

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
June 30, 2018

EXHIBIT 1

	ASSETS	NON-ADMITTED ASSETS	NET ADMITTED ASSETS
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ASSETS:			
SHORT TERM NOTES AND CERTIFICATES OF DEPOSIT	\$ 2,478,211		\$ 2,478,211
CASH & CASH EQUIVALENTS	1,356,997		1,356,997
PREMIUM RECEIVABLE - NET	34,783		34,783
ACCRUED INVESTMENT INCOME	9,587		9,587
TOTAL ASSETS	<u>\$ 3,879,578</u>		<u>\$ 3,879,578</u>
LIABILITIES AND MEMBERS' EQUITY:			
RESERVES FOR:			
UNPAID LOSSES			229,317
UNPAID LOSS ADJUSTMENT			76,400
UNEARNED PREMIUMS			246,856
			<u>552,573</u>
PAYABLE FOR:			
ADVANCE & UNAPPLIED PREMIUMS			6,646
COMMISSIONS PAYABLE			(2,407)
OTHER LIABILITIES			2,230,961
			<u>2,235,200</u>
TOTAL LIABILITIES			<u>2,787,773</u>
MEMBERS' EQUITY:			
2013 COMBINED POOL			362,351
2014 COMBINED POOL			439,006
2015 COMBINED POOL			158,244
2016 COMBINED POOL			(29,043)
2017 COMBINED POOL			118,450
2018 COMBINED POOL			42,797
TOTAL MEMBERS' EQUITY			<u>1,091,805</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY			<u><u>\$ 3,879,578</u></u>

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF INCOME AND EQUITY ACCOUNT
FISCAL YEAR 2018
For the Nine Months Ending June 30, 2018

EXHIBIT 2

	QUARTER	YEAR-TO-DATE
UNDERWRITING INCOME:		
PREMIUMS WRITTEN	\$107,075	\$372,379
CHANGE IN UNEARNED PREMIUMS	16,716	19,687
PREMIUMS EARNED	<u>123,791</u>	<u>392,066</u>
LOSS & LOSS ADJUSTMENT EXPENSES INCURRED:		
LOSSES INCURRED	(12,500)	(5,857)
LOSS ADJUSTMENT EXP INCURRED	4,615	26,135
TOTAL LOSSES & LOSS ADJ EXP INCURRED	<u>(7,885)</u>	<u>20,278</u>
UNDERWRITING EXPENSES INCURRED:		
COMMISSIONS	8,139	26,587
OTHER UNDERWRITING EXPENSES	26,422	75,426
TOTAL UNDERWRITING EXPENSES	<u>34,561</u>	<u>102,013</u>
TOTAL LOSSES & UNDERWRITING EXPENSES	<u>26,676</u>	<u>122,291</u>
NET UNDERWRITING GAIN	97,115	269,775
NET INVESTMENT INCOME (EXPENSE)	552	(4,595)
NET INCOME	<u>97,667</u>	<u>265,180</u>
STATEMENT OF MEMBER'S EQUITY:		
MEMBERS' EQUITY - BEG	994,138	826,625
NET INCOME	<u>97,667</u>	<u>265,180</u>
MEMBERS' EQUITY - ENDING	<u><u>1,091,805</u></u>	<u><u>1,091,805</u></u>

