

QUARTERLY STATEMENT
OF THE
PRONATIONAL INSURANCE
COMPANY

Of

OKEMOS
in the state of MI

to the Insurance Department
of the State of

For the Period Ended
June 30, 2005

2005



QUARTERLY STATEMENT

As of June 30, 2005
of the Condition and Affairs of the

PRONATIONAL INSURANCE COMPANY

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 38954	Employer's ID Number..... 38-2317569
Organized under the Laws of MI	State of Domicile or Port of Entry MI	Country of Domicile US
Incorporated/Organized..... June 27, 1980	Commenced Business..... June 27, 1980	
Statutory Home Office	2600 PROFESSIONALS DRIVE..... OKEMOS MI 48864 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	517-349-6500 <i>(Area Code) (Telephone Number)</i>
Mail Address	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	proassurance.com	
Statutory Statement Contact	PHILIP NEWTON LEWIS <i>(Name)</i> plewis@proassurance.com <i>(E-Mail Address)</i>	205-445-2665 <i>(Area Code) (Telephone Number) (Extension)</i> 205-868-4025 <i>(Fax Number)</i>
Policyowner Relations Contact	2600 PROFESSIONALS DRIVE..... OKEMOS MI 48864 <i>(Street and Number) (City or Town, State and Zip Code)</i>	517-349-6500 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

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

OTHER

JEFFREY LYNN BOWLBY	VICE PRESIDENT	HOWARD HARLEY FRIEDMAN	VICE PRESIDENT
JAMES JOSEPH MORELLO	VICE PRESIDENT	FRANK BERRY O'NEIL	VICE PRESIDENT
EDWARD LEWIS RAND, JR.	VICE PRESIDENT	DARRYL KEITH THOMAS	VICE PRESIDENT

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	JEFFREY LYNN BOWLBY	AUBREY DERRILL CROWE	HOWARD HARLEY FRIEDMAN
JAMES JOSEPH MORELLO	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) VICTOR THOMAS ADAMO 1. (Printed Name) PRESIDENT (Title)	_____ (Signature) KATHRYN ANNE NEVILLE 2. (Printed Name) SECRETARY (Title)	_____ (Signature) JAMES JOSEPH MORELLO 3. (Printed Name) TREASURER (Title)
--	---	---

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 _____

PRONATIONAL INSURANCE COMPANY

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.....	704,933,183		704,933,183	.670,202,416
2. Stocks:				
2.1 Preferred stocks.....	10,795,750		10,795,750	15,117,875
2.2 Common stocks.....	221,830,617		221,830,617	194,993,735
3. Mortgage loans on real estate:				
3.1 First liens.....	394,668		394,668	402,436
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	4,199,891		4,199,891	4,287,547
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 (\$.....(920,804)), cash equivalents (\$.....5,294,000) and short-term investments (\$.....18,667,004).....	23,040,199		23,040,199	15,837,552
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Other invested assets.....	1,177,400		1,177,400	1,153,100
8. Receivables for securities.....	1,199		1,199	
9. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	966,372,907	.0	966,372,907	901,994,661
11. Title Plants less \$.....0 charged off (for Title insurers only).....			.0	
12. Investment income due and accrued.....	8,773,224		8,773,224	8,102,287
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	25,355,620	303,316	25,052,304	25,914,186
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	9,708,215		9,708,215	19,599,848
13.3 Accrued retrospective premiums.....			.0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	4,205,908		4,205,908	2,927,090
14.2 Funds held by or deposited with reinsured companies.....	30,724,443		30,724,443	23,783,000
14.3 Other amounts receivable under reinsurance contracts.....	95,946		95,946	
15. Amounts receivable relating to uninsured plans.....			.0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	107,396		107,396	
16.2 Net deferred tax asset.....	33,683,776	20,565,060	13,118,716	13,849,537
17. Guaranty funds receivable or on deposit.....			.0	
18. Electronic data processing equipment and software.....	267,613		267,613	290,398
19. Furniture and equipment, including health care delivery assets (\$.....0).....	622,943	622,943	.0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
21. Receivables from parent, subsidiaries and affiliates.....	226,054		226,054	5,377,877
22. Health care (\$.....0) and other amounts receivable.....			.0	
23. Aggregate write-ins for other than invested assets.....	11,655,286	368,405	11,286,881	11,132,747
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,091,799,331	21,859,724	1,069,939,607	1,012,971,631
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
26. TOTALS (Lines 24 and 25).....	1,091,799,331	21,859,724	1,069,939,607	1,012,971,631

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. Intangible Assets.....	(55,735)		(55,735)	(55,735)
2302. Prepaid Expenses and Other Assets.....	368,405	368,405	.0	
2303. Company Owned Life Insurance.....	11,039,512		11,039,512	10,815,541
2398. Summary of remaining write-ins for Line 23 from overflow page.....	303,104		303,104	372,941
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	11,655,286	368,405	11,286,881	11,132,747

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$ 23,369,682)	483,882,564	472,660,402
2. Reinsurance payable on paid losses and loss adjustment expenses	217,881	21,338
3. Loss adjustment expenses	194,955,616	172,773,473
4. Commissions payable, contingent commissions and other similar charges	3,539,451	5,508,596
5. Other expenses (excluding taxes, licenses and fees)	1,686,718	1,773,692
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	431,035	1,864,383
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		4,516,621
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 \$ 2,735,192 and including warranty reserves of \$ 0)	89,987,125	94,632,746
10. Advance premium	3,733,843	5,442,134
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	7,237,425	5,557,400
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	32,656	77,959
15. Remittances and items not allocated		
16. Provision for reinsurance	810,000	810,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	2,046,101	199,824
20. Payable for securities	2,344,338	7,681,462
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ 0 and interest thereon \$ 0		
23. Aggregate write-ins for liabilities	(2,373,097)	(2,373,097)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	788,531,656	771,146,933
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	788,531,656	771,146,933
27. Aggregate write-ins for special surplus funds	0	0
28. Common capital stock	3,188,145	3,188,145
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	10,093,603	10,093,603
32. Gross paid in and contributed surplus	27,978,790	27,978,790
33. Unassigned funds (surplus)	240,147,413	200,564,160
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)	281,407,951	241,824,698
36. TOTALS	1,069,939,607	1,012,971,631

