

EXHIBIT 1**PENNSYLVANIA FAIR PLAN****Statement of Assets, Liabilities and Members' Equity at****December 31, 2013**

| | LEDGER ASSETS | ASSETS NOT ADMITTED | NET ADMITTED ASSETS |
|--|--------------------------|--------------------------------|--------------------------------|
| <u>ASSETS</u> | | | |
| Cash | 5,211,559.63 | 0.00 | 5,211,559.63 |
| Investments | 5,415,031.25 | 0.00 | 5,415,031.25 |
| Due from Participating Members | 0.00 | 0.00 | 0.00 |
| Accrued Investment Income | 0.00 | 0.00 | 0.00 |
| Premiums Receivable | 9,030.00 | 6,194.50 | 2,835.50 |
| Other Receivables | 248,251.39 | 0.00 | 248,251.39 |
| Pre-paid Premium Tax | 11,488.90 | 11,488.90 | 0.00 |
| Pre-paid Expenses | 133,151.40 | 133,151.40 | 0.00 |
| Pre-paid Pension | 1,002,626.00 | 1,002,626.00 | 0.00 |
| Furniture & Equipment | 52,845.86 | 52,845.86 | 0.00 |
| Data Processing Equipment | 42,386.18 | 3,475.45 | 38,910.73 |
| Other Assets | 0.00 | 0.00 | 0.00 |
| TOTAL ASSETS | 12,126,370.61 | 1,209,782.11 | 10,916,588.50 |
| <u>LIABILITIES</u> | | | |
| Unpaid Losses (Incl. I.B.N.R.) | | | 764,109.00 |
| Unpaid Loss Adjustment Expenses | | | 141,534.00 |
| Unpaid Underwriting Expenses | | | 89,950.00 |
| Unpaid Post Retirement Benefits (Medical) | | | 2,154,422.00 |
| Unpaid Post Retirement Benefits (Pension) | | | 1,526,431.00 |
| Unearned Premiums | | | 4,259,400.00 |
| Unearned Advance Premiums | | | 225,095.00 |
| Claims Checks Payable | | | 361,031.22 |
| Amounts Withheld for Accounts of Others | | | 141,874.71 |
| Unpaid Premium Tax | | | 0.00 |
| TOTAL LIABILITIES | | | 9,663,846.93 |
| <u>MEMBERS' EQUITY</u> | | | |
| Members' Equity (Deficit) | | | 1,252,741.57 |
| TOTAL LIABILITIES & MEMBERS' EQUITY | | | 10,916,588.50 |

EXHIBIT 2**PENNSYLVANIA FAIR PLAN****Income Statement for the Quarter and Year to Date Ending
December 31, 2013**

| | Quarter 10/01/ - 12/31/2013 | Year 01/01/ - 12/31/2013 |
|--|--|---|
| <u>UNDERWRITING INCOME</u> | | |
| Premiums Written | 2,129,233.00 | 8,284,436.00 |
| Change in Unearned Premiums | (84,343.00) | (70,159.00) |
| Premiums Earned | <u>2,044,890.00</u> | <u>8,214,277.00</u> |
| <u>DEDUCTIONS</u> | | |
| Losses Incurred | 937,405.66 | 3,874,597.49 |
| Loss Adjustment Expenses Incurred | 191,157.96 | 896,027.18 |
| Other Underwriting Expenses Incurred | 884,050.37 | 3,444,508.39 |
| Post Retirement Benefits Incurred | (854,458.24) | 727,966.66 |
| Premium Tax Incurred | 42,584.66 | 165,688.72 |
| Total Underwriting Deductions | <u>1,200,740.41</u> | <u>9,108,788.44</u> |
| Net Underwriting Profit or Loss | 844,149.59 | (894,511.44) |
| <u>OTHER INCOME OR OUTGO</u> | | |
| Net Investment Income | 134.85 | 540.79 |
| Other Income | (245.04) | 278.96 |
| Premiums/Assessments Charged-Off | (567.00) | (2,751.25) |
| Total Other Income or Outgo | <u>(677.19)</u> | <u>(1,931.50)</u> |
| Net Result of Operations | 843,472.40 | (896,442.94) |
| <u>EQUITY ACCOUNT</u> | | |
| Beginning Members' Equity | (1,978,040.08) | 1,259,670.39 |
| Net Result of Operations | 843,472.40 | (896,442.94) |
| Change in Assets Not Admitted | (1,017,043.75) | (70,528.88) |
| Change in Post Retirement Benefits (Pension) | 3,404,353.00 | 960,043.00 |
| 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>1,252,741.57</u></u> | <u><u>1,252,741.57</u></u> |

