

QUARTERLY STATEMENT
OF THE
THE MEDICAL ASSURANCE
COMPANY, INC.

Of
BIRMINGHAM
in the state of AL

to the Insurance Department
of the State of

For the Period Ended
June 30, 2007

2007



QUARTERLY STATEMENT

As of June 30, 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. AUBREY DERRILL CROWE	CHAIRMAN

OTHER

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

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	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.....	1,489,948,517		1,489,948,517	1,475,150,941
2. Stocks:				
2.1 Preferred stocks.....	5,485,162		5,485,162	4,262,824
2.2 Common stocks.....	4,090,685		4,090,685	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).....	11,397,999		11,397,999	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 (\$....460,224), cash equivalents (\$....79,588,709) and short-term investments (\$....29,731,063).....	112,944,020	3,164,025	109,779,995	54,516,902
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	35,317,806		35,317,806	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).....	1,659,184,189	3,164,025	1,656,020,164	1,567,594,739
11. Title Plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	16,395,384		16,395,384	14,843,660
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	11,008,958	364,975	10,643,983	45,821,886
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	46,235,694	65,895	46,169,799	17,366,547
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	7,856,997		7,856,997	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.....	278,318		278,318	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.....	54,791,542	33,815,190	20,976,352	21,460,833
17. Guaranty funds receivable or on deposit.....	298,628		298,628	360,869
18. Electronic data processing equipment and software.....	650,588	328,367	322,221	257,265
19. Furniture and equipment, including health care delivery assets (\$.....0).....	316,375	316,375	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	1,832,267		1,832,267	1,148,716
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	50,253,978	1,405,125	48,848,853	48,329,781
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,849,172,299	39,459,952	1,809,712,347	1,720,534,720
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,849,172,299	39,459,952	1,809,712,347	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.....	1,405,125	1,405,125	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	47,959,811		47,959,811	47,019,514
2303. State Premium Tax Recoverable.....	889,042		889,042	1,310,267
2398. Summary of remaining write-ins for Line 23 from overflow page.....			0	
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	50,253,978	1,405,125	48,848,853	48,329,781

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....27,017,352).....	426,785,452	430,641,021
2. Reinsurance payable on paid losses and loss adjustment expenses.....	3,773,874	1,906,734
3. Loss adjustment expenses.....	656,892,982	630,729,678
4. Commissions payable, contingent commissions and other similar charges.....	4,140,597	4,639,685
5. Other expenses (excluding taxes, licenses and fees).....	4,663,093	7,532,961
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,267,077	1,114,745
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	6,783,561	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 \$.....12,217,942 and including warranty reserves of \$.....0).....	124,276,871	128,225,641
10. Advance premium.....	2,836,040	4,026,606
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	86,942,675	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.....	2,180,695	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.....	2,136,799	1,484,939
20. Payable for securities.....	8,736,194	321,202
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	0	(4)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,333,258,710	1,291,399,227
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,333,258,710	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).....	262,053,439	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).....	476,453,637	429,135,493
36. TOTALS.....	1,809,712,347	1,720,534,720

DETAILS OF WRITE-INS

2301. Other.....		(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).....	0	(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 \$.....149,829,856).....	152,915,505	165,004,729	330,460,490
1.2 Assumed..... (written \$.....(64,896)).....	(64,896)	(164,985)	(131,016)
1.3 Ceded..... (written \$.....18,820,291).....	17,454,101	14,895,477	24,999,767
1.4 Net..... (written \$.....130,944,669).....	135,396,508	149,944,267	305,329,707
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....27,282,678):			
2.1 Direct.....	30,865,301	52,123,426	33,837,365
2.2 Assumed.....	(15,319)	(102,031)	(4,973,847)
2.3 Ceded.....	12,667,304	13,794,089	65,041
2.4 Net.....	18,182,678	38,227,306	28,798,477
3. Loss expenses incurred.....	64,926,578	67,300,367	148,080,213
4. Other underwriting expenses incurred.....	22,418,864	24,965,883	48,732,507
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	105,528,120	130,493,556	225,611,197
7. Net income of protected cells.....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	29,868,388	19,450,711	79,718,510
INVESTMENT INCOME			
9. Net investment income earned.....	34,609,617	29,891,993	62,853,779
10. Net realized capital gains (losses) less capital gains tax of \$.....(2,187).....	(2,091,123)	21,839	(847,157)
11. Net investment gain (loss) (Lines 9 + 10).....	32,518,494	29,913,832	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	0	0
13. Finance and service charges not included in premiums.....	0	0	0
14. Aggregate write-ins for miscellaneous income.....	1,345,988	1,315,909	2,425,290
15. Total other income (Lines 12 through 14).....	1,345,988	1,315,909	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).....	63,732,870	50,680,452	144,150,422
17. Dividends to policyholders.....	0	0	0
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).....	63,732,870	50,680,452	144,150,422
19. Federal and foreign income taxes incurred.....	18,294,766	14,041,660	44,914,441
20. Net income (Line 18 minus Line 19) (to Line 22).....	45,438,104	36,638,792	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).....	45,438,104	36,638,792	99,235,981
23. Net transfers (to) from Protected Cell accounts.....	0	0	0
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	2,625,060	(715,147)	(176,730)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
26. Change in net deferred income tax.....	(2,702,156)	(459,632)	(438,622)
27. Change in nonadmitted assets.....	1,957,137	543,667	228,025
28. Change in provision for reinsurance.....	0	0	1,623,000
29. Change in surplus notes.....	0	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0	0
31. Cumulative effect of changes in accounting principles.....	0	0	0
32. Capital changes:			
32.1 Paid in.....	0	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0	0
32.3 Transferred to surplus.....	0	0	0
33. Surplus adjustments:			
33.1 Paid in.....	0	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0	0
33.3 Transferred from capital.....	0	0	0
34. Net remittances from or (to) Home Office.....	0	0	0
35. Dividends to stockholders.....	0	0	0
36. Change in treasury stock.....	0	0	0
37. Aggregate write-ins for gains and losses in surplus.....	0	0	2
38. Change in surplus as regards policyholders (Lines 22 through 37).....	47,318,145	36,007,680	100,471,656
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	476,453,637	364,671,515	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.....	1,345,988	1,315,910	2,425,290
1402. Other.....	0	(1)	0
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	1,345,988	1,315,909	2,425,290
3701. Rounding.....	0	0	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.....	157,529,846	294,121,436
2. Net investment income.....	37,428,019	71,273,807
3. Miscellaneous income.....	1,345,988	2,425,290
4. Total (Lines 1 through 3).....	196,303,853	367,820,533
5. Benefit and loss related payments.....	63,788,653	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.....	25,573,247	50,579,884
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	23,347,647	35,565,204
10. Total (Lines 5 through 9).....	112,709,547	194,698,781
11. Net cash from operations (Line 4 minus Line 10).....	83,594,306	173,121,752
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	197,289,744	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.....	8,445,942	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	205,788,886	516,685,725
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	214,876,591	672,464,065
13.2 Stocks.....	1,267,500	
13.3 Mortgage loans.....		
13.4 Real estate.....	102,034	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).....	234,373,808	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).....	(28,584,922)	(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).....	466,377	(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).....	466,377	(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).....	55,475,761	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).....	112,944,018	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

Effective May 16, 2007, the Company's immediate parent, Medical Assurance, Inc., was merged into PRA Professional Liability Group, Inc., a subsidiary of ProAssurance Corporation.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

No significant change.

C. No wash sales.

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

During the six months ended June 30, 2007, incurred losses and loss adjustment expenses attributable to insured events of prior years were decreased by approximately \$26 million. This adjustment, which relates principally to our medical malpractice line of business, is the result of a quarterly loss reserve analysis that takes into account recent loss trends. On an ongoing basis, original estimates are increased or decreased as additional information becomes known regarding past individual claims.

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

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 30 - Premium Deficiency Reserves

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

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No N/A
If yes, attach an explanation.
PRA Professional Liability Group, Inc. has been added to the management and expense sharing agreements with the reporting entity.

- 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
- 7.2 If yes, give full information:

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

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes No
- 8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

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

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

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

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

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

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

- 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. \$.....0

INVESTMENT

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

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

- 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	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
15.21 Bonds.....	\$.....0	\$.....0
15.22 Preferred Stock.....	\$.....0	\$.....0
15.23 Common Stock.....	\$.....3,908,589	\$.....4,090,563
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	\$.....4,090,563
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	2
Name of Custodian(s)	Custodian Address
US Bank	Birmingham, Alabama

- 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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	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	2	3
Central Registration Depository	Name(s)	Address

- 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:
- _____
- _____

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.....	(380,899)	(1,037,853)
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....	102,034	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.....	11,397,999	11,676,864
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	11,397,999	11,676,864
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	11,397,999	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.....	(804,123)	(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.....	35,317,806	18,047,447
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	35,317,806	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).....	35,317,806	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.....	216,144,091	672,464,065
3. Accrual of discount.....	442,719	1,110,259
4. Increase (decrease) by adjustment.....	1,344,044	(1,024,708)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	(8,128)	16,755
7. Consideration for bonds and stocks disposed of.....	197,289,744	516,688,072
8. Amortization of premium.....	4,431,194	9,725,214
9. Book/adjusted carrying value, current period.....	1,499,524,364	1,483,322,576
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,499,524,364	1,483,322,576
12. Total nonadmitted amounts.....		
13. Statement value.....	1,499,524,364	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	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1.....	1,499,386,840	679,024,804	635,510,397	(2,075,426)	1,499,386,840	1,540,825,821		1,468,644,900
2. Class 2.....	55,082,984	2,364,538	673,925	1,382,896	55,082,984	58,156,493		53,077,682
3. Class 3.....		1,000,000		1,000,000		2,000,000		4,794,508
4. Class 4.....	1,000,000	1,450,000		(1,000,000)	1,000,000	1,450,000		5,200,896
5. Class 5.....								1,363,282
6. Class 6.....								1,593,443
7. Total Bonds.....	1,555,469,824	683,839,342	636,184,322	(692,530)	1,555,469,824	1,602,432,314	0	1,534,674,711
PREFERRED STOCK								
8. Class 1.....	4,239,243	1,267,500		(21,581)	4,239,243	5,485,162		4,262,824
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	4,239,243	1,267,500	0	(21,581)	4,239,243	5,485,162	0	4,262,824
15. Total Bonds and Preferred Stock.....	1,559,709,067	685,106,842	636,184,322	(714,111)	1,559,709,067	1,607,917,476	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.....	32,895,088	XXX	32,894,969	520	662