DETAILS OF WRITE-INS

2301. Retroactive Reinsurance Reserve Ceded	(2,373,097)	(2,373,097)
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)	(2,373,097)	(2,373,097)
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 \$.....87,131,235).....	91,038,426	86,817,892	179,390,628
1.2 Assumed..... (written \$.....9,368,966).....	10,749,018	9,928,300	21,649,617
1.3 Ceded..... (written \$.....4,993,055).....	5,634,677	5,182,286	10,227,214
1.4 Net..... (written \$.....91,507,146).....	96,152,767	91,563,906	190,813,031
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....23,458,169):			
2.1 Direct.....	21,423,107	37,221,695	30,483,580
2.2 Assumed.....	3,869,640	3,533,390	4,207,403
2.3 Ceded.....	2,584,578	3,214,518	(28,554,953)
2.4 Net.....	22,708,169	37,540,567	63,245,936
3. Loss expenses incurred.....	58,606,442	46,217,024	96,179,541
4. Other underwriting expenses incurred.....	14,570,152	17,139,830	34,075,781
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	95,884,763	100,897,421	193,501,258
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	268,004	(9,333,515)	(2,688,227)
INVESTMENT INCOME			
9. Net investment income earned.....	16,131,802	15,550,522	30,529,546
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....	263,153	1,908,250	2,608,062
11. Net investment gain (loss) (Lines 9 + 10).....	16,394,955	17,458,772	33,137,608
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....			
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	574,946	485,806	932,189
15. Total other income (Lines 12 through 14).....	574,946	485,806	932,189
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	17,237,905	8,611,063	31,381,570
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).....	17,237,905	8,611,063	31,381,570
19. Federal and foreign income taxes incurred.....	3,522,217	(159,520)	(1,066,929)
20. Net income (Line 18 minus Line 19) (to Line 22).....	13,715,688	8,770,583	32,448,499
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	241,824,698	187,936,820	187,936,820
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20).....	13,715,688	8,770,583	32,448,499
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	26,500,150	15,124,452	32,786,697
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(841,554)	(103,585)	(8,652,271)
27. Change in nonadmitted assets.....	208,969	3,902,392	9,514,353
28. Change in provision for reinsurance.....			5,790,600
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.....			(18,000,000)
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).....	39,583,253	27,693,842	53,887,878
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	281,407,951	215,630,662	241,824,698
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. Increase in cash surrender value of life insurance.....	223,971	250,367	478,380
1402. Risk management income.....	403,154	216,360	425,184
1403. Other.....	(52,179)	19,079	28,625
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).....	574,946	485,806	932,189
3701. Lines 23 and 29 from 2000 Annual Statement.....			
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

PRONATIONAL INSURANCE COMPANY

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	102,269,865	202,205,664
2. Net investment income.....	17,687,711	34,269,917
3. Miscellaneous income.....	574,946	932,189
4. Total (Lines 1 through 3).....	120,532,522	237,407,770
5. Benefit and loss related payments.....	56,029,970	106,518,092
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	18,059,619	29,636,598
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	8,146,234	(1,387,565)
10. Total (Lines 5 through 9).....	82,235,823	134,767,125
11. Net cash from operations (Line 4 minus Line 10).....	38,296,699	102,640,645
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	92,946,762	225,512,517
12.2 Stocks.....	4,250,000	
12.3 Mortgage loans.....	7,768	22,659
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		(5,015)
12.7 Miscellaneous proceeds.....		7,681,462
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	97,204,530	233,211,623
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	129,818,174	319,305,290
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	24,300	43,300
13.6 Miscellaneous applications.....	5,338,323	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	135,180,797	319,348,590
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).....	(37,976,267)	(86,136,967)
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.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		18,000,000
16.6 Other cash provided (applied).....	6,882,215	(19,099,237)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	6,882,215	(37,099,237)
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).....	7,202,647	(20,595,559)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	15,837,552	36,433,111
19.2 End of period (Line 18 plus Line 19.1).....	23,040,199	15,837,552
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.9999 Totals.....	0	0

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

No significant change.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

NOTES TO FINANCIAL STATEMENTS

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 implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements? Yes [] No [X]

1.2 If yes, explain:.....

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

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

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

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

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

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

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

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

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

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2003.....

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003.....

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/30/2005.....

7.4 By what department or departments?
MICHIGAN OFFICE OF FINANCIAL AND INSURANCE SERVICES

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

8.2 If yes, give full information:

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

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

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

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

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

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

INVESTMENT

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

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 [X]

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

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 [X] No []

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21 Bonds.....	\$.....0	\$.....0
15.22 Preferred Stock.....	\$.....0	\$.....0
15.23 Common Stock.....	\$.....194,981,690	\$.....221,817,755
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).....	\$.....194,981,690	\$.....221,817,755
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 [X]

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 [X] 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
WACHOVIA 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 [X]

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 [X] No []

18.2 If no, list exceptions: _____

PRONATIONAL 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

PRONATIONAL 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.....	4,287,547	4,462,858
2. Increase (decrease) by adjustment.....	(87,656)	(175,311)
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.....	4,199,891	4,287,547
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	4,199,891	4,287,547
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	4,199,891	4,287,547

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.....	402,436	425,095
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.....	7,768	22,659
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.....	394,668	402,436
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	394,668	402,436
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	394,668	402,436

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	1,153,100	1,109,800
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	24,300	43,300
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.....	1,177,400	1,153,100
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,177,400	1,153,100
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	1,177,400	1,153,100

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.....	880,314,024	755,620,342
2. Cost of bonds and stocks acquired.....	129,818,174	319,305,290
3. Accrual of discount.....	187,117	284,580
4. Increase (decrease) by adjustment.....	26,500,150	32,786,692
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	263,154	2,613,078
7. Consideration for bonds and stocks disposed of.....	97,196,762	225,512,517
8. Amortization of premium.....	2,326,307	4,783,441
9. Book/adjusted carrying value, current period.....	937,559,550	880,314,024
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	937,559,550	880,314,024
12. Total nonadmitted amounts.....		
13. Statement value.....	937,559,550	880,314,024

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.....	674,946,074	129,443,226	120,263,369	1,957,950	674,946,074	686,083,881		646,358,913
2. Class 2.....	29,887,431		232,197	(8,050,647)	29,887,431	21,604,587		32,784,942
3. Class 3.....	2,690,942	2,097,990	168,595	5,004,124	2,690,942	9,624,461		1,394,141
4. Class 4.....	1,584,169	24,782	1,892	(24,718)	1,584,169	1,582,341		
5. Class 5.....	4,870,142		84,987	128,105	4,870,142	4,626,332		2,594,355
6. Class 6.....		79,291		(287,633)		78,585		
7. Total Bonds.....	713,978,758	131,645,289	120,751,040	(1,272,819)	713,978,758	723,600,187	0	683,132,351
PREFERRED STOCK								
8. Class 1.....	12,049,133		4,286,240	(150,893)	12,049,133	7,612,000		8,997,875
9. Class 2.....	3,000,000			183,750	3,000,000	3,183,750		6,120,000
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	15,049,133	0	4,286,240	32,857	15,049,133	10,795,750	0	15,117,875
15. Total Bonds and Preferred Stock.....	729,027,891	131,645,289	125,037,280	(1,239,962)	729,027,891	734,395,937	0	698,250,226

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.....	18,667,004	XXX	18,661,415	13,078	

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.....	12,929,935	24,767,250
2. Cost of short-term investments acquired.....	132,246,598	240,698,516
3. Increase (decrease) by adjustment.....	5,141	(51,687)
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....		(5,015)
6. Consideration received on disposal of short-term investments.....	126,514,670	252,479,129
7. Book/adjusted carrying value, current period.....	18,667,004	12,929,935
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	18,667,004	12,929,935
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	18,667,004	12,929,935
12. Income collected during period.....	237,158	274,770
13. Income earned during period.....	260,959	216,404