CALIFORNIA FAIR PLAN ASSOCIATION

EXHIBIT 3A

DIV II - BUSINESSOWNERS

MEMBERS' ACCOUNT

FISCAL YEAR 2018

For the Nine Months Ending June 30, 2018

	QUARTER							YEAR-TO-DATE						
	POOL YEAR							POOL YEAR						
	2013	2014	2015	2016	2017	2018	TOTAL	2013	2014	2015	2016	2017	2018	TOTAL
INCOME RECEIVED:														
PREMIUMS WRITTEN	\$0	\$0	\$0	\$0	(\$2,264)	\$109,339	\$107,075	\$0	\$0	\$0	\$0	(\$6,439)	\$378,818	\$372,379
NET WRITTEN PREMIUMS	0	0	0	0	(2,264)	109,339	107,075	0	0	0	0	(6,439)	378,818	372,379
NET INVESTMENT INCOME (EXPENSE)	(22)	(8)	(3)	(1)	(34)	134	66	(2,029)	(2,469)	(1,102)	(548)	(1,001)	(667)	(7,816)
TOTAL INCOME	(22)	(8)	(3)	(1)	(2,298)	109,473	107,141	(2,029)	(2,469)	(1,102)	(548)	(7,440)	378,151	364,563
EXPENSES PAID:														
LOSSES	0	0	0	5,257	0	0	5,257	0	0	0	5,257	1,643	0	6,900
LOSS ADJUSTMENT EXPENSES	252	0	359	1,077	2,568	359	4,615	13,642	0	1,028	3,654	6,783	1,028	26,135
COMMISSIONS	0	0	0	0	(96)	8,235	8,139	0	0	0	0	(1,477)	28,064	26,587
OPERATING EXPENSES	0	0	0	0	0	26,422	26,422	0	0	0	0	0	75,426	75,426
TOTAL EXPENSES PAID:	252	0	359	6,334	2,472	35,016	44,433	13,642	0	1,028	8,911	6,949	104,518	135,048
NET CASH CHANGE	(274)	(8)	(362)	(6,335)	(4,770)	74,457	62,708	(15,671)	(2,469)	(2,130)	(9,459)	(14,389)	273,633	229,515
CHANGE IN RESERVES:														
UNPAID LOSSES	7,500	0	0	10,257	0	0	17,757	7,500	0	0	10,257	(5,000)	0	12,757
UNEARNED PREMIUMS	0	0	0	0	43,753	(27,037)	16,716	0	0	0	0	251,938	(232,252)	19,686
NET RESERVE CHANGE	7,500	0	0	10,257	43,753	(27,037)	34,473	7,500	0	0	10,257	246,938	(232,252)	32,443
OTHER CHANGES:														
CHANGE IN ACCRUED INTEREST	43	54	23	8	51	307	486	580	769	485	100	(127)	1,415	3,222
NET OTHER CHANGES	43	54	23	8	51	307	486	580	769	485	100	(127)	1,415	3,222
CHANGE IN MEMBERS' EQUITY	7,269	46	(339)	3,930	39,034	47,727	97,667	(7,591)	(1,700)	(1,645)	898	232,422	42,796	265,180
MEMBERS' EQUITY (DEFICIT) - BEG	355,082	438,960	158,585	(32,974)	79,415	(4,930)	994,138	369,942	440,706	159,890	(29,941)	(113,972)	0	826,625
MEMBERS' EQUITY (DEFICIT) - END	362,351	439,006	158,246	(29,044)	118,449	42,797	1,091,805	362,351	439,006	158,245	(29,043)	118,450	42,796	1,091,805

CALIFORNIA FAIR PLAN ASSOCIATION
DIVISION II - BUSINESSOWNERS
STATISTICAL REPORT OF PREMIUMS
FISCAL YEAR 2018

EXHIBIT 4A

For the Nine Months Ending Saturday, June 30, 2018

	QUARTER			YEAR-TO-DATE		
	POOL YEAR			POOL YEAR		
	2017	2018	TOTAL	2017	2018	TOTAL
PREMIUMS WRITTEN						
PROPERTY	(\$1,686)	\$56,861	\$55,175	(\$3,972)	\$196,990	\$193,018
LIABILITY	(579)	52,479	51,900	(2,467)	181,828	179,361
TOTAL PREMIUMS WRITTEN	(2,265)	109,340	107,075	(6,439)	378,818	372,379
CHANGE IN UNEARNED PREMIUMS						
PROPERTY	22,752	(14,059)	8,693	131,009	(120,771)	10,238
LIABILITY	21,001	(12,978)	8,023	120,930	(111,481)	9,449
TOTAL CHANGE IN UNEARNED PREMIUMS	43,753	(27,037)	16,716	251,939	(232,252)	19,687
EARNED PREMIUMS						
PROPERTY	21,066	42,802	63,868	127,037	76,219	203,256
LIABILITY	20,422	39,501	59,923	118,463	70,347	188,810
NET EARNED PREMIUMS	41,488	82,303	123,791	245,500	146,566	392,066

CALIFORNIA FAIR PLAN ASSOCIATION
 DIV II - BUSINESSOWNERS
 STATISTICAL REPORT OF LOSSES
 FISCAL YEAR 2018
 For the Nine Months Ending June 30, 2018

	QUARTER							YEAR-TO-DATE						
	POOL YEAR							POOL YEAR						
	2013	2014	2015	2016	2017	2018	TOTAL	2013	2014	2015	2016	2017	2018	TOTAL
LOSSES PAID														
PROPERTY	\$0	\$0	\$0	\$5,257	\$0	\$0	\$5,257	\$0	\$0	\$0	\$5,257	\$1,643	\$0	\$6,900
TOTAL LOSSES PAID:	0	0	0	5,257	0	0	5,257	0	0	0	5,257	1,643	0	6,900
CHANGE IN LOSS RESERVES														
PROPERTY	0	0	0	(10,257)	0	0	(10,257)	0	0	0	(10,257)	0	0	(10,257)
LIABILITY	(7,500)	0	0	0	0	0	(7,500)	(7,500)	0	0	0	5,000	0	(2,500)
TOTAL CHANGE IN LOSS RESERVES:	(7,500)	0	0	(10,257)	0	0	(17,757)	(7,500)	0	0	(10,257)	5,000	0	(12,757)
LOSSES INCURRED														
PROPERTY	0	0	0	(5,000)	0	0	(5,000)	0	0	0	(5,000)	1,643	0	(3,357)
LIABILITY	(7,500)	0	0	0	0	0	(7,500)	(7,500)	0	0	0	5,000	0	(2,500)
TOTAL LOSSES INCURRED:	(7,500)	0	0	(5,000)	0	0	(12,500)	(7,500)	0	0	(5,000)	6,643	0	(5,857)

