

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
September 30, 2004

2004



QUARTERLY STATEMENT

As of September 30, 2004
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
Incorporated..... October 1, 1976

State of Domicile or Port of Entry AL

Country of Domicile US

Commenced Business..... April 15, 1977

Statutory Home Office 100 BROOKWOOD PLACE BIRMINGHAM AL 35209
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 100 BROOKWOOD PLACE BIRMINGHAM AL 35209
(Street and Number) (City or Town, State and Zip Code)

205-877-4400
(Area Code) (Telephone Number)

Mail Address P.O. Box 590009 Birmingham AL 35259-0009
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 100 BROOKWOOD PLACE BIRMINGHAM AL 35209
(Street and Number) (City or Town, State and Zip Code)

205-877-4400
(Area Code) (Telephone Number)

Internet Website Address proassurance.com

Statutory Statement Contact JEFFREY M. MANGET

(Name)
Jmanget@proassurance.com
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205-877-4442
(Area Code) (Telephone Number) (Extension)
205-868-4029
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Policyowner Relations Contact 100 BROOKWOOD PLACE BIRMINGHAM AL 35209
(Street and Number) (City or Town, State and Zip Code)

205-877-4400
(Area Code) (Telephone Number) (Extension)

OFFICERS

Name
1. AUBREY DERRILL CROWE
3. JAMES JOSEPH MORELLO

Title
PRESIDENT
TREASURER

Name
2. KATHRYN ANNE NEVILLE
4.

Title
SECRETARY

OTHER

JEFFREY LYNN BOWLBY VICE PRESIDENT
JAMES JOSEPH MORELLO VICE PRESIDENT
DARRYL KEITH THOMAS VICE PRESIDENT

HOWARD HARLEY FRIEDMAN
FRANK BERRY O'NEIL

VICE PRESIDENT
VICE PRESIDENT

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO

PAUL RICHARD BUTRUS

AUBREY DERRILL CROWE

HOWARD HARLEY FRIEDMAN

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, which 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)
AUBREY DERRILL CROWE

1. (Printed Name)

PRESIDENT

(Title)

(Signature)
KATHRYN ANNE NEVILLE

2. (Printed Name)

SECRETARY

(Title)

(Signature)
JAMES JOSEPH MORELLO

3. (Printed Name)

TREASURER

(Title)

Subscribed and sworn to before me
This _____ day of _____

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

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.....	1,064,538,942	1,906,723	1,062,632,219	878,328,296
2. Stocks:				
2.1 Preferred stocks.....	11,655,562		11,655,562	16,610,847
2.2 Common stocks.....	2,429,078		2,429,078	5,251,628
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).....	11,966,695		11,966,695	10,499,082
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 (\$.....10,954,701), cash equivalents (\$.....0) and short-term investments (\$.....44,586,719).....	55,541,420		55,541,420	64,206,478
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	13,320,906		13,320,906	11,495,827
8. Receivable for securities.....			0	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,159,452,603	1,906,723	1,157,545,880	986,392,158
11. Investment income due and accrued.....	11,339,978		11,339,978	9,319,616
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in course of collection.....	23,239,173	506,392	22,732,781	37,190,601
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	54,112,814		54,112,814	42,446,106
12.3 Accrued retrospective premiums.....			0	
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers.....	5,310,629		5,310,629	2,395,806
13.2 Funds held by or deposited with reinsured companies.....			0	
13.3 Other amounts receivable under reinsurance contracts.....			0	
14. Amounts receivable relating to uninsured plans.....			0	
15.1 Current federal and foreign income tax recoverable and interest thereon.....			0	3,428,045
15.2 Net deferred tax asset.....	54,760,348	30,007,369	24,752,979	22,939,105
16. Guaranty funds receivable or on deposit.....	605,823		605,823	605,823
17. Electronic data processing equipment and software.....	1,118,146	524,492	593,654	588,003
18. Furniture and equipment, including health care delivery assets (\$.....0).....	613,735	613,735	0	
19. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
20. Receivable from parent, subsidiaries and affiliates.....	2,189,061		2,189,061	22,473,824
21. Health care (\$.....0) and other amounts receivable.....			0	
22. Other assets nonadmitted.....			0	
23. Aggregate write-ins for other than invested assets.....	44,568,791	1,713,292	42,855,499	41,368,975
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,357,311,101	35,272,003	1,322,039,098	1,169,148,062
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,357,311,101	35,272,003	1,322,039,098	1,169,148,062

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.....	1,713,292	1,713,292	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	42,855,499		42,855,499	41,368,975
2303.....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	44,568,791	1,713,292	42,855,499	41,368,975

THE MEDICAL ASSURANCE COMPANY, INC.

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....87,725,081).....	371,353,708	312,032,093
2. Reinsurance payable on paid losses and loss adjustment expenses.....	2,727,988	3,659,590
3. Loss adjustment expenses.....	438,613,031	380,080,305
4. Commissions payable, contingent commissions and other similar charges.....	6,104,025	6,951,342
5. Other expenses (excluding taxes, licenses and fees).....	6,028,539	5,867,597
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,503,224	1,787,335
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	1,179,378	
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 \$.....14,987,716 and including warranty reserves of \$.....0).....	152,277,716	144,171,623
10. Advance premium.....	1,159,154	3,413,282
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	69,533,015	59,475,592
13. Funds held by company under reinsurance treaties.....	263,000	263,000
14. Amounts withheld or retained by company for account of others.....	536,894	689,502
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	1,296,000	1,296,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	215,321	267,597
20. Payable for securities.....	9,106,598	10,453,232
21. Liability for amounts held under uninsured accident and health plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	0	6
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,061,897,591	930,408,096
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,061,897,591	930,408,096
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.....	185,553,769	185,553,769
33. Unassigned funds (surplus).....	65,741,309	44,339,768
34. Less treasury stock, at cost:		
34.10.000 shares common (value included in Line 28 \$.....0).....		
34.20.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34).....	260,141,507	238,739,966
36. TOTALS.....	1,322,039,098	1,169,148,062

DETAILS OF WRITE-INS

2301. Other.....		6
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	6
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 Previous Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....269,000,158).....	256,115,145	219,253,530	294,336,539
1.2 Assumed..... (written \$.....1,345,788).....	5,570,118	16,325,916	23,573,437
1.3 Ceded..... (written \$.....34,153,574).....	33,598,983	39,860,055	43,877,066
1.4 Net..... (written \$.....236,192,372).....	228,086,280	195,719,391	274,032,910
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....88,419,598):			
2.1 Direct.....	103,742,501	93,446,265	105,889,340
2.2 Assumed.....	4,635,314	13,844,004	13,853,595
2.3 Ceded.....	19,958,217	26,989,353	(4,404,863)
2.4 Net.....	88,419,598	80,300,916	124,147,798
3. Loss expenses incurred.....	115,630,201	105,003,882	129,216,969
4. Other underwriting expenses incurred.....	28,518,027	27,567,083	39,189,578
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	232,567,826	212,871,881	292,554,345
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(4,481,546)	(17,152,490)	(18,521,435)
INVESTMENT INCOME			
9. Net investment income earned.....	28,176,440	23,332,898	31,645,243
10. Net realized capital gains (losses).....	1,968,802	500,828	2,548,563
11. Net investment gain (loss) (Lines 9 + 10).....	30,145,242	23,833,726	34,193,806
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....			
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	1,605,480	1,280,320	1,895,837
15. Total other income (Lines 12 through 14).....	1,605,480	1,280,320	1,895,837
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 + 11 + 15).....	27,269,176	7,961,556	17,568,208
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders but before federal and foreign income taxes (Line 16 minus 17).....	27,269,176	7,961,556	17,568,208
19. Federal and foreign income taxes incurred.....	7,041,367	7,863,627	5,849,570
20. Net income (Line 18 minus Line 19) (to Line 22).....	20,227,809	97,929	11,718,638
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	238,739,966	193,334,647	193,334,647
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20).....	20,227,809	97,929	11,718,638
23. Change in net unrealized capital gains or losses.....	(982,410)	1,714,470	1,697,071
24. Change in net unrealized foreign exchange capital gain (loss).....			
25. Change in net deferred income taxes.....	826,960	5,481,338	8,517,868
26. Change in nonadmitted assets.....	1,329,182	3,391,820	5,493,195
27. Change in provision for reinsurance.....		(1,269,000)	3,338,200
28. Change in surplus notes.....			
29. Surplus (contributed to) withdrawn from protected cells.....			
30. Cumulative effect of changes in accounting principles.....			
31. Capital changes:			
31.1 Paid in.....			
31.2 Transferred from surplus (Stock Dividend).....			
31.3 Transferred to surplus.....			
32. Surplus adjustments:			
32.1 Paid in.....			20,000,000
32.2 Transferred to capital (Stock Dividend).....			
32.3 Transferred from capital.....			
33. Net remittances from or (to) Home Office.....			
34. Dividends to stockholders.....			
35. Change in treasury stock.....			
36. Aggregate write-ins for gains and losses in surplus.....	0	(5,359,653)	(5,359,653)
37. Change in surplus as regards policyholders (Lines 22 through 36).....	21,401,541	4,056,904	45,405,319
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37).....	260,141,507	197,391,551	238,739,966

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.....	1,605,480	1,280,320	1,895,837
1402.....			
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).....	1,605,480	1,280,320	1,895,837
3601. Correction of Prior Period Error in Premiums Due.....		(5,359,653)	(5,359,653)
3602.....			
3603.....			
3698. Summary of remaining write-ins for Line 36 from overflow page.....	0	0	0
3699. Totals (Lines 3601 thru 3603 plus 3698) (Line 36 above).....	0	(5,359,653)	(5,359,653)

THE MEDICAL ASSURANCE COMPANY, INC.
CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	246,694,295	300,716,765
2. Net investment income.....	35,004,210	38,513,381
3. Miscellaneous income.....	118,955	1,895,837
4. Total (Lines 1 through 3).....	281,817,460	341,125,983
5. Benefit and loss related payments.....	90,041,883	124,291,856
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	29,488,513	39,324,593
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	2,433,944	9,169,039
10. Total (Lines 5 through 9).....	121,964,340	172,785,488
11. Net cash from operations (Line 4 minus Line 10).....	159,853,120	168,340,495
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	335,436,291	259,977,618
12.2 Stocks.....	7,826,393	3,720,715
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		17,471
12.7 Miscellaneous proceeds.....		8,130,158
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	343,262,684	271,845,962
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	528,357,545	635,630,420
13.2 Stocks.....	75,225	6,829
13.3 Mortgage loans.....		
13.4 Real estate.....	2,153,132	756,393
13.5 Other invested assets.....	1,368,300	
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	531,954,202	636,393,642
14. Net increase (decrease) in policy loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 and 14).....	(188,691,518)	(364,547,680)
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.....		20,000,000
16.3 Borrowed funds received.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	20,173,341	(20,798,053)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	20,173,341	(798,053)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17).....	(8,665,057)	(197,005,238)
19. Cash and short-term investments:		
19.1 Beginning of year.....	64,206,477	261,211,715
19.2 End of period (Line 18 plus Line 19.1).....	55,541,420	64,206,477

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

20.0001		
20.9999	Totals.....	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

Certain amounts included on the Cash Flow Statement, Page 5, lines 5 and 7, column 1 in the 2003 Annual Statement were classified incorrectly, and these amounts have been corrected in this quarterly statement. A problem with the Annual Statement software package resulted in these errors. Specifically, line 5 previously showed \$49,559,865 of Benefit and loss related payments, and the corrected balance is \$124,291,856. Conversely, line 7 previously showed \$114,056,584 of Commissions, expenses paid and aggregate write-ins for deductions, and the corrected balance is \$39,324,593. This restatement results in no change to Net cash from operations of \$168,340,495; the restatement does not affect the financial position of the Company and is being made for comparative purposes only.

