

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
March 31, 2007

2007



QUARTERLY STATEMENT

As of March 31, 2007
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>
Policyowner Relations Contact	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

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

State of..... ALABAMA
County of..... JEFFERSON

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

_____ (Signature) HOWARD HARLEY FRIEDMAN 1. (Printed Name) PRESIDENT (Title)	_____ (Signature) KATHRYN ANNE NEVILLE 2. (Printed Name) SECRETARY (Title)	_____ (Signature) JAMES JOSEPH MORELLO 3. (Printed Name) TREASURER (Title)
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Subscribed and sworn to before me
This _____ day of _____

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	1,471,793,770		1,471,793,770	1,475,150,941
2. Stocks:				
2.1 Preferred stocks.....	4,239,243		4,239,243	4,262,824
2.2 Common stocks.....	3,820,121		3,820,121	3,908,811
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).....	11,554,042		11,554,042	11,676,864
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 (\$.....(7,201,330)), cash equivalents (\$.....63,311,981) and short-term investments (\$.....17,252,698).....	76,474,724	3,111,375	73,363,349	54,516,902
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	34,763,188		34,763,188	18,047,447
8. Receivables for securities.....			0	30,950
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,602,645,088	3,111,375	1,599,533,713	1,567,594,739
11. Title Plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	15,790,310		15,790,310	14,843,660
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	7,494,710	403,058	7,091,652	45,821,886
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	52,293,020		52,293,020	17,366,547
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	17,673,256		17,673,256	3,100,572
14.2 Funds held by or deposited with reinsured companies.....	69,381		69,381	70,448
14.3 Other amounts receivable under reinsurance contracts.....	209,907		209,907	179,404
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.....	55,725,539	34,714,884	21,010,655	21,460,833
17. Guaranty funds receivable or on deposit.....	340,312		340,312	360,869
18. Electronic data processing equipment and software.....	581,176	348,147	233,029	257,265
19. Furniture and equipment, including health care delivery assets (\$.....0).....	375,178	375,178	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	3,328,665		3,328,665	1,148,716
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	49,343,613	901,209	48,442,404	48,329,781
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,805,870,155	39,853,851	1,766,016,304	1,720,534,720
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,805,870,155	39,853,851	1,766,016,304	1,720,534,720

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.....	901,209	901,209	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	47,484,884		47,484,884	47,019,514
2303. State Premium Tax Recoverable.....	957,520		957,520	1,310,267
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).....	49,343,613	901,209	48,442,404	48,329,781

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....13,511,282).....	430,721,056	430,641,021
2. Reinsurance payable on paid losses and loss adjustment expenses.....	913,316	1,906,734
3. Loss adjustment expenses.....	649,249,631	630,729,678
4. Commissions payable, contingent commissions and other similar charges.....	4,088,980	4,639,685
5. Other expenses (excluding taxes, licenses and fees).....	4,237,752	7,532,961
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,053,720	1,114,745
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	5,754,273	11,838,629
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0).....	136,714,328	128,225,641
10. Advance premium.....	1,775,545	4,026,606
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	74,606,163	66,490,099
13. Funds held by company under reinsurance treaties.....	263,000	263,000
14. Amounts withheld or retained by company for account of others.....	429,714	604,491
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	1,579,800	1,579,800
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	5,063,430	1,484,939
20. Payable for securities.....	1,000,000	321,202
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	1	(4)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,317,450,709	1,291,399,227
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,317,450,709	1,291,399,227
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).....	234,165,397	214,735,295
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).....	448,565,595	429,135,493
36. TOTALS.....	1,766,016,304	1,720,534,720

DETAILS OF WRITE-INS

2301. Other.....	1	(4)
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).....	1	(4)
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....86,452,654).....	76,412,401	82,437,035	330,460,490
1.2 Assumed..... (written \$.....(8,690)).....	(8,690)	(15,590)	(131,016)
1.3 Ceded..... (written \$.....10,421,031).....	8,631,471	6,313,232	24,999,767
1.4 Net..... (written \$.....76,022,933).....	67,772,240	76,108,213	305,329,707
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....13,558,681):			
2.1 Direct.....	17,701,105	26,971,175	33,837,365
2.2 Assumed.....	(15,530)	(16,260)	(4,973,847)
2.3 Ceded.....	6,226,895	6,145,152	65,041
2.4 Net.....	11,458,680	20,809,763	28,798,477
3. Loss expenses incurred.....	36,765,445	35,895,559	148,080,213
4. Other underwriting expenses incurred.....	10,897,007	12,631,446	48,732,507
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	59,121,132	69,336,768	225,611,197
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	8,651,108	6,771,445	79,718,510
INVESTMENT INCOME			
9. Net investment income earned.....	16,940,551	14,745,474	62,853,779
10. Net realized capital gains (losses) less capital gains tax of \$.....6,623.....	(2,074,756)	124,673	(847,157)
11. Net investment gain (loss) (Lines 9 + 10).....	14,865,795	14,870,147	62,006,622
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	652,908	638,862	2,425,290
15. Total other income (Lines 12 through 14).....	652,908	638,862	2,425,290
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	24,169,811	22,280,454	144,150,422
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).....	24,169,811	22,280,454	144,150,422
19. Federal and foreign income taxes incurred.....	5,747,807	4,867,635	44,914,441
20. Net income (Line 18 minus Line 19) (to Line 22).....	18,422,004	17,412,819	99,235,981
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	429,135,491	328,663,835	328,663,835
22. Net income (from Line 20).....	18,422,004	17,412,819	99,235,981
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	1,213,021	(818,537)	(176,730)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(1,768,159)	(827,934)	(438,622)
27. Change in nonadmitted assets.....	1,563,238	332,529	228,025
28. Change in provision for reinsurance.....			1,623,000
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	2
38. Change in surplus as regards policyholders (Lines 22 through 37).....	19,430,104	16,098,877	100,471,656
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	448,565,595	344,762,712	429,135,491
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.....	652,908	638,859	2,425,290
1402. Other.....		3	
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).....	652,908	638,862	2,425,290
3701. Rounding.....			2
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	2

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	86,402,950	294,121,436
2. Net investment income.....	18,000,592	71,273,807
3. Miscellaneous income.....	652,908	2,425,290
4. Total (Lines 1 through 3).....	105,056,450	367,820,533
5. Benefit and loss related payments.....	45,219,675	108,553,693
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	14,783,391	50,579,884
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	11,838,786	35,565,204
10. Total (Lines 5 through 9).....	71,841,852	194,698,781
11. Net cash from operations (Line 4 minus Line 10).....	33,214,598	173,121,752
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	101,554,815	516,688,072
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	53,200	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		(2,347)
12.7 Miscellaneous proceeds.....	709,748	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	102,317,763	516,685,725
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	99,394,939	672,464,065
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....	70,346	204,900
13.5 Other invested assets.....	18,127,683	364,300
13.6 Miscellaneous applications.....		1,419,818
13.7 Total investments acquired (Lines 13.1 to 13.6).....	117,592,968	674,453,083
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(15,275,205)	(157,767,358)
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).....	1,067,073	(1,962,014)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	1,067,073	(1,962,014)
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).....	19,006,466	13,392,380
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	57,468,257	44,075,877
19.2 End of period (Line 18 plus Line 19.1).....	76,474,723	57,468,257

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

20.0001		
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NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

C. None.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 31 - High Deductibles

No significant change.

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

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

2.2 If yes, date of change:

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

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

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

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

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006.....

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2002.....

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). 09/25/2003.....

6.4 By what department or departments?
ALABAMA DEPARTMENT OF INSURANCE

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

7.2 If yes, give full information:

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

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

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

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

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

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

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

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

FINANCIAL

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

INVESTMENT

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

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

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

13. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0
14. Amount of real estate and mortgages held in short-term investments: \$.....0

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

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
15.21 Bonds.....	\$.....0	\$.....0
15.22 Preferred Stock.....	\$.....0	\$.....0
15.23 Common Stock.....	\$.....3,908,589	\$.....3,820,053
15.24 Short-Term Investments.....	\$.....0	\$.....0
15.25 Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
15.26 All Other.....	\$.....0	\$.....0
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$.....3,908,589	\$.....3,820,053
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$.....0	\$.....0

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

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

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

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

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

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

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

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

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

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

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

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

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

- 18.2 If no, list exceptions:

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.....

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.....	11,676,864	12,509,817
2. Increase (decrease) by adjustment.....	(193,168)	(1,037,853)
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....	70,346	204,900
5. Total profit (loss) on sales.....		
6. Increase (decrease) by foreign exchange adjustment.....		
7. Amount received on sales.....		
8. Book/adjusted carrying value at end of current period.....	11,554,042	11,676,864
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	11,554,042	11,676,864
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	11,554,042	11,676,864

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year.....	0	
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount and mortgage interest points and commitment fees.....	NONE	
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	0	0

SCHEDULE BA - VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	18,047,447	18,154,809
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	18,116,045	
2.2 Additional investment made after acquisitions.....	11,638	364,300
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....	(1,358,742)	(471,662)
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....	53,200	
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book adjusted/carrying value of long-term invested assets at end of current period.....	34,763,188	18,047,447
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	34,763,188	18,047,447
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	34,763,188	18,047,447

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.....	1,483,322,576	1,337,169,491
2. Cost of bonds and stocks acquired.....	99,394,939	672,464,065
3. Accrual of discount.....	356,350	1,110,259
4. Increase (decrease) by adjustment.....	486,628	(1,024,708)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	16,950	16,755
7. Consideration for bonds and stocks disposed of.....	101,554,815	516,688,072
8. Amortization of premium.....	2,169,494	9,725,214
9. Book/adjusted carrying value, current period.....	1,479,853,134	1,483,322,576
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,479,853,134	1,483,322,576
12. Total nonadmitted amounts.....		
13. Statement value.....	1,479,853,134	1,483,322,576

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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1.....	1,468,644,900	682,832,520	651,007,413	(1,083,167)	1,499,386,840			1,468,644,900
2. Class 2.....	53,077,682	6,426,748	3,745,658	(675,788)	55,082,984			53,077,682
3. Class 3.....	4,794,508		5,813,160	1,018,653				4,794,508
4. Class 4.....	5,200,896	1,000,000	5,316,813	115,917	1,000,000			5,200,896
5. Class 5.....	1,363,282		1,363,282					1,363,282
6. Class 6.....	1,593,443		1,651,116	57,673				1,593,443
7. Total Bonds.....	1,534,674,711	690,259,268	668,897,442	(566,712)	1,555,469,824	0	0	1,534,674,711
PREFERRED STOCK								
8. Class 1.....	4,262,824			(23,581)	4,239,243			4,262,824
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	4,262,824	0	0	(23,581)	4,239,243	0	0	4,262,824
15. Total Bonds and Preferred Stock.....	1,538,937,535	690,259,268	668,897,442	(590,293)	1,559,709,067	0	0	1,538,937,535

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.....	20,364,073	XXX	20,363,944	158	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	30,482,976	16,490,386
2. Cost of short-term investments acquired.....	82,531,219	329,344,534
3. Increase (decrease) by adjustment.....	1,073	(2,949)
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....	2,154	(2,180)
6. Consideration received on disposal of short-term investments.....	92,653,349	315,346,815
7. Book/adjusted carrying value, current period.....	20,364,073	30,482,976
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	20,364,073	30,482,976
10. Total nonadmitted amounts.....	3,111,375	2,951,356
11. Statement value (Lines 9 minus 10).....	17,252,698	27,531,620
12. Income collected during period.....	414,929	1,463,281
13. Income earned during period.....	381,140	1,541,521