EXHIBIT 3**PENNSYLVANIA FAIR PLAN****Reconciliation of Ledger Assets As of
December 31, 2013****INCREASE IN LEDGER ASSETS**

| | |
|--|---------------------|
| Premiums Written | 8,284,436.00 |
| Other Income | 278.96 |
| Investment Income | 540.79 |
| Unearned Advance Premiums | 14,605.00 |
| Amounts Withheld for Accounts of Others | 16,652.83 |
| Claims Checks Payable | 85,170.72 |
| 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 | 8,401,684.30 |

DECREASE IN LEDGER ASSETS

| | |
|---|---------------------|
| Other Income | 0.00 |
| Losses Paid | 4,251,103.49 |
| Loss Adjustment Expenses Paid | 1,021,785.18 |
| Other Expenses Paid | 4,117,441.77 |
| Unearned Advance Premiums | 0.00 |
| Amounts Withheld for Accounts of Others | 0.00 |
| Claims Checks Payable | 0.00 |
| Premiums Charged-Off | 2,751.25 |
| Assessments/Distributions to Members Charged-Off | 0.00 |
| Distribution of Policy Year | 0.00 |
| Policy Year Closeout | 0.00 |
| * Adjustment for Prepaid Post Retirement Benefits | 0.00 |
| TOTAL | 9,393,081.69 |

| | |
|-------------------------------------|---------------|
| Increase(Decrease) in Ledger Assets | (991,397.39) |
| Ledger Assets at 12/31/2012 | 13,117,768.00 |
| Ledger Assets at 12/31/2013 | 12,126,370.61 |

* Adjusted to reflect the change in Accounting for Post Retirement Benefits per SAP 92 and SAP

EXHIBIT 4**PENNSYLVANIA FAIR PLAN****Statement of Expenses Incurred for the Year Ending****December 31, 2013**

| | <u>Loss Adjustment Expenses</u> | <u>Acquisition Expenses</u> | <u>Inspection Expenses</u> | <u>General Expenses</u> | <u>TOTAL</u> |
|------------------------------------|-------------------------------------|---------------------------------|--------------------------------|-------------------------|---------------------|
| Claim Adjustment Services | 477,063.63 | 0.00 | 0.00 | 0.00 | 477,063.63 |
| Commissions | 0.00 | 461,073.12 | 0.00 | 0.00 | 461,073.12 |
| Boards, Bureaus & Associations | 3,229.11 | 928.99 | 0.00 | 45,520.57 | 49,678.67 |
| Salaries | 302,432.84 | 727,437.87 | 0.00 | 889,090.73 | 1,918,961.44 |
| Employee Relations & Welfare | 161,506.95 | 388,785.22 | 0.00 | 475,181.94 | 1,025,474.11 |
| Insurance | 4,831.74 | 5,212.03 | 0.00 | 7,785.54 | 17,829.31 |
| Travel & Travel Items | 3,467.33 | 183.61 | 0.00 | 16,507.95 | 20,158.89 |
| Rent & Rent Items | 26,497.44 | 142,668.00 | 0.00 | 193,813.14 | 362,978.58 |
| Equipment | 1,937.46 | 27,579.77 | 0.00 | 47,981.25 | 77,498.48 |
| Printing & Stationery | 576.32 | 7,799.32 | 0.00 | 14,677.10 | 23,052.74 |
| Postage, Telephone, & Telegraph | 8,176.02 | 34,290.21 | 0.00 | 39,293.94 | 81,760.17 |
| Legal & Auditing | 1,336.72 | 3,544.99 | 0.00 | 48,587.15 | 53,468.86 |
| Payroll Taxes | 22,742.68 | 56,250.27 | 0.00 | 68,750.33 | 147,743.28 |
| Premium Taxes | 0.00 | 0.00 | 0.00 | 165,688.72 | 165,688.72 |
| State & Local Insurance Taxes | 0.00 | 0.00 | 0.00 | 1,316.25 | 1,316.25 |
| Miscellaneous | 7,986.94 | 13,981.70 | 0.00 | 79,229.66 | 101,198.30 |
| Advertising | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Inspections, Surveys, & Reports | 0.00 | 0.00 | 216,131.40 | 0.00 | 216,131.40 |
| TOTAL Expenses Paid | 1,021,785.18 | 1,869,735.10 | 216,131.40 | 2,093,424.27 | 5,201,075.95 |
| Add: Unpaid Expenses Current Year | 141,534.00 | 141,933.00 | 14,144.00 | 236,154.00 | 533,765.00 |
| Deduct: Unpaid Expenses Prior Year | 267,292.00 | 81,719.00 | 15,345.00 | 136,294.00 | 500,650.00 |
| Expenses Incurred | 896,027.18 | 1,929,949.10 | 214,930.40 | 2,193,284.27 | 5,234,190.95 |