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

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

**Sch. F
NONE**

PRONATIONAL INSURANCE COMPANY

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	1,290,223	1,674,886			1,809,850	1,075,100
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	435,407	117,058			417,237	23,269
9. District of Columbia.....DC	NO						
10. Florida.....FL	YES	24,175,265	27,909,014	1,285,277	7,046,215	233,667,546	243,415,111
11. Georgia.....GA	YES	81,006	135,133			380,145	147,291
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	YES	11,769,796	11,400,133	3,020,390	4,077,023	72,322,539	70,844,584
15. Indiana.....IN	YES	402,561	362,885	131,897	833,512	13,659,090	14,903,009
16. Iowa.....IA	YES	500,218	32,501			398,830	205,753
17. Kansas.....KS	YES						
18. Kentucky.....KY	YES	10,391,685	6,594,466	815,786		21,589,019	20,013,384
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	YES						
22. Massachusetts.....MA	NO						
23. Michigan.....MI	YES	23,952,026	21,593,364	3,528,278	3,689,203	135,915,502	144,034,323
24. Minnesota.....MN	NO						
25. Mississippi.....MS	NO						
26. Missouri.....MO	YES						
27. Montana.....MT	NO						
28. Nebraska.....NE	NO						
29. Nevada.....NV	NO						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	YES	9,175,238	8,424,025	145,344	10,957	17,529,836	14,958,274
32. New Mexico.....NM	NO						
33. New York.....NY	NO						
34. North Carolina.....NC	NO						
35. North Dakota.....ND	NO						
36. Ohio.....OH	YES	2,288,261	2,770,935	2,761,793	3,225,000	23,689,160	25,801,376
37. Oklahoma.....OK	NO						
38. Oregon.....OR	NO						
39. Pennsylvania.....PA	YES	2,658,553	5,034,387	3,399,278	1,785,355	35,576,133	40,451,962
40. Rhode Island.....RI	NO						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	NO						
43. Tennessee.....TN	YES						
44. Texas.....TX	NO						
45. Utah.....UT	NO						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES						
48. Washington.....WA	NO						
49. West Virginia.....WV	YES						
50. Wisconsin.....WI	YES	10,996				16,918	
51. Wyoming.....WY	NO						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Canada.....CN	NO						
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
58. Totals.....(a) 19		87,131,235	86,048,787	15,088,043	20,667,265	556,971,805	575,873,436

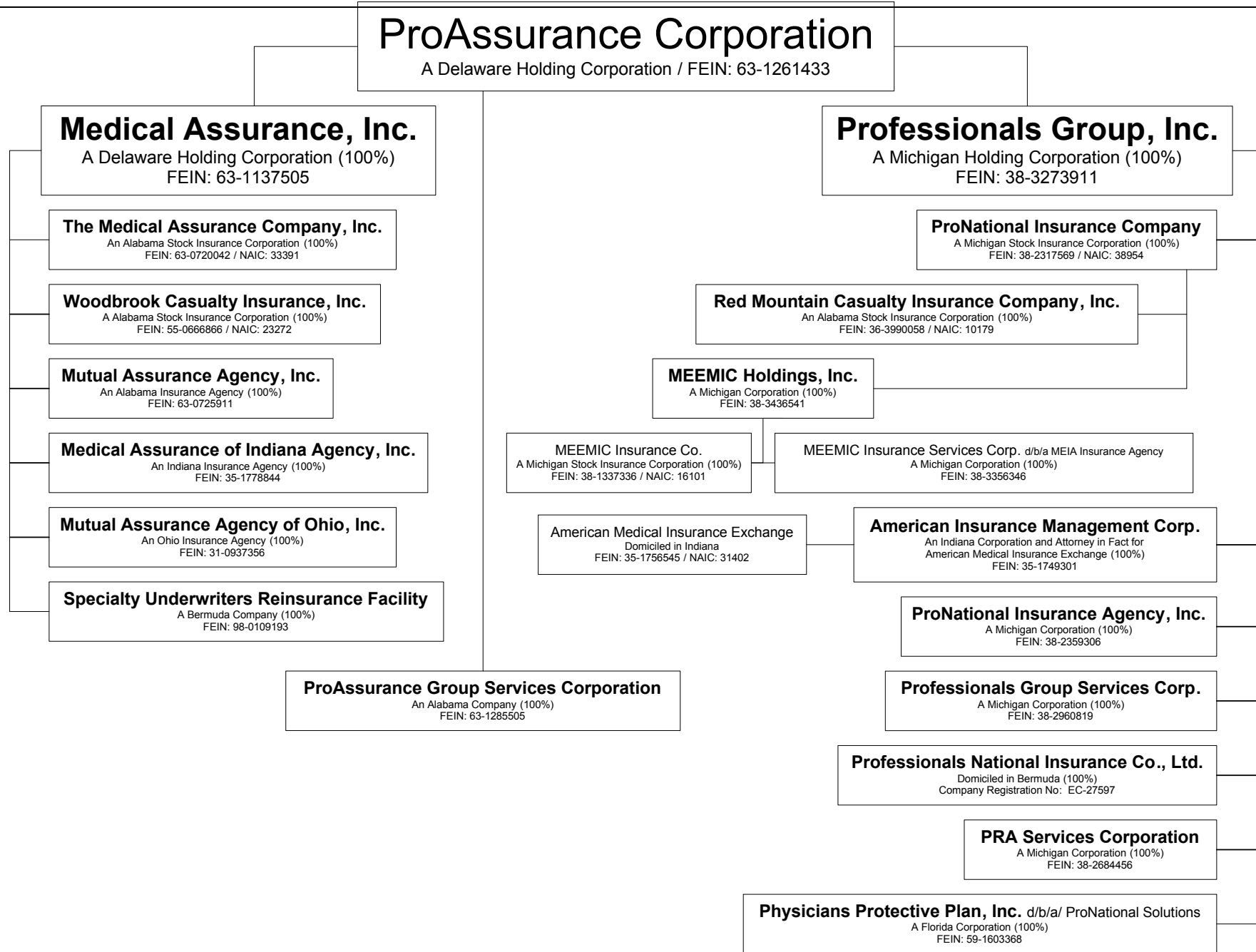
DETAILS OF WRITE-INS

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

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

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

PART 1 – ORGANIZATIONAL CHART



PRONATIONAL 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 malpractice-occurrence.....	4,760,585	1,107,136	23.3	42.6
11.2. Medical malpractice-claims made.....	81,533,848	18,961,766	23.3	42.6
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.....	4,743,993	1,354,205	28.5	48.7
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.....	91,038,426	21,423,107	23.5	42.9

