

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF SEPTEMBER 30, 2002**

<u>DESCRIPTION</u>	<u>LEDGER ASSETS</u>	<u>NON-LEDGER ASSETS</u>	<u>ASSETS NOT ADMITTED</u>	<u>ADMITTED ASSETS</u>
<b>ASSETS:</b>				
CASH	\$4,139,716.95	\$0.00	\$0.00	\$4,139,716.95
SHORT-TERM INVESTMENTS	\$4,269,031.68	\$0.00	\$0.00	\$4,269,031.68
ACCRUED INTEREST	\$26,395.86	\$0.00	\$0.00	\$26,395.86
UNREALIZED GAIN ON TREAS. NOTE	\$28,476.56	\$0.00	\$0.00	\$28,476.56
PREMIUMS RECEIVABLE	\$171,522.50	\$0.00	\$0.00	\$171,522.50
ALLOWANCE FOR DOUBTFUL ACCTS	(\$5,000.00)	\$0.00	\$0.00	(\$5,000.00)
RECEIVABLES: DUE FROM AGENTS	\$6,451.63	\$0.00	\$788.93	\$5,662.70
ASSESSMENTS RECEIVABLE - FY98	\$0.00	\$0.00	\$0.00	\$0.00
PP&E, PREPAID PENSION & OTHERS	<u>\$171,160.02</u>	<u>\$0.00</u>	<u>\$171,160.02</u>	<u>\$0.00</u>
<b>TOTAL ASSETS</b>	<b><u>\$8,807,755.20</u></b>	<b><u>\$0.00</u></b>	<b><u>\$171,948.95</u></b>	<b><u>\$8,635,806.25</u></b>
 <b>LIABILITIES AND EQUITY:</b>				
<b>RESERVE FOR:</b>				
UNPAID LOSSES				\$987,095.00
UNPAID IBNR				\$353,493.70
UNPAID LOSS ADJUSTMENT EXP.				\$182,254.33
PREMIUM TAXES, FEES & FUNDS				\$289,382.84
UNPAID OPERATING EXPENSES				\$123,643.90
UNEARNED PREMIUM RESERVE				\$4,853,005.00
ADVANCE PREMIUMS NOT YET DUE				<u>\$348,537.50</u>
<b>TOTAL RESERVES</b>				<b><u>\$7,137,412.27</u></b>
 <b>OTHER LIABILITIES:</b>				
COMMISSION PAYABLE TO AGENTS				\$83,394.90
OLD UNCASHED CHECKS				\$94.00
UNREALIZED LOSS ON TREAS. NOTE				\$0.00
MISCELLANEOUS PAYABLES				<u>\$0.00</u>
<b>TOTAL PAYABLES</b>				<b><u>\$83,488.90</u></b>
 <b>MEMBERS' EQUITY (DEFICIT)</b>				 <b><u>\$1,414,905.08</u></b>
 <b>TOTAL LIABILITIES AND EQUITY</b>				 <b><u>\$8,635,806.25</u></b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
MEMBERS INCOME AND EQUITY ACCOUNT  
QUARTER ENDED SEPTEMBER 30, 2002**

DESCRIPTION	QUARTER	YEAR-TO-DATE
<b>UNDERWRITING INCOME:</b>		
<b>PREMIUMS EARNED</b>	<b>\$2,016,222.34</b>	<b>\$6,833,217.04</b>
<b>DEDUCTIONS:</b>		
LOSSES INCURRED (INCLUDES IBNR)	\$676,065.80	\$3,648,396.98
LOSS ADJUSTMENT EXPENSE	\$185,372.66	\$634,277.21
COMMISSION EXPENSE	\$260,381.25	\$845,633.16
GENERAL OPERATING EXPENSES	\$360,261.16	\$1,225,837.79
PREMIUM TAXES, FEES AND FUNDS	<u>\$87,909.56</u>	<u>\$288,476.72</u>
<b>TOTAL DEDUCTIONS</b>	<b><u>\$1,569,990.43</u></b>	<b><u>\$6,642,621.86</u></b>
<b>NET UNDERWRITING GAIN OR (LOSS)</b>	<b><u>\$446,231.91</u></b>	<b><u>\$190,595.18</u></b>
<b>OTHER INCOME OR (OUTGO):</b>		
NET INVESTMENT INCOME	\$30,482.49	\$166,686.84
MISCELLANEOUS INCOME	<u>\$0.20</u>	<u>\$8.79</u>
<b>TOTAL OTHER INCOME OR (OUTGO)</b>	<b><u>\$30,482.69</u></b>	<b><u>\$166,695.63</u></b>
<b>EQUITY ACCOUNT:</b>		
<b>MEMBERS' EQUITY (DEFICIT)(PRIOR PERIOD)</b>	<b>\$941,874.14</b>	<b>\$844,385.57</b>
NET INCOME OR (LOSS)	\$476,714.60	\$357,290.81
OPERATIONAL ASSESSMENT	\$0.00	\$0.00
CLOSING ASSESSMENTS & EQUITY ADJ.S	\$0.00	\$0.00
FISCAL YEAR CLOSEOUTS	\$0.00	\$198,943.00
ASSETS NON-ADMITTED	<u>(\$3,683.66)</u>	<u>\$14,285.70</u>
<b>NET CHANGE IN EQUITY</b>	<b><u>\$473,030.94</u></b>	<b><u>\$570,519.51</u></b>
<b>MEMBERS' EQUITY (DEFICIT)(CURRENT PERIOD)</b>	<b><u>\$1,414,905.08</u></b>	<b><u>\$1,414,905.08</u></b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION**  
**MEMBERS' ACCOUNT BY POLICY YEAR**  
**QUARTER ENDED SEPTEMBER 30, 2002**