EXHIBIT 5A

PENNSYLVANIA FAIR PLAN
Members' Account by Policy Year for the Quarter Ending
December 31, 2013

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | TOTAL |
|---|--------------------------|----------------------------|-------------------------|--------------------------|---------------------|--------------------------|----------------------------|
| Premiums Written | 2,129,612.00 | (379.00) | 0.00 | 0.00 | 0.00 | 0.00 | 2,129,233.00 |
| Other Income | (245.04) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (245.04) |
| Investment Income Received | 134.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 134.85 |
| Subtotal | <u>2,129,501.81</u> | <u>(379.00)</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>2,129,122.81</u> |
| EXPENSES PAID: | | | | | | | |
| Losses | 829,439.99 | 172,954.63 | 14,588.03 | (100.00) | 0.00 | (414.99) | 1,016,467.66 |
| Loss Adjustment Expenses | 137,736.90 | 55,387.49 | 22,075.55 | 5,928.88 | 0.00 | 8,996.14 | 230,124.96 |
| Other Underwriting Expenses | 894,011.13 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 894,011.13 |
| Premium Tax | 42,592.24 | (7.58) | 0.00 | 0.00 | 0.00 | 0.00 | 42,584.66 |
| Commissions | 116,205.20 | (23.20) | 0.00 | 0.00 | 0.00 | 0.00 | 116,182.00 |
| Premiums/Assessments Charged-off | 569.00 | (2.00) | 0.00 | 0.00 | 0.00 | 0.00 | 567.00 |
| Subtotal | <u>2,020,554.46</u> | <u>228,309.34</u> | <u>36,663.58</u> | <u>5,828.88</u> | <u>0.00</u> | <u>8,581.15</u> | <u>2,299,937.41</u> |
| BALANCE DUE COMPANIES | 108,947.35 | (228,688.34) | (36,663.58) | (5,828.88) | 0.00 | (8,581.15) | (170,814.60) |
| DEDUCT: | | | | | | | |
| Prior Investment Income Accrued | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Prior Non-Admitted Assets | (192,738.36) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (192,738.36) |
| Prior Pension | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | <u>(192,738.36)</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>(192,738.36)</u> |
| ADD: | | | | | | | |
| Current Investment Income Accrued | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Non-Admitted Assets | (1,209,782.11) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (1,209,782.11) |
| Current Pension | (2,375,946.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (2,375,946.00) |
| Subtotal | <u>(3,585,728.11)</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>(3,585,728.11)</u> |
| EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION | (3,284,042.40) | (228,688.34) | (36,663.58) | (5,828.88) | 0.00 | (8,581.15) | (3,563,804.35) |
| DEDUCT: | | | | | | | |
| Current Unearned Premiums | 4,259,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,259,400.00 |
| Current Unpaid Losses (Incl. I.B.N.R.) | 594,709.00 | 167,400.00 | 0.00 | 1,000.00 | 500.00 | 500.00 | 764,109.00 |
| Current Unpaid Underwriting Expenses | 89,950.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 89,950.00 |
| Current Unpaid Post Retirement Benefits | 302,281.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 302,281.00 |
| Current Unpaid Loss Adjustment Expenses | 110,156.00 | 31,007.00 | 0.00 | 185.00 | 93.00 | 93.00 | 141,534.00 |
| Current Unpaid Premium Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | <u>5,356,496.00</u> | <u>198,407.00</u> | <u>0.00</u> | <u>1,185.00</u> | <u>593.00</u> | <u>593.00</u> | <u>5,557,274.00</u> |
| ADD: | | | | | | | |
| Prior Unearned Premiums | 3,925,544.00 | 249,513.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,175,057.00 |
| Prior Unpaid Losses (Incl. I.B.N.R.) | 555,970.00 | 239,700.00 | 45,500.00 | 1,000.00 | 500.00 | 501.00 | 843,171.00 |
| Prior Unpaid Underwriting Expenses | 76,683.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 76,683.00 |
| Prior Unpaid Post Retirement Benefits | 4,632,138.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,632,138.00 |
| Prior Unpaid Loss Adjustment Expenses | 119,019.00 | 51,313.00 | 9,741.00 | 214.00 | 107.00 | 107.00 | 180,501.00 |
| Prior Unpaid Premium Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | <u>9,309,354.00</u> | <u>540,526.00</u> | <u>55,241.00</u> | <u>1,214.00</u> | <u>607.00</u> | <u>608.00</u> | <u>9,907,550.00</u> |
| Change in Post Retirement Benefits (Pension) | 0.00 | 2,444,310.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,444,310.00 |
| 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 | <u><u>668,815.60</u></u> | <u><u>2,557,740.66</u></u> | <u><u>18,577.42</u></u> | <u><u>(5,799.88)</u></u> | <u><u>14.00</u></u> | <u><u>(8,566.15)</u></u> | <u><u>3,230,781.65</u></u> |