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

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 malpractice-occurrence.....	2,183,697	4,760,585	1,610,668
11.2. Medical malpractice-claims made.....	23,124,208	78,110,390	79,870,760
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.....	2,213,579	4,260,260	4,567,359
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.....	27,521,484	87,131,235	86,048,787

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)	2005 Loss and LAE Payments on Claims Reported as of Prior Year-End	2005 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2005 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. 2002 + Prior	257,433	58,662	316,095	32,081	1,809	33,890	262,331	3,455	13,918	279,704	36,979	(39,480)	(2,501)
2. 2003	66,480	91,535	158,015	6,568	1,456	8,024	77,640	3,086	69,266	149,992	17,728	(17,727)	1
3. Subtotals 2003 + Prior	323,913	150,197	474,110	38,649	3,265	41,914	339,971	6,541	83,184	429,696	54,707	(57,207)	(2,500)
4. 2004	33,622	137,702	171,324	2,512	1,421	3,933	46,891	1,187	119,314	167,392	15,781	(15,780)	1
5. Subtotals 2004 + Prior	357,535	287,899	645,434	41,161	4,686	45,847	386,862	7,728	202,498	597,088	70,488	(72,987)	(2,499)
6. 2005	XXX	XXX	XXX	XXX	2,065	2,065	XXX	14,760	66,990	81,750	XXX	XXX	XXX
7. Totals	357,535	287,899	645,434	41,161	6,751	47,912	386,862	22,488	269,488	678,838	70,488	(72,987)	(2,499)
8. Prior Year-End's Surplus As Regards Policyholders	241,825										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. ....19.7 %	2. ....(25.4)%	3. ....(0.4)%
													Col. 13, Line 7 Line 8
													4. ....(1.0)%

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

Explanation:

Bar Code:



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. Note receivable.....	303,104		303,104	372,941
2397. Summary of remaining write-ins for Line 23.....	303,104	0	303,104	372,941

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									
31359M TY 9	FANNIE MAE 01/29/2007 2.400		04/06/2005	DAIN RAUSCHER		981,440	1,000,000	5,558	1
3128X3 5R 0	FREDDIE MAC 03/01/2010 4.375		06/22/2005	MORGAN STANLEY DEAN WITTER		14,986,200	15,000,000	204,167	1
0399999	Total - Bonds - U.S. Government					15,967,640	16,000,000	209,725	XXX
Bonds - Political Subdivisions of States									
258489 UA 9	DOTHAN ALA 09/01/2017 5.000		06/30/2005	BANK AMERICA		1,262,792	1,150,000	2,076	1FE
26951P CL 0	EAGLE GARFIELD & ROUTH 12/01/2015 5.000		06/09/2005	STIFEL NICOLAUS		1,118,860	1,000,000		1FE
186343 UV 9	CLEVELAND-REF 10/01/2018 5.500		05/05/2005	THE MEDICAL ASSURANCE CO INC		1,731,676	1,500,000	5,271	1FE
709141 W2 7	PA ST-3RD-REF-2004 07/01/2019 5.375		04/13/2005	LEHMAN BROTHERS		5,704,050	5,000,000	87,344	1FE
2499999	Total - Bonds - Political Subdivision					9,817,378	8,650,000	94,691	XXX
Bonds - Special Revenue and Special Assessment									
91754R KT 3	UTAH ST BRD REGENTS RE 08/01/2017 5.000		06/16/2005	J.P. MORGAN		1,079,470	1,000,000		1FE
31406W US 1	FN 822393 04/01/2035 5.500		04/27/2005	MERRILL LYNCH		5,050,781	5,000,000	21,389	1
31406Y 4L 1	FN 824427 05/01/2035 5.500		05/12/2005	NOMURA SECURITIES INTERNATIONAL, INC.		5,046,094	5,000,000	12,222	1
31407A PZ 8	FN 824940 04/01/2035 5.500		06/23/2005	J.P. MORGAN		10,146,875	10,000,000	41,250	1
3199999	Total - Bonds - Special Revenue & Special Assessments					21,323,220	21,000,000	74,861	XXX
Bonds - Public Utilities									
373334 FN 6	GEORGIA POWER COMPANY 11/15/2012 5.125		05/31/2005	WACHOVIA/FIRST UNION		1,558,935	1,500,000	3,844	1FE
3899999	Total - Bonds - Public Utilities					1,558,935	1,500,000	3,844	XXX
Bonds - Industrial and Miscellaneous									
00441R AJ 6	ACERV 2001-RV1 E 09/20/2021 8.700		06/22/2005	VARIOUS		669,094	693,350	1,340	3FE
07383F U7 1	BSCMS 2004-T16 A6 10/01/2014 4.750		06/14/2005	MORGAN STANLEY DEAN WITTER		5,005,859	5,000,000	10,556	1FE
07383F 7W 2	BSCMS 2005-PWR8 A4 06/01/2015 4.674		06/10/2005	BEAR STEARNS & CO		4,987,695	5,000,000	12,983	1FE
172850 BB 4	CITRV 1999-A B 08/15/2008 8.717		06/15/2005	CAPITALIZED INTEREST		6,495	6,495		3FE
396789 JR 1	GCCFC 2005-GG3 A2 01/01/2010 4.305		05/12/2005	J.P. MORGAN		990,508	1,000,000	1,913	1FE
36828Q DM 5	GECMC 2004-C1 A2 01/01/2012 3.915		05/19/2005	FIRST BANK		2,744,000	2,800,000	7,004	1FE
36228C VU 4	GSMS 2005-GG4 A4A 05/01/2015 4.751		06/10/2005	GREENWICH CAPITAL		5,023,438	5,000,000	14,517	1FE
393505 FK 3	GT 1995 1 B2 05/15/2025 9.200		06/15/2005	VARIOUS		79,291	79,291		6FE
393505 SK 9	GT 1997-1 M1 05/15/2018 7.220		06/15/2005	VARIOUS		662,284	662,284		3FE
393505 UW 0	GT 1997-4 M1 04/15/2020 7.220		05/06/2005	DIRECT		208,491	208,491		3FE
393505 VY 5	GT 1997-5 M1 09/15/2020 6.950		06/15/2005	VARIOUS		551,626	551,626		3FE
46625Y DB 6	JPMCC 2004-CBX A3 01/01/2010 4.184		04/22/2005	J.P. MORGAN		2,206,827	2,236,000	6,757	1FE
52519S AW 3	LABMH 2002-1 B2 11/15/2026 10.638		06/15/2005	CAPITALIZED INTEREST		24,782	24,782		4FE
52517P VV 0	LEHMAN BROTHERS HOLDIN 03/13/2014 4.800		05/16/2005	LEHMAN BROTHERS		1,186,932	1,200,000	10,560	1FE
4599999	Total - Bonds - Industrial & Miscellaneous					24,347,322	24,462,319	65,630	XXX
6099997	Total - Bonds - Part 3					73,014,495	71,612,319	448,751	XXX
6099999	Total - Bonds					73,014,495	71,612,319	448,751	XXX
7499999	Total - Bonds, Preferred and Common Stocks					73,014,495	XXX	448,751	XXX

