

**QUARTERLY STATEMENT**

**OF THE**

**AMERICAN MEDICAL INSURANCE  
EXCHANGE**

**Of**

**INDIANAPOLIS  
in the state of IN**

**to the Insurance Department  
of the State of**

For the Period Ended  
March 31, 2004

**2004**



# QUARTERLY STATEMENT

As of March 31, 2004  
of the Condition and Affairs of the

## AMERICAN MEDICAL INSURANCE EXCHANGE

NAIC Group Code..... 2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 31402	Employer's ID Number..... 35-1756545
Organized under the Laws of INDIANA	State of Domicile or Port of Entry INDIANA	Country of Domicile US
Incorporated..... August 31, 1988	Commenced Business..... November 1, 1988	
Statutory Home Office	5975 CASTLE CREEK PARKWAY, SUITE 300 ..... INDIANAPOLIS ..... IN ..... 46250-4203 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	100 BROOKWOOD PLACE ..... BIRMINGHAM ..... AL ..... 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Mail Address	100 BROOKWOOD PLACE ..... BIRMINGHAM ..... AL ..... 35209 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	100 BROOKWOOD PLACE ..... BIRMINGHAM ..... AL ..... 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	N/A	
Statutory Statement Contact	JEFFREY M. MANGET <i>(Name)</i> JMANGET@PROASSURANCE.COM <i>(E-Mail Address)</i>	205-877-4442 <i>(Area Code) (Telephone Number) (Extension)</i> 205-868-4029 <i>(Fax Number)</i>
Policyowner Relations Contact	100 BROOKWOOD PLACE ..... BIRMINGHAM ..... AL ..... 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number) (Extension)</i>

### OFFICERS

Name	Title	Name	Title
1. VICTOR THOMAS ADAMO	PRESIDENT	2. KATHRYN ANNE NEVILLE	SECRETARY
3. JAMES JOSEPH MORELLO	TREASURER	4.	

**OTHER**

LOIS JEAN WYRICK	VICE PRESIDENT
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### DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	AUBREY DERRILL CROWE	HOWARD HARLEY FRIEDMAN
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State of..... ALABAMA  
County of..... JEFFERSON

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, which is an exact copy of the enclosed statement (except for formatting differences due to electronic filing). The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) VICTOR THOMAS ADAMO 1. (Printed Name) _____ PRESIDENT (Title)	_____ (Signature) KATHRYN ANNE NEVILLE 2. (Printed Name) _____ SECRETARY (Title)	_____ (Signature) JAMES JOSEPH MORELLO 3. (Printed Name) _____ TREASURER (Title)
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Subscribed and sworn to before me	a. Is this an original filing?	Yes [ X ] No [ ]
This _____ day of _____	b. If no	1. State the amendment number _____
		2. Date filed _____
		3. Number of pages attached _____

# AMERICAN MEDICAL INSURANCE EXCHANGE ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	497,685		497,685	497,278
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....576), cash equivalents (\$.....0) and short-term investments (\$.....23,981).....	24,557		24,557	22,260
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Other invested assets.....			.0	
8. Receivable for securities.....	70		70	70
9. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	522,312	.0	522,312	519,608
11. Investment income due and accrued.....	1,322		1,322	3,422
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in course of collection.....			.0	
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
12.3 Accrued retrospective premiums.....			.0	
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers.....			.0	
13.2 Funds held by or deposited with reinsured companies.....			.0	
13.3 Other amounts receivable under reinsurance contracts.....			.0	
14. Amounts receivable relating to uninsured plans.....			.0	
15.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
15.2 Net deferred tax asset.....			.0	
16. Guaranty funds receivable or on deposit.....			.0	
17. Electronic data processing equipment and software.....			.0	
18. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
19. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
20. Receivable from parent, subsidiaries and affiliates.....			.0	
21. Health care (\$.....0) and other amounts receivable.....			.0	
22. Other assets nonadmitted.....			.0	
23. Aggregate write-ins for other than invested assets.....	.0	.0	.0	.0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	523,634	.0	523,634	523,030
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
26. TOTALS (Lines 24 and 25).....	523,634	.0	523,634	523,030