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

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

**Sch. F
NONE**

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	YES	30,151,890	32,980,085	2,421,998	957,267	141,290,268	156,324,424
2. Alaska.....AK	YES						
3. Arizona.....AZ	YES						
4. Arkansas.....AR	YES	285,091	403,494	167	(5,000)	11,426,497	10,438,623
5. California.....CA	YES						
6. Colorado.....CO	YES						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES						
9. District of Columbia.....DC	YES	17,500					
10. Florida.....FL	YES	(10,516)	8,954	4,745,110	195,632	12,648,456	17,389,812
11. Georgia.....GA	YES	454,355	497,619	177	256,490	10,138,273	10,060,878
12. Hawaii.....HI	YES		240	41,318	5,294	4,021,111	3,530,981
13. Idaho.....ID	YES						
14. Illinois.....IL	YES	(32,776)	1,849			59,624	468,632
15. Indiana.....IN	YES	8,911,348	10,080,945	291,809	618,830	68,206,414	65,430,688
16. Iowa.....IA	YES						
17. Kansas.....KS	YES	903,018	1,087,438	1,133		8,129,379	7,317,139
18. Kentucky.....KY	YES					620,000	620,000
19. Louisiana.....LA	YES						
20. Maine.....ME	NO						
21. Maryland.....MD	YES	8,059,424				1,646,630	1,068,000
22. Massachusetts.....MA	YES						
23. Michigan.....MI	YES						
24. Minnesota.....MN	YES		4,000	49,627		1,121,352	2,163,505
25. Mississippi.....MS	NO					2,942,295	2,984,045
26. Missouri.....MO	YES	4,553,139	6,199,895	699,440	1,681,010	57,025,692	58,597,221
27. Montana.....MT	YES						
28. Nebraska.....NE	YES						
29. Nevada.....NV	YES						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	NO						
32. New Mexico.....NM	YES						
33. New York.....NY	NO						
34. North Carolina.....NC	YES	24,509	98,719			303,279	158,558
35. North Dakota.....ND	YES						
36. Ohio.....OH	YES	28,854,163	34,622,401	19,015,914	3,255,439	170,940,036	182,338,040
37. Oklahoma.....OK	YES	118,426	23,862	100	800	2,212,182	1,047,123
38. Oregon.....OR	YES						
39. Pennsylvania.....PA	YES			34,106	73,578	662,152	601,995
40. Rhode Island.....RI	YES						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	YES			39,248	(12,589)	1,071,227	1,736,886
43. Tennessee.....TN	YES	1,552,354	1,739,440	187,412		11,789,525	11,874,722
44. Texas.....TX	YES	(111,391)	415,862	311	135	12,621,802	12,249,224
45. Utah.....UT	YES						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	2,722,120	2,390,085	112,000	38,393	7,277,873	3,575,943
48. Washington.....WA	YES						
49. West Virginia.....WV	YES						
50. Wisconsin.....WI	YES						
51. Wyoming.....WY	YES						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Northern Mariana Islands.....MP	NO						
57. Canada.....CN	NO						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a) 44	86,452,654	90,554,888	27,639,870	7,065,279	526,154,067	549,976,439

DETAILS OF WRITE-INS

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

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

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

PART 1 – ORGANIZATIONAL CHART

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....	440,318	115,584	26.3	33.8
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.....	2,546,154	1,215,448	47.7	32.5
11.2. Medical malpractice-claims made.....	72,058,982	15,929,626	22.1	32.5
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....	427,146	142,026	33.2	47.1
17.1. Other liability-occurrence.....	76,318	20,034	26.3	42.6
17.2. Other liability-claims made.....	845,982	285,132	33.7	42.6
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.....	17,500		0.0	
26. Burglary and theft.....			0.0	
27. Boiler and machinery.....			0.0	
28. Credit.....			0.0	
29. International.....			0.0	
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0.0	
34. Totals.....	76,412,400	17,707,850	23.2	32.7

DETAILS OF WRITE-INS

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

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....	389,526	389,526	356,181
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	2,546,154	2,546,154	4,141,605
11.2. Medical malpractice-claims made.....	82,405,292	82,405,292	84,912,714
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	513,476	513,476	468,502
17.1. Other liability-occurrence.....	71,963	71,963	74,276
17.2. Other liability-claims made.....	508,743	508,743	601,610
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.....	17,500	17,500	
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0
34. Totals.....	86,452,654	86,452,654	90,554,888

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2007 Loss and LAE Payments on Claims Reported as of Prior Year-End	2007 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2007 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2004 + Prior	362,328	231,093	593,421	17,593	1,096	18,689	337,573	146	232,514	570,233	(7,162)	2,663	(4,499)
2. 2005	112,700	118,080	230,780	5,560	555	6,115	112,964	100	110,101	223,165	5,824	(7,324)	(1,500)
3. Subtotals 2005 + Prior	475,028	349,173	824,201	23,153	1,651	24,804	450,537	246	342,615	793,398	(1,338)	(4,661)	(5,999)
4. 2006	66,040	171,135	237,175	2,673	666	3,339	85,247	751	147,838	233,836	21,880	(21,880)	0
5. Subtotals 2006 + Prior	541,068	520,308	1,061,376	25,826	2,317	28,143	535,784	997	490,453	1,027,234	20,542	(26,541)	(5,999)
6. 2007	XXX	XXX	XXX	XXX	1,481	1,481	XXX	8,075	44,668	52,743	XXX	XXX	XXX
7. Totals	541,068	520,308	1,061,376	25,826	3,798	29,624	535,784	9,072	535,121	1,079,977	20,542	(26,541)	(5,999)
8. Prior Year-End's Surplus As Regards Policyholders	429,135										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. ....3.8 %	2. ....(5.1)%	3. ....(0.6)%
													Col. 13, Line 7 Line 8
													4. ....(1.4)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

Bar Code:



**Overflow Page
NONE**

**Sch. A-Part 2
NONE**

**Sch. A-Part 3
NONE**

**Sch. B-Part 1
NONE**

**Sch. B-Part 2
NONE**

SCHEDULE BA - PART 1

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	10 Amount of Encumbrances	11 Book/Adjusted Carrying Value Less Encumbrances	12 Fair Value	13 Increase (Decrease) by Adjustment	14 Increase (Decrease) by Foreign Exchange Adjustment	15 Commitment for Additional Investment	16 Percentage of Ownership
		3 City	4 State												
Joint Venture or Partnership Interests That Have Underlying Characteristics of Fixed Income - Unaffiliated															
	Stonewell Fund.....	FARMINGTON...	CT..	GEN RE NEAM.....		01/01/2007		17,366,045		15,772,309	15,772,309	(1,593,736)			15.3
1399999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Fixed Income - Unaffiliated.....							17,366,045	0	15,772,309	15,772,309	(1,593,736)	0	0	XXX
Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated															
	Morgan Keegan PE FOF II.....	MEMPHIS.....	TN..	MORGAN KEEGAN.....		02/15/2007		750,000		750,000	750,000			4,250,000	5.7
1999999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated.....							750,000	0	750,000	750,000	0	0	4,250,000	XXX
3999999	Subtotal - Unaffiliated.....							18,116,045	0	16,522,309	16,522,309	(1,593,736)	0	4,250,000	XXX
4199999	Totals.....							18,116,045	0	16,522,309	16,522,309	(1,593,736)	0	4,250,000	XXX

E03

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full 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 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	8 Increase (Decrease) by Adjustment	9 Increase (Decrease) by Foreign Exchange Adjustment	10 Book/Adjusted Carrying Value Less Encumbrances on Disposal	11 Consideration Received	12 Foreign Exchange Gain (Loss) on Disposal	13 Realized Gain (Loss) on Disposal	14 Total Gain (Loss) on Disposal	15 Investment Income
		3 City	4 State											
Any Other Class of Admitted Asset - Unaffiliated														
	FHLB ATLANTA CAPITAL STOCK.....	ATLANTA.....	GA.			53,200			53,200	53,200			0	
3799999	Total - Any Other Class of Admitted Asset - Unaffiliated.....					53,200	0	0	53,200	53,200	0	0	0	0
3999999	Subtotal - Unaffiliated.....					53,200	0	0	53,200	53,200	0	0	0	0
4199999	Totals.....					53,200	0	0	53,200	53,200	0	0	0	0