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

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 UQ 4	FANNIE MAE		06/22/2005	BEAR STEARNS & CO.		4,846,550	5,000,000	4,964,500	4,969,749		3,231		3,231		4,972,980		(126,430)	(126,430)	120,226	03/16/2009	1
3128X3 EK 5	FREDDIE MAC		05/04/2005	CALL BY ISSUER 100.000		5,000,000	5,000,000	4,986,400	4,988,034		861		861		4,988,895		11,105	11,105	106,250	05/04/2009	1
3128X3 HX 4	FREDDIE MAC		05/19/2005	CALL BY ISSUER 100.000		5,000,000	5,000,000	5,008,600	5,003,477		(3,477)		(3,477)		5,000,000				118,000	05/19/2009	1
3134A4 PQ 1	FREDDIE MAC		06/15/2005	MATURITY		7,500,000	7,500,000	7,832,700	7,590,781		(90,781)		(90,781)		7,500,000				159,375	06/15/2005	1
36202D C9 0	G2 2796	7.000	06/01/2005	MBS PAYDOWN		40,921	40,921	39,923	40,070		851		851		40,921				1,153	09/01/2028	1
36203L DN 9	GN 352109	7.000	06/01/2005	MBS PAYDOWN		16,250	16,250	16,601	16,490		(240)		(240)		16,250				476	04/01/2022	1
36205N M8 6	GN 395583	7.000	06/01/2005	MBS PAYDOWN		201	201	204	203		(3)		(3)		201				6	12/01/2026	1
36207K GS 3	GN 434109	6.500	06/01/2005	MBS PAYDOWN		99,408	99,408	99,780	99,688		(280)		(280)		99,408				2,850	03/01/2028	1
36207K JZ 0	GN 434165	6.500	06/01/2005	MBS PAYDOWN		42,683	42,683	42,843	42,801		(118)		(118)		42,683				1,178	01/01/2028	1
36208V 6E 0	GN 462669	7.000	06/01/2005	MBS PAYDOWN		21,261	21,261	21,616	21,519		(259)		(259)		21,261				559	04/01/2027	1
36208W DE 0	GN 462801	6.500	06/01/2005	MBS PAYDOWN		113,033	113,033	113,104	113,102		(69)		(69)		113,033				2,980	03/01/2027	1
36208W ES 8	GN 462845	7.500	06/01/2005	MBS PAYDOWN		15,985	15,985	16,581	16,418		(434)		(434)		15,985				511	01/01/2027	1
36208X D7 3	GN 463726	7.000	06/01/2005	MBS PAYDOWN		45,626	45,626	46,339	46,131		(505)		(505)		45,626				1,072	01/01/2026	1
36210A VS 3	GN 486725	7.000	06/01/2005	MBS PAYDOWN		28,201	28,201	28,813	28,641		(440)		(440)		28,201				673	02/01/2028	1
36210E X6 1	GN 490401	6.500	06/01/2005	MBS PAYDOWN		3,313	3,313	3,294	3,299		14		14		3,313				90	11/01/2028	1
36213U DK 3	GN 564506	6.500	06/01/2005	MBS PAYDOWN		5,357	5,357	5,425	5,413		(56)		(56)		5,357				120	04/01/2031	1
36200X LT 4	GN 575538	6.500	06/01/2005	MBS PAYDOWN		165,042	165,042	168,549	167,759		(2,717)		(2,717)		165,042				3,953	07/01/2031	1
36201F T7 2	GN 582074	6.000	06/01/2005	MBS PAYDOWN		52,874	52,874	52,965	52,949		(75)		(75)		52,874				1,196	05/01/2031	1
36225A UH 1	GN 780584	7.000	06/01/2005	MBS PAYDOWN		31,753	31,753	32,071	32,004		(250)		(250)		31,753				928	01/01/2026	1
0399999	Total - Bonds - U.S. Government					23,028,458	23,181,908	23,480,308	23,238,528		0		(94,747)		23,143,783		(115,325)	(115,325)	521,596	XXX	XXX
Bonds - States, Territories and Possessions																					
882719 7Q 4	TX ST-VETS HSG PG-B	5.250	06/01/2005	SINKING FUND REDEMPTION		165,000	165,000	165,000	165,000						165,000				4,331	12/01/2030	1FE
1799999	Total - Bonds - States, Territories & Possessions					165,000	165,000	165,000	165,000		0		0		165,000		0	0	4,331	XXX	XXX
Bonds - Political Subdivisions of States																					
882719 YG 6	TX VETS HSG-FD II-A	5.150	06/01/2005	CALL BY ISSUER 100.000		135,000	135,000	135,169	135,039		(11)		(11)		135,028		(28)	(28)	3,476	06/01/2024	1FE
2499999	Total - Bonds - Political Subdivisions					135,000	135,000	135,169	135,039		0		(11)		135,028		(28)	(28)	3,476	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
011710 FL 9	AK INDL-REVOLV FD-A	5.750	04/01/2005	MATURITY		1,000,000	1,000,000	1,032,350	1,001,218		(1,218)		(1,218)		1,000,000				28,750	04/01/2005	1FE
708792 TJ 5	PA HFA-AMT-SFM-60A	5.850	04/01/2005	CALL BY ISSUER 100.000		5,000	5,000	5,205	5,097		(5)		(5)		5,092		(92)	(92)	149	10/01/2027	1FE
31371L 3S 6	FB 255609	4.500	06/01/2005	MBS PAYDOWN		7,017	16,880	16,619	16,619		261		261		7,017				343	11/01/2024	1
31296J ZA 7	FG A10737	5.500	06/01/2005	MBS PAYDOWN		362,457	362,457	369,026	368,491		(6,035)		(6,035)		362,457				8,028	09/01/2032	1
31297H PN 3	FG A29429	4.500	06/01/2005	MBS PAYDOWN		17,904	17,904	17,294	17,294		610		610		17,904				269	12/01/2034	1