EXHIBIT 5B

PENNSYLVANIA FAIR PLAN

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

December 31, 2013

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | TOTAL |
|---|-----------------------|---------------------|------------------|--------------------|--------------------|--------------------|-------------------|
| Premiums Written | 8,227,915.00 | 56,521.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,284,436.00 |
| Other Income | 278.96 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 278.96 |
| Investment Income Received | 540.79 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 540.79 |
| Subtotal | 8,228,734.75 | 56,521.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,285,255.75 |
| EXPENSES PAID: | | | | | | | |
| Losses | 1,215,248.50 | 2,762,219.46 | 270,573.61 | 7,359.63 | (416.67) | (3,881.04) | 4,251,103.49 |
| Loss Adjustment Expenses | 235,663.69 | 526,354.45 | 135,169.83 | 73,909.16 | 23,800.14 | 26,887.91 | 1,021,785.18 |
| Other Underwriting Expenses | 3,552,528.93 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3,552,528.93 |
| Premium Tax | 164,558.30 | 1,130.42 | 0.00 | 0.00 | 0.00 | 0.00 | 165,688.72 |
| Commissions | 457,844.53 | 3,228.59 | 0.00 | 0.00 | 0.00 | 0.00 | 461,073.12 |
| Premiums/Assessments Charged-off | 614.90 | 2,136.34 | 0.01 | 0.00 | 0.00 | 0.00 | 2,751.25 |
| Subtotal | 5,626,458.85 | 3,295,069.26 | 405,743.45 | 81,268.79 | 23,383.47 | 23,006.87 | 9,454,930.69 |
| BALANCE DUE COMPANIES | 2,602,275.90 | (3,238,548.26) | (405,743.45) | (81,268.79) | (23,383.47) | (23,006.87) | (1,169,674.94) |
| 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 | (1,139,253.23) | 0.00 | 0.00 | 0.00 | 0.00 | (1,139,253.23) |
| Prior Pension | 0.00 | (3,335,989.00) | 0.00 | 0.00 | 0.00 | 0.00 | (3,335,989.00) |
| Subtotal | 0.00 | (4,475,242.23) | 0.00 | 0.00 | 0.00 | 0.00 | (4,475,242.23) |
| ADD: | | | | | | | |
| Current Investment Income Accrued | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Non-Admitted Assets | (1,209,782.11) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (1,209,782.11) |
| Current Pension | (2,375,946.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (2,375,946.00) |
| Subtotal | (3,585,728.11) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (3,585,728.11) |
| EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION | (983,452.21) | 1,236,693.97 | (405,743.45) | (81,268.79) | (23,383.47) | (23,006.87) | (280,160.82) |
| DEDUCT: | | | | | | | |
| Current Unearned Premiums | 4,259,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,259,400.00 |
| Current Unpaid Losses (Incl. I.B.N.R.) | 594,709.00 | 167,400.00 | 0.00 | 1,000.00 | 500.00 | 500.00 | 764,109.00 |
| Current Unpaid Underwriting Expenses | 89,950.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 89,950.00 |
| Current Unpaid Post Retirement Benefits | 302,281.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 302,281.00 |
| Current Unpaid Loss Adjustment Expenses | 110,156.00 | 31,007.00 | 0.00 | 185.00 | 93.00 | 93.00 | 141,534.00 |
| Current Unpaid Premium Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | 5,356,496.00 | 198,407.00 | 0.00 | 1,185.00 | 593.00 | 593.00 | 5,557,274.00 |
| ADD: | | | | | | | |
| Prior Unearned Premiums | 0.00 | 4,189,241.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,189,241.00 |
| Prior Unpaid Losses (Incl. I.B.N.R.) | 0.00 | 701,487.00 | 400,128.00 | 37,000.00 | 1,000.00 | 1,000.00 | 1,140,615.00 |
| Prior Unpaid Underwriting Expenses | 0.00 | 99,898.00 | 0.00 | 0.00 | 0.00 | 0.00 | 99,898.00 |
| Prior Unpaid Post Retirement Benefits | 0.00 | 133,460.00 | 0.00 | 0.00 | 0.00 | 0.00 | 133,460.00 |
| Prior Unpaid Loss Adjustment Expenses | 0.00 | 164,386.00 | 93,767.00 | 8,671.00 | 234.00 | 234.00 | 267,292.00 |
| Prior Unpaid Premium Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | 0.00 | 5,288,472.00 | 493,895.00 | 45,671.00 | 1,234.00 | 1,234.00 | 5,830,506.00 |
| 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 | (6,339,948.21) | 6,326,758.97 | 88,151.55 | (36,782.79) | (22,742.47) | (22,365.87) | (6,928.82) |

