

QUARTERLY STATEMENT

OF THE

NCRIC, INC.

Of

WASHINGTON

in the state of DC

to the Insurance Department

of the State of

For the Period Ended

March 31, 2007

2007



QUARTERLY STATEMENT

As of March 31, 2007
of the Condition and Affairs of the

NCRIC, INC.

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 41149	Employer's ID Number..... 52-1194407
Organized under the Laws of DISTRICT OF COLUMBIA	State of Domicile or Port of Entry DISTRICT OF COLUMBIA	Country of Domicile US
Incorporated/Organized..... June 24, 1980	Commenced Business..... October 1, 1980	
Statutory Home Office	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	202-969-1866 <i>(Area Code) (Telephone Number)</i>
Mail Address	1115 30TH STREET, NW..... WASHINGTON DC 20007 <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	WWW.PROASSURANCE.COM	
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	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	202-969-1866 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

Name	Title	Name	Title
1. HOWARD HARLEY FRIEDMAN	PRESIDENT	2. KATHRYN ANNE NEVILLE	SECRETARY
3. JAMES JOSEPH MORELLO	TREASURER	4.	

OTHER

JEFFREY LYNN BOWLBY	VICE PRESIDENT	HOWARD HARLEY FRIEDMAN	CHIEF UNDERWRITING OFFICER
JAMES JOSEPH MORELLO	VICE PRESIDENT	FRANK BERRY O'NEIL	VICE PRESIDENT
EDWARD LEWIS RAND, JR.	VICE PRESIDENT	HAYES VANCE WHITESIDE	VICE PRESIDENT
DARRYL KEITH THOMAS	CHIEF CLAIMS OFFICER		

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	PAUL RICHARD BUTRUS	AUBREY DERRILL CROWE	HOWARD HARLEY FRIEDMAN
EDWARD LEWIS RAND, JR.	DARRYL KEITH THOMAS		

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, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) HOWARD HARLEY FRIEDMAN 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
This _____ day of _____

a. Is this an original filing? Yes [X] No []
b. If no: 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

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.....	235,437,944		235,437,944	232,336,726
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....	400,083		400,083	403,578
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 (\$.....(1,554,599)), cash equivalents (\$.....1,820,000) and short-term investments (\$.....16,094,977).....	16,360,378		16,360,378	17,462,292
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Other invested assets.....			.0	
8. Receivables for securities.....			.0	
9. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	252,198,405	.0	252,198,405	250,202,596
11. Title Plants less \$.....0 charged off (for Title insurers only).....			.0	
12. Investment income due and accrued.....	2,408,589		2,408,589	2,889,445
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	705,594	58,902	646,692	204,549
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	589,149	42,305	546,844	872,244
13.3 Accrued retrospective premiums.....			.0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	4,368,736		4,368,736	1,456,364
14.2 Funds held by or deposited with reinsured companies.....			.0	
14.3 Other amounts receivable under reinsurance contracts.....	82,078		82,078	35,476
15. Amounts receivable relating to uninsured plans.....			.0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	1,504,421		1,504,421	423,773
16.2 Net deferred tax asset.....	15,913,897	11,945,327	3,968,570	4,261,358
17. Guaranty funds receivable or on deposit.....	86,272		86,272	86,272
18. Electronic data processing equipment and software.....	963,903	895,739	68,164	106,001
19. Furniture and equipment, including health care delivery assets (\$.....0).....	244,837	244,837	.0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
21. Receivables from parent, subsidiaries and affiliates.....	15,213		15,213	87,359
22. Health care (\$.....0) and other amounts receivable.....			.0	
23. Aggregate write-ins for other than invested assets.....	635,272	54,570	580,702	570,983
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	279,716,366	13,241,680	266,474,686	261,196,420
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
26. TOTALS (Lines 24 and 25).....	279,716,366	13,241,680	266,474,686	261,196,420

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. Prepaid expenses.....	44,568	44,568	.0	
2302. Other assets.....	10,002	10,002	.0	
2303. State Premium Tax Recoverable.....	580,702		580,702	570,983
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).....	635,272	54,570	580,702	570,983

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$...870,701).....	104,359,775	108,083,628
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	51,428,492	51,275,833
4. Commissions payable, contingent commissions and other similar charges.....	6,275	20,405
5. Other expenses (excluding taxes, licenses and fees).....	807,515	421,210
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	226,492	215,953
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
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 \$...712,713 and including warranty reserves of \$.....0).....	23,777,272	16,771,338
10. Advance premium.....	35,547	1,775,242
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	3,183,840	3,060,542
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	28,095	367,814
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	83,400	83,400
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	517,605	163,236
20. Payable for securities.....		
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	19,499,999	19,500,000
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	203,954,307	201,738,601
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	203,954,307	201,738,601
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	1,000,000	1,000,000
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....	50,434,666	50,434,666
33. Unassigned funds (surplus).....	11,085,713	8,023,153
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).....	62,520,379	59,457,819
36. TOTALS.....	266,474,686	261,196,420