### DETAILS OF WRITE-INS

0901.....			.0	
0902.....			.0	
0903.....			.0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.0	.0	.0	.0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.0	.0	.0	.0
2301.....			.0	
2302.....			.0	
2303.....			.0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	.0	.0	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	.0	.0	.0	.0

**AMERICAN MEDICAL INSURANCE EXCHANGE**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0).....		
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....		
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	.244	.270
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	.248	1,005
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0).....		
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	.9	
20. Payable for securities.....	.70	.70
21. Liability for amounts held under uninsured accident and health plans.....		
22. Capital notes \$....0 and interest thereon \$.....		
23. Aggregate write-ins for liabilities.....	.0	.0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	.571	1,345
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	.571	1,345
27. Aggregate write-ins for special surplus funds.....	.0	.0
28. Common capital stock.....		
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	.865,000	.865,000
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....		
33. Unassigned funds (surplus).....	(341,937)	(343,315)
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....		
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34).....	.523,063	.521,685
36. TOTALS.....	.523,634	.523,030

**DETAILS OF WRITE-INS**

2301. ....		
2302. ....		
2303. ....		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	.0	.0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	.0	.0
2701. ....		
2702. ....		
2703. ....		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	.0	.0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	.0	.0
3001. Guaranty Fund.....	.865,000	.865,000
3002. ....		
3003. ....		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	.0	.0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	.865,000	.865,000

# AMERICAN MEDICAL INSURANCE EXCHANGE STATEMENT OF INCOME

	1 Current Year to Date	2 Previous Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$.....0)			
1.2 Assumed..... (written \$.....0)			
1.3 Ceded..... (written \$.....0)			
1.4 Net..... (written \$.....0)	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....			
2.2 Assumed.....			
2.3 Ceded.....			
2.4 Net.....	0	0	0
3. Loss expenses incurred.....			
4. Other underwriting expenses incurred.....	533	185	3,705
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	533	185	3,705
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(533)	(185)	(3,705)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	2,154	3,221	10,364
10. Net realized capital gains (losses).....			
11. Net investment gain (loss) (Lines 9 + 10).....	2,154	3,221	10,364
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....			
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	0	0	0
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	1,621	3,036	6,659
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders but before federal and foreign income taxes (Line 16 minus 17).....	1,621	3,036	6,659
19. Federal and foreign income taxes incurred.....	243	1,063	(4,051)
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,378	1,973	10,710
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	521,685	508,970	508,970
<b>GAINS AND (LOSSES) IN SURPLUS</b>			
22. Net income (from Line 20).....	1,378	1,973	10,710
23. Change in net unrealized capital gains or losses.....			
24. Change in net unrealized foreign exchange capital gain (loss).....			
25. Change in net deferred income taxes.....			
26. Change in nonadmitted assets.....			
27. Change in provision for reinsurance.....			
28. Change in surplus notes.....			
29. Surplus (contributed to) withdrawn from protected cells.....			
30. Cumulative effect of changes in accounting principles.....			
31. Capital changes:			
31.1 Paid in.....			
31.2 Transferred from surplus (Stock Dividend).....			
31.3 Transferred to surplus.....			
32. Surplus adjustments:			
32.1 Paid in.....			
32.2 Transferred to capital (Stock Dividend).....			
32.3 Transferred from capital.....			
33. Net remittances from or (to) Home Office.....			
34. Dividends to stockholders.....			
35. Change in treasury stock.....			
36. Aggregate write-ins for gains and losses in surplus.....	0	0	2,005
37. Change in surplus as regards policyholders (Lines 22 through 36).....	1,378	1,973	12,715
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37).....	523,063	510,943	521,685
<b>DETAILS OF WRITE-INS</b>			
0501. ....			
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0
3601. Miscellaneous.....			2,005
3602. ....			
3603. ....			
3698. Summary of remaining write-ins for Line 36 from overflow page.....	0	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above).....	0	0	2,005

