Subtotal	3,505,009.89	(7,775.00)	0.00	0.00	3,497,234.89
<u>EXPENSES PAID:</u>					
Losses	211,796.09	1,063,920.20	19,103.79	(4,961.13)	1,289,858.95
Loss Adjustment Expenses	90,458.22	194,602.61	4,090.22	4,036.07	293,187.12
Other Underwriting Expenses	867,107.17	0.00	0.00	0.00	867,107.17
Premium Tax	69,581.54	(155.50)	0.00	0.00	69,426.04
Commissions	225,515.10	(495.00)	0.00	0.00	225,020.10
Premiums/Assessments Charged-off	2,762.60	108.20	0.00	0.00	2,870.80
Subtotal	1,467,220.72	1,257,980.51	23,194.01	(925.06)	2,747,470.18
BALANCE DUE COMPANIES	2,037,789.17	(1,265,755.51)	(23,194.01)	925.06	749,764.71
<u>DEDUCT:</u>					
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	(332,972.84)	0.00	0.00	0.00	(332,972.84)
Subtotal	(332,972.84)	0.00	0.00	0.00	(332,972.84)
<u>ADD:</u>					
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(377,273.99)	0.00	0.00	0.00	(377,273.99)
Subtotal	(377,273.99)	0.00	0.00	0.00	(377,273.99)
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	1,993,488.02	(1,265,755.51)	(23,194.01)	925.06	705,463.56
<u>DEDUCT:</u>					
Current Unearned Premiums	6,500,544.00	393,515.00	0.00	0.00	6,894,059.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,557,198.00	1,274,568.00	2,000.00	500.00	2,834,266.00
Current Unpaid Underwriting Expenses	90,915.00	0.00	0.00	0.00	90,915.00
Current Unpaid Post Retirement Benefits	2,341,307.00	0.00	0.00	0.00	2,341,307.00
Current Unpaid Loss Adjustment Expenses	228,265.00	186,835.00	294.00	73.00	415,467.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00
Subtotal	10,718,229.00	1,854,918.00	2,294.00	573.00	12,576,014.00
<u>ADD:</u>					
Prior Unearned Premiums	5,126,061.00	1,596,077.00	0.00	0.00	6,722,138.00
Prior Unpaid Losses (Incl. I.B.N.R.)	359,165.00	1,795,040.00	28,500.00	500.00	2,183,205.00
Prior Unpaid Underwriting Expenses	64,532.00	0.00	0.00	0.00	64,532.00
Prior Unpaid Post Retirement Benefits	2,285,980.00	0.00	0.00	0.00	2,285,980.00
Prior Unpaid Loss Adjustment Expenses	46,176.00	230,783.00	3,665.00	64.00	280,688.00
Prior Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00
Subtotal	7,881,914.00	3,621,900.00	32,165.00	564.00	11,536,543.00
Distribution of Policy Year 2001	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year 2002	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year 2003	0.00	0.00	0.00	0.00	0.00
NET CHANGE IN MEMBERS' EQUITY	(842,826.98)	501,226.49	6,676.99	916.06	(334,007.44)