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.....	157,459,889	329,344,534
3. Increase (decrease) by adjustment.....	1,064	(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.....	155,050,995	315,346,815
7. Book/adjusted carrying value, current period.....	32,895,088	30,482,976
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	32,895,088	30,482,976
10. Total nonadmitted amounts.....	3,164,025	2,951,356
11. Statement value (Lines 9 minus 10).....	29,731,063	27,531,620
12. Income collected during period.....	751,508	1,463,281
13. Income earned during period.....	709,283	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	50,635,726	54,414,983	4,824,258	2,311,149	143,448,179	162,655,118
2. Alaska.....AK	YES						
3. Arizona.....AZ	YES						
4. Arkansas.....AR	YES	507,417	1,097,752	(11,131)	16,518	11,844,833	11,166,222
5. California.....CA	YES						
6. Colorado.....CO	YES						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES						
9. District of Columbia.....DC	YES	187,000	168,300				
10. Florida.....FL	YES	502,709	142,783	5,345,205	197,682	12,092,775	17,517,037
11. Georgia.....GA	YES	1,018,194	1,375,375	5,093	664,835	10,449,650	10,051,272
12. Hawaii.....HI	YES		240	79,750	148,160	3,982,679	3,388,115
13. Idaho.....ID	YES						
14. Illinois.....IL	YES	(32,776)	1,849			59,624	468,632
15. Indiana.....IN	YES	16,918,102	17,836,156	1,387,319	1,526,927	68,906,394	67,099,768
16. Iowa.....IA	YES						
17. Kansas.....KS	YES	2,442,169	3,148,929	112,306		8,353,862	7,863,891
18. Kentucky.....KY	YES					620,000	620,000
19. Louisiana.....LA	YES						
20. Maine.....ME	NO						
21. Maryland.....MD	YES	9,900,037				2,391,108	1,068,000
22. Massachusetts.....MA	YES						
23. Michigan.....MI	YES						
24. Minnesota.....MN	YES		4,000	64,229	84,456	1,106,751	2,079,049
25. Mississippi.....MS	NO					2,942,295	2,984,045
26. Missouri.....MO	YES	8,523,089	12,040,897	3,018,938	3,401,620	55,232,956	58,942,395
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	200,596	252,691			316,545	223,270
35. North Dakota.....ND	YES						
36. Ohio.....OH	YES	48,137,907	55,328,667	23,236,787	4,153,802	169,340,200	188,892,399
37. Oklahoma.....OK	YES	270,658	136,192	251,124	2,630	2,079,069	1,460,289
38. Oregon.....OR	YES						
39. Pennsylvania.....PA	YES			53,023	125,076	643,235	550,497
40. Rhode Island.....RI	YES						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	YES				(119,137)	1,110,475	1,843,434
43. Tennessee.....TN	YES	3,143,795	3,437,740	199,190	401	12,209,680	12,462,820
44. Texas.....TX	YES	1,557,577	3,047,870	180,311	6,631	12,770,596	12,721,864
45. Utah.....UT	YES						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	5,917,656	6,509,667	112,000	38,393	8,192,081	3,979,271
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	149,829,856	158,944,091	38,858,402	12,559,143	528,092,987	568,037,388

DETAILS OF WRITE-INS

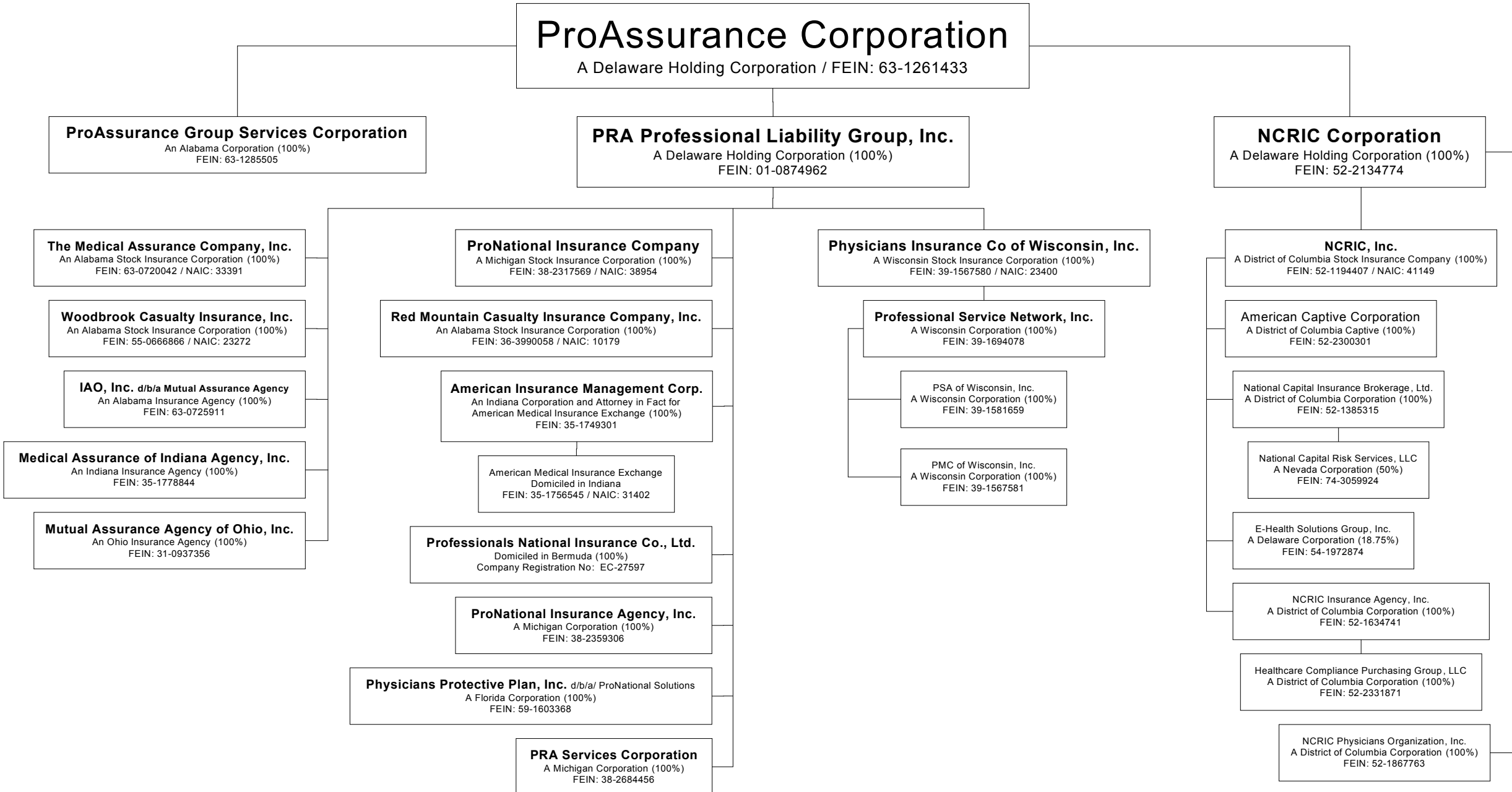
5801.....	XXX						
5802.....	XXX						
5803.....	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

(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

16



THE MEDICAL ASSURANCE COMPANY, INC.

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.....	894,647	234,845	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.....	6,144,597	3,094,275	50.4	31.4
11.2. Medical malpractice-claims made.....	142,980,311	26,620,862	18.6	31.4
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.....	877,067	291,625	33.3	47.2
17.1. Other liability-occurrence.....	208,837	77,472	37.1	79.4
17.2. Other liability-claims made.....	1,623,046	546,223	33.7	39.7
18.1. Products liability-occurrence.....			0.0	
18.2. Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....			0.0	
19.3, 19.4 Commercial auto liability.....			0.0	
21. Auto physical damage.....			0.0	
22. Aircraft (all perils).....			0.0	
23. Fidelity.....			0.0	
24. Surety.....	187,000		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.....	152,915,505	30,865,302	20.2	31.6

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.....	351,646	741,172	667,741
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	3,598,443	6,144,597	6,497,751
11.2. Medical malpractice-claims made.....	58,070,762	140,476,054	149,137,381
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	298,291	811,767	737,144
17.1. Other liability-occurrence.....	96,682	168,645	124,766
17.2. Other liability-claims made.....	791,878	1,300,621	1,611,008
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.....	169,500	187,000	168,300
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.....	63,377,202	149,829,856	158,944,091

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	362,323	231,090	593,413	37,576	2,348	39,924	309,844	453	222,691	532,989	(14,903)	(5,597)	(20,500)
2. 2005	112,700	118,081	230,781	9,070	1,196	10,266	112,249	185	102,581	215,014	8,619	(14,119)	(5,500)
3. Subtotals 2005 + Prior	475,023	349,171	824,193	46,646	3,545	50,190	422,093	638	325,272	748,003	(6,284)	(19,716)	(26,000)
4. 2006	66,041	171,135	237,176	5,351	1,454	6,804	100,612	930	128,830	230,372	39,922	(39,922)	0
5. Subtotals 2006 + Prior	541,064	520,306	1,061,369	51,996	4,998	56,995	522,705	1,568	454,102	978,375	33,638	(59,638)	(26,000)
6. 2007	XXX	XXX	XXX	XXX	3,806	3,806	XXX	24,943	80,360	105,303	XXX	XXX	XXX
7. Totals	541,064	520,306	1,061,369	51,996	8,805	60,801	522,705	26,511	534,462	1,083,678	33,638	(59,638)	(26,000)
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. ....6.2%	2. ....(11.5)%	3. ....(2.4)%
													Col. 13, Line 7 Line 8
													4. ....(6.1)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

Bar Code:



**Overflow Page
NONE**

**Sch. A-Part 2
NONE**

**Sch. A-Part 3
NONE**

**Sch. B-Part 1
NONE**

**Sch. B-Part 2
NONE**

**Sch. BA-Part 1
NONE**

**Sch. BA-Part 2
NONE**

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
31359M 7T 4	FANNIE MAE 04/16/2010 5.300		04/13/2007	LEHMAN BROTHERS		3,996,400	4,000,000		1
31398A DM 1	FANNIE MAE 06/12/2017 5.375		06/08/2007	BANK AMERICA		4,935,790	5,000,000	2,240	1
3133XK GD 1	FEDERAL HOME LOAN BANK 04/16/2010 5.250		04/13/2007	J.P. MORGAN		2,994,600	3,000,000		1
3133XL BS 1	FEDERAL HOME LOAN BANK 06/25/2010 5.500		06/13/2007	J.P. MORGAN		4,983,550	5,000,000		1
3128X5 C4 8	FREDDIE MAC 02/08/2010 5.375		04/19/2007	BANK AMERICA		3,001,134	3,000,000	32,250	1
3128X5 K8 0	FREDDIE MAC 03/02/2012 5.400		06/13/2007	BANK AMERICA		1,877,010	1,900,000	29,070	1
912827 4Y 5	TSY INFL IX N/B 01/15/2009 3.875		06/29/2007	VARIOUS		464,424	448,631	3,608	1
912827 6R 8	TSY INFL IX N/B 01/15/2011 3.500		06/29/2007	CAPITALIZED INTEREST		54,563	54,563		1
912827 7J 5	TSY INFL IX N/B 01/15/2012 3.375		06/29/2007	CAPITALIZED INTEREST		68,933	68,933		1
912828 AF 7	TSY INFL IX N/B 07/15/2012 3.000		06/29/2007	CAPITALIZED INTEREST		52,830	52,830		1
912828 BD 1	TSY INFL IX N/B 07/15/2013 1.875		06/29/2007	CAPITALIZED INTEREST		114,900	114,900		1
912828 BW 9	TSY INFL IX N/B 01/15/2014 2.000		06/29/2007	CAPITALIZED INTEREST		2,285	2,285		1
912828 CZ 1	TSY INFL IX N/B 04/15/2010 0.875		06/29/2007	CAPITALIZED INTEREST		25,622	25,622		1
912828 EA 4	TSY INFL IX N/B 07/15/2015 1.875		06/29/2007	CAPITALIZED INTEREST		104,160	104,160		1
912828 ET 3	TSY INFL IX N/B 01/15/2016 2.000		06/29/2007	CAPITALIZED INTEREST		48,921	48,921		1
912828 FB 1	TSY INFL IX N/B 04/15/2011 2.375		06/29/2007	CAPITALIZED INTEREST		31,890	31,890		1
912828 FL 9	TSY INFL IX N/B 07/15/2016 2.500		06/29/2007	VARIOUS		935,103	921,745	6,279	1
912828 FE 5	US TREASURY N/B 05/15/2009 4.875		05/09/2007	MERRILL LYNCH		601,734	600,000	14,221	1
912828 FP 0	US TREASURY N/B 08/15/2009 4.875		05/09/2007	MERRILL LYNCH				74	1
0399999	Total - Bonds - U.S. Government					24,293,870	24,374,480	87,742	XXX
Bonds - States, Territories and Possessions									
57582N UT 0	MA ST-REF-A 08/01/2020 5.250		05/09/2007	GRIFFIN KUBIC		1,576,638	1,400,000	21,029	1FE
1799999	Total - Bonds - States, Territories & Possessions					1,576,638	1,400,000	21,029	XXX
Bonds - Political Subdivisions of States									
106025 FQ 7	BRAZORIA CNTY RD 03/01/2023 5.000		05/16/2007	MORGAN KEEGAN & CO INC		2,117,820	2,000,000	55,556	1FE
315221 AP 6	FERNLEY WTR/SWR 02/01/2022 5.000		04/02/2007	DAIN RAUSCHER		1,334,913	1,250,000	1,215	1FE
358802 K3 9	FRISCO ISD SCH BLDG 08/15/2013 5.250		05/22/2007	SEATTLE NORTHWEST		1,076,170	1,000,000	14,583	1FE
758582 BL 3	REEVES COPS-TXB-LAW 03/01/2017 6.100		05/14/2007	DUNCAN WILLIAMS		998,000	1,000,000		1FE
2499999	Total - Bonds - Political Subdivision					5,526,903	5,250,000	71,354	XXX
Bonds - Special Revenue and Special Assessment									
041150 CK 7	AR STD LN AUCT RATE-A 06/01/2009 3.845		05/02/2007	SALOMON SMITH BARNEY HLD		300,000	300,000	4,741	1FE
28148N AD 5	EDL FDG AUCTION-SR-A2 06/01/2010 3.910		05/03/2007	SALOMON SMITH BARNEY HLD		2,699,757	2,700,000	42,807	1FE
31403D WD 7	FN 745944 11/01/2032 5.000		04/18/2007	GREENWICH CAPITAL		3,185,925	3,282,872	5,927	1
31407C AE 7	FN 826305 03/01/2035 5.000		06/14/2007	MCDONALD INVESTMENTS		7,667,472	8,209,422	12,542	1
31410G AE 3	FN 888405 12/01/2035 5.000		05/31/2007	GREENWICH CAPITAL		7,525,467	7,899,458	12,069	1
437884 MC 0	HOMEWOOD 09/01/2017 5.000		05/18/2007	VARIOUS		1,867,318	1,720,000	3,106	1FE
442435 CD 3	HOUSTON TEX UTIL SYS R 05/15/2034 3.770		04/19/2007	GOLDMAN SACHS		4,000,000	4,000,000		1FE
45884A WV 1	INTERMTN PWR REF 07/01/2016 5.000		05/23/2007	FIRST ALBANY CORP		1,075,530	1,000,000	7,778	1FE
59259R Y2 4	MET TRN AUTH SER A 11/15/2018 5.000		06/27/2007	UBS WARBURG		1,056,180	1,000,000		1FE
65956P AV 3	N HARRISON SCH MTG 07/15/2021 5.000		04/10/2007	DAIN RAUSCHER		1,555,002	1,460,000	6,083	1FE
63968A DM 4	NE PUB PWR-TXB-SER A 01/01/2014 5.250		06/19/2007	MORGAN STANLEY		2,125,000	2,125,000		1FE
735397 BV 2	PORT SEATTLE 06/01/2025 5.250		05/14/2007	DAIN RAUSCHER		1,266,564	1,200,000	29,050	1FE
837545 EJ 7	SD CONSERV REVOLV FD 08/01/2020 5.250		04/02/2007	DAIN RAUSCHER		812,168	750,000	7,000	1FE
92817L GJ 6	VA RES SUB-CLEAN WTR 10/01/2022 4.750		04/18/2007	UBS SECURITIES		1,043,380	1,000,000		1FE
92428C DD 3	VT STD ASST ARCS -C 12/15/2025 3.940		05/23/2007	UBS SECURITIES		3,700,000	3,700,000	60,382	1FE
3199999	Total - Bonds - Special Revenue & Special Assessments					39,879,763	40,346,752	191,485	XXX
Bonds - Public Utilities									
070101 AE 0	BASIN ELECTRIC POWER 06/10/2029 5.320		04/09/2007	GOLDMAN SACHS		4,000,000	4,000,000	591	1FE
3899999	Total - Bonds - Public Utilities					4,000,000	4,000,000	591	XXX
Bonds - Industrial and Miscellaneous									
020002 AV 3	ALLSTATE CORP 05/15/2037 6.125		05/03/2007	J.P. MORGAN		998,290	1,000,000		1FE
05947U VA 3	BACM 2004-3 A3 04/01/2011 4.875		06/20/2007	JP MORGAN SECURITIES INC		1,965,469	2,000,000	6,500	1FE

E04

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)
000000 00 0	BIG WEST OIL,LLC 05/15/2014 9.500		05/02/2007	BANK AMERICA		450,000	450,000		4FE
07384M W7 3	BSARM 2004-6 2A2 08/01/2034 5.081		05/01/2007	BEAR STEARNS & CO		2,081,609	2,092,727	886	1FE
17305E BS 3	CCCIT 2003-A6 A6 05/15/2008 2.900		05/17/2007	J.P. MORGAN		1,758,938	1,800,000	1,015	1FE
22541Q DG 4	CSFB 2003-C3 A3 06/01/2010 3.382		06/21/2007	CREDIT SUISSE FIRST BOSTON		2,841,094	3,000,000	7,046	1FE
000000 00 0	DISCOVERY COMMUNICATIO 05/14/2014 7.340		05/03/2007	BANK AMERICA		1,000,000	1,000,000		3Z
36158Y FS 3	GECMC 2002-2A A2 01/01/2012 4.970		06/20/2007	JP MORGAN SECURITIES INC		3,344,922	3,393,975	11,245	1FE
36962G YY 4	GENERAL ELEC CAP CORP 06/15/2012 6.000		04/12/2007	CREDIT SUISSE FIRST BOSTON		2,069,620	2,000,000	40,667	1FE
000000 00 0	GRAPHIC PACKAGING INTE 05/16/2014 7.320		05/02/2007	BANK AMERICA		1,000,000	1,000,000		4FE
36228C WV 1	GSMS 2006-GG6 A3 01/01/2013 5.740		04/13/2007	GREENWICH CAPITAL		7,083,125	7,000,000	18,974	1FE
244217 BG 9	JOHN DEERE CAPITAL COR 03/15/2012 7.000		04/12/2007	CREDIT SUISSE FIRST BOSTON		2,149,660	2,000,000	12,444	1FE
52517P 2K 6	LEHMAN BROTHERS HOLDIN 05/25/2010 5.500		05/22/2007	UBS WARBURG		750,000	750,000		1FE
74958Y AN 2	RFMSI 2007-S4 A14 10/01/2021 6.000		04/27/2007	GREENWICH CAPITAL		2,000,000	2,000,000	9,667	1FE
826502 AA 4	SRFC 2007-1A A1 08/20/2013 5.270		05/16/2007	GREENWICH CAPITAL		4,999,590	5,000,000		1FE
63540# BN 0	WATERFORD MEADOWS 05/31/2011 7.200		05/24/2007	CITY SECURITIES CORP		3,347,623	3,214,480		1FE
98877A AA 9	ZFS FINANCE USA TRUST 05/09/2032 5.875		05/03/2007	DIRECT		999,700	1,000,000		2FE
151191 AJ 2	CELULOSA ARAUCO CONSTI 09/13/2011 7.750	F	04/24/2007	LEHMAN BROTHERS		1,364,838	1,250,000	11,840	2FE
4599999.	Total - Bonds - Industrial & Miscellaneous					40,204,478	39,951,182	120,284	XXX
6099997.	Total - Bonds - Part 3					115,481,652	115,322,414	492,485	XXX
6099999.	Total - Bonds					115,481,652	115,322,414	492,485	XXX
Preferred Stocks - Industrial and Miscellaneous									
40429C 60 7	HSBC FINANCE CORPORATION		06/06/2007	WACHOVIA/FIRST UNION	50,000.000	1,267,500			P1LFE
6399999.	Total - Preferred Stocks - Industrial & Miscellaneous					1,267,500	XXX	0	XXX
6599997.	Total - Preferred Stocks - Part 3					1,267,500	XXX	0	XXX
6599999.	Total - Preferred Stocks					1,267,500	XXX	0	XXX
7399999.	Total - Preferred and Common Stocks					1,267,500	XXX	0	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					116,749,152	XXX	492,485	XXX