DETAILS OF WRITE-INS

2301. Litigation liability.....	19,500,000	19,500,000
2302. Other.....	(1)	
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).....	19,499,999	19,500,000
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.		
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).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....13,711,057).....	6,662,224	19,827,557	65,314,250
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....1,236,832).....	973,574	2,740,041	8,866,468
1.4 Net..... (written \$.....12,474,225).....	5,688,650	17,087,516	56,447,782
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....870,701):			
2.1 Direct.....	1,360,737	10,453,780	23,165,370
2.2 Assumed.....			
2.3 Ceded.....	490,036	1,954,395	8,179,743
2.4 Net.....	870,701	8,499,385	14,985,627
3. Loss expenses incurred.....	4,427,497	6,374,581	29,960,719
4. Other underwriting expenses incurred.....	1,421,372	2,700,470	6,301,089
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	6,719,570	17,574,436	51,247,435
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(1,030,920)	(486,920)	5,200,347
INVESTMENT INCOME			
9. Net investment income earned.....	2,801,183	2,464,649	11,175,745
10. Net realized capital gains (losses) less capital gains tax of \$.....(106,212).....	(197,252)	(16,061)	(54,444)
11. Net investment gain (loss) (Lines 9 + 10).....	2,603,931	2,448,588	11,121,301
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....18,517).....	(18,517)		(33,569)
13. Finance and service charges not included in premiums.....	7,160		117,055
14. Aggregate write-ins for miscellaneous income.....	7,150	6,522	(14,807)
15. Total other income (Lines 12 through 14).....	(4,207)	6,522	68,679
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,568,804	1,968,190	16,390,327
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	1,568,804	1,968,190	16,390,327
19. Federal and foreign income taxes incurred.....	(1,428,405)	2,629,509	4,749,602
20. Net income (Line 18 minus Line 19) (to Line 22).....	2,997,209	(661,319)	11,640,725
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	59,457,819	47,083,532	47,083,532
22. Net income (from Line 20).....	2,997,209	(661,319)	11,640,725
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	(3,496)	63,170	(691,597)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(1,806,937)	1,933,210	(527,760)
27. Change in nonadmitted assets.....	1,875,784	701,390	947,319
28. Change in provision for reinsurance.....			1,005,600
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	3,062,560	2,036,451	12,374,287
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	62,520,379	49,119,983	59,457,819
DETAILS OF WRITE-INS			
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. Miscellaneous income.....	7,150	6,520	9,928
1402. Gain/Loss on Sale of Equipment.....		2	(24,735)
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).....	7,150	6,522	(14,807)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	11,196,609	39,860,355
2. Net investment income.....	3,620,572	12,602,951
3. Miscellaneous income.....	(4,207)	68,679
4. Total (Lines 1 through 3).....	14,812,974	52,531,985
5. Benefit and loss related payments.....	11,828,366	30,396,352
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,038,658	9,104,845
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(453,969)	3,915,611
10. Total (Lines 5 through 9).....	12,413,055	43,416,808
11. Net cash from operations (Line 4 minus Line 10).....	2,399,919	9,115,177
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	23,140,974	42,553,794
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.....		20,091
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	23,140,974	42,573,885
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	26,884,109	70,051,732
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	26,884,109	70,051,732
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(3,743,135)	(27,477,847)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		5,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	241,302	567,412
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	241,302	5,567,412
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(1,101,914)	(12,795,258)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	17,462,291	30,257,549
19.2 End of period (Line 18 plus Line 19.1).....	16,360,377	17,462,291

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

20.0001		
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NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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.

NOTES TO FINANCIAL STATEMENTS

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

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

C. None.

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

NOTES TO FINANCIAL STATEMENTS

No significant change.

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.

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 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]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 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]
- 2.2 If yes, date of change:
3. 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.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 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

5. 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 [] N/A [X]
If yes, attach an explanation.
- _____
- _____

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006.....
- 6.2 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. 12/31/2005.....
- 6.3 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). 10/30/2006.....

- 6.4 By what department or departments?
DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE, SECURITIES AND BANKING

- 7.1 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? Yes [] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If the response to 8.3 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

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.

- 9.11 If the response to 9.1 is No, please explain:

- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

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

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount.

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? Yes No
- 11.2 If yes, explain:

- 12.1 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

- 12.2 If yes, give full and complete information relating thereto:

13. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0
14. Amount of real estate and mortgages held in short-term investments: \$.....0
- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
15.21 Bonds.....	\$.....0	\$.....0
15.22 Preferred Stock.....	\$.....0	\$.....0
15.23 Common Stock.....	\$.....403,578	\$.....400,083
15.24 Short-Term Investments.....	\$.....0	\$.....0
15.25 Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
15.26 All Other.....	\$.....0	\$.....0
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$.....403,578	\$.....400,083
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$.....0	\$.....0

- 16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
- 16.2 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.
17. 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 No

17.1 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
US BANK	BIRMINGHAM, AL

17.2 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		

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes No

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

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

17.5 Identify all investment advisors, broker/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		

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes No
- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)
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 [] N/A [X]
 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:

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
	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....
Total.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....	.....0.....

SCHEDULE A - VERIFICATION

Real Estate

	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

Mortgage Loans

	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

	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 assets 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

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	232,740,304	207,735,022
2. Cost of bonds and stocks acquired.....	26,884,109	70,051,732
3. Accrual of discount.....	35,304	129,026
4. Increase (decrease) by adjustment.....	(3,495)	(691,597)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	(303,298)	(83,760)
7. Consideration for bonds and stocks disposed of.....	23,140,974	42,553,794
8. Amortization of premium.....	373,923	1,846,325
9. Book/adjusted carrying value, current period.....	235,838,027	232,740,304
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	235,838,027	232,740,304
12. Total nonadmitted amounts.....		
13. Statement value.....	235,838,027	232,740,304

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
BONDS								
1. Class 1.....	228,261,112	249,372,760	244,597,454	(498,850)	232,537,568			228,261,112
2. Class 2.....	22,511,637		1,819,812	(46,472)	20,645,353			22,511,637
3. Class 3.....								
4. Class 4.....								
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	250,772,749	249,372,760	246,417,266	(545,322)	253,182,921	0	0	250,772,749
PREFERRED STOCK								
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.....	250,772,749	249,372,760	246,417,266	(545,322)	253,182,921	0	0	250,772,749

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.....	16,094,977	XXX	16,077,729		