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
31359M 4Q 3	FANNIE MAE 02/01/2010 5.375		01/22/2007	BARCLAYS CAPITAL		1,000,000	1,000,000		1
31359M 5E 9	FANNIE MAE 02/20/2009 5.300		03/21/2007	J.P. MORGAN		2,851,625	2,850,000	13,427	1
31359M 6R 9	FANNIE MAE 03/27/2009 5.500		03/28/2007	BARCLAYS AMERICAN		3,000,000	3,000,000		1
912810 FR 4	TSY INFL IX N/B 01/15/2025 2.375		02/05/2007	VARIOUS		1,057,763	1,069,880	281	1
912827 4Y 5	TSY INFL IX N/B 01/15/2009 3.875		03/30/2007	VARIOUS		383,659	370,200	1,937	1
912827 6R 8	TSY INFL IX N/B 01/15/2011 3.500		03/30/2007	CAPITALIZED INTEREST		11,205	11,205		1
912827 7J 5	TSY INFL IX N/B 01/15/2012 3.375		03/30/2007	VARIOUS		786,065	751,805	1,238	1
912828 AF 7	TSY INFL IX N/B 07/15/2012 3.000		03/30/2007	CAPITALIZED INTEREST		10,845	10,845		1
912828 BD 1	TSY INFL IX N/B 07/15/2013 1.875		03/30/2007	CAPITALIZED INTEREST		23,600	23,600		1
912828 BW 9	TSY INFL IX N/B 01/15/2014 2.000		03/30/2007	CAPITALIZED INTEREST		469	469		1
912828 CZ 1	TSY INFL IX N/B 04/15/2010 0.875		03/30/2007	CAPITALIZED INTEREST		6,197	6,197		1
912828 EA 4	TSY INFL IX N/B 07/15/2015 1.875		03/30/2007	VARIOUS		2,509,333	2,611,335	2,952	1
912828 ET 3	TSY INFL IX N/B 01/15/2016 2.000		03/30/2007	VARIOUS		749,423	772,496	7,141	1
912828 FB 1	TSY INFL IX N/B 04/15/2011 2.375		03/30/2007	CAPITALIZED INTEREST		6,555	6,555		1
912828 FL 9	TSY INFL IX N/B 07/15/2016 2.500		03/30/2007	VARIOUS		405,456	399,878	904	1
0399999	Total - Bonds - U.S. Government					12,802,195	12,884,465	27,880	XXX
Bonds - Political Subdivisions of States									
161398 GS 5	CHARTIERS VALLEY PA SC 10/15/2020 5.000		01/17/2007	RAYMOND JAMES		1,064,500	1,000,000	13,472	1FE
425308 KJ 1	HENDERSON TEX INDPD SC 08/15/2022 5.000		03/15/2007	DAIN RAUSCHER		1,077,670	1,000,000	9,028	1FE
442402 Q6 3	HOUSTON ISD-REF-A 02/15/2022 4.750		02/01/2007	ROYAL BANK OF CANADA		1,014,240	1,000,000	22,563	1FE
742327 BS 7	PRINCETON OHIO CITY SC 12/01/2019 4.500		01/03/2007	ROYAL BANK OF CANADA		1,559,490	1,500,000	1,875	1FE
2499999	Total - Bonds - Political Subdivision					4,715,900	4,500,000	46,938	XXX
Bonds - Special Revenue and Special Assessment									
010604 BG 0	ALABAMA ST PORT AUTH D 10/01/2021 3.650		02/06/2007	GOLDMAN SACHS		3,249,935	3,250,000	2,275	1FE
04051B AD 7	ARIZONA HIGHER ED LN A 05/01/2040 3.770		02/15/2007	DAIN RAUSCHER		2,000,000	2,000,000	22,430	1FE
106238 HR 2	BRAZOS TEX HIGHER ED A 01/15/2003 5.290		02/14/2007	BANK OF NEW YORK		4,000,000	4,000,000	2,933	1FE
186352 GC 8	CLEVELAND OHIO ARPT SY 01/01/2027 3.760		01/29/2007	DIRECT		5,300,000	5,300,000	13,731	1FE
3128KK GC 7	FG A56495 12/01/2036 5.500		02/15/2007	GREENWICH CAPITAL		990,704	1,000,632	3,210	1
3128M4 FM 0	FG G02572 11/01/2036 6.000		02/16/2007	HSBC SECURITIES LIMITED		1,002,617	994,614	3,481	1
31397F U5 9	FHR 3285 PE 07/01/2020 5.500		03/20/2007	GREENWICH CAPITAL		4,964,844	5,000,000	22,153	1
31412L CL 2	FN 928075 12/01/2036 6.000		02/21/2007	MERRILL LYNCH		1,410,063	1,400,000	5,833	1
45528S AP 1	INDIANAPOLIS IND LOC P 01/01/2017 5.625		01/17/2007	DAIN RAUSCHER		2,164,800	2,000,000	6,563	1FE
49130N BN 8	KENTUCKY HIGHER ED STU 06/01/2036 5.400		02/09/2007	BANK OF NEW YORK		4,000,000	4,000,000	4,066	1FE
602248 DZ 6	MILWAUKEE CNTY WIS ARP 12/01/2021 5.000		03/07/2007	DAIN RAUSCHER		1,605,990	1,500,000	24,167	1FE
649845 GC 2	NEW YORK ST ENERGY RES 05/15/2032 3.550		01/24/2007	MORGAN STANLEY DEAN WITTER		3,000,000	3,000,000		1FE
708840 HB 2	PENNSYLVANIA INTERGOV 06/15/2020 3.500		01/05/2007	MORGAN STANLEY DEAN WITTER		3,000,000	3,000,000	300	1FE
735389 KK 3	PORT SEATTLE WASH REV 10/01/2021 5.000		03/19/2007	DAIN RAUSCHER		1,866,025	1,750,000	486	1FE
80585T AL 5	SCAGO EDL FACS CORP 12/01/2019 5.000		01/05/2007	DAIN RAUSCHER		1,620,840	1,500,000	2,708	1FE
3199999	Total - Bonds - Special Revenue & Special Assessments					40,175,818	39,695,246	114,336	XXX
Bonds - Public Utilities									
92857W AR 1	VODAFONE GROUP PLC 02/27/2012 5.350	F	02/20/2007	MORGAN STANLEY DEAN WITTER		999,480	1,000,000		1FE
3899999	Total - Bonds - Public Utilities					999,480	1,000,000	0	XXX
Bonds - Industrial and Miscellaneous									
013817 AM 3	ALCOA INC 02/23/2019 5.720		02/26/2007	EXCHANGE		510,000	500,000		1FE
02003M AJ 3	ALLSTATE LIFE TR MTN 03/01/2010 3.150		02/21/2007	SOUTHWEST SECURITIES INC		187,250	200,000	414	1FE
02666Q ZB 2	AMER HONDA FIN FLTR 09/02/2010 5.410		02/02/2007	CREDIT SUISSE FIRST BOSTON		1,250,000	1,250,000		1FE
LN3240 30 3	AMERICAN CELLULAR CORP 03/15/2014 7.320		03/15/2007	LEHMAN BROTHERS		1,000,000	1,000,000		4FE
031162 AJ 9	AMGEN INC 11/18/2014 4.850		03/22/2007	DIRECT		2,430,500	2,500,000	43,448	1FE
02582J EG 1	AMXCA 2006-2 A 06/15/2011 5.350		03/02/2007	J.P. MORGAN		2,747,777	2,700,000	8,828	1FE
060505 BS 2	BANK OF AMERICA CORP 08/01/2015 4.750		03/21/2007	BANK AMERICA		4,819,050	5,000,000	36,285	1FE
120568 AC 4	BUNGE LTD FINANCE CORP 10/15/2012 7.800		03/19/2007	GOLDMAN SACHS		1,106,640	1,000,000	34,017	2FE
17285R AA 8	CITADEL FINANCE 144A 12/15/2011 6.250		01/19/2007	GOLDMAN SACHS		489,990	500,000	3,472	2FE

FO4

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company 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)
20825R AA 9	CONOCOPHIL AU 04/09/2009 5.450		02/01/2007	J.P. MORGAN		3,251,300	3,250,000	13,802	1FE
26439R AF 3	DUKE CAPITAL LLC 10/01/2009 7.500		01/18/2007	BANK AMERICA		1,836,888	1,750,000	40,833	2FE
421915 EJ 4	HEALTH CARE PROP 01/30/2017 6.000		01/17/2007	UBS SECURITIES		993,230	1,000,000		2FE
52108H RA 4	LBUBS 2003-C3 A2 03/11/2009 3.086		01/25/2007	WACHOVIA/FIRST UNION		4,038,141	4,155,000	6,767	1FE
69350K AA 4	PNC PREFERRED FUNDING 03/29/2049 6.113		03/22/2007	GOLDMAN SACHS		1,000,000	1,000,000		1FE
89233P C4 6	TOYOTA MTR CRED 02/17/2017 5.750		02/15/2007	DEUTSCHE BANK		750,000	750,000	599	1FE
903312 AA 4	USB REALTY CORP 144A F 12/22/2049 6.091		02/28/2007	LEHMAN BROTHERS		1,016,190	1,000,000	12,351	1FE
931142 AH 6	WAL-MART STORES 06/29/2011 8.875		02/09/2007	RAYMOND JAMES		1,028,750	1,000,000	11,094	1FE
980110 AA 8	WOODS GROUP TN L 09/01/2031 5.380		02/06/2007	DIRECT		2,100,000	2,100,000	1,569	1FE
826200 AB 3	SIEMENS FINANCIERINGSM 02/16/2012 5.500	F	03/06/2007	J.P. MORGAN		8,145,840	8,000,000	28,111	1FE
89354F AA 9	TRANSNEFT 144A 03/05/2014 5.670	F	02/23/2007	GOLDMAN SACHS		2,000,000	2,000,000		2FE
4599999.	Total - Bonds - Industrial & Miscellaneous					40,701,546	40,655,000	241,590	XXX
6099997.	Total - Bonds - Part 3					99,394,939	98,734,711	430,744	XXX
6099999.	Total - Bonds					99,394,939	98,734,711	430,744	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					99,394,939	XXX	430,744	XXX

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

SCHEDULE D - PART 4

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

1	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	F o r 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 (a)
Bonds - U.S. Government																					
31359M J7 9	FANNIE MAE		03/20/2007	CALL BY ISSUER 100.0		1,550,000	1,550,000	1,545,831	1,546,354		339		339		1,546,694		3,306	3,306	41,075	03/20/2009	1
31359M LZ 4	FANNIE MAE		01/15/2007	MATURITY		1,000,000	1,000,000	1,071,600	1,000,712		(712)		(712)		1,000,000			0	25,000	01/15/2007	1
3133XG L5 1	FED HOME LN BANK		02/28/2007	CALL BY ISSUER 100.0		2,000,000	2,000,000	1,999,532	1,999,609		35		35		1,999,644		356	356	55,000	08/28/2008	1
3134A4 MF 8	FREDDIE MAC		03/05/2007	CALL BY ISSUER 100.0		1,250,000	1,250,000	1,338,625	1,254,104		(4,104)		(4,104)		1,250,000			0	39,063	03/05/2012	1
3128X2 KN 4	FREDDIE MAC MTN		01/05/2007	MATURITY		2,000,000	2,000,000	2,009,400	2,000,000				0		2,000,000			0	28,500	01/05/2007	1
36202B NJ 0	G2 1293	10.500	03/01/2007	MBS PAYDOWN		203	203	224	221		(17)		(17)		203			0	4	04/01/2019	1
36202D KY 6	G2 3011	7.500	03/01/2007	MBS PAYDOWN		345	345	353	351		(6)		(6)		345			0	5	01/01/2030	1
36224L QA 8	GN 331749	7.500	03/01/2007	MBS PAYDOWN		245	245	241	242		2		2		245			0	3	09/01/2022	1
36224P ML 9	GN 334363	7.500	03/01/2007	MBS PAYDOWN		321	321	325	324		(3)		(3)		321			0	4	10/01/2022	1
36224Q XR 2	GN 335588	7.500	03/01/2007	MBS PAYDOWN		348	348	343	345		3		3		348			0	4	04/01/2020	1
36224U SZ 6	GN 339364	7.500	03/01/2007	MBS PAYDOWN		239	239	235	236		2		2		239			0	3	09/01/2022	1
36206E 3N 3	GN 409505	7.000	03/01/2007	MBS PAYDOWN		1,005	1,005	1,063	1,063		(59)		(59)		1,005			0	12	09/01/2023	1
36208T 4W 7	GN 460837	7.000	03/16/2007	VARIOUS		52,128	50,296	50,980	50,774		(92)		(92)		50,682		1,446	1,446	975	12/01/2026	1
36201Q 2C 6	GN 590371	6.500	03/01/2007	MBS PAYDOWN		12,672	12,672	13,206	13,086		(415)		(415)		12,672			0	158	02/01/2032	1
36201T KE 6	GN 592593	6.000	03/01/2007	MBS PAYDOWN		1,318	1,318	1,377	1,373		(56)		(56)		1,318			0	14	05/01/2032	1
36200K UE 5	GN 603681	5.500	03/01/2007	MBS PAYDOWN		5,510	5,510	5,717	5,685		(175)		(175)		5,510			0	58	09/01/2032	1
36290S QF 1	GN 616154	5.000	03/01/2007	MBS PAYDOWN		49,744	49,744	49,511	49,538		206		206		49,744			0	415	10/01/2032	1
36213C P2 0	GNMA PL 550441	7.000	03/16/2007	VARIOUS		123,321	118,032	125,058	124,878		(41)		(41)		124,837		(1,515)	(1,515)	2,520	12/01/2030	1
36202D LW 9	GNMA POOL # 23041	7.500	03/01/2007	MBS PAYDOWN		5,461	5,461	5,582	5,545		(83)		(83)		5,461			0	64	02/01/2030	1
36200Q JM 7	GNMA POOL # 569168	GN 6.500	03/01/2007	MBS PAYDOWN		105,705	105,705	108,215	107,388		(1,683)		(1,683)		105,705			0	1,125	12/01/2016	1
36225B HE 1	GNMA POOL # 781129	7.000	03/01/2007	MBS PAYDOWN		707	707	682	689		18		18		707			0	9	03/01/2028	1
36215K 2A 7	GNMA POOL #137669	10.500	03/01/2007	MBS PAYDOWN		22	22	24	23		(1)		(1)		22			0		09/01/2013	1
36220W KJ 5	GNMA POOL #290197	9.500	03/01/2007	MBS PAYDOWN		146	146	153	152		(6)		(6)		146			0	2	08/01/2020	1
36202D MT 5	GNMA POOL #3070	7.500	03/01/2007	MBS PAYDOWN		705	705	721	716		(11)		(11)		705			0	9	05/01/2030	1
36223H 6B 8	GNMA POOL #308766	7.500	03/01/2007	MBS PAYDOWN		134	134	135	135		(1)		(1)		134			0	2	02/01/2022	1
36224H E9 3	GNMA POOL #328760	8.500	03/01/2007	MBS PAYDOWN		649	649	688	651		(2)		(2)		649			0	9	04/01/2007	1
362067 VY 3	GNMA POOL #37531	10.000	01/01/2007	MBS PAYDOWN		54	54	56	54				0		54			0		03/01/2007	1
36205R MA 2	GNMA POOL #398253	7.500	03/01/2007	MBS PAYDOWN		1,654	1,654	1,670	1,665		(11)		(11)		1,654			0	20	04/01/2025	1
36206A LZ 4	GNMA POOL #405444	9.000	03/01/2007	MBS PAYDOWN		422	422	446	441		(19)		(19)		422			0	6	12/01/2023	1
36209P NT 0	GNMA POOL# 477502	6.500	03/01/2007	MBS PAYDOWN		51,967	51,967	52,868	52,835		(868)		(868)		51,967			0	444	12/01/2026	1
912810 FR 4	TSY INFL IX N/B	2.375	02/05/2007	VARIOUS		1,062,028	1,069,880	1,057,763			636		636		1,058,399		3,628	3,628	1,163	01/15/2025	1
912827 4Y 5	TSY INFL IX N/B	3.875	01/18/2007	VARIOUS		692,896	677,127	698,579	701,676		1		1		701,677		(8,781)	(8,781)	12,453	01/15/2009	1
912827 6R 8	TSY INFL IX N/B	3.500	01/31/2007	SINKING FUND REDEMPTION		5,130	5,130	5,408	5,352		0		0		5,352		(222)	(222)	80	01/15/2011	1
912827 7J 5	TSY INFL IX N/B	3.375	01/31/2007	SINKING FUND REDEMPTION		5,040	5,040	5,298	5,336		0		0		5,336		(296)	(296)	75	01/15/2012	1
912828 AF 7	TSY INFL IX N/B	3.000	01/31/2007	SINKING FUND REDEMPTION		4,973	4,973	5,155	5,138		0		0		5,138		(166)	(166)	65	07/15/2012	1
912828 BD 1	TSY INFL IX N/B	1.875	01/31/2007	SINKING FUND REDEMPTION		10,800	10,800	10,457	10,535		0		0		10,535		265	265	80	07/15/2013	1
912828 BW 9	TSY INFL IX N/B	2.000	01/31/2007	SINKING FUND REDEMPTION		215	215	210	232		0		0		232		(17)	(17)	2	01/15/2014	1
912828 CZ 1	TSY INFL IX N/B	0.875	02/21/2007	VARIOUS		2,033,937	2,134,905	2,029,166	1,995,236		(26)		(26)		1,995,209		38,728	38,728	1,831	04/15/2010	1
912828 EA 4	TSY INFL IX N/B	1.875	01/31/2007	VARIOUS		747,489	783,215	754,936	741,357		(2)		(2)		741,355		6,134	6,134	7,211	07/15/2015	1
912828 ET 3	TSY INFL IX N/B	2.000	01/31/2007	SINKING FUND REDEMPTION		4,108	4,108	3,991	2,705		13		13		4,016		91	91	34	01/15/2016	1
912828 FB 1	TSY INFL IX N/B	2.375	01/31/2007	SINKING FUND REDEMPTION		3,000	3,000	2,958	2,987		0		0		2,987		13	13	(6)	04/15/2011	1
912828 FL 9	TSY INFL IX N/B	2.500	03/01/2007	LEHMAN BROTHERS		359,774	349,773	354,564			0		0		354,564		5,210	5,210	1,320	07/15/2016	1
0399999	Total - Bonds - U.S. Government					13,144,415	13,256,070	13,313,349	11,689,743		0		(7,138)		13,096,233		48,180	48,180	218,811	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
010604 BG 0	ALABAMA ST PORT AUTH DOCKS	3	03/26/2007	GOLDMAN SACHS		3,250,000	3,250,000	3,249,935					0		3,249,935		65	65	17,124	10/01/2021	1FE
04051B AD 7	ARIZONA HIGHER ED LN AUTH	3.77	03/22/2007	RBC DOMINION SECURITIES		2,000,000	2,000,000	2,000,000					0		2,000,000			0	29,819	05/01/2040	1FE
072865 AA 6	BAYLOR TEX HEALTH CARE SYS	5.3	01/29/2007	GOLDMAN SACHS		1,825,000	1,825,000	1,824,978					0		1,824,978		22	22	15,195	11/15/2025	1FE
106238 HR 2	BRAZOS TEX HIGHER ED AUTH INC ST		03/23/2007	BANK OF NEW YORK		4,000,000	4,000,000	4,000,000					0		4,000,000			0	24,632	01/15/2003	1FE