Item	DESCRIPTION	QUARTER					TOTAL	
		1998	1999	2000	2001	2002		
<b>INCOME RECEIVED:</b>								
1	PREMIUMS WRITTEN	0.00	0.00	(869.00)	(12,360.00)	2,655,294.34	0.00	2,642,065.34
2	INTEREST RECEIVED	0.00	0.00	0.00	0.00	38,346.39	0.00	38,346.39
2A	MISC. INCOME RECEIVED	0.00	0.00	0.00	0.00	0.20	0.00	0.20
3	<b>Total Inc. (Items 1 Thru 2A)</b>	<b>0.00</b>	<b>0.00</b>	<b>(869.00)</b>	<b>(12,360.00)</b>	<b>2,693,640.93</b>	<b>0.00</b>	<b>2,680,411.93</b>
<b>EXPENSES PAID:</b>								
4	LOSSES (LESS SALVAGE)	0.00	0.00	1,156.13	324,383.59	511,924.44	0.00	837,464.16
5	LOSS ADJUST. EXPENSES	0.00	5,886.90	3,510.11	35,034.59	131,128.46	0.00	175,560.06
6	COMMISSION EXPENSE	0.00	(48.90)	(83.75)	(1,936.49)	259,536.34	0.00	257,467.20
7	GENERAL OPERATING EXP.S	0.00	0.00	0.00	0.00	356,137.83	0.00	356,137.83
7A	PREMIUM TAXES & FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	<b>Total Exp.s (Items 4 Thru 7A)</b>	<b>0.00</b>	<b>5,838.00</b>	<b>4,582.49</b>	<b>357,481.69</b>	<b>1,258,727.07</b>	<b>0.00</b>	<b>1,626,629.25</b>
9	<b>Net Cash Chg (Item 3 Less 8)</b>	<b>0.00</b>	<b>(5,838.00)</b>	<b>(5,451.49)</b>	<b>(369,841.69)</b>	<b>1,434,913.86</b>	<b>0.00</b>	<b>1,053,782.68</b>
<b>RESERVES:</b>								
<b>DEDUCT (CURRENT PERIOD)</b>								
10	UNPAID LOSSES (INCL. IBNR)	0.00	0.00	0.00	304,677.89	1,035,910.81	0.00	1,340,588.70
11	UNPAID LOSS ADJ. EXP.S	0.00	0.00	0.00	30,504.35	151,749.98	0.00	182,254.33
12	UNPAID GENERAL EXP.S	0.00	0.00	0.00	0.00	123,643.90	0.00	123,643.90
13	COMMISSIONS PAYABLE	0.00	0.00	(58.50)	(832.02)	84,285.42	0.00	83,394.90
14	PREMIUM TAXES & FEES	0.00	0.00	(112.68)	(6,260.46)	295,755.98	0.00	289,382.84
15	UNEARNED PREMIUM	0.00	0.00	0.00	0.00	4,853,005.00	0.00	4,853,005.00
<b>ADD (PRIOR PERIOD)</b>								
16	UNPAID LOSSES (INCL. IBNR)	0.00	0.00	10,000.00	652,469.53	839,517.53	0.00	1,501,987.06
17	UNPAID LOSS ADJ. EXP.S	0.00	0.00	990.00	66,340.03	105,111.70	0.00	172,441.73
18	UNPAID GENERAL EXP.	0.00	0.00	0.00	0.00	119,520.57	0.00	119,520.57
19	COMMISSIONS PAYABLE	0.00	(48.90)	(55.35)	(1,582.01)	82,167.11	0.00	80,480.85
20	PREMIUM TAXES & FEES	0.00	(25.20)	(58.61)	(5,863.85)	207,420.94	0.00	201,473.28
21	UNEARNED PREMIUM	0.00	0.00	0.00	186,790.00	4,040,372.00	0.00	4,227,162.00
22	<b>Net Resrv Chg (Items 10 - 21)</b>	<b>0.00</b>	<b>74.10</b>	<b>(11,047.22)</b>	<b>(570,063.94)</b>	<b>1,150,241.24</b>	<b>0.00</b>	<b>569,204.18</b>
<b>OTHER CHANGES:</b>								
<b>DEDUCT (PRIOR PERIOD)</b>								
23	ACCRUED INTEREST	0.00	0.00	0.00	0.00	62,736.32	0.00	62,736.32
23A	MISC. INCOME REC'D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	ASSETS NOT ADMITTED	0.00	0.00	(15,157.03)	(158,132.26)	0.00	0.00	(173,289.29)
<b>ADD (CURRENT PERIOD)</b>								
25	ACCRUED INTEREST	0.00	0.00	0.00	0.00	54,872.42	0.00	54,872.42
25A	MISC. INCOME REC'D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	ASSETS NOT ADMITTED	0.00	0.00	(10,435.06)	(150,945.97)	(15,591.92)	0.00	(176,972.95)
27	<b>Net Chg (Items 23 Thru 26)</b>	<b>0.00</b>	<b>0.00</b>	<b>4,721.97</b>	<b>7,186.29</b>	<b>(23,455.82)</b>	<b>0.00</b>	<b>(11,547.56)</b>
28	ADD: ASSMNTS & EQUITY ADJ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28A	FISCAL YEAR CLOSEOUTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>CHANGE IN EQUITY</b>		<b>0.00</b>	<b>(5,912.10)</b>	<b>10,317.70</b>	<b>207,408.54</b>	<b>261,216.80</b>	<b>0.00</b>	<b>473,030.94</b>
(Items 9, 22, 27 AND 28)								
BEGINNING EQUITY (DEFICIT)		0.00	579,028.73	1,165,984.59	215,740.94	(1,018,880.11)	0.00	941,874.14
<b>ENDING EQUITY (DEFICIT)</b>		<b>0.00</b>	<b>573,116.63</b>	<b>1,176,302.29</b>	<b>423,149.48</b>	<b>(757,663.31)</b>	<b>0.00</b>	<b>1,414,905.08</b>