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

In July 2004, the Expense Allocation Agreement was amended to include Medical Assurance of West Virginia, Inc., an affiliated insurance company.

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.

NOTES TO FINANCIAL STATEMENTS

Note 15 - Leases

No significant change.

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

No significant change.

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

No significant change.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

1.2 If yes, explain:.....

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

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

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

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

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

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

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

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

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

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002.....

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

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/25/2003.....

7.4 By what department or departments?
ALABAMA DEPARTMENT OF INSURANCE

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

8.2 If yes, give full information:
.....

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

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

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

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

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

INVESTMENT

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

10.2 If yes, explain:.....

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

11.2 If yes, give full and complete information relating thereto:
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: None.....

THE MEDICAL ASSURANCE COMPANY, INC. 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

13. Amount of real estate and mortgages held in short-term investments: None.....

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

14.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds.....		
14.22 Preferred Stock.....		
14.23 Common Stock.....	\$ 2,401,070	\$ 2,277,938
14.24 Short-Term Investments.....		
14.25 Mortgages, Loans or Real Estate.....		
14.26 All Other.....		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ 2,401,070	\$ 2,277,938
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above.....		\$ 283

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

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

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

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

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

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

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

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

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

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

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

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

**THE MEDICAL ASSURANCE COMPANY, INC.
GENERAL INTERROGATORIES (continued)**

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

PART 2

PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

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

**THE MEDICAL ASSURANCE COMPANY, INC.
SCHEDULE A - VERIFICATION**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	10,499,082	10,595,508
2. Increase (decrease) by adjustment.....	(685,519)	(852,819)
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....	2,153,132	756,393
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.....	11,966,695	10,499,082
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	11,966,695	10,499,082
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	11,966,695	10,499,082

SCHEDULE B - VERIFICATION

	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.....		
4. Increase (decrease) by adjustment.....	NONE	
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 Included in Schedule BA

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	11,495,827	9,644,522
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	1,368,300	
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....	456,779	1,851,305
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book adjusted/carrying value of long-term invested asset at end of current period.....	13,320,906	11,495,827
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	13,320,906	11,495,827
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	13,320,906	11,495,827

SCHEDULE D - VERIFICATION

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	902,425,192	535,370,483
2. Cost of bonds and stocks acquired.....	527,086,136	635,637,249
3. Accrual of discount.....	265,097	224,668
4. Increase (decrease) by adjustment.....	(1,438,389)	1,569,309
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	1,975,559	2,531,093
7. Consideration for bonds and stocks disposed of.....	343,262,684	263,698,333
8. Amortization of premium.....	8,427,329	9,209,277
9. Book/adjusted carrying value, current period.....	1,078,623,582	902,425,192
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,078,623,582	902,425,192
12. Total nonadmitted amounts.....	1,906,723	2,234,410
13. Statement value.....	1,076,716,859	900,190,782

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.....	994,106,720	494,134,975	424,778,943	(5,472,473)	939,495,552	994,106,720	1,057,990,279	875,418,715
2. Class 2.....	46,394,615	7,820,609	7,887,326	2,797,347	56,292,842	46,394,615	49,125,245	50,671,685
3. Class 3.....	2,035,761			(1,536,424)	2,402,811	2,035,761	499,337	915,859
4. Class 4.....				1,510,800			1,510,800	999,018
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	1,042,537,096	501,955,584	432,666,269	(2,700,750)	998,191,206	1,042,537,096	1,109,125,661	928,005,277
PREFERRED STOCK								
8. Class 1.....	8,731,847				10,009,097	8,731,847	8,731,847	
9. Class 2.....	2,617,500				3,745,000	2,617,500	2,617,500	
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	11,349,347	0	0	0	13,754,097	11,349,347	11,349,347	0
15. Total Bonds and Preferred Stock.....	1,053,886,443	501,955,584	432,666,269	(2,700,750)	1,011,945,303	1,053,886,443	1,120,475,008	928,005,277

THE MEDICAL ASSURANCE COMPANY, INC.

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.....	44,586,719	XXX	44,586,719	532,191	

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.....	47,442,560	260,766,986
2. Cost of short-term investments acquired.....	597,967,962	983,448,183
3. Increase (decrease) by adjustment.....	(150,152)	(82,483)
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....	(5,663)	17,038
6. Consideration received on disposal of short-term investments.....	600,667,988	1,196,707,164
7. Book/adjusted carrying value, current period.....	44,586,719	47,442,560
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	44,586,719	47,442,560
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	44,586,719	47,442,560
12. Income collected during period.....	532,191	1,083,996
13. Income earned during period.....	306,827	1,154,695

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

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

**Sch. F
NONE**

THE MEDICAL ASSURANCE COMPANY, INC.

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	89,970,774	86,226,824	4,479,631	6,853,547	144,960,219	154,835,557
2. Alaska.....AK	YES						
3. Arizona.....AZ	YES						
4. Arkansas.....AR	YES	6,112,284	5,576,402	169,189	1,577	7,709,256	3,186,409
5. California.....CA	YES		(915)	480	230,789	24,911	(176,486)
6. Colorado.....CO	YES						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES						
9. District of Columbia.....DC	YES						
10. Florida.....FL	YES	1,003,561	2,423,189	1,622,691	4,154,925	3,276,816	1,416,472
11. Georgia.....GA	YES	5,747,277	7,027,554	889,701	1,875,000	7,239,103	4,751,044
12. Hawaii.....HI	YES	2,779	63,512	966,209		4,400,282	6,065,474
13. Idaho.....ID	YES						
14. Illinois.....IL	YES		39,726	30,000	300,000	143,433	(106,739)
15. Indiana.....IN	YES	23,459,264	25,375,404	1,764,021	3,698,059	53,957,881	50,733,601
16. Iowa.....IA	YES						
17. Kansas.....KS	YES	5,912,925	3,431,383	605,000	39,031	3,975,656	2,049,127
18. Kentucky.....KY	YES	(15,555)	(7,570)	2,612		88,178	86,725
19. Louisiana.....LA	YES					4,877	10,478
20. Maine.....ME	NO						
21. Maryland.....MD	YES				1,200,000	1,378,095	160,073
22. Massachusetts.....MA	YES						
23. Michigan.....MI	YES						
24. Minnesota.....MN	YES	7,770	12,167	239,028	587,298	223,631	641,543
25. Mississippi.....MS	NO		38,716	3,600,000	880,000	2,504,434	4,551,637
26. Missouri.....MO	YES	28,016,490	24,870,315	5,497,850	6,842,414	57,959,000	45,521,632
27. Montana.....MT	YES						
28. Nebraska.....NE	YES				71,383	72,985	123,963
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	166,816				38,077	
35. North Dakota.....ND	YES						
36. Ohio.....OH	YES	93,792,898	69,370,640	14,725,452	9,646,132	158,471,013	103,201,701
37. Oklahoma.....OK	YES						
38. Oregon.....OR	YES						
39. Pennsylvania.....PA	YES		67,771	251,231	426,531	776,691	879,376
40. Rhode Island.....RI	YES						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	YES	15,864	26,616	172,581	463,855	1,996,032	5,316,981
43. Tennessee.....TN	YES	5,989,001	5,486,586	1,731,744		7,529,874	8,554,812
44. Texas.....TX	YES	5,702,413	5,213,881	125,778	2,205,168	9,627,863	7,346,875
45. Utah.....UT	YES					10,722	18,551
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	3,115,597	3,212,993	108,316	79,365	3,284,227	1,856,221
48. Washington.....WA	YES						
49. West Virginia.....WV	YES				575,000	4,165	(177,300)
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. Canada.....CN	NO						
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
58. Totals.....	(a) 44	269,000,158	238,455,194	36,981,514	40,130,074	469,657,421	400,847,727