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.....	9,664,429	23,197,146
2. Cost of short-term investments acquired.....	52,653,453	155,671,484
3. Increase (decrease) by adjustment.....	19,161	7,022
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....	(166)	
6. Consideration received on disposal of short-term investments.....	46,241,900	169,211,223
7. Book/adjusted carrying value, current period.....	16,094,977	9,664,429
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	16,094,977	9,664,429
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	16,094,977	9,664,429
12. Income collected during period.....	170,131	696,888
13. Income earned during period.....	212,156	671,986

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

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

**Sch. F
NONE**

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	YES	(153,467)	1,372,480	60,000	500,000	12,335,307	17,215,655
9. District of Columbia.....DC	YES	13,319,948	16,079,990	1,123,476	625,000	60,414,890	55,686,069
10. Florida.....FL	NO						
11. Georgia.....GA	NO						
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	NO						
15. Indiana.....IN	NO						
16. Iowa.....IA	NO						
17. Kansas.....KS	NO						
18. Kentucky.....KY	NO						
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	YES	557,823	7,434,344	3,614,156		14,940,428	17,622,912
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	YES	(13,247)	3,844,889	3,232,855	1,600,000	34,131,743	41,043,951
48. Washington.....WA	NO						
49. West Virginia.....WV	YES		414,802	40,000	400,000	6,627,319	8,144,194
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. Northern Mariana Islands.....MP	NO						
57. Canada.....CN	NO						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....5	13,711,057	29,146,505	8,070,487	3,125,000	128,449,687	139,712,781

DETAILS OF WRITE-INS

5801.....	XXX						
5802.....	XXX						
5803.....	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

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

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical malpractice-occurrence.....	95,709	19,734	20.6	52.7
11.2. Medical malpractice-claims made.....	6,503,934	1,330,052	20.4	52.7
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....			0.0	
17.1. Other liability-occurrence.....			0.0	
17.2. Other liability-claims made.....	62,581	10,952	17.5	45.5
18.1. Products liability-occurrence.....			0.0	
18.2. Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....			0.0	
19.3, 19.4 Commercial auto liability.....			0.0	
21. Auto physical damage.....			0.0	
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....			0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0.0	
34. Totals.....	6,662,224	1,360,738	20.4	52.7

DETAILS OF WRITE-INS

3301.			0.0	
3302.			0.0	
3303.			0.0	
3398. Sum. of remaining write-ins for Line 33 from overflow page.....	0	0	0.0	XXX
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	95,709	95,709	1,386,885
11.2. Medical malpractice-claims made.....	13,609,837	13,609,837	27,694,026
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1. Other liability-occurrence.....			
17.2. Other liability-claims made.....	5,511	5,511	65,594
18.1. Products liability-occurrence.....			
18.2. Products liability-claims made.....			
19.1, 19.2 Private passenger auto liability.....			
19.3, 19.4 Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0
34. Totals.....	13,711,057	13,711,057	29,146,505

DETAILS OF WRITE-INS

3301.			
3302.			
3303.			
3398. Sum. of remaining write-ins for Line 33 from overflow page.....	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33).....	0	0	0

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 (Cols. 1 + 2)	2007 Loss and LAE Payments on Claims Reported as of Prior Year-End	2007 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2007 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 (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 Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2004 + Prior	63,029	11,921	74,950	5,549	154	5,703	55,333	153	13,761	69,247	(2,147)	2,147	0
2. 2005	29,345	14,605	43,950	1,992	118	2,110	27,908	366	13,566	41,840	555	(555)	0
3. Subtotals 2005 + Prior	92,374	26,526	118,900	7,541	272	7,813	83,241	519	27,327	111,087	(1,592)	1,592	0
4. 2006	12,286	28,174	40,460	603	243	846	12,351	63	27,200	39,614	668	(668)	0
5. Subtotals 2006 + Prior	104,660	54,700	159,360	8,144	515	8,659	95,592	582	54,527	150,701	(924)	924	0
6. 2007	XXX	XXX	XXX	XXX	210	210	XXX	383	4,705	5,088	XXX	XXX	XXX
7. Totals	104,660	54,700	159,360	8,144	725	8,869	95,592	965	59,232	155,789	(924)	924	0
8. Prior Year-End's Surplus As Regards Policyholders	59,458										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. ....(0.9)%	2. ....1.7 %	3. ....0.0 %
													Col. 13, Line 7 Line 8
													4. ....0.0 %

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.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	YES
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