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SCHEDULE D - PART 4

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

1	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 (a)
31371K 4K 4	FG 254726		03/01/2007	MBS PAYDOWN		26,821	26,821	27,278	27,228		(407)		(407)		26,821			0	236	08/01/2032	1
31296L UE 9	FG A12381		03/01/2007	MBS PAYDOWN		26,984	26,984	26,411	26,486		498		498		26,984			0	263	02/01/2033	1
31296L ZH 7	FG A12544		03/01/2007	MBS PAYDOWN		29,072	29,072	28,790	28,820		252		252		29,072			0	245	10/01/2032	1
31296S WL 6	FG A17851		03/01/2007	MBS PAYDOWN		22,417	22,417	22,728	22,669		(253)		(253)		22,417			0	174	03/01/2033	1
31297A P6 5	FG A23145		03/01/2007	MBS PAYDOWN		15,061	15,061	14,887	14,914		146		146		15,061			0	138	11/01/2033	1
31297F J5 3	FG A27484		03/01/2007	MBS PAYDOWN		26,043	26,043	26,918	26,744		(701)		(701)		26,043			0	274	05/01/2034	1
31297S ZP 3	FG A37050		03/01/2007	MBS PAYDOWN		26,906	26,906	26,578	26,608		298		298		26,906			0	162	06/01/2035	1
3128K4 QX 6	FG A44070		03/01/2007	MBS PAYDOWN		50,213	50,213	46,823	46,928		3,285		3,285		50,213			0	412	01/01/2036	1
3128KK GC 7	FG A56495		03/01/2007	MBS PAYDOWN		4,347	4,347	4,304	4,347		43		43		4,347			0	20	12/01/2036	1
312963 WK 3	FG B11550		03/01/2007	MBS PAYDOWN		273,571	273,571	277,802	277,229		(3,658)		(3,658)		273,571			0	2,610	09/01/2018	1
312967 6K 3	FG B15374		03/01/2007	MBS PAYDOWN		483,690	483,690	488,376	487,494		(3,804)		(3,804)		483,690			0	4,540	03/01/2019	1
31292H Q3 1	FG C01374		03/01/2007	MBS PAYDOWN		6,212	6,212	6,434	6,407		(195)		(195)		6,212			0	71	05/01/2031	1
31292H UP 7	FG C01490		03/01/2007	MBS PAYDOWN		49,071	49,071	49,807	49,672		(602)		(602)		49,071			0	435	03/01/2032	1
31292H YU 2	FG C01623		03/01/2007	MBS PAYDOWN		115,544	115,544	114,623	114,794		750		750		115,544			0	1,045	01/01/2033	1
31287P E2 5	FG C63753		03/01/2007	MBS PAYDOWN		1,193	1,193	1,236	1,232		(39)		(39)		1,193			0	14	12/01/2030	1
31288A X2 6	FG C72497		03/01/2007	MBS PAYDOWN		8,746	8,746	9,051	8,973		(227)		(227)		8,746			0	70	09/01/2030	1
31294J G9 3	FG E00224		03/01/2007	MBS PAYDOWN		22,026	22,026	21,114	21,827		199		199		22,026			0	220	05/01/2008	1
31294K FN 0	FG E01073		03/01/2007	MBS PAYDOWN		7,962	7,962	7,883	7,903		60		60		7,962			0	68	04/01/2016	1
31294K M5 1	FG E01280		03/01/2007	MBS PAYDOWN		51,730	51,730	53,395	53,014		(1,284)		(1,284)		51,730			0	424	06/01/2017	1
31294K WD 3	FG E01544		03/01/2007	MBS PAYDOWN		23,375	23,375	23,456	23,440		(64)		(64)		23,375			0	173	07/01/2018	1
3128GJ 2E 6	FG E82573		03/01/2007	MBS PAYDOWN		24,650	24,650	24,558	24,591		59		59		24,650			0	190	04/01/2015	1
3128GY MX 9	FG E93974		03/01/2007	MBS PAYDOWN		52,039	52,039	54,406	53,688		(1,649)		(1,649)		52,039			0	616	08/01/2017	1
3128H3 LP 4	FG E95734		03/01/2007	MBS PAYDOWN		49,298	49,298	50,900	50,497		(1,200)		(1,200)		49,298			0	421	09/01/2017	1
3128H4 XR 5	FG E96988		03/01/2007	MBS PAYDOWN		36,650	36,650	37,349	37,221		(571)		(571)		36,650			0	304	12/01/2017	1
31283H S8 9	FG G01443		03/01/2007	MBS PAYDOWN		21,039	21,039	21,772	21,596		(557)		(557)		21,039			0	221	07/01/2031	1
31283H S9 7	FG G01444		03/01/2007	MBS PAYDOWN		7,222	7,222	7,522	7,502		(280)		(280)		7,222			0	81	05/01/2031	1
3128LX DL 1	FG G01907		03/01/2007	MBS PAYDOWN		116,933	116,933	106,634	106,712		10,220		10,220		116,933			0	905	11/01/2033	1
3128LX FN 5	FG G01973		03/01/2007	MBS PAYDOWN		25,295	25,295	24,255	24,273		1,021		1,021		25,295			0	208	07/01/2035	1
3128LX MR 8	FG G02168		03/01/2007	MBS PAYDOWN		67,545	67,545	66,532	66,572		973		973		67,545			0	646	11/01/2035	1
3128LX PX 2	FG G02238		03/01/2007	MBS PAYDOWN		159,353	159,353	147,203	147,462		11,892		11,892		159,353			0	1,152	05/01/2035	1
3128LX QU 7	FG G02267		03/01/2007	MBS PAYDOWN		52,703	52,703	53,625	53,581		(878)		(878)		52,703			0	549	04/01/2036	1
3128LX QY 9	FG G02271		03/01/2007	MBS PAYDOWN		55,698	55,698	51,390	51,483		4,215		4,215		55,698			0	425	04/01/2035	1
3128M4 FM 0	FG G02572		03/01/2007	MBS PAYDOWN		12,263	12,263	12,361	12,361		(99)		(99)		12,263			0	61	11/01/2036	1
3128MJ DW 7	FG G08116		03/01/2007	MBS PAYDOWN		61,337	61,337	58,917	58,999		2,338		2,338		61,337			0	547	11/01/2035	1
3128MJ D4 9	FG G08122		03/01/2007	MBS PAYDOWN		58,281	58,281	56,059	56,131		2,150		2,150		58,281			0	552	12/01/2035	1
3128M1 C3 1	FG G11990		03/01/2007	MBS PAYDOWN		23,878	23,878	23,423	23,443		435		435		23,878			0	206	09/01/2020	1
3128M1 DD 8	FG G12000		03/01/2007	MBS PAYDOWN		55,906	55,906	53,845	53,929		1,977		1,977		55,906			0	452	10/01/2020	1
3128M1 KY 4	FG G12211		03/01/2007	MBS PAYDOWN		58,565	58,565	56,927	56,988		1,577		1,577		58,565			0	489	11/01/2020	1
3128MM BN 2	FG G18044		03/01/2007	MBS PAYDOWN		95,047	95,047	94,438	94,526		521		521		95,047			0	738	11/01/2019	1
31282R 4E 1	FG M80821		03/01/2007	MBS PAYDOWN		43,475	43,475	44,521	44,163		(689)		(689)		43,475			0	310	05/01/2010	1
31282S AZ 5	FG M80924		03/01/2007	MBS PAYDOWN		252,450	252,450	254,896	254,218		(1,768)		(1,768)		252,450			0	1,962	06/01/2011	1
31287P CQ 4	FGLMC PL C63679		03/01/2007	MBS PAYDOWN		1,706	1,706	1,692	1,695		11		11		1,706			0	15	01/01/2031	1
3128JR PC 4	FH 847619		02/01/2007	VARIOUS		239,883	239,883	242,469	242,435		(2,552)		(2,552)		239,883			0	2,368	09/01/2011	1
31288C M4 0	FHLMC #C73979		03/01/2007	MBS PAYDOWN		13,120	13,120	13,463	13,386		(265)		(265)		13,120			0	85	06/01/2032	1
31393J NK 0	FHLMC 2557 OE		03/01/2007	MBS PAYDOWN		71,912	71,912	73,586	72,267		(355)		(355)		71,912			0	487	04/01/2009	1
31288B LZ 4	FHLMC C73044		03/01/2007	MBS PAYDOWN		30,348	30,348	31,131	30,977		(628)		(628)		30,348			0	244	12/01/2031	1
31393G CN 2	FHR 2545 EY		03/01/2007	MBS PAYDOWN		184,269	184,269	182,664	183,267		1,002		1,002		184,269			0	1,309	06/01/2011	1
31393M ZZ 0	FHR 2583 ND		03/01/2007	MBS PAYDOWN		2,060	2,060	2,093	2,073		(13)		(13)		2,060			0	15	05/01/2009	1

