

QUARTERLY STATEMENT

OF THE

**PROASSURANCE NATIONAL CAPITAL
INSURANCE COMPANY**

of

WASHINGTON

IN THE

DISTRICT OF COLUMBIA

TO THE

INSURANCE DEPARTMENT

OF THE

DISTRICT OF COLUMBIA

FOR THE PERIOD ENDED
JUNE 30, 2009

PROPERTY AND CASUALTY

2009



QUARTERLY STATEMENT

As of June 30, 2009

of the Condition and Affairs of the

PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY

NAIC Group Code.....2698, 2698 <small>(Current Period) (Prior Period)</small>	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 <small>(Street and Number) (City or Town, State and Zip Code)</small>	
Main Administrative Office	1115 30TH STREET, NW..... WASHINGTON DC 20007 <small>(Street and Number) (City or Town, State and Zip Code)</small>	
Mail Address	PO BOX 590009..... BIRMINGHAM AL 35259-0009 <small>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</small>	
Primary Location of Books and Records	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <small>(Street and Number) (City or Town, State and Zip Code)</small>	
Internet Web Site Address	www.proassurance.com	
Statutory Statement Contact	NOELLE L. MILBY <small>(Name)</small> FinancialFilings@proassurance.com <small>(E-Mail Address)</small>	
		202-969-1866 <small>(Area Code) (Telephone Number)</small>
		205-877-4400 <small>(Area Code) (Telephone Number)</small>
		205-802-4735 <small>(Area Code) (Telephone Number) (Extension)</small>
		205-868-6367 <small>(Fax Number)</small>

OFFICERS

Name	Title	Name	Title
1. HOWARD HARLEY FRIEDMAN	PRESIDENT	2. KATHRYN ANNE NEVILLE	SECRETARY
3. EDWARD LEWIS RAND, JR.	TREASURER	4. WILLIAM STANCIL STARNES	CHAIRMAN

OTHER

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

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	HOWARD HARLEY FRIEDMAN	EDWARD LEWIS RAND, JR.	WILLIAM STANCIL STARNES
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) EDWARD LEWIS RAND, JR. _____ 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.....	186,950,590		186,950,590	178,757,891
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	5,947,664		5,947,664	
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 (\$.....(642,386)), cash equivalents (\$.....0) and short-term investments (\$.....27,679,672).....	27,037,286		27,037,286	74,971,814
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	491,900		491,900	475,900
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).....	220,427,440	0	220,427,440	254,205,605
11. Title plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	2,265,564		2,265,564	2,333,838
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	536,486	51,167	485,319	98,547
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	779,523		779,523	1,006,248
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	174,696		174,696	180,222
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....	431		431	9,092
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	8,518,791		8,518,791	
16.2 Net deferred tax asset.....	6,520,021	4,225,150	2,294,871	9,007,229
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....	58,308	404	57,904	65,415
19. Furniture and equipment, including health care delivery assets (\$.....0).....	62,567	62,567	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	136,611		136,611	115,659
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	234,437	161,374	73,063	73,062
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	239,714,875	4,500,662	235,214,213	267,094,917
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. Total (Lines 24 and 25).....	239,714,875	4,500,662	235,214,213	267,094,917

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.....	68,688	68,688	0	
2302. Other assets.....	6,244	6,244	0	
2303. State Premium Tax Recoverable.....	73,063		73,063	73,062
2398. Summary of remaining write-ins for Line 23 from overflow page.....	86,442	86,442	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	234,437	161,374	73,063	73,062

PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....2,538,436).....	84,702,152	93,801,765
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	38,704,159	41,823,270
4. Commissions payable, contingent commissions and other similar charges.....	96,637	107,936
5. Other expenses (excluding taxes, licenses and fees).....	373,446	452,595
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	14,166	154,220
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		1,602,098
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 \$....316,883 and including warranty reserves of \$.....0).....	13,963,187	11,944,482
10. Advance premium.....	294,137	1,399,399
11. Dividends declared and unpaid:		
11.1 Stockholders.....	29,643,065	
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	2,497,129	2,387,018
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	64,980	13,371
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	44,600	44,600
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	285,231	294,816
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.....	240,518	19,500,000
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	170,923,407	173,525,570
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	170,923,407	173,525,570
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.....	55,934,666	50,434,666
33. Unassigned funds (surplus).....	7,356,140	42,134,681
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).....	64,290,806	93,569,347
36. Totals.....	235,214,213	267,094,917

DETAILS OF WRITE-INS

2301. Litigation liability.....	240,518	19,500,000
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).....	240,518	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

PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY
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 \$.....9,831,025).....	7,767,991	9,204,043	17,125,045
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....791,488).....	747,158	667,197	1,424,938
1.4 Net..... (written \$.....9,039,537).....	7,020,833	8,536,846	15,700,107
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....2,538,436):			
2.1 Direct.....	1,517,198	3,652,235	4,364,771
2.2 Assumed.....			
2.3 Ceded.....	478,763	3,885,617	5,433,651
2.4 Net.....	1,038,435	(233,382)	(1,068,880)
3. Loss adjustment expenses incurred.....	1,930,082	3,772,743	4,621,329
4. Other underwriting expenses incurred.....	3,364,463	1,848,539	3,253,722
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	6,332,980	5,387,900	6,806,171
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	687,853	3,148,946	8,893,936
INVESTMENT INCOME			
9. Net investment income earned.....	4,068,091	4,828,968	9,806,984
10. Net realized capital gains (losses) less capital gains tax of \$.....(202,952).....	(824,080)	(326)	811,457
11. Net investment gain (loss) (Lines 9 + 10).....	3,244,011	4,828,642	10,618,441
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....44,168).....	(44,168)	(3,944)	(20,273)
13. Finance and service charges not included in premiums.....	217	2,968	4,967
14. Aggregate write-ins for miscellaneous income.....	54,890	59,132	91,543
15. Total other income (Lines 12 through 14).....	10,939	58,156	76,237
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	3,942,803	8,035,744	19,588,614
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).....	3,942,803	8,035,744	19,588,614
19. Federal and foreign income taxes incurred.....	(5,498,170)	2,557,013	5,239,135
20. Net income (Line 18 minus Line 19) (to Line 22).....	9,440,973	5,478,731	14,349,479
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	93,569,346	69,208,489	69,208,489
22. Net income (from Line 20).....	9,440,973	5,478,731	14,349,479
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	(36,146)	(40,601)	(515,430)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(7,136,081)	321,048	381,024
27. Change in nonadmitted assets.....	1,561,513	(173,791)	5,421,783
28. Change in provision for reinsurance.....			4,724,000
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.....	5,500,000		
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....	(39,000,000)		
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	391,202	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	(29,278,539)	5,585,387	24,360,856
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	64,290,806	74,793,876	93,569,346
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.....	54,890	59,132	100,957
1402. Gain/Loss on Sale of Equipment.....			(9,414)
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).....	54,890	59,132	91,543
3701. Excess of net assets over carrying value of merged subsidiary.....	391,202		
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).....	391,202	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	8,147,514	16,180,929
2. Net investment income.....	4,766,682	11,425,239
3. Miscellaneous income.....	10,939	76,237
4. Total (Lines 1 through 3).....	12,925,135	27,682,405
5. Benefit and loss related payments.....	15,173,054	(6,831,196)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,594,965	3,170,429
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	4,419,767	6,322,081
10. Total (Lines 5 through 9).....	23,187,786	2,661,314
11. Net cash from operations (Line 4 minus Line 10).....	(10,262,651)	25,021,091
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	10,604,945	75,238,242
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	300	4,300
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(312,000)	(102,000)
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	10,293,245	75,140,542
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	19,965,949	36,324,366
13.2 Stocks.....	6,160,854	
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	16,300	500
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	26,143,103	36,324,866
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).....	(15,849,858)	38,815,676
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.....	5,891,202	
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....	9,356,935	
16.6 Other cash provided (applied).....	(18,356,285)	46,996
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(21,822,018)	46,996
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).....	(47,934,527)	63,883,763
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	74,971,813	11,088,050
19.2 End of period (Line 18 plus Line 19.1).....	27,037,286	74,971,813

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

See Note 10.

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

The federal tax benefit (line 19 of the Statement of Income) includes \$6,825,000 for the current tax benefit of amounts accrued in prior periods for the Columbia Hospital for Women (CHW) judgment (see Note 14) which was paid in April 2009. The payment also resulted in a similar decrease in deferred tax assets.

Realized capital gains (losses) (line 10 of the Statement of Income) include losses for other-than-temporary impairments for which the related tax benefit is not realized until the asset is disposed. The tax benefit for impaired securities included in realized gains (losses) was determined as follows:

Realized capital losses	\$ (1,027,032)
Less impairments included in above	760,590
Impaired amount of securities sold	(313,421)
Net current taxable losses	<u>\$ (579,863)</u>
Tax benefit on net at 35%	<u>\$ (202,952)</u>

The tax effect of assets impaired, less the tax effect of those sold, is a component of deferred tax assets.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Effective May 1, 2009, American Captive Corporation (ACC) was merged into the Company. ACC was an inactive subsidiary domiciled in the District of Columbia.

On May 19, 2009, the Company's parent, NCRIC Corporation was merged into affiliate PRA Professional Liability Group, Inc. with PRA Professional Liability Group, Inc. becoming the new parent of the Company.

- B. In March and May 2009, the Company purchased publicly-traded shares of its ultimate parent, ProAssurance Corporation, for a combined total of \$6,160,854. The statement value of the investment is equal to the fair value of the shares reduced by \$588,231 for the reciprocal ownership calculation required by the NAIC Securities Valuation Office. As of June 30, 2009, the book/adjusted carrying value was \$5,947,664.

The Company received a \$5.5 million capital contribution from NCRIC Corporation (the Company's then parent) on May 11, 2009.

NOTES TO FINANCIAL STATEMENTS

- C. Effective April 1, 2009, the Company and its affiliates amended its Tax Allocation Agreement and effective May 1, 2009 its Expense Allocation and Management Services Agreements to include Podiatry Insurance Company of America and its subsidiaries.

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, Dividend Restrictions and Quasi-Reorganizations

- D. The Company declared a \$9.0 million ordinary cash dividend payable to NCRIC Corporation (the Company's parent) on March 2, 2009. The dividend was paid in cash on March 13, 2009.

The Company declared a \$356,935 ordinary cash dividend payable to PRA Professional Liability Group, Inc. on June 10, 2009. The dividend was paid in cash on June 25, 2009.

Note 14 - Contingencies

A judgment was entered on February 20, 2004 against the Company by a District of Columbia Superior Court in favor of Columbia Hospital for Women Medical Center, Inc. (CHW) in the amount of \$18.2 million (the judgment), which was appealed. In October 2008 the judgment was affirmed by the District of Columbia Court of Appeals. The Company filed a petition for rehearing with the Court of Appeals and that petition was denied on January 6, 2009. On January 6, 2009, the liquidating trustee for CHW filed a voluntary petition for bankruptcy protection. On April 28, 2009, the Company remitted payment in the amount of \$20,841,638.89, which reflects the judgment plus interest, to CHW's bankruptcy trustee. NCRIC Corporation has indemnified the Company for up to \$5.5 million of the final judgment from this litigation. Accordingly, NCRIC Corporation remitted \$5.5 million to PRA National on May 11, 2009. The Company had accrued \$19.5 million prior to the April 28, 2009 payment. This accrual is made in accordance with SSAP 5. The additional \$1,341,639 was charged to expense in the current quarter. Because CHW is under judicial bankruptcy supervision, resolution of a settlement setoff of approximately \$240,000 (plus accrued interest from April 2009) remains pending.

During the first quarter of 2009, the Company realized losses of \$312,000 related to its \$5,000,000 interest in the Reserve Primary Fund, a money market mutual fund, which was redeemed in September 2008. As of June 30, 2009, the Company has received \$4,503,169 and has realized losses of \$414,000. Any remaining balance has been non-admitted each quarter since December 31, 2008.

Note 15 - Leases

No significant change.

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

No significant change.

- C. The Company has recognized no wash sales in 2009.

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 - Other Items

NOTES TO FINANCIAL STATEMENTS**G. Subprime Exposure**

(1) The Company defines subprime by the description of the underlying assets as provided by Bloomberg data, using a combination of: higher than average interest rates on underlying loans, credit scores, and high loan-to-value ratios.