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**

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
3134A4 UD 4	FREDDIE MAC 09/15/2008 3.625		01/09/2007	DEUTSCHE BANK		366,784	375,000	4,342	1
912827 4Y 5	TSY INFL IX N/B 01/15/2009 3.875		03/22/2007	CAPITALIZED INTEREST		16,457	16,457		1
912828 FQ 8	US TREASURY N/B 08/15/2016 4.875		03/22/2007	GOLDMAN SACHS		6,491,883	6,350,000	30,785	1
0399999.	Total - Bonds - U.S. Government					6,875,124	6,741,457	35,127	XXX
Bonds - Special Revenue and Special Assessment									
10623P DE 7	BRAZOS STUDENT FIN COR 12/01/2042 5.290		02/23/2007	CITIGROUP		3,000,000	3,000,000	1,320	1FE
13078H AB 8	CALIFORNIA STATEWIDE C 08/01/2035 5.260		02/13/2007	GOLDMAN SACHS		1,399,888	1,400,000	1,023	1FE
235241 ET 9	DALLAS TEX AREA RAPID 12/01/2024 4.500		02/08/2007	GOLDMAN SACHS		1,006,990	1,000,000		1FE
3128K8 TQ 9	FG A47759 08/01/2035 5.000		03/22/2007	J.P. MORGAN		685,024	704,961	2,546	1
31297B JC 7	FH A23859 11/01/2033 5.000		03/22/2007	MERRILL LYNCH		1,471,796	1,511,715	5,459	1
31402Q Y3 9	FN 735230 04/01/2034 5.500		03/16/2007	MERRILL LYNCH		1,003,327	1,009,002	3,083	1
31403D DX 4	FN 745418 11/01/2035 5.500		03/16/2007	LEHMAN BROTHERS		1,245,433	1,253,808	3,831	1
31405R AQ 9	FN 796615 06/01/2034 5.500		03/19/2007	DEUTSCHE BANK		1,393,524	1,402,065	4,498	1
31408E RU 8	FN 849299 10/01/2035 5.500		03/16/2007	BANK AMERICA		1,305,603	1,314,228	4,016	1
708840 HB 2	PENNSYLVANIA INTERGOV 06/15/2020 3.500		03/01/2007	DAIN RAUSCHER		2,000,000	2,000,000	197	1FE
914119 KK 7	UNIVERSITY CINCINNATI 06/01/2017 5.000		01/05/2007	MAYER & SCHWITZER		1,097,400	1,000,000	3,056	1FE
3199999.	Total - Bonds - Special Revenue & Special Assessments					15,608,985	15,595,779	29,029	XXX
Bonds - Industrial and Miscellaneous									
31771H AA 2	FINANSURE STUDEN 02/01/2047 5.330		02/27/2007	ROYAL BANK OF CANADA		2,000,000	2,000,000		1FE
86386M AC 8	SLCC 2002-1 A3 03/15/2042 5.300		03/01/2007	BANK OF NEW YORK		2,400,000	2,400,000	5,664	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					4,400,000	4,400,000	5,664	XXX
6099997.	Total - Bonds - Part 3					26,884,109	26,737,236	69,820	XXX
6099999.	Total - Bonds					26,884,109	26,737,236	69,820	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					26,884,109	XXX	69,820	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
31359M LZ 4	FANNIE MAE		01/15/2007	MATURITY.....		2,875,000	2,875,000	3,077,170	2,877,524		(2,524)		(2,524)		2,875,000			0	71,875	01/15/2007	1.....
36202K 2A 2	G2 8869		03/01/2007	MBS PAYDOWN.....		916	916	936	927		(11)		(11)		916			0	10	09/01/2021	1.....
362207 YU 0	GN 299623		03/01/2007	MBS PAYDOWN.....		133	133	134	134		(1)		(1)		133			0	2	05/01/2022	1.....
36203G QN 6	GN 348861		03/01/2007	MBS PAYDOWN.....		173	173	175	174		(1)		(1)		173			0	2	03/01/2021	1.....
36203K A4 6	GN 351127		03/01/2007	MBS PAYDOWN.....		1,964	1,964	1,984	1,976		(12)		(12)		1,964			0	33	04/01/2022	1.....
36203L LQ 3	GN 352335		03/01/2007	MBS PAYDOWN.....		4	4	4	4				0		4			0		04/01/2023	1.....
36203T BY 0	GN 358355		03/01/2007	MBS PAYDOWN.....		306	306	310	308		(2)		(2)		306			0	4	07/01/2020	1.....
36204F FG 4	GN 368367		03/01/2007	MBS PAYDOWN.....		11,974	11,974	12,655	12,400		(425)		(425)		11,974			0	237	07/01/2022	1.....
36208D MS 1	GN 447780		03/01/2007	MBS PAYDOWN.....		490	490	501	499		(9)		(9)		490			0	7	10/01/2022	1.....
36209A R8 5	GN 465911		03/01/2007	MBS PAYDOWN.....		58	58	56	57		1		1		58			0	1	05/01/2026	1.....
36209P SP 3	GN 477626		03/01/2007	MBS PAYDOWN.....		5,634	5,634	5,726	5,704		(70)		(70)		5,634			0	58	04/01/2027	1.....
36210C NT 6	GN 488302		03/01/2007	MBS PAYDOWN.....		29	29	28	28		1		1		29			0		10/01/2028	1.....
912827 4Y 5	TSY INFL IX N/B		03/22/2007	VARIOUS.....		4,760,683	4,590,143	4,817,805	4,982,113		8,990		8,990		5,007,561		(246,877)	(246,877)	128,832	01/15/2009	1.....
0399999	Total - Bonds - U.S. Government.....					7,657,364	7,486,824	7,917,484	7,881,848		0		5,937		7,904,242		(246,877)	(246,877)	201,061	...XXX...	...XXX...