# AMERICAN MEDICAL INSURANCE EXCHANGE

## CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....		
2. Net investment income.....	3,847	13,360
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	3,847	13,360
5. Benefit and loss related payments.....		
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	559	3,435
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	1,000	2,295
10. Total (Lines 5 through 9).....	1,559	5,730
11. Net cash from operations (Line 4 minus Line 10).....	2,288	7,630
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		300,000
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		70
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	300,070
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....		496,734
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		70
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	496,804
14. Net increase (decrease) in policy loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 and 14).....	0	(196,734)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds received.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	9	2,005
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	9	2,005
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17).....	2,297	(187,099)
19. Cash and short-term investments:		
19.1 Beginning of year.....	22,260	209,359
19.2 End of period (Line 18 plus Line 19.1).....	24,557	22,260

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.001	.....		
20.999	Totals.....	0	0

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## **NOTES TO FINANCIAL STATEMENTS**

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### **Note 1 - Summary of Significant Accounting Policies**

No significant change.

### **Note 2 - Accounting Changes and Corrections of Errors**

No significant change.

### **Note 3 - Business Combinations and Goodwill**

No significant change.

### **Note 4 - Discontinued Operations**

No significant change.

### **Note 5 - Investments**

No significant change.

### **Note 6 - Joint Ventures, Partnerships and Limited Liability Companies**

No significant change.

### **Note 7 - Investment Income**

No significant change.

### **Note 8 Derivative Instruments**

No significant change.

### **Note 9 - Income Taxes**

American Medical Insurance Exchange (the Company) has neither deferred tax assets nor deferred tax liabilities. The Company does not file a consolidated return.

### **Note 10 - Information Concerning Parent, Subsidiaries and Affiliates**

No significant change.

### **Note 11 - Debt**

No significant change.

### **Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

No significant change.

### **Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

No significant change.

### **Note 14 - Contingencies**

No significant change.

### **Note 15 - Leases**

No significant change.

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**NOTES TO FINANCIAL STATEMENTS**

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**Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk and with Financial Instruments with Concentrations of Credit Risk**

No significant change.

**Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

C. The Company had no wash sales during the current period.

**Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

No significant change.

**Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

No significant change.

**Note 20 - September 11 Events**

No significant change.

**Note 21 - Other Items**

No significant change.

**Note 22 - Events Subsequent**

No significant change.

**Note 23 - Reinsurance**

No significant change.

**Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination**

No significant change.

**Note 25 - Change in Incurred Losses and Loss Adjustment Expenses**

No significant change.

**Note 26 - Intercompany Pooling Arrangements**

No significant change.

**Note 27 - Structured Settlements**

No significant change.

**Note 28 - Health Care Receivables**

No significant change.

**Note 29 - Participating Policies**

No significant change.

**Note 30 - Premium Deficiency Reserves**

No significant change.

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## **NOTES TO FINANCIAL STATEMENTS**

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### **Note 31 - High Deductibles**

No significant change.

### **Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

No significant change.

### **Note 33 - Asbestos/Environmental Reserves**

No significant change.

### **Note 34 - Subscriber Savings Accounts**

No significant change.

### **Note 35 - Multiple Peril Crop Insurance**

No significant change.

# AMERICAN MEDICAL INSURANCE EXCHANGE GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

## PART 1 - COMMON INTERROGATORIES

### GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes [ ] No [X]

1.2 If yes, explain:.....

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

2.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

3.2 If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]  
If yes, complete the Schedule Y-Part 1 - Organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [X] N/A [ ]  
If yes, attach an explanation.

.....  
.....

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1991.....

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/1991.....

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/01/1992.....

7.4 By what department or departments?  
INDIANA DEPARTMENT OF INSURANCE

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [ ] No [X]

8.2 If yes, give full information:  
.....

9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

9.2 If response to 9.1 is yes, please identify the name of the bank holding company.  
.....

9.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

9.4 If the response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

### INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [ ] No [X]

10.2 If yes, explain:.....

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....