(2) Direct exposure through subprime mortgage Loans:

None

(3) Direct Exposure through other Investments:

Type	Book Adjusted Actual Cost	(000's) Carrying Value	Fair Value	Other than Temporary Impairments
RMBS	\$504	\$504	\$501	\$149

(4) Underwriting Exposure to subprime mortgage risk through Mortgage Guaranty and Financial Guaranty insurance coverage:

None

Note 21 - Events Subsequent

The Company declared a \$29,643,065 extraordinary dividend payable to its parent PRA Professional Liability Group, Inc. on June 10, 2009. The dividend was paid in cash of \$23,060,494 and ProAssurance Corporation stock of \$6,582,571 on July 15, 2009. The extraordinary dividend was approved by the District of Columbia Department of Insurance, Securities and Banking pursuant to the filing of a Form D.

Effective August 1, 2009, the Company and its affiliates amended its Tax Allocation Agreement, Expense Allocation and Management Services Agreements primarily to include a new affiliate, PRA Group Holdings, Inc. and delete former participants.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

Combined reserves for incurred losses and loss adjustment expenses attributable to insured events as of December 31, 2008 were \$135,625,000. The following provides information concerning the re-estimation of those reserves during the three month period ended June 30, 2009:

Losses and Loss Adjustment Expenses December 31, 2008	\$ 135,625,000
Re-estimation of reserves (favorable)	<u>(3,000,000)</u>
Re-estimated December 31, 2008 Losses and Loss Adjustment Expenses	<u>\$ 132,625,000</u>

The re-estimation amount above relates principally to the medical malpractice line of insurance, principally for the 2004 through 2007 accident years, and is the result of ongoing analysis of recent loss trends. Original estimates are increased or decreased as additional information becomes available.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

No significant change.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 - High Deductibles

No significant change.

Note 31 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant change.

Note 32 - Asbestos/Environmental Reserves

No significant change.

Note 33 - Subscriber Savings Accounts

No significant change.

Note 34 - 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
- 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
- 2.2 If yes, date of change: 5/1/2009.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
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
- 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
AMERICAN CAPTIVE CORPORATION	11131	DC

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
If yes, attach an explanation.

EXPENSE ALLOCATION, MANAGEMENT SERVICES AND TAX ALLOCATION AGREEMENTS WERE ALL AMENDED TO INCLUDE NEW AFFILIATES PODIATRY INSURANCE COMPANY OF AMERICA AND PACO ASSURANCE COMPANY, INC. ADDED APRIL 2009.

- 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. 12/31/2006.....
- 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). 2/14/2008.....
- 6.4 By what department or departments?
DISTRICT OF COLUMBIA DEPARTMENT OF INSURANCE, SECURITIES AND BANKING

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No N/A
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 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
- 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
- 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

- 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 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

- 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

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

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

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: \$.....38,481

INVESTMENT

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

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: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$5,947,664
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$5,947,664
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

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

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-Part 3-Special Deposits, 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 Section 3, III. Conducting Examinations, F-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes 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
US 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)
N/A		

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
N/A			

16.5 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
113972	STANDISH MELLON ASSET MANAGEMENT	BNY MELLON CENTER, 210 WASH ST, BOSTON, MA 02108

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes No

17.2 If no, list exceptions:

**PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY
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	
						0					0
Total	XXX	XXX	0	0	0	0	0	0	0	0	0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)
------------------------------	------------------------------	------------------------	---------------	---

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	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	N						
2. Alaska.....AK	N						
3. Arizona.....AZ	N						
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	N						
7. Connecticut.....CT	N						
8. Delaware.....DE	L			2,575,000	2,024,800	3,302,166	8,904,352
9. District of Columbia.....DC	L	9,531,737	12,777,800	2,727,000	2,012,161	53,815,915	58,856,390
10. Florida.....FL	N						
11. Georgia.....GA	N						
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	N						
15. Indiana.....IN	N						
16. Iowa.....IA	N						
17. Kansas.....KS	N						
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	L	299,288	(62,945)	600,000	1,999,551	13,116,296	15,646,938
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	N						
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	N						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	N						
36. Ohio.....OH	N						
37. Oklahoma.....OK	N						
38. Oregon.....OR	N						
39. Pennsylvania.....PA	N						
40. Rhode Island.....RI	N						
41. South Carolina.....SC	N						
42. South Dakota.....SD	N						
43. Tennessee.....TN	N						
44. Texas.....TX	N						
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	L			4,412,491	4,013,827	17,808,560	23,686,052
48. Washington.....WA	N						
49. West Virginia.....WV	L		(30,099)	519,231	1,047,500	2,514,370	3,465,517
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....5	9,831,025	12,684,756	10,833,722	11,097,839	90,557,307	110,559,249