NOTE: FYE 9/30/98 was closed out based on 9/30/01 balances. Any o/s 1998 reserve balances were rolled into 1999.

Member companies were assessed their share of the \$199,517.43 loss in January 2002. Assessments less than \$25 totaled \$574.43 and were rolled into FY

**VIRGINIA PROPERTY INSURANCE ASSOCIATION**  
**MEMBERS' ACCOUNT BY POLICY YEAR**  
**QUARTER ENDED SEPTEMBER 30, 2002**

Item	DESCRIPTION	YEAR TO DATE					TOTAL	
		1998	1999	2000	2001	2002		
<b>INCOME RECEIVED:</b>								
1	PREMIUMS WRITTEN	0.00	(750.00)	(2,613.30)	(186,879.40)	8,828,536.74	0.00	8,638,294.04
2	INTEREST RECEIVED	0.00	0.00	0.00	131,556.91	111,814.42	0.00	243,371.33
2A	MISC. INCOME RECEIVED	0.00	0.00	0.00	8.59	0.20	0.00	8.79
3	<b>Total Inc. (Items 1 Thru 2A)</b>	<b>0.00</b>	<b>(750.00)</b>	<b>(2,613.30)</b>	<b>(55,313.90)</b>	<b>8,940,351.36</b>	<b>0.00</b>	<b>8,881,674.16</b>
<b>EXPENSES PAID:</b>								
4	LOSSES (LESS SALVAGE)	0.00	105,570.77	99,109.57	2,334,620.35	864,599.84	0.00	3,403,900.53
5	LOSS ADJUST. EXPENSES	0.00	28,488.03	15,159.38	205,293.22	376,684.86	0.00	625,625.49
6	COMMISSION EXPENSE	0.00	(75.00)	(505.07)	22,578.41	780,160.16	0.00	802,158.50
7	GENERAL OPERATING EXP.S	0.00	0.00	0.00	0.00	1,182,393.60	0.00	1,182,393.60
7A	PREMIUM TAXES & FEES	0.00	0.00	0.00	192,841.00	0.00	0.00	192,841.00
8	<b>Total Exp.s (Items 4 Thru 7A)</b>	<b>0.00</b>	<b>133,983.80</b>	<b>113,763.88</b>	<b>2,755,332.98</b>	<b>3,203,838.46</b>	<b>0.00</b>	<b>6,206,919.12</b>
9	<b>Net Cash Chg (Item 3 Less 8)</b>	<b>0.00</b>	<b>(134,733.80)</b>	<b>(116,377.18)</b>	<b>(2,810,646.88)</b>	<b>5,736,512.90</b>	<b>0.00</b>	<b>2,674,755.04</b>
<b>RESERVES:</b>								
<b>DEDUCT (CURRENT PERIOD)</b>								
10	UNPAID LOSSES (INCL. IBNR)	0.00	0.00	0.00	304,677.89	1,035,910.81	0.00	1,340,588.70
11	UNPAID LOSS ADJ. EXP.S	0.00	0.00	0.00	30,504.35	151,749.98	0.00	182,254.33
12	UNPAID GENERAL EXP.	0.00	0.00	0.00	0.00	123,643.90	0.00	123,643.90
13	COMMISSIONS PAYABLE	0.00	0.00	(58.50)	(832.02)	84,285.42	0.00	83,394.90
14	PREMIUM TAXES & FEES	0.00	0.00	(112.68)	(6,260.46)	295,755.98	0.00	289,382.84
15	UNEARNED PREMIUM	0.00	0.00	0.00	0.00	4,853,005.00	0.00	4,853,005.00
<b>ADD (PRIOR PERIOD)</b>								
16	UNPAID LOSSES (INCL. IBNR)	0.00	204,001.00	121,852.00	770,239.25	0.00	0.00	1,096,092.25
17	UNPAID LOSS ADJ. EXP.S	0.00	28,152.14	16,815.59	128,634.88	0.00	0.00	173,602.61
18	UNPAID GENERAL EXP.	0.00	0.00	0.00	80,199.71	0.00	0.00	80,199.71
19	COMMISSIONS PAYABLE	0.00	0.00	(337.27)	39,573.39	684.12	0.00	39,920.24
20	PREMIUM TAXES & FEES	0.00	(18.55)	(5,279.93)	198,717.09	328.51	0.00	193,747.12
21	UNEARNED PREMIUM	0.00	0.00	0.00	3,038,139.00	9,789.00	0.00	3,047,928.00
22	<b>Net Resrv Chg (Items 10 - 21)</b>	<b>0.00</b>	<b>(232,134.59)</b>	<b>(133,221.57)</b>	<b>(3,927,413.56)</b>	<b>6,533,549.46</b>	<b>0.00</b>	<b>2,240,779.74</b>
<b>OTHER CHANGES:</b>								
<b>DEDUCT (PRIOR PERIOD)</b>								
23	ACCRUED INTEREST	0.00	0.00	0.00	131,556.91	0.00	0.00	131,556.91
23A	MISC. INCOME REC'D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	ASSETS NOT ADMITTED	0.00	0.00	(30,170.21)	(161,088.44)	0.00	0.00	(191,258.65)
<b>ADD (CURRENT PERIOD)</b>								
25	ACCRUED INTEREST	0.00	0.00	0.00	0.00	54,872.42	0.00	54,872.42
25A	MISC. INCOME REC'D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	ASSETS NOT ADMITTED	0.00	0.00	(10,435.06)	(150,945.97)	(15,591.92)	0.00	(176,972.95)
27	<b>Net Chg (Items 23 Thru 26)</b>	<b>0.00</b>	<b>0.00</b>	<b>19,735.15</b>	<b>(121,414.44)</b>	<b>39,280.50</b>	<b>0.00</b>	<b>(62,398.79)</b>
28	ADD: ASSMNTS & EQUITY ADJ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28A	FISCAL YEAR CLOSEOUTS	199,517.43	(574.43)	0.00	0.00	0.00	0.00	198,943.00
<b>CHANGE IN EQUITY</b>		<b>199,517.43</b>	<b>96,826.36</b>	<b>36,579.54</b>	<b>995,352.24</b>	<b>(757,756.06)</b>	<b>0.00</b>	<b>570,519.51</b>
(Items 9, 22, 27 AND 28)								
BEGINNING EQUITY (DEFICIT)		(199,517.43)	476,290.26	1,139,722.75	(572,202.76)	92.75	0.00	844,385.57
<b>ENDING EQUITY (DEFICIT)</b>		<b>0.00</b>	<b>573,116.62</b>	<b>1,176,302.29</b>	<b>423,149.48</b>	<b>(757,663.31)</b>	<b>0.00</b>	<b>1,414,905.08</b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
MEMBER'S ACCOUNT BY POLICY YEAR  
QUARTER ENDED SEPTEMBER 30, 2002**