31297H X4 6	FG A29699	5.000	06/01/2005	MBS PAYDOWN		152,142	152,142	152,202	152,202		(59)		(59)		152,142				2,181	01/01/2035	1
31297K 7G 1	FG A30895	5.000	06/01/2005	MBS PAYDOWN		63,681	63,681	63,193	63,193		488		488		63,681				1,063	01/01/2035	1
31335H 5U 3	FG C90859	5.500	06/01/2005	MBS PAYDOWN		165,706	165,706	170,328	170,225		(4,518)		(4,518)		165,706				3,802	09/01/2024	1
3128H3 LP 4	FG E95734	5.000	06/01/2005	MBS PAYDOWN		127,452	127,452	131,594	130,895		(3,443)		(3,443)		127,452				2,680	11/01/2017	1
3128MJ BE 9	FG G08036	5.500	06/01/2005	MBS PAYDOWN		25,575	25,575	25,958	25,958		(384)		(384)		25,575				463	12/01/2034	1
3133TL UH 9	FHR 2178 PB	7.000	06/01/2005	MBS PAYDOWN		366,005	366,005	377,557	370,971		(4,966)		(4,966)		366,005				10,691	08/01/2029	1
31393M Z2 0	FHR 2583 ND	4.250	06/01/2005	MBS PAYDOWN		20,478	20,478	20,811	20,729		(251)		(251)		20,478				359	03/01/2007	1
31393N 2K 4	FHR 2583 TD	4.500	06/01/2005	MBS PAYDOWN		13,859	13,859	14,097	14,052		(192)		(192)		13,859				230	05/01/2011	1
31368H LW 1	FN 190341	5.000	06/30/2005	MBS PAYDOWN																02/01/2018	1
31371K BR 1	FN 253948	6.000	06/01/2005	MBS PAYDOWN		190,373	190,373	187,815	188,393		1,980		1,980		190,373				4,498	10/01/2030	1
31371K MK 4	FN 254262	6.000	06/01/2005	MBS PAYDOWN		21,287	21,287	21,068	21,119		168		168		21,287				521	08/01/2031	1
31371K VA 6	FN 254509	5.000	06/01/2005	MBS PAYDOWN		66,084	66,084	67,127	66,917		(833)		(833)		66,084				1,368	05/01/2017	1
31371K VC 2	FN 254511	5.500	06/01/2005	MBS PAYDOWN		16,738	16,738	17,308	17,194		(456)		(456)		16,738				382	05/01/2017	1
31371K WJ 6	FN 254549	6.000	06/01/2005	MBS PAYDOWN		29,818	29,818	30,848	30,620		(802)		(802)		29,818				722	06/01/2032	1
31371L CE 7	FN 254869	5.500	06/01/2005	MBS PAYDOWN		270,850	270,850	271,188	271,145		(295)		(295)		270,850				6,011	05/01/2033	1
31371L WN 5	FN 255453	5.000	06/01/2005	MBS PAYDOWN		16,949	16,949	17,209	17,209		(260)		(260)		16,949				291	09/01/2019	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 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.									
31371L ZP 7	FN 255550		06/01/2005	MBS PAYDOWN		22,275	22,275	22,794	22,794		(518)		(518)		22,275			0	501	10/01/2024	1		
31371L 2P 3	FN 255582		06/01/2005	MBS PAYDOWN		24,626	24,626	24,792	24,792		(165)		(165)		24,626			0	519	12/01/2024	1		
31376K KG 0	FN 357695		06/01/2005	VARIOUS		31,332	31,332	31,301	31,301		31		31		31,332			0	465	01/01/2019	1		
31382J WY 3	FN 484063		06/01/2005	MBS PAYDOWN		1,506	1,506	1,499	1,501		4		4		1,506			0	41	09/01/2027	1		
31383M VS 9	FN 507425		06/01/2005	MBS PAYDOWN		11,905	11,905	12,042	11,999		(94)		(94)		11,905			0	302	09/01/2028	1		
31384H 6L 2	FN 524775		06/01/2005	MBS PAYDOWN		21,252	21,252	21,159	21,191		61		61		21,252			0	555	06/01/2014	1		
31385J RT 7	FN 545998		06/01/2005	MBS PAYDOWN		41,405	41,405	42,039	41,970		(565)		(565)		41,405			0	1,014	09/01/2031	1		
31385X BN 6	FN 555445		06/01/2005	MBS PAYDOWN		20,140	20,140	20,190	20,184		(44)		(44)		20,140			0	416	12/01/2017	1		
31386U ZC 9	FN 574139		06/01/2005	MBS PAYDOWN		40,990	40,990	40,894	40,923		68		68		40,990			0	903	01/01/2030	1		
31387C PA 7	FN 580143		06/01/2005	MBS PAYDOWN		38,755	38,755	38,652	38,675		81		81		38,755			0	1,003	06/01/2030	1		
31387Q XP 0	FN 591186		06/01/2005	MBS PAYDOWN		37,897	37,897	38,465	38,353		(456)		(456)		37,897			0	1,046	12/01/2015	1		
31387Y YT 4	FN 598422		06/01/2005	MBS PAYDOWN		18,319	18,319	18,141	18,184		135		135		18,319			0	413	08/01/2016	1		
31388D LJ 5	FN 601629		06/01/2005	MBS PAYDOWN		41,764	41,764	42,247	42,138		(375)		(375)		41,764			0	987	10/01/2030	1		
31388V WH 7	FN 616348		06/01/2005	MBS PAYDOWN		32,345	32,345	32,562	32,501		(156)		(156)		32,345			0	813	04/01/2031	1		
31389E 5T 8	FN 623758		06/01/2005	MBS PAYDOWN		33,101	33,101	33,406	33,318		(217)		(217)		33,101			0	902	06/01/2016	1		
31389K CN 9	FN 627477		06/01/2005	MBS PAYDOWN		1,309	1,309	1,325	1,320		(11)		(11)		1,309			0	33	01/01/2017	1		