DETAILS OF WRITE-INS

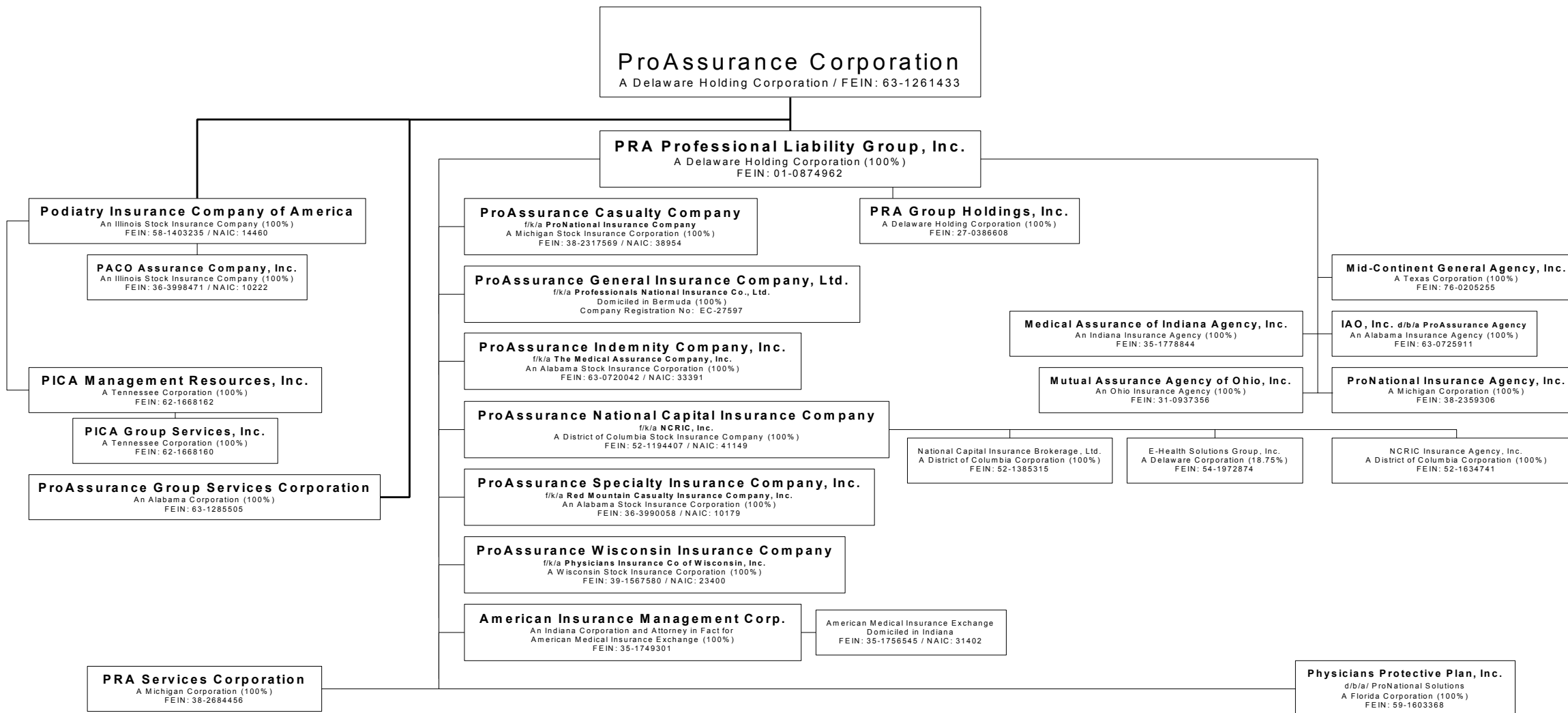
5801.....	XXX						
5802.....	XXX						
5803.....	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

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

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

PART 1 – ORGANIZATIONAL CHART

Q11



PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY

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 professional liability - occurrence.....	(23,657)	(14,002)	59.2	68.2
11.2. Medical professional liability - claims made.....	7,791,648	1,531,200	19.7	39.5
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.....			0.0	
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. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	7,767,991	1,517,198	19.5	39.7
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	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 professional liability - occurrence.....	38,723	(23,657)	62,431
11.2. Medical professional liability - claims made.....	333,349	9,854,682	12,622,325
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.....			
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. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	372,072	9,831,025	12,684,756
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	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)	2009 Loss and LAE Payments on Claims Reported as of Prior Year-End	2009 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2009 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. 2006 + Prior.....	61,650	42,533	104,183	12,305	488	12,793	41,689	71	46,630	88,390	(7,656)	4,656	(3,000)
2. 2007.....	15,531	2,132	17,663	1,769	102	1,871	12,194		3,598	15,792	(1,568)	1,568	0
3. Subtotals 2007 + Prior.....	77,181	44,665	121,846	14,074	590	14,664	53,883	71	50,228	104,182	(9,224)	6,224	(3,000)
4. 2008.....	2,632	11,151	13,783	277	129	406	4,287	41	9,049	13,377	1,932	(1,932)	0
5. Subtotals 2008 + Prior.....	79,813	55,816	135,629	14,351	719	15,070	58,170	112	59,277	117,559	(7,292)	4,292	(3,000)
6. 2009.....	XXX	XXX	XXX	XXX	117	117	XXX	270	5,578	5,848	XXX	XXX	XXX
7. Totals.....	79,813	55,816	135,629	14,351	836	15,187	58,170	382	64,855	123,407	(7,292)	4,292	(3,000)
8. Prior Year-End's Surplus As Regards Policyholders	93,569										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. ....(9.1)%	2. ....7.7%	3. ....(2.2)%
													Col. 13, Line 7 Line 8
													4. ....(3.2)%

Q13

Statement for June 30, 2009 of the **PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY**
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 Professional Liability 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:

- 1.
- 2.
- 3.

Bar Code:



Statement for June 30, 2009 of the **PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY**
Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2304. Unsettled Investment Sales.....	86,442	86,442	0	
2397. Summary of remaining write-ins for Line 23.....	86,442	86,442	0	0

Statement for June 30, 2009 of the **PROASSURANCE NATIONAL CAPITAL INSURANCE COMPANY**
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. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	475,900	479,700
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....	16,300	500
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....	300	4,300
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	491,900	475,900
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	491,900	475,900

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.....	178,757,891	217,833,872
2. Cost of bonds and stocks acquired.....	26,126,803	36,324,366
3. Accrual of discount.....	48,763	116,269
4. Unrealized valuation increase (decrease).....	(36,146)	(515,430)
5. Total gain (loss) on disposals.....	(264,188)	2,208,149
6. Deduct consideration for bonds and stocks disposed of.....	10,604,945	75,238,242
7. Deduct amortization of premium.....	679,080	1,406,540
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....	450,844	564,555
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	192,898,254	178,757,891
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	192,898,254	178,757,891

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 (a).....	218,548,510	94,728,463	118,764,519	(1,658,887)	218,548,510	192,853,567		233,429,504
2. Class 2 (a).....	21,607,936		645,000	502,416	21,607,936	21,465,352		20,553,679
3. Class 3 (a).....	290,625		832,694	853,412	290,625	311,343		337,975
4. Class 4 (a).....	37,500		37,500		37,500			
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	240,484,571	94,728,463	120,279,713	(303,059)	240,484,571	214,630,262	0	254,321,158
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.....	240,484,571	94,728,463	120,279,713	(303,059)	240,484,571	214,630,262	0	254,321,158

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$.....27,679,672; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	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
9199999. Totals.....	27,679,672	XXX	27,679,672		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	64,770,185	10,385,667
2. Cost of short-term investments acquired.....	286,004,149	240,136,099
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		(102,000)
6. Deduct consideration received on disposals.....	323,094,662	185,649,581
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	27,679,672	64,770,185
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	27,679,672	64,770,185

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

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

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	10,793,082	
2. Cost of cash equivalents acquired.....	24,197,121	333,736,694
3. Accrual of discount.....	3,797	232,200
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	34,994,000	323,175,812
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	10,793,082
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	10,793,082

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 2
NONE

Sch. B-Part 3
NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									

NONE

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

QE03

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)							14 Total Foreign Exchange Change in B./A.C.V.