**EXHIBIT 3C**

DESCRIPTION	FISCAL YEAR						
	1968 TO 1997	1998	1999	2000	2001	2002	TOTAL
PREMIUMS WRITTEN	89,797,581.77	5,786,614.49	5,497,710.95	5,322,783.76	5,739,775.69	8,838,313.74	120,982,780.40
UNEARNED PREM.	0.00	0.00	0.00	0.00	0.00	4,853,005.00	4,853,005.00
<b>EARNED PREMIUMS</b>	<b>89,797,581.77</b>	<b>5,786,614.49</b>	<b>5,497,710.95</b>	<b>5,322,783.76</b>	<b>5,739,775.69</b>	<b>3,985,308.74</b>	<b>116,129,775.40</b>
LOSSES PAID	55,769,425.36	3,926,762.89	2,997,385.77	2,292,715.63	3,108,751.47	864,599.84	68,959,640.96
UNPAID LOSSES	0.00	0.00	0.00	0.00	304,677.89	1,035,910.81	1,340,588.70
<b>INCURRED LOSSES</b>	<b>55,769,425.36</b>	<b>3,926,762.89</b>	<b>2,997,385.77</b>	<b>2,292,715.63</b>	<b>3,413,429.36</b>	<b>1,900,510.65</b>	<b>70,300,229.66</b>
LAE PAID ALLOCATED	6,586,196.02	535,965.63	537,717.14	504,063.13	518,693.40	376,684.86	9,059,320.18
LAE PAID UNALLOCATED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
UNPAID LAE ALLOCATED	0.00	0.00	0.00	0.00	30,504.35	151,749.98	182,254.33
UNPAID LAE UNALLOCATED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>INCURRED LAE</b>	<b>6,586,196.02</b>	<b>535,965.63</b>	<b>537,717.14</b>	<b>504,063.13</b>	<b>549,197.75</b>	<b>528,434.84</b>	<b>9,241,574.51</b>
OPERATING EXPENSE	19,472,877.79	1,063,115.91	904,768.55	965,408.72	896,902.18	1,182,393.60	24,485,466.75
COMMISSION EXPENSES	8,274,623.60	564,765.10	536,831.00	518,793.10	558,690.92	779,042.78	11,232,746.50
MEMBER EXPENSES	817,245.11	0.00	0.00	0.00	0.00	0.00	817,245.11
PREMIUM TAXES	2,498,374.24	192,022.43	182,136.00	176,443.00	192,841.00	0.00	3,241,816.67
UNPAID GENERAL EXP.S	0.00	0.00	0.00	0.00	0.00	123,643.90	123,643.90
COMMISSIONS PAY.	0.00	0.00	0.00	(58.50)	(832.02)	84,285.42	83,394.90
UNPAID MEMBER EXP.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PREMIUM TAXES PAYABLE	0.00	0.00	0.00	(112.68)	(6,260.46)	295,755.98	289,382.84
<b>UNDWRT. EXP. INCURRED</b>	<b>31,063,120.74</b>	<b>1,819,903.44</b>	<b>1,623,735.55</b>	<b>1,660,473.64</b>	<b>1,641,341.62</b>	<b>2,465,121.68</b>	<b>40,273,696.67</b>
<b>UNDERWRITING GAIN (LOSS)</b>	<b>(3,621,160.35)</b>	<b>(496,017.47)</b>	<b>338,872.49</b>	<b>865,531.36</b>	<b>135,806.96</b>	<b>(908,758.43)</b>	<b>(3,685,725.44)</b>
INVESTMENT INC. REC'D	3,126,813.50	292,546.77	234,778.58	266,798.31	314,477.19	111,814.42	4,347,228.77
INVESTMNT INC. ACC'D	0.00	0.00	0.00	0.00	0.00	54,872.42	54,872.42
MISC. INCOME RECEIVED	26,259.54	3,470.85	39.98	279.14	244.30	0.20	30,294.01
