

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF ASSETS, LIABILITIES AND MEMBERS' EQUITY
December 31, 2018

EXHIBIT 1

	ASSETS	NON-ADMITTED ASSETS	NET ADMITTED ASSETS
ASSETS:			
SHORT TERM NOTES AND CERTIFICATES OF DEPOSIT	\$ 1,979,778	\$ -	\$ 1,979,778
CASH & CASH EQUIVALENTS	1,442,516	-	1,442,516
PREMIUM RECEIVABLE - NET	49,193	-	49,193
RETURNED CHECK - NSF	1,273	1,273	-
ACCRUED INVESTMENT INCOME	20,551	-	20,551
TOTAL ASSETS	<u>\$ 3,493,311</u>	<u>\$ 1,273</u>	<u>\$ 3,492,038</u>
LIABILITIES AND MEMBERS' EQUITY:			
RESERVES FOR:			
UNPAID LOSSES			185,620
UNPAID LOSS ADJUSTMENT			31,327
UNEARNED PREMIUMS			<u>269,005</u>
			485,952
PAYABLE FOR:			
ADVANCE & UNAPPLIED PREMIUMS			4,914
COMMISSIONS PAYABLE			(689)
OTHER LIABILITIES			<u>1,664,004</u>
			<u>1,668,229</u>
TOTAL LIABILITIES			2,154,181
MEMBERS' EQUITY (DEFICIT):			
2013 COMBINED POOL			360,161
2014 COMBINED POOL			457,629
2015 COMBINED POOL			202,350
2016 COMBINED POOL			(9,213)
2017 COMBINED POOL			167,549
2018 COMBINED POOL			178,917
2019 COMBINED POOL			<u>(19,537)</u>
TOTAL MEMBERS' EQUITY (DEFICIT)			<u>1,337,857</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY			<u>\$ 3,492,038</u>

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATEMENT OF INCOME AND EQUITY ACCOUNT
FISCAL YEAR 2019
For the Three Months Ending December 31, 2018

EXHIBIT 2

	QUARTER	YEAR-TO-DATE
UNDERWRITING INCOME:		
PREMIUMS WRITTEN	\$ 148,370	\$ 148,370
CHANGE IN UNEARNED PREMIUMS	(26,583)	(26,583)
PREMIUMS EARNED	<u>121,787</u>	<u>121,787</u>
LOSS & LOSS ADJUSTMENT EXPENSES INCURRED:		
LOSSES INCURRED	6,425	6,425
LOSS ADJUSTMENT EXP INCURRED	3,789	3,789
TOTAL LOSSES & LOSS ADJ EXP INCURRED	<u>10,214</u>	<u>10,214</u>
UNDERWRITING EXPENSES INCURRED:		
COMMISSIONS	9,822	9,822
OTHER UNDERWRITING EXPENSES	25,814	25,814
TOTAL UNDERWRITING EXPENSES	<u>35,636</u>	<u>35,636</u>
TOTAL LOSSES & UNDERWRITING EXPENSES	<u>45,850</u>	<u>45,850</u>
NET UNDERWRITING GAIN (LOSS)	75,937	75,937
NET INVESTMENT INCOME (EXPENSE)	8,903	8,903
NET INCOME (LOSS)	<u>\$ 84,840</u>	<u>\$ 84,840</u>
STATEMENT OF MEMBER'S EQUITY (DEFICIT):		
MEMBERS' EQUITY (DEFICIT) - BEG	\$ 1,254,290	\$ 1,254,290
NET INCOME (LOSS)	84,840	84,840
CHANGE IN NON-ADMITTED ASSETS	(1,273)	(1,273)
MEMBERS' EQUITY (DEFICIT) - ENDING	<u>\$ 1,337,857</u>	<u>\$ 1,337,857</u>

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
MEMBERS' ACCOUNT
FISCAL YEAR 2019
For the Three Months Ending December 31, 2018