PENNSYLVANIA FAIR PLAN

Members' Account by Policy Year Year to Date Ending September 30, 2004

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	10,009,825.00	101,478.00	0.00	0.00	10,111,303.00
Other Income	44,471.94	1,586.00	0.00	0.00	46,057.94
Investment Income Received	24,346.56	0.00	0.00	0.00	24,346.56
Subtotal	10,078,643.50	103,064.00	0.00	0.00	10,181,707.50
<u>EXPENSES PAID:</u>					
Losses	460,200.91	3,387,209.36	331,618.20	(12,492.06)	4,166,536.41
Loss Adjustment Expenses	129,054.61	630,454.08	79,401.92	89,425.67	928,336.28
Other Underwriting Expenses	2,659,663.88	115,033.00	0.00	0.00	2,774,696.88
Premium Tax	200,196.50	31,718.24	0.00	0.00	231,914.74
Commissions	668,313.30	6,852.70	0.00	0.00	675,166.00
Premiums/Assessments Charged-off	2,762.60	4,197.72	0.00	15,287.83	22,248.15
Subtotal	4,120,191.80	4,175,465.10	411,020.12	92,221.44	8,798,898.46
BALANCE DUE COMPANIES	5,958,451.70	(4,072,401.10)	(411,020.12)	(92,221.44)	1,382,809.04
<u>DEDUCT:</u>					
Prior Investment Income Accrued	0.00	0.00	0.00	0.00	0.00
Prior Non-Admitted Assets	0.00	(397,182.14)	0.00	0.00	(397,182.14)
Subtotal	0.00	(397,182.14)	0.00	0.00	(397,182.14)
<u>ADD:</u>					
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(377,273.99)	0.00	0.00	0.00	(377,273.99)
Subtotal	(377,273.99)	0.00	0.00	0.00	(377,273.99)
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	5,581,177.71	(3,675,218.96)	(411,020.12)	(92,221.44)	1,402,717.19
<u>DEDUCT:</u>					
Current Unearned Premiums	6,500,544.00	393,515.00	0.00	0.00	6,894,059.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,557,198.00	1,274,568.00	2,000.00	500.00	2,834,266.00
Current Unpaid Underwriting Expenses	90,915.00	0.00	0.00	0.00	90,915.00
Current Unpaid Post Retirement Benefits	2,341,307.00	0.00	0.00	0.00	2,341,307.00
Current Unpaid Loss Adjustment Expenses	228,265.00	186,835.00	294.00	73.00	415,467.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00
Subtotal	10,718,229.00	1,854,918.00	2,294.00	573.00	12,576,014.00
<u>ADD:</u>					
Prior Unearned Premiums	0.00	6,543,987.00	0.00	0.00	6,543,987.00
Prior Unpaid Losses (Incl. I.B.N.R.)	0.00	1,742,435.00	426,940.00	15,500.00	2,184,875.00
Prior Unpaid Underwriting Expenses	0.00	115,033.00	0.00	0.00	115,033.00
Prior Unpaid Post Retirement Benefits	0.00	2,311,213.00	0.00	0.00	2,311,213.00
Prior Unpaid Loss Adjustment Expenses	0.00	234,655.00	57,496.00	2,087.00	294,238.00
Prior Unpaid Premium Tax	0.00	29,688.68	0.00	0.00	29,688.68
Subtotal	0.00	10,977,011.68	484,436.00	17,587.00	11,479,034.68
Distribution of Policy Year 2001	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year 2002	0.00	0.00	0.00	0.00	0.00
Distribution of Policy Year 2003	0.00	0.00	0.00	0.00	0.00
NET CHANGE IN MEMBERS' EQUITY	(5,137,051.29)	5,446,874.72	71,121.88	(75,207.44)	305,737.87