<b>INVESTMENT GAIN (LOSS)</b>	<b>3,153,073.04</b>	<b>296,017.62</b>	<b>234,818.56</b>	<b>267,077.45</b>	<b>314,721.49</b>	<b>166,687.04</b>	<b>4,432,395.20</b>
MEMBERS EQUITY							
SURPLUS / (DEFICIT)	(468,087.31)	(199,999.85)	573,691.05	1,132,608.81	450,528.45	(742,071.39)	746,669.76
OPERATIONAL ASSESSMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CLOSING ADJUSTMENTS	(0.01)	0.00	0.00	0.00	0.00	0.00	(0.01)
ASSESSMENTS / (DISTRIBUTIONS)	468,087.32	199,999.85	(574.43)	0.00	0.00	0.00	667,512.74
LESS NON-ADMITTED ASSETS	0.00	0.00	0.00	(43,693.48)	27,378.97	15,591.92	(722.59)
<b>MEMBERS EQUITY</b>	<b>(0.00)</b>	<b>0.00</b>	<b>573,116.62</b>	<b>1,176,302.29</b>	<b>423,149.48</b>	<b>(757,663.31)</b>	<b>1,414,905.08</b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATISTICAL REPORT OF PREMIUMS BY POLICY YEAR  
QUARTER ENDED SEPTEMBER 30, 2002**

ITEM	DESCRIPTION	QUARTER					TOTAL
		1999	2000	2001	2002	2003	
<b>PREMIUMS WRITTEN</b>							
1	FIRE	\$0.00	(\$780.00)	(\$10,851.00)	\$2,146,555.20	\$0.00	\$2,134,924.20
3	EXTENDED COVERAGE	<u>\$0.00</u>	<u>(\$89.00)</u>	<u>(\$1,509.00)</u>	<u>\$508,739.14</u>	<u>\$0.00</u>	<u>\$507,141.14</u>
5	<b>TOTAL</b>	<b>\$0.00</b>	<b>(\$869.00)</b>	<b>(\$12,360.00)</b>	<b>\$2,655,294.34</b>	<b>\$0.00</b>	<b>\$2,642,065.34</b>
<b>UNEARNED PREMIUM (PRIOR PERIOD)</b>							
6	FIRE	\$0.00	\$0.00	\$152,821.00	\$3,308,137.14	\$0.00	\$3,460,958.14
8	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$33,969.00</u>	<u>\$732,234.86</u>	<u>\$0.00</u>	<u>\$766,203.86</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$186,790.00</b>	<b>\$4,040,372.00</b>	<b>\$0.00</b>	<b>\$4,227,162.00</b>
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>							
11	FIRE	\$0.00	\$0.00	\$0.00	\$3,949,250.00	\$0.00	\$3,949,250.00
13	EXTENDED COVERAGE	\$0.00	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$903,755.00</u>	<u>\$0.00</u>	<u>\$903,755.00</u>
15	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,853,005.00</b>	<b>\$0.00</b>	<b>\$4,853,005.00</b>
<b>EARNED PREMIUMS</b>							
16	FIRE (1+6-11)	\$0.00	(\$780.00)	\$141,970.00	\$1,505,442.34	\$0.00	\$1,646,632.34
18	EXTENDED COVERAGE (3+8-13)	<u>\$0.00</u>	<u>(\$89.00)</u>	<u>\$32,460.00</u>	<u>\$337,219.00</u>	<u>\$0.00</u>	<u>\$369,590.00</u>
20	<b>TOTAL (5+10-15)</b>	<b><u>\$0.00</u></b>	<b><u>(\$869.00)</u></b>	<b><u>\$174,430.00</u></b>	<b><u>\$1,842,661.34</u></b>	<b><u>\$0.00</u></b>	<b><u>\$2,016,222.34</u></b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATISTICAL REPORT OF PREMIUMS BY POLICY YEAR  
QUARTER ENDED SEPTEMBER 30, 2002**