Any Other Class of Admitted Asset - Unaffiliated

000000 00 0	FEDERAL HOME LOAN BANK - ATLANTA.....	GA.	FEDERAL HOME LOAN BANK.....	0403/2009			300					0		300	300			0	
3799999	Total - Any Other Class of Admitted Asset - Unaffiliated.....																		
3999999	Subtotal - Unaffiliated.....																		
4199999	Totals.....																		

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
3133XF JF 4	FEDERAL HOME LOAN BANK		04/28/2009	DEUTSCHE BANK		2,253,306	2,000,000	48,076	1
3133XS AE 8	FEDERAL HOME LOAN BANK		04/28/2009	DEUTSCHE BANK		1,575,735	1,500,000	1,661	1
36296Q RM 3	GN 698092		04/28/2009	CREDIT SUISSE SECURITIES		1,027,578	1,000,000	3,625	1
912828 CJ 7	US TREASURY N/B		04/29/2009	BARCLAYS AMERICAN		1,136,253	1,000,000	21,782	1
912828 FY 1	US TREASURY N/B		04/28/2009	DEUTSCHE BANK		1,711,822	1,500,000	31,621	1
0399999	Total - Bonds - U.S. Government					7,704,694	7,000,000	106,765	XXX
Bonds - Industrial and Miscellaneous									
172967 EV 9	CITIGROUP INC		05/29/2009	CITIGROUP		284,482	275,000	714	1FE
17313U AE 9	CITIGROUP INC		04/28/2009	CITIGROUP		2,017,420	2,000,000	118	1FE
3899999	Total - Bonds - Industrial & Miscellaneous					2,301,902	2,275,000	832	XXX
8399997	Total - Bonds - Part 3					10,006,596	9,275,000	107,597	XXX
8399999	Total - Bonds					10,006,596	9,275,000	107,597	XXX
Common Stocks - Industrial and Miscellaneous									
74267C 10 6	PROASSURANCE CORP		05/15/2009	RAYMOND JAMES	99,939,000	4,413,870	XXX		J
9099999	Total - Common Stocks - Industrial & Miscellaneous					4,413,870	XXX	0	XXX
9799997	Total - Common Stocks - Part 3					4,413,870	XXX	0	XXX
9799999	Total - Common Stocks					4,413,870	XXX	0	XXX
9899999	Total - Preferred and Common Stocks					4,413,870	XXX	0	XXX
9999999	Total - Bonds, Preferred and Common Stocks					14,420,466	XXX	107,597	XXX

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

QE04

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of 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 Desig- nation 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																					
36202E	2B 4	G2 4370	06/01/2009	MBS PAYMENT		146,145	146,145	150,301			(221)		(221)		146,145			0	2,326	12/01/2038	1
36202K	2A 2	G2 8869	06/01/2009	MBS PAYMENT		627	627	641	627				0	627			0	11	09/01/2021	1	
36203G	QN 6	GN 348861	06/01/2009	MBS PAYMENT		185	185	186	185				0	185			0	5	11/01/2020	1	
36203K	A4 6	GN 351127	06/01/2009	MBS PAYMENT		241	241	244	241				0	241			0	7	10/01/2021	1	
36203L	LQ 3	GN 352335	06/01/2009	MBS PAYMENT		4	4	5	4				0	4			0		04/01/2023	1	
36203T	BY 0	GN 358355	06/01/2009	MBS PAYMENT		162	162	163	162				0	162			0	5	04/01/2022	1	
36204F	FG 4	GN 368367	06/01/2009	MBS PAYMENT		238	238	251	238				0	238			0	8	11/01/2023	1	
36208D	M5 1	GN 447780	06/01/2009	MBS PAYMENT		17	17	17	17				0	17			0	1	07/01/2016	1	
36209A	R8 5	GN 465911	06/01/2009	MBS PAYMENT		954	954	924	950		4		4	954			0	26	01/01/2026	1	
36209P	SP 3	GN 477626	06/01/2009	MBS PAYMENT		2,005	2,005	2,038	2,007		(2)		(2)	2,005			0	55	04/01/2027	1	
362207	YU 0	GN 299623	06/01/2009	MBS PAYMENT		183	183	185	184				0	183			0	5	02/01/2021	1	
36296Q	RM 3	GN 698092	06/01/2009	MBS PAYMENT		2,940	2,940	3,021					0	2,940			0	17	02/01/2039	1	
0399999	Total - Bonds - U.S. Government					153,701	153,701	157,976	4,615	0	(219)	0	(219)	0	153,701	0	0	0	2,466	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
31288G	3S 9	FG C78009	06/01/2009	MBS PAYMENT		184	184	185	184				0	184			0	4	12/01/2031	1	
31288J	RK 4	FG C79490	06/01/2009	MBS PAYMENT		3,958	3,958	4,150	3,966		(8)		(8)	3,958			0	97	04/01/2032	1	
3128H3	ZP 9	FG E96150	06/01/2009	MBS PAYMENT		33,706	33,706	35,338	33,819		(114)		(114)	33,706			0	705	11/01/2017	1	
3128H4	WA 3	FG E96941	06/01/2009	MBS PAYMENT		26,287	26,287	26,944	26,324		(37)		(37)	26,287			0	469	10/01/2017	1	
3128K8	TQ 9	FG A47759	06/01/2009	MBS PAYMENT		36,079	36,079	35,059	36,030		49		49	36,079			0	772	05/01/2035	1	
3128M1	LA 5	FG G12221	06/01/2009	MBS PAYMENT		77,438	77,438	76,996	77,397		41		41	1,765			0	1,765	08/01/2020	1	
3128M1	PE 3	FG G12321	06/01/2009	MBS PAYMENT		100,174	100,174	99,603	100,110		65		65	2,261			0	2,261	11/01/2020	1	
31296K	LQ 4	FG A11235	06/01/2009	MBS PAYMENT		1,617	1,617	1,652	1,618		(1)		(1)	1,617			0	37	05/01/2032	1	
31296N	ZY 6	FG A14359	06/01/2009	MBS PAYMENT		1,665	1,665	1,703	1,668		(3)		(3)	1,665			0	38	01/01/2033	1	
31297B	JC 7	FG A23859	06/01/2009	MBS PAYMENT		91,136	91,136	88,730	91,009		127		127	91,136			0	1,941	08/01/2033	1	
31353G	PG 1	FH 884023	06/15/2009	VARIOUS		3,964	3,964	4,299	3,976		(12)		(12)	3,964			0	208	08/01/2018	1	
313615	TW 6	FN 50965	06/01/2009	MBS PAYMENT		128	128	125	128				0	128			0	3	07/01/2022	1	
31371L	4L 0	FN 255627	06/01/2009	MBS PAYMENT		22,909	22,909	23,109	22,920		(12)		(12)	22,909			0	478	08/01/2024	1	
31371L	4M 8	FN 255628	06/01/2009	MBS PAYMENT		17,977	17,977	18,426	18,001		(24)		(24)	17,977			0	411	08/01/2024	1	
31371L	6C 8	FN 255667	06/01/2009	MBS PAYMENT		60,619	60,619	60,770	60,628		(9)		(9)	60,619			0	1,216	10/01/2024	1	
31371L	6D 6	FN 255668	06/01/2009	MBS PAYMENT		29,468	29,468	30,136	29,503		(35)		(35)	29,468			0	660	09/01/2024	1	
31371S	QU 1	FN 260667	06/01/2009	MBS PAYMENT		37	37	36	37				0	37			0	1	05/01/2022	1	
31372C	AX 6	FN 268322	06/01/2009	MBS PAYMENT		381	381	370	381				0	381			0	11	03/01/2022	1	
31372C	MN 5	FN 268665	06/01/2009	MBS PAYMENT		182	182	177	182				0	182			0	5	11/01/2021	1	
31372D	TM 8	FN 269756	06/01/2009	MBS PAYMENT		292	292	284	292				0	292			0	9	02/01/2023	1	
31372H	RM 1	FN 273292	06/01/2009	MBS PAYMENT		93	93	90	93				0	93			0	3	11/01/2023	1	
31372J	6Z 1	FN 274588	06/01/2009	MBS PAYMENT		17	17	17	17				0	17			0		01/01/2022	1	
31372J	KM 4	FN 274000	06/01/2009	MBS PAYMENT		1,448	1,448	1,408	1,448		1		1	1,448			0	42	11/01/2021	1	
31372P	JR 1	FN 278472	06/01/2009	MBS PAYMENT		7	7	7	7				0	7			0		02/01/2024	1	
31372P	ZD 4	FN 278940	06/01/2009	MBS PAYMENT		366	366	356	348		18		18	366			0	12	06/01/2009	1	
31372X	ZK 1	FN 286146	06/01/2009	MBS PAYMENT		31	31	31	31				0	31			0	1	01/01/2024	1	