EXHIBIT 5C

PENNSYLVANIA FAIR PLAN

**Members' Account for Active Policy Years @
December 31, 2013**

| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | TOTAL |
|---|-----------------------|---------------------|-----------------------|---------------------|-------------------|---------------------|---------------------|
| Premiums Written | 8,227,915.00 | 8,212,982.00 | 8,416,898.00 | 8,876,491.00 | 9,479,548.00 | 10,172,611.00 | 53,386,445.00 |
| Other Income | 278.96 | (468.50) | 316.42 | 1,183.70 | (253.85) | 7,054.29 | 8,111.02 |
| Investment Income Received | 540.79 | 5,252.03 | 12,306.77 | 26,641.52 | 29,868.68 | 369,637.19 | 444,246.98 |
| Subtotal | 8,228,734.75 | 8,217,765.53 | 8,429,521.19 | 8,904,316.22 | 9,509,162.83 | 10,549,302.48 | 53,838,803.00 |
| EXPENSES PAID: | | | | | | | |
| Losses | 1,215,248.50 | 3,716,183.45 | 4,217,680.12 | 3,845,240.81 | 3,916,807.62 | 4,176,875.49 | 21,088,035.99 |
| Loss Adjustment Expenses | 235,663.69 | 809,569.14 | 1,162,004.25 | 1,225,956.85 | 1,061,294.94 | 1,089,457.14 | 5,583,946.01 |
| Other Underwriting Expenses | 3,552,528.93 | 3,568,068.60 | 3,709,753.42 | 3,537,445.03 | 3,582,002.72 | 3,680,344.60 | 21,630,143.30 |
| Premium Tax | 164,558.30 | 164,259.64 | 168,337.96 | 177,529.82 | 189,590.96 | 203,452.22 | 1,067,728.90 |
| Commissions | 457,844.53 | 466,674.69 | 485,539.50 | 517,979.40 | 568,920.10 | 613,519.70 | 3,110,477.92 |
| Premiums/Assessments Charged-off | 614.90 | 7,525.31 | 2,062.09 | 628.90 | 2,312.50 | 1,704.14 | 14,847.84 |
| Subtotal | 5,626,458.85 | 8,732,280.83 | 9,745,377.34 | 9,304,780.81 | 9,320,928.84 | 9,765,353.29 | 52,495,179.96 |
| BALANCE DUE COMPANIES | 2,602,275.90 | (514,515.30) | (1,315,856.15) | (400,464.59) | 188,233.99 | 783,949.19 | 1,343,623.04 |
| ADD: | | | | | | | |
| Current Investment Income Accrued | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Non-Admitted Assets | (1,209,782.11) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (1,209,782.11) |
| Current Pension | (2,375,946.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (2,375,946.00) |
| Subtotal | (3,585,728.11) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (3,585,728.11) |
| EQUITY IN ASSETS OF UNDERWRITING ASSOCIATION | (983,452.21) | (514,515.30) | (1,315,856.15) | (400,464.59) | 188,233.99 | 783,949.19 | (2,242,105.07) |
| DEDUCT: | | | | | | | |
| Current Unearned Premiums | 4,259,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,259,400.00 |
| Current Unpaid Losses (Incl. I.B.N.R.) | 594,709.00 | 167,400.00 | 0.00 | 1,000.00 | 500.00 | 500.00 | 764,109.00 |
| Current Unpaid Underwriting Expenses | 89,950.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 89,950.00 |
| Current Unpaid Post Retirement Benefits | 302,281.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 302,281.00 |
| Current Unpaid Loss Adjustment Expenses | 110,156.00 | 31,007.00 | 0.00 | 185.00 | 93.00 | 93.00 | 141,534.00 |
| Current Unpaid Premium Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal | 5,356,496.00 | 198,407.00 | 0.00 | 1,185.00 | 593.00 | 593.00 | 5,557,274.00 |
| 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 | 5,769,959.58 | 500,000.00 | 2,718,528.98 | 8,988,488.56 |
| 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 | (2,395.23) | (2,395.23) |
| Distributions Charged-Off | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 66,027.31 | 66,027.31 |
| NET CHANGE IN MEMBERS' EQUITY | (6,339,948.21) | (712,922.30) | (1,315,856.15) | 5,368,309.99 | 687,640.99 | 3,565,517.25 | 1,252,741.57 |

