

QUARTERLY STATEMENT
OF THE
THE MEDICAL ASSURANCE
COMPANY, INC.

Of
BIRMINGHAM
in the state of AL

to the Insurance Department
of the State of

For the Period Ended
June 30, 2008

2008



QUARTERLY STATEMENT

As of June 30, 2008
of the Condition and Affairs of the

THE MEDICAL ASSURANCE COMPANY, INC.

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 33391	Employer's ID Number..... 63-0720042
Organized under the Laws of AL	State of Domicile or Port of Entry AL	Country of Domicile US
Incorporated/Organized..... October 1, 1976	Commenced Business..... April 15, 1977	
Statutory Home Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Mail Address	PO BOX 590009..... BIRMINGHAM AL 35259-0009 <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	JEFFREY M. MANGET <i>(Name)</i> jmanget@proassurance.com <i>(E-Mail Address)</i>	205-877-4442 <i>(Area Code) (Telephone Number) (Extension)</i> 205-868-4029 <i>(Fax Number)</i>

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	JAMES JOSEPH MORELLO	VICE PRESIDENT
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.....	1,554,668,362		1,554,668,362	1,572,474,749
2. Stocks:				
2.1 Preferred stocks.....	5,641,710		5,641,710	4,672,348
2.2 Common stocks.....	3,303,256		3,303,256	3,903,144
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).....	12,597,214		12,597,214	12,468,660
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 (\$.....(803,441)), cash equivalents (\$.....53,786,883) and short-term investments (\$.....76,264,340).....	133,584,792	4,337,010	129,247,782	81,786,741
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	30,951,588		30,951,588	30,946,820
8. Receivables for securities.....	29,727		29,727	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,740,776,649	4,337,010	1,736,439,639	1,706,252,462
11. Title plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	18,216,152		18,216,152	17,497,860
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	13,909,454	853,289	13,056,165	11,006,234
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	40,557,644	376,669	40,180,975	38,766,535
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	11,268,643		11,268,643	2,467,182
14.2 Funds held by or deposited with reinsured companies.....	69,381		69,381	69,381
14.3 Other amounts receivable under reinsurance contracts.....	199,399		199,399	157,555
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
16.2 Net deferred tax asset.....	54,694,276	34,106,185	20,588,091	21,251,714
17. Guaranty funds receivable or on deposit.....	226,396		226,396	278,708
18. Electronic data processing equipment and software.....	1,066,560	916,092	150,468	215,238
19. Furniture and equipment, including health care delivery assets (\$.....0).....	335,065	335,065	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	313,472		313,472	361,217
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	51,425,482	946,866	50,478,616	50,412,844
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,933,058,573	41,871,176	1,891,187,397	1,848,736,930
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,933,058,573	41,871,176	1,891,187,397	1,848,736,930

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. Other Prepaid Expenses.....	946,866	946,866	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	49,849,426		49,849,426	48,898,235
2303. State Premium Tax Recoverable.....	629,190		629,190	1,514,609
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	51,425,482	946,866	50,478,616	50,412,844

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$... 35,152,062).....	429,673,381	428,835,058
2. Reinsurance payable on paid losses and loss adjustment expenses.....	5,643,708	2,930,608
3. Loss adjustment expenses.....	612,928,633	604,671,884
4. Commissions payable, contingent commissions and other similar charges.....	3,531,577	3,845,548
5. Other expenses (excluding taxes, licenses and fees).....	8,572,748	12,090,553
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	936,991	794,508
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	4,837,211	12,755,216
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 \$.....10,397,016 and including warranty reserves of \$.....0).....	112,783,025	118,701,157
10. Advance premium.....	3,542,997	6,518,590
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	96,030,808	91,644,916
13. Funds held by company under reinsurance treaties.....	30,715	30,715
14. Amounts withheld or retained by company for account of others.....	643,543	564,017
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	2,116,800	2,116,800
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	4,275,723	6,152,393
20. Payable for securities.....	1,815,000	3,608,418
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	0	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,287,362,860	1,295,260,381
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,287,362,860	1,295,260,381
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	8,846,429	8,846,429
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.....	205,553,769	205,553,769
33. Unassigned funds (surplus).....	389,424,339	339,076,351
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).....	603,824,537	553,476,549
36. TOTALS.....	1,891,187,397	1,848,736,930

DETAILS OF WRITE-INS

2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
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

THE MEDICAL ASSURANCE COMPANY, INC.
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 \$.....132,381,788).....	137,930,018	152,915,505	296,579,892
1.2 Assumed..... (written \$.....(12,340)).....	(12,340)	(64,896)	5,066,994
1.3 Ceded..... (written \$.....15,075,649).....	14,705,747	17,454,101	32,252,540
1.4 Net..... (written \$.....117,293,799).....	123,211,931	135,396,508	269,394,346
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....35,402,825):			
2.1 Direct.....	34,695,361	30,865,301	68,454,085
2.2 Assumed.....	(5,292)	(15,319)	(3,638,409)
2.3 Ceded.....	10,987,502	12,667,304	21,734,127
2.4 Net.....	23,702,567	18,182,678	43,081,549
3. Loss adjustment expenses incurred.....	49,442,131	64,926,578	59,553,834
4. Other underwriting expenses incurred.....	22,291,933	22,418,864	48,377,372
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	95,436,631	105,528,120	151,012,755
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	27,775,300	29,868,388	118,381,591
INVESTMENT INCOME			
9. Net investment income earned.....	36,618,556	34,609,617	72,240,600
10. Net realized capital gains (losses) less capital gains tax of \$.....(133,201).....	(1,495,954)	(2,091,123)	(3,293,842)
11. Net investment gain (loss) (Lines 9 + 10).....	35,122,602	32,518,494	68,946,758
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....37,934).....	(37,934)		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	1,260,192	1,345,988	2,072,889
15. Total other income (Lines 12 through 14).....	1,222,258	1,345,988	2,072,889
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	64,120,160	63,732,870	189,401,238
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).....	64,120,160	63,732,870	189,401,238
19. Federal and foreign income taxes incurred.....	11,394,895	18,294,766	60,346,993
20. Net income (Line 18 minus Line 19) (to Line 22).....	52,725,265	45,438,104	129,054,245
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	553,476,545	429,135,491	429,135,493
22. Net income (from Line 20).....	52,725,265	45,438,104	129,054,245
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	(560,828)	2,625,060	(2,739,129)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(5,127,184)	(2,702,156)	2,327,762
27. Change in nonadmitted assets.....	3,310,739	1,957,137	(3,764,826)
28. Change in provision for reinsurance.....			(537,000)
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.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	50,347,992	47,318,145	124,341,052
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	603,824,537	476,453,637	553,476,545

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.....	309,001	405,691	522,333
1402. Increase in Business Owned Life Insurance.....	951,191	940,297	1,550,556
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).....	1,260,192	1,345,988	2,072,889
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	114,528,529	301,289,884
2. Net investment income.....	39,437,525	76,961,577
3. Miscellaneous income.....	1,222,258	2,072,889
4. Total (Lines 1 through 3).....	155,188,312	380,324,350
5. Benefit and loss related payments.....	86,693,329	128,818,956
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	9,415,416	44,834,114
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	19,179,699	59,121,803
10. Total (Lines 5 through 9).....	115,288,444	232,774,873
11. Net cash from operations (Line 4 minus Line 10).....	39,899,868	147,549,477
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	280,226,086	454,612,366
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		1,635,539
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(449)	2,567
12.7 Miscellaneous proceeds.....		4,450,854
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	280,225,637	460,701,326
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	266,399,386	561,107,997
13.2 Stocks.....	1,031,200	1,267,500
13.3 Mortgage loans.....		
13.4 Real estate.....	479,952	1,530,016
13.5 Other invested assets.....	738,000	18,627,683
13.6 Miscellaneous applications.....	1,823,145	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	270,471,683	582,533,196
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).....	9,753,954	(121,831,870)
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.....		
16.6 Other cash provided (applied).....	(1,834,992)	2,580,096
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,834,992)	2,580,096
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).....	47,818,831	28,297,703
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	85,765,960	57,468,257
19.2 End of period (Line 18 plus Line 19.1).....	133,584,791	85,765,960

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

20.0001		
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NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

The amount of authorized, issued, and outstanding shares and their par value reported in the December 31, 2007 Annual Statement filed with the Alabama Department of Insurance (ADOI) differ from the amounts reported in the 2007 audited financial statements, which reflect the amounts approved by the Board of Directors. The change in par value and number of shares has no impact on surplus.

Par Value:	\$0
Authorized:	1,000 shares
Issued and outstanding:	1,000 shares

Note 14 - Contingencies

No significant change.

NOTES TO FINANCIAL STATEMENTS

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 2008.

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

No significant change.

Note 21 - Events Subsequent

The Company declared a dividend of \$125,000,000 payable to PRA Professional Liability Group, Inc. (the Company's parent) on July 8, 2008. The dividend was paid in cash on August 1, 2008. The dividend does not exceed the maximum amount of dividends which can be paid within any 12 month period by the Company to its shareholder without prior approval of the ADOI Commissioner.

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, 2007 were \$1,033,507,000. The following provides information concerning the re-estimation of those reserves during the six month period ended June 30, 2008:

Losses and Loss Adjustment Expenses December 31, 2007	\$ 1,033,507,000
Re-estimation of reserves (favorable)	(26,000,000)
Re-estimated December 31, 2007 Losses and Loss Adjustment Expenses	<u>\$ 1,007,507,000</u>

The re-estimation amount above relates principally to the medical malpractice line of insurance, principally for the 2003 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.

NOTES TO FINANCIAL STATEMENTS

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

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 [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2006.....
- 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). 12/03/2007.....
- 6.4 By what department or departments?