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
31393N 2K 4	FHR 2583 TD		03/01/2007	MBS PAYDOWN		926	926	942	935	(9)		(9)		926				7	10/01/2012	1	
31395A XT 7	FHR 2824 EG		03/01/2007	MBS PAYDOWN		155,010	155,010	150,360	150,756	4,254		4,254		155,010				1,148	07/01/2012	1	
31395G FP 2	FHR 2856 TE		03/01/2007	MBS PAYDOWN		36,733	36,733	35,407	35,444	1,289		1,289		36,733				261	05/01/2014	1	
31395J R6 5	FHR 2890 AB		03/01/2007	MBS PAYDOWN		85,905	85,905	84,455	84,822	1,083		1,083		85,905				519	05/01/2011	1	
31395L KX 8	FHR 2920 LA		03/01/2007	MBS PAYDOWN		137,583	137,583	137,970	137,906	(323)		(323)		137,583				1,168	07/01/2014	1	
31395P ZE 5	FHR 2929 BE		03/01/2007	MBS PAYDOWN		289,622	289,622	288,717	289,065	557		557		289,622				2,192	05/01/2010	1	
31395R DL 9	FHR 2960 QN		03/01/2007	MBS PAYDOWN		338,251	338,251	338,780	338,533	(282)		(282)		338,251				2,562	01/01/2010	1	
31395T HU 1	FHR 2964 NG		03/01/2007	MBS PAYDOWN		62,063	62,063	62,054	62,057	7		7		62,063				470	11/01/2010	1	
31395T HV 9	FHR 2964 NH		03/01/2007	MBS PAYDOWN		111,714	111,714	112,168	112,012	(298)		(298)		111,714				893	11/01/2010	1	
31395V RC 5	FHR 2986 GC		03/01/2007	MBS PAYDOWN		101,598	101,598	101,693	101,660	(63)		(63)		101,598				770	08/01/2010	1	
31371K BL 4	FN 253943		03/01/2007	MBS PAYDOWN		6,021	6,021	6,177	6,132	(111)		(111)		6,021				69	02/01/2016	1	
31371K U4 1	FN 254503		03/01/2007	MBS PAYDOWN		38,536	38,536	39,776	39,311	(775)		(775)		38,536				275	09/01/2009	1	
31371K WK 3	FN 254550		03/01/2007	MBS PAYDOWN		11,482	11,482	11,884	11,818	(336)		(336)		11,482				148	01/01/2032	1	
31371K 2V 2	FN 254688		03/01/2007	MBS PAYDOWN		60,800	60,800	63,128	62,497	(1,697)		(1,697)		60,800				544	10/01/2022	1	
31371L CD 9	FN 254868		03/01/2007	MBS PAYDOWN		34,566	34,566	34,388	34,408	158		158		34,566				282	01/01/2033	1	
31371L CE 7	FN 254869		03/01/2007	MBS PAYDOWN		15,443	15,443	15,462	15,459	(16)		(16)		15,443				135	01/01/2033	1	
31376K FW 1	FN 357581		03/01/2007	MBS PAYDOWN		34,440	34,440	34,762	34,697	(257)		(257)		34,440				208	12/01/2018	1	
31380M MS 2	FN 444169		03/01/2007	MBS PAYDOWN		5,126	5,126	5,078	5,091	35		35		5,126				76	09/01/2028	1	
31380Y SL 5	FN 454223		03/01/2007	MBS PAYDOWN		274	274	272	272	2		2		274				3	08/01/2027	1	
31381B V9 7	FN 456140		03/01/2007	MBS PAYDOWN		110	110	109	109	1		1		110				1	09/01/2028	1	
31385J QV 3	FN 545968		03/01/2007	MBS PAYDOWN		18,364	18,364	18,709	18,646	(282)		(282)		18,364				164	11/01/2016	1	
31385W 2S 7	FN 555285		03/01/2007	MBS PAYDOWN		11,941	11,941	12,113	12,091	(150)		(150)		11,941				118	08/01/2031	1	
31385X FK 8	FN 555570		03/01/2007	MBS PAYDOWN		10,964	10,964	11,123	11,102	(138)		(138)		10,964				107	07/01/2031	1	
31385X GQ 4	FN 555607		03/01/2007	MBS PAYDOWN		17,113	17,113	17,118	17,117	(4)		(4)		17,113				129	12/01/2017	1	
31386S BW 6	FN 571653		03/01/2007	MBS PAYDOWN		4,486	4,486	4,458	4,468	18		18		4,486				45	07/01/2015	1	
31391P UV 6	FN 672996		03/01/2007	MBS PAYDOWN		68,618	68,618	68,499	68,475	143		143		68,618				548	05/01/2017	1	
31391W 5R 8	FN 679556		03/01/2007	MBS PAYDOWN		19,696	19,696	20,126	20,019	(324)		(324)		19,696				172	11/01/2017	1	
31400F PB 7	FN 686318		03/01/2007	MBS PAYDOWN		36,011	36,011	37,114	36,833	(822)		(822)		36,011				299	08/01/2017	1	
31400Q TN 3	FN 694557		03/01/2007	MBS PAYDOWN		5,559	5,559	5,653	5,637	(78)		(78)		5,559				53	06/01/2032	1	
31400R CF 6	FN 694970		03/01/2007	MBS PAYDOWN		72,421	72,421	75,499	74,730	(2,310)		(2,310)		72,421				826	10/01/2017	1	
31400Y FU 5	FN 701379		03/01/2007	MBS PAYDOWN		6,624	6,624	6,653	6,646	(22)		(22)		6,624				49	11/01/2017	1	
31401B P6 6	FN 703445		03/01/2007	MBS PAYDOWN		209,634	209,634	212,909	212,505	(2,872)		(2,872)		209,634				1,697	11/01/2017	1	
31401H UX 8	FN 708998		03/01/2007	MBS PAYDOWN		40,620	40,620	40,271	40,319	301		301		40,620				234	01/01/2033	1	
31401W G2 9	FN 720317		03/01/2007	MBS PAYDOWN		22,495	22,495	22,997	22,901	(406)		(406)		22,495				188	12/01/2017	1	
31401X BJ 5	FN 721041		03/01/2007	MBS PAYDOWN		16,218	16,218	16,657	16,577	(359)		(359)		16,218				124	04/01/2033	1	
31402F DL 6	FN 727407		03/01/2007	MBS PAYDOWN		36,693	36,693	36,223	36,330	364		364		36,693				295	03/01/2018	1	
31402R SH 3	FN 735920		03/01/2007	MBS PAYDOWN		32,948	32,948	31,501	31,548	1,400		1,400		32,948				235	03/01/2020	1	
31403Y G6 4	FN 761721		03/01/2007	MBS PAYDOWN		6,722	6,722	6,653	6,663	60		60		6,722				68	09/01/2032	1	
31404B VC 3	FN 763911		03/01/2007	MBS PAYDOWN		43,800	43,800	43,992	43,953	(153)		(153)		43,800				269	08/01/2018	1	
31404N WB 8	FN 773842		03/01/2007	MBS PAYDOWN		65,910	65,910	66,858	66,654	(744)		(744)		65,910				614	07/01/2033	1	
31404R MD 6	FN 776256		03/01/2007	MBS PAYDOWN		2,539	2,539	2,544	2,543	(4)		(4)		2,539				23	12/01/2033	1	
31404U CL 2	FN 778675		03/01/2007	MBS PAYDOWN		8,157	8,157	8,056	8,075	82		82		8,157				70	01/01/2019	1	
31404Y KL 5	FN 782499		03/01/2007	MBS PAYDOWN		70,562	70,562	70,248	70,295	268		268		70,562				468	01/01/2034	1	
31405C HF 9	FN 785130		03/01/2007	MBS PAYDOWN		342,594	342,594	347,626	346,635	(4,041)		(4,041)		342,594				2,075	02/01/2019	1	
31405R 7F 7	FN 797494		03/01/2007	MBS PAYDOWN		109,648	109,648	100,345	100,543	9,105		9,105		109,648				918	10/01/2034	1	
31406W US 1	FN 822393		03/01/2007	MBS PAYDOWN		10,268	10,268	10,373	10,359	(91)		(91)		10,268				94	12/01/2034	1	
31406Y 4L 1	FN 824427		03/01/2007	MBS PAYDOWN		109,397	109,397	110,405	110,273	(876)		(876)		109,397				1,242	02/01/2035	1	
31407H ZH 2	FN 831544		03/01/2007	MBS PAYDOWN		50,957	50,957	50,033	50,074	883		883		50,957				451	02/01/2036	1	
31407H 5Y 8	FN 831663		03/01/2007	MBS PAYDOWN		158,764	158,764	159,037	159,028	(263)		(263)		158,764				1,628	05/01/2036	1	