DETAILS OF WRITE-INS

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

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

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

PART 1 – ORGANIZATIONAL CHART

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.....	1,137,678	381,994	33.6	
5. Commercial multiple peril.....				35.0
6. Mortgage guaranty.....				0.0
8. Ocean marine.....				0.0
9. Inland marine.....				0.0
10. Financial guaranty.....				0.0
11.1. Medical malpractice-occurrence.....	21,803,247	8,810,590	40.4	42.5
11.2. Medical malpractice-claims made.....	228,362,251	92,280,118	40.4	42.5
12. Earthquake.....				0.0
13. Group accident and health.....				0.0
14. Credit accident and health.....				0.0
15. Other accident and health.....				0.0
16. Workers' compensation.....	1,150,383	472,548	41.1	42.2
17.1. Other liability-occurrence.....	311,313	152,805	49.1	52.3
17.2. Other liability-claims made.....	3,350,273	1,644,446	49.1	52.3
18.1. Products liability-occurrence.....				0.0
18.2. Products liability-claims made.....				0.0
19.1, 19.2 Private passenger auto liability.....				0.0
19.3, 19.4 Commercial auto liability.....				0.0
21. Auto physical damage.....				0.0
22. Aircraft (all perils).....				0.0
23. Fidelity.....				0.0
24. Surety.....				0.0
26. Burglary and theft.....				0.0
27. Boiler and machinery.....				0.0
28. Credit.....				0.0
29. International.....				0.0
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0.0	
34. Totals.....	256,115,145	103,742,501	40.5	42.6
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.....	577,812	1,223,867	1,219,906
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	9,222,425	19,569,674	22,111,079
11.2. Medical malpractice-claims made.....	82,327,792	243,238,839	209,909,875
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	538,207	1,258,861	1,420,310
17.1. Other liability-occurrence.....	90,031	226,784	752,481
17.2. Other liability-claims made.....	1,173,316	3,482,133	3,041,543
18.1. Products liability-occurrence.....			
18.2. Products liability-claims made.....			
19.1, 19.2 Private passenger auto liability.....			
19.3, 19.4 Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0
34. Totals.....	93,929,583	269,000,158	238,455,194
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 (a) (Cols. 1 + 2)	2004 Loss and LAE Payments on Claims Reported as of Prior Year-End	2004 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2004 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 (b) (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 (c) (Cols. 11 + 12)
1. 2001 + Prior	267,027	28,522	295,549	44,099	5,205	49,304	207,512	1,669	37,064	246,245	(15,416)	15,416	0
2. 2002	111,236	39,182	150,418	14,294	2,568	16,862	102,957	5,678	24,921	133,556	6,015	(6,015)	0
3. Subtotals 2002 + Prior	378,263	67,704	445,967	58,393	7,773	66,166	310,469	7,347	61,985	379,801	(9,401)	9,401	0
4. 2003	74,571	171,574	246,145	11,298	3,027	14,325	114,935	4,212	112,673	231,820	51,662	(51,662)	0
5. Subtotals 2003 + Prior	452,834	239,278	692,112	69,691	10,800	80,491	425,404	11,559	174,658	611,621	42,261	(42,261)	0
6. 2004	XXX	XXX	XXX	XXX	5,704	5,704	XXX	40,132	158,214	198,346	XXX	XXX	XXX
7. Totals	452,834	239,278	692,112	69,691	16,504	86,195	425,404	51,691	332,872	809,967	42,261	(42,261)	0
8. Prior Year-End's Surplus As Regards Policyholders	238,740										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1.9.3 %	2.(17.7)%	3.0.0 %
													Col. 13, Line 7 Line 8
													4.0.0 %

18

(a) Should equal prior year-end Annual Statement; Page 3, Col. 1, Lines 1 + 3.

(b) Should equal Q.S. Page 3, Col.1, Lines 1 and 3.

(c) Should also equal Cols. 6 + 10 less Col. 3 for Lines 1 through 5 only.

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 SVO Compliance Certification be filed with this statement?	<u>YES</u>
2. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement?	<u>NO</u>
3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	<u>SEE EXPLANATION</u>

Explanation:

Quarterly filing not required by state of domicile.

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										
3136F5 5T 4	FANNIE MAE	08/12/2019 6.090		07/30/2004	GOLDMAN SACHS		2,747,800	2,750,000		1
3128X3 UL 5	FREDDIE MAC MTN	08/26/2014 5.500		08/17/2004	GOLDMAN SACHS		2,000,000	2,000,000		1
912828 BF 6	US TREASURY N/B	08/15/2006 2.375		07/08/2004	MORGAN KEEGAN & CO INC.		995,938	1,000,000	9,461	1
0399999	Total - Bonds - U.S. Government						5,743,738	5,750,000	9,461	XXX
Bonds - States, Territories and Possessions										
United States										
20772F SV 3	CONNECTICUT ST	11/15/2014 5.125		08/02/2004	RAYMOND JAMES		1,089,460	1,000,000	11,389	1FE
641460 YA 2	NEVADA ST	08/01/2015 5.000		07/23/2004	BELLE HAVEN INVESTMENTS		3,194,948	2,970,000	825	1FE
709141 PY 5	PENNSYLVANIA ST	01/15/2014 5.125		08/05/2004	SALOMON SMITH BARNEY HLD		2,171,520	2,000,000	7,118	1FE
442331 AL 8	HOUSTON TEX	09/01/2010 5.750		09/08/2004	ADVEST INC.		3,542,494	3,100,000	5,942	1FE
882719 3F 2	TEXAS ST	10/01/2015 5.125		08/17/2004	DAIN BOSWORTH		1,082,390	1,000,000	19,788	1FE
939745 PB 5	WASHINGTON ST	07/01/2012 5.000		08/02/2004	DAIN RAUSCHER		1,062,390	1,000,000	4,722	1FE
93974A RA 4	WASHINGTON ST	07/01/2016 5.625		08/24/2004	DAIN BOSWORTH		1,619,621	1,450,000	12,688	1FE
977056 NS 5	WISCONSIN ST	05/01/2015 4.750		07/19/2004	DAIN BOSWORTH		1,044,510	1,000,000	10,688	1FE
1799999	U.S.						14,807,333	13,520,000	73,160	XXX
1799999	Total - Bonds - States, Territories & Possessions						14,807,333	13,520,000	73,160	XXX
Bonds - Political Subdivisions of States										
United States										
914060 CF 3	UNIVERSITY AZ CTFS PAR	06/01/2009 5.250		07/28/2004	ABN AMRO		1,583,375	1,455,000	12,943	1FE
231210 FC 4	CUPERTINO CALIF CTFS P	07/01/2019 5.000		09/02/2004	DAIN BOSWORTH		1,107,922	1,040,000	9,678	1FE
258885 WA 6	DOUGLAS SD 1-REF-B	12/15/2015 5.000		08/13/2004	DAIN RAUSCHER		1,655,535	1,500,000		1FE
472736 ZV 2	JEFFERSON CNTY COLO SC	12/15/2015 5.125		07/28/2004	DIRECT		993,395	925,000	5,926	1FE
472736 ZD 2	JEFFERSON SD #R-1 REF	12/15/2010 6.500		09/08/2004	WACHOVIA/FIRST UNION		1,190,670	1,000,000	15,889	1FE
20772G FE 3	CT REF-SER B	12/01/2013 5.000		08/13/2004	FIRST ALBANY CORP.		1,670,700	1,500,000	16,042	1FE
360064 MB 2	FULTON CNTY GA SCH DIS	05/01/2015 6.375		08/30/2004	MORGAN STANLEY DEAN WITTER		1,694,543	1,380,000	29,569	1FE
360064 PG 8	FULTON CNTY SD REF	01/01/2016 5.375		09/21/2004	MERRILL LYNCH		1,158,150	1,000,000	12,392	1FE
373383 YW 2	GEORGIA ST REF-SER C	07/01/2015 5.500		08/20/2004	MERRILL LYNCH		2,014,198	1,750,000	14,438	1FE
167610 X3 3	CHICAGO ILL PK DIST	01/01/2018 5.500		08/24/2004	DAIN BOSWORTH		2,213,260	2,000,000	17,111	1FE
214345 GF 1	COOK CNTY CMNTY SCH DI	12/01/2015 9.000		08/06/2004	ABN AMRO		1,211,276	850,000	14,875	1FE
315171 GK 8	FERNDAL MICH SCH DIST	05/01/2016 5.250		09/21/2004	DAIN BOSWORTH		1,282,334	1,160,000	24,191	1FE
771537 TG 2	ROCHESTER SD-BLDG/SIT	05/01/2014 5.000		09/08/2004	HUTCHINSON SHOCKEY ERLEY & CO		1,656,735	1,500,000	8,333	1FE
647310 YV 7	NEW MEXICO ST SEVERANC	07/01/2014 5.000		08/03/2004	DAIN BOSWORTH		1,064,680	1,000,000	7,083	1FE
017285 7M 3	ALLEGHENY CNTY PA	11/01/2013 5.500		08/09/2004	DAIN BOSWORTH		1,634,227	1,455,000	22,451	1FE
709141 WA 9	PA ST-2ND SER	05/01/2012 5.500		07/22/2004	LEHMAN BROTHERS		1,695,720	1,500,000	19,708	1FE
018095 NW 5	ALLEN TEX	09/01/2018 5.000		09/01/2004	STIFEL, NICOLAUS AND CO		265,710	250,000	208	1FE
346838 3A 1	FORT BEND TEX INDPT SC	02/15/2018 5.250		08/11/2004	DAIN BOSWORTH		1,078,710	1,000,000	146	1FE
559686 MB 3	MAGNOLIA TEX INDPT SCH	08/15/2018 5.250		08/26/2004	DAIN BOSWORTH		540,445	500,000	1,167	1FE
967120 SC 1	WICHITA FALLS TEX	08/01/2009 5.000		09/07/2004	DAIN BOSWORTH		2,197,640	2,000,000	8,056	1FE
166393 E6 1	CHESTERFIELD CNTY REF	01/01/2015 5.000		09/02/2004	FIRST ALBANY CORP.		1,663,590	1,500,000	13,958	1FE
720628 KA 3	PIERCE CNTY WASH SCH D	12/01/2011 5.000		08/31/2004	BANK AMERICA		2,209,740	2,000,000		1FE
602245 GF 3	MILWAUKEE CNTY WIS	10/01/2012 4.375		07/14/2004	DAIN BOSWORTH		1,137,497	1,095,000	14,372	1FE
977056 8E 3	WI ST-REF-1	05/01/2013 5.000		08/31/2004	RAYMOND JAMES		1,667,970	1,500,000	25,417	1FE
232760 JD 1	CYPRESS-FAIRBANKS TEX	02/15/2020 5.000		08/03/2004	DAIN BOSWORTH		798,948	775,000	18,406	1FE
2499999	U.S.						35,386,970	31,635,000	312,359	XXX
2499999	Total - Bonds - Political Subdivision						35,386,970	31,635,000	312,359	XXX
Bonds - Special Revenue and Special Assessment										
United States										
472682 MS 9	JEFFERSON CNTY ALA SWR	02/01/2016 5.250		09/10/2004	DAIN BOSWORTH		2,543,708	2,330,000	14,951	1FE
040654 LJ 2	AZ ST TRANSN-SUB-A	07/01/2015 5.000		09/21/2004	MERRILL LYNCH		1,112,650	1,000,000	11,528	1FE
91412F DX 2	UNIVERSITY CALIF REVS	09/01/2018 5.000		09/01/2004	RBC DOMINION SECURITIES		2,287,994	2,135,000	1,779	1FE
24919H EJ 7	DENVER COLO CITY & CNT	09/01/2017 5.500		08/31/2004	DAIN BOSWORTH		1,118,360	1,000,000	306	1FE
167610 H7 2	CHICAGO ILL PK DIST	01/01/2018 5.000		07/26/2004	DAIN BOSWORTH		1,200,888	1,150,000	4,472	1FE