ITEM	DESCRIPTION	YEAR TO DATE					TOTAL
		1999	2000	2001	2002	2003	
<b>PREMIUMS WRITTEN</b>							
1	FIRE	(\$657.00)	(\$2,392.30)	(\$155,563.40)	\$7,201,863.38	\$0.00	\$7,043,250.68
3	EXTENDED COVERAGE	<u>(\$93.00)</u>	<u>(\$221.00)</u>	<u>(\$31,316.00)</u>	<u>\$1,626,673.36</u>	<u>\$0.00</u>	<u>\$1,595,043.36</u>
5	<b>TOTAL</b>	<b>(\$750.00)</b>	<b>(\$2,613.30)</b>	<b>(\$186,879.40)</b>	<b>\$8,828,536.74</b>	<b>\$0.00</b>	<b>\$8,638,294.04</b>
<b>UNEARNED PREMIUM (PRIOR PERIOD)</b>							
6	FIRE	\$0.00	\$0.00	\$2,487,073.00	\$7,510.36	\$0.00	\$2,494,583.36
8	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$551,066.00</u>	<u>\$2,278.64</u>	<u>\$0.00</u>	<u>\$553,344.64</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,038,139.00</b>	<b>\$9,789.00</b>	<b>\$0.00</b>	<b>\$3,047,928.00</b>
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>							
11	FIRE	\$0.00	\$0.00	\$0.00	\$3,949,250.00	\$0.00	\$3,949,250.00
13	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$903,755.00</u>	<u>\$0.00</u>	<u>\$903,755.00</u>
15	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,853,005.00</b>	<b>\$0.00</b>	<b>\$4,853,005.00</b>
<b>EARNED PREMIUMS</b>							
16	FIRE (1+6-11)	(\$657.00)	(\$2,392.30)	\$2,331,509.60	\$3,260,123.74	\$0.00	\$5,588,584.04
18	EXTENDED COVERAGE (3+8-13)	<u>(\$93.00)</u>	<u>(\$221.00)</u>	<u>\$519,750.00</u>	<u>\$725,197.00</u>	<u>\$0.00</u>	<u>\$1,244,633.00</u>
20	<b>TOTAL (5+10-15)</b>	<b><u>(\$750.00)</u></b>	<b><u>(\$2,613.30)</u></b>	<b><u>\$2,851,259.60</u></b>	<b><u>\$3,985,320.74</u></b>	<b><u>\$0.00</u></b>	<b><u>\$6,833,217.04</u></b>

VIRGINIA PROPERTY INSURANCE ASSOCIATION  
 STATISTICAL REPORT OF LOSSES BY POLICY YEAR  
 QUARTER ENDED SEPTEMBER 30, 2002

ITEM	DESCRIPTION	QUARTER					TOTAL
		1999	2000	2001	2002	2003	
<b>PAID LOSSES (LESS SALVAGE)</b>							
1	FIRE	\$0.00	\$0.00	\$259,726.90	\$411,290.53	\$0.00	\$671,017.43
3	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$1,156.13</u>	<u>\$64,656.69</u>	<u>\$100,633.91</u>	<u>\$0.00</u>	<u>\$166,446.73</u>
5	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$1,156.13</b>	<b>\$324,383.59</b>	<b>\$511,924.44</b>	<b>\$0.00</b>	<b>\$837,464.16</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD)</b>							
6	FIRE	\$0.00	\$0.00	\$261,665.17	\$651,046.74	\$0.00	\$912,711.91
8	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$43,012.72</u>	<u>\$384,864.07</u>	<u>\$0.00</u>	<u>\$427,876.79</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$304,677.89</b>	<b>\$1,035,910.81</b>	<b>\$0.00</b>	<b>\$1,340,588.70</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD)</b>							
11	FIRE	\$0.00	\$0.00	\$541,684.89	\$571,332.67	\$0.00	\$1,113,017.56
13	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$10,000.00</u>	<u>\$110,784.64</u>	<u>\$268,184.86</u>	<u>\$0.00</u>	<u>\$388,969.50</u>
15	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$10,000.00</b>	<b>\$652,469.53</b>	<b>\$839,517.53</b>	<b>\$0.00</b>	<b>\$1,501,987.06</b>
<b>INCURRED LOSSES</b>							
16	FIRE (1+6-11)	\$0.00	\$0.00	(\$20,292.82)	\$491,004.60	\$0.00	\$470,711.78
18	EXTENDED COVERAGE (3+8-13)	<u>\$0.00</u>	<u>(\$8,843.87)</u>	<u>(\$3,115.23)</u>	<u>\$217,313.12</u>	<u>\$0.00</u>	<u>\$205,354.02</u>
20	<b>TOTAL (5+10-15)</b>	<b>\$0.00</b>	<b>(\$8,843.87)</b>	<b>(\$23,408.05)</b>	<b>\$708,317.72</b>	<b>\$0.00</b>	<b>\$676,065.80</b>
=====							
<b>IBNR (CURRENT PERIOD)</b>							
21	FIRE (INCL'D IN LINE 6)	\$0.00	\$0.00	\$0.00	\$67,978.63	\$0.00	\$67,978.63
23	ALLIED LINES (INCL'D IN LINE 8)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$285,515.07</u>	<u>\$0.00</u>	<u>\$285,515.07</u>
25	<b>TOTAL (INCLUDED IN LINE 10)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$353,493.70</b>	<b>\$0.00</b>	<b>\$353,493.70</b>
<b>IBNR (PRIOR PERIOD)</b>							
26	FIRE (INCL'D IN LINE 11)	\$0.00	\$0.00	\$14,739.11	\$44,217.34	\$0.00	\$58,956.45
28	ALLIED LINES (INCL'D IN LINE 13)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$61,821.92</u>	<u>\$185,465.76</u>	<u>\$0.00</u>	<u>\$247,287.68</u>
30	<b>TOTAL (INCLUDED IN LINE 15)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$76,561.03</b>	<b>\$229,683.10</b>	<b>\$0.00</b>	<b>\$306,244.13</b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATISTICAL REPORT OF LOSSES BY POLICY YEAR  
QUARTER ENDED SEPTEMBER 30, 2002**