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										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.							
31407Y RS 0	FN 844797		03/01/2007	MBS PAYDOWN		31,221	31,221	29,513	29,611		1,610		1,610		31,221			0	239	06/01/2035	1
31409J PA 2	FN 872617		03/01/2007	MBS PAYDOWN		69,572	69,572	69,953	69,929		(357)		(357)		69,572			0	568	04/01/2036	1
31409W NY 3	FN 880707		03/01/2007	MBS PAYDOWN		54,677	54,677	54,421	54,438		240		240		54,677			0	525	03/01/2036	1
31412L CL 2	FN 928075		03/01/2007	MBS PAYDOWN		14,516	14,516	14,620			(104)		(104)		14,516			0	73	12/01/2036	1
31379J ZZ 5	FNMA POOL #421161	6.500	03/01/2007	MBS PAYDOWN		1,070	1,070	1,073			(3)		(3)		1,070			0	12	08/01/2012	1
31379Q 2H 2	FNMA #426576	6.500	03/14/2007	VARIOUS		43,718	42,842	42,614	42,682		2		2		42,684		1,034	1,034	832	10/01/2026	1
31388P XQ 9	FNMA #610987	6.000	03/01/2007	MBS PAYDOWN		37,137	37,137	37,296	37,243		(106)		(106)		37,137			0	316	03/01/2016	1
31390L RG 3	FNMA #649487	6.500	03/01/2007	MBS PAYDOWN		119,321	119,321	123,627	122,507		(3,186)		(3,186)		119,321			0	660	03/01/2032	1
31389V SD 0	FNMA PL # F636916	6.500	03/01/2007	MBS PAYDOWN		74,244	74,244	76,192	75,502		(1,259)		(1,259)		74,244			0	592	10/01/2016	1
31371K R3 7	FNMA PL 254406	6.500	03/01/2007	MBS PAYDOWN		18,808	18,808	19,287	19,137		(329)		(329)		18,808			0	191	10/01/2031	1
31387N 2W 6	FNMA PL 589489	6.500	03/01/2007	MBS PAYDOWN		23,048	23,048	23,394	23,263		(215)		(215)		23,048			0	265	10/01/2015	1
31389N 4X 0	FNMA PL# 630938	5.500	03/01/2007	MBS PAYDOWN		64,623	64,623	63,967	64,174		449		449		64,623			0	592	08/01/2016	1
31389P MP 2	FNMA PL# 631366	6.500	03/01/2007	MBS PAYDOWN		866	866	888	880		(15)		(15)		866			0	9	07/01/2016	1
31400Y ET 9	FNMA PL#701346	6.000	03/01/2007	MBS PAYDOWN		25,068	25,068	25,867	25,674		(605)		(605)		25,068			0	294	05/01/2032	1
31359U ZR 9	FNMA REMIC 98-W8 A6	5.875	03/01/2007	MBS PAYDOWN		21,576	21,576	21,576	21,576		0		0		21,576			0	220	04/01/2014	1
31379R VS 4	FNMA#427325	6.500	03/01/2007	MBS PAYDOWN		7,993	7,993	8,031	8,012		(19)		(19)		7,993			0	87	08/01/2012	1
31379T TE 4	FNMA#429049	6.500	03/01/2007	MBS PAYDOWN		9,868	9,868	9,914	9,892		(24)		(24)		9,868			0	117	12/01/2012	1
31392F 5Y 9	FNR 2002-77 CG	4.000	03/01/2007	MBS PAYDOWN		21,681	21,681	21,915	21,794		(113)		(113)		21,681			0	141	04/01/2010	1
31393B 2U 8	FNR 2003-60 NA	4.000	03/01/2007	MBS PAYDOWN		77,792	77,792	75,896	76,214		1,578		1,578		77,792			0	519	09/01/2013	1
31393Y 3A 1	FNR 2004-55 LA	4.500	03/01/2007	MBS PAYDOWN		159,288	159,288	153,613	153,990		5,298		5,298		159,288			0	1,155	04/01/2014	1
31394A S2 3	FNR 2004-74 BA	4.500	03/01/2007	MBS PAYDOWN		128,938	128,938	128,354	128,474		464		464		128,938			0	936	09/01/2015	1
31394C 7A 4	FNR 2005-30 BC	5.000	03/01/2007	MBS PAYDOWN		118,652	118,652	119,023	118,971		(319)		(319)		118,652			0	961	07/01/2017	1
31394C N3 2	FNR 2005-33 VA	5.000	03/01/2007	MBS PAYDOWN		28,313	28,313	28,566	28,525		(212)		(212)		28,313			0	236	03/01/2016	1
31394E GN 2	FNR 2005-62 HA	5.000	03/01/2007	MBS PAYDOWN		112,074	112,074	109,167	109,342		2,732		2,732		112,074			0	900	01/01/2015	1
360048 HB 1	FULTON COUNTY GA BLDG AUTH	6	01/01/2007	MATURITY		550,000	550,000	592,873	550,000		0		0		550,000			0	16,500	01/01/2007	1FE
38374H 7K 0	GNR 2004-69 AN	4.250	03/01/2007	MBS PAYDOWN		202,757	202,757	197,688	197,708		5,049		5,049		202,757			0	1,190	06/01/2014	1
42219U BD 3	HEALTH CARE AUTH FOR BAPTIST HEA		01/04/2007	CITIGROUP		5,000,000	5,000,000	5,000,000	5,000,000		0		0		5,000,000			0	3,792	11/15/2037	1FE
45505T AD 3	INDIANA ST HSG & CMNTY DEV AUTH		01/02/2007	CALL BY ISSUER 100.0		15,000	15,000	15,000	15,000		0		0		15,000			0	300	07/01/2015	1FE
45505T AG 6	INDIANA ST HSG & CMNTY DEV AUTH		01/02/2007	CALL BY ISSUER 100.0		15,000	15,000	15,000	15,000		0		0		15,000			0	311	01/01/2017	1FE
45505T AH 4	INDIANA ST HSG & CMNTY DEV AUTH		01/02/2007	CALL BY ISSUER 100.0		15,000	15,000	15,000	15,000		0		0		15,000			0	311	07/01/2017	1FE
45505T AJ 0	INDIANA ST HSG & CMNTY DEV AUTH		01/02/2007	CALL BY ISSUER 100.0		5,000	5,000	5,000	5,000		0		0		5,000			0	108	01/01/2020	1FE
49130N BN 8	KENTUCKY HIGHER ED STUDENT LN		03/01/2007	BNY CAPITAL MARKETS INC		4,000,000	4,000,000	4,000,000			0		0		4,000,000			0	16,262	06/01/2036	1FE
57419N 5C 4	MARYLAND ST CMNTY DEV ADMIN DEP		02/12/2007	CALL BY ISSUER 100.0		5,000	5,000	5,324	5,289		(4)		(4)		5,286		(286)	(286)		03/01/2032	1FE
649845 GC 2	NEW YORK ST ENERGY RESH & DEV		02/07/2007	MORGAN STANLEY		3,000,000	3,000,000	3,000,000			0		0		3,000,000			0	4,142	05/15/2032	1FE
708840 HD 2	PENNSYLVANIA INTERGOVERNMENTA		02/21/2007	DAIN RAUSCHER		3,000,000	3,000,000	3,000,000			0		0		3,000,000			0	14,642	06/15/2020	1FE
80207G AD 9	SANTA FE MFH-B-TXB-TU	6.710	02/01/2007	CALL BY ISSUER 100.0		5,000	5,000	5,188	5,052		(3)		(3)		5,049		(49)	(49)		08/01/2012	1FE
863869 CV 3	STUDENT LOAN FUNDING CORP	3.1	03/01/2007	CITIGROUP		3,000,000	3,000,000	2,999,850	2,999,850		0		0		2,999,850		150	150	55,935	09/01/2047	1FE
3199999	Total - Bonds - Special Revenue & Assessment					37,431,656	37,430,780	37,448,505	18,115,860		0		33,637		37,430,720		936	936	262,957	XXX	XXX
Bonds - Public Utilities																					
882556 AA 1	TEXAS MUNICIPAL GAS CORP	2.60	01/02/2007	CALL BY ISSUER 100.0		132,174	132,174	132,174	132,174		0		0		132,174			0	1,718	07/01/2007	1FE
3899999	Total - Bonds - Public Utilities					132,174	132,174	132,174	132,174		0		0		132,174		0	0	1,718	XXX	XXX
Bonds - Industrial and Miscellaneous																					
004421 BK 8	ACE 2002-HE3 M3	8.830	01/01/2007	TRANSFER		145,976	145,976	145,976	145,976		0		0		145,976			0	284	04/25/2009	2FE
00441R AJ 6	ACERV 2001-RV1 E	8.700	03/14/2007	VARIOUS		644,028	644,028	644,028	641,110		2,917		2,917		644,028			0	32,713	09/20/2021	3FE
013817 AB 7	ALCOA INC	7.375	02/26/2007	EXCHANGE		536,320	500,000	570,075	539,095		(1,530)		(1,530)		537,565		(1,245)	(1,245)	30,691	08/01/2010	1FE
02003M AJ 3	ALLSTATE LIFE TR MTN	3.150	03/06/2007	SOUTHWEST SECURITIES IN		184,000	200,000	187,250			118		118		187,368		(3,368)	(3,368)	621	03/01/2010	1FE
BCC00H 34 1	AMHPT 1996-2 B2	8.300	03/14/2007	VARIOUS		527,962	527,962	527,962	527,962		0		0		527,962			0	10,969	11/15/2026	6FE
00252F AR 2	AMIT 2004-1 B2	8.320	01/01/2007	TRANSFER		293,221	293,221	293,221	293,221		0		0		293,221			0	488	03/25/2007	2FE