PENNSYLVANIA FAIR PLAN

Members' Account by Policy Year For Active Policy Years at September 30, 2004

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Premiums Written	10,009,825.00	12,862,335.00	12,109,324.00	11,309,536.00	46,291,020.00
Other Income	44,471.94	80,667.71	27,087.72	5,615.60	157,842.97
Investment Income Received	24,346.56	19,356.83	39,911.04	158,416.49	242,030.92
Subtotal	<u>10,078,643.50</u>	<u>12,962,359.54</u>	<u>12,176,322.76</u>	<u>11,473,568.09</u>	<u>46,690,893.89</u>
<u>EXPENSES PAID:</u>					
Losses	460,200.91	4,746,994.38	5,487,143.19	4,702,214.32	15,396,552.80
Loss Adjustment Expenses	129,054.61	871,304.70	902,901.58	851,081.58	2,754,342.47
Other Underwriting Expenses	2,659,663.88	3,540,611.81	3,303,371.86	3,414,976.31	12,918,623.86
Premium Tax	200,196.50	257,246.70	242,186.48	225,773.62	925,403.30
Commissions	668,313.30	847,987.70	798,235.90	721,782.60	3,036,319.50
Premiums/Assessments Charged-off	2,762.60	8,946.72	17,527.61	36,011.10	65,248.03
Subtotal	<u>4,120,191.80</u>	<u>10,273,092.01</u>	<u>10,751,366.62</u>	<u>9,951,839.53</u>	<u>35,096,489.96</u>
BALANCE DUE COMPANIES	5,958,451.70	2,689,267.53	1,424,956.14	1,521,728.56	11,594,403.93
<u>ADD:</u>					
Current Investment Income Accrued	0.00	0.00	0.00	0.00	0.00
Current Non-Admitted Assets	(377,273.99)	0.00	0.00	0.00	(377,273.99)
Subtotal	<u>(377,273.99)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(377,273.99)</u>
EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION	5,581,177.71	2,689,267.53	1,424,956.14	1,521,728.56	11,217,129.94
<u>DEDUCT:</u>					
Current Unearned Premiums	6,500,544.00	393,515.00	0.00	0.00	6,894,059.00
Current Unpaid Losses (Incl. I.B.N.R.)	1,557,198.00	1,274,568.00	2,000.00	500.00	2,834,266.00
Current Unpaid Underwriting Expenses	90,915.00	0.00	0.00	0.00	90,915.00
Current Unpaid Post Retirement Benefits	2,341,307.00	0.00	0.00	0.00	2,341,307.00
Current Unpaid Loss Adjustment Expenses	228,265.00	186,835.00	294.00	73.00	415,467.00
Current Unpaid Premium Tax	0.00	0.00	0.00	0.00	0.00
Subtotal	<u>10,718,229.00</u>	<u>1,854,918.00</u>	<u>2,294.00</u>	<u>573.00</u>	<u>12,576,014.00</u>
Distribution of Policy Year 2001	0.00	0.00	0.00	(1,000,000.00)	(1,000,000.00)
Distribution of Policy Year 2002	0.00	0.00	(250,000.00)	0.00	(250,000.00)
Distribution of Policy Year 2003	0.00	(850,000.00)	0.00	0.00	(850,000.00)
NET CHANGE IN MEMBERS' EQUITY	<u>(5,137,051.29)</u>	<u>(15,650.47)</u>	<u>1,172,662.14</u>	<u>521,155.56</u>	<u>(3,458,884.06)</u>

PENNSYLVANIA FAIR PLAN

EXHIBIT 6A

Premium Statistics by Line of Business and Policy Year For the Quarter and Year to Date Ending September 30, 2004

	<u>QUARTER</u> 07/01/2004 - 09/30/2004			<u>YEAR</u> 01/01/2004 - 09/30/2004		
	<u>PREMIUMS WRITTEN</u>					
	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>
Fire	2,584,815.00	(6,744.00)	2,578,071.00	7,434,552.00	74,992.00	7,509,544.00
Other Allied Lines	883,111.00	(1,031.00)	882,080.00	2,550,394.00	26,356.00	2,576,750.00
Crime	11,151.00	0.00	11,151.00	24,879.00	130.00	25,009.00
Total	3,479,077.00	(7,775.00)	3,471,302.00	10,009,825.00	101,478.00	10,111,303.00
	<u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u>					
Fire	3,812,936.00	1,175,066.00	4,988,002.00	0.00	4,827,945.00	4,827,945.00
Other Allied Lines	1,302,806.00	417,622.00	1,720,428.00	0.00	1,700,147.00	1,700,147.00
Crime	10,319.00	3,389.00	13,708.00	0.00	15,895.00	15,895.00
Total	5,126,061.00	1,596,077.00	6,722,138.00	0.00	6,543,987.00	6,543,987.00
	<u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u>					
Fire	4,833,893.00	289,603.00	5,123,496.00	4,833,893.00	289,603.00	5,123,496.00
Other Allied Lines	1,650,297.00	103,306.00	1,753,603.00	1,650,297.00	103,306.00	1,753,603.00
Crime	16,354.00	606.00	16,960.00	16,354.00	606.00	16,960.00
Total	6,500,544.00	393,515.00	6,894,059.00	6,500,544.00	393,515.00	6,894,059.00
	<u>PREMIUMS EARNED</u>					
Fire	1,563,858.00	878,719.00	2,442,577.00	2,600,659.00	4,613,334.00	7,213,993.00
Other Allied Lines	535,620.00	313,285.00	848,905.00	900,097.00	1,623,197.00	2,523,294.00
Crime	5,116.00	2,783.00	7,899.00	8,525.00	15,419.00	23,944.00
Total	2,104,594.00	1,194,787.00	3,299,381.00	3,509,281.00	6,251,950.00	9,761,231.00