31389S GZ 1	FN 633916		06/01/2005	MBS PAYDOWN		19,083	19,083	18,982	19,009		74		74		19,083			0	412	10/01/2016	1		
31390K 5R 5	FN 648956		06/01/2005	MBS PAYDOWN		434,153	434,153	448,874	445,493		(11,340)		(11,340)		434,153			0	8,671	08/01/2017	1		
31390W 6C 1	FN 658867		06/01/2005	MBS PAYDOWN		99,396	99,396	102,641	101,768		(2,372)		(2,372)		99,396			0	2,656	12/01/2016	1		
31391N 6R 7	FN 672380		06/01/2005	MBS PAYDOWN		266,916	266,916	275,841	273,703		(6,787)		(6,787)		266,916			0	6,221	04/01/2017	1		
31391Q X5 8	FN 674000		06/01/2005	MBS PAYDOWN		47,571	47,571	48,359	48,236		(665)		(665)		47,571			0	1,033	09/01/2032	1		
31401W G2 9	FN 720317		06/01/2005	MBS PAYDOWN		185,033	185,033	189,167	188,778		(3,745)		(3,745)		185,033			0	3,692	03/01/2018	1		
31402H Q6 1	FN 729577		06/01/2005	MBS PAYDOWN		94,433	94,433	93,798	93,865		568		568		94,433			0	2,107	09/01/2032	1		
31402X Z7 4	FN 741566		06/01/2005	MBS PAYDOWN		19,553	19,553	19,950	19,885		(332)		(332)		19,553			0	469	08/01/2018	1		
31404B SF 0	FN 763818		06/01/2005	MBS PAYDOWN		244,247	244,247	250,124	249,516		(5,269)		(5,269)		244,247			0	5,165	12/01/2033	1		
31404C WM 8	FN 764852		06/01/2005	MBS PAYDOWN		261,864	261,864	267,674	267,040		(5,177)		(5,177)		261,864			0	5,202	10/01/2018	1		
31404N WB 8	FN 773842		06/01/2005	MBS PAYDOWN		469,628	469,628	476,379	475,887		(6,259)		(6,259)		469,628			0	11,120	01/01/2034	1		
31404R 4B 0	FN 776718		06/01/2005	MBS PAYDOWN		159,445	159,445	159,769	159,748		(303)		(303)		159,445			0	3,667	03/01/2034	1		
31404W YX 8	FN 781126		06/01/2005	MBS PAYDOWN		41,014	41,014	39,925	39,982		1,033		1,033		41,014			0	710	12/01/2033	1		
31404X T8 7	FN 781875		06/01/2005	MBS PAYDOWN		112,020	112,020	113,911	113,911		(1,890)		(1,890)		112,020			0	1,371	07/01/2034	1		
31404Y KL 5	FN 782499		06/01/2005	MBS PAYDOWN		165,384	165,384	164,647	164,697		687		687		165,384			0	2,312	03/01/2034	1		
31405U MK 2	FN 799662		06/01/2005	MBS PAYDOWN		26,445	26,445	26,325	26,325		120		120		26,445			0	330	11/01/2034	1		
31406J 6A 6	FN 811865		06/01/2005	MBS PAYDOWN		12,015	12,015	11,732	11,732		283		283		12,015			0	160	01/01/2020	1		
31406W US 1	FN 822393		06/01/2005	MBS PAYDOWN		100,511	100,511	101,531	101,531		(1,021)		(1,021)		100,511			0	896	04/01/2035	1		
31406Y 4L 1	FN 824427		06/01/2005	MBS PAYDOWN		37,042	37,042	37,384	37,384		(341)		(341)		37,042			0	170	05/01/2035	1		
31392F 5Y 9	FNR 2002-77 CG		06/01/2005	MBS PAYDOWN		31,571	31,571	31,911	31,824		(254)		(254)		31,571			0	527	03/01/2009	1		
31393A 5L 7	FNR 2003-43 PJ		06/01/2005	MBS PAYDOWN		587,870	587,870	597,790	593,131		(5,261)		(5,261)		587,870			0	9,644	10/01/2005	1		
31394C N3 2	FNR 2005-33 VA		06/01/2005	MBS PAYDOWN		43,243	43,243	43,628	43,628		(385)		(385)		43,243			0	361	03/01/2016	1		
36291P ZE 9	GN 634441		06/01/2005	MBS PAYDOWN		11,139	11,139	11,365	11,365		(226)		(226)		11,139			0	204	07/01/2034	1		
31405T SU 7	GN 798931		06/01/2005	MBS PAYDOWN		12,168	12,168	12,123	12,123		46		46		12,168			0	182	12/01/2019	1		
3199999	Total - Bonds - Special Revenue & Assessment					6,840,040	6,849,903	6,974,135	6,921,246		0		(71,247)		6,840,132			0	(92)	(92)	149,996	XXX	XXX
Bonds - Industrial and Miscellaneous																							
079867 AQ 0	BELLSOUTH TELECOMMUNICAT	6	06/15/2005	SINKING FUND REDEMPTION		44,800	44,800	40,799	41,706		3,094		3,094		44,800			0	1,411	12/15/2015	1FE		
055959 AU 4	BMWOT 2002-A A4		06/25/2005	MBS PAYDOWN		195,521	195,521	203,349	197,007		(1,486)		(1,486)		195,521			0	3,598	05/25/2006	1FE		
06423R AD 8	BOIT 2002-A2 A2		05/15/2005	MBS PAYDOWN		6,900,000	6,900,000	7,160,246	6,941,851		(41,851)		(41,851)		6,900,000			0	117,867	05/15/2005	1FE		
163714 AB 4	CHASE MANHATTAN		05/16/2005	UBS SECURITIES		1,201,344	1,200,000	1,280,688	1,228,681		(26,387)		(26,387)		1,202,294		(950)	(950)	39,200	06/01/2005	1FE		
12669D LE 6	CWHL 2002-32 2A3		06/01/2005	MBS PAYDOWN		46,268	46,268	46,810	46,334		(66)		(66)		46,268			0	946	05/01/2006	1FE		
152314 HK 9	CXHE 2003-C AF2		06/01/2005	MBS PAYDOWN		1,567,068	1,567,068	1,566,985	1,567,038		30		30		1,567,068			0	18,839	08/01/2005	1FE		