EXHIBIT 3A

	QUARTER							YEAR-TO-DATE								
	POOL YEAR							POOL YEAR								
	2013	2014	2015	2016	2017	2018	2019	TOTAL	2013	2014	2015	2016	2017	2018	2019	TOTAL
INCOME RECEIVED:																
PREMIUMS WRITTEN	\$0	\$0	\$0	\$0	\$0	(\$20,740)	\$169,109	\$148,369	\$0	\$0	\$0	\$0	\$0	(\$20,740)	\$169,109	\$148,369
NET WRITTEN PREMIUMS	0	0	0	0	0	(20,740)	169,109	148,369	0	0	0	0	0	(20,740)	169,109	148,369
NET INVESTMENT INCOME (EXPENSE)	0	2,789	1,235	367	1,586	4,110	372	10,459	0	2,789	1,235	367	1,586	4,110	372	10,459
TOTAL INCOME	0	2,789	1,235	367	1,586	(16,630)	169,481	158,828	0	2,789	1,235	367	1,586	(16,630)	169,481	158,828
EXPENSES PAID:																
LOSSES	0	0	0	0	0	2,921	0	2,921	0	0	0	0	0	2,921	0	2,921
LOSS ADJUSTMENT EXPENSES	0	0	0	354	1,061	1,991	385	3,790	0	0	0	354	1,061	1,991	385	3,790
COMMISSIONS	0	0	0	0	0	(1,498)	11,320	9,822	0	0	0	0	0	(1,498)	11,320	9,822
OPERATING EXPENSES	0	0	0	0	0	0	25,814	25,814	0	0	0	0	0	0	25,814	25,814
TOTAL EXPENSES PAID:	0	0	0	354	1,061	3,414	37,519	42,347	0	0	0	354	1,061	3,414	37,519	42,347
NET CASH CHANGE	0	2,789	1,235	13	525	(20,044)	131,962	116,481	0	2,789	1,235	13	525	(20,044)	131,962	116,481
CHANGE IN RESERVES:																
UNPAID LOSSES	0	0	0	0	0	(3,504)	0	(3,504)	0	0	0	0	0	(3,504)	0	(3,504)
UNEARNED PREMIUMS	0	0	0	0	0	125,218	(151,801)	(26,583)	0	0	0	0	0	125,218	(151,801)	(26,583)
NET RESERVE CHANGE	0	0	0	0	0	121,714	(151,801)	(30,087)	0	0	0	0	0	121,714	(151,801)	(30,087)
OTHER CHANGES:																
CHANGE IN ACCRUED INTEREST	0	(2,700)	(664)	(83)	(748)	1,066	1,573	(1,556)	0	(2,700)	(664)	(83)	(748)	1,066	1,573	(1,556)
NET OTHER CHANGES	0	(2,700)	(664)	(83)	(748)	1,066	1,573	(1,556)	0	(2,700)	(664)	(83)	(748)	1,066	1,573	(1,556)
CHANGE IN MEMBERS' EQUITY	0	89	571	(70)	(223)	102,736	(18,266)	84,838	0	89	571	(70)	(223)	102,736	(18,266)	84,838
MEMBERS' EQUITY (DEFICIT) - BEG	360,161	457,541	201,779	(9,143)	167,772	76,180	0	1,254,290	360,161	457,541	201,779	(9,143)	167,772	76,180	0	1,254,290
CHANGE IN NON ADMITTED ASSETS	0	0	0	0	0	0	(1,273)	(1,273)	0	0	0	0	0	0	(1,273)	(1,273)
MEMBERS' EQUITY (DEFICIT) - END	\$360,161.	\$457,630.	\$202,350.	(\$9,213.)	\$167,549.	\$178,916.	(\$19,539.)	\$1,337,855.	\$360,161.	\$457,630.	\$202,350.	(\$9,213.)	\$167,549.	\$178,916.	(\$19,539.)	\$1,337,855.

CALIFORNIA FAIR PLAN ASSOCIATION
DIVISION II - BUSINESSOWNERS
STATISTICAL REPORT OF PREMIUMS
FISCAL YEAR 2019
For the Three Months Ending December 31, 2018

EXHIBIT 4A

	QUARTER			YEAR-TO-DATE		
	POOL YEAR			POOL YEAR		
	2018	2019	TOTAL	2018	2019	TOTAL
PREMIUMS WRITTEN						
PROPERTY	\$ (10,785)	\$ 87,273	\$ 76,488	\$ (10,785)	\$ 87,273	\$ 76,488
LIABILITY	(9,955)	81,837	71,882	(9,955)	81,837	71,882
TOTAL PREMIUMS WRITTEN	(20,740)	169,110	148,370	(20,740)	169,110	148,370
CHANGE IN UNEARNED PREMIUMS						
PROPERTY	65,113	(78,936)	(13,823)	65,113	(78,936)	(13,823)
LIABILITY	60,105	(72,865)	(12,760)	60,105	(72,865)	(12,760)
TOTAL CHANGE IN UNEARNED PREMIUMS	125,218	(151,801)	(26,583)	125,218	(151,801)	(26,583)
EARNED PREMIUMS						
PROPERTY	54,328	8,337	62,665	54,328	8,337	62,665
LIABILITY	50,150	8,972	59,122	50,150	8,972	59,122
NET EARNED PREMIUMS	\$ 104,478	\$ 17,309	\$ 121,787	\$ 104,478	\$ 17,309	\$ 121,787

CALIFORNIA FAIR PLAN ASSOCIATION

EXHIBIT 4B

DIV II - BUSINESSOWNERS

STATISTICAL REPORT OF LOSSES

FISCAL YEAR 2019

For the Three Months Ending December 31, 2018

	QUARTER							YEAR-TO-DATE										
	POOL YEAR							POOL YEAR										
	2013	2014	2015	2016	2017	2018	2019	TOTAL	2013	2014	2015	2016	2017	2018	2019	TOTAL		
LOSSES PAID																		
PROPERTY	\$	-	\$	-	\$	-	\$	-	\$	2,921	\$	-	\$	-	\$	-	\$	2,921
LIABILITY		-		-		-		-		-		-		-		-		-
TOTAL LOSSES PAID:		-		-		-		2,921		-		-		-		2,921		2,921
CHANGE IN LOSS RESERVES																		
PROPERTY		-		-		-		(796)		-		-		-		(796)		(796)
LIABILITY		-		-		-		4,300		-		-		-		4,300		4,300
TOTAL CHANGE IN LOSS RESERVES:		-		-		-		3,504		-		-		-		3,504		3,504
LOSSES INCURRED																		
PROPERTY		-		-		-		2,125		-		-		-		2,125		2,125
LIABILITY		-		-		-		4,300		-		-		-		4,300		4,300
TOTAL LOSSES INCURRED:	\$	-	\$	-	\$	-	\$	-	\$	6,425	\$	-	\$	-	\$	-	\$	6,425