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 September 30, 2004**

	<u>QUARTER</u>			<u>Year</u>		
	07/01/2004 - 09/30/2004			01/01/2004 - 09/30/2004		
	<u>PREMIUMS WRITTEN</u>					
	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>	<u>2004</u>	<u>2003</u>	<u>TOTAL</u>
Habitational (Owner Occupied)	2,192,105.00	(4,771.00)	2,187,334.00	6,044,926.00	63,305.00	6,108,231.00
Habitational (Non-Owner Occupied)	898,885.00	(1,988.00)	896,897.00	2,636,337.00	28,157.00	2,664,494.00
Commercial	388,087.00	(1,016.00)	387,071.00	1,328,562.00	10,016.00	1,338,578.00
Total	3,479,077.00	(7,775.00)	3,471,302.00	10,009,825.00	101,478.00	10,111,303.00
	<u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u>					
Habitational (Owner Occupied)	3,060,498.00	953,981.00	4,014,479.00	0.00	4,173,351.00	4,173,351.00
Habitational (Non-Owner Occupied)	1,401,111.00	436,167.00	1,837,278.00	0.00	1,744,250.00	1,744,250.00
Commercial	664,452.00	205,929.00	870,381.00	0.00	626,386.00	626,386.00
Total	5,126,061.00	1,596,077.00	6,722,138.00	0.00	6,543,987.00	6,543,987.00
	<u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u>					
Habitational (Owner Occupied)	4,097,521.00	248,158.00	4,345,679.00	4,097,521.00	248,158.00	4,345,679.00
Habitational (Non-Owner Occupied)	1,679,725.00	101,699.00	1,781,424.00	1,679,725.00	101,699.00	1,781,424.00
Commercial	723,298.00	43,658.00	766,956.00	723,298.00	43,658.00	766,956.00
Total	6,500,544.00	393,515.00	6,894,059.00	6,500,544.00	393,515.00	6,894,059.00
	<u>PREMIUMS EARNED</u>					
Habitational (Owner Occupied)	1,155,082.00	701,052.00	1,856,134.00	1,947,405.00	3,988,498.00	5,935,903.00
Habitational (Non-Owner Occupied)	620,271.00	332,480.00	952,751.00	956,612.00	1,670,708.00	2,627,320.00
Commercial	329,241.00	161,255.00	490,496.00	605,264.00	592,744.00	1,198,008.00
Total	2,104,594.00	1,194,787.00	3,299,381.00	3,509,281.00	6,251,950.00	9,761,231.00
Premiums Earned for Terrorism Reporting Requirements	949,512.00	493,735.00	1,443,247.00	1,561,876.00	2,263,452.00	3,825,328.00

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 and Year to Date Ending September 30, 2004**

QUARTER

07/01/2004 - 09/30/2004

	<u>LOSSES PAID</u>				
	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Fire	123,863.80	948,153.19	(4,255.65)	(4,489.59)	1,063,271.75
Other Allied Lines	87,932.29	115,767.01	23,359.44	(471.54)	226,587.20
Crime	0.00	0.00	0.00	0.00	0.00
Total	211,796.09	1,063,920.20	19,103.79	(4,961.13)	1,289,858.95

UNPAID PREVIOUS PERIOD (INCL. I.B.N.R.)

Fire	278,965.00	1,634,233.00	2,000.00	500.00	1,915,698.00
Other Allied Lines	80,100.00	160,607.00	26,500.00	0.00	267,207.00
Crime	100.00	200.00	0.00	0.00	300.00
Total	359,165.00	1,795,040.00	28,500.00	500.00	2,183,205.00

UNPAID CURRENT PERIOD (INCL. I.B.N.R.)