Bonds - Special Revenue and Special Assessment																					
10623P DE 7	BRAZOS STUDENT FIN CORP	5.29	03/22/2007	CITIGROUP.....		3,000,000	3,000,000	3,000,000				0		3,000,000			0	12,268	12/01/2042	1FE.....	
167664 RP 8	CHICAGO ILL PUB BLDG COMM BLDG		01/02/2007	CALL BY ISSUER 100.0.....		10,000	10,000	11,382	10,654			0		10,654		(654)	(654)	350	01/01/2015	1FE.....	
31296K LQ 4	FG A11235		03/01/2007	MBS PAYDOWN.....		3,868	3,868	3,951	3,949		(81)		(81)		3,868			0	30	10/01/2032	1.....
31296N ZY 6	FG A14359		03/01/2007	MBS PAYDOWN.....		1,718	1,718	1,756	1,754		(36)		(36)		1,718			0	16	01/01/2033	1.....
31288G 3S 9	FG C78009		03/01/2007	MBS PAYDOWN.....		234	234	235	235		(1)		(1)		234			0	2	10/01/2031	1.....
31288J RK 4	FG C79490		03/01/2007	MBS PAYDOWN.....		1,796	1,796	1,883	1,876		(80)		(80)		1,796			0	11	09/01/2032	1.....
313970 SC 0	FG D32315		03/01/2007	MBS PAYDOWN.....		391	391	423	412		(21)		(21)		391			0	6	08/01/2016	1.....
3128H3 ZP 9	FG E96150		03/01/2007	MBS PAYDOWN.....		51,256	51,256	53,739	53,236		(1,979)		(1,979)		51,256			0	507	12/01/2017	1.....
3128H4 WA 3	FG E96941		03/01/2007	MBS PAYDOWN.....		29,754	29,754	30,498	30,344		(590)		(590)		29,754			0	214	11/01/2017	1.....
3128M1 LA 5	FG G12221		03/01/2007	MBS PAYDOWN.....		42,493	42,493	42,250	42,257		236		236		42,493			0	392	11/01/2020	1.....
3128M1 PE 3	FG G12321		03/01/2007	MBS PAYDOWN.....		43,122	43,122	42,876	42,884		238		238		43,122			0	403	04/01/2021	1.....
31282N BJ 1	FG M70041		03/01/2007	MBS PAYDOWN.....		1,961	1,961	2,037	1,965		(5)		(5)		1,961			0	23	01/01/2008	1.....
31353G PG 1	FH 884023		02/01/2007	MBS PAYDOWN.....		750	750	814	794		(44)		(44)		750			0	13	04/01/2018	1.....
31370L GE 4	FN 234297		03/01/2007	MBS PAYDOWN.....		13,113	13,113	13,810	13,142		(28)		(28)		13,113			0	138	08/01/2007	1.....
31371L 4L 0	FN 255627		03/01/2007	MBS PAYDOWN.....		15,957	15,957	16,097	16,076		(119)		(119)		15,957			0	134	10/01/2024	1.....
31371L 4M 8	FN 255628		03/01/2007	MBS PAYDOWN.....		18,541	18,541	19,004	18,963		(422)		(422)		18,541			0	168	10/01/2024	1.....
31371L 6C 8	FN 255667		03/01/2007	MBS PAYDOWN.....		44,253	44,253	44,363	44,353		(100)		(100)		44,253			0	377	12/01/2024	1.....
31371L 6D 6	FN 255668		03/01/2007	MBS PAYDOWN.....		23,603	23,603	24,137	24,089		(486)		(486)		23,603			0	211	11/01/2024	1.....
31371S QU 1	FN 260667		03/01/2007	MBS PAYDOWN.....		35	35	34	34		1		1		35			0		06/01/2022	1.....
31372A ZM 7	FN 267248		03/01/2007	MBS PAYDOWN.....		8,304	8,304	8,071	8,151		153		153		8,304			0	63	01/01/2010	1.....
31372C AX 6	FN 268322		03/01/2007	MBS PAYDOWN.....		291	291	283	285		6		6		291			0	3	11/01/2021	1.....
31372C MN 5	FN 268665		03/01/2007	MBS PAYDOWN.....		325	325	316	318		6		6		325			0	4	04/01/2022	1.....
31372D TM 8	FN 269756		03/01/2007	MBS PAYDOWN.....		32	32	31	32		1		1		32			0		01/01/2023	1.....
31372H RM 1	FN 273292		03/01/2007	MBS PAYDOWN.....		209	209	203	205		4		4		209			0	2	01/01/2023	1.....
31372J KM 4	FN 274000		03/01/2007	MBS PAYDOWN.....		684	684	664	670		14		14		684			0	7	01/01/2022	1.....
31372J 6Z 1	FN 274588		03/01/2007	MBS PAYDOWN.....		22	22	22	22		0		0		22			0		02/01/2021	1.....
31372P JR 1	FN 278472		03/01/2007	MBS PAYDOWN.....		7	7	7	7		0		0		7			0		12/01/2023	1.....
31372P ZD 4	FN 278940		03/01/2007	MBS PAYDOWN.....		16	16	16	16		0		0		16			0		08/01/2021	1.....
31372X ZK 1	FN 286146		03/01/2007	MBS PAYDOWN.....		7	7	7	7		0		0		7			0		02/01/2024	1.....
31378T P2 5	FN 408241		03/01/2007	MBS PAYDOWN.....		814	814	796	802		12		12		814			0	8	04/01/2017	1.....
313615 TJ 6	FN 50965		03/01/2007	MBS PAYDOWN.....		141	141	137	138		3		3		141			0	1	05/01/2022	1.....
31383S JZ 4	FN 511580		03/01/2007	MBS PAYDOWN.....		4,531	4,531	4,458	4,490		41		41		4,531			0	49	10/01/2012	1.....
31390L GN 0	FN 649205		03/01/2007	MBS PAYDOWN.....		5,096	5,096	5,357	5,337		(241)		(241)		5,096			0	35	11/01/2030	1.....