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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)
454623 7P 8	IN BD BK TXB-6-A-SCH 07/15/2016 5.740		08/04/2004	FIRST ALBANY CORP.		1,144,699	1,110,000	8,141	1FE
455141 PR 6	INDIANA TRANSN FIN AUT 12/01/2011 5.000		07/07/2004	MORGAN STANLEY DEAN WITTER		1,096,780	1,000,000		1FE
455280 3K 1	INDIANAPOLIS IND LOC P 02/01/2018 5.500		09/01/2004	GRIFFIN KUBIC		2,898,948	2,635,000	14,493	1FE
60636W CP 8	MISSOURI ST HWYS & TRA 02/01/2017 5.125		09/08/2004	DIRECT		1,085,060	1,000,000	5,979	1FE
562358 BZ 3	MANCHESTER N H SCH FAC 06/01/2017 5.500		09/30/2004	CITICORP SECURITIES		2,135,357	1,840,000		1FE
645916 DK 0	NEW JERSEY ECONOMIC DE 05/01/2010 5.750		07/19/2004	DAIN BOSWORTH		1,258,107	1,110,000	14,361	1FE
646135 X4 0	NEW JERSEY ST TRANSN T 06/15/2009 5.000		08/20/2004	LEHMAN BROTHERS		1,096,450	1,000,000		1FE
646135 WM 1	NEW JERSEY ST TRANSN T 12/15/2011 6.000		08/31/2004	BANK AMERICA		2,365,420	2,000,000		1FE
646135 Y5 6	NEW JERSEY ST TRANSN T 06/15/2015 5.250		09/14/2004	LEHMAN BROTHERS		2,239,400	2,000,000	4,375	1FE
64985M YM 2	NEW YORK ST ENVIRONMEN 06/15/2019 5.250		08/27/2004	BEAR STEARNS & CO		4,475,764	4,105,000	50,885	1FE
751100 CM 8	RALEIGH N C COMB ENTER 03/01/2016 5.000		09/10/2004	J.P. MORGAN		1,095,430	1,000,000	1,944	1FE
914119 EG 3	UNIVERSITY CINCINNATI 06/01/2017 5.000		09/08/2004	DAIN BOSWORTH		2,575,008	2,400,000	34,000	1FE
160429 QB 5	CHARLESTON S C WTRWKS 01/01/2018 5.250		08/25/2004	DAIN BOSWORTH		952,961	880,000	7,572	1FE
837152 KG 1	SC TRANSN REF-SER B 10/01/2015 5.250		09/01/2004	BANK AMERICA		1,707,195	1,500,000	5,906	1FE
586200 KW 6	MEMPHIS TENN SAN SEW S 10/01/2017 5.250		09/29/2004	RAYMOND JAMES		1,225,973	1,095,000	479	1FE
796253 TU 6	SAN ANTONIO ELEC & GAS 02/01/2015 5.250		09/21/2004	DAIN BOSWORTH		1,096,900	1,000,000	7,729	1FE
882555 WR 2	TX MUN PWR AGY REV 09/01/2012 4.000		08/27/2004	DAIN BOSWORTH		1,012,430	1,000,000		1FE
795583 EQ 2	SALT LAKE CITY UTAH HO 02/15/2015 6.300		09/16/2004	CITICORP SECURITIES		2,487,870	2,100,000	13,230	1FE
928172 HZ 1	VA ST BLDG-B 08/01/2012 5.250		09/03/2004	LEHMAN BROTHERS		1,694,370	1,500,000	11,813	1FE
927793 BU 2	VIRGINIA COMWLTH TRANS 05/15/2019 5.125		08/13/2004	DAIN BOSWORTH		927,561	875,000	11,585	1FE
92817F WL 6	VIRGINIA ST PUB SCH AU 08/01/2019 5.000		08/10/2004	DAIN BOSWORTH		1,905,831	1,790,000	2,983	1FE
93975W AK 1	WASHINGTON ST ECONOMIC 06/01/2015 5.250		08/05/2004	LEHMAN BROTHERS		1,502,449	1,375,000		1FE
750055 FG 5	RACINE WIS WTRWKS REV 09/01/2014 5.250		07/19/2004	DAIN BOSWORTH		1,102,630	1,000,000	20,563	1FE
312963 WK 3	FG B11550 01/01/2019 5.000		08/26/2004	FED HOME LOAN MORT CO		7,108,282	7,000,000	18,472	1
312967 6K 3	FG B15374 04/01/2019 5.000		07/12/2004	MERRILL LYNCH		10,097,883	10,000,998	26,392	1
31282S AZ 5	FG M80924 06/01/2011 4.500		08/12/2004	UBS SECURITIES		11,006,203	10,900,603	31,339	1
31401B P6 6	FN 703445 05/01/2018 5.000		08/19/2004	CITIGROUP GLOBAL MARKETS		7,616,427	7,499,252	19,790	1
31405C HF 9	FN 785130 09/01/2019 5.000		08/10/2004	GREENWICH CAPITAL		11,668,906	11,500,000	25,556	1
31393T BL 9	FNR 2003-92 VH 01/01/2018 5.000		08/24/2004	LEHMAN BROTHERS		1,952,344	2,000,000	7,222	1FE
31394A S2 3	FNR 2004-74 BA 02/01/2015 4.500		08/27/2004	MERRILL LYNCH		5,723,945	5,750,000	20,844	1FE
	U.S.					102,520,183	97,580,853	424,689	XXX
3199999	Total - Bonds - Special Revenue & Special Assessments					102,520,183	97,580,853	424,689	XXX
Bonds - Public Utilities									
United States									
079860 AF 9	BELLSOUTH CORP 09/15/2009 4.200		09/08/2004	LEHMAN BROTHERS		998,260	1,000,000		1FE
373334 FY 2	GEORGIA POWER 08/15/2009 4.100		08/12/2004	BARCLAYS AMERICAN		999,470	1,000,000		1FE
	U.S.					1,997,730	2,000,000	0	XXX
3899999	Total - Bonds - Public Utilities					1,997,730	2,000,000	0	XXX
Bonds - Industrial and Miscellaneous									
United States									
084664 AJ 0	BERKSHIRE HATHWY 144A 07/02/2007 3.400		07/12/2004	GOLDMAN SACHS		998,620	1,000,000		1FE
05949A PF 1	BOAMS 2004-7 5A52 11/01/2012 5.250		07/21/2004	BANK AMERICA		1,741,250	1,750,000	7,401	1FE
144418 AN 0	CARRAMERICA REAL 04/01/2009 3.625		08/31/2004	DIRECT		972,310	1,000,000	16,111	2FE
17305E AP 0	CCCIT 2001-A6 A6 06/15/2006 5.650		08/17/2004	J.P. MORGAN		10,517,188	10,000,000	102,014	1FE
17305E AY 1	CCCIT 2002-A3 A3 05/15/2005 4.400		08/18/2004	J.P. MORGAN		2,541,016	2,500,000	29,944	1FE
172973 YT 0	CMSI 2004-5 1A3 11/01/2012 5.250		08/03/2004	CREDIT SUISSE FIRST BOSTON		1,996,250	2,000,000	8,750	1FE
192395 AF 8	COGENTRIX ENERGY 144A 10/15/2008 8.750		08/06/2004	FOB1		1,175,000	1,000,000	28,194	1FE
14040K BX 5	COMT 2001-5 A 08/15/2006 5.300		08/17/2004	J.P. MORGAN		4,193,750	4,000,000	2,944	1FE
12616F AD 9	CPG PARTNERS LP GROUP 03/15/2009 3.500		08/27/2004	BANK AMERICA		965,320	1,000,000	15,847	2FE
32055R AL 1	FIRST IND LP 06/15/2009 5.250		08/27/2004	BANK AMERICA		1,027,880	1,000,000	11,229	2FE
370425 RU 6	GENL MOTORS ACCEPT COR 03/02/2011 7.250		08/13/2004	LEHMAN BROTHERS		531,020	500,000	16,715	2FE
36228C TH 6	GSMS 2004-GG2 A6 07/01/2014 5.396		07/29/2004	GOLDMAN SACHS		2,009,916	2,000,000	3,298	1FE

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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)
43812E AD 9	HAROT 2003-5 A4 04/18/2007 2.960		.08/18/2004	LEHMAN BROTHERS		5,323,083	5,325,000	2,189	1FE
40426W AR 2	HRPT PROPERTIES 08/15/2016 6.250		.07/27/2004	MERRILL LYNCH		494,295	500,000		2FE
49446Q BA 8	KIMCO REALTY MTN 08/15/2011 4.820		.08/10/2004	WACHOVIA/FIRST UNION		1,000,000	1,000,000		2FE
52108H SZ 8	LBUBS 2003-C5 A3 04/11/2013 4.254		.07/09/2004	LEHMAN BROTHERS		7,806,563	8,000,000	2,836	1FE
55264T BQ 3	MBNAS 2003-A1 A1 02/15/2008 3.300		.08/17/2004	RW BAIRD		3,139,049	3,150,000	1,444	1FE
59018Y UH 2	MERRILL LYNCH & CO 09/10/2009 4.125		.09/07/2004	MERRILL LYNCH		1,993,300	2,000,000		1FE
655844 AU 2	NORFOLK SOUTHERN CORP 09/17/2014 5.257		.09/17/2004	EXCHANGE		1,823,494	1,823,494		2FE
92866X AD 9	VALET 2003-1 A4 12/20/2006 1.930		.08/18/2004	J.P. MORGAN		4,916,406	5,000,000	.804	1FE
929043 AB 3	VORNADO REALTY 08/15/2009 4.500		.08/31/2004	J.P. MORGAN		1,006,290	1,000,000	2,125	2FE
	U.S.					56,172,000	55,548,494	251,845	XXX
Foreign									
302154 AK 5	EXP-IMP BK KOREA MTN 08/12/2009 4.500	F	.08/05/2004	UBS SECURITIES		992,630	1,000,000		1FE
	Foreign					992,630	1,000,000	.0	XXX
4599999	Total - Bonds - Industrial & Miscellaneous					57,164,630	56,548,494	251,845	XXX
6099997	Total - Bonds - Part 3					217,620,584	207,034,347	1,071,514	XXX
6099999	Total - Bonds					217,620,584	207,034,347	1,071,514	XXX
7499999	Total - Bonds, Preferred and Common Stocks					217,620,584	XXX	1,071,514	XXX