ITEM	DESCRIPTION	YEAR TO DATE					TOTAL
		1999	2000	2001	2002	2003	
	<b>PAID LOSSES (LESS SALVAGE)</b>						
1							
3	FIRE	\$3,484.00	\$92,141.61	\$2,150,466.61	\$614,090.07	\$0.00	\$2,860,182.29
	EXTENDED COVERAGE	<u>\$102,086.77</u>	<u>\$6,967.96</u>	<u>\$184,153.74</u>	<u>\$250,509.77</u>	<u>\$0.00</u>	<u>\$543,718.24</u>
5	<b>TOTAL</b>	<b>\$105,570.77</b>	<b>\$99,109.57</b>	<b>\$2,334,620.35</b>	<b>\$864,599.84</b>	<b>\$0.00</b>	<b>\$3,403,900.53</b>
	<b>OUTSTANDING LOSSES (CURRENT PERIOD)</b>						
6							
8	FIRE	\$0.00	\$0.00	\$261,665.17	\$651,046.74	\$0.00	\$912,711.91
	EXTENDED COVERAGE	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$43,012.72</u>	<u>\$384,864.07</u>	<u>\$0.00</u>	<u>\$427,876.79</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$304,677.89</b>	<b>\$1,035,910.81</b>	<b>\$0.00</b>	<b>\$1,340,588.70</b>
	<b>OUTSTANDING LOSSES (PRIOR PERIOD)</b>						
11							
13	FIRE	\$4,001.00	\$115,850.00	\$583,627.38	\$0.00	\$0.00	\$703,478.38
	EXTENDED COVERAGE	<u>\$200,000.00</u>	<u>\$6,002.00</u>	<u>\$186,611.87</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$392,613.87</u>
15	<b>TOTAL</b>	<b>\$204,001.00</b>	<b>\$121,852.00</b>	<b>\$770,239.25</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,096,092.25</b>
	<b>INCURRED LOSSES</b>						
16							
18	FIRE (1+6-11)	(\$517.00)	(\$23,708.39)	\$1,828,504.40	\$1,265,136.81	\$0.00	\$3,069,415.82
	EXTENDED COVERAGE (3+8-13)	<u>(\$97,913.23)</u>	<u>\$965.96</u>	<u>\$40,554.59</u>	<u>\$635,373.84</u>	<u>\$0.00</u>	<u>\$578,981.16</u>
20	<b>TOTAL (5+10-15)</b>	<b><u>(\$98,430.23)</u></b>	<b><u>(\$22,742.43)</u></b>	<b><u>\$1,869,058.99</u></b>	<b><u>\$1,900,510.65</u></b>	<b><u>\$0.00</u></b>	<b><u>\$3,648,396.98</u></b>
	<b>IBNR (CURRENT PERIOD)</b>						
21							
23	FIRE (INCL'D IN LINE 6)	\$0.00	\$0.00	\$0.00	\$67,978.63	\$0.00	\$67,978.63
	ALLIED LINES (INCL'D IN LINE 8)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$285,515.07</u>	<u>\$0.00</u>	<u>\$285,515.07</u>
25	<b>TOTAL (INCLUDED IN LINE 10)</b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$353,493.70</u></b>	<b><u>\$0.00</u></b>	<b><u>\$353,493.70</u></b>
	<b>IBNR (PRIOR PERIOD)</b>						
26							
28	FIRE (INCL'D IN LINE 11)	\$0.00	\$0.00	\$51,309.62	\$0.00	\$0.00	\$51,309.62
	ALLIED LINES (INCL'D IN LINE 13)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$155,994.87</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$155,994.87</u>
30	<b>TOTAL (INCLUDED IN LINE 15)</b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$207,304.49</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$207,304.49</u></b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
QUARTER ENDED SEPTEMBER 30, 2002**