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
31390R E7 4	FN 653658		03/01/2007	MBS PAYDOWN		17,674	17,674	18,581	18,513		(839)		(839)		17,674				233	07/01/2031	1
31391S TF 7	FN 675650		03/01/2007	MBS PAYDOWN		35,174	35,174	36,757	36,636		(1,461)		(1,461)		35,174				204	03/01/2032	1
31391S U7 3	FN 675706		03/01/2007	MBS PAYDOWN		210,034	210,034	218,764	218,111		(8,077)		(8,077)		210,034				1,395	01/01/2032	1
31391U W6 8	FN 677569		03/01/2007	MBS PAYDOWN		2,355	2,355	2,407	2,406		(51)		(51)		2,355				26	02/01/2032	1
31391U YM 1	FN 677616		03/01/2007	MBS PAYDOWN		112	112	114	114		(2)		(2)		112				1	06/01/2032	1
31400C AL 8	FN 683211		03/01/2007	MBS PAYDOWN		246,372	246,372	253,070	252,529		(6,158)		(6,158)		246,372				3,302	06/01/2031	1
31400D X4 9	FN 684799		03/01/2007	MBS PAYDOWN		76,241	76,241	79,368	79,133		(2,891)		(2,891)		76,241				537	06/01/2032	1
31400H HJ 5	FN 687933		03/01/2007	MBS PAYDOWN		39,518	39,518	41,038	40,925		(1,407)		(1,407)		39,518				212	07/01/2032	1
31400T GU 5	FN 696911		03/01/2007	MBS PAYDOWN		564	564	576	574		(11)		(11)		564				7	05/01/2032	1
31401C FB 4	FN 704062		03/01/2007	MBS PAYDOWN		970	970	991	989		(18)		(18)		970				10	07/01/2032	1
31401H L9 1	FN 708752		03/01/2007	MBS PAYDOWN		18,520	18,520	19,434	19,247		(727)		(727)		18,520				138	01/01/2018	1
31401H 3J 9	FN 709201		03/01/2007	MBS PAYDOWN		3,511	3,511	3,497	3,499		12		12		3,511				35	10/01/2032	1
31401J AC 2	FN 709303		03/01/2007	MBS PAYDOWN		14,610	14,610	15,074	15,038		(428)		(428)		14,610				89	12/01/2032	1
31401L NU 3	FN 711503		03/01/2007	MBS PAYDOWN		331	331	334	334		(3)		(3)		331				3	01/01/2033	1
31401L P8 0	FN 711547		03/01/2007	MBS PAYDOWN		23,244	23,244	24,232	24,160		(915)		(915)		23,244				299	08/01/2032	1
31401L V5 9	FN 711736		03/01/2007	MBS PAYDOWN		1,073	1,073	1,079	1,079		(6)		(6)		1,073				10	09/01/2032	1
31401N GR 4	FN 713108		03/01/2007	MBS PAYDOWN		3,755	3,755	3,777	3,776		(21)		(21)		3,755				39	09/01/2032	1
31401Y VD 4	FN 722512		03/01/2007	MBS PAYDOWN		3,948	3,948	3,933	3,935		13		13		3,948				36	10/01/2032	1
31402A RB 4	FN 723282		03/01/2007	MBS PAYDOWN		70,146	70,146	73,333	72,689		(2,543)		(2,543)		70,146				585	06/01/2017	1
31402D XU 9	FN 726191		03/01/2007	MBS PAYDOWN		2,517	2,517	2,525	2,524		(7)		(7)		2,517				21	01/01/2018	1
31402D 5A 4	FN 726341		03/01/2007	MBS PAYDOWN		2,810	2,810	2,818	2,817		(8)		(8)		2,810				21	01/01/2018	1
31402G SW 4	FN 728733		03/01/2007	MBS PAYDOWN		989	989	1,005	1,004		(15)		(15)		989				9	12/01/2032	1
31402G WU 3	FN 728859		03/01/2007	MBS PAYDOWN		1,268	1,268	1,275	1,275		(7)		(7)		1,268				16	03/01/2033	1
31402H N8 0	FN 729515		03/01/2007	MBS PAYDOWN		28,280	28,280	28,567	28,546		(266)		(266)		28,280				321	07/01/2032	1
31402H PX 3	FN 729538		03/01/2007	MBS PAYDOWN		6,660	6,660	6,805	6,802		(142)		(142)		6,660				58	11/01/2032	1
31402Y T5 3	FN 742272		03/01/2007	MBS PAYDOWN		358	358	354	354		4		4		358				3	07/01/2033	1
31403F JX 3	FN 747378		03/01/2007	MBS PAYDOWN		4,458	4,458	4,426	4,427		31		31		4,458				27	11/01/2032	1
31403V ZZ 1	FN 759592		03/01/2007	MBS PAYDOWN		40,720	40,720	41,693	41,636		(916)		(916)		40,720				286	07/01/2033	1
31404B 3A 8	FN 764093		03/01/2007	MBS PAYDOWN		18,526	18,526	18,959	18,934		(407)		(407)		18,526				96	03/01/2033	1
31404S H3 2	FN 777050		03/01/2007	MBS PAYDOWN		2,351	2,351	2,322	2,324		27		27		2,351				14	09/01/2033	1
31404V TS 7	FN 780061		03/01/2007	MBS PAYDOWN		16,188	16,188	16,040	16,048		140		140		16,188				154	07/01/2033	1
31406B CY 4	FN 804787		03/01/2007	MBS PAYDOWN		21,513	21,513	21,997	21,964		(451)		(451)		21,513				223	07/01/2034	1
31406E DM 3	FN 807508		03/01/2007	MBS PAYDOWN		18,607	18,607	19,025	18,999		(392)		(392)		18,607				100	09/01/2034	1
31406E LL 6	FN 807731		03/01/2007	MBS PAYDOWN		2,458	2,458	2,514	2,511		(53)		(53)		2,458				23	05/01/2034	1
31407C J6 5	FN 826585		03/01/2007	MBS PAYDOWN		27,893	27,893	26,978	27,022		871		871		27,893				219	04/01/2035	1
31408A J3 5	FN 845482		03/01/2007	MBS PAYDOWN		17,915	17,915	17,819	17,822		92		92		17,915				169	04/01/2021	1
31408A TC 4	FN 845747		03/01/2007	MBS PAYDOWN		29,839	29,839	28,813	28,867		972		972		29,839				240	06/01/2034	1
31408J MU 2	FN 852771		03/01/2007	MBS PAYDOWN		172,501	172,501	166,760	167,104		5,397		5,397		172,501				2,141	01/01/2036	1
38374B QM 8	GNR 2003-72 A		03/01/2007	MBS PAYDOWN		9,248	9,248	9,248	9,248		0		0		9,248				49	05/01/2009	1
38374J E9 3	GNR 2004-97 AB		03/01/2007	MBS PAYDOWN		21,720	21,720	20,790	20,970		751		751		21,720				112	01/01/2010	1
38373M PT 1	GNR 2005-29 A		03/01/2007	MBS PAYDOWN		2,104	2,104	2,040	2,049		55		55		2,104				14	07/01/2011	1
38373M RU 6	GNR 2005-87 A		03/01/2007	MBS PAYDOWN		2,868	2,868	2,811	2,824		44		44		2,868				21	12/01/2010	1
38373M SB 7	GNR 2005-90 A		03/01/2007	MBS PAYDOWN		10,974	10,974	10,590	10,660		314		314		10,974				91	07/01/2011	1
38373M TS 9	GNR 2006-18 A		03/01/2007	MBS PAYDOWN		6,447	6,447	6,383	6,385		62		62		6,447				53	10/01/2021	1
38373M TZ 3	GNR 2006-19 A		03/01/2007	MBS PAYDOWN		6,128	6,128	5,821	5,829		299		299		6,128				35	06/01/2030	1
38373M SH 4	GNR 2006-3 A		03/01/2007	MBS PAYDOWN		3,599	3,599	3,527	3,540		60		60		3,599				25	04/01/2011	1
38373M SX 9	GNR 2006-5 A		03/01/2007	MBS PAYDOWN		3,554	3,554	3,482	3,493		61		61		3,554				25	07/01/2011	1
38373M SP 6	GNR 2006-6 A		03/01/2007	MBS PAYDOWN		3,316	3,316	3,250	3,254		62		62		3,316				22	10/01/2023	1