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

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amortization/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
31359M MP 5	FANNIE MAE		08/27/2004	VARIOUS		9,722,970	9,200,000	10,188,641	10,033,706	(161,825)		(161,825)		9,871,881		(148,911)	(148,911)	420,088	04/15/2007	1	
31359M PT 4	FANNIE MAE		08/12/2004	GREENWICH CAPITAL		6,046,020	6,000,000	6,177,891	6,134,593	(45,973)		(45,973)		6,088,620		(42,600)	(42,600)	142,792	10/15/2005	1	
3133MU MU 6	FEDERAL HOME LOAN BANK	2.5	08/12/2004	UBS SECURITIES		5,013,455	5,000,000	5,032,835	5,031,036	(9,654)		(9,654)		5,021,383		(7,928)	(7,928)	82,639	12/15/2005	1	
36202B NJ 0	G2 1293		09/01/2004	MBS PAYDOWN		2,208	2,208	2,426	2,403	(195)		(195)		2,208				155	04/01/2019	1	
36202D KY 6	G2 3011		09/01/2004	MBS PAYDOWN		2,512	2,512	2,568	2,553	(41)		(41)		2,512				126	05/01/2030	1	
36224L QA 8	GN 331749		09/01/2004	MBS PAYDOWN		197	197	194	195	2		2		197				10	09/01/2022	1	
36224P ML 9	GN 334363		09/01/2004	MBS PAYDOWN		1,074	1,074	1,089	1,085	(10)		(10)		1,074				54	09/01/2019	1	
36224Q XR 2	GN 335588		09/01/2004	MBS PAYDOWN		3,957	3,957	3,897	3,917	40		40		3,957				198	08/01/2020	1	
36224U 5Z 6	GN 339364		09/01/2004	MBS PAYDOWN		161	161	159	159	2		2		161				8	09/01/2022	1	
36206E 3N 3	GN 409505		09/01/2004	MBS PAYDOWN		1,541	1,541	1,635	1,634	(93)		(93)		1,541				72	07/01/2024	1	
36208T 4W 7	GN 460837		09/01/2004	MBS PAYDOWN		35,932	35,932	36,421	36,281	(349)		(349)		35,932				1,621	10/01/2027	1	
36201Q 2C 6	GN 590371		09/01/2004	MBS PAYDOWN		124,156	124,156	129,394	128,556	(4,400)		(4,400)		124,156				5,203	04/01/2032	1	
36200K UE 5	GN 603681		09/01/2004	MBS PAYDOWN		50,995	50,995	52,912	52,790	(1,794)		(1,794)		50,995				1,926	01/01/2033	1	
36290S QF 1	GN 616154		09/01/2004	MBS PAYDOWN		21,398	21,398	21,297	21,297	100		100		21,398				622	03/01/2033	1	
36201T KE 6	GNMA PL 592593		09/01/2004	MBS PAYDOWN		172,704	172,704	180,516	180,457	(7,752)		(7,752)		172,704				6,639	09/01/2032	1	
36213C P2 0	GNMA PL 550441		09/01/2004	MBS PAYDOWN		67,646	67,646	71,673	71,626	(3,980)		(3,980)		67,646				3,140	12/01/2030	1	
36215N R4 8	GNMA POOL # 140107		09/01/2004	MBS PAYDOWN		23	23	25	25	(1)		(1)		23				2	10/01/2015	1	
36202D LW 9	GNMA POOL # 23041		09/01/2004	MBS PAYDOWN		52,485	52,485	53,642	53,297	(811)		(811)		52,485				2,608	05/01/2030	1	
36220S DR 4	GNMA POOL # 286412		09/01/2004	MBS PAYDOWN		635	635	667	665	(30)		(30)		635				37	02/01/2020	1	
36200Q JM 7	GNMA POOL # 569168	GN 6.500	09/01/2004	MBS PAYDOWN		241,801	241,801	247,544	246,169	(4,368)		(4,368)		241,801				10,701	11/01/2016	1	
36225B HE 1	GNMA POOL # 781129		09/01/2004	MBS PAYDOWN		3,774	3,774	3,638	3,675	98		98		3,774				175	03/01/2028	1	
36215K 2A 7	GNMA POOL #137669		09/01/2004	MBS PAYDOWN		86	86	91	90	(4)		(4)		86				6	07/01/2014	1	
36220W KJ 5	GNMA POOL #290197		09/01/2004	MBS PAYDOWN		114	114	119	119	(5)		(5)		114				7	08/01/2020	1	
36223E 7H 1	GNMA POOL #306096		09/01/2004	MBS PAYDOWN		2,449	2,449	2,596	2,504	(55)		(55)		2,449				139	08/01/2006	1	
36202D MT 5	GNMA POOL #3070		09/01/2004	MBS PAYDOWN		27,158	27,158	27,778	27,575	(417)		(417)		27,158				1,342	09/01/2030	1	
36223H AU 8	GNMA POOL #308735		09/01/2004	MBS PAYDOWN		2,151	2,151	2,280	2,196	(45)		(45)		2,151				122	09/01/2006	1	
36223H 6B 8	GNMA POOL #308766		09/01/2004	MBS PAYDOWN		10,483	10,483	10,585	10,581	(97)		(97)		10,483				497	10/01/2021	1	
36223M GH 3	GNMA POOL #311700		09/01/2004	MBS PAYDOWN		401	401	425	409	(9)		(9)		401				23	09/01/2006	1	
36223N 5G 5	GNMA POOL #313247		09/01/2004	MBS PAYDOWN		94	94	99	96	(2)		(2)		94				5	09/01/2006	1	
36223Q 7D 3	GNMA POOL #315092		09/01/2004	MBS PAYDOWN		1,683	1,683	1,784	1,720	(37)		(37)		1,683				95	09/01/2006	1	
36224H E9 3	GNMA POOL #328760		09/01/2004	MBS PAYDOWN		803	803	851	820	(18)		(18)		803				45	04/01/2007	1	
362067 VY 3	GNMA POOL #37531		09/01/2004	MBS PAYDOWN		48	48	50	49	(2)		(2)		48				4	01/01/2008	1	
36205R MA 2	GNMA POOL #398253		09/01/2004	MBS PAYDOWN		91,689	91,689	92,577	92,307	(618)		(618)		91,689				4,313	11/01/2024	1	
36206A LZ 4	GNMA POOL #405444		09/01/2004	MBS PAYDOWN		6,615	6,615	6,983	6,923	(308)		(308)		6,615				443	03/01/2024	1	
36209P NT 0	GNMA POOL# 477502		09/01/2004	MBS PAYDOWN		194,567	194,567	197,942	197,903	(3,336)		(3,336)		194,567				8,436	09/01/2027	1	
912827 Z6 2	US TREASURY N/B		08/17/2004	VARIOUS		46,342,738	42,800,000	48,997,891	47,630,019	(1,031,980)		(1,031,980)		46,598,039		(255,302)	(255,302)	2,292,138	10/15/2006	1	
912828 AG 5	US TREASURY N/B		07/31/2004	MATURITY		1,000,000	1,000,000	1,002,031	1,000,620	(620)		(620)		1,000,000				22,500	07/31/2004	1	
912828 AL 4	US TREASURY N/B		09/30/2004	MATURITY		7,375,000	7,375,000	7,431,465	7,417,158	(42,158)		(42,158)		7,375,000				138,281	09/30/2004	1	
912828 AP 5	US TREASURY N/B		09/02/2004	ISI GROUP INC.		1,002,656	1,000,000	1,011,863	1,010,739	(696)		(696)		1,010,043		(7,387)	(7,387)	32,065	11/15/2012	1	
0399999	Total - Bonds - U.S. Government					77,624,379	73,496,540	80,996,474	79,407,947	0		(1,321,441)		78,086,506		(462,128)	(462,128)	3,179,277	XXX	XXX	
Bonds - Political Subdivisions of States																					
United States																					
472736 ZV 2	JEFFERSON CNTY COLO SCH DIST		08/13/2004	DAIN BOSWORTH		1,003,237	925,000	993,395	993,395	(544)		(544)		992,850		10,386	10,386	8,296	12/15/2015	1FE	
167484 V4 3	CHICAGO ILL	4.340	08/11/2004	NBC SECURITIES		1,510,665	1,500,000	1,506,345	1,506,102	(402)		(402)		1,505,700		4,965	4,965	49,368	01/01/2010	1FE	
473016 FP 3	JEFFERSON CNTY KY	5.000	08/19/2004	BAIRD & PATRICK		1,064,830	1,000,000	1,080,610	1,080,610	(17,284)		(17,284)		1,063,326		1,504	1,504	51,250	08/15/2006	1FE	
647310 YV 7	NEW MEXICO ST SEVERANCE TAX		08/11/2004	DAIN BOSWORTH		1,075,000	1,000,000	1,064,680	1,064,680	(363)		(363)		1,064,317		10,683	10,683	8,472	07/01/2014	1FE	
153753 GK 8	CENTRAL ISLIP N Y UN FREE SCH DI 4		09/01/2004	DAIN BOSWORTH		622,200	610,000	619,540	619,540	(474)		(474)		619,067		3,133	3,133	14,640	02/01/2015	1FE	
524786 SQ 4	LEHIGH CNTY PA	3.250	08/19/2004	DAIN BOSWORTH		1,418,313	1,375,000	1,428,694	1,428,694	(10,096)		(10,096)		1,418,598		(286)	(286)	34,633	11/15/2006	1FE	