ALABAMA DEPARTMENT OF INSURANCE

- 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 [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [X] 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 [X]
- 7.2 If yes, give full information:

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

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

- 8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

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

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

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

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

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

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

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: \$.....0

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.....	\$.....3,903,144	\$.....3,303,256
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).....	\$.....3,903,144	\$.....3,303,256
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? If no, attach a description with this statement. Yes No

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III. Conducting Examinations, G-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)

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

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
133243	Oppenheimer Investment Management	200 Park Avenue 24th Floor, New York, NY 10166
104487	The Brown Brothers Harriman & Co.	140 Broadway, New York, NY 10005
107423	Conning Asset Management	One Financial Plaza, Hartford, CT 06103
105900	General Re - New England Asset Management, Inc.	76 Batterson Park Road, Farmington, CT 06032
107680	Prime Advisors, Inc.	22635 NE Marketplace Drive, Redmond, WA 98053

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:

THE MEDICAL ASSURANCE COMPANY, INC.
GENERAL INTERROGATORIES (continued)
PART 2
PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

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

SCHEDULE 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	L	47,871,820	50,635,726	7,814,255	4,824,258	126,055,339	143,448,179
2. Alaska.....AK	L						
3. Arizona.....AZ	L						
4. Arkansas.....AR	L	712,052	507,417	318,474	(11,131)	13,626,845	11,844,833
5. California.....CA	L						
6. Colorado.....CO	L						
7. Connecticut.....CT	N						
8. Delaware.....DE	L						
9. District of Columbia.....DC	L	194,000	187,000				
10. Florida.....FL	L	68,636	502,709	550,000	5,345,205	3,869,513	12,092,775
11. Georgia.....GA	L	908,401	1,018,194	6,445	5,093	9,887,676	10,449,650
12. Hawaii.....HI	L			52,294	79,750	1,337,773	3,982,679
13. Idaho.....ID	L						
14. Illinois.....IL	L		(32,776)			21,565	59,624
15. Indiana.....IN	L	14,154,710	16,918,102	4,347,396	1,387,319	75,350,443	68,906,394
16. Iowa.....IA	L						
17. Kansas.....KS	L	2,148,075	2,442,169	542,543	112,306	9,917,676	8,353,862
18. Kentucky.....KY	L					504,888	620,000
19. Louisiana.....LA	L						
20. Maine.....ME	N						
21. Maryland.....MD	L	8,694,930	9,900,037			6,022,678	2,391,108
22. Massachusetts.....MA	L						
23. Michigan.....MI	L						
24. Minnesota.....MN	L			(20,354)	64,229	892,318	1,106,751
25. Mississippi.....MS	N			210,000		2,272,776	2,942,295
26. Missouri.....MO	L	7,174,744	8,523,089	1,558,757	3,018,938	51,969,504	55,232,956
27. Montana.....MT	L						
28. Nebraska.....NE	L						
29. Nevada.....NV	L						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	L						
33. New York.....NY	N						
34. North Carolina.....NC	L	215,859	200,596			645,643	316,545
35. North Dakota.....ND	L						
36. Ohio.....OH	L	38,676,054	48,137,907	11,007,920	23,236,787	205,471,672	169,340,200
37. Oklahoma.....OK	L	611,582	270,658	801,782	251,124	3,107,664	2,079,069
38. Oregon.....OR	L						
39. Pennsylvania.....PA	L			23,183	53,023	633,973	643,235
40. Rhode Island.....RI	L						
41. South Carolina.....SC	L						
42. South Dakota.....SD	L			(42,304)		837,334	1,110,475
43. Tennessee.....TN	L	2,994,185	3,143,795	2,622	199,190	13,880,386	12,209,680
44. Texas.....TX	L	1,509,386	1,557,577	206,247	180,311	8,294,187	12,770,596
45. Utah.....UT	L						
46. Vermont.....VT	N						
47. Virginia.....VA	L	6,447,354	5,917,656	(2,533)	112,000	10,171,056	8,192,081
48. Washington.....WA	L						
49. West Virginia.....WV	L						
50. Wisconsin.....WI	L						
51. Wyoming.....WY	L						
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) 44	132,381,788	149,829,856	27,376,727	38,858,402	544,770,909	528,092,987

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

NONE

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.....	950,336	299,572	31.5	26.3
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.....	6,010,263	3,573,121	59.5	50.4
11.2. Medical malpractice-claims made.....	128,410,015	29,812,932	23.2	18.6
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.....	844,315	360,945	42.8	33.3
17.1. Other liability-occurrence.....	224,134	95,740	42.7	37.1
17.2. Other liability-claims made.....	1,296,955	553,051	42.6	33.7
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.....	194,000		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.....	137,930,018	34,695,361	25.2	20.2

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

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....	357,762	753,510	741,172
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	3,080,378	6,010,263	6,144,597
11.2. Medical malpractice-claims made.....	51,138,541	123,610,323	140,476,054
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	261,933	642,441	811,767
17.1. Other liability-occurrence.....	112,544	184,595	168,645
17.2. Other liability-claims made.....	628,314	986,656	1,300,621
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.....	194,000	194,000	187,000
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.....	55,773,472	132,381,788	149,829,856

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)	2008 Loss and LAE Payments on Claims Reported as of Prior Year-End	2008 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2008 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. 2005 + Prior.....	344,507	267,084	611,591	39,520	2,794	42,315	292,373	388	263,515	556,277	(12,614)	(386)	(13,000)
2. 2006.....	106,884	111,808	218,693	8,383	1,447	9,830	106,561	376	91,926	198,863	8,059	(18,059)	(10,000)
3. Subtotals 2006 + Prior.....	451,391	378,892	830,284	47,903	4,242	52,144	398,934	764	355,441	755,140	(4,554)	(18,445)	(23,000)
4. 2007.....	65,717	137,507	203,224	5,850	1,735	7,585	95,477	2,422	94,740	192,639	35,610	(38,610)	(3,000)
5. Subtotals 2007 + Prior.....	517,108	516,399	1,033,508	53,753	5,977	59,729	494,411	3,186	450,181	947,779	31,056	(57,055)	(26,000)
6. 2008.....	XXX	XXX	XXX	XXX	4,320	4,320	XXX	19,694	75,131	94,825	XXX	XXX	XXX
7. Totals.....	517,108	516,399	1,033,508	53,753	10,297	64,049	494,411	22,880	525,312	1,042,604	31,056	(57,055)	(26,000)
8. Prior Year-End's Surplus As Regards Policyholders	553,477										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
											1.6.0 %	2.(11.0)%	3.(2.5)%
													Col. 13, Line 7 Line 8
													4.(4.7)%

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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?	<u>NO</u>
2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	<u>YES</u>
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	<u>NO</u>

Explanation:

Bar Code:



NONE

THE MEDICAL ASSURANCE COMPANY, INC.
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.....	12,468,660	11,676,864
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....	479,952	1,530,016
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.....	351,398	738,220
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	12,597,214	12,468,660
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	12,597,214	12,468,660

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 acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Capitalized deferred interest and other.....	NONE	
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. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	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.....	30,946,820	18,047,447
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions.....		18,116,045
2.2 Additional investment made after acquisitions.....	738,000	511,638
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....	(733,232)	(1,372,048)
6. Total gain (loss) on disposals.....		(390,471)
7. Deduct amounts received on disposals.....		1,635,539
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.....		2,330,251
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	30,951,588	30,946,820
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	30,951,588	30,946,820

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.....	1,581,050,241	1,483,322,576
2. Cost of bonds and stocks acquired.....	267,430,586	562,375,497
3. Accrual of discount.....	1,088,464	1,705,921
4. Unrealized valuation increase (decrease).....	(2,324,753)	(1,365,160)
5. Total gain (loss) on disposals.....	(380,129)	318,453
6. Deduct consideration for bonds and stocks disposed of.....	280,226,086	454,612,366
7. Deduct amortization of premium.....	4,273,575	8,359,248
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....	(1,248,580)	2,335,432
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,563,613,328	1,581,050,241
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	1,563,613,328	1,581,050,241

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).....	1,584,477,328	603,551,414	585,030,567	(15,308,666)	1,584,477,328	1,587,689,509		1,562,909,972
2. Class 2 (a).....	70,547,745	994,240	5,231,879	9,691,013	70,547,745	76,001,119		62,833,570
3. Class 3 (a).....	16,485,432	5,198,300	3,081,533	4,081,390	16,485,432	22,683,589		12,308,612
4. Class 4 (a).....	3,119,437		950,008	512,949	3,119,437	2,682,378		1,358,270
5. Class 5 (a).....								1,029,313
6. Class 6 (a).....								
7. Total Bonds.....	1,674,629,942	609,743,954	594,293,987	(1,023,314)	1,674,629,942	1,689,056,595	0	1,640,439,737
PREFERRED STOCK								
8. Class 1.....	5,633,963			7,748	5,633,963	5,641,710		4,672,348
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	5,633,963	0	0	7,748	5,633,963	5,641,710	0	4,672,348
15. Total Bonds and Preferred Stock.....	1,680,263,905	609,743,954	594,293,987	(1,015,566)	1,680,263,905	1,694,698,305	0	1,645,112,085

QS102

(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 \$.....134,388,233; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

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.....	.....80,601,350	.....XXX.....	.....80,601,350	.....68,464	.....

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.....	.....24,787,201	.....30,482,976
2. Cost of short-term investments acquired.....	.....312,349,413	.....271,896,816
3. Accrual of discount.....	.....23,711	.....43,485
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	.....(251)	.....2,154
6. Deduct consideration received on disposals.....	.....256,507,336	.....277,607,420
7. Deduct amortization of premium.....	.....51,388	.....30,810
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).....	.....80,601,350	.....24,787,201
11. Deduct total nonadmitted amounts.....	.....4,337,010	.....3,979,220
12. Statement value at end of current period (Line 10 minus Line 11).....	.....76,264,340	.....20,807,981

**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.....	43,177,787	29,040,795
2. Cost of cash equivalents acquired.....	986,644,280	2,631,780,348
3. Accrual of discount.....	496,603	3,191,001
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	(198)	413
6. Deduct consideration received on disposals.....	976,531,589	2,620,834,770
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).....	53,786,883	43,177,787
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	53,786,883	43,177,787

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED and Additions Made During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
Acquired by Purchase								
100 BROOKWOOD PLACE.....	BIRMINGHAM.....	AL.....	..01/06/1989	VAROUS.....				75,535
0199999. Totals.....					0	0	0	75,535
0399999. Totals.....					0	0	0	75,535

QE01

SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
NONE																			

SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Rate of Interest	7 Actual Cost at Time of Acquisition	8 Additional Investment Made After Acquisition	9 Value of Land and Buildings
	2 City	3 State						

NONE

QE02

SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1 Loan Number	Location		4 Loan Type	5 Date Acquired	6 Disposal Date	7 Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment						14 Book Value/Recorded Investment Excluding Accrued Interest on Disposal	15 Consideration	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal
	2 City	3 State					8 Unrealized Valuation Increase (Decrease)	9 Current Year's (Amortization)/Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Capitalized Deferred Interest and Other	12 Total Change in Book Value (8+9-10+11)	13 Total Foreign Exchange Change in Book Value					

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									
Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated												
000000 00 0	Morgan Keegan PE FOF II.....	MEMPHIS.....	TN.....	MORGAN KEEGAN.....		02/15/2007		750,000	500,000		3,250,000	4.9
1999999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated.....								750,000	500,000	0	3,250,000	XXX
Any Other Class of Admitted Asset - Unaffiliated												
000000 00 0	FHLB ATLANTA CAPITAL STOCK.....	ATLANTA.....	GA.....	FEDERAL HOME LOAN BANK.....		03/11/2004			500			
3799999. Total - Any Other Class of Admitted Asset - Unaffiliated.....								0	500	0	0	XXX
3999999. Subtotal - Unaffiliated.....								750,000	500,500	0	3,250,000	XXX
4199999. Totals.....								750,000	500,500	0	3,250,000	XXX