E05.3

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	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 Designa- tion 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.										
03072S FA 8	AMSI 2003-1 MV3		01/01/2007	TRANSFER		95,361	95,361	95,361	95,361						95,361					144	10/25/2010	2FE		
03878@ AA 9	ARBORS TRAILS LDHA		01/30/2007	MATURITY		1,500,000	1,500,000	1,539,765	1,501,193		(1,193)		(1,193)		1,500,000					69,750	01/30/2007	1Z		
031733 AQ 1	ARC 2004-1 B1 144A		01/01/2007	TRANSFER		990,967	1,136,171	1,136,171	811,879	179,088			179,088		990,967					1,980	12/25/2009	3FE		
05947U LH 9	BACM 2003-1 A1		03/01/2007	MBS PAYDOWN		23,902	23,902	23,599	23,679		223		223		23,902					164	01/01/2012	1FE		
05949A PF 1	BOAMS 2004-7 5A52		03/01/2007	MBS PAYDOWN		85,695	85,695	84,772	84,957		738		738		85,695					862	08/01/2021	1FE		
05949A PN 4	BOAMS 2004-7 6A1		03/01/2007	MBS PAYDOWN		56,760	56,760	56,343	56,391		369		369		56,760					380	07/01/2019	1FE		
07384Y CU 8	BSABS 2002-1 1A5		03/01/2007	MBS PAYDOWN		19,668	19,668	20,602	19,809		(141)		(141)		19,668					210	03/01/2016	1FE		
12189P AF 9	BURLINGTON/SANTA		01/02/2007	SINKING FUND REDEMPTION		6,192	6,192	6,964	6,814		(622)		(622)		6,192					234	01/02/2021	1FE		
134429 AQ 2	CAMPBELL SOUP COMPANY	5.50	03/15/2007	MATURITY		2,500,000	2,500,000	2,694,200	2,513,100		(13,100)		(13,100)		2,500,000					68,750	03/15/2007	1FE		
17305E AV 7	CCCIT 2002-A1 A1		02/07/2007	MBS PAYDOWN		3,000,000	3,000,000	3,205,000	3,002,948		(2,948)		(2,948)		3,000,000					74,250	02/07/2007	1FE		
12506Y BC 2	CDCMC 2003-HE1 B2 FLTR	8.169	01/01/2007	TRANSFER		64,261	95,206	95,206	64,261						64,261					163	08/25/2008	4FE		
12506Y BT 5	CDCMC 2003-HE3 B3	8.831	01/01/2007	TRANSFER		79,826	96,060	96,060	79,826						79,826					181	06/25/2009	2FE		
161551 FS 0	CFAB 2002-2 1A5	5.833	03/01/2007	MBS PAYDOWN		191,851	191,851	200,095	195,965		(4,114)		(4,114)		191,851					1,858	12/01/2010	1FE		
16162W NE 5	CHASE 2005-S3 A4	5.500	03/01/2007	MBS PAYDOWN		124,475	124,475	124,163	124,254		221		221		124,475					998	04/01/2013	1FE		
12669F J8 7	CHWL 2004-13 2A1	5.000	03/01/2007	MBS PAYDOWN		138,753	138,753	138,688	138,722		31		31		138,753					970	02/01/2014	1FE		
172850 BB 4	CITRV 1999-A B	8.717	01/01/2007	TRANSFER		1,272,412	1,441,482	1,441,482	1,245,658	26,753			26,753		1,272,412					3,635	09/15/2007	4FE		
201730 AC 2	CMAT 1999-C1 A3	6.640	03/11/2007	MBS PAYDOWN		11,386	11,386	13,111	12,057		(670)		(670)		11,386					189	02/11/2010	1FE		
172973 YT 0	CMSI 2004-5 1A3	5.250	03/01/2007	MBS PAYDOWN		54,432	54,432	53,926	53,966		466		466		54,432					465	12/01/2023	1FE		
172973 P3 7	CMSI 2005-1 2A1	4.750	03/01/2007	MBS PAYDOWN		139,482	139,482	136,403	136,659		2,822		2,822		139,482					1,028	02/01/2020	1FE		
20033T AF 2	COMED 1998-1 A6	5.630	03/25/2007	MBS PAYDOWN		173,731	173,731	191,817	176,007		(2,276)		(2,276)		173,731					2,445	06/25/2007	1FE		
21075W FZ 3	CONHE 1997-4 A7	6.630	03/01/2007	MBS PAYDOWN		1,414	1,414	1,442	1,414						1,414					15	08/01/2010	1FE		
17309N AA 9	CRMSI 2006-1 A1	5.956	03/01/2007	MBS PAYDOWN		147,564	147,564	147,563	147,563		1		1		147,564					1,474	07/01/2008	1FE		
17310E AA 6	CRMSI 2006-2 A1A	5.872	03/01/2007	MBS PAYDOWN		507,357	507,357	507,352	507,352		5		5		507,357					5,314	08/01/2008	1FE		
22540A ES 3	CSFB 1997-C2 A3	6.550	03/11/2007	MBS PAYDOWN		1,313,025	1,313,025	1,361,956	1,328,954		(15,928)		(15,928)		1,313,025					16,735	11/11/2007	1FE		
22540V EH 1	CSFB 2001-CKN5 A3	5.107	03/01/2007	MBS PAYDOWN		153,117	153,117	162,017	156,946		(3,829)		(3,829)		153,117					1,298	10/01/2009	1FE		
22540V HG 0	CSFB 2001-HE25 B	8.620	01/01/2007	TRANSFER		52,349	179,613	179,613	52,349						52,349					393	07/25/2009	5FE		
22541N UH 0	CSFB 2002-CP5 A1	4.106	03/01/2007	MBS PAYDOWN		219,808	219,808	212,149	212,970		6,838		6,838		219,808					2,163	05/01/2012	1FE		
22540V UM 2	CSFB 2002-HE1 B	8.670	01/01/2007	TRANSFER		81,499	102,166	102,166	81,499						81,499					181	02/25/2010	3FE		
22541S HS 0	CSFB 2004-C2 A1	3.819	03/01/2007	MBS PAYDOWN		45,126	45,126	43,321	43,798		1,328		1,328		45,126					303	12/01/2013	1FE		
225458 PD 4	CSFB 2005-AGE1 B3 FLTR	8.820	01/01/2007	TRANSFER		379,363	379,363	379,363	379,363						379,363					572	10/25/2013	2FE		
126380 AB 0	CSMC 2006-9 2A1	5.500	03/01/2007	MBS PAYDOWN		131,783	131,783	128,407	128,414		3,370		3,370		131,783					499	02/01/2035	1FE		
126670 HJ 0	CWL 2005-13 MV1	5.760	02/02/2007	BANK AMERICA		2,008,125	2,000,000	2,000,000	2,000,000						2,000,000					8,125	8,125	13,810	11/25/2012	1FE
23322B FZ 6	DLJCM 99-CG3 A1A	7.120	03/01/2007	MBS PAYDOWN		5,832	5,832	6,302	5,975		(143)		(143)		5,832					75	10/01/2008	1FE		
233046 AB 7	DUNKN 2006-1 M1	8.285	01/01/2007	TRANSFER		139,997	140,000	139,997	139,997						139,997					354	06/20/2011	3FE		
31846L BT 2	FAMLT 1998-1F NOTE	6.610	03/01/2007	MBS PAYDOWN		527	527	535	527						527					6	03/01/2020	1FE		
301965 CH 0	FFCA 2000-1 B 144A	8.180	01/01/2007	TRANSFER		684,895	684,895	684,895	684,895						684,895					5,276	08/01/2019	4FE		
36242D M8 3	FFML 2005-FF2 A2BG LOAN ASSET	5.5	03/25/2007	MBS PAYDOWN		895,024	895,024	895,583	895,238		(215)		(215)		895,024					7,954	11/25/2007	1FE		
35729P FA 3	FHLT 2004-C M8	9.320	01/01/2007	TRANSFER		634,719	634,719	634,719	595,493	39,227			39,227		634,719					1,062	06/25/2009	3FE		
31396C AC 2	FHRR R003 AG	5.125	03/01/2007	MBS PAYDOWN		95,286	95,286	93,871	93,966		1,320		1,320		95,286					795	10/01/2013	1		
32054Y AC 7	FIB 2000-1 A FLTR	5.800	01/01/2007	TRANSFER		48,669	48,669	48,669	48,669						48,669					221	10/15/2018	5FE		
337367 AB 2	FULBA 1998-C2 A2	6.560	03/01/2007	MBS PAYDOWN		243,450	243,450	266,170	249,218		(5,768)		(5,768)		243,450					2,489	11/01/2008	1FE		
337378 AA 1	FUNBC 1999-C4 A1	7.184	03/01/2007	MBS PAYDOWN		12,612	12,612	13,435	12,765		(153)		(153)		12,612					157	09/01/2007	1FE		
33736X AA 7	FUNBC 2000-C1 A1	7.739	03/01/2007	MBS PAYDOWN		36,157	36,157	40,555	37,703		(1,546)		(1,546)		36,157					513	12/01/2008	1FE		
361849 DY 5	GMACC 1998-C2 A2	6.420	03/01/2007	MBS PAYDOWN		43,372	43,372	48,487	44,625		(1,252)		(1,252)		43,372					456	07/01/2008	1FE		
36228F R9 9	GSAMP 204-HE1 B3	9.320	01/01/2007	TRANSFER		47,856	47,856	47,856	47,856						47,856					101	06/25/2010	2FE		
36242D SC 8	GSMAP 2005-HE1 B4	6.000	01/01/2007	TRANSFER		362,288	362,288	362,288	352,000	10,288			10,288		362,288					2,659	08/01/2009	3FE		
393505 FK 3	GT 1995-1 B2	9.200	01/01/2007	TRANSFER		88,360	88,360	88,360	87,130	1,230			1,230		88,360					377	05/15/2008	6FE		
393505 SK 9	GT 1997-1 M1	7.220	01/01/2007	TRANSFER		660,304	660,304	660,304	660,304						660,304					2,636	08/15/2012	5FE		