# AMERICAN MEDICAL INSURANCE EXCHANGE GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

## PART 1 - COMMON INTERROGATORIES

13. Amount of real estate and mortgages held in short-term investments: .....

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds.....		
14.22 Preferred Stock.....		
14.23 Common Stock.....		
14.24 Short-Term Investments.....		
14.25 Mortgages, Loans or Real Estate.....		
14.26 All Other.....		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$.....0	\$.....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....		
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above.....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]  
If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SOUTHTRUST BANK	BIRMINGHAM, AL

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation.

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
NONE		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [ ] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
NONE		

# AMERICAN MEDICAL INSURANCE EXCHANGE GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

## PART 2

### PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [X] N/A [ ]  
If yes, attach an explanation.

---

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]  
If yes, attach an explanation.

---

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]

3.2 If yes, give full and complete information thereto:

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4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [ ] No [X]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
.....	.....	.....	.....	.....	.....	.....0	.....	.....	.....	.....0
Total.....	.....XXX...	.....XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

## AMERICAN MEDICAL INSURANCE EXCHANGE SCHEDULE A - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Increase (decrease) by adjustment.....		
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....		
5. Total profit (loss) on sales.....		
6. Increase (decrease) by foreign exchange adjustment.....		
7. Amount received on sales.....		
8. Book/adjusted carrying value at end of current period.....	0	0
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	0	0
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	0	0

NONE

## SCHEDULE B - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year.....	0	
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount and mortgage interest points and commitment fees.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	0	0

NONE

## SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	0	
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book adjusted/carrying value of long-term invested asset at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	0	0

NONE

## SCHEDULE D - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	.497,278	.299,988
2. Cost of bonds and stocks acquired.....		.496,734
3. Accrual of discount.....	.407	.566
4. Increase (decrease) by adjustment.....		
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....		
7. Consideration for bonds and stocks disposed of.....		.300,000
8. Amortization of premium.....		.10
9. Book/adjusted carrying value, current period.....	.497,685	.497,278
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	.497,685	.497,278
12. Total nonadmitted amounts.....		
13. Statement value.....	.497,685	.497,278

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1.....	.517,028	.67,715	.63,484	.407	.521,666			.517,028
2. Class 2.....								
3. Class 3.....								
4. Class 4.....								
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	.517,028	.67,715	.63,484	.407	.521,666	.0	.0	.517,028
<b>PREFERRED STOCK</b>								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	.0	.0	.0	.0	.0	.0	.0	.0
15. Total Bonds and Preferred Stock.....	.517,028	.67,715	.63,484	.407	.521,666	.0	.0	.517,028

**AMERICAN MEDICAL INSURANCE EXCHANGE**

**SCHEDULE DA - PART 1**

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999. Totals.....	23,981	XXX	23,981	.33	

**SCHEDULE DA - PART 2 - Verification**

Short-Term Investments Owned

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	19,750	208,931
2. Cost of short-term investments acquired.....	67,715	3,026,328
3. Increase (decrease) by adjustment.....		
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....		
6. Consideration received on disposal of short-term investments.....	63,484	3,215,509
7. Book/adjusted carrying value, current period.....	23,981	19,750
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	23,981	19,750
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	23,981	19,750
12. Income collected during period.....	.30	2,530
13. Income earned during period.....	.33	2,639