QE03

SCHEDULE BA - PART 3

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

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.
NONE																		

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									
912828 EM 8	US TREASURY N/B		05/01/2008	MERRILL LYNCH		5,300,314	5,035,000	104,255	1
0399999.	Total - Bonds - U.S. Government					5,300,314	5,035,000	104,255	XXX
Bonds - Political Subdivisions of States									
25476F GP 7	DISTRICT COLUMBIA		05/20/2008	MORGAN STANLEY DEAN WITTER		4,300,000	4,300,000		1FE
346843 BQ 7	FORT BEND TEX INDPT SCH DIST		04/15/2008	DIRECT		1,095,730	1,000,000	3,889	1FE
438670 FE 6	HONOLULU HAWAII CITY & CNTY		04/02/2008	DIRECT		1,072,870	1,000,000	13,333	1FE
594610 2H 9	MICHIGAN ST		04/09/2008	BEAR STEARNS & CO		1,072,400	1,000,000		1FE
736746 SR 0	PORTLAND ORE URBAN RENEWAL & R		04/02/2008	CITICORP SECURITIES		1,052,350	1,000,000	15,556	1FE
833085 RN 5	SNOHOMISH CNTY WASH		04/18/2008	RBC DAIN		1,067,150	1,000,000	21,694	1FE
2499999.	Total - Bonds - Political Subdivision					9,660,500	9,300,000	54,472	XXX
Bonds - Special Revenue and Special Assessment									
011842 MW 8	ALASKA ST INTL ARPTS REVS		04/22/2008	DAIN RAUSCHER		1,024,920	1,000,000	3,667	1FE
13066E NN 9	CALIFORNUIA ST DEPT WTR RES MUNICIPAL		05/30/2008	EXCHANGE		31,225	30,000	746	1FE
13066E PQ 0	CALIFORNUIA ST DEPT WTR RES MUNICIPAL		05/30/2008	EXCHANGE		1,061,648	1,020,000	25,358	1FE
235036 LD 0	DALLAS FORT WORTH TEX INTL ARP		04/10/2008	DAIN RAUSCHER		1,532,370	1,500,000	34,167	1FE
249181 7F 9	DENVER COLO CITY & CNTY ARPT R		04/11/2008	GOLDMAN SACHS		4,095,200	4,000,000		1FE
454623 RH 4	INDIANA BD BK REV		04/16/2008	RBC DAIN		1,057,020	1,000,000	11,363	1FE
45884A XE 8	INTERMOUNTAIN PWR AGY UTAH PWR		04/18/2008	GOLDMAN SACHS		2,172,280	2,000,000		1FE
576004 EJ 0	MASSACHUSETTS ST SPL OBLIG REV		04/14/2008	CITICORP SECURITIES		1,079,790	1,000,000	18,889	1FE
590545 NS 4	MESA ARIZ UTIL SYS REV		04/14/2008	CITICORP SECURITIES		586,580	500,000	10,674	1FE
65901M CE 2	NORTH DAKOTA ST WTR COMMN REV		04/14/2008	KEYBANC		1,129,076	1,050,000	12,469	1FE
677660 TA 0	OHIO ST WTR DEV AUTH POLLUTION		05/06/2008	MORGAN STANLEY		2,400,000	2,400,000	869	1FE
735439 KU 4	PORT TACOMA WASH		04/08/2008	DAIN RAUSCHER		1,826,882	1,845,000	33,313	1FE
3199999.	Total - Bonds - Special Revenue & Special Assessments					17,996,991	17,345,000	151,515	XXX
Bonds - Industrial and Miscellaneous									
13974C AE 8	CARAT 2007-2 A4A		06/24/2008	WACHOVIA/FIRST UNION		10,067,188	10,000,000	17,967	1FE
52517P A3 5	LEHMAN BROTHERS HOLDINGS		05/15/2008	LEHMAN BROTHERS		8,819,820	9,000,000	128,250	1FE
55264T CZ 2	MBNAS 2005-A3 A3		06/25/2008	J.P. MORGAN		4,985,156	5,000,000	8,542	1FE
59018Y VV 0	MERRILL LYNCH & CO		05/15/2008	MERRILL LYNCH		1,483,020	1,500,000	21,156	1FE
61746S BC 2	MORGAN STANLEY		05/14/2008	FIRST TENNESSEE		4,959,026	5,000,000	68,889	1FE
61746S BS 7	MORGAN STANLEY		05/19/2008	GLS		7,565,625	7,500,000	127,300	1FE
72650R AS 1	PLAINS ALL AMER PIPELINE		04/18/2008	BANK AMERICA		994,240	1,000,000		2FE
929766 WJ 8	WBCMT 2004-C15 A2		04/18/2008	GREENWICH CAPITAL		980,781	1,000,000	2,468	1FE
92976W AT 3	WACHOVIA CORP		05/14/2008	CITATION GROUP		3,483,550	3,500,000	71,458	1FE
939333 AC 4	WASHINGTON MUTUAL FIN CP		05/15/2008	BARCLAYS AMERICAN		5,214,000	5,000,000	4,774	1FE
94355# AA 8	WAVELAND NCP ALABAMA VENTURES II		04/18/2008	DIRECT		6,091,371	6,091,371		1FE
LN3039 03 6	MOMENTUM PERFORMANCE		04/03/2008	RBS GREENWICH CAPITAL		1,815,000	2,000,000		3FE
LN3366 45 4	BIG WES OIL, LLC		06/18/2008	BANK AMERICA		425,000	425,000		3FE
LN3766 78 6	BOISE PAPER HOLDINGS		04/21/2008	VARIOUS		2,958,300	3,000,000		3FE
2515A0 HP 1	DEUTSCHE BANK AG LONDON	F	05/19/2008	DEUTSCHE MORGAN		2,042,723	2,000,000	11,111	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					61,884,800	62,016,371	461,915	XXX
6099997.	Total - Bonds - Part 3					94,842,605	93,696,371	772,157	XXX
6099999.	Total - Bonds					94,842,605	93,696,371	772,157	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					94,842,605	XXX	772,157	XXX