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
38373M TD 2	GNR 2006-9 A		03/01/2007	MBS PAYDOWN		6,518	6,518	6,322	6,330		188		188		6,518			0	46	10/01/2022	1
455057 AV 1	INDIANA ST FIN AUTH REV	3.800	01/08/2007	GOLDMAN SACHS		2,000,000	2,000,000	2,000,000	2,000,000				0	2,000,000			0	2,936	02/01/2035	1FE	
60415N EB 4	MINNESOTA ST HSG FIN AGY	5.200	01/02/2007	CALL BY ISSUER 100.0		10,000	10,000	10,350	10,245				0	10,245		(245)	(245)	260	01/01/2017	1FE	
708840 HB 2	PENNSYLVANIA INTERGOVERNMENTAL		03/14/2007	DAIN RAUSCHER		2,000,000	2,000,000	2,000,000	2,000,000				0	2,000,000			0	2,742	06/15/2020	1FE	
3199999	Total - Bonds - Special Revenue & Assessment					8,593,803	8,593,803	8,621,325	3,616,991	0	(22,285)	0	(22,285)	0	8,594,702	0	(899)	(899)	33,168	XXX	XXX
Bonds - Industrial and Miscellaneous																					
02639M AG 1	AGFMT 2006-1 A1	5.750	03/01/2007	MBS PAYDOWN		53,656	53,656	53,664	53,661		(5)		(5)		53,656			0	506	09/01/2008	1FE
03061N JR 1	AMCAR 2005-DA A3	4.870	03/06/2007	MBS PAYDOWN		34,959	34,959	34,955	34,957		2		2		34,959			0	398	11/06/2008	1FE
12476V AT 8	CASC 1998-D7 A1B	6.260	03/11/2007	MBS PAYDOWN		715	715	781	741		(26)		(26)		715			0	11	09/11/2008	1FE
12498N AA 1	CBASS 2006 CB2 AF1	5.717	03/01/2007	MBS PAYDOWN		46,886	46,886	46,885	46,885		1		1		46,886			0	402	10/01/2028	1FE
17305E CA 1	CCCI 2004-A1 A1	2.550	01/20/2007	MBS PAYDOWN		1,250,000	1,250,000	1,250,813	1,250,010		(10)		(10)	1,250,000			0	15,938	01/20/2007	1FE	
161505 BD 3	CCMSC 1997-1 D	7.370	03/01/2007	MBS PAYDOWN		158,685	158,685	176,363	160,297		(1,612)		(1,612)	158,685			0	2,132	05/01/2007	1FE	
161505 BE 1	CCMSC 1997-1 E	7.370	03/01/2007	MBS PAYDOWN		22,982	22,982	25,474	23,488		(507)		(507)	22,982			0	423	01/01/2008	1FE	
161505 BY 7	CCMSC 1998-1 A2	6.560	03/01/2007	MBS PAYDOWN		20,081	20,081	22,684	20,706		(625)		(625)	20,081			0	205	05/01/2008	1FE	
161581 DE 0	CMAOT 2003-C A4	2.940	03/15/2007	MBS PAYDOWN		46,070	46,070	45,813	45,968		102		102	46,070			0	224	10/15/2007	1FE	
17307G 4F 2	CMLTI 2006-WF1 A2A	5.701	03/01/2007	MBS PAYDOWN		197,063	197,063	197,063	197,063		0		0	197,063			0	1,863	12/01/2007	1FE	
14041N BE 0	COMET 2004-C1 C1	3.400	01/15/2007	MBS PAYDOWN		115,000	115,000	114,975	115,000				0	115,000			0	326	01/15/2007	2FE	
23383V BZ 2	DCAT 2003-A A4	2.880	03/08/2007	MBS PAYDOWN		374,706	374,706	376,627	374,963		(257)		(257)	374,706			0	2,393	11/08/2007	1FE	
23322B CZ 9	DLJCM 1998-CF2 A1B	6.240	03/01/2007	MBS PAYDOWN		12,308	12,308	13,674	12,607		(299)		(299)	12,308			0	128	10/01/2008	1FE	
23322B BF 1	DLJCM 1999-CG1 A1A	6.080	03/01/2007	MBS PAYDOWN		4,616	4,616	4,979	4,678		(62)		(62)	4,616			0	88	03/01/2008	1FE	
268766 EF 8	EOP OPERATING LP	6.800	02/09/2007	TENDER OFFER		979,290	1,000,000	1,056,840	1,036,626		(1,814)		(1,814)	1,034,812		(55,522)	(55,522)	88,533	01/15/2009	2FE	
31771H AA 2	FINANSURE STUDEN	5.330	03/22/2007	DAIN RAUSCHER		2,000,000	2,000,000	2,000,000	2,000,000				0	2,000,000			0	6,811	02/01/2047	1FE	
36922G XY 5	GENERAL ELEC CAP CORP	5.375	03/15/2007	MATURITY		265,000	265,000	287,488	266,260		(1,260)		(1,260)	265,000			0	7,122	03/15/2007	1FE	
46625Y XL 2	JPMCC 2005-LDP5 A1	5.035	03/01/2007	MBS PAYDOWN		7,790	7,790	7,809	7,805		(15)		(15)	7,790			0	69	06/01/2010	1FE	
55445R AA 5	MACH 2004-1A A1	3.890	03/01/2007	MBS PAYDOWN		139,541	139,541	139,514	139,534		7		7	139,541			0	1,299	02/01/2008	1FE	