E05.1

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	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 e i g n	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 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)
23383V BJ 8	DCAT 2001-D A4		06/06/2005	MBS PAYDOWN		177,089	177,089	175,290	176,914		174		174		177,089			0	2,753	04/06/2006	1FE
23383V CD 0	DCAT 2003-B A3		06/08/2005	MBS PAYDOWN		52,223	52,223	52,346	52,279		(55)		(55)		52,223			0	588	06/08/2006	1FE
23321P KF 4	DLJMA 1994-Q8 2A1		06/01/2005	VARIOUS		29,128	29,128	28,661	28,864		264		264		29,128			0	1,031	05/01/2024	1FE
29078P AB 6	EAST 2000-A A2 FLTR		06/15/2005	MBS PAYDOWN		159,881	159,881	159,881	159,881						159,881			0	8,134	12/15/2009	3FE
36828Q AA 4	GECMC 2003-C1 A1		06/01/2005	MBS PAYDOWN		55,399	55,399	55,536	55,485		(87)		(87)		55,399			0	714	03/01/2008	1FE
375766 AD 4	GILLETTE COMPANY		05/31/2005	ABN AMRO		1,511,970	1,500,000	1,539,225	1,509,273		(4,925)		(4,925)		1,504,348		7,622	7,622	54,625	10/15/2005	1FE
393505 SK 9	GT 1997-1 M1		05/16/2005	MBS PAYDOWN		4,152	4,152	4,152	4,152				0		4,152			0	4	05/15/2018	3FE
393505 UW 0	GT 1997-4 M1		06/15/2005	MBS PAYDOWN		1,434	1,434	1,434	1,434				0		1,434			0	2	04/15/2020	3FE
393505 VY 5	GT 1997-5 M1		05/16/2005	MBS PAYDOWN		3,127	3,127	3,127	3,127				0		3,127			0	3	09/15/2020	3FE
393505 YB 2	GT 1997-8 B1		06/15/2005	MBS PAYDOWN		28,205	28,205	28,205	28,205				0		28,205			0	592	05/15/2022	5FE
393505 T5 1	GT 1999-1 M1		06/01/2005	MBS PAYDOWN		4,090	4,090	4,090	4,090				0		4,090			0	138	11/01/2022	5FE
393505 W4 0	GT 1999-2 M1		06/01/2005	MBS PAYDOWN		15,429	15,429	15,429	15,429				0		15,429			0	176	01/01/2022	5FE
43811N AC 2	HAROT 2002-3 A3		06/30/2005	MBS PAYDOWN		95,849	95,849	97,118	96,104		(255)		(255)		95,849			0	958	04/18/2005	1FE
456606 DE 9	INHEL 2001-C B		06/25/2005	MBS PAYDOWN		232,197	232,197	232,197	232,197				0		232,197			0	2,481	09/25/2009	2FE
55264T AZ 4	MBNAS 2002-A6 A6		06/15/2005	MBS PAYDOWN		5,000,000	5,000,000	5,155,469	5,045,357		(45,357)		(45,357)		5,000,000			0	97,500	06/15/2005	1FE
589962 CV 9	MESC 13 M1		06/28/2005	MBS PAYDOWN		1,177	1,177	1,177	1,177				0		1,177			0	9	08/01/2015	5FE
24240V AE 1	MORGAN STANLEY		06/14/2005	MORGAN STANLEY DEAN WI		4,466,800	4,000,000	4,127,560	4,104,281		(4,163)		(4,163)		4,100,118		366,682	366,682	181,500	10/15/2013	1FE
61745M ES 8	MSC 1998-WF1 A2		06/01/2005	MBS PAYDOWN		116,722	116,722	125,658	124,147		(7,425)		(7,425)		116,722			0	4,188	12/01/2007	1FE
65473H AC 7	NAROT 2003-C A3		06/15/2005	MBS PAYDOWN		193,413	193,413	192,333	192,363		1,051		1,051		193,413			0	2,067	03/15/2006	1FE
68619A AG 2	ORGN 2001-A M1		06/15/2005	MBS PAYDOWN		1,892	1,892	1,892	1,892				0		1,892			0	20	09/15/2013	4FE
70556J AA 7	PALS 1999-1A A1		06/25/2005	MBS PAYDOWN		9,362	9,362	9,362	9,362				0		9,362			0	100	03/25/2029	5FE
70556J AB 5	PALS 1999-1A A2		06/25/2005	MBS PAYDOWN		11,842	11,842	11,842	11,842				0		11,842			0	444	03/25/2024	5FE
70556J AC 3	PALS 1999-1A B1		06/27/2005	MBS PAYDOWN		14,883	14,883	14,883	14,883				0		14,883			0	1,061	10/25/2012	5FE
69348L GE 3	PNCMS 1996-PR1 A		05/01/2005	MBS PAYDOWN		4,303	4,303	4,451	4,354		(50)		(50)		4,303			0		04/01/2026	1FE
45660N JL 0	RAST 2002-A13 A3		06/01/2005	MBS PAYDOWN		10,748	10,748	11,002	10,779		(30)		(30)		10,748			0	224	08/01/2005	1FE
89232X AC 4	TAOT 2002-C A3		06/15/2005	MBS PAYDOWN		467,748	467,748	473,321	469,309		(1,561)		(1,561)		467,748			0	5,108	09/15/2005	1FE
928665 AC 2	VWALT 2002-A A3		04/20/2005	MBS PAYDOWN		199,592	199,592	201,386	199,915		(322)		(322)		199,592			0	1,570	04/20/2005	1FE
96683M AC 7	WALT 2002-1 A3		06/15/2005	MBS PAYDOWN		385,603	385,603	390,603	386,828		(1,225)		(1,225)		385,603			0	4,138	09/15/2005	1FE
929227 GE 0	WAMMS 2001-MS14 3A1		06/01/2005	MBS PAYDOWN		540,942	540,942	556,156	551,705		(10,763)		(10,763)		540,942			0	17,902	11/01/2031	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					23,750,201	23,270,087	23,972,663	23,518,245	0	(141,395)	0	(141,395)	0	23,376,847	0	373,354	373,354	569,891	XXX	XXX
6099997.	Total - Bonds - Part 4					53,918,699	53,601,898	54,727,275	53,978,058	0	(307,400)	0	(307,400)	0	53,660,790	0	257,909	257,909	1,249,290	XXX	XXX
6099999.	Total - Bonds					53,918,699	53,601,898	54,727,275	53,978,058	0	(307,400)	0	(307,400)	0	53,660,790	0	257,909	257,909	1,249,290	XXX	XXX
Preferred Stocks - Banks, Trust and Insurance Companies																					
46625H 85 2	JPMORGAN CHASE & CO		05/05/2005	CALL BY ISSUER 50.000		25,000,000	1,250,000	1,250,000	1,284,375	(34,375)			(34,375)		1,250,000			0	23,698	XXX	XXX
6299999.	Total - Preferred Stocks - Banks, Trust & Insurance Companies					1,250,000	XXX	1,250,000	1,284,375	(34,375)	0	0	(34,375)	0	1,250,000	0	0	0	23,698	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous																					
524908 86 0	LEHMAN BROTHERS HOLDINGS		05/31/2005	SINKING FUND REDEMPTION		60,000,000	3,000,000	3,036,240	3,120,000	(83,760)			(83,760)		3,036,240		(36,240)	(36,240)	106,725	XXX	XXX
6399999.	Total - Preferred Stocks - Industrial & Miscellaneous					3,000,000	XXX	3,036,240	3,120,000	(83,760)	0	0	(83,760)	0	3,036,240	0	(36,240)	(36,240)	106,725	XXX	XXX
6599997.	Total - Preferred Stocks - Part 4					4,250,000	XXX	4,286,240	4,404,375	(118,135)	0	0	(118,135)	0	4,286,240	0	(36,240)	(36,240)	130,423	XXX	XXX
6599999.	Total - Preferred Stocks					4,250,000	XXX	4,286,240	4,404,375	(118,135)	0	0	(118,135)	0	4,286,240	0	(36,240)	(36,240)	130,423	XXX	XXX
7399999.	Total - Preferred and Common Stocks					4,250,000	XXX	4,286,240	4,404,375	(118,135)	0	0	(118,135)	0	4,286,240	0	(36,240)	(36,240)	130,423	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					58,168,699	XXX	59,013,515	58,382,433	(118,135)	(307,400)	0	(425,535)	0	57,947,030	0	221,669	221,669	1,379,713	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

PRONATIONAL INSURANCE COMPANY

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.....	.....	.....	.....	.....240,708	.....1,085,091	.....1,807,082	XXX
FEDERAL HOME LOAN BANK.....	INDIANAPOLIS, IN.....	.....	.....	.....	.....88	.....58	.....28	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(3,571,822)	.....(3,960,127)	.....(2,730,877)	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....	.....	.....	.....	.....962	.....2,041	.....963	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(3,330,065)	.....(2,872,937)	.....(922,804)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(3,330,065)	.....(2,872,937)	.....(922,804)	XXX
0499999. Cash in Company's Office.....	XXX.....	XXX.....	XXX.....	XXX.....	.....2,000	.....2,000	.....2,000	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(3,328,065)	.....(2,870,937)	.....(920,804)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned at End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Gross Investment Income
Cash Equivalents								
31402Q TS 0	FNMA CI 15 YR PL # 703446 - REPOS.....	RA...	.....06/30/2005	.....3.050	.....07/01/2005	.....5,294,000	.....	.....30,444
0199999.	Totals.....					.....5,294,000	.....0	.....30,444