QE05

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31378T P2 5	FN 408241		06/01/2009	MBS PAYMENT		4,368	4,368	4,272	4,364		4		4		4,368			0	128	05/01/2017	1
31383S JZ 4	FN 511580		06/01/2009	MBS PAYMENT		2,612	2,612	2,570	2,610		2		2		2,612			0	71	08/01/2013	1
31390L GN 0	FN 649205		06/01/2009	MBS PAYMENT		1,194	1,194	1,255	1,195		(1)		(1)		1,194			0	32	07/01/2030	1
31390R E7 4	FN 653658		06/01/2009	MBS PAYMENT		3,431	3,431	3,607	3,440		(9)		(9)		3,431			0	92	04/01/2031	1
31391S TF 7	FN 675650		06/01/2009	MBS PAYMENT		20,140	20,140	21,047	20,163		(23)		(23)		20,140			0	504	12/01/2031	1
31391S U7 3	FN 675706		06/01/2009	MBS PAYMENT		115,120	115,120	119,905	115,213		(93)		(93)		115,120			0	2,786	12/01/2031	1
31391U W6 8	FN 677569		06/01/2009	MBS PAYMENT		117	117	120	117				0		117			0	3	07/01/2031	1
31391U YM 1	FN 677616		06/01/2009	MBS PAYMENT		90	90	92	90				0		90			0	2	12/01/2031	1
313970 SC 0	FG D32315		06/01/2009	MBS PAYMENT		44	44	48	44				0		44			0	2	12/01/2016	1
31400C AL 8	FN 683211		06/01/2009	MBS PAYMENT		40,476	40,476	41,576	40,489		(12)		(12)		40,476			0	1,020	02/01/2031	1
31400D X4 9	FN 684799		06/01/2009	MBS PAYMENT		2,328	2,328	2,423	2,329		(1)		(1)		2,328			0	58	10/01/2032	1
31400H HJ 5	FN 687933		06/01/2009	MBS PAYMENT		43,455	43,455	45,127	43,472		(17)		(17)		43,455			0	881	05/01/2032	1
31400T GU 5	FN 696911		06/01/2009	MBS PAYMENT		1,212	1,212	1,238	1,213		(1)		(1)		1,212			0	28	02/01/2032	1
31401C FB 4	FN 704062		06/01/2009	MBS PAYMENT		1,032	1,032	1,054	1,032		(1)		(1)		1,032			0	21	04/01/2032	1
31401H 3J 9	FN 709201		06/01/2009	MBS PAYMENT		3,216	3,216	3,204	3,215				0		3,216			0	79	06/01/2032	1
31401H L9 1	FN 708752		06/01/2009	MBS PAYMENT		27,447	27,447	28,802	27,522		(76)		(76)		27,447			0	575	12/01/2017	1
31401J AC 2	FN 709303		06/01/2009	MBS PAYMENT		35,803	35,803	36,939	35,848		(45)		(45)		35,803			0	735	10/01/2032	1
31401L NU 3	FN 711503		06/01/2009	MBS PAYMENT		2,550	2,550	2,574	2,550				0		2,550			0	64	10/01/2032	1
31401L P8 0	FN 711547		06/01/2009	MBS PAYMENT		41,258	41,258	43,012	41,341		(83)		(83)		41,258			0	1,018	05/01/2032	1
31401L V5 9	FN 711736		06/01/2009	MBS PAYMENT		1,495	1,495	1,503	1,495				0		1,495			0	36	05/01/2032	1
31401N GR 4	FN 713108		06/01/2009	MBS PAYMENT		2,984	2,984	3,001	2,985		(1)		(1)		2,984			0	69	05/01/2032	1
31401Y VD 4	FN 722512		06/01/2009	MBS PAYMENT		1,837	1,837	1,831	1,837				0		1,837			0	42	06/01/2032	1
31402A RB 4	FN 723282		06/01/2009	MBS PAYMENT		118,965	118,965	124,371	119,222		(257)		(257)		118,965			0	2,341	05/01/2017	1
31402D 5A 4	FN 726341		06/01/2009	MBS PAYMENT		1,343	1,343	1,347	1,343				0		1,343			0	28	12/01/2017	1
31402D XU 9	FN 726191		06/01/2009	MBS PAYMENT		3,724	3,724	3,735	3,725		(1)		(1)		3,724			0	80	01/01/2018	1
31402G SW 4	FN 728733		06/01/2009	MBS PAYMENT		972	972	988	972		(1)		(1)		972			0	20	09/01/2032	1
31402G WU 3	FN 728859		06/01/2009	MBS PAYMENT		841	841	846	841				0		841			0	16	04/01/2033	1
31402H N8 0	FN 729515		06/01/2009	MBS PAYMENT		59,625	59,625	60,230	59,645		(21)		(21)		59,625			0	1,170	05/01/2032	1
31402H PX 3	FN 729538		06/01/2009	MBS PAYMENT		2,670	2,670	2,729	2,673		(3)		(3)		2,670			0	67	11/01/2032	1
31402Q Y3 9	FN 735230		06/01/2009	MBS PAYMENT		51,065	51,065	50,778	51,048		18		18		51,065			0	1,176	01/01/2034	1
31402Y T5 3	FN 742272		06/01/2009	MBS PAYMENT		1,738	1,738	1,716	1,737				0		1,738			0	30	07/01/2033	1
31403D DX 4	FN 745418		06/01/2009	MBS PAYMENT		70,431	70,431	69,961	70,399		32		32		70,431			0	1,621	07/01/2035	1
31403F JX 3	FN 747378		06/01/2009	MBS PAYMENT		9,689	9,689	9,618	9,688		1		1		9,689			0	207	09/01/2032	1
31403V ZZ 1	FN 759592		06/01/2009	MBS PAYMENT		21,166	21,166	21,672	21,180		(14)		(14)		21,166			0	447	04/01/2033	1
31404B 3A 8	FN 764093		06/01/2009	MBS PAYMENT		2,752	2,752	2,816	2,752		(1)		(1)		2,752			0	62	11/01/2032	1
31404S H3 2	FN 777050		06/01/2009	MBS PAYMENT		10,861	10,861	10,728	10,854		7		7		10,861			0	236	05/01/2033	1
31404V TS 7	FN 780061		06/01/2009	MBS PAYMENT		28,283	28,283	28,026	28,277		7		7		28,283			0	595	05/01/2033	1
31405R AQ 9	FN 796615		06/01/2009	MBS PAYMENT		84,534	84,534	84,019	84,502		32		32		84,534			0	1,941	05/01/2034	1
31406B CY 4	FN 804787		06/01/2009	MBS PAYMENT		1,305	1,305	1,334	1,306		(1)		(1)		1,305			0	30	05/01/2034	1
31406E DM 3	FN 807508		06/01/2009	MBS PAYMENT		25,794	25,794	26,375	25,813		(19)		(19)		25,794			0	656	04/01/2034	1