E05.4

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For eig n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designa- tion or Market Indicator (a)
393505 UW 0	GT 1997-4 M1		01/01/2007	TRANSFER		959,700	959,700	959,700	959,700				0		959,700			0	3,430	06/15/2013	4FE
393505 VY 5	GT 1997-5 M1		01/01/2007	TRANSFER		549,488	549,488	549,488	549,488				0		549,488			0	1,962	05/15/2013	5FE
43812G AD 4	HAROT 2003-3 A4		03/21/2007	MBS PAYDOWN		1,008,642	1,008,642	1,014,198	1,009,526		(884)		(884)		1,008,642			0	6,333	02/21/2008	1FE
43812H AD 2	HAROT 2003-4 A4		03/15/2007	MBS PAYDOWN		134,871	134,871	134,234	134,763		109		109		134,871			0	627	06/15/2007	1FE
43812E AD 9	HAROT 2003-5 A4		03/18/2007	MBS PAYDOWN		962,724	962,724	962,378	962,646		79		79		962,724			0	4,750	08/18/2007	1FE
437084 HL 3	HEAT 2005-1 A3		03/25/2007	MBS PAYDOWN		1,069,619	1,069,619	1,071,332	1,071,087		(1,468)		(1,468)		1,069,619			0	8,824	10/25/2013	1FE
429827 AA 6	HEF 2004-1 A1		03/27/2007	GOLDMAN SACHS		700,000	700,000	700,000	700,000				0		700,000			0	11,443	01/01/2044	1FE
40430G AJ 9	HFCCH 2005-3 M1		03/20/2007	MBS PAYDOWN		114,606	114,606	114,606	114,606				0		114,606			0	1,071	12/20/2010	1FE
45254T MV 3	IMSA 2003-2 A4		03/01/2007	MBS PAYDOWN		112,690	112,690	105,743	105,764		6,926		6,926		112,690			0	696	07/01/2032	1FE
456606 BJ 0	INHEL 2000-C MF1		01/01/2007	TRANSFER		483,914	483,914	483,914	483,914				0		483,914			0	3,986	08/01/2010	2FE
456606 CF 7	INHEL 2001-A MV2 FLTR		01/01/2007	TRANSFER		47,357	52,619	52,619	47,357				0		47,357			0	356	03/25/2007	2FE
456606 DE 9	INHEL 2001-C B		01/01/2007	TRANSFER		152,759	152,759	152,759	152,759				0		152,759			0	263	04/25/2008	4FE
47214T AA 7	JCPL 2002-A A1		03/05/2007	MBS PAYDOWN		42,861	42,861	45,098	43,393		(531)		(531)		42,861			0	449	12/05/2007	1FE
46625M PL 7	JPMCC 2002-C2 A1		03/01/2007	MBS PAYDOWN		17,176	17,176	16,646	16,708		468		468		17,176			0	132	11/01/2011	1FE
46625M WW 5	JPMCC 2003-CB6 A1		03/01/2007	MBS PAYDOWN		39,294	39,294	39,462	39,423		(129)		(129)		39,294			0	302	12/01/2012	1FE
52519S AW 3	LABMH 2002-A B2		01/01/2007	TRANSFER		1,575,762	1,575,762	1,575,762	1,486,598		89,164		89,164		1,575,762			0	7,560	10/15/2011	4FE
501773 CS 2	LBCMT 1999-C1 A2		03/01/2007	MBS PAYDOWN		36,224	36,224	41,161	37,681		(1,457)		(1,457)		36,224			0	432	04/01/2009	1FE
50180A AB 0	LBSBN 2005-2A N2		01/01/2007	TRANSFER		362,232	362,232	362,232	362,232				0		362,232			0	400	09/27/2030	4FE
52108H FK 5	LBUBS 2001-C3 A1		03/11/2007	MBS PAYDOWN		54,467	54,467	56,063	55,669		(1,202)		(1,202)		54,467			0	598	12/11/2010	1FE
52108H 6S 8	LBUBS 2005-C5 A1		03/11/2007	MBS PAYDOWN		171,413	171,413	172,266	172,023		(610)		(610)		171,413			0	1,433	03/11/2010	1FE
86359D MU 8	LXS 2005-2 2A1A		03/25/2007	MBS PAYDOWN		424,323	424,323	424,473	424,329		(6)		(6)		424,323			0	3,710	04/25/2008	1FE
59018Y TA 9	MERRILL LYNCH MTN FLTR		03/07/2007	SOUTHWEST SECURITIES IN		674,230	706,000	682,914	686,316		1,680		1,680		687,996		(13,766)	(13,766)	5,895	03/02/2009	1FE
589962 CV 9	MESC 13 M1		01/01/2007	TRANSFER		858,120	858,120	858,120	858,120				0		858,120			0	7,057	08/01/2015	6FE
552845 AF 6	MGIC INVESTMENT CORP		03/15/2007	MATURITY		500,000	500,000	540,455	502,656		(2,656)		(2,656)		500,000			0	15,000	03/15/2007	1FE
589929 YA 0	MLMI 2002-AFC1 BF1		01/01/2007	TRANSFER		84,038	84,038	84,038	80,104		3,934		3,934		84,038			0	668	08/01/2007	3FE
59001F AZ 4	MMLT 2004-1 B1 FLTR		01/01/2007	TRANSFER		77,961	77,961	77,961	77,961				0		77,961			0	157	05/25/2008	3FE
61745M FG 3	MSC 1998-HF1 A2		03/01/2007	MBS PAYDOWN		306,892	306,892	343,543	313,984		(7,092)		(7,092)		306,892			0	4,491	01/01/2008	1FE
61745M ES 8	MSC 1998-WF1 A2		03/01/2007	MBS PAYDOWN		561,487	561,487	625,347	573,779		(12,291)		(12,291)		561,487			0	11,647	12/01/2007	1FE
61746W RT 9	MSDWC 2002-HE2 B1 FLTR		01/01/2007	TRANSFER		16,892	26,708	26,708	16,892				0		16,892			0	67	08/25/2008	4FE
57164U AC 9	MVCOT 2006-2A C		03/20/2007	MBS PAYDOWN		218,169	218,169	218,166	218,166		3		3		218,169			0	1,930	01/20/2012	1FE
655356 JF 1	NASC 1998-D6 A1B		03/11/2007	MBS PAYDOWN		59,068	59,068	65,974	60,829		(1,761)		(1,761)		59,068			0	672	11/11/2009	1FE
634902 JB 7	NATIONAL CITY BANK		02/24/2007	SINKING FUND REDEMPTION		227,273	227,273	226,605	226,953		320		320		227,273			0	3,068	08/24/2009	1FE
64109Y AA 9	NLFLP 05-1A		03/27/2007	MBS PAYDOWN		203,689	203,689	203,689	203,689				0		203,689			0	1,802	07/27/2009	1FE
68338S EW 4	ONYX 2005-B A3		03/15/2007	MBS PAYDOWN		318,690	318,690	316,001	316,293		2,397		2,397		318,690			0	2,216	06/15/2008	1FE
68619A AG 2	ORGN 2001-A M1		01/01/2007	TRANSFER		176,675	176,675	176,675	120,232		56,443		56,443		176,675			0	851	03/15/2016	6FE
691215 AV 9	OWNIT 2005-2 A2B		03/25/2007	MBS PAYDOWN		2,206,720	2,206,720	2,209,134	2,209,089		(2,369)		(2,369)		2,206,720			0	21,367	10/25/2007	1FE
705220 AF 8	PECO 1999-A A6		03/02/2007	MBS PAYDOWN		595,832	595,832	664,376	599,188		(3,356)		(3,356)		595,832			0	18,024	03/01/2007	1FE
717081 AK 9	PFIZER INC		03/15/2007	MATURITY		750,000	750,000	749,220	749,947		53		53		750,000			0	9,375	03/15/2007	1FE
76126C KG 6	RACERS-01-29-E 144A		01/01/2007	TRANSFER		52,472	52,472	52,472	52,472				0		52,472			0	1,686	03/24/2011	5FE
76110H DB 2	RALI 2003-QS10 A13		03/01/2007	MBS PAYDOWN		89,408	89,408	87,480	87,905		1,504		1,504		89,408			0	671	09/01/2021	1FE
76111X ZR 7	RFMSI 2005-S7 A1		03/01/2007	MBS PAYDOWN		157,572	157,572	155,874	156,334		1,239		1,239		157,572			0	1,574	07/01/2011	1FE
86358E ES 1	SAIL 2003-BC11 B FLTR		01/01/2007	TRANSFER		4,182	4,182	4,182	4,182				0		4,182			0	7	02/25/2025	2FE
86358E FR 2	SAIL 2003-BC12 M4		01/01/2007	TRANSFER		739,493	739,493	739,493	739,493				0		739,493			0	1,131	04/25/2009	2FE
86358E FT 8	SAIL 2003-BC12 M6 FLTR		01/01/2007	TRANSFER		10,396	10,396	10,396	10,396				0		10,396			0	15	03/25/2007	2FE
86358E GG 5	SAIL 2004-1 B		01/01/2007	TRANSFER		1,490,833	1,490,833	1,490,833	1,431,387		59,446		59,446		1,490,833			0	2,381	03/25/2007	3FE
86358R L7 0	SASC 2002-HF1 B FLTR		01/01/2007	TRANSFER		129,968	177,801	177,801	129,968				0		129,968			0	498	10/25/2018	4FE
86359A CS 0	SASC 2002-HF2 B1 FLTR		01/01/2007	TRANSFER		693,679	693,679	693,679	583,078		110,601		110,601		693,679			0	1,397	11/25/2008	3FE
86359A CT 8	SASC 2002-HF2 B2		01/01/2007	TRANSFER		97,932	366,556	366,556	97,932				0		97,932			0	1,291	07/25/2007	4FE
86359A 2T 9	SASC 2003-BC3 M4		01/01/2007	TRANSFER		613,151	613,151	613,151	613,151				0		613,151			0	1,167	01/25/2013	3FE

E05.5

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
86359D LY 1	SASC 2005-S4 B		.01/01/2007	TRANSFER.....		823,714	1,300,093	1,300,093	823,714				0		823,714			0	10,152	11/01/2008	2FE.....	
79549A JH 3	SBM7 2001-C2 A2		.03/01/2007	MBS PAYDOWN.....		39,819	39,819	43,279	40,944		(1,124)		(1,124)		39,819			0	606	02/01/2010	1FE.....	
78442F BS 6	SLM CORP FLTR		.03/06/2007	SOUTHWEST SECURITIES IN.....		317,188	350,000	337,225	337,588		270		270		337,858		(20,670)	(20,670)	3,718	01/31/2014	1FE.....	
78442G GX 8	SLM STUDENT LOAN		.01/29/2007	GOLDMAN SACHS.....		3,000,000	3,000,000	2,999,844	2,999,844				0		2,999,844		156	156	24,710	09/15/2039	1.....	
60935B DZ 9	TMSHE 1998-B AF9		.03/01/2007	MBS PAYDOWN.....		6,212	6,212	6,461	6,275		(63)		(63)		6,212			0	65	06/01/2007	1FE.....	
89233P MW 3	TOYOTA MOTOR CREDIT CORP	5.6	.01/15/2007	MATURITY.....		1,000,000	1,000,000	1,087,480	1,001,210		(1,210)		(1,210)		1,000,000			0	28,250	01/15/2007	1FE.....	
89233P WS 1	TOYOTA MTR CRED MTN		.03/06/2007	SOUTHWEST SECURITIES IN.....		120,000	125,000	121,250	121,333		65		65		121,398		(1,398)	(1,398)	1,326	02/05/2016	1FE.....	
929766 AB 9	WBCMT 2002-C1 A2		.03/01/2007	MBS PAYDOWN.....		1,831,937	1,831,937	1,873,729	1,852,316		(20,378)		(20,378)		1,831,937			0	15,125	09/01/2009	1FE.....	
962166 BM 5	WEYERHAEUSER CO		.03/15/2007	MATURITY.....		595,000	595,000	640,042	597,446		(2,446)		(2,446)		595,000			0	18,222	03/15/2007	2FE.....	
949762 AA 6	WFMB 2003-10 A1		.03/01/2007	MBS PAYDOWN.....		36,306	36,306	35,490	35,781		526		526		36,306			0	289	08/01/2018	1FE.....	
94979F AC 0	WFMB 2003-12 A3		.03/01/2007	MBS PAYDOWN.....		82,043	82,043	80,780	80,824		1,219		1,219		82,043			0	678	10/01/2018	1FE.....	
94981A AA 1	WFMB 2003-14 1A1		.03/01/2007	MBS PAYDOWN.....		101,092	101,092	98,574	98,651		2,441		2,441		101,092			0	854	11/01/2018	1FE.....	
94982E AA 2	WFMB 2005-1 1A1		.03/01/2007	MBS PAYDOWN.....		57,776	57,776	57,781	57,780		(4)		(4)		57,776			0	450	01/01/2020	1FE.....	
05565Q AK 4	BP CAPITAL MARKETS PLC		.01/02/2007	PRIOR YEAR INCOME.....									0					0	17,188	12/29/2006	1FE.....	
4599999.	Total - Bonds - Industrial & Miscellaneous.....					50,846,570	52,205,008	53,156,620	50,191,721		579,091		(79,316)		499,775		0	(32,166)	(32,166)	668,805	XXX.....	XXX.....
6099997.	Total - Bonds - Part 4.....					101,554,815	103,024,032	104,050,648	80,129,498		579,091		(52,817)		526,274		0	16,950	16,950	1,152,291	XXX.....	XXX.....
6099999.	Total - Bonds.....					101,554,815	103,024,032	104,050,648	80,129,498		579,091		(52,817)		526,274		0	16,950	16,950	1,152,291	XXX.....	XXX.....
7499999.	Total - Bonds, Preferred and Common Stocks.....					101,554,815	XXX.....	104,050,648	80,129,498		579,091		(52,817)		526,274		0	16,950	16,950	1,152,291	XXX.....	XXX.....

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

E05.6

**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**

THE MEDICAL ASSURANCE COMPANY, INC.

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.....				.....1,055,290	.....764,689	.....1,080,678	XXX
BANK ONE.....	BATON ROUGE, LA.....				.....70,000	.....70,000	.....70,000	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....				.....185,415	.....186,150	.....64,573	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....				.....(8,319,071)	.....(4,617,592)	.....(8,556,797)	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....				.....6,969	.....22,412	.....154,747	XXX
US BANK.....	BIRMINGHAM, AL.....				.....(155,416)	.....(2,221,263)	.....(17,640)	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(7,156,813)	.....(5,795,604)	.....(7,204,438)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(7,156,813)	.....(5,795,604)	.....(7,204,438)	XXX
0499999. Cash in Company's Office.....	XXX.....	XXX.....	XXX.....	XXX.....	.....3,108	.....3,108	.....3,108	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(7,153,705)	.....(5,792,496)	.....(7,201,330)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Gross Investment Income
ALCON CAP CORP.....		03/27/2007	5.274	04/02/2007	8,748,719		6,404
ALCON CAP CORP.....		03/27/2007	5.372	04/02/2007	9,498,583		2,834
AMSTERDAM FUNDING CORP.....		03/05/2007	5.273	04/04/2007	3,998,250		15,750
APRECO LLC.....		03/06/2007	5.280	04/02/2007	999,854		3,799
BARTON CAPITAL LLC.....		03/05/2007	5.262	04/03/2007	3,998,836		15,720
CARGILL ASIA PAC TREAS.....		03/26/2007	5.315	04/02/2007	5,499,189		4,868
CGD NORTH AMER.....		03/23/2007	5.283	04/09/2007	11,179,892		14,747
FALCON ASSET SEC CO LLC.....		03/16/2007	5.275	04/05/2007	999,416		2,338
INTESA FUNDING LLC.....		03/21/2007	5.270	04/04/2007	9,995,615		16,072
LOS ANGELES ARPT.....		02/27/2007	5.299	04/02/2007	2,999,560		14,501
YORKTOWN CAPITAL LLC.....		03/15/2007	5.296	04/05/2007	4,997,067		12,467
FNMA CL 29 YR PL # 891390.....	RA	03/30/2007	5.110	04/02/2007	397,000		26,606
0199999. Total Cash Equivalents.....					63,311,981	0	136,106