EXHIBIT 6A

PENNSYLVANIA FAIR PLAN

**Premium Statistics by Line of Business and Policy Year for the Quarter & Year to Date Ending
December 31, 2013**

| | <u>QUARTER</u> 10/01/2013 - 12/31/2013 | | | <u>YEAR</u> 01/01/2013 - 12/31/2013 | | |
|--------------------|--|--------------------|---------------------|--|---------------------|---------------------|
| | <u>2013</u> | <u>2012</u> | <u>TOTAL</u> | <u>2013</u> | <u>2012</u> | <u>TOTAL</u> |
| | <u>PREMIUMS WRITTEN</u> | | | | | |
| Fire | 1,626,597.00 | (284.00) | 1,626,313.00 | 6,321,423.00 | 44,586.00 | 6,366,009.00 |
| Other Allied Lines | 500,137.00 | (95.00) | 500,042.00 | 1,893,777.00 | 11,935.00 | 1,905,712.00 |
| Crime | 2,878.00 | 0.00 | 2,878.00 | 12,715.00 | 0.00 | 12,715.00 |
| Total | <u>2,129,612.00</u> | <u>(379.00)</u> | <u>2,129,233.00</u> | <u>8,227,915.00</u> | <u>56,521.00</u> | <u>8,284,436.00</u> |
| | <u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u> | | | | | |
| Fire | 3,019,555.00 | 193,754.00 | 3,213,309.00 | 0.00 | 3,238,514.00 | 3,238,514.00 |
| Other Allied Lines | 899,734.00 | 55,316.00 | 955,050.00 | 0.00 | 942,942.00 | 942,942.00 |
| Crime | 6,255.00 | 443.00 | 6,698.00 | 0.00 | 7,785.00 | 7,785.00 |
| Total | <u>3,925,544.00</u> | <u>249,513.00</u> | <u>4,175,057.00</u> | <u>0.00</u> | <u>4,189,241.00</u> | <u>4,189,241.00</u> |
| | <u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u> | | | | | |
| Fire | 3,265,591.00 | 0.00 | 3,265,591.00 | 3,265,591.00 | 0.00 | 3,265,591.00 |
| Other Allied Lines | 987,511.00 | 0.00 | 987,511.00 | 987,511.00 | 0.00 | 987,511.00 |
| Crime | 6,298.00 | 0.00 | 6,298.00 | 6,298.00 | 0.00 | 6,298.00 |
| Total | <u>4,259,400.00</u> | <u>0.00</u> | <u>4,259,400.00</u> | <u>4,259,400.00</u> | <u>0.00</u> | <u>4,259,400.00</u> |
| | <u>PREMIUMS EARNED</u> | | | | | |
| Fire | 1,380,561.00 | 193,470.00 | 1,574,031.00 | 3,055,832.00 | 3,283,100.00 | 6,338,932.00 |
| Other Allied Lines | 412,360.00 | 55,221.00 | 467,581.00 | 906,266.00 | 954,877.00 | 1,861,143.00 |
| Crime | 2,835.00 | 443.00 | 3,278.00 | 6,417.00 | 7,785.00 | 14,202.00 |
| Total | <u>1,795,756.00</u> | <u>249,134.00</u> | <u>2,044,890.00</u> | <u>3,968,515.00</u> | <u>4,245,762.00</u> | <u>8,214,277.00</u> |

EXHIBIT 6B

PENNSYLVANIA FAIR PLAN

Premium Statistics by Class of Business and Policy Year for the Quarter & Year to Date Ending
December 31, 2013
For Terrorism Reporting Requirements Only