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
FISCAL YEAR 2019
For the Three Months Ending December 31, 2018

EXHIBIT 4C

	QUARTER								YEAR-TO-DATE							
	POOL YEAR								POOL YEAR							
	2013	2014	2015	2016	2017	2018	2019	TOTAL	2013	2014	2015	2016	2017	2018	2019	TOTAL
LOSS ADJUSTMENT PAID																
PROPERTY	\$ -	\$ -	\$ -	\$ 212	\$ 637	\$ 1,567	\$ 213	\$ 2,626	\$ -	\$ -	\$ -	\$ 212	\$ 637	\$ 1,567	\$ 213	\$ 2,626
LIABILITY	-	-	-	141	424	424	172	1,163	-	-	-	141	424	424	172	1,163
TOTAL LOSS ADJ EXP PAID	-	-	-	354	1,061	1,991	386	3,789	-	-	-	354	1,061	1,991	386	3,789
CHANGE IN LOSS ADJ RES																
TOTAL CHANGE IN LOSS ADJ RES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LOSS ADJ EXP INCURRED																
PROPERTY	-	-	-	212	637	1,567	213	2,626	-	-	-	212	637	1,567	213	2,626
LIABILITY	-	-	-	141	424	424	172	1,163	-	-	-	141	424	424	172	1,163
TOTAL LOSS ADJ INCURRED	\$ -	\$ -	\$ -	\$ 354	\$ 1,061	\$ 1,991	\$ 386	\$ 3,789	\$ -	\$ -	\$ -	\$ 354	\$ 1,061	\$ 1,991	\$ 386	\$ 3,789

CALIFORNIA FAIR PLAN ASSOCIATION
DIV II - BUSINESSOWNERS
QUARTERLY RESERVES EXHIBIT
FISCAL YEAR 2019
For the Three Months Ending December 31, 2018

EXHIBIT 5

	09/30/2018							12/31/2018								
	POOL YEAR							POOL YEAR								
	2013	2014	2015	2016	2017	2018	2019	TOTAL	2013	2014	2015	2016	2017	2018	2019	TOTAL
UNEARNED PREMIUM RESERVES:																
PROPERTY	\$ -	\$ -	\$ -	\$ -	\$ -	\$126,059	\$ -	\$126,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,946	\$ 78,936	\$ 139,882
LIABILITY	-	-	-	-	-	116,363	-	116,363	-	-	-	-	-	56,258	72,865	129,123
TOTAL UNEARNED PREM RESERVES	-	-	-	-	-	242,422	-	242,422	-	-	-	-	-	117,204	151,801	269,005
LOSS RESERVES:																
LOSS RESERVES: CASE																
PROPERTY	-	-	-	-	-	6,000	-	6,000	-	-	-	-	-	5,204	-	5,204
LIABILITY	-	-	-	-	5,000	-	-	5,000	-	-	-	-	5,000	4,300	-	9,300
TOTAL CASE RESERVES	-	-	-	-	5,000	6,000	-	11,000	-	-	-	-	5,000	9,504	-	14,504
LOSS RESERVES: IBNR																
PROPERTY	-	-	-	30,684	44,066	23,642	-	98,392	-	-	-	30,684	44,066	23,642	-	98,392
LIABILITY	-	-	-	22,679	32,571	17,474	-	72,724	-	-	-	22,679	32,571	17,474	-	72,724
TOTAL IBNR RESERVES	-	-	-	53,363	76,637	41,116	-	171,116	-	-	-	53,363	76,637	41,116	-	171,116
TOTAL LOSS RESERVES:																
PROPERTY	-	-	-	30,684	44,066	29,642	-	104,392	-	-	-	30,684	44,066	28,846	-	103,596
LIABILITY	-	-	-	22,679	37,571	17,474	-	77,724	-	-	-	22,679	37,571	21,774	-	82,024
TOTAL LOSS RESERVES	-	-	-	53,363	81,637	47,116	-	182,116	-	-	-	53,363	81,637	50,620	-	185,620
LOSS EXPENSE RESERVES:																
PROPERTY	-	-	571	5,888	6,233	5,321	-	18,013	-	-	571	5,888	6,233	5,321	-	18,013
LIABILITY	-	-	422	4,352	4,607	3,933	-	13,314	-	-	422	4,352	4,607	3,933	-	13,314
TOTAL LOSS EXPENSE RESERVES	\$ -	\$ -	\$ 993	\$10,240	\$10,840	\$ 9,254	\$ -	\$ 31,327	\$ -	\$ -	\$ 993	\$10,240	\$10,840	\$ 9,254	\$ -	\$ 31,327