**Sch. DB-Part F-Section 1  
NONE**

**Sch. DB-Part F-Section 2  
NONE**

**Sch. F  
NONE**

**AMERICAN MEDICAL INSURANCE EXCHANGE**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	NO						
2. Alaska.....AK	NO						
3. Arizona.....AZ	NO						
4. Arkansas.....AR	NO						
5. California.....CA	NO						
6. Colorado.....CO	NO						
7. Connecticut.....CT	NO						
8. Delaware.....DE	NO						
9. District of Columbia.....DC	NO						
10. Florida.....FL	NO						
11. Georgia.....GA	NO						
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	NO						
15. Indiana.....IN	YES						
16. Iowa.....IA	NO						
17. Kansas.....KS	NO						
18. Kentucky.....KY	NO						
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	NO						
22. Massachusetts.....MA	NO						
23. Michigan.....MI	NO						
24. Minnesota.....MN	NO						
25. Mississippi.....MS	NO						
26. Missouri.....MO	NO						
27. Montana.....MT	NO						
28. Nebraska.....NE	NO						
29. Nevada.....NV	NO						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	NO						
32. New Mexico.....NM	NO						
33. New York.....NY	NO						
34. North Carolina.....NC	NO						
35. North Dakota.....ND	NO						
36. Ohio.....OH	NO						
37. Oklahoma.....OK	NO						
38. Oregon.....OR	NO						
39. Pennsylvania.....PA	NO						
40. Rhode Island.....RI	NO						
41. South Carolina.....SC	NO						
42. South Dakota.....SD	NO						
43. Tennessee.....TN	NO						
44. Texas.....TX	NO						
45. Utah.....UT	NO						
46. Vermont.....VT	NO						
47. Virginia.....VA	NO						
48. Washington.....WA	NO						
49. West Virginia.....WV	NO						
50. Wisconsin.....WI	NO						
51. Wyoming.....WY	NO						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Canada.....CN	NO						
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
58. Totals.....(a) 1		0	0	0	0	0	0

**DETAILS OF WRITE-INS**

5701.....	XXX						
5702.....	XXX						
5703.....	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page....	XXX	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above).....	XXX	0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

**Sch. Y-Part 1  
NONE**

**Part 1  
NONE**

**Part 2  
NONE**

**AMERICAN MEDICAL INSURANCE EXCHANGE**

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (a) (Cols. 1 + 2)	2004 Loss and LAE Payments on Claims Reported as of Prior Year-End	2004 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2004 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (b) (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/Deficiency (c) (Cols. 11 + 12)
1. 2001 + Prior			.....0			.....0				.....0	.....0	.....0	.....0
2. 2002			.....0			.....0				.....0	.....0	.....0	.....0
3. Subtotals 2002 + Prior	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
4. 2003			.....0			.....0				.....0	.....0	.....0	.....0
5. Subtotals 2003 + Prior	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
6. 2004	.....XXX	.....XXX	.....XXX	.....XXX		.....0	.....XXX			.....0	.....XXX	.....XXX	.....XXX
7. Totals	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
8. Prior Year-End's Surplus As Regards Policyholders	.....522										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. ....0.0 %	2. ....0.0 %	3. ....0.0 %
													Col. 13, Line 7 Line 8
													4. ....0.0 %

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(a) Should equal prior year-end Annual Statement; Page 3, Col. 1, Lines 1 + 3.  
 (b) Should equal Q.S. Page 3, Col.1, Lines 1 and 3.  
 (c) Should also equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	<b>Response</b>
1. Will the SVO Compliance Certification be filed with this statement?	<u>YES</u>
2. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement?	<u>NO</u>
3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	<u>SEE EXPLANATION</u>

**Explanations:**

As permitted by Indiana Department of Insurance.

**Bar Code:**



**Overflow Page  
NONE**

**Sch. A-Part 2  
NONE**

**Sch. A-Part 3  
NONE**

**Sch. B-Part 1  
NONE**

**Sch. B-Part 2  
NONE**

**Sch. BA-Part 1  
NONE**

**Sch. BA-Part 2  
NONE**

**Sch. D-Part 3  
NONE**

**Sch. D-Part 4  
NONE**

**Sch. DB-Part A-Section 1  
NONE**

**Sch. DB-Part B-Section 1  
NONE**

**Sch. DB-Part C-Section 1  
NONE**

**Sch. DB-Part D-Section 1  
NONE**

**AMERICAN MEDICAL INSURANCE EXCHANGE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
SOUTHTRUST BANK / OPERATING ACCT BIRMINGHAM, AL.....					2,484	1,844	574	XXX
SOUTHTRUST BANK / TRUST CASH..... BIRMINGHAM, AL.....					2	1	2	XXX
0199999 Total Open Depositories.....	XXX	XXX	0	0	2,486	1,845	576	XXX
0399999 Total Cash on Deposit.....	XXX	XXX	0	0	2,486	1,845	576	XXX
0599999 Total Cash.....	XXX	XXX	0	0	2,486	1,845	576	XXX