QE04

(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 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 Design- ation 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																					
3133XK GD 1	FEDERAL HOME LOAN BANK		04/16/2008	CALLED BY ISSUER at 100.000		3,000,000	3,000,000	2,994,600	2,995,803		4,197		4,197		3,000,000			0	78,750	04/16/2010	1
3133XL BS 1	FEDERAL HOME LOAN BANK		06/25/2008	CALLED BY ISSUER at 100.000		5,000,000	5,000,000	4,983,550	4,986,193		13,808		13,808		5,000,000			0	137,500	06/25/2010	1
3133XP 2W 3	FEDERAL HOME LOAN BANK		05/19/2008	GLS		4,426,749	4,500,000	4,481,645			967		967		4,482,612		(55,863)	(55,863)	51,891	02/27/2013	1
31359M 7T 4	FANNIE MAE		04/16/2008	CALLED BY ISSUER at 100.000		4,000,000	4,000,000	3,996,400	3,997,200		2,800		2,800		4,000,000			0	106,000	04/16/2010	1
31359M RG 0	FANNIE MAE		05/16/2008	VARIOUS		10,243,640	10,000,000	10,313,930			(19,215)		(19,215)		10,294,715		(51,076)	(51,076)	293,429	03/15/2013	1
3137EA BB 4	FREDDIE MAC		05/16/2008	PARIBAS CORP		6,633,510	6,500,000	6,545,279	6,543,929		(8,060)		(8,060)		6,535,869		97,641	97,641	141,510	11/30/2009	1
31398A DM 1	FANNIE MAE		05/19/2008	BANK AMERICA		4,277,228	4,000,000	4,170,592	4,166,469		(5,220)		(5,220)		4,161,249		115,979	115,979	94,361	06/12/2017	1
31398A KY 7	FANNIE MAE		05/16/2008	GOLDMAN SACHS		7,975,424	8,000,000	8,036,232			(2,388)		(2,388)		8,033,844		(58,420)	(58,420)	103,111	02/12/2013	1
36200K UE 5	GN 603681		06/01/2008	MBS PAYDOWN		10,700	10,700	11,102	10,714		(14)		(14)		10,700			0	226	08/01/2032	1
36200Q JM 7	GN 569168		06/01/2008	MBS PAYDOWN		63,362	63,362	64,867	63,409		(47)		(47)		63,362			0	1,475	11/01/2016	1
36201Q 2C 6	GN 590371		06/01/2008	MBS PAYDOWN		5,795	5,795	6,039	5,807		(12)		(12)		5,795			0	143	02/01/2032	1
36201T KE 6	GN 592593		06/01/2008	MBS PAYDOWN		1,013	1,013	1,059	1,016		(2)		(2)		1,013			0	26	04/01/2032	1
36202B NJ 0	G2 1293		06/01/2008	MBS PAYDOWN		225	225	247	225				0		225			0	10	04/01/2019	1
36202D KY 6	G2 3011		06/01/2008	MBS PAYDOWN		322	322	329	323				0		322			0	10	12/01/2029	1
36202D LW 9	G2 3041		06/01/2008	MBS PAYDOWN		3,561	3,561	3,639	3,565		(4)		(4)		3,561			0	107	11/01/2029	1
36202D MT 5	G2 3070		06/01/2008	MBS PAYDOWN		2,140	2,140	2,189	2,142		(2)		(2)		2,140			0	75	04/01/2030	1
36205R MA 2	GN 398253		06/01/2008	MBS PAYDOWN		2,261	2,261	2,283	2,261				0		2,261			0	68	04/01/2025	1
36206A LZ 4	GN 405444		06/01/2008	MBS PAYDOWN		431	431	455	434		(3)		(3)		431			0	16	09/01/2023	1
36206E 3N 3	GN 409505		06/01/2008	MBS PAYDOWN		882	882	936	883		(1)		(1)		882			0	26	12/01/2022	1
36209P NT 0	GN 477502		06/01/2008	MBS PAYDOWN		5,340	5,340	5,432	5,349		(9)		(9)		5,340			0	144	10/01/2026	1
36215K 2A 7	GN 137669		06/01/2008	MBS PAYDOWN		26	26	27	26				0		26			0	1	09/01/2013	1
36220W KJ 5	GN 290197		06/01/2008	MBS PAYDOWN		165	165	174	165				0		165			0	7	08/01/2020	1
36223H 6B 8	GN 308766		06/01/2008	MBS PAYDOWN		113	113	114	113				0		113			0	4	02/01/2022	1
36224L QA 8	GN 331749		06/01/2008	MBS PAYDOWN		283	283	279	283				0		283			0	9	09/01/2022	1
36224P ML 9	GN 334363		06/01/2008	MBS PAYDOWN		154	154	156	154				0		154			0	5	10/01/2022	1
36224Q XR 2	GN 335588		06/01/2008	MBS PAYDOWN		397	397	391	396				0		397			0	12	02/01/2020	1
36224U 5Z 6	GN 339364		06/01/2008	MBS PAYDOWN		187	187	184	187				0		187			0	6	06/01/2022	1
36225B HE 1	GN 781129		06/01/2008	MBS PAYDOWN		440	440	424	439				0		440			0	12	03/01/2028	1
36290S QF 1	GN 616154		06/01/2008	MBS PAYDOWN		25,023	25,023	24,905	25,020		2		2		25,023			0	474	01/01/2033	1
79549A JH 3	SBM7 2001-C2 A2		06/01/2008	VARIOUS		12,120	12,120	13,173	12,388		(268)		(268)		12,120			0	928	06/01/2008	1FE
912827 4F 6	US TREASURY N/B		06/02/2008	VARIOUS		4,535,000	4,535,000	4,640,164	4,553,350		(18,350)		(18,350)		4,535,000			0	155,710	05/15/2008	1
912828 AZ 3	US TREASURY N/B		05/15/2008	MATURITY		4,000,000	4,000,000	4,016,094	4,001,264		(1,264)		(1,264)		4,000,000			0	52,500	05/15/2008	1
0399999	Total - Bonds - U.S. Government					54,226,491	53,669,940	54,316,890	31,379,507		0		(33,085)		54,178,229		48,261	48,261	1,218,546	XXX	XXX
Bonds - States, Territories and Possessions																					
977056 NS 5	WISCONSIN ST		05/01/2008	CALLED BY ISSUER at 100.000		1,000,000	1,000,000	1,044,510	1,004,173		(4,173)		(4,173)		1,000,000			0	23,750	05/01/2008	1FE
1799999	Total - Bonds - States, Territories & Possessions					1,000,000	1,000,000	1,044,510	1,004,173		0		(4,173)		1,000,000		0	0	23,750	XXX	XXX
Bonds - Political Subdivisions of States																					
108151 UZ 2	BRIDGEPORT CONN		06/10/2008	RAYMOND JAMES		1,080,910	1,000,000	1,077,160			(7,486)		(7,486)		1,069,674		11,236	11,236	24,667	07/15/2010	1FE
167484 D9 2	CHICAGO ILL		06/09/2008	SALOMON SMITH BARNEY HL		10,637,645	9,950,000	10,732,568			(1,968)		(1,968)		10,730,599		(92,955)	(92,955)	244,742	01/01/2036	1FE
307585 JG 5	FARIBAULT MINN INDPT SCH DIST		06/01/2008	MATURITY		1,000,000	1,000,000	1,018,390	1,000,912		(912)		(912)		1,000,000			0	23,125	06/01/2008	1FE
396172 FC 7	GREENVILLE MICH PUB SCHS		05/01/2008	CALLED BY ISSUER at 100.000		1,000,000	1,000,000	997,250	999,341		659		659		1,000,000			0	23,250	05/01/2008	1FE
613917 KQ 5	MONTGOMERY CNTY TEX MUN UTIL D		05/02/2008	DIRECT		1,195,557	1,190,000	1,206,477	1,202,163		(6,554)		(6,554)		1,195,609		(52)	(52)	40,824	09/01/2008	1FE
2499999	Total - Bonds - Political Subdivisions					14,914,112	14,140,000	15,031,845	3,202,416		0		(16,261)		14,995,882		(81,771)	(81,771)	356,608	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
057854 AX 9	BALDWIN CNTY ALA EASTN SHORE H.		04/01/2008	CALLED BY ISSUER at 102.000		1,208,700	1,185,000	1,214,518	1,208,884		(184)		(184)		1,208,700			0	31,106	04/01/2008	1FE
057854 AF 4	BALDWIN CNTY ALA EASTN SHORE H.		04/01/2008	CALLED BY ISSUER at 102.000		1,341,300	1,315,000	1,332,305	1,332,358		8,942		8,942		1,341,300			0	34,519	04/01/2008	1FE
13016N AZ 1	CALIFORNIA CNTY CALIF TOB SECU		06/02/2008	CALLED BY ISSUER at 100.000		55,000	55,000	55,000	55,000				0		55,000			0	2,063	06/01/2019	2FE
13016N AN 4	CALIFORNIA CNTY CALIF TOB SECU		06/02/2008	CALLED BY ISSUER at 100.000		45,000	45,000	45,000	45,000				0		45,000			0	1,537	06/01/2015	2FE
13066E EM 1	CALIFORNIA ST DEPT WTR RES WTR		05/30/2008	EXCHANGE		1,092,873	1,050,000	1,127,490	1,096,432		(3,559)		(3,559)		1,092,873			0	26,104	12/01/2018	1FE

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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 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 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
31282R 4E 1	FG M80821		06/01/2008	MBS PAYDOWN		56,130	56,130	57,481	56,227		(97)		(97)		56,130			0	1,041	05/01/2010	1
31282S AZ 5	FG M80924		06/01/2008	MBS PAYDOWN		353,101	353,101	356,522	353,338		(236)		(236)		353,101			0	6,583	06/01/2011	1
31283H S8 9	FG G01443		06/01/2008	MBS PAYDOWN		23,084	23,084	23,888	23,115		(31)		(31)		23,084			0	626	05/01/2031	1
31283H S9 7	FG G01444		06/01/2008	MBS PAYDOWN		7,763	7,763	8,086	7,778		(15)		(15)		7,763			0	207	04/01/2031	1
31287P CQ 4	FG C63679		06/01/2008	MBS PAYDOWN		2,659	2,659	2,637	2,658		1		1		2,659			0	65	01/01/2031	1
31287P E2 5	FG C63753		06/01/2008	MBS PAYDOWN		829	829	859	830		(1)		(1)		829			0	21	01/01/2031	1
31288A X2 6	FG C72497		06/01/2008	MBS PAYDOWN		16,576	16,576	17,154	16,591		(15)		(15)		16,576			0	458	07/01/2030	1
31288B LZ 4	FG C73044		06/01/2008	MBS PAYDOWN		43,082	43,082	44,193	43,120		(38)		(38)		43,082			0	1,138	11/01/2031	1
31288C M4 0	FG C73979		06/01/2008	MBS PAYDOWN		3,401	3,401	3,490	3,402		(1)		(1)		3,401			0	85	04/01/2032	1
3128GJ ZE 6	FG E82573		06/01/2008	MBS PAYDOWN		6,986	6,986	6,960	6,986				0		6,986			0	174	05/01/2015	1
3128GY MX 9	FG E93974		06/01/2008	MBS PAYDOWN		56,149	56,149	58,702	56,286		(137)		(137)		56,149			0	1,287	07/01/2017	1
3128H3 LP 4	FG E95734		06/01/2008	MBS PAYDOWN		64,245	64,245	66,333	64,349		(104)		(104)		64,245			0	1,296	08/01/2017	1
3128H4 XR 5	FG E96988		06/01/2008	MBS PAYDOWN		34,461	34,461	35,118	34,498		(36)		(36)		34,461			0	701	11/01/2017	1
3128JR PC 4	FH 847619		06/16/2008	VARIOUS		78,391	78,391	79,236	78,448		(57)		(57)		78,391			0	2,471	09/01/2036	1
3128K4 QX 6	FG A44070		06/01/2008	MBS PAYDOWN		44,718	44,718	41,699	44,634		84		84		44,718			0	873	11/01/2035	1
3128KK GC 7	FG A56495		06/01/2008	MBS PAYDOWN		47,686	47,686	47,213	47,647		40		40		47,686			0	1,055	09/01/2036	1
3128L0 DF 6	FG A68202		06/01/2008	MBS PAYDOWN		28,489	28,489	29,276	29,276		(64)		(64)		28,489			0	581	11/01/2032	1
3128LX DL 1	FG G01907		06/01/2008	MBS PAYDOWN		93,986	93,986	85,709	93,825		162		162		93,986			0	1,808	10/01/2033	1
3128LX FN 5	FG G01973		06/01/2008	MBS PAYDOWN		28,016	28,016	26,864	27,986		30		30		28,016			0	582	06/01/2035	1
3128LX MR 8	FG G02168		06/01/2008	MBS PAYDOWN		65,163	65,163	64,185	65,108		54		54		65,163			0	1,599	10/01/2035	1
3128LX PX 2	FG G02238		06/01/2008	MBS PAYDOWN		169,904	169,904	156,949	169,658		246		246		169,904			0	3,230	03/01/2035	1
3128LX QU 7	FG G02267		06/01/2008	MBS PAYDOWN		53,997	53,997	54,942	54,087		(90)		(90)		53,997			0	1,411	02/01/2036	1
3128LX QY 9	FG G02271		06/01/2008	MBS PAYDOWN		48,251	48,251	44,519	48,177		73		73		48,251			0	898	02/01/2035	1
3128M1 C3 1	FG G11990		06/01/2008	MBS PAYDOWN		25,178	25,178	24,698	25,146		32		32		25,178			0	533	08/01/2020	1
3128M1 DD 8	FG G12000		06/01/2008	MBS PAYDOWN		82,836	82,836	79,781	82,667		168		168		82,836			0	1,722	08/01/2020	1
3128M1 KY 4	FG G12211		06/01/2008	MBS PAYDOWN		81,552	81,552	79,271	81,426		126		126		81,552			0	1,673	09/01/2020	1
3128M1 PS 2	FG G12333		06/01/2008	MBS PAYDOWN		67,277	67,277	65,816	67,192		86		86		67,277			0	1,260	05/01/2020	1
3128M4 FM 0	FG G02572		06/01/2008	MBS PAYDOWN		45,852	45,852	46,221	45,889		(37)		(37)		45,852			0	1,096	09/01/2036	1
3128M5 L3 2	FG G03646		06/01/2008	MBS PAYDOWN		133,591	133,591	136,430	136,430		(310)		(310)		133,591			0	2,594	11/01/2037	1
3128MJ D4 9	FG G08122		06/01/2008	MBS PAYDOWN		86,647	86,647	83,343	86,491		156		156		86,647			0	1,918	10/01/2035	1
3128MJ DW 7	FG G08116		06/01/2008	MBS PAYDOWN		89,756	89,756	86,215	89,597		159		159		89,756			0	2,006	09/01/2035	1
3128MM BN 2	FG G18044		06/01/2008	MBS PAYDOWN		114,883	114,883	114,147	114,852		30		30		114,883			0	2,138	10/01/2019	1
31292H Q3 1	FG C01374		06/01/2008	MBS PAYDOWN		9,728	9,728	10,074	9,743		(15)		(15)		9,728			0	241	04/01/2031	1
31292H UP 7	FG C01490		06/01/2008	MBS PAYDOWN		52,708	52,708	53,499	52,730		(22)		(22)		52,708			0	1,200	02/01/2032	1
31292H YU 2	FG C01623		06/01/2008	MBS PAYDOWN		108,590	108,590	107,724	108,566		24		24		108,590			0	2,498	12/01/2032	1
31294J G9 3	FG E00224		06/01/2008	VARIOUS		8,853	8,853	8,486	8,807		45		45		8,853			0	210	06/01/2008	1
31294K FN 0	FG E01073		06/01/2008	MBS PAYDOWN		11,388	11,388	11,274	11,382		6		6		11,388			0	242	04/01/2016	1
31294K M5 1	FG E01280		06/01/2008	MBS PAYDOWN		55,977	55,977	57,779	56,072		(95)		(95)		55,977			0	1,164	05/01/2017	1
31294K WD 3	FG E01544		06/01/2008	MBS PAYDOWN		23,988	23,988	24,070	23,993		(5)		(5)		23,988			0	463	07/01/2018	1
312963 WK 3	FG B11550		06/01/2008	MBS PAYDOWN		116,420	116,420	118,221	116,513		(93)		(93)		116,420			0	2,419	09/01/2018	1
312967 6K 3	FG B15374		06/01/2008	MBS PAYDOWN		282,239	282,239	284,973	282,336		(97)		(97)		282,239			0	6,177	02/01/2019	1
31296L UE 9	FG A12381		06/01/2008	MBS PAYDOWN		15,083	15,083	14,762	15,076		7		7		15,083			0	335	01/01/2033	1
31296L ZH 7	FG A12544		06/01/2008	MBS PAYDOWN		27,391	27,391	27,125	27,384		6		6		27,391			0	556	08/01/2032	1
31296S WL 6	FG A17851		06/01/2008	MBS PAYDOWN		23,531	23,531	23,858	23,541		(10)		(10)		23,531			0	527	02/01/2033	1
31297A P6 5	FG A23145		06/01/2008	MBS PAYDOWN		45,271	45,271	44,747	45,260		11		11		45,271			0	1,014	09/01/2033	1
31297F J5 3	FG A27484		06/01/2008	MBS PAYDOWN		29,613	29,613	30,608	29,649		(37)		(37)		29,613			0	725	04/01/2034	1
31297S ZP 3	FG A37050		06/01/2008	MBS PAYDOWN		57,487	57,487	56,787	57,475		12		12		57,487			0	1,309	03/01/2035	1
31359U ZR 9	FNW 1998-W8 A6		06/01/2008	MBS PAYDOWN		5,067	5,067	5,067	5,067				0		5,067			0	121	08/01/2013	1
31371K 2V 2	FN 254688		06/01/2008	MBS PAYDOWN		64,210	64,210	66,668	64,308		(99)		(99)		64,210			0	1,445	09/01/2022	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