| | <u>QUARTER</u> | | | <u>YEAR</u> | | |
|--|--|-------------|--------------|--------------------------------|--------------|--------------|
| | <u>10/01/2013 - 12/31/2013</u> | | | <u>01/01/2013 - 12/31/2013</u> | | |
| | <u>2013</u> | <u>2012</u> | <u>TOTAL</u> | <u>2013</u> | <u>2012</u> | <u>TOTAL</u> |
| | <u>PREMIUMS WRITTEN</u> | | | | | |
| Habitational (Owner Occupied) | 1,406,703.00 | (240.00) | 1,406,463.00 | 5,392,152.00 | 36,173.00 | 5,428,325.00 |
| Habitational (Non-Owner Occupied) | 572,619.00 | (99.00) | 572,520.00 | 2,148,390.00 | 13,866.00 | 2,162,256.00 |
| Commercial | 150,290.00 | (40.00) | 150,250.00 | 687,373.00 | 6,482.00 | 693,855.00 |
| Total | 2,129,612.00 | (379.00) | 2,129,233.00 | 8,227,915.00 | 56,521.00 | 8,284,436.00 |
| | <u>UNEARNED PREMIUMS AT THE BEGINNING OF THE PERIOD</u> | | | | | |
| Habitational (Owner Occupied) | 2,561,464.00 | 162,855.00 | 2,724,319.00 | 0.00 | 2,584,785.00 | 2,584,785.00 |
| Habitational (Non-Owner Occupied) | 970,396.00 | 61,742.00 | 1,032,138.00 | 0.00 | 1,088,314.00 | 1,088,314.00 |
| Commercial | 393,684.00 | 24,916.00 | 418,600.00 | 0.00 | 516,142.00 | 516,142.00 |
| Total | 3,925,544.00 | 249,513.00 | 4,175,057.00 | 0.00 | 4,189,241.00 | 4,189,241.00 |
| | <u>UNEARNED PREMIUMS AT THE END OF THE PERIOD</u> | | | | | |
| Habitational (Owner Occupied) | 2,728,456.00 | 0.00 | 2,728,456.00 | 2,728,456.00 | 0.00 | 2,728,456.00 |
| Habitational (Non-Owner Occupied) | 1,109,454.00 | 0.00 | 1,109,454.00 | 1,109,454.00 | 0.00 | 1,109,454.00 |
| Commercial | 421,490.00 | 0.00 | 421,490.00 | 421,490.00 | 0.00 | 421,490.00 |
| Total | 4,259,400.00 | 0.00 | 4,259,400.00 | 4,259,400.00 | 0.00 | 4,259,400.00 |
| | <u>PREMIUMS EARNED</u> | | | | | |
| Habitational (Owner Occupied) | 1,239,711.00 | 162,615.00 | 1,402,326.00 | 2,663,696.00 | 2,620,958.00 | 5,284,654.00 |
| Habitational (Non-Owner Occupied) | 433,561.00 | 61,643.00 | 495,204.00 | 1,038,936.00 | 1,102,180.00 | 2,141,116.00 |
| Commercial | 122,484.00 | 24,876.00 | 147,360.00 | 265,883.00 | 522,624.00 | 788,507.00 |
| Total | 1,795,756.00 | 249,134.00 | 2,044,890.00 | 3,968,515.00 | 4,245,762.00 | 8,214,277.00 |
| Premiums Earned for Terrorism Reporting Requirements | 556,045.00 | 86,519.00 | 642,564.00 | 1,304,819.00 | 1,624,804.00 | 2,929,623.00 |

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, 2013

| <u>Coverage</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>TOTAL</u> |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Fire | 26 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27 |
| Other Allied Lines | 37 | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 40 |
| 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 | 63 | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 67 |

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 FAIR Plan claim counts are accumulated per claim.

EXHIBIT 7B

PENNSYLVANIA FAIR PLAN**Loss Adjustment Statistics by Line of Business and Policy Year for the Quarter & Year to Date Ending
December 31, 2013****QUARTER**

10/01/2013 - 12/31/2013

| | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>TOTAL</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| LOSS ADJUSTMENT EXPENSES PAID | | | | | | | |
| Fire | 81,019.23 | 17,480.30 | 6,220.49 | 1,396.48 | 0.00 | 8,996.14 | 115,112.64 |
| Other Allied Lines | 56,717.67 | 37,907.19 | 15,855.06 | 4,532.40 | 0.00 | 0.00 | 115,012.32 |
| Crime | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 137,736.90 | 55,387.49 | 22,075.55 | 5,928.88 | 0.00 | 8,996.14 | 230,124.96 |
| UNPAID PREVIOUS PERIOD | | | | | | | |
| Fire | 97,404.00 | 25,475.00 | 9,420.00 | 214.00 | 0.00 | 0.00 | 132,513.00 |
| Other Allied Lines | 21,593.00 | 25,817.00 | 321.00 | 0.00 | 107.00 | 107.00 | 47,945.00 |
| Crime | 22.00 | 21.00 | 0.00 | 0.00 | 0.00 | 0.00 | 43.00 |
| Total | 119,019.00 | 51,313.00 | 9,741.00 | 214.00 | 107.00 | 107.00 | 180,501.00 |
| UNPAID CURRENT PERIOD | | | | | | | |
| Fire | 82,509.00 | 26,617.00 | 0.00 | 185.00 | 0.00 | 0.00 | 109,311.00 |
| Other Allied Lines | 27,610.00 | 4,390.00 | 0.00 | 0.00 | 93.00 | 93.00 | 32,186.00 |
| Crime | 37.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 37.00 |
| Total | 110,156.00 | 31,007.00 | 0.00 | 185.00 | 93.00 | 93.00 | 141,534.00 |
| LOSS ADJUSTMENT EXPENSES INCURRED | | | | | | | |
| Fire | 66,124.23 | 18,622.30 | (3,199.51) | 1,367.48 | 0.00 | 8,996.14 | 91,910.64 |
| Other Allied Lines | 62,734.67 | 16,480.19 | 15,534.06 | 4,532.40 | (14.00) | (14.00) | 99,253.32 |
| Crime | 15.00 | (21.00) | 0.00 | 0.00 | 0.00 | 0.00 | (6.00) |
| Total | 128,873.90 | 35,081.49 | 12,334.55 | 5,899.88 | (14.00) | 8,982.14 | 191,157.96 |