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 CUSIP Identification	2 Description	3 Foreign Disposal Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amortization/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
894673 LN 0	TREDFFRIN-EASTTOWN PA SCH		08/02/2004	CALL BY ISSUER at 100.000		1,100,000	1,100,000	1,106,732	1,106,732		(6,732)		(6,732)		1,100,000				23,375	08/01/2007	1FE
	U.S.					7,794,245	7,510,000	7,799,996	7,799,753	0	(35,895)	0	(35,895)	0	7,763,858	0	30,385	30,385	190,034	XXX	XXX
2499999	Total - Bonds - Political Subdivisions					7,794,245	7,510,000	7,799,996	7,799,753	0	(35,895)	0	(35,895)	0	7,763,858	0	30,385	30,385	190,034	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
United States																					
873825 CK 7	TAHOE FOREST CALIFORNIA HOSP		07/03/2003	SINKING FUND REDEMPTION.		20,000	20,000	20,000	20,000				0	20,000				0	1,536	07/01/2009	1FE
249301 CT 7	DENVER CO URBAN RENEWAL AUTH T		09/01/2004	CALL BY ISSUER at 100.000		70,000	70,000	70,000	70,000				0	70,000				0	4,634	09/01/2007	1FE
233552 EQ 7	DADE COUNTY FLA SCHOOL DIST		08/01/2004	MATURITY		2,000,000	2,000,000	2,107,800	2,020,305		(20,305)		(20,305)	2,000,000				0	110,000	08/01/2004	1FE
167610 H7 2	CHICAGO ILL PK DIST		09/08/2004	DAIN BOSWORTH		1,210,076	1,150,000	1,200,888	1,200,888		(1,278)		(1,278)	1,199,610		10,466	10,466	0	11,500	01/01/2018	1FE
45200B DL 9	ILLINOIS FIN AUTH REV	1.100	07/12/2004	MORGAN STANLEY DEAN WIT		5,000,000	5,000,000	5,000,000	5,000,000				0	5,000,000				0	2,139	08/15/2024	1FE
339511 CW 5	FLINT MI HOSPITAL BLDG REV	4.70	07/01/2004	MATURITY		560,000	560,000	558,466	559,861		139		139	560,000				0	26,320	07/01/2004	2FE
646133 BB 3	NEW JERSEY ST TRAN CORP	5.0	09/15/2004	MATURITY		2,000,000	2,000,000	2,079,480	2,017,387		(17,387)		(17,387)	2,000,000				0	100,000	09/15/2004	1FE
013554 MV 9	ALBUQUERQUE, NM WTR & SWR SYS		08/19/2004	BAIRD & PATRICK		1,618,035	1,500,000	1,624,725	1,534,845		(8,629)		(8,629)	1,526,216		91,819	91,819	0	103,250	07/01/2006	1FE
80207G AD 9	SANTA FE MFH-B-TXB-TU	6.710	08/02/2004	CALL BY ISSUER at 100.000		5,000	5,000	5,188	5,160		(38)		(38)	5,122		(122)	(122)	0	336	08/01/2012	1FE
649886 DV 7	NEW YORK STATE MTG AGY REV SER		08/06/2004	CALL BY ISSUER at 100.000		345,000	345,000	349,894	347,006		(320)		(320)	346,686				0	14,073	10/01/2009	1FE
232265 2U 1	CUYAHOGA CNTY OHIO HOSP REV FLT		07/12/2004	J.P. MORGAN		5,000,000	5,000,000	5,000,000	5,000,000				0	5,000,000				0	2,258	01/01/2031	1FE
677658 6D 3	OHIO ST WTR DEV AUTH	5.250	08/19/2004	BEAR STEARNS & CO		1,364,721	1,285,000	1,390,113	1,390,113		(23,692)		(23,692)	1,366,421		(1,700)	(1,700)	0	49,285	06/01/2006	1FE
31371K 4K 4	FG 254726	5.500	09/01/2004	MBS PAYDOWN		71,879	71,879	73,103	73,103		(1,224)		(1,224)	71,879				0	2,281	12/01/2032	1
31296L UE 9	FG A12381	5.000	09/01/2004	MBS PAYDOWN		75,203	75,203	73,605	73,657		1,546		1,546	75,203				0	2,714	06/01/2033	1
31296L ZH 7	FG A12544	5.000	09/01/2004	MBS PAYDOWN		38,711	38,711	38,336	38,336		375		375	38,711				0	1,097	03/01/2033	1
31296S WL 6	FG A17851	5.500	09/01/2004	MBS PAYDOWN		32,025	32,025	32,470	32,470		(445)		(445)	32,025				0	1,046	10/01/2033	1
31297A P6 5	FG A23145	5.500	09/01/2004	MBS PAYDOWN		27,087	27,087	26,774	26,774		313		313	27,087				0	273	04/01/2034	1
312967 6K 3	FG B15374	5.000	09/01/2004	MBS PAYDOWN		103,790	103,790	104,795	104,795		(1,005)		(1,005)	103,790				0	659	04/01/2019	1
31292H Q3 1	FG C01374	6.000	09/01/2004	MBS PAYDOWN		30,319	30,319	31,399	31,334		(1,016)		(1,016)	30,319				0	1,212	10/01/2031	1
31292H UP 7	FG C01490	5.500	09/01/2004	MBS PAYDOWN		117,351	117,351	119,111	118,940		(1,590)		(1,590)	117,351				0	4,282	09/01/2032	1
31292H YU 2	FG C01623	5.500	09/01/2004	MBS PAYDOWN		235,789	235,789	233,910	233,971		1,818		1,818	235,789				0	8,625	06/01/2033	1
31287P E2 5	FG C63753	6.000	09/01/2004	MBS PAYDOWN		13,697	13,697	14,185	14,162		(465)		(465)	13,697				0	551	05/01/2031	1
31288A X2 6	FG C72497	6.500	09/01/2004	MBS PAYDOWN		112,851	112,851	116,783	116,040		(3,189)		(3,189)	112,851				0	4,722	05/01/2031	1
31294J GN 3	FG E00224	6.000	09/01/2004	MBS PAYDOWN		56,762	56,762	54,412	55,387		1,374		1,374	56,762				0	2,250	02/01/2008	1
31294K F9 0	FG E01073	5.000	09/01/2004	MBS PAYDOWN		24,003	24,003	23,763	23,794		209		209	24,003				0	797	06/01/2016	1
31294K M5 1	FG E01280	5.000	09/01/2004	MBS PAYDOWN		94,466	94,466	97,507	97,294		(2,828)		(2,828)	94,466				0	3,140	08/01/2017	1
31294K WD 3	FG E01544	4.500	09/01/2004	MBS PAYDOWN		31,206	31,206	31,313	31,313		(107)		(107)	31,206				0	822	10/01/2018	1
3128GJ 2E 6	FG E82573	6.000	09/01/2004	MBS PAYDOWN		7,393	7,393	7,365	7,373		21		21	7,393				0	300	06/01/2015	1
3128GY MX 9	FG E93974	5.500	09/01/2004	MBS PAYDOWN		94,684	94,684	98,989	98,346		(3,662)		(3,662)	94,684				0	3,507	10/01/2017	1
3128H3 LP 4	FG E95734	5.000	09/01/2004	MBS PAYDOWN		110,891	110,891	114,495	114,213		(3,323)		(3,323)	110,891				0	3,635	12/01/2017	1
3128H4 XR 5	FG E96988	5.000	09/01/2004	MBS PAYDOWN		69,488	69,488	70,812	70,812		(1,325)		(1,325)	69,488				0	2,007	03/01/2018	1
31283H S8 9	FG G01443	6.500	09/01/2004	MBS PAYDOWN		152,164	152,164	157,466	156,548		(4,384)		(4,384)	152,164				0	6,489	12/01/2031	1
31283H S9 7	FG G01444	6.500	09/01/2004	MBS PAYDOWN		51,127	51,127	53,252	53,210		(2,083)		(2,083)	51,127				0	2,173	09/01/2031	1
31282R 4E 1	FG M80821	4.500	09/01/2004	MBS PAYDOWN		118,672	118,672	121,527	121,527		(2,856)		(2,856)	118,672				0	2,666	01/01/2010	1
31282S AZ 5	FG M80924	4.500	09/01/2004	MBS PAYDOWN		102,766	102,766	103,761	103,761		(996)		(996)	102,766				0	385	06/01/2011	1
31287P CQ 4	FGLMC PL C63679	6.000	09/01/2004	MBS PAYDOWN		10,299	10,299	10,215	10,232		67		67	10,299				0	416	06/01/2031	1
31288C M4 0	FHLMC #C73979	6.000	09/01/2004	MBS PAYDOWN		207,890	207,890	213,315	212,531		(4,640)		(4,640)	207,890				0	8,717	09/01/2032	1
31288B LZ 4	FHLMC C73044	6.000	09/01/2004	MBS PAYDOWN		196,758	196,758	201,831	201,120		(4,362)		(4,362)	196,758				0	7,880	05/01/2032	1
31393M ZK 0	FHR 2583 ND	4.250	09/01/2004	MBS PAYDOWN		30,872	30,872	31,374	31,317		(445)		(445)	30,872				0	843	03/01/2009	1FE
31393N 2K 4	FHR 2583 TD	4.500	09/01/2004	MBS PAYDOWN		22,330	22,330	22,714	22,695		(365)		(365)	22,330				0	655	02/01/2012	1FE
31371K BL 4	FN 253943	6.500	09/01/2004	MBS PAYDOWN		28,269	28,269	29,002	28,854		(585)		(585)	28,269				0	1,199	03/01/2016	1