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												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 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
31371K 4K 4	FN 254726	06/01/2008	MBS PAYDOWN			20,681	20,681	21,033	20,691	(10)					20,681						.465	06/01/2032	1
31371K BL 4	FN 253943	06/01/2008	MBS PAYDOWN			4,613	4,613	4,733	4,620	(6)					4,613						.127	01/01/2016	1
31371K R3 7	FN 254406	06/01/2008	MBS PAYDOWN			14,338	14,338	14,703	14,351	(13)					14,338						.380	09/01/2031	1
31371K U4 1	FN 254503	06/01/2008	MBS PAYDOWN			61,790	61,790	63,779	61,981	(191)					61,790						1,249	09/01/2009	1
31371K WK 3	FN 254550	06/01/2008	MBS PAYDOWN			5,905	5,905	6,112	5,910	(5)					5,905						.146	12/01/2031	1
31371L CD 9	FN 254868	06/01/2008	MBS PAYDOWN			29,815	29,815	29,661	29,812	3					29,815						.623	11/01/2032	1
31371L CE 7	FN 254869	06/01/2008	MBS PAYDOWN			12,141	12,141	12,156	12,141	(1)					12,141						.279	12/01/2032	1
31371N J5 5	FN 256884	06/01/2008	MBS PAYDOWN			45,670	45,670	46,687	45,824	(154)					45,670						1,205	07/01/2037	1
31371N Q8 1	FN 257079	06/01/2008	MBS PAYDOWN			72,296	72,296	73,754	72,296	(147)					72,296						1,258	10/01/2022	1
31376K EK 8	FN 357538	06/01/2008	MBS PAYDOWN			156,413	156,413	147,297	156,090	323					156,413						3,209	07/01/2033	1
31376K FW 1	FN 357581	06/01/2008	MBS PAYDOWN			44,427	44,427	44,844	44,450	(23)					44,427						.926	11/01/2018	1
31379J Z2 5	FN 421161	06/01/2008	MBS PAYDOWN			4,381	4,381	4,402	4,383	(2)					4,381						.110	07/01/2012	1
31379R VS 4	FN 427325	06/01/2008	MBS PAYDOWN			6,721	6,721	6,752	6,724	(3)					6,721						.182	08/01/2012	1
31379T TE 4	FN 429049	06/01/2008	MBS PAYDOWN			4,595	4,595	4,616	4,597	(2)					4,595						.125	03/01/2013	1
31380M MS 2	FN 444169	06/01/2008	MBS PAYDOWN			6,484	6,484	6,423	6,483	0					6,484						.130	08/01/2028	1
31380Y SL 5	FN 454223	06/01/2008	MBS PAYDOWN			1,455	1,455	1,441	1,454	1					1,455						.36	08/01/2027	1
31381B V9 7	FN 456140	06/01/2008	MBS PAYDOWN			128	128	127	128	0					128						.3	07/01/2028	1
31385J QV 3	FN 545968	06/01/2008	MBS PAYDOWN			17,751	17,751	18,084	17,773	(22)					17,751						.405	11/01/2016	1
31385W 2S 7	FN 555285	06/01/2008	MBS PAYDOWN			12,407	12,407	12,585	12,414	(7)					12,407						.304	06/01/2031	1
31385X FK 8	FN 555570	06/01/2008	MBS PAYDOWN			11,915	11,915	12,088	11,922	(7)					11,915						.292	05/01/2031	1
31385X GQ 4	FN 555607	06/01/2008	MBS PAYDOWN			15,785	15,785	15,789	15,786	(1)					15,785						.297	12/01/2017	1
31386S BW 6	FN 571653	06/01/2008	MBS PAYDOWN			1,478	1,478	1,469	1,478	0					1,478						.37	02/01/2016	1
31387N 2W 6	FN 589489	06/01/2008	MBS PAYDOWN			23,916	23,916	24,275	23,937	(21)					23,916						.583	10/01/2015	1
31388P XQ 9	FN 610987	06/01/2008	MBS PAYDOWN			49,286	49,286	49,497	49,302	(16)					49,286						1,277	03/01/2016	1
31389N 4X 0	FN 630938	06/01/2008	MBS PAYDOWN			124,870	124,870	123,602	124,819	51					124,870						2,590	07/01/2016	1
31389P MP 2	FN 631366	06/01/2008	MBS PAYDOWN			958	958	983	959	(1)					958						.26	05/01/2016	1
31389V SD 0	FN 636916	06/01/2008	MBS PAYDOWN			46,075	46,075	47,285	46,157	(82)					46,075						1,255	09/01/2016	1
31390L RG 3	FN 649487	06/01/2008	MBS PAYDOWN			2,581	2,581	2,674	2,581	0					2,581						.70	02/01/2032	1
31391P UV 6	FN 672996	06/01/2008	MBS PAYDOWN			64,867	64,867	64,755	64,864	4					64,867						1,305	05/01/2017	1
31391W 5R 8	FN 679556	06/01/2008	MBS PAYDOWN			15,599	15,599	15,940	15,612	(13)					15,599						.324	11/01/2017	1
31392F 5Y 9	FNR 2002-77 CG	06/01/2008	MBS PAYDOWN			20,647	20,647	20,870	20,678	(31)					20,647						.337	10/01/2009	1
31393B 2U 8	FNR 2003-60 NA	06/01/2008	MBS PAYDOWN			78,669	78,669	76,752	78,505	164					78,669						1,276	04/01/2013	1
31393G CN 2	FHR 2545 EY	06/01/2008	MBS PAYDOWN			193,398	193,398	191,713	193,253	145					193,398						3,610	02/01/2010	1
31393J NK 0	FHR 2557 OE	06/01/2008	MBS PAYDOWN			63,890	63,890	65,378	64,008	(118)					63,890						1,189	11/01/2008	1
31393M FK 2	FHR 2591 WB	06/01/2008	MBS PAYDOWN			201,101	201,101	197,519	200,955	146					201,101						3,323	01/01/2012	1
31393M ZK 0	FHR 2583 ND	06/01/2008	MBS PAYDOWN			18,208	18,208	18,504	18,238	(30)					18,208						.319	02/01/2009	1
31393N 2K 4	FHR 2583 TD	06/01/2008	MBS PAYDOWN			2,538	2,538	2,582	2,541	(3)					2,538						.42	03/01/2012	1
31393V SN 2	FHSF SF2 GD	06/01/2008	MBS PAYDOWN			1,370,751	1,370,751	1,289,202	1,363,773	6,978					1,370,751						18,706	09/01/2009	1
31393Y 3A 1	FNR 2004-55 LA	06/01/2008	MBS PAYDOWN			130,290	130,290	125,648	129,963	327					130,290						2,438	05/01/2014	1
31394A S2 3	FNR 2004-74 BA	06/01/2008	MBS PAYDOWN			125,087	125,087	124,520	125,072	15					125,087						2,343	01/01/2015	1
31394C 7A 4	FNR 2005-30 BC	06/01/2008	MBS PAYDOWN			111,335	111,335	111,683	111,364	(29)					111,335						2,332	12/01/2014	1
31394C N3 2	FNR 2005-33 VA	06/01/2008	MBS PAYDOWN			30,135	30,135	30,404	30,152	(17)					30,135						.628	06/01/2015	1
31394E GN 2	FNR 2005-63 HA	06/01/2008	MBS PAYDOWN			111,496	111,496	108,604	111,288	208					111,496						2,309	07/01/2014	1
31395A XT 7	FHR 2824 EG	06/01/2008	MBS PAYDOWN			141,716	141,716	137,464	141,314	402					141,716						2,649	03/01/2012	1
31395G FP 2	FHR 2856 TE	06/01/2008	MBS PAYDOWN			37,699	37,699	36,339	37,590	109					37,699						.702	10/01/2012	1
31395J R6 5	FHR 2890 AB	06/01/2008	MBS PAYDOWN			101,196	101,196	99,488	101,012	184					101,196						1,524	08/01/2010	1
31395L XE 8	FHR 2920 LA	06/01/2008	MBS PAYDOWN			155,012	155,012	155,448	155,057	(45)					155,012						3,206	08/01/2012	1
31395P ZZ 5	FHR 2949 BE	06/01/2008	MBS PAYDOWN			336,440	336,440	335,389	336,392	48					336,440						6,210	12/01/2009	1
31395R DL 9	FHR 2960 QN	06/01/2008	MBS PAYDOWN			389,170	389,170	389,778	389,326	(155)					389,170						7,247	01/01/2010	1