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31406E	LL 6	FN 807731	06/01/2009	MBS PAYMENT		11,513	11,513	11,778	11,516		(3)		(3)		11,513			0	303	02/01/2034	1
31407C	J6 5	FN 826585	06/01/2009	MBS PAYMENT		43,847	43,847	42,408	43,785		62		62		43,847			0	891	01/01/2035	1
31407N	2C 6	FN 836071	06/01/2009	MBS PAYMENT		36,259	36,259	35,015	36,213		45		45		36,259			0	754	04/01/2035	1
31408A	J3 5	FN 845482	06/01/2009	MBS PAYMENT		129,543	129,543	128,855	129,498		45		45		129,543			0	2,984	11/01/2020	1
31408A	TC 4	FN 845747	06/01/2009	MBS PAYMENT		35,006	35,006	33,803	34,968		38		38		35,006			0	737	04/01/2034	1
31408E	RU 8	FN 849299	06/01/2009	MBS PAYMENT		75,642	75,642	75,146	75,604		38		38		75,642			0	1,729	07/01/2035	1
31408J	MU 2	FN 852771	06/01/2009	MBS PAYMENT		3,297	3,297	3,187	3,296		1		1		3,297			0	69	12/01/2035	1
38373M	PK 0	GNR 2005-32 B	06/01/2009	MBS PAYMENT		60,537	60,537	59,232	60,421		117		117		60,537			0	898	04/01/2011	1
38373M	PT 1	GNR 2005-29 A	06/01/2009	MBS PAYMENT		4,513	4,513	4,375	4,506		6		6		4,513			0	83	02/01/2013	1
38373M	RU 6	GNR 2005-87 A	06/01/2009	MBS PAYMENT		42,027	42,027	41,186	41,968		59		59		42,027			0	635	08/01/2011	1
38373M	SB 7	GNR 2005-90 A	06/01/2009	MBS PAYMENT		4,048	4,048	3,906	4,042		6		6		4,048			0	63	10/01/2012	1
38373M	SH 4	GNR 2006-3 A	06/01/2009	MBS PAYMENT		13,652	13,652	13,379	13,625		27		27		13,652			0	262	02/01/2012	1
38373M	SP 6	GNR 2006-6 A	06/01/2009	MBS PAYMENT		3,411	3,411	3,343	3,402		9		9		3,411			0	58	08/01/2010	1
38373M	SX 9	GNR 2006-5 A	06/01/2009	MBS PAYMENT		3,774	3,774	3,699	3,770		4		4		3,774			0	67	10/01/2012	1
38373M	TD 2	GNR 2006-9 A	06/01/2009	MBS PAYMENT		149,704	149,704	145,213	149,477		227		227		149,704			0	2,121	09/01/2011	1
38373M	TS 9	GNR 2006-18 A	06/01/2009	MBS PAYMENT		6,941	6,941	6,872	6,925		16		16		6,941			0	144	12/01/2010	1
38373M	TZ 3	GNR 2006-19 A	06/01/2009	MBS PAYMENT		26,653	26,653	25,320	26,535		117		117		26,653			0	376	07/01/2011	1
38374B	QM 8	GNR 2003-72 A	06/01/2009	MBS PAYMENT		10,225	10,225	10,225	10,225				0		10,225			0	137	12/01/2009	1
38374J	E9 3	GNR 2004-97 AB	06/01/2009	MBS PAYMENT		15,883	15,883	15,203	15,845		38		38		15,883			0	204	09/01/2011	1
59465M	LV 5	MICHIGAN ST HSG DEV AUTH RENTA	04/01/2009	CALLED BY ISSUER at 100.000		25,000	25,000	25,324	25,215		(215)		(215)		25,000			0	519	10/01/2013	1FE
3199999		Total - Bonds - U.S. Special Revenue & Assessment				2,059,605	2,059,605	2,063,959	2,059,494	0	105	0	105	0	2,059,605	0	0	0	43,152	XXX	XXX
Bonds - Industrial and Miscellaneous																					
03061N	JR 1	AmeriCredit Auto Rec Trst 2005-DA A3	06/06/2009	MBS PAYMENT		33,023	33,023	33,019	33,084		(61)		(61)		33,023			0	662	07/06/2009	1FE
125577	AS 5	CIT GROUP INC	06/12/2009	GOLDMAN SACHS		489,500	550,000	549,808	549,923		19		19		549,942		(60,442)	(60,442)	17,796	11/03/2010	3FE
172967	AZ 4	CITIGROUP INC	05/29/2009	STIFEL NICOLAUS		494,498	490,000	598,878	518,820		(6,786)		(6,786)		512,034		(17,536)	(17,536)	23,881	10/01/2010	1FE
172967	BP 5	CITIGROUP INC	05/29/2009	CITIGROUP		93,370	100,000	104,638	102,594		(277)		(277)		102,316		(8,946)	(8,946)	4,313	08/27/2012	1FE
17310E	AB 4	Citi Res Mtge Secs 2006-2 A2	06/01/2009	MBS PAYMENT		631,554	631,554	631,535	631,533		22		22		631,554			0	14,755	09/01/2009	1FE