YEAR TO DATE

01/01/2013 - 12/31/2013

| LOSS ADJUSTMENT EXPENSES PAID | | | | | | | |
|--|------------|------------|-------------|-----------|-----------|-----------|--------------|
| Fire | 130,023.51 | 210,418.51 | 38,680.54 | 41,840.90 | 0.00 | 26,330.37 | 447,293.83 |
| Other Allied Lines | 105,640.18 | 313,588.69 | 96,489.29 | 32,068.26 | 23,800.14 | 557.54 | 572,144.10 |
| Crime | 0.00 | 2,347.25 | 0.00 | 0.00 | 0.00 | 0.00 | 2,347.25 |
| Total | 235,663.69 | 526,354.45 | 135,169.83 | 73,909.16 | 23,800.14 | 26,887.91 | 1,021,785.18 |
| UNPAID PREVIOUS PERIOD | | | | | | | |
| Fire | 0.00 | 91,858.00 | 67,239.00 | 8,437.00 | 0.00 | 117.00 | 167,651.00 |
| Other Allied Lines | 0.00 | 71,357.00 | 26,528.00 | 234.00 | 234.00 | 117.00 | 98,470.00 |
| Crime | 0.00 | 1,171.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,171.00 |
| Total | 0.00 | 164,386.00 | 93,767.00 | 8,671.00 | 234.00 | 234.00 | 267,292.00 |
| UNPAID CURRENT PERIOD | | | | | | | |
| Fire | 82,509.00 | 26,617.00 | 0.00 | 185.00 | 0.00 | 0.00 | 109,311.00 |
| Other Allied Lines | 27,610.00 | 4,390.00 | 0.00 | 0.00 | 93.00 | 93.00 | 32,186.00 |
| Crime | 37.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 37.00 |
| Total | 110,156.00 | 31,007.00 | 0.00 | 185.00 | 93.00 | 93.00 | 141,534.00 |
| LOSS ADJUSTMENT EXPENSES INCURRED | | | | | | | |
| Fire | 212,532.51 | 145,177.51 | (28,558.46) | 33,588.90 | 0.00 | 26,213.37 | 388,953.83 |
| Other Allied Lines | 133,250.18 | 246,621.69 | 69,961.29 | 31,834.26 | 23,659.14 | 533.54 | 505,860.10 |
| Crime | 37.00 | 1,176.25 | 0.00 | 0.00 | 0.00 | 0.00 | 1,213.25 |
| Total | 345,819.69 | 392,975.45 | 41,402.83 | 65,423.16 | 23,659.14 | 26,746.91 | 896,027.18 |

EXHIBIT 8

PENNSYLVANIA
Report of Catastrophe Losses for the Quarter Ending
 December 31, 2013

| <u>Cat #</u> | <u>Policy Year</u> | <u>Date of Loss</u> | <u>Line of Business</u> | <u>Unpaid Losses</u> | <u>Paid Losses</u> | <u>Alloc. Unpaid LAE</u> | <u>Paid Loss Adjustment Expenses</u> |
|--------------|--------------------|---------------------|-------------------------|----------------------|--------------------|--------------------------|--------------------------------------|
| 59 | 2011 | 08/27/2011 | Other | 0 | 8,500.00 | 0 | 4,665.68 |
| 90 | 2012 | 10/28/2012 | Other | 8,500 | 1,287.57 | 425 | 1,236.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| | | | Other | 0 | 0.00 | 0 | 0.00 |
| TOTAL | | | | 8,500 | 9,787.57 | 425 | 5,901.68 |