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										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
31395T HU 1	FHR 2964 NG		06/01/2008	MBS PAYDOWN		69,869	69,869	69,858	69,875		(5)		(5)		69,869			0	1,298	05/01/2010	1
31395T HV 9	FHR 2964 NH		06/01/2008	MBS PAYDOWN		125,765	125,765	126,276	125,845		(80)		(80)		125,765			0	2,466	05/01/2010	1
31395V RC 5	FHR 2986 GC		06/01/2008	MBS PAYDOWN		139,350	139,350	139,480	139,397		(47)		(47)		139,350			0	2,592	01/01/2010	1
31400F PB 7	FN 686318		06/01/2008	MBS PAYDOWN		24,279	24,279	25,022	24,311		(33)		(33)		24,279			0	482	08/01/2017	1
31400Q TN 3	FN 694557		06/01/2008	MBS PAYDOWN		6,950	6,950	7,067	6,954		(4)		(4)		6,950			0	164	05/01/2032	1
31400R CF 6	FN 694970		06/01/2008	MBS PAYDOWN		21,639	21,639	22,559	21,693		(54)		(54)		21,639			0	498	10/01/2017	1
31400Y ET 9	FN 701346		06/01/2008	MBS PAYDOWN		4,894	4,894	5,050	4,895		(1)		(1)		4,894			0	142	02/01/2032	1
31400Y FU 5	FN 701379		06/01/2008	MBS PAYDOWN		7,094	7,094	7,125	7,096		(2)		(2)		7,094			0	136	10/01/2017	1
31401B P6 6	FN 703445		06/01/2008	MBS PAYDOWN		160,775	160,775	163,287	160,905		(129)		(129)		160,775			0	3,318	11/01/2017	1
31401H UX 8	FN 708998		06/01/2008	MBS PAYDOWN		47,552	47,552	47,144	47,537		15		15		47,552			0	1,128	12/01/2032	1
31401W G2 9	FN 720317		06/01/2008	MBS PAYDOWN		23,287	23,287	23,808	23,315		(27)		(27)		23,287			0	489	12/01/2017	1
31401X BJ 5	FN 721041		06/01/2008	MBS PAYDOWN		6,857	6,857	7,043	6,863		(6)		(6)		6,857			0	145	02/01/2033	1
31402F DL 6	FN 727407		06/01/2008	MBS PAYDOWN		46,303	46,303	45,710	46,280		23		23		46,303			0	864	02/01/2018	1
31402R SH 3	FN 735920		06/01/2008	MBS PAYDOWN		36,819	36,819	35,202	36,737		82		82		36,819			0	684	02/01/2020	1
31403C VJ 7	FN 745017		06/01/2008	MBS PAYDOWN		97,725	97,725	95,664	97,607		118		118		97,725			0	1,819	12/01/2018	1
31403C ZP 9	FN 745150		06/01/2008	MBS PAYDOWN		62,795	62,795	61,471	62,718		78		78		62,795			0	1,171	11/01/2018	1
31403D C5 6	FN 745392		06/01/2008	MBS PAYDOWN		819,664	819,664	796,739	818,415		1,249		1,249		819,664			0	15,331	07/01/2019	1
31403D EM 7	FN 745440		06/01/2008	MBS PAYDOWN		96,245	96,245	94,215	96,125		120		120		96,245			0	1,794	11/01/2018	1
31403D WD 7	FN 745944		06/01/2008	MBS PAYDOWN		78,782	78,782	76,455	78,718		64		64		78,782			0	1,650	10/01/2032	1
31403Y G6 4	FN 761721		06/01/2008	MBS PAYDOWN		10,997	10,997	10,884	10,996		2		2		10,997			0	229	09/01/2032	1
31404B VC 3	FN 763911		06/01/2008	MBS PAYDOWN		30,329	30,329	30,461	30,336		(8)		(8)		30,329			0	565	07/01/2018	1
31404N WB 8	FN 773842		06/01/2008	MBS PAYDOWN		3,241	3,241	3,288	3,242				0		3,241			0	81	07/01/2033	1
31404R MD 6	FN 776256		06/01/2008	MBS PAYDOWN		3,000	3,000	3,006	3,000				0		3,000			0	69	10/01/2033	1
31404U CL 2	FN 778675		06/01/2008	MBS PAYDOWN		12,930	12,930	12,768	12,926		4		4		12,930			0	243	01/01/2019	1
31404Y KL 5	FN 782499		06/01/2008	MBS PAYDOWN		53,632	53,632	53,393	53,591		41		41		53,632			0	1,119	01/01/2034	1
31405C HF 9	FN 785130		06/01/2008	MBS PAYDOWN		235,889	235,889	239,354	236,020		(131)		(131)		235,889			0	4,914	01/01/2019	1
31405R 7F 7	FN 797494		06/01/2008	MBS PAYDOWN		267,296	267,296	244,618	266,800		496		496		267,296			0	4,732	08/01/2034	1
31406W US 1	FN 822393		06/01/2008	MBS PAYDOWN		129,796	129,796	131,114	129,843		(47)		(47)		129,796			0	3,162	11/01/2034	1
31406Y 4L 1	FN 824427		06/01/2008	MBS PAYDOWN		59,575	59,575	60,125	59,595		(20)		(20)		59,575			0	1,287	01/01/2035	1
31407C AE 7	FN 826305		06/01/2008	MBS PAYDOWN		329,411	329,411	307,825	328,730		681		681		329,411			0	6,665	02/01/2035	1
31407H 5Y 8	FN 831663		06/01/2008	MBS PAYDOWN		289,532	289,532	290,030	289,639		(107)		(107)		289,532			0	7,198	03/01/2036	1
31407H ZH 2	FN 831544		06/01/2008	MBS PAYDOWN		99,315	99,315	97,515	99,160		155		155		99,315			0	2,403	01/01/2036	1
31407Y RS 0	FN 844797		06/01/2008	MBS PAYDOWN		34,821	34,821	32,917	34,783		38		38		34,821			0	612	05/01/2035	1
31409J PA 2	FN 872617		06/01/2008	MBS PAYDOWN		35,254	35,254	35,447	35,269		(15)		(15)		35,254			0	912	02/01/2036	1
31409W NY 3	FN 880707		06/01/2008	MBS PAYDOWN		63,018	63,018	62,722	63,001		16		16		63,018			0	1,664	02/01/2036	1
31410G AE 3	FN 888405		06/01/2008	MBS PAYDOWN		212,988	212,988	202,904	212,623		365		365		212,988			0	4,401	11/01/2035	1
31412L CL 2	FN 928075		06/01/2008	MBS PAYDOWN		79,276	79,276	79,846	79,356		(80)		(80)		79,276			0	1,848	09/01/2036	1
31412X 2W 3	FN 938289		06/01/2008	MBS PAYDOWN		98,819	98,819	97,217	98,704		115		115		98,819			0	2,246	05/01/2037	1
31413B 4N 8	FN 941029		06/01/2008	MBS PAYDOWN		91,787	91,787	92,375	91,876		(89)		(89)		91,787			0	2,388	05/01/2037	1
31413F 4V 1	FN 944636		06/01/2008	MBS PAYDOWN		35,487	35,487	34,162	35,375		111		111		35,487			0	764	05/01/2037	1
31413F GL 0	FN 944003		06/01/2008	MBS PAYDOWN		109,707	109,707	108,944	109,668		39		39		109,707			0	2,591	05/01/2037	1
31413K C5 8	FN 947492		06/01/2008	MBS PAYDOWN		259,953	259,953	262,553	260,573		(620)		(620)		259,953			0	4,756	09/01/2012	1
31414H VF 1	FN 966914		06/01/2008	MBS PAYDOWN		19,528	19,528	19,949			(35)		(35)		19,528			0	428	12/01/2014	1
36228F C3 8	GSAA 2004-NC1 AF6		06/01/2008	VARIOUS		7,996	7,996	7,996	7,996				0		7,996			0	154	01/01/2024	1FE
36295H Y9 5	GN 671336		06/01/2008	MBS PAYDOWN		11,231	11,231	11,343	11,242		(11)		(11)		11,231			0	323	05/01/2037	1
38374H 7K 0	GNR 2004-69 AN		06/01/2008	MBS PAYDOWN		204,864	204,864	199,743	204,262		603		603		204,864			0	3,628	05/01/2011	1
542402 GH 9	LONG BEACH CALIF BD FIN AUTH L		05/01/2008	MATURITY		150,000	150,000	150,000	150,000				0		150,000			0	2,910	05/01/2008	1FE
542690 VX 7	LONG ISLAND PWR AUTH N Y ELEC		05/05/2008	CALL BY ISSUER at 100.00		2,575,000	2,575,000	2,575,000					0		2,575,000			0	32,832	12/01/2029	1FE
57419N 5C 4	MARYLAND ST CMNTY DEV ADMIN		06/02/2008	CALL BY ISSUER at 100.00		150,000	150,000	159,722	157,706		(7,706)		(7,706)		150,000			0	4,250	03/01/2032	1FE