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

E04.1

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
31359M L3 5	FANNIE MAE		04/13/2007	CALL BY ISSUER 100.0		5,000,000	5,000,000	4,995,440	4,995,926		479		479		4,996,405		3,595	3,595	135,000	04/13/2009	1
31359M MP 5	FANNIE MAE		04/15/2007	MATURITY		1,000,000	1,000,000	1,082,200	1,005,755		(5,755)		(5,755)		1,000,000			0	26,250	04/15/2007	1
3133MN PQ 8	FEDERAL HOME LOAN BANK	4.87	05/15/2007	MATURITY		3,000,000	3,000,000	3,246,810	3,023,010		(23,010)		(23,010)		3,000,000			0	73,125	05/15/2007	1
3133XB ZK 4	FEDERAL HOME LOAN BANK	3.62	06/20/2007	MATURITY		7,500,000	7,500,000	7,470,315	7,492,839		7,161		7,161		7,500,000			0	135,938	06/20/2007	1
3133XJ 3G 1	FEDERAL HOME LOAN BANK	5.25	06/11/2007	CALL BY ISSUER 100.0		6,500,000	6,500,000	6,495,050	6,495,097		1,056		1,056		6,496,153		3,847	3,847	170,625	12/11/2008	1
3128X4 7H 8	FREDDIE MAC	5.375	05/22/2007	CALL BY ISSUER 100.0		2,000,000	2,000,000	1,997,360	1,997,843		589		589		1,998,432		1,568	1,568	53,750	05/22/2008	1
36202B NJ 0	G2 1293	10.500	06/01/2007	MBS PAYDOWN		202	202	222	219		(17)		(17)		202			0	9	04/01/2019	1
36202D KY 6	G2 3011	7.500	06/01/2007	MBS PAYDOWN		306	306	313	311		(5)		(5)		306			0	10	01/01/2030	1
36202D LW 9	G2 3041	7.500	06/01/2007	MBS PAYDOWN		7,291	7,291	7,452	7,403		(111)		(111)		7,291			0	227	02/01/2030	1
36215K 2A 7	GN 137669	10.500	06/01/2007	MBS PAYDOWN		23	23	24	24		(1)		(1)		23			0	1	09/01/2013	1
36220W KJ 5	GN 290197	9.500	06/01/2007	MBS PAYDOWN		150	150	157	156		(6)		(6)		150			0	6	08/01/2020	1
36223H 6B 8	GN 308766	7.500	06/01/2007	MBS PAYDOWN		137	137	138	138		(1)		(1)		137			0	4	02/01/2022	1
36224L QA 8	GN 331749	7.500	06/01/2007	MBS PAYDOWN		252	252	248	249		3		3		252			0	8	09/01/2022	1
36224P ML 9	GN 334363	7.500	06/01/2007	MBS PAYDOWN		327	327	332	330		(3)		(3)		327			0	10	10/01/2022	1
36224Q XR 2	GN 335588	7.500	06/01/2007	MBS PAYDOWN		354	354	349	351		3		3		354			0	11	04/01/2020	1
36224U 5Z 6	GN 339364	7.500	06/01/2007	MBS PAYDOWN		8,674	8,674	8,543	8,586		87		87		8,674			0	324	09/01/2022	1
36205R MA 2	GN 398253	7.500	06/01/2007	MBS PAYDOWN		1,693	1,693	1,709	1,704		(11)		(11)		1,693			0	53	04/01/2025	1
36206A LZ 4	GN 405444	9.000	06/01/2007	MBS PAYDOWN		4,733	4,733	4,997	4,948		(214)		(214)		4,733			0	145	12/01/2023	1
36206E 3N 3	GN 409505	7.000	06/01/2007	MBS PAYDOWN		1,024	1,024	1,087	1,084		(60)		(60)		1,024			0	30	09/01/2023	1
36208T 4W 7	GN 460837	7.000	04/30/2007	MBS PAYDOWN									0					0		12/01/2026	1
36209P NT 0	GN 477502	6.500	06/01/2007	MBS PAYDOWN		5,587	5,587	5,683	5,680		(93)		(93)		5,587			0	151	12/01/2026	1
36200Q JM 7	GN 569168	6.500	06/01/2007	MBS PAYDOWN		17,959	17,959	18,386	18,245		(286)		(286)		17,959			0	487	12/01/2016	1
36201Q 2C 6	GN 590371	6.500	06/01/2007	MBS PAYDOWN		17,386	17,386	18,119	17,955		(569)		(569)		17,386			0	455	02/01/2032	1
36201T KE 6	GN 592593	6.000	06/01/2007	MBS PAYDOWN		1,037	1,037	1,084	1,081		(44)		(44)		1,037			0	26	05/01/2032	1
36200K UE 5	GN 603681	5.500	06/01/2007	MBS PAYDOWN		18,275	18,275	18,961	18,854		(579)		(579)		18,275			0	419	09/01/2032	1
36290S QF 1	GN 616154	5.000	06/01/2007	MBS PAYDOWN		69,376	69,376	69,050	69,088		288		288		69,376			0	1,631	10/01/2032	1
36225B HE 1	GN 781129	7.000	06/01/2007	MBS PAYDOWN		526	526	507	512		14		14		526			0	15	03/01/2028	1
36202D MT 5	GNMA POOL #3070	7.500	06/01/2007	MBS PAYDOWN		3,455	3,455	3,534	3,508		(52)		(52)		3,455			0	100	05/01/2030	1
36224H E9 3	GNMA POOL #328760	8.500	04/01/2007	MBS PAYDOWN		264	264	280	265		(1)		(1)		264			0	7	04/01/2007	1
912828 DS 6	US TREASURY N/B	3.625	05/22/2007	VARIOUS		875,000	875,000	875,848	875,152		(152)		(152)		875,000			0	15,859	04/30/2007	1
912828 FP 0	US TREASURY N/B	4.875	05/09/2007	MERRILL LYNCH		(276,289)	(275,000)	(276,300)	(276,300)		(1)		(1)		(276,298)		9	9	(3,074)	08/15/2009	1
0399999	Total - Bonds - U.S. Government					25,757,742	25,759,031	26,047,898	26,046,313		0		(21,291)		25,748,723		0	9,019	9,019	611,602	XXX
Bonds - Special Revenue and Special Assessment																					
041150 CK 7	AR STD LN AUCT RATE-A	3.845	06/06/2007	SALOMON SMITH BARNEY HI		300,000	300,000	300,000					0	300,000			0	5,863	06/01/2009	1FE	
13016N AN 4	CA TOB-ASSET-C-TAXABL	6.830	06/01/2007	SINKING FUND REDEMPTION		25,000	25,000	25,000	25,000				0	25,000			0	854	06/01/2015	2FE	
13016N AF 1	CA TOB-TXB-B-STANISLA	7.500	06/01/2007	CALL BY ISSUER 100.0		35,000	35,000	35,000	35,000				0	35,000			0	1,313	06/01/2019	2FE	
185630 NW 6	CLEMSON UNIV-A	4.625	05/01/2007	MATURITY		1,000,000	1,000,000	1,013,140	1,000,567		(567)		(567)		1,000,000			0	23,125	05/01/2007	1FE
83754L AA 5	EEFC 2002-A A	6.720	06/01/2007	SINKING FUND REDEMPTION		15,925	15,925	16,144	16,105		(179)		(179)		15,925			0	535	06/01/2025	2FE
31296L UE 9	FG A12381	5.000	06/01/2007	MBS PAYDOWN		30,762	30,762	30,108	30,194		568		568		30,762			0	539	02/01/2033	1
31296L ZH 7	FG A12544	5.000	06/01/2007	MBS PAYDOWN		29,449	29,449	29,164	29,194		255		255		29,449			0	620	10/01/2032	1
31296S WL 6	FG A17851	5.500	06/01/2007	MBS PAYDOWN		27,620	27,620	28,004	27,931		(311)		(311)		27,620			0	647	03/01/2033	1
31297A P5 5	FG A23145	5.500	06/01/2007	MBS PAYDOWN		53,846	53,846	53,224	53,323		523		523		53,846			0	1,215	11/01/2033	1
31297F J5 3	FG A27484	6.000	06/01/2007	MBS PAYDOWN		26,833	26,833	27,734	27,555		(722)		(722)		26,833			0	751	05/01/2034	1
31297S ZP 3	FG A37050	5.000	06/01/2007	MBS PAYDOWN		28,250	28,250	27,906	27,937		313		313		28,250			0	575	06/01/2035	1
3128K4 QX 6	FG A44070	5.000	06/01/2007	MBS PAYDOWN		47,383	47,383	44,184	44,283		3,100		3,100		47,383			0	967	01/01/2036	1
3128KK GC 7	FG A56495	5.500	06/01/2007	MBS PAYDOWN		14,121	14,121	13,981	14,000		140		140		14,121			0	195	12/01/2036	1
312963 WK 3	FG B11550	5.000	06/01/2007	MBS PAYDOWN		64,850	64,850	65,853	65,717		(867)		(867)		64,850			0	1,344	09/01/2018	1
312967 6K 3	FG B15374	5.000	06/01/2007	MBS PAYDOWN		380,844	380,844	384,534	383,840		(2,995)		(2,995)		380,844			0	7,131	03/01/2019	1