ITEM	DESCRIPTION	QUARTER					TOTAL
		1999	2000	2001	2002	2003	
<b>LOSS EXPENSES PAID</b>							
1	FIRE: ALLOCATED	\$2,089.17	\$45.00	\$18,129.31	\$88,007.08	\$0.00	\$108,270.56
3	EXTENDED COVERAGE: ALLOC'D	<u>\$3,797.73</u>	<u>\$3,465.11</u>	<u>\$16,905.28</u>	<u>\$43,121.38</u>	<u>\$0.00</u>	<u>\$67,289.50</u>
5	<b>TOTAL</b>	<b>\$5,886.90</b>	<b>\$3,510.11</b>	<b>\$35,034.59</b>	<b>\$131,128.46</b>	<b>\$0.00</b>	<b>\$175,560.06</b>
<b>UNPAID LOSS EXPENSES (CURRENT PERIOD)</b>							
6	FIRE: ALLOCATED	\$0.00	\$0.00	\$26,197.92	\$90,509.71	\$0.00	\$116,707.63
8	EXTENDED COVERAGE: ALLOC'D	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$4,306.43</u>	<u>\$61,240.27</u>	<u>\$0.00</u>	<u>\$65,546.70</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$30,504.35</b>	<b>\$151,749.98</b>	<b>\$0.00</b>	<b>\$182,254.33</b>
<b>UNPAID LOSS EXPENSES (PRIOR PERIOD)</b>							
11	FIRE: ALLOCATED	\$0.00	\$0.00	\$54,599.58	\$73,728.66	\$0.00	\$128,328.24
13	EXTENDED COVERAGE: ALLOC'D	<u>\$0.00</u>	<u>\$990.00</u>	<u>\$11,740.45</u>	<u>\$31,383.04</u>	<u>\$0.00</u>	<u>\$44,113.49</u>
15	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$990.00</b>	<b>\$66,340.03</b>	<b>\$105,111.70</b>	<b>\$0.00</b>	<b>\$172,441.73</b>
<b>INCURRED LOSS EXPENSES</b>							
16	FIRE: ALLOCATED (1+6-11)	\$2,089.17	\$45.00	(\$10,272.35)	\$104,788.13	\$0.00	\$96,649.95
18	EXT. COVERG: ALLOC'D (3+8-13)	<u>\$3,797.73</u>	<u>\$2,475.11</u>	<u>\$9,471.26</u>	<u>\$72,978.61</u>	<u>\$0.00</u>	<u>\$88,722.71</u>
20	<b>TOTAL (5+10-15)</b>	<b><u>\$5,886.90</u></b>	<b><u>\$2,520.11</u></b>	<b><u>(\$801.09)</u></b>	<b><u>\$177,766.74</u></b>	<b><u>\$0.00</u></b>	<b><u>\$185,372.66</u></b>

**VIRGINIA PROPERTY INSURANCE ASSOCIATION  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
QUARTER ENDED SEPTEMBER 30, 2002**

ITEM	DESCRIPTION	YEAR TO DATE					TOTAL
		1999	2000	2001	2002	2003	
<b>LOSS EXPENSES PAID</b>							
1	FIRE: ALLOCATED	\$11,975.83	\$5,108.22	\$139,530.04	\$263,876.56	\$0.00	\$420,490.65
3	EXTENDED COVERAGE: ALLOC'D	<u>\$16,512.20</u>	<u>\$10,051.16</u>	<u>\$65,763.18</u>	<u>\$112,808.30</u>	<u>\$0.00</u>	<u>\$205,134.84</u>
5	<b>TOTAL</b>	<b>\$28,488.03</b>	<b>\$15,159.38</b>	<b>\$205,293.22</b>	<b>\$376,684.86</b>	<b>\$0.00</b>	<b>\$625,625.49</b>
<b>UNPAID LOSS EXPENSES (CURRENT PERIOD)</b>							
6	FIRE: ALLOCATED	\$0.00	\$0.00	\$26,197.92	\$90,509.71	\$0.00	\$116,707.63
8	EXTENDED COVERAGE: ALLOC'D	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$4,306.43</u>	<u>\$61,240.27</u>	<u>\$0.00</u>	<u>\$65,546.70</u>
10	<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$30,504.35</b>	<b>\$151,749.98</b>	<b>\$0.00</b>	<b>\$182,254.33</b>
<b>UNPAID LOSS EXPENSES (PRIOR PERIOD)</b>							
11	FIRE: ALLOCATED	\$552.14	\$15,987.31	\$96,346.23	\$0.00	\$0.00	\$112,885.68
13	EXTENDED COVERAGE: ALLOC'D	<u>\$27,600.00</u>	<u>\$828.28</u>	<u>\$32,288.65</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$60,716.93</u>
15	<b>TOTAL</b>	<b>\$28,152.14</b>	<b>\$16,815.59</b>	<b>\$128,634.88</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$173,602.61</b>
<b>INCURRED LOSS EXPENSES</b>							
16	FIRE: ALLOCATED (1+6-11)	\$11,423.69	(\$10,879.09)	\$69,381.73	\$354,386.27	\$0.00	\$424,312.60
18	EXT.COVERG: ALLOC'D (3+8-13)	<u>(\$11,087.80)</u>	<u>\$9,222.88</u>	<u>\$37,780.96</u>	<u>\$174,048.57</u>	<u>\$0.00</u>	<u>\$209,964.61</u>
20	<b>TOTAL (5+10-15)</b>	<b><u>\$335.89</u></b>	<b><u>(\$1,656.21)</u></b>	<b><u>\$107,162.69</u></b>	<b><u>\$528,434.84</u></b>	<b><u>\$0.00</u></b>	<b><u>\$634,277.21</u></b>