59022H KZ 4	MLMT 2005-CK1 A1	5.077	03/01/2007	MBS PAYDOWN		15,218	15,218	15,256	15,247		(29)		(29)	15,218			0	137	09/01/2010	1FE	
61745M ES 8	MSC 1998-WF1 A2	6.550	03/01/2007	MBS PAYDOWN		40,406	40,406	45,239	41,175		(769)		(769)	40,406			0	838	12/01/2007	1FE	
61745M KY 8	MSC 1999-RM1 A2	6.710	03/01/2007	MBS PAYDOWN		42,210	42,210	47,634	43,531		(1,321)		(1,321)	42,210			0	538	10/01/2008	1FE	
61746W ES 5	MSDWC 2001-PPM A2	6.400	03/01/2007	MBS PAYDOWN		6,391	6,391	7,070	6,780		(389)		(389)	6,391			0	59	09/01/2011	1FE	
61746W ET 3	MSDWC 2001-PPM A3	6.540	03/01/2007	MBS PAYDOWN		22,373	22,373	25,277	23,786		(1,413)		(1,413)	22,373			0	210	09/01/2011	1FE	
61746W PE 4	MSDWC 2002-TOP7 A1	5.380	03/01/2007	MBS PAYDOWN		21,209	21,209	23,046	22,234		(1,025)		(1,025)	21,209			0	198	05/01/2011	1FE	
69121P CG 6	OWNIT 2006-1 AF1	5.424	03/01/2007	MBS PAYDOWN		76,816	76,816	76,816	76,816		0		0	76,816			0	705	06/01/2009	1FE	
96683M AL 7	WALT 2003-1 A4	2.580	03/15/2007	MBS PAYDOWN		26,922	26,922	26,691	26,850		72		72	26,922			0	117	04/15/2008	1FE	
96683M AY 9	WALT 2004-1 A3	2.960	03/15/2007	MBS PAYDOWN		140,004	140,004	139,997	140,003		1		1	140,004			0	685	07/15/2007	1FE	
92926M AD 1	WESTO 2003-2 A4	2.410	03/20/2007	MBS PAYDOWN		64,828	64,828	64,904	64,843		(15)		(15)	64,828			0	256	04/20/2007	1FE	
92927T AE 3	WESTO 2004-4 B	3.130	03/17/2007	MBS PAYDOWN		34,082	34,082	34,076	34,080		2		2	34,082			0	176	07/17/2008	1FE	
03235E AH 3	AMVESCAP INC	5.900	01/15/2007	MATURITY		670,000	670,000	716,723	670,622		(622)		(622)	670,000			0	19,765	01/15/2007	2FE	
4599999	Total - Bonds - Industrial & Miscellaneous					6,889,807	6,910,517	7,079,130	4,957,216	0	(11,888)	0	(11,888)	6,945,329	0	(55,522)	(55,522)	152,555	XXX	XXX	
6099997	Total - Bonds - Part 4					23,140,974	22,991,144	23,617,939	16,456,055	0	(28,236)	0	(28,236)	23,444,273	0	(303,298)	(303,298)	386,784	XXX	XXX	
6099999	Total - Bonds					23,140,974	22,991,144	23,617,939	16,456,055	0	(28,236)	0	(28,236)	23,444,273	0	(303,298)	(303,298)	386,784	XXX	XXX	
7499999	Total - Bonds, Preferred and Common Stocks					23,140,974	XXX	23,617,939	16,456,055	0	(28,236)	0	(28,236)	23,444,273	0	(303,298)	(303,298)	386,784	XXX	XXX	

E05.2

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

**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**

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	
Open Depositories								
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(799,381)	.....(914,336)	.....(1,560,466)	XXX
BANK OF AMERICA.....	ATLANTA, GA.....	.....	.....	.....	.....2,769	.....3,003	.....2,785	XXX
US BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....3,850	.....3,000	.....3,081	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(792,762)	.....(908,333)	.....(1,554,599)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(792,762)	.....(908,333)	.....(1,554,599)	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(792,762)	.....(908,333)	.....(1,554,599)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Gross Investment Income
HARRIS COUNTY TEXAS GO IBCOMPAPER.....		.....02/23/2007	.....3.700	.....04/02/2007	.....1,650,000	.....6,275	.....
FNMA CL 29 YR PL # 891379.....	RA...	.....03/30/2007	.....5.110	.....04/02/2007	.....170,000	.....	.....5,680
0199999. Total Cash Equivalents.....					.....1,820,000	.....6,275	.....5,680