Fire	1,226,548.00	1,048,678.00	2,000.00	500.00	2,277,726.00
Other Allied Lines	330,450.00	225,790.00	0.00	0.00	556,240.00
Crime	200.00	100.00	0.00	0.00	300.00
Total	1,557,198.00	1,274,568.00	2,000.00	500.00	2,834,266.00

LOSSES INCURRED

Fire	1,071,446.80	362,598.19	(4,255.65)	(4,489.59)	1,425,299.75
Other Allied Lines	338,282.29	180,950.01	(3,140.56)	(471.54)	515,620.20
Crime	100.00	(100.00)	0.00	0.00	0.00
Total	1,409,829.09	543,448.20	(7,396.21)	(4,961.13)	1,940,919.95

YEAR TO DATE

01/01/2004 - 09/30/2004

LOSSES PAID

Fire	352,790.87	2,944,309.19	282,785.81	(9,448.55)	3,570,437.32
Other Allied Lines	107,410.04	431,213.85	46,278.46	(3,043.51)	581,858.84
Crime	0.00	11,686.32	2,553.93	0.00	14,240.25
Total	460,200.91	3,387,209.36	331,618.20	(12,492.06)	4,166,536.41

UNPAID PREVIOUS PERIOD (INCL. I.B.N.R.)

Fire	0.00	1,412,301.00	323,000.00	15,500.00	1,750,801.00
Other Allied Lines	0.00	323,834.00	100,940.00	0.00	424,774.00
Crime	0.00	6,300.00	3,000.00	0.00	9,300.00
Total	0.00	1,742,435.00	426,940.00	15,500.00	2,184,875.00

UNPAID CURRENT PERIOD (INCL. I.B.N.R.)

Fire	1,226,548.00	1,048,678.00	2,000.00	500.00	2,277,726.00
Other Allied Lines	330,450.00	225,790.00	0.00	0.00	556,240.00
Crime	200.00	100.00	0.00	0.00	300.00
Total	1,557,198.00	1,274,568.00	2,000.00	500.00	2,834,266.00

LOSSES INCURRED

Fire	1,579,338.87	2,580,686.19	(38,214.19)	(24,448.55)	4,097,362.32
Other Allied Lines	437,860.04	333,169.85	(54,661.54)	(3,043.51)	713,324.84
Crime	200.00	5,486.32	(446.07)	0.00	5,240.25
Total	2,017,398.91	2,919,342.36	(93,321.80)	(27,492.06)	4,815,927.41

I.B.N.R. (CURRENT PERIOD)

Fire	67,900.00	21,200.00	0.00	0.00	89,100.00
Other Allied Lines	23,600.00	7,600.00	0.00	0.00	31,200.00
Crime	200.00	100.00	0.00	0.00	300.00
Total	91,700.00	28,900.00	0.00	0.00	120,600.00

PENNSYLVANIA FAIR PLAN

EXHIBIT 7B

Loss Adjustment Statistics by Line of Business and Policy Year For the Quarter and Year to Date Ending September 30, 2004

QUARTER

07/01/2004 - 09/30/2004

LOSS ADJUSTMENT EXPENSES PAID

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>TOTAL</u>
Fire	27,333.00	127,802.49	1,445.27	4,036.07	160,616.83
Other Allied Lines	63,125.22	66,800.12	2,644.95	0.00	132,570.29
Crime	0.00	0.00	0.00	0.00	0.00
Total	<u>90,458.22</u>	<u>194,602.61</u>	<u>4,090.22</u>	<u>4,036.07</u>	<u>293,187.12</u>

UNPAID PREVIOUS PERIOD

Fire	35,865.00	210,110.00	257.00	64.00	246,296.00
Other Allied Lines	10,298.00	20,648.00	3,408.00	0.00	34,354.00
Crime	13.00	25.00	0.00	0.00	38.00
Total	<u>46,176.00</u>	<u>230,783.00</u>	<u>3,665.00</u>	<u>64.00</u>	<u>280,688.00</u>

UNPAID CURRENT PERIOD

Fire	179,796.00	153,722.00	294.00	73.00	333,885.00
Other Allied Lines	48,439.00	33,098.00	0.00	0.00	81,537.00
Crime	30.00	15.00	0.00	0.00	45.00
Total	<u>228,265.00</u>	<u>186,835.00</u>	<u>294.00</u>	<u>73.00</u>	<u>415,467.00</u>