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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	
649845 FY 5	NEW YORK ST ENERGY RESH & DEV...		05/08/2008	DIRECT		2,468,950	2,500,000	2,461,885	2,462,220		539		539		2,462,760		6,190	6,190	33,542	12/01/2028	1FE	
708793 JC 9	PENNSYLVANIA HSG FIN AGY		04/01/2008	VARIOUS		55,000	55,000	55,000	55,000				0		55,000		45,416	45,416		10/01/2036	1FE	
733581 5E 8	PORT AUTH N Y & N J		05/05/2008	DIRECT		4,252,114	4,220,000	4,283,469	4,271,952		(19,853)		(19,853)		4,252,099		15	15	82,642	12/15/2008	1FE	
791638 RA 9	ST LOUIS MO ARPT REV		06/11/2008	SALOMON SMITH BARNEY HI		4,073,009	3,845,000	4,138,643			(2,519)		(2,519)		4,136,123		(63,115)	(63,115)	88,115	07/01/2026	1FE	
791649 HH 2	ST LOUIS MO INDL DEV AUTH REV		06/20/2008	SINKING FUND REDEMPTION		15,000	15,000	15,000	15,000				0		15,000			0	398	12/20/2012	1FE	
83754L AA 5	EEFC 2002-A A		06/03/2008	VARIOUS		39,531	39,531	40,074	39,820		(289)		(289)		39,531			0	1,328	06/01/2025	2FE	
843146 T4 3	SOUTHERN ILL UNIV REVS		04/01/2008	MATURITY		1,165,000	1,165,000	1,191,399	1,168,712		(3,712)		(3,712)		1,165,000			0	29,125	04/01/2008	1FE	
849089 DK 0	SPOKANE WASH REGL SOLID WASTE		05/02/2008	DIRECT		3,052,530	3,000,000	3,100,073	3,082,764		(30,230)		(30,230)		3,052,534			(4)	(4)	164,667	01/01/2009	1FE
91755N UW 3	UTAH ST HSG FIN AGY		04/14/2008	LEHMAN BROTHERS		160,000	160,000	160,000	160,000				0		160,000			0	5,994	07/01/2031	1FE	
3199999	Total - Bonds - Special Revenue & Assessment					34,055,625	33,681,149	34,054,742	27,192,374	0	(47,938)	0	(47,938)	0	34,112,538	0	(56,914)	(56,914)	825,485	XXX	XXX	XXX
Bonds - Public Utilities																						
852060 AC 6	SPRINT CAPITAL CORP		06/19/2008	CALLED BY ISSUER at 101.59		1,015,900	1,000,000	1,052,190	1,011,021		4,879		4,879		1,015,900			0	35,899	11/15/2008	3FE	
3899999	Total - Bonds - Public Utilities					1,015,900	1,000,000	1,052,190	1,011,021	0	4,879	0	4,879	0	1,015,900	0	0	0	35,899	XXX	XXX	XXX
Bonds - Industrial and Miscellaneous																						
05947U LH 9	BACM 2003-1 A1		06/01/2008	MBS PAYDOWN		23,565	23,565	23,266	23,536		29		29		23,565			0	381	01/01/2012	1FE	
05947U VA 3	BACM 2004-3 A3		06/01/2008	MBS PAYDOWN		49,987	49,987	49,124	49,821		165		165		49,987			0	1,016	05/01/2009	1FE	
05949A PF 1	BOAMS 2004-7 5A10		06/01/2008	MBS PAYDOWN		41,087	41,087	40,644	41,075		11		11		41,087			0	929	07/01/2023	1FE	
05949A PN 4	BOAMS 2004-7 6A1		06/01/2008	MBS PAYDOWN		78,913	78,913	78,334	78,892		21		21		78,913			0	1,380	07/01/2019	1FE	
07384M W7 3	BSARM 2004-6 2A2		06/01/2008	MBS PAYDOWN		79,308	79,308	78,886	79,287		20		20		79,308			0	1,803	08/01/2034	1FE	
07384Y CU 8	BSABS 2002-1 1A5		06/01/2008	MBS PAYDOWN		7,225	7,225	7,568	7,228		(3)		(3)		7,225			0	187	02/01/2016	1FE	
12189P AF 9	BURLINGTON NO SF 99-2 TR		10/02/2008	SINKING FUND REDEMPTION		(76)	(76)	(76)	(76)				0		(76)			0		10/02/2021	1FE	
126380 AB 0	CSMC 2006-9 2A1		06/01/2008	MBS PAYDOWN		78,276	78,276	76,270	78,246		30		30		78,276			0	1,719	04/01/2036	1FE	
126671 PV 2	CWL 2002-S1 A5		06/01/2008	MBS PAYDOWN		28,661	28,661	29,152	28,660				0		28,660			0	760	04/01/2031	1FE	
12669F J8 7	CWHL 2004-13 2A1		06/01/2008	MBS PAYDOWN		160,264	160,264	160,188	160,269		(5)		(5)		160,264			0	3,365	09/01/2016	1FE	
161551 FS 0	CFAB 2002-2 1A5		06/01/2008	MBS PAYDOWN		150,362	150,362	150,823	150,838		(476)		(476)		150,362			0	3,571	04/01/2010	1FE	
16161A BS 6	JP MORGAN CHASE & CO		04/01/2008	MATURITY		500,000	500,000	543,985	502,624		(2,624)		(2,624)		500,000			0	15,938	04/01/2008	1FE	
16162W NE 5	CHASE 2005-S3 A4		06/01/2008	MBS PAYDOWN		126,742	126,742	126,425	126,742		(1)		(1)		126,742			0	2,945	04/01/2016	1FE	
172973 P3 7	CMSI 2005-1 2A1		06/01/2008	MBS PAYDOWN		56,373	56,373	55,129	56,337		36		36		56,373			0	1,118	02/01/2020	1FE	
172973 YT 0	CMSI 2004-5 1A3		06/01/2008	MBS PAYDOWN		62,810	62,810	62,225	62,792		17		17		62,810			0	1,363	01/01/2026	1FE	
17305E BS 3	CCCIT 2003-A6 A6		05/15/2008	MBS PAYDOWN		1,800,000	1,800,000	1,758,938	1,787,460		12,540		12,540		1,800,000			0	26,100	05/15/2008	1FE	
17309N AA 9	CRMSI 2006-1 A1		06/01/2008	MBS PAYDOWN		174,753	174,753	174,752	174,803		(49)		(49)		174,753			0	4,295	07/01/2008	1FE	
17310E AA 6	CRMSI 2006-2 A1A		06/01/2008	MBS PAYDOWN		729,514	729,514	729,507	729,730		(216)		(216)		729,514			0	17,280	08/01/2008	1FE	
20047P AB 3	COMM 2005-LP5 A2		06/01/2008	MBS PAYDOWN		28,744	28,744	28,202	28,695		49		49		28,744			0	555	05/01/2010	1FE	
201730 AC 2	CMAT 1999-C1 A3		06/11/2008	MBS PAYDOWN		119,169	119,169	137,221	120,458		(1,290)		(1,290)		119,169			0	3,506	02/11/2010	1FE	
22541N UH 0	CSFB 2002-CP5 A1		06/01/2008	MBS PAYDOWN		28,113	28,113	27,134	28,035		78		78		28,113			0	481	05/01/2012	1FE	
22541S HS 0	CSFB 2004-C2 A1		06/01/2008	MBS PAYDOWN		44,864	44,864	43,069	44,752		112		112		44,864			0	668	12/01/2013	1FE	
225458 CV 8	HEMT 2005-1 M4		06/01/2008	MBS PAYDOWN		276,343	276,343	276,336	276,343				0		276,343			0	6,013	10/01/2013	1FE	
257661 AF 5	CREDIT SUISSE FB USA INC		06/01/2008	MATURITY		1,000,000	1,000,000	1,022,780	1,001,693		(1,693)		(1,693)		1,000,000			0	32,500	06/01/2008	1FE	
31396C 3C 2	FHRR R003 AG		06/01/2008	MBS PAYDOWN		88,054	88,054	86,747	87,946		109		109		88,054			0	1,844	10/01/2011	1	
31846L BT 2	FAMLT 1998-1F NOTE		06/01/2008	MBS PAYDOWN		169	169	171	169				0		169			0	4	07/01/2014	1FE	
337367 AB 2	FULBA 1998-C2 A2		06/24/2008	VARIOUS		831,084	831,084	908,644	839,829		(8,745)		(8,745)		831,084			0	20,381	05/01/2008	1FE	
337378 AB 9	FUNBC 1999-C4 A2		06/01/2008	MBS PAYDOWN		4,983	4,983	5,946	5,027		(44)		(44)		4,983			0	170	11/01/2009	1FE	
36158Y FS 3	GECMC 2002-2A A2		06/01/2008	MBS PAYDOWN		60,854	60,854	59,975	60,762		92		92		60,854			0	1,261	01/01/2012	1FE	
361849 DY 5	GMACC 1998-C2 A2		06/01/2008	VARIOUS		2,491,121	2,491,121	2,784,898	2,514,033		(22,912)		(22,912)		2,491,121			0	72,563	07/01/2008	1FE	
369550 AJ 7	GENERAL DYNAMICS CORP		05/15/2008	MATURITY		3,000,000	3,000,000	2,994,826	2,999,587		413		413		3,000,000			0	45,000	05/15/2008	1FE	
36962G B7 8	GENERAL ELEC CAP CORP		05/01/2008	MATURITY		500,000	500,000	491,405	499,336		664		664		500,000			0	8,750	05/01/2008	1FE	
40430G AJ 9	HFHC 2005-3 M1		06/20/2008	MBS PAYDOWN		46,831	46,831	46,831	46,831				0		46,831			0	772	10/20/2010	1FE	
431573 AD 6	HILL-ROM HOLDINGS INC		04/01/2008	CALLED BY ISSUER at 102.42		1,280,325	1,250,000	1,210,678	1,229,247		51,078		51,078		1,280,325			0	16,563	06/15/2009	2FE	
45254T MV 3	IMSA 2003-2 A4		06/01/2008	MBS PAYDOWN		37,276	37,276	34,978	37,213		63		63		37,276			0	584	07/01/2032	1FE	