E05

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)
31292H Q3 1	FG C01374		06/01/2007	MBS PAYDOWN		7,109	7,109	7,362	7,332		(223)		(223)		7,109				.181	05/01/2031	1
31292H UP 7	FG C01490		06/01/2007	MBS PAYDOWN		57,257	57,257	58,115	57,959		(702)		(702)		57,257				.1,314	03/01/2032	1
31292H YU 2	FG C01623		06/01/2007	MBS PAYDOWN		113,035	113,035	112,134	112,301		733		733		113,035				.2,633	01/01/2033	1
31287P CQ 4	FG C63679		06/01/2007	MBS PAYDOWN		2,982	2,982	2,958	2,963		19		19		2,982				.69	01/01/2031	1
31287P E2 5	FG C63753		06/01/2007	MBS PAYDOWN		2,543	2,543	2,634	2,626		(83)		(83)		2,543				.60	12/01/2030	1
31288A X2 6	FG C72497		06/01/2007	MBS PAYDOWN		14,516	14,516	15,022	14,893		(376)		(376)		14,516				.413	09/01/2030	1
31288B LZ 4	FG C73044		06/01/2007	MBS PAYDOWN		26,603	26,603	27,289	27,154		(551)		(551)		26,603				.687	12/01/2031	1
31288C M4 0	FG C73979		06/01/2007	MBS PAYDOWN		24,431	24,431	25,068	24,924		(494)		(494)		24,431				.610	06/01/2032	1
31294J G9 3	FG E00224		06/01/2007	MBS PAYDOWN		20,693	20,693	19,836	20,506		187		187		20,693				.514	05/01/2008	1
31294K FN 0	FG E01073		06/01/2007	MBS PAYDOWN		13,010	13,010	12,880	12,913		97		97		13,010				.277	04/01/2016	1
31294K M5 1	FG E01280		06/01/2007	MBS PAYDOWN		56,832	56,832	58,661	58,243		(1,411)		(1,411)		56,832				.1,180	06/01/2017	1
31294K WD 3	FG E01544		06/01/2007	MBS PAYDOWN		24,983	24,983	25,069	25,052		(69)		(69)		24,983				.472	07/01/2018	1
3128GJ 2E 6	FG E82573		06/01/2007	MBS PAYDOWN		6,490	6,490	6,466	6,475		16		16		6,490				.163	04/01/2015	1
3128GY MX 9	FG E93974		06/01/2007	MBS PAYDOWN		22,296	22,296	23,310	23,002		(707)		(707)		22,296				.509	08/01/2017	1
3128H3 LP 4	FG E95734		06/01/2007	MBS PAYDOWN		47,340	47,340	48,878	48,492		(1,152)		(1,152)		47,340				.967	09/01/2017	1
3128H4 XR 5	FG E96988		06/01/2007	MBS PAYDOWN		40,313	40,313	41,081	40,941		(628)		(628)		40,313				.860	12/01/2017	1
31283H S8 9	FG G01443		06/01/2007	MBS PAYDOWN		20,625	20,625	21,343	21,170		(546)		(546)		20,625				.558	07/01/2031	1
31283H S9 7	FG G01444		06/01/2007	MBS PAYDOWN		7,605	7,605	7,922	7,900		(295)		(295)		7,605				.209	05/01/2031	1
3128LX DL 1	FG G01907		06/01/2007	MBS PAYDOWN		101,379	101,379	92,450	92,518		8,861		8,861		101,379				.1,946	11/01/2033	1
3128LX FN 5	FG G01973		06/01/2007	MBS PAYDOWN		31,688	31,688	30,386	30,408		1,280		1,280		31,688				.652	07/01/2035	1
3128LX MR 8	FG G02168		06/01/2007	MBS PAYDOWN		68,156	68,156	67,134	67,174		982		982		68,156				.1,752	11/01/2035	1
3128LX PX 2	FG G02238		06/01/2007	MBS PAYDOWN		184,893	184,893	170,795	171,096		13,797		13,797		184,893				.3,456	05/01/2035	1
3128LX QU 7	FG G02267		06/01/2007	MBS PAYDOWN		51,807	51,807	52,714	52,670		(863)		(863)		51,807				.1,404	04/01/2036	1
3128LX QY 9	FG G02271		06/01/2007	MBS PAYDOWN		60,007	60,007	55,366	55,465		4,541		4,541		60,007				.1,135	04/01/2035	1
3128M4 FM 0	FG G02572		06/01/2007	MBS PAYDOWN		37,107	37,107	37,406	37,406		(299)		(299)		37,107				.577	11/01/2036	1
3128MJ DW 7	FG G08116		06/01/2007	MBS PAYDOWN		65,781	65,781	63,186	63,274		2,507		2,507		65,781				.1,483	11/01/2035	1
3128MJ D4 9	FG G08122		06/01/2007	MBS PAYDOWN		54,677	54,677	52,593	52,660		2,017		2,017		54,677				.1,233	12/01/2035	1
3128M1 C3 1	FG G11990		06/01/2007	MBS PAYDOWN		28,730	28,730	28,183	28,207		523		523		28,730				.639	09/01/2020	1
3128M1 DD 8	FG G12000		06/01/2007	MBS PAYDOWN		69,200	69,200	66,649	66,753		2,447		2,447		69,200				.1,478	10/01/2020	1
3128M1 KY 4	FG G12211		06/01/2007	MBS PAYDOWN		62,627	62,627	60,875	60,941		1,686		1,686		62,627				.1,318	11/01/2020	1
3128MM BN 2	FG G18044		06/01/2007	MBS PAYDOWN		132,265	132,265	131,418	131,540		725		725		132,265				.2,494	11/01/2019	1
31282R 4E 1	FG M80821		06/01/2007	MBS PAYDOWN		51,920	51,920	53,169	52,742		(822)		(822)		51,920				.969	05/01/2010	1
31282S AZ 5	FG M80924		06/01/2007	MBS PAYDOWN		273,167	273,167	275,814	275,081		(1,914)		(1,914)		273,167				.5,207	06/01/2011	1
3128JR PC 4	FH 847619		05/01/2007	MBS PAYDOWN		131,493	131,493	132,911	132,892		(1,399)		(1,399)		131,493				.3,340	09/01/2011	1
31393G CN 2	FHR 2545 EY		06/01/2007	MBS PAYDOWN		208,853	208,853	207,034	207,718		1,135		1,135		208,853				.3,948	06/01/2011	1
31393J NK 0	FHR 2557 OE		06/01/2007	MBS PAYDOWN		100,235	100,235	102,568	100,729		(494)		(494)		100,235				.1,849	04/01/2009	1
31393M ZZ 0	FHR 2583 ND		06/01/2007	MBS PAYDOWN		5,487	5,487	5,577	5,523		(36)		(36)		5,487				.90	05/01/2009	1
31393N 2K 4	FHR 2583 TD		06/01/2007	MBS PAYDOWN		4,971	4,971	5,057	5,021		(50)		(50)		4,971				.93	10/01/2012	1
31393M FK 2	FHR 2591 WB		06/01/2007	MBS PAYDOWN		156,534	156,534	153,745	155,198		1,336		1,336		156,534				.2,822	07/01/2014	1
31395A XT 7	FHR 2824 EG		06/01/2007	MBS PAYDOWN		160,367	160,367	155,556	155,966		4,401		4,401		160,367				.3,062	07/01/2012	1
31395G FP 2	FHR 2856 TE		06/01/2007	MBS PAYDOWN		36,359	36,359	35,047	35,083		1,276		1,276		36,359				.719	05/01/2014	1
31395J R6 5	FHR 2890 AB		06/01/2007	MBS PAYDOWN		95,058	95,058	93,454	93,860		1,198		1,198		95,058				.1,519	05/01/2011	1
31395L KX 8	FHR 2920 LA		06/01/2007	MBS PAYDOWN		163,895	163,895	164,357	164,280		(385)		(385)		163,895				.3,417	07/01/2014	1
31395P ZE 5	FHR 2949 BE		06/01/2007	MBS PAYDOWN		312,446	312,446	311,470	311,846		601		601		312,446				.5,877	05/01/2010	1
31395R DL 9	FHR 2960 QN		06/01/2007	MBS PAYDOWN		367,402	367,402	367,976	367,708		(306)		(306)		367,402				.6,912	01/01/2010	1
31395T HU 1	FHR 2964 NG		06/01/2007	MBS PAYDOWN		67,168	67,168	67,157	67,161		7		7		67,168				.1,264	11/01/2010	1
31395T HV 9	FHR 2964 NH		06/01/2007	MBS PAYDOWN		120,902	120,902	121,393	121,225		(322)		(322)		120,902				.2,401	11/01/2010	1
31395V RC 5	FHR 2986 GC		06/01/2007	MBS PAYDOWN		110,725	110,725	110,829	110,793		(68)		(68)		110,725				.2,084	08/01/2010	1