257867	AK 7	DONNELLEY (R.R.) & SONS	04/01/2009	MATURITY		40,000	40,000	39,947	39,997		3		3		40,000			0	750	04/01/2009	2FE
46625Y	XL 2	JP Morgan Comm Mtge Sec 2005-LDP5 A	06/01/2009	MBS PAYMENT		12,100	12,100	12,130	12,100		0		0		12,100			0	252	07/01/2010	1FE
59022H	KZ 4	ML Mtge Trst 2005-CK1 A1	06/01/2009	MBS PAYMENT		44,488	44,488	44,598	44,488				0		44,488			0	1,028	06/01/2010	1FE
61746W	ES 5	MSDW Capital 2001-PPM A2	06/01/2009	MBS PAYMENT		1,447	1,447	1,601	1,460		(13)		(13)		1,447			0	39	10/01/2011	1FE
61746W	ET 3	MSDW Capital 2001-PPM A3	06/01/2009	MBS PAYMENT		5,066	5,066	5,724	5,113		(46)		(46)		5,066			0	138	10/01/2011	1FE
61746W	PE 4	MSDW Capital 2002-TOP7 A1	06/01/2009	MBS PAYMENT		29,765	29,767	32,345	29,962		(195)		(195)		29,767			0	758	11/01/2010	1FE
69362B	AQ 5	PSEG POWER LLC	04/01/2009	MATURITY		430,000	430,000	429,690	429,983		17		17		430,000			0	8,063	04/01/2009	2FE
759950	GU 6	Renaissance HE Ln Trst 2006-1 AF2	06/01/2009	MBS PAYMENT		36,601	36,601	36,601	36,601				0		36,601			0	796	06/01/2009	1FE
949746	FQ 9	WELLS FARGO & COMPANY	04/01/2009	MATURITY		180,000	180,000	179,717	179,985		15		15		180,000			0	2,813	04/01/2009	1FE
989701	AJ 6	ZIONS BANCORP	04/30/2009	MORGAN STANLEY DEAN		145,750	275,000	287,562	283,100		(348)		(348)		282,752		(137,002)	(137,002)	10,542	09/15/2015	3FE
66567E	AW 5	NORTHERN ROCK PLC	04/14/2009	BARCLAYS AMERICAN		34,000	200,000	199,802	76,000	123,807		162,307	(38,500)		37,500		(3,500)	(3,500)	5,196	01/01/9999	4FE
705006	AA 2	PEARSON DOLLAR FIN PLC	06/01/2009	MATURITY		175,000	175,000	174,967	174,997		3		3		175,000			0	4,113	06/01/2009	2FE
3899999		Total - Bonds - Industrial & Miscellaneous				2,876,162	3,234,046	3,362,562	3,149,740	123,807	(7,647)	162,307	(46,147)	0	3,103,590	0	(227,426)	(227,426)	95,895	XXX	XXX

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SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 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 Desig- nation 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.							
8399997.	Total - Bonds - Part 4.....				5,089,468	5,447,352	5,584,497	5,213,849	123,807	(7,761)	162,307	(46,261)	0	5,316,896	0	(227,426)	(227,426)	141,513	XXX	XXX
8399999.	Total - Bonds.....				5,089,468	5,447,352	5,584,497	5,213,849	123,807	(7,761)	162,307	(46,261)	0	5,316,896	0	(227,426)	(227,426)	141,513	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.....				5,089,468	XXX	5,584,497	5,213,849	123,807	(7,761)	162,307	(46,261)	0	5,316,896	0	(227,426)	(227,426)	141,513	XXX	XXX

(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								
BANK OF AMERICA.....	ATLANTA, GA.....	.....	.....	.....	.....5,418	.....15,663	.....148,872	XXX
US BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(720,092)	.....(1,349,359)	.....(791,753)	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....	.....	.....	.....	.....195	.....495	.....495	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(714,479)	.....(1,333,201)	.....(642,386)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(714,479)	.....(1,333,201)	.....(642,386)	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(714,479)	.....(1,333,201)	.....(642,386)	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 Amount Received During Year
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NONE