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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	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	11 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 Design- ation or Market Indicator		
										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.									
46625M PL 7	JPMCC 2002-C2 A1		06/01/2008	MBS PAYDOWN		16,702	16,702	16,186	16,656		46		46		16,702			0	301	11/01/2011	1FE		
46625M WW 5	JPMCC 2003-CB6 A1		06/01/2008	MBS PAYDOWN		60,979	60,979	61,241	60,998		(19)		(19)		60,979			0	1,117	12/01/2012	1FE		
487836 AY 4	KELLOGG CO		06/01/2008	MATURITY		2,275,000	2,275,000	2,274,498	2,274,956		44		44		2,275,000			0	32,703	06/01/2008	2FE		
50075N AU 8	KRAFT FOODS INC		04/30/2008	BANK AMERICA		1,019,750	1,000,000	995,150	995,150		233		233		995,383		24,367	24,367	24,330	02/01/2018	2FE		
501773 CS 2	LBCMT 1999-C1 A2		06/01/2008	MBS PAYDOWN		213,967	213,967	243,128	215,110		(1,144)		(1,144)		213,967			0	5,342	04/01/2009	1FE		
52108H 6S 8	LBUBS 2005-C5 A1		06/11/2008	MBS PAYDOWN		352,964	352,964	354,720	353,184		(220)		(220)		352,964			0	7,047	03/11/2010	1FE		
52108H FK 5	LBUBS 2001-C3 A1		06/11/2008	MBS PAYDOWN		355,981	355,981	366,410	356,702		(721)		(721)		355,981			0	8,837	12/11/2010	1FE		
52108H RA 4	LBUBS 2003-C3 A2		06/11/2008	MBS PAYDOWN		1,691,900	1,691,900	1,644,315	1,677,285		14,615		14,615		1,691,900			0	20,789	02/11/2009	1FE		
57164U AC 9	MVCOT 2006-2A C		06/01/2008	MBS PAYDOWN		62,651	62,651	62,650	62,652		(1)		(1)		62,651			0	1,470	03/01/2026	1FE		
60935B DZ 9	TMSHE 1998-B AF9		06/01/2008	MBS PAYDOWN		2,035	2,035	2,116	2,035				0		2,035			0	55	08/01/2008	1FE		
64352V GW 5	NCHET 2004-A AII9		06/01/2008	MBS PAYDOWN		13,804	13,804	13,351	13,788		16		16		13,804			0	315	11/01/2026	2FE		
655356 JW 1	NASC 1998-D6 A1B		06/11/2008	MBS PAYDOWN		280,992	280,992	313,844	283,611		(2,619)		(2,619)		280,992			0	7,066	04/11/2009	1FE		
68338S EW 4	ONYX 2005-B A3		06/15/2008	MBS PAYDOWN		194,080	194,080	192,442	193,419		661		661		194,080			0	3,355	09/15/2008	2FE		
74005P AM 6	PRAXAIR INC		06/15/2008	MATURITY		1,000,000	1,000,000	995,710	999,586		414		414		1,000,000			0	13,750	06/15/2008	1FE		
74433K CR 6	PRUDENTIAL FUNDING LLC		05/15/2008	MATURITY		500,000	500,000	499,420	499,961		39		39		500,000			0	16,500	05/15/2008	1FE		
76110H DB 2	RALI 2003-QS10 A13		06/01/2008	MBS PAYDOWN		47,031	47,031	46,017	46,991		41		41		47,031			0	835	02/01/2020	1FE		
76110W ZP 4	RASC 2004-KS6 A16		06/01/2008	MBS PAYDOWN		55,767	55,767	54,101	55,685		82		82		55,767			0	1,292	01/01/2013	1FE		
76111X ZR 7	RFMSI 2005-S7 A1		06/01/2008	MBS PAYDOWN		231,738	231,738	229,240	231,673		65		65		231,738			0	5,013	02/01/2028	1FE		
76113B AM 1	RESIDENTIAL CAPITAL LLC		05/07/2008	MERRILL LYNCH		507,500	1,000,000	928,840	622,500	313,443	6,414		319,857		942,356		(434,856)	(434,856)	54,264	02/22/2011	4FE		
79549A JJ 9	SBM7 2001-C2 A3		06/01/2008	MBS PAYDOWN		50,817	50,817	52,516	50,970		(154)		(154)		50,817			0	1,651	09/01/2011	1FE		
826502 AA 4	SRFC 2007-1A A1		06/20/2008	MBS PAYDOWN		326,147	326,147	326,120	325,328		819		819		326,147			0	7,083	09/20/2011	2FE		
86359D MU 8	LXS 2005-2 2A1A		06/25/2008	MBS PAYDOWN		225,328	225,328	225,408	225,372		(43)		(43)		225,328			0	3,274	11/25/2010	1FE		
929766 AB 9	WBCMT 2002-C1 A2		06/01/2008	MBS PAYDOWN		470,294	470,294	481,022	473,540		(3,246)		(3,246)		470,294			0	21,965	07/01/2008	1FE		
929766 CR 2	WBCMT 2002-C2 A3		06/01/2008	MBS PAYDOWN		40,116	40,116	40,565	40,159		(43)		(43)		40,116			0	743	02/01/2012	1FE		
94355# AA 8	WAVELAND NCP ALABAMA VENTURES		05/23/2008	SINKING FUND REDEMPTION		73,493	73,493	73,493	73,493						73,493			0	435	03/01/2019	1FE		
94356# AA 7	WAVELAND NCP ALABAMA CAPCO NOT		05/15/2008	SINKING FUND REDEMPTION		60,434	60,434	60,434	60,434						60,434			0	2,589	03/01/2014	3FE		
949762 AA 6	WFMB 2003-10 A1		06/01/2008	MBS PAYDOWN		44,013	44,013	43,023	43,974		40		40		44,013			0	855	08/01/2018	1FE		
94979F AC 0	WFMB 2003-12 A3		06/01/2008	MBS PAYDOWN		123,338	123,338	121,445	123,241		97		97		123,338			0	2,535	10/01/2018	1FE		
94981A AA 1	WFMB 2003-14 1A1		06/01/2008	MBS PAYDOWN		77,977	77,977	76,049	77,886		91		91		77,977			0	1,581	11/01/2018	1FE		
94982E AA 2	WFMB 2005-1 1A1		06/01/2008	MBS PAYDOWN		56,207	56,207	56,211	56,210		(3)		(3)		56,207			0	1,100	02/01/2020	1FE		
LN2090 08 9	DIRECTV HOLDINGS LLC		06/30/2008	CALLED BY ISSUER at 100.000		5,102	5,102	4,917	4,926		176		176		5,102			0	124	04/13/2013	2FE		
LN2294 81 4	CINCINNATI BELL INC		06/30/2008	CALLED BY ISSUER at 100.000		9,434	9,434	9,160	9,151		273		273		9,434			0	207	08/31/2012	3FE		
LN2430 43 4	INTELSAT CORP		04/03/2008	CALLED BY ISSUER at 100.000		5,063	5,063	4,452	4,452		611		611		5,063			0	7	01/03/2014	4FE		
LN3136 89 9	BALDOR ELECTRIC		06/27/2008	CALLED BY ISSUER at 100.000		42,061	42,061	41,474	41,474		587		587		42,061			0	545	01/31/2014	3FE		
LN3215 42 0	DAVITA INC		06/30/2008	VARIOUS		7,500	7,500	7,500	7,500						7,500			0		10/05/2012	3FE		
LN3249 94 0	EDUCATION MANAGEMENT LLC		06/30/2008	CALLED BY ISSUER at 100.000		2,588	2,588	2,495	2,495		93		93		2,588			0	54	02/13/2014	4FE		
LN3291 93 4	HCA INC		06/30/2008	CALLED BY ISSUER at 100.000		5,038	5,038	4,950	4,874	78	86		164		5,038			0	153	11/18/2013	3FE		
LN3356 43 0	DISCOVERY COMMUNICATIONS HOLDIN		06/30/2008	CALLED BY ISSUER at 100.000		2,500	2,500	2,500	2,431	69			69		2,500			0	73	05/14/2014	3Z		
LN3366 53 8	BIG WEST OIL LLC		06/30/2008	CALLED BY ISSUER at 100.000		2,500	2,500	2,500	2,441	59			59		2,500			0	81	05/15/2014	3FE		
LN3563 49 8	LKQ CORPORATION		06/30/2008	CALLED BY ISSUER at 100.000		7,691	7,691	7,633	7,614	21	56		77		7,691			0	227	10/12/2013	3FE		
LN3766 78 6	BOISE PAPER HOLDINGS		04/21/2008	GOLDMAN SACHS		2,008,347	2,000,000	1,927,039			1,436		1,436		1,928,475		79,872	79,872	6,319	01/12/2015	3FE		
LN3181 12 7	GREAT CANADIAN GAMING CORP		05/13/2008	CALLED BY ISSUER at 100.000		2,506	2,506	2,429	2,432		74		74		2,506			0	70	02/14/2014	2FE		
4599999	Total - Bonds - Industrial & Miscellaneous					26,517,029	26,951,107	27,177,695	24,472,619	313,680	46,365		360,045		26,847,645			0	551,817	XXX	XXX		
6099997	Total - Bonds - Part 4					131,729,157	130,442,196	132,677,872	88,262,110	313,680	(50,213)		263,467		132,150,194			0	(421,041)	(421,041)	3,012,105	XXX	XXX
6099999	Total - Bonds					131,729,157	130,442,196	132,677,872	88,262,110	313,680	(50,213)		263,467		132,150,194			0	(421,041)	(421,041)	3,012,105	XXX	XXX
7499999	Total - Bonds, Preferred and Common Stocks					131,729,157	XXX	132,677,872	88,262,110	313,680	(50,213)		263,467		132,150,194			0	(421,041)	(421,041)	3,012,105	XXX	XXX

QE05.5

(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.....	.....	.....	.....	.....491,731	.....423,425	.....3,565,623	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....	.....	.....	.....	.....72,823	.....72,925	.....22,478	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....	.....	.....	.....	.....39,980	.....40,028	.....286,579	XXX
US BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(2,966,841)	.....(3,646,679)	.....(4,682,230)	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(2,362,308)	.....(3,110,302)	.....(807,549)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(2,362,308)	.....(3,110,302)	.....(807,549)	XXX
0499999. Cash in Company's Office.....	XXX.....	XXX.....	XXX.....	XXX.....	.....4,108	.....4,108	.....4,108	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(2,358,200)	.....(3,106,194)	.....(803,441)	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	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
AT&T 07/09/2008.....		06/11/2008	2.214	07/09/2008	5,497,299		6,753
ALCON CAP CORP 07/01/2008.....		06/30/2008	2.350	07/01/2008	7,500,000		490
BASIN ELEC POWER 07/10/2008.....		06/24/2008	2.403	07/10/2008	2,386,567		1,114
BROWN-FORMAN COR 07/30/2008.....		06/30/2008	2.304	07/30/2008	5,489,810		351
JOHN DEERE BK SA 07/01/2008.....		06/04/2008	2.204	07/01/2008	3,988,000		6,580
FREDDIE MAC DISCOUNT NT 08/04/2008.....		05/06/2008	2.025	08/04/2008	99,810		313
ING AMERICAS INS 07/07/2008.....		06/17/2008	2.403	07/07/2008	4,425,229		4,132
MADISON GAS & EL 07/31/2008.....		06/30/2008	2.355	07/31/2008	3,393,342		222
NETSUI & CO USA 07/09/2008.....		06/13/2008	2.304	07/09/2008	3,698,109		4,255
NESTLE FIN INTL 07/10/2008.....		06/13/2008	2.234	07/10/2008	7,495,819		8,363
OHIO ST HIGHER EDL 08/01/2008.....		06/20/2008	2.150	08/01/2008	4,995,092	21,500	5,755
SIGMA ALDRICH 07/18/2008.....		06/30/2008	2.283	07/18/2008	4,817,807		305
3999999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					53,786,883	21,500	38,633
4599999. Total - Industrial and Miscellaneous (Unaffiliated).....					53,786,883	21,500	38,633
Total Bonds							
5499999. Subtotals - Issuer Obligations.....					53,786,883	21,500	38,633
6099999. Subtotals - Bonds.....					53,786,883	21,500	38,633
8799999. Total - Cash Equivalents.....					53,786,883	21,500	38,633

QE09