LOSS ADJUSTMENT EXPENSES INCURRED

Fire	171,264.00	71,414.49	1,482.27	4,045.07	248,205.83
Other Allied Lines	101,266.22	79,250.12	(763.05)	0.00	179,753.29
Crime	17.00	(10.00)	0.00	0.00	7.00
Total	<u>272,547.22</u>	<u>150,654.61</u>	<u>719.22</u>	<u>4,045.07</u>	<u>427,966.12</u>

YEAR TO DATE

01/01/2004 - 09/30/2004

LOSS ADJUSTMENT EXPENSES PAID

Fire	51,585.37	383,543.87	58,691.16	88,577.48	582,397.88
Other Allied Lines	77,469.24	243,477.89	20,425.98	848.19	342,221.30
Crime	0.00	3,432.32	284.78	0.00	3,717.10
Total	<u>129,054.61</u>	<u>630,454.08</u>	<u>79,401.92</u>	<u>89,425.67</u>	<u>928,336.28</u>

UNPAID PREVIOUS PERIOD

Fire	0.00	190,195.00	43,499.00	2,087.00	235,781.00
Other Allied Lines	0.00	43,611.00	13,593.00	0.00	57,204.00
Crime	0.00	849.00	404.00	0.00	1,253.00
Total	<u>0.00</u>	<u>234,655.00</u>	<u>57,496.00</u>	<u>2,087.00</u>	<u>294,238.00</u>

UNPAID CURRENT PERIOD

Fire	179,796.00	153,722.00	294.00	73.00	333,885.00
Other Allied Lines	48,439.00	33,098.00	0.00	0.00	81,537.00
Crime	30.00	15.00	0.00	0.00	45.00
Total	<u>228,265.00</u>	<u>186,835.00</u>	<u>294.00</u>	<u>73.00</u>	<u>415,467.00</u>

LOSS ADJUSTMENT EXPENSES INCURRED

Fire	231,381.37	347,070.87	15,486.16	86,563.48	680,501.88
Other Allied Lines	125,908.24	232,964.89	6,832.98	848.19	366,554.30
Crime	30.00	2,598.32	(119.22)	0.00	2,509.10
Total	<u>357,319.61</u>	<u>582,634.08</u>	<u>22,199.92</u>	<u>87,411.67</u>	<u>1,049,565.28</u>

PENNSYLVANIA FAIR PLAN

EXHIBIT 8

Report of Catastrophe Losses For the Quarter Ending September 30, 2004

Catastrophe Number	Policy Year	Date of Loss	Line of Business	Unpaid Losses	Losses Paid	Allocated Unpaid Loss Adjustment Expense	Loss Adjustment Expenses Paid
01	2003	08/01/2004	Other	13,000.00	30.75	650.00	4,054.30
01	2004	08/01/2004	Other	28,700.00	10,743.51	1,435.00	5,459.25
18	2003	05/17/2004	Other	2,000.00	418.57	100.00	424.45
18	2004	05/17/2004	Other	3,000.00	0.00	150.00	548.50
19	2003	05/21/2004	Other	0.00	9,925.03	0.00	2,308.31
19	2004	05/21/2004	Other	0.00	4,901.99	0.00	1,578.45
21	2004	06/09/2004	Other	0.00	921.91	0.00	385.30
24	2003	07/12/2004	Other	5,000.00	916.51	250.00	3,393.28
24	2004	07/12/2004	Other	21,100.00	15,998.23	1,055.00	10,895.34
25	2003	08/10/2004	Other	1,000.00	0.00	50.00	711.59
25	2004	08/10/2004	Other	2,250.00	1,331.27	113.00	717.50
30	2003	09/17/2004	Other	18,000.00	0.00	900.00	0.00
30	2004	09/17/2004	Other	40,000.00	0.00	2,000.00	0.00
95	2003	09/18/2003	Other	0.00	28,747.43	0.00	2,708.25
96	2003	10/15/2003	Other	0.00	0.00	0.00	376.00
99	2003	11/12/2003	Other	0.00	0.00	0.00	335.00
TOTAL				134,050.00	73,935.20	6,703.00	33,895.52