31371K U4 1	FN 254503	5.000	09/01/2004	MBS PAYDOWN		233,320	233,320	240,830	240,830		(7,510)		(7,510)	233,320				0	5,694	09/01/2009	1
31371K WK 3	FN 254550	6.500	09/01/2004	MBS PAYDOWN		80,729	80,729	83,555	83,410		(2,681)		(2,681)	80,729				0	3,442	07/01/2032	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 Design- ation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amortization/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
31371K 2V 2	FN 254688		09/01/2004	MBS PAYDOWN		138,479	138,479	143,780	142,977	(4,497)		(4,497)		138,479			0	5,053	12/01/2022	1	
31371L CD 9	FN 254868		09/01/2004	MBS PAYDOWN		60,986	60,986	60,672	60,672		314		314	60,986			0	1,781	05/01/2033	1	
31371L CE 7	FN 254869		09/01/2004	MBS PAYDOWN		53,099	53,099	53,166	53,163	(64)		(64)	53,099			0	1,967	05/01/2033	1		
31376K FW 1	FN 357581		09/01/2004	MBS PAYDOWN		60,873	60,873	61,444	61,444	(571)		(571)	60,873			0	873	02/01/2019	1		
31380M MS 2	FN 444169		09/01/2004	MBS PAYDOWN		293	293	290	291		2		2	293			0	12	02/01/2028	1	
31380Y SL 5	FN 454223		09/01/2004	MBS PAYDOWN		4,345	4,345	4,304	4,314		31		31	4,345			0	163	09/01/2027	1	
31381B V9 7	FN 456140		09/01/2004	MBS PAYDOWN		330	330	326	327		2		2	330			0	13	10/01/2028	1	
31385J QV 3	FN 545968		09/01/2004	MBS PAYDOWN		53,704	53,704	54,711	54,678	(974)		(974)	53,704			0	1,946	02/01/2017	1		
31385W 2S 7	FN 555285		09/01/2004	MBS PAYDOWN		61,004	61,004	61,881	61,845	(841)		(841)	61,004			0	2,408	01/01/2032	1		
31385X FK 8	FN 555570		09/01/2004	MBS PAYDOWN		62,357	62,357	63,263	63,223	(865)		(865)	62,357			0	2,462	12/01/2031	1		
31385X GQ 4	FN 555607		09/01/2004	MBS PAYDOWN		25,400	25,400	25,408	25,408	(8)		(8)	25,400			0	666	02/01/2018	1		
31386S BW 6	FN 571653		09/01/2004	MBS PAYDOWN		11,060	11,060	10,991	11,009		50		50	11,060			0	443	04/01/2015	1	
31391W 5R 8	FN 679556		09/01/2004	MBS PAYDOWN		39,421	39,421	40,283	40,211	(790)		(790)	39,421			0	1,314	02/01/2018	1		
31400F PB 7	FN 686318		09/01/2004	MBS PAYDOWN		68,865	68,865	70,974	70,775	(1,910)		(1,910)	68,865			0	2,164	12/01/2017	1		
31400R CF 6	FN 694970		09/01/2004	MBS PAYDOWN		136,421	136,421	142,219	141,674	(5,253)		(5,253)	136,421			0	5,133	01/01/2018	1		
31400Y FU 5	FN 701379		09/01/2004	MBS PAYDOWN		12,492	12,492	12,547	12,543	(51)		(51)	12,492			0	379	02/01/2018	1		
31401H UX 8	FN 708998		09/01/2004	MBS PAYDOWN		109,082	109,082	108,144	108,172		910		910	109,082			0	3,987	03/01/2033	1	
31401W G2 9	FN 720317		09/01/2004	MBS PAYDOWN		48,111	48,111	49,186	49,186	(1,075)		(1,075)	48,111			0	1,203	03/01/2018	1		
31401X BJ 5	FN 721041		09/01/2004	MBS PAYDOWN		78,193	78,193	80,307	80,307	(2,114)		(2,114)	78,193			0	1,296	08/01/2033	1		
31402F DL 6	FN 727407		09/01/2004	MBS PAYDOWN		64,215	64,215	63,393	63,426		789		789	64,215			0	1,923	06/01/2018	1	
31403Y G6 4	FN 761721		09/01/2004	MBS PAYDOWN		33,045	33,045	32,705	32,705		341		341	33,045			0	1,071	03/01/2033	1	
31404B VC 3	FN 763911		09/01/2004	MBS PAYDOWN		38,527	38,527	38,695	38,695	(169)		(169)	38,527			0	988	11/01/2018	1		
31404N WB 8	FN 773842		09/01/2004	MBS PAYDOWN		112,903	112,903	114,526	114,526	(1,623)		(1,623)	112,903			0	1,167	02/01/2034	1		
31404R MD 6	FN 776256		09/01/2004	MBS PAYDOWN		7,228	7,228	7,242	7,242	(15)		(15)	7,228			0	99	03/01/2034	1		
31404U CL 5	FN 778675		09/01/2004	MBS PAYDOWN		10,360	10,360	10,230	10,230		130		130	10,360			0	129	04/01/2019	1	
31404Y KL 2	FN 782499		09/01/2004	MBS PAYDOWN		56,782	56,782	56,529	56,529		253		253	56,782			0	364	02/01/2034	1	
31405C HF 9	FN 785130		09/01/2004	MBS PAYDOWN		43,784	43,784	44,427	44,427	(643)		(643)	43,784			0	182	09/01/2019	1		
31379J Z2 5	FNMA POOL #421161		09/01/2004	MBS PAYDOWN		1,557	1,557	1,564	1,562	(5)		(5)	1,557			0	67	08/01/2012	1		
31379Q 2H 2	FNMA #426576		09/01/2004	MBS PAYDOWN		27,381	27,381	27,235	27,276		105		105	27,381			0	1,192	04/01/2027	1	
31388P XQ 9	FNMA #610987		09/01/2004	MBS PAYDOWN		135,907	135,907	136,491	136,349	(441)		(441)	135,907			0	5,199	05/01/2016	1		
31390L RG 3	FNMA #649487		09/01/2004	MBS PAYDOWN		333,021	333,021	345,041	342,828	(9,807)		(9,807)	333,021			0	14,866	04/01/2032	1		
31389V SD 0	FNMA PL # F636916		09/01/2004	MBS PAYDOWN		118,970	118,970	122,093	121,271	(2,301)		(2,301)	118,970			0	5,081	11/01/2016	1		
31371K R3 7	FNMA PL 254406		09/01/2004	MBS PAYDOWN		111,001	111,001	113,828	113,121	(2,119)		(2,119)	111,001			0	4,722	02/01/2032	1		
31387N 2W 6	FNMA PL 589489		09/01/2004	MBS PAYDOWN		155,620	155,620	157,954	157,268	(1,648)		(1,648)	155,620			0	6,788	11/01/2015	1		
31400Q TN 3	FNMA PL 694557		09/01/2004	MBS PAYDOWN		20,971	20,971	21,325	21,297	(326)		(326)	20,971			0	771	12/01/2032	1		
31389N 4X 0	FNMA PL# 630938		09/01/2004	MBS PAYDOWN		272,566	272,566	269,797	270,385	2,180		2,180	272,566			0	10,196	10/01/2016	1		
31389P MP 2	FNMA PL# 631366		09/01/2004	MBS PAYDOWN		12,032	12,032	12,344	12,263	(231)		(231)	12,032			0	520	05/01/2016	1		
31400Y ET 9	FNMA PL#701346		09/01/2004	MBS PAYDOWN		80,367	80,367	82,929	82,636	(2,269)		(2,269)	80,367			0	3,145	10/01/2032	1		
31359U ZR 9	FNMA REMIC 98-W8 A6		09/01/2004	MBS PAYDOWN		37,795	37,795	37,795	37,795				37,795			0	1,450	08/01/2013	1FE		
31379R VS 4	FNMA#427325		09/01/2004	MBS PAYDOWN		11,918	11,918	11,974	11,955	(37)		(37)	11,918			0	517	06/01/2012	1		
31379T TE 4	FNMA#429049		09/01/2004	MBS PAYDOWN		6,275	6,275	6,305	6,295	(20)		(20)	6,275			0	272	12/01/2012	1		
31392B 7B 6	FNR 2002-24 AD		09/01/2004	MBS PAYDOWN		207,708	207,708	210,564	209,164	(1,457)		(1,457)	207,708			0	8,027	09/01/2004	1FE		
31392F 5Y 9	FNR 2002-77 CG		09/01/2004	MBS PAYDOWN		43,539	43,539	44,008	43,953	(414)		(414)	43,539			0	1,142	01/01/2010	1FE		
31392H SC 8	FNR 2003-4 PG		09/01/2004	MBS PAYDOWN		480,151	480,151	495,156	492,127	(11,976)		(11,976)	480,151			0	14,515	03/01/2007	1FE		
31393A 5L 7	FNR 2003-43 PJ		09/01/2004	MBS PAYDOWN		246,935	246,935	251,102	250,700	(3,765)		(3,765)	246,935			0	6,459	06/01/2006	1FE		
31393X FE 2	FNR 2004-15 AY		08/24/2004	UBS SECURITIES		1,795,703	2,000,000	1,833,984	1,833,984	5,385		5,385	1,839,369		(43,666)	(43,666)	45,778	08/01/2018	1FE		
38373X 3E 4	GNR 2002-51 MT		09/01/2004	MBS PAYDOWN		955,650	955,650	978,608	969,039	(13,390)		(13,390)	955,650			0	34,745	05/01/2005	1		
38373V EH 9	GNR 2002-57 PJ		09/01/2004	MBS PAYDOWN		671,175	671,175	700,539	687,652	(16,477)		(16,477)	671,175			0	26,618	09/01/2005	1		
U.S.						28,893,224	28,839,689	29,310,802	29,032,633	0	(194,527)	0	(194,527)	28,838,113	0	55,111	55,111	741,066	...XXX...	...XXX...	