E05.1

SCHEDULE D - PART 4

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

1 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
										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.							
341535 TC 6	FLORIDA ST BRD ED PUB	5.000	05/09/2007	GRIFFIN KUBIC.....		2,130,023	1,970,000	2,158,096	2,125,974	(5,905)			(5,905)		2,120,069		9,954	9,954	44,599	06/01/2016	1FE.....
341602 YJ 3	FLORIDA ST DEPT MGMT SVCS	5.0	04/17/2007	FIRST ALBANY CORP.....		1,321,018	1,235,000	1,351,461	1,340,106	(2,740)			(2,740)		1,337,365		(16,348)	(16,348)	39,280	09/01/2019	1FE.....
31371K BL 4	FN 253943	6.500	06/01/2007	MBS PAYDOWN.....		5,808	5,808	5,959	5,915	(107)			(107)		5,808				152	02/01/2016	1.....
31371K R3 7	FN 254406	6.500	06/01/2007	MBS PAYDOWN.....		16,071	16,071	16,481	16,352	(281)			(281)		16,071				450	10/01/2031	1.....
31371K U4 1	FN 254503	5.000	06/01/2007	MBS PAYDOWN.....		60,762	60,762	62,718	61,985	(1,223)			(1,223)		60,762				1,256	09/01/2009	1.....
31371K WK 3	FN 254550	6.500	06/01/2007	MBS PAYDOWN.....		9,816	9,816	10,160	10,103	(287)			(287)		9,816				264	01/01/2032	1.....
31371K 2V 2	FN 254688	5.500	06/01/2007	MBS PAYDOWN.....		66,320	66,320	68,859	68,171	(1,851)			(1,851)		66,320				1,515	10/01/2022	1.....
31371K 4K 4	FN 254726	5.500	06/01/2007	MBS PAYDOWN.....		27,490	27,490	27,958	27,907	(417)			(417)		27,490				631	08/01/2032	1.....
31371L CD 9	FN 254868	5.000	06/01/2007	MBS PAYDOWN.....		38,993	38,993	38,792	38,815	179			179		38,993				819	01/01/2033	1.....
31371L CE 7	FN 254869	5.500	06/01/2007	MBS PAYDOWN.....		14,748	14,748	14,767	14,763	(15)			(15)		14,748				342	01/01/2033	1.....
31376K FW 1	FN 357581	5.000	06/01/2007	MBS PAYDOWN.....		34,954	34,954	35,281	35,215	(261)			(261)		34,954				766	12/01/2018	1.....
31379J Z2 5	FN 421161	6.500	06/01/2007	MBS PAYDOWN.....		2,519	2,519	2,530	2,525	(6)			(6)		2,519				76	08/01/2012	1.....
31379R VS 4	FN 427325	6.500	06/01/2007	MBS PAYDOWN.....		33,077	33,077	33,232	33,156	(79)			(79)		33,077				1,031	08/01/2012	1.....
31379T TE 4	FN 429049	6.500	06/01/2007	MBS PAYDOWN.....		9,677	9,677	9,722	9,701	(24)			(24)		9,677				236	12/01/2012	1.....
31380M MS 2	FN 444169	6.000	06/01/2007	MBS PAYDOWN.....		186	186	184	185	1			1		186				5	09/01/2028	1.....
31380Y SL 5	FN 454223	6.000	06/01/2007	MBS PAYDOWN.....		271	271	269	269	2			2		271				7	08/01/2027	1.....
31381B V9 7	FN 456140	6.000	06/01/2007	MBS PAYDOWN.....		115	115	114	114	1			1		115				3	09/01/2028	1.....
31385J QV 3	FN 545968	5.500	06/01/2007	MBS PAYDOWN.....		18,514	18,514	18,861	18,797	(284)			(284)		18,514				421	11/01/2016	1.....
31385W 2S 7	FN 555285	6.000	06/01/2007	MBS PAYDOWN.....		12,656	12,656	12,838	12,815	(159)			(159)		12,656				314	08/01/2031	1.....
31385X FK 8	FN 555570	6.000	06/01/2007	MBS PAYDOWN.....		13,689	13,689	13,888	13,862	(173)			(173)		13,689				344	07/01/2031	1.....
31385X GQ 4	FN 555607	4.500	06/01/2007	MBS PAYDOWN.....		17,570	17,570	17,575	17,574	(5)			(5)		17,570				331	12/01/2017	1.....
31386S BW 6	FN 571653	6.000	06/01/2007	MBS PAYDOWN.....		131,177	131,177	130,357	130,659	518			518		131,177				3,139	07/01/2015	1.....
31387N 2W 6	FN 589489	6.500	06/01/2007	MBS PAYDOWN.....		29,349	29,349	29,789	29,623	(274)			(274)		29,349				839	10/01/2015	1.....
31388P XQ 9	FN 610987	6.000	06/01/2007	MBS PAYDOWN.....		25,232	25,232	25,340	25,304	(72)			(72)		25,232				632	03/01/2016	1.....
31389N 4X 0	FN 630938	5.500	06/01/2007	MBS PAYDOWN.....		95,436	95,436	94,467	94,773	663			663		95,436				2,436	08/01/2016	1.....
31389P MP 2	FN 631366	6.500	06/01/2007	MBS PAYDOWN.....		874	874	896	888	(15)			(15)		874				24	07/01/2016	1.....
31389V SD 0	FN 636916	6.500	06/01/2007	MBS PAYDOWN.....		23,636	23,636	24,256	24,036	(401)			(401)		23,636				596	10/01/2016	1.....
31390L RG 3	FN 649487	6.500	06/01/2007	MBS PAYDOWN.....		2,650	2,650	2,746	2,721	(71)			(71)		2,650				72	03/01/2032	1.....
31391P UV 6	FN 672996	5.000	06/01/2007	MBS PAYDOWN.....		66,224	66,224	66,109	66,086	138			138		66,224				1,423	05/01/2017	1.....
31391W 5R 8	FN 679556	5.000	06/01/2007	MBS PAYDOWN.....		18,547	18,547	18,953	18,852	(305)			(305)		18,547				366	11/01/2017	1.....
31400F PB 7	FN 686318	5.000	06/01/2007	MBS PAYDOWN.....		39,084	39,084	40,281	39,976	(892)			(892)		39,084				782	08/01/2017	1.....
31400Q TN 3	FN 694557	5.500	06/01/2007	MBS PAYDOWN.....		6,985	6,985	7,103	7,083	(98)			(98)		6,985				154	06/01/2032	1.....
31400R CF 6	FN 694970	5.500	06/01/2007	MBS PAYDOWN.....		47,052	47,052	49,052	48,553	(1,501)			(1,501)		47,052				1,008	10/01/2017	1.....
31400Y ET 9	FN 701346	6.000	06/01/2007	MBS PAYDOWN.....		13,429	13,429	13,857	13,753	(324)			(324)		13,429				399	05/01/2032	1.....
31400Y FU 5	FN 701379	4.500	06/01/2007	MBS PAYDOWN.....		7,320	7,320	7,352	7,344	(24)			(24)		7,320				137	11/01/2017	1.....
31401B P6 6	FN 703445	5.000	06/01/2007	MBS PAYDOWN.....		253,919	253,919	257,887	257,398	(3,478)			(3,478)		253,919				5,294	11/01/2017	1.....
31401H UX 8	FN 708998	5.500	06/01/2007	MBS PAYDOWN.....		15,517	15,517	15,384	15,402	115			115		15,517				333	01/01/2033	1.....
31401W G2 9	FN 720317	5.000	06/01/2007	MBS PAYDOWN.....		19,806	19,806	20,248	20,164	(358)			(358)		19,806				416	12/01/2017	1.....
31401X BJ 5	FN 721041	6.000	06/01/2007	MBS PAYDOWN.....		30,777	30,777	31,609	31,458	(680)			(680)		30,777				784	04/01/2033	1.....
31402F DL 6	FN 727407	4.500	06/01/2007	MBS PAYDOWN.....		67,364	67,364	66,501	66,696	668			668		67,364				1,237	03/01/2018	1.....
31402R SH 3	FN 735920	4.500	06/01/2007	MBS PAYDOWN.....		37,607	37,607	35,956	36,009	1,598			1,598		37,607				718	03/01/2020	1.....
31403D WD 7	FN 745944	5.000	06/01/2007	MBS PAYDOWN.....		35,895	35,895	34,835		1,060			1,060		35,895				150	11/01/2032	1.....
31403Y G6 4	FN 761721	5.000	06/01/2007	MBS PAYDOWN.....		15,411	15,411	15,252	15,274	137			137		15,411				299	09/01/2032	1.....
31404B VC 3	FN 763911	4.500	06/01/2007	MBS PAYDOWN.....		46,925	46,925	47,130	47,088	(164)			(164)		46,925				788	08/01/2018	1.....
31404N WB 8	FN 773842	6.000	06/01/2007	MBS PAYDOWN.....		42,479	42,479	43,090	42,958	(479)			(479)		42,479				938	07/01/2033	1.....
31404R MD 6	FN 776256	5.500	06/01/2007	MBS PAYDOWN.....		2,963	2,963	2,969	2,968	(5)			(5)		2,963				69	12/01/2033	1.....
31404U CL 2	FN 778675	4.500	06/01/2007	MBS PAYDOWN.....		5,942	5,942	5,867	5,882	60			60		5,942				111	01/01/2019	1.....
31404Y KL 5	FN 782499	5.475	06/01/2007	MBS PAYDOWN.....		113,028	113,028	112,525	112,599	429			429		113,028				1,701	01/01/2034	1.....
31405C HF 9	FN 785130	5.000	06/01/2007	MBS PAYDOWN.....		372,492	372,492	377,963	376,885	(4,394)			(4,394)		372,492				8,084	02/01/2019	1.....

E05.2

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)
31405R 7F 7	FN 797494		06/01/2007	MBS PAYDOWN		133,212	133,212	121,910	122,150		11,062		11,062		133,212			0	2,256	10/01/2034	1
31406W US 1	FN 822393		06/01/2007	MBS PAYDOWN		11,402	11,402	11,518	11,503		(101)		(101)		11,402			0	264	12/01/2034	1
31406Y 4L 1	FN 824427		06/01/2007	MBS PAYDOWN		111,685	111,685	112,715	112,580		(894)		(894)		111,685			0	2,563	02/01/2035	1
31407H ZH 2	FN 831544		06/01/2007	MBS PAYDOWN		50,398	50,398	49,485	49,525		873		873		50,398			0	1,243	02/01/2036	1
31407H 5Y 8	FN 831663		06/01/2007	MBS PAYDOWN		172,361	172,361	172,657	172,647		(286)		(286)		172,361			0	4,310	05/01/2036	1
31407Y RS 0	FN 844797		06/01/2007	MBS PAYDOWN		47,279	47,279	44,694	44,842		2,437		2,437		47,279			0	907	06/01/2035	1
31409J PA 2	FN 872617		06/01/2007	MBS PAYDOWN		53,213	53,213	53,504	53,485		(273)		(273)		53,213			0	1,389	04/01/2036	1
31409W NY 3	FN 880707		06/01/2007	MBS PAYDOWN		42,996	42,996	42,795	42,808		189		189		42,996			0	1,202	03/01/2036	1
31412L CL 2	FN 928075		06/01/2007	MBS PAYDOWN		28,996	28,996	29,205	29,205		(208)		(208)		28,996			0	452	12/01/2036	1
31392F 5Y 9	FNR 2002-77 CG		06/01/2007	MBS PAYDOWN		19,560	19,560	19,771	19,662		(102)		(102)		19,560			0	323	04/01/2010	1
31393B 2U 8	FNR 2003-60 NA		06/01/2007	MBS PAYDOWN		75,450	75,450	73,611	73,919		1,531		1,531		75,450			0	1,264	09/01/2013	1
31393Y 3A 1	FNR 2004-55 LA		06/01/2007	MBS PAYDOWN		132,875	132,875	128,141	128,455		4,419		4,419		132,875			0	2,527	04/01/2014	1
31394A S2 3	FNR 2004-74 BA		06/01/2007	MBS PAYDOWN		137,711	137,711	137,087	137,215		496		496		137,711			0	2,584	09/01/2015	1
31394C 7A 4	FNR 2005-30 BC		06/01/2007	MBS PAYDOWN		136,548	136,548	136,975	136,915		(367)		(367)		136,548			0	2,831	07/01/2017	1
31394C N3 2	FNR 2005-33 VA		06/01/2007	MBS PAYDOWN		28,669	28,669	28,924	28,883		(215)		(215)		28,669			0	598	03/01/2016	1
31394E GN 2	FNR 2005-63 HA		06/01/2007	MBS PAYDOWN		123,917	123,917	120,703	120,896		3,021		3,021		123,917			0	2,569	01/01/2015	1
31359U ZR 9	FNW 1998-W8 A6		06/01/2007	MBS PAYDOWN		17,260	17,260	17,260	17,260						17,260			0	421	04/01/2014	1
38374H 7K 0	GNR 2004-69 AN		06/01/2007	MBS PAYDOWN		247,628	247,628	241,437	241,462		6,166		6,166		247,628			0	4,449	06/01/2014	1
442435 CD 3	HOUSTON TEX UTIL SYS REV	3.77	05/10/2007	GOLDMAN SACHS		4,000,000	4,000,000	4,000,000						4,000,000			0	8,906	05/15/2034	1FE	
485427 HU 5	KS DEV-WTR REVOLV LN2	4.600	04/02/2007	CALL BY ISSUER 100.0		1,000,000	1,000,000	1,000,000	1,000,000					1,000,000			0	23,000	04/01/2007	1FE	
542402 GH 9	LONG BEACH FIN-SKYLIN	3.880	05/01/2007	SINKING FUND REDEMPTION		145,000	145,000	145,000	145,000					145,000			0	2,813	05/01/2008	1FE	
548100 5G 7	LOWER COLO RIVER AUTH	6.000	05/15/2007	MATURITY		1,000,000	1,000,000	1,088,550	1,007,086		(7,086)		(7,086)	1,000,000			0	30,000	05/15/2007	1FE	
57419N 5C 4	MD DEV-RESIDENTIAL-E	5.500	06/08/2007	CALL BY ISSUER 100.0		70,000	70,000	74,537	74,048		(194)		(194)	73,853		(3,853)	(3,853)	1,954	03/01/2032	1FE	
797426 AA 1	SAN DIEGO FAM HO	5.310	04/03/2007	BEAR STEARNS & CO		1,000,000	1,000,000	1,000,000	1,000,000					1,000,000			0	16,574	07/01/2035	1FE	
791649 HH 2	ST LOUIS IDA-B-MARYVI	5.300	06/20/2007	SINKING FUND REDEMPTION		15,000	15,000	15,000	15,000					15,000			0	398	12/20/2012	1FE	
3199999	Total - Bonds - Special Revenue & Assessment					20,106,402	19,860,361	20,225,271	15,667,101	0	34,120	0	34,120	0	20,116,648	0	(10,247)	(10,247)	364,058	XXX	XXX
Bonds - Public Utilities																					
070101 AE 0	BASIN ELECTRIC POWER	5.320	06/28/2007	GOLDMAN SACHS		4,000,000	4,000,000	4,000,000					0	4,000,000			0	47,818	06/10/2029	1FE	
664787 AF 5	NORTHERN BORDER PIPELINE	6.2	05/01/2007	MATURITY		605,000	605,000	614,166	605,788		(788)		(788)	605,000			0	18,906	05/01/2007	1FE	
3899999	Total - Bonds - Public Utilities					4,605,000	4,605,000	4,614,166	605,788	0	(788)	0	(788)	0	4,605,000	0	0	0	66,724	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00077Q AG 5	ABN AMRO BK NV (CHICAGO)	7.124	06/18/2007	MATURITY		1,250,000	1,250,000	1,420,975	1,275,153		(25,153)		(25,153)	1,250,000			0	44,531	06/18/2007	1FE	
03879# AA 6	ARBORS AT PRINCETON PARK	5.7	06/29/2007	CALL BY ISSUER 100.0		2,737,841	2,737,841	2,820,469	2,763,274		(14,326)		(14,326)	2,748,948		(11,107)	(11,107)	95,772	11/17/2007	1FE	
05947U LH 9	BACM 2003-1 A1	3.878	06/01/2007	MBS PAYDOWN		47,122	47,122	46,524	46,683		440		440	47,122			0	762	01/01/2012	1FE	
05949A PF 1	BOAMS 2004-7 5A10	5.250	06/01/2007	MBS PAYDOWN		85,336	85,336	84,417	84,601		735		735	85,336			0	1,875	08/01/2021	1FE	
05949A PN 4	BOAMS 2004-7 6A1	4.500	06/01/2007	MBS PAYDOWN		33,091	33,091	32,848	32,875		215		215	33,091			0	618	07/01/2019	1FE	
07384Y CU 8	BSABS 2002-1 1A5	6.390	06/01/2007	MBS PAYDOWN		12,022	12,022	12,593	12,108		(86)		(86)	12,022			0	313	03/01/2016	1FE	
07384M W7 3	BSARM 2004-6 2A2	5.081	06/01/2007	MBS PAYDOWN		20,648	20,648	20,538			110		110	20,648			0		08/01/2034	1FE	
14912L 2D 2	CATERPILLAR FIN SERV CRP	3.100	05/15/2007	MATURITY		750,000	750,000	749,475	749,934		66		66	750,000			0	11,625	05/15/2007	1FE	
161551 FS 0	CFAB 2002-2 1A5	5.833	06/01/2007	MBS PAYDOWN		504,506	504,506	526,184	515,325		(10,819)		(10,819)	504,506			0	12,639	12/01/2010	1FE	
16162W NE 5	CHASE 2005-S3 A4	5.500	06/01/2007	MBS PAYDOWN		162,629	162,629	162,223	162,340		289		289	162,629			0	3,423	04/01/2013	1FE	
201730 AC 2	CMAT 1999-C1 A3	6.640	06/11/2007	MBS PAYDOWN		99,371	99,371	114,425	105,223		(5,851)		(5,851)	99,371			0	3,041	02/11/2010	1FE	
172973 Y 0	CMSI 2004-5 1A3	5.250	06/01/2007	MBS PAYDOWN		68,793	68,793	68,152	68,203		590		590	68,793			0	1,412	12/01/2023	1FE	
172973 PT 7	CMSI 2005-1 2A1	4.750	06/01/2007	MBS PAYDOWN		96,248	96,248	94,123	94,300		1,947		1,947	96,248			0	1,991	02/01/2020	1FE	
20033T AF 2	COMED 1998-1 A6	5.630	06/26/2007	MBS PAYDOWN		161,139	161,139	177,914	163,251		(2,111)		(2,111)	161,139			0	4,536	06/25/2007	1FE	
21075W FZ 3	CONHE 1997-4 A7	6.630	06/01/2007	MBS PAYDOWN		1,236	1,236	1,261	1,236					1,236			0	34	08/01/2010	1FE	
20825R AA 9	CONOCOPHIL AU	5.460	05/31/2007	BEAR STEARNS & CO		3,249,805	3,250,000	3,251,300			(1,300)		(1,300)	3,250,000			(195)	(195)	72,408	04/09/2009	1FE
17309N AA 9	CRMSI 2006-1 A1	5.956	06/01/2007	MBS PAYDOWN		181,518	181,518	181,517	181,517		2		2	181,518			0	4,544	07/01/2008	1FE	