CALIFORNIA FAIR PLAN ASSOCIATION
 DIV II - BUSINESSOWNERS
 STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
 FISCAL YEAR 2018
 For the Nine Months Ending June 30, 2018

	QUARTER							YEAR-TO-DATE						
	POOL YEAR							POOL YEAR						
	2013	2014	2015	2016	2017	2018	TOTAL	2013	2014	2015	2016	2017	2018	TOTAL
LOSS ADJUSTMENT PAID														
PROPERTY	0	0	215	646	2,137	215	3,214	0	0	617	2,421	4,507	617	8,161
LIABILITY	252	0	144	431	431	144	1,401	13,642	0	411	1,233	2,276	411	17,974
TOTAL LOSS ADJ EXP PAID	252	0	359	1,077	2,568	359	4,615	13,642	0	1,028	3,654	6,783	1,028	26,135
CHANGE IN LOSS ADJ. RES														
TOTAL CHANGE IN	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LOSS ADJ EXP INCURRED														
PROPERTY	0	0	215	646	2,137	215	3,214	0	0	617	2,421	4,507	617	8,161
LIABILITY	252	0	144	431	431	144	1,401	13,642	0	411	1,233	2,276	411	17,974
TOTAL LOSS ADJ INCURRED	252	0	359	1,077	2,568	359	4,615	13,642	0	1,028	3,654	6,783	1,028	26,135

CALIFORNIA FAIR PLAN ASSOCIATION

EXHIBIT 5

DIV II - BUSINESSOWNERS

QUARTERLY RESERVES EXHIBIT

FISCAL YEAR 2018

For the Nine Months Ending June 30, 2018

	3/31/2018							6/30/2018						
	POOL YEAR							POOL YEAR						
	2013	2014	2015	2016	2017	2018	TOTAL	2013	2014	2015	2016	2017	2018	TOTAL
UNEARNED PREMIUM RESERVES:														
PROPERTY	\$0	\$0	\$0	\$0	\$30,345	\$106,712	\$137,057	\$0	\$0	\$0	\$0	\$7,594	\$120,771	\$128,365
LIABILITY	0	0	0	0	28,011	98,503	126,514	0	0	0	0	7,010	111,481	118,491
TOTAL UNEARNED PREM RESERVES	0	0	0	0	58,356	205,215	263,571	0	0	0	0	14,604	232,252	246,856
LOSS RESERVES:														
LOSS RESERVES: CASE														
PROPERTY	0	0	0	63,573	0	0	63,573	0	0	0	53,316	0	0	53,316
LIABILITY	7,500	0	0	0	5,000	0	12,500	0	0	0	0	5,000	0	5,000
TOTAL CASE RESERVES	7,500	0	0	63,573	5,000	0	76,073	0	0	0	53,316	5,000	0	58,316
LOSS RESERVES: IBNR														
PROPERTY	719	5,442	18,322	18,893	54,949	0	98,325	719	5,442	18,322	18,893	54,949	0	98,325
LIABILITY	532	4,023	13,543	13,964	40,614	0	72,676	532	4,023	13,543	13,964	40,614	0	72,676
TOTAL IBNR RESERVES	1,251	9,465	31,865	32,857	95,563	0	171,001	1,251	9,465	31,865	32,857	95,563	0	171,001
TOTAL LOSS RESERVES:														
PROPERTY	719	5,442	18,322	82,466	54,949	0	161,898	719	5,442	18,322	72,209	54,949	0	151,641
LIABILITY	8,032	4,023	13,543	13,964	45,614	0	85,176	532	4,023	13,543	13,964	45,614	0	77,676
TOTAL LOSS RESERVES	8,751	9,465	31,865	96,430	100,563	0	247,074	1,251	9,465	31,865	86,173	100,563	0	229,317
LOSS EXPENSE RESERVES:														
PROPERTY	810	2,064	6,332	20,495	14,229	0	43,930	810	2,064	6,332	20,495	14,229	0	43,930
LIABILITY	599	1,526	4,680	15,148	10,517	0	32,470	599	1,526	4,680	15,148	10,517	0	32,470
TOTAL LOSS EXPENSE RESERVES	1,409	3,590	11,012	35,643	24,746	0	76,400	1,409	3,590	11,012	35,643	24,746	0	76,400