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	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)
17310E AA 6	CRMSI 2006-2 A1A		06/01/2007	MBS PAYDOWN		677,218	677,218	677,211	677,211		7		7		677,218				16,550	08/01/2008	1FE
22540A ES 3	CSFB 1997-C2 A3		06/11/2007	MBS PAYDOWN		1,327,070	1,327,070	1,376,525	1,343,169	(16,099)		(16,099)	(16,099)	1,327,070				37,955	11/11/2007	1FE	
22540V EH 1	CSFB 2001-CKN5 A3		06/01/2007	MBS PAYDOWN		36,494	36,494	38,616	37,407	(913)		(913)	(913)	36,494				831	10/01/2009	1FE	
22541N UH 0	CSFB 2002-CP5 A1		06/01/2007	MBS PAYDOWN		371,060	371,060	358,131	359,518	11,543		11,543	11,543	371,060				6,348	05/01/2012	1FE	
22541S HS 0	CSFB 2004-C2 A1		06/01/2007	MBS PAYDOWN		42,459	42,459	40,761	41,210	1,249		1,249	1,249	42,459				676	12/01/2013	1FE	
126380 AB 0	CSMC 2006-9 2A1		06/01/2007	MBS PAYDOWN		47,460	47,460	46,243	46,246	1,214		1,214	1,214	47,460				1,112	02/01/2035	1FE	
12669F J8 7	CWHL 2004-13 2A1		06/01/2007	MBS PAYDOWN		278,644	278,644	278,513	278,582	62		62	62	278,644				5,815	02/01/2014	1FE	
126671 PV 2	CWL 2002-S1 A5		06/01/2007	MBS PAYDOWN		20,546	20,546	20,899	20,546				0	20,546				615	11/01/2016	1FE	
25466K DY 2	DCMT 2002-2 A		04/15/2007	MBS PAYDOWN		4,000,000	4,000,000	4,347,969	4,029,534	(29,534)		(29,534)	(29,534)	4,000,000				68,667	04/15/2007	1FE	
23322B FZ 6	DLJCM 1999-CG3 A1A		06/01/2007	MBS PAYDOWN		6,848	6,848	7,400	7,015	(168)		(168)	(168)	6,848				212	10/01/2008	1FE	
31846L BT 2	FAMLT 1998-1F NOTE		06/01/2007	MBS PAYDOWN		300	300	304	300				0	300				8	03/01/2020	1FE	
36242D M8 3	FFML 2005-FF2 A2BG LOAN ASSET	5.8	05/25/2007	MBS PAYDOWN		147,535	147,535	147,627	147,570	(35)		(35)	(35)	147,535				2,745	11/25/2007	1FE	
31396C 3C 2	FHRR R003 AG		06/01/2007	MBS PAYDOWN		103,182	103,182	101,651	101,753	1,430		1,430	1,430	103,182				2,217	10/01/2013	1FE	
337367 AB 2	FULBA 1998-C2 A2		06/01/2007	MBS PAYDOWN		86,730	86,730	94,824	88,785	(2,055)		(2,055)	(2,055)	86,730				2,720	11/01/2008	1FE	
337378 AA 1	FUNBC 1999-C4 A1		05/01/2007	MBS PAYDOWN		28,398	28,398	30,253	28,743	(344)		(344)	(344)	28,398				720	09/01/2007	1FE	
337378 AB 9	FUNBC 1999-C4 A2		06/01/2007	MBS PAYDOWN		20,989	20,989	25,045	22,436	(1,447)		(1,447)	(1,447)	20,989				718	11/01/2009	1FE	
33736X AA 7	FUNBC 2000-C1 A1		06/01/2007	MBS PAYDOWN		42,208	42,208	47,343	44,014	(1,805)		(1,805)	(1,805)	42,208				1,427	12/01/2008	1FE	
361849 DY 5	GMACC 1998-C2 A2		06/01/2007	MBS PAYDOWN		92,658	92,658	103,585	95,334	(2,676)		(2,676)	(2,676)	92,658				2,470	07/01/2008	1FE	
43812H AD 2	HAROT 2003-4 A4		06/15/2007	MBS PAYDOWN		465,451	465,451	463,251	465,076	375		375	375	465,451				6,183	06/15/2007	1FE	
43812E AD 9	HAROT 2003-5 A4		06/18/2007	MBS PAYDOWN		902,789	902,789	902,464	902,715	74		74	74	902,789				11,062	08/18/2007	1FE	
437084 HL 3	HEAT 2005-1 A3		06/25/2007	MBS PAYDOWN		415,418	415,418	416,083	415,988	(570)		(570)	(570)	415,418				9,656	10/25/2013	1FE	
40430G AJ 9	HFCCH 2005-3 M1		06/20/2007	MBS PAYDOWN		85,701	85,701	85,701	85,701				0	85,701				2,024	12/20/2010	1FE	
448574 AA 1	HYATT EQUITIES LLC		06/15/2007	MATURITY		250,000	250,000	249,408	249,936	64		64	64	250,000				8,594	06/15/2007	2FE	
45254T MV 3	IMSA 2003-2 A4		06/01/2007	MBS PAYDOWN		87,930	87,930	82,510	82,526	5,404		5,404	5,404	87,930				1,432	07/01/2032	1FE	
47214T AA 7	JCPL 2002-A A1		06/05/2007	MBS PAYDOWN		45,096	45,096	47,449	45,655	(559)		(559)	(559)	45,096				945	12/05/2007	1FE	
46625M PL 7	JPMCC 2002-C2 A1		06/01/2007	MBS PAYDOWN		16,094	16,094	15,598	15,656	438		438	438	16,094				290	11/01/2011	1FE	
46625M WW 5	JPMCC 2003-CB6 A1		06/01/2007	MBS PAYDOWN		37,368	37,368	37,529	37,491	(123)		(123)	(123)	37,368				684	12/01/2012	1FE	
501773 CS 2	LBCMT 1999-C1 A2		06/01/2007	MBS PAYDOWN		34,362	34,362	39,045	35,744	(1,382)		(1,382)	(1,382)	34,362				972	04/01/2009	1FE	
52108H FK 5	LBUBS 2001-C3 A1		06/11/2007	MBS PAYDOWN		114,069	114,069	117,411	116,586	(2,517)		(2,517)	(2,517)	114,069				2,880	12/11/2010	1FE	
52108H 6S 8	LBUBS 2005-C5 A1		06/11/2007	MBS PAYDOWN		160,998	160,998	161,799	161,571	(573)		(573)	(573)	160,998				3,183	03/11/2010	1FE	
86359D ZC 8	LXS 2005-2 2A1A		06/25/2007	MBS PAYDOWN		608,241	608,241	608,455	608,249	(8)		(8)	(8)	608,241				13,822	04/25/2008	1FE	
59018Y ZC 8	MERRILL LYNCH & CO		06/01/2007	MERRILL LYNCH		1,750,446	1,750,000	1,750,000	1,750,000				0	1,750,000		446		446	43,218	12/22/2008	1FE
617446 HB 8	MORGAN STANLEY		04/01/2007	MATURITY		2,675,000	2,675,000	2,895,474	2,689,234	(14,234)		(14,234)	(14,234)	2,675,000				77,575	04/01/2007	1FE	
61745M FG 3	MSC 1998-HF1 A2		06/01/2007	MBS PAYDOWN		283,171	283,171	316,989	289,715	(6,544)		(6,544)	(6,544)	283,171				10,091	01/01/2008	1FE	
61745M ES 8	MSC 1998-WF1 A2		05/01/2007	MBS PAYDOWN		256,037	256,037	285,157	261,642	(5,605)		(5,605)	(5,605)	256,037				10,515	12/01/2007	1FE	
57164U AC 9	MVCOT 2006-2A C		06/20/2007	MBS PAYDOWN		138,284	138,284	138,282	138,282	2		2	2	138,284				3,202	01/20/2012	1FE	
655356 JF 1	NASC 1998-D6 A1B		06/11/2007	MBS PAYDOWN		151,335	151,335	169,028	155,847	(4,513)		(4,513)	(4,513)	151,335				4,151	11/11/2009	1FE	
634906 EC 1	NATIONAL CITY CORP		05/15/2007	MATURITY		2,000,000	2,000,000	1,978,740	1,997,216	2,784		2,784	2,784	2,000,000				33,000	05/15/2007	1FE	
64017* AA 5	NEIGHBORHOOD REDEV CORP LP		06/28/2007	MATURITY		3,000,000	3,000,000	3,028,770	3,005,077	(5,077)		(5,077)	(5,077)	3,000,000				150,000	06/28/2007	1FE	
64109Y AA 9	NLFLP 2005-1A A1		06/27/2007	MBS PAYDOWN		1,284,150	1,284,150	1,284,150	1,284,150				0	1,284,150				24,319	07/27/2009	1FE	
655844 AH 1	NORFOLK SOUTHERN CORP	7.35	05/15/2007	MATURITY		348,000	348,000	348,901	348,046	(46)		(46)	(46)	348,000				12,789	05/15/2007	2FE	
68338S EW 4	ONYX 2005-B A3		06/15/2007	MBS PAYDOWN		318,412	318,412	315,726	316,018	2,395		2,395	2,395	318,412				5,509	06/15/2008	1FE	
691215 AV 9	OWNIT 2005-2 A2B		06/25/2007	MBS PAYDOWN		1,959,107	1,959,107	1,961,250	1,961,210	(2,103)		(2,103)	(2,103)	1,959,107				43,202	10/25/2007	1FE	
71345L EJ 3	PEPSICO INC		05/15/2007	MATURITY		750,000	750,000	749,896	749,896	104		104	104	750,000				12,000	05/15/2007	1FE	
742718 BW 8	PROCTER & GAMBLE CO	4.750	06/15/2007	MATURITY		3,900,000	3,900,000	3,886,510	3,898,652	1,348		1,348	1,348	3,900,000				92,625	06/15/2007	1FE	
76110H DB 2	RALI 2003-QS10 A13		06/01/2007	MBS PAYDOWN		74,075	74,075	72,477	72,829	1,246		1,246	1,246	74,075				1,237	09/01/2021	1FE	
760985 A3 5	RAMP 2003-RS9 A15		06/01/2007	MBS PAYDOWN		832,044	832,044	831,911	832,037	7		7	7	832,044				17,496	11/01/2007	1FE	
76111X ZR 7	RFMSI 2005-S7 A1		06/01/2007	MBS PAYDOWN		95,160	95,160	94,134	94,412	748		748	748	95,160				2,193	07/01/2011	1FE	

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 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.							
79549A JH 3	SBM7 2001-C2 A2		06/01/2007	MBS PAYDOWN		33,494	33,494	36,404	34,440		(946)		(946)		33,494			0	1,332	02/01/2010	1FE
78442F DQ 8	SLM CORP		04/13/2007	LEHMAN BROTHERS		1,986,700	2,000,000	1,997,820	1,998,455		166		166		1,998,621		(11,921)	(11,921)	53,559	07/27/2009	1FE
90390M AP 5	SLM CORP		04/10/2007	MATURITY		1,000,000	1,000,000	1,116,840	1,008,837		(8,837)		(8,837)		1,000,000			0	28,125	04/10/2007	1FE
826502 AA 4	SRFC 2007-1A A1		06/20/2007	MBS PAYDOWN		538,686	538,686	538,642			44		44		538,686			0	2,208	08/20/2013	1FE
60935B DZ 9	TMSHE 1998-B AF9		06/01/2007	MBS PAYDOWN		5,445	5,445	5,663	5,500		(55)		(55)		5,445			0	149	07/01/2007	1FE
931142 AH 6	WAL-MART STORES		06/29/2007	CALL BY ISSUER 100.0		65,000	65,000	66,869			(796)		(796)		66,073		(1,073)	(1,073)	2,884	06/29/2011	1FE
94356# AA 7	WAVELAND NCP ALABAMA CAPCO NOT		05/15/2007	SINKING FUND REDEMPTION		56,350	56,350	56,350	56,350				0		56,350			0	2,400	03/01/2014	1
929766 AB 9	WBCMT 2002-C1 A2		06/01/2007	MBS PAYDOWN		430,314	430,314	440,131	435,101		(4,787)		(4,787)		430,314			0	10,122	09/01/2009	1FE
949762 AA 6	WFMB 2003-10 A1		06/01/2007	MBS PAYDOWN		28,625	28,625	27,981	28,211		414		414		28,625			0	535	08/01/2018	1FE
94979F AC 0	WFMB 2003-12 A3		06/01/2007	MBS PAYDOWN		140,069	140,069	137,912	137,987		2,082		2,082		140,069			0	2,737	10/01/2018	1FE
94981A AA 1	WFMB 2003-14 1A1		06/01/2007	MBS PAYDOWN		93,737	93,737	91,403	91,474		2,263		2,263		93,737			0	1,870	11/01/2018	1FE
94982E AA 2	WFMB 2005-1 1A1		06/25/2007	MBS PAYDOWN		57,523	57,523	57,528	57,527		(4)		(4)		57,523			0	1,072	01/01/2020	1FE
377373 AA 3	GLAXOSMITHKLINE CAPITAL	2.375 F	04/16/2007	MATURITY		1,000,000	1,000,000	999,440	999,945		55		55		1,000,000			0	11,941	04/16/2007	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					45,265,785	45,278,834	46,414,206	41,546,380		0	(134,089)	0	(134,089)	45,289,635	0	(23,850)	(23,850)	1,135,113	XXX	XXX
6099997.	Total - Bonds - Part 4					95,734,929	95,503,226	97,301,541	83,865,582		0	(122,048)	0	(122,048)	95,760,006	0	(25,078)	(25,078)	2,177,497	XXX	XXX
6099999.	Total - Bonds					95,734,929	95,503,226	97,301,541	83,865,582		0	(122,048)	0	(122,048)	95,760,006	0	(25,078)	(25,078)	2,177,497	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					95,734,929	XXX	97,301,541	83,865,582		0	(122,048)	0	(122,048)	95,760,006	0	(25,078)	(25,078)	2,177,497	XXX	XXX

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

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

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

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

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

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
BANK OF AMERICA.....	ATLANTA, GA.....				2,272,842	3,185,016	2,214,114	XXX
BANK ONE.....	BATON ROUGE, LA.....				70,000	70,000	70,000	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....				111,907	112,395	112,854	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....				20,618	53,238	487,606	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....				8,200	7,821	7,850	XXX
US BANK.....	BIRMINGHAM, AL.....				(7,054,979)	(3,846,590)	(2,435,308)	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	(4,571,411)	(418,121)	457,116	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	(4,571,411)	(418,121)	457,116	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	(4,568,304)	(415,013)	460,224	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
00912UU65 - AIR LIQUIDE US DISC NOTE.....		06/22/2007	5.270	07/06/2007	4,423,766		5,821
03221KUL4 - AMSTERDAM FUNDING CORP.....		06/20/2007	5.308	07/20/2007	997,211		1,615
07389BUL3 - BEAR STEARNS DISC NOTE.....		06/29/2007	5.296	07/20/2007	4,986,067		1,467
14177UUC3 - CARGILL ASIA PAC DISC NOTE.....		06/15/2007	5.311	07/12/2007	5,794,618		13,646
14912EU21 - CATERPILLAR FIN SERV CRP DISC NOTE.....		06/21/2007	5.258	07/02/2007	3,558,481		5,190
30603BUC5 - FALCON ASSET SEC CO LLC.....		06/18/2007	5.298	07/12/2007	5,990,320		11,440
2442G1U34 - JOHN DEERE C LTD DISC NOTE.....		06/26/2007	5.305	07/03/2007	1,537,547		1,132
5363A3UJ6 - LIQUID FDG LTD DISC NOTE.....		06/18/2007	5.293	07/18/2007	4,987,557		9,515
6701X3UA0 - NSTAR.....		06/27/2007	5.290	07/10/2007	8,488,780		4,987
67983UUG6 - OLD LINE FUNDING LLC DISC NOTE.....		06/29/2007	5.343	07/16/2007	3,492,227		1,036
7443M3U93 - PRUDENTIAL PLC DISC NOTE.....		06/29/2007	5.287	07/09/2007	5,118,987		1,503
90262DU52 - UBS FINANCE DELAWARE LLC.....		06/08/2007	5.280	07/05/2007	2,798,364		9,410
9046Q3U56 - UNICREDITO ITALIANO DISC NOTE.....		06/11/2007	5.278	07/05/2007	6,646,113		19,433
9046Q3U56 - UNICREDITO ITALIANO DISC NOTE.....		06/14/2007	5.306	07/05/2007	4,997,061		12,490
97342KUD8 - WINDMILL FUNDING CORP.....		06/14/2007	5.312	07/13/2007	3,992,947		9,992
9841H1U62 - XTRA INC DISC NOTE.....		06/18/2007	5.314	07/06/2007	5,645,841		10,813
9841H1U96 - XTRA INC DISC NOTE.....		06/12/2007	5.280	07/09/2007	6,132,822		17,045
0199999. Total Cash Equivalents.....					79,588,709	0	136,535