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 CUSIP Identification	2 Description	3 Foreign Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/ Adjusted Carrying Value	10 Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amortization/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
3199999	Total - Bonds - Special Revenue & Assessment				28,893,224	28,839,689	29,310,802	29,032,633	0	(194,527)	0	(194,527)	0	28,838,113	0	55,111	55,111	741,066	XXX	XXX
Bonds - Public Utilities																				
United States																				
172474 AG 3	CINERGY CORP	6.250	09/01/2004	MATURITY	500,000	500,000	499,935	499,988	0	12	0	12	0	500,000	0	0	0	31,250	09/01/2004	2
665228 BX 9	NORTHERN ILLINOIS GAS CO	5.87	08/16/2004	SPEAR LEEDS & KELLOGG	1,076,310	1,000,000	1,005,370	1,003,813	0	(460)	0	(460)	0	1,003,353	0	72,957	72,957	59,076	08/15/2008	1FE
69512E GL 3	PACIFICORP MTN	6.750	07/15/2004	MATURITY	1,000,000	1,000,000	1,066,510	1,027,430	0	(27,430)	0	(27,430)	0	1,000,000	0	0	0	67,500	07/15/2004	1FE
816851 AD 1	SEMPRA ENERGY	6.925	07/01/2004	MATURITY	500,000	500,000	499,755	500,000	0	0	0	0	0	500,000	0	0	0	34,625	07/01/2004	2
882556 AA 1	TEXAS MUNICIPAL GAS CORP	2.6	07/01/2004	SINKING FUND REDEMPTION	240,000	240,000	240,000	240,000	0	0	0	0	0	240,000	0	0	0	5,408	07/01/2007	1FE
976656 BB 3	WISCONSIN ELECTRIC POWER	7.4	08/01/2004	MATURITY	1,000,000	1,000,000	1,038,620	1,006,989	0	(6,989)	0	(6,989)	0	1,000,000	0	0	0	72,500	08/01/2004	1FE
	U.S.				4,316,310	4,240,000	4,350,190	4,278,220	0	(34,867)	0	(34,867)	0	4,243,353	0	72,957	72,957	270,359	XXX	XXX
3899999	Total - Bonds - Public Utilities				4,316,310	4,240,000	4,350,190	4,278,220	0	(34,867)	0	(34,867)	0	4,243,353	0	72,957	72,957	270,359	XXX	XXX
Bonds - Industrial and Miscellaneous																				
United States																				
02582J BG 4	AMXCA 2001-2 A	5.530	09/01/2004	J.P. MORGAN	1,568,203	1,500,000	1,644,844	1,613,577	0	(34,523)	0	(34,523)	0	1,579,054	0	(10,851)	(10,851)	59,217	03/15/2006	1FE
032511 AS 6	ANADARKO PETROLEUM CORP	5	09/21/2004	FISERV SECURITIES	2,145,751	2,025,000	2,169,423	2,143,214	0	(25,844)	0	(25,844)	0	2,117,370	0	28,381	28,381	114,890	03/01/2007	2FE
035229 CP 6	ANHEUSER-BUSCH COS INC	4.37	09/01/2004	LEHMAN BROTHERS	2,895,399	2,925,000	2,905,958	2,907,148	0	1,116	0	1,116	0	2,908,264	0	(12,865)	(12,865)	146,453	01/15/2013	1FE
037389 AJ 2	AON CORP	6.900	07/01/2004	MATURITY	200,000	200,000	204,056	201,287	0	(1,287)	0	(1,287)	0	200,000	0	0	0	13,800	07/01/2004	2FE
060505 AG 9	BANK OF AMERICA CORP	7.400	08/26/2004	BANK AMERICA	580,605	500,000	571,615	568,692	0	(5,525)	0	(5,525)	0	563,168	0	17,437	17,437	41,625	01/15/2011	1FE
066365 DC 8	BANKERS TRUST CORP	7.250	09/14/2004	UBS SECURITIES	1,156,670	1,000,000	1,121,510	1,117,470	0	(8,817)	0	(8,817)	0	1,108,653	0	48,017	48,017	66,861	10/15/2011	1FE
054937 AD 9	BB&T CORPORATION	4.750	08/26/2004	ADVEST INC	899,531	901,000	899,603	899,603	0	83	0	83	0	899,686	0	(155)	(155)	39,231	10/01/2012	1FE
05949A PF 1	BOAMS 2004-7 5A52	5.250	09/27/2004	MBS PAYDOWN	16,957	16,957	16,872	16,872	0	85	0	85	0	16,957	0	0	0	108	11/01/2012	1FE
097014 AB 0	BOEING CAPITAL CORP	7.100	07/26/2004	CALL BY ISSUER at 105.300	2,106,000	2,000,000	2,150,150	2,150,150	0	(30,589)	0	(30,589)	0	2,119,561	0	(13,561)	(13,561)	82,439	09/27/2005	1FE
097014 AE 4	BOEING CAPITAL CORP	5.650	07/26/2004	CALL BY ISSUER at 104.810	1,912,783	1,825,000	1,929,646	1,893,053	0	(15,772)	0	(15,772)	0	1,877,281	0	35,502	35,502	61,724	05/15/2006	1FE
06423R AE 6	BOIT 2002-A3 A3	3.590	09/21/2004	DEUTSCHE BANK	2,024,219	2,000,000	2,022,188	2,018,580	0	(3,520)	0	(3,520)	0	2,015,060	0	9,159	9,159	55,645	09/15/2007	1FE
12189P AF 9	BURLINGTON/SANTA	7.570	07/02/2004	SINKING FUND REDEMPTION	1,794	1,794	2,018	2,011	0	(216)	0	(216)	0	1,794	0	0	0	136	01/02/2021	1FE
14149Y AC 2	CARDINAL HEALTH INC	4.450	07/22/2004	J.P. MORGAN	1,523,865	1,500,000	1,490,070	1,495,270	0	1,772	0	1,772	0	1,497,042	0	26,823	26,823	38,381	06/30/2005	1FE
161551 EM 4	CFAB 2001-3 1A4	5.602	09/01/2004	MBS PAYDOWN	238,816	238,816	245,197	241,190	0	(2,374)	0	(2,374)	0	238,816	0	0	0	8,981	01/01/2005	1FE
172967 BW 0	CITIGROUP INC	4.875	08/13/2004	BANK AMERICA	978,690	1,000,000	1,060,450	1,058,278	0	(2,565)	0	(2,565)	0	1,055,713	0	(77,023)	(77,023)	38,052	05/07/2015	1FE
201730 AA 6	CMAT 99-C1 A1	6.250	09/11/2004	MBS PAYDOWN	96,249	96,249	102,028	99,756	0	(3,507)	0	(3,507)	0	96,249	0	0	0	3,983	07/11/2006	1FE
172973 YT 0	CMSI 2004-5 1A3	5.250	09/01/2004	MBS PAYDOWN	9,751	9,751	9,732	9,732	0	18	0	18	0	9,751	0	0	0	0	11/01/2012	1FE
21075W FZ 3	CONHE 97-4 A7	6.630	09/01/2004	MBS PAYDOWN	5,111	5,111	5,213	5,111	0	0	0	0	0	5,111	0	0	0	225	09/01/2016	1FE
22540V P8 9	CSFB 2002-10 CL 1A3	6.530	09/27/2004	MBS PAYDOWN	93,362	93,362	94,763	93,723	0	(361)	0	(361)	0	93,362	0	0	0	2,912	12/01/2004	1FE
22540V 6E 7	CSFB 2002-19 2A3	6.020	07/01/2004	MBS PAYDOWN	31,240	31,240	31,491	31,314	0	(74)	0	(74)	0	31,240	0	0	0	832	07/01/2004	1FE
22541S HS 0	CSFB 2004-C2 A1	3.819	09/01/2004	MBS PAYDOWN	28,329	28,329	27,196	27,196	0	1,133	0	1,133	0	28,329	0	0	0	176	12/01/2013	1FE
126671 LF 1	CWL 01-1 AF-6	6.430	09/01/2004	MBS PAYDOWN	34,837	34,837	36,144	35,816	0	(979)	0	(979)	0	34,837	0	0	0	1,516	01/01/2006	1FE
126671 PV 2	CWL 2002-S1 A5	5.960	09/01/2004	MBS PAYDOWN	257,410	257,410	261,825	258,635	0	(1,228)	0	(1,228)	0	257,406	0	3	3	10,111	10/01/2024	1FE
152314 CT 5	CXHE 2000-C A6	7.540	09/01/2004	MBS PAYDOWN	19,117	19,117	20,172	19,784	0	(667)	0	(667)	0	19,117	0	0	0	971	09/01/2005	1FE
152314 DF 4	CXHE 2001-A A4	6.470	09/01/2004	MBS PAYDOWN	170,257	170,257	170,255	170,255	0	0	0	0	0	170,255	0	1	1	7,171	12/01/2005	1FE
152314 DH 0	CXHE 2001-A A6	6.250	09/01/2004	MBS PAYDOWN	23,099	23,099	23,977	23,706	0	(607)	0	(607)	0	23,099	0	0	0	949	12/01/2005	1FE
23322B FZ 6	DLJCM 99-CG3 A1A	7.120	09/01/2004	MBS PAYDOWN	18,407	18,407	19,890	19,617	0	(1,210)	0	(1,210)	0	18,407	0	0	0	925	10/01/2008	1FE
25466K CN 7	DMCT 1999-6 A	6.850	08/26/2004	SIEBERT BRANFORD	2,798,555	2,750,000	3,002,012	2,882,941	0	(90,064)	0	(90,064)	0	2,792,877	0	5,678	5,678	212,445	01/15/2005	1FE
29475A AQ 9	EQABS 02-1 AF2	5.523	08/01/2004	MBS PAYDOWN	30,879	30,879	31,224	31,132	0	(253)	0	(253)	0	30,879	0	0	0	1,063	09/01/2008	1FE
31846L BT 2	FAMLT 1998-1F NOTE	6.610	09/20/2004	MBS PAYDOWN	485	485	492	489	0	(4)	0	(4)	0	485	0	0	0	21	04/01/2012	1FE
33735P AE 7	FUCMT 1999-C1 A1	5.730	09/01/2004	MBS PAYDOWN	26,559	26,559	27,298	27,084	0	(524)	0	(524)	0	26,559	0	0	0	982	09/01/2007	1FE
337378 AA 1	FUNBC 1999-C4 A1	7.180	09/01/2004	MBS PAYDOWN	200,855	200,855	213,973	210,670	0	(9,815)	0	(9,815)	0	200,855	0	0	0	11,196	09/01/2007	1FE
33736X AA 7	FUNBC 2000-C1 A1	7.739	09/01/2004	MBS PAYDOWN	115,203	115,203	129,217	126,994	0	(11,791)	0	(11,791)	0	115,203	0	0	0	6,151	04/01/2009	1FE
369550 AL 2	GENERAL DYNAMICS CORP	4.50	09/24/2004	DAIN BOSWORTH	1,024,130	1,000,000	996,550	996,550	0	484	0	484	0	997,034	0	27,096	27,096	50,625	08/15/2010	1FE
36962G ZH 0	GENERAL ELEC CAP CORP	4.62	09/13/2004	MORGAN STANLEY DEAN WIT	4,170,826	4,025,000	4,018,641	4,019,499	0	605	0	605	0	4,020,104	0	150,722	150,722	186,156	09/15/2009	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	Foreign	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)
370425 SJ 0	GENL MOTORS ACCEPT CORP	5	08/13/2004	LEHMAN BROTHERS		504,635	500,000	497,170	497,170		114		114		497,284		7,351	7,351	6,484	05/15/2009	2FE
361849 ES 7	GMACC 1999-C1 A1		09/01/2004	MBS PAYDOWN		3,278	3,278	3,370	3,344		(66)		(66)		3,278					01/01/2008	1FE
361849 FT 4	GMACC 1999-C2 CL A1		09/01/2004	VARIOUS		10,121	10,121	10,644	10,505		(383)		(383)		10,121				951	03/01/2007	1FE
361856 BP 1	GMACM 2001-HE4 A5		09/01/2004	MBS PAYDOWN		101,385	101,385	102,071	102,017		(632)		(632)		101,385				3,092	06/01/2025	1FE
43811N AC 2	HAROT 2002-3 A3		09/18/2004	MBS PAYDOWN		320,566	320,566	324,811	323,689		(3,123)		(3,123)		320,566				6,372	04/18/2005	1FE
42332Q AU 7	HFCMC 00-PH1 A1		09/01/2004	MBS PAYDOWN		5,433	5,433	5,786	5,695		(263)		(263)		5,433				317	08/01/2008	1FE
441812 GB 4	HOUSEHOLD FINANCE CORP	5.8	09/25/2004	MATURITY		1,500,000	1,500,000	1,547,385	1,516,025		(16,025)		(16,025)		1,500,000				88,125	09/25/2004	1FE
47214T AA 7	JCPL 2002-A A1	4.190	09/05/2004	MBS PAYDOWN		45,157	45,157	47,513	47,059		(1,903)		(1,903)		45,157				1,419	12/05/2007	1FE
46625H BA 7	JPMORGAN CHASE & CO	4.500	08/26/2004	ADVST INC.		755,610	750,000	748,253	748,253		178		178		748,430		7,180	7,180	27,563	11/15/2010	1FE
487836 AS 7	KELLOGG CO	6.600	09/08/2004	LEHMAN BROTHERS		839,685	750,000	844,575	844,575		(6,870)		(6,870)		837,705		1,980	1,980	47,025	04/01/2011	2FE
49446Q BA 8	KIMCO REALTY MTN	4.820	09/14/2004	WACHOVIA/FIRST UNION		1,006,480	1,000,000	1,000,000	1,000,000		0		0		1,000,000		6,480	6,480	4,552	08/15/2011	2FE
532449 AA 3	LILLY DEL MAR INC	7.717	08/02/2004	CALL BY ISSUER at 100.000		1,700,000	1,700,000	1,760,469	1,733,979		(33,979)		(33,979)		1,700,000				123,472	08/01/2029	1FE
55264T AQ 4	MBNAS 2002-A1 A1	4.950	09/07/2004	DEUTSCHE BANK		2,083,750	2,000,000	2,172,031	2,137,193		(30,405)		(30,405)		2,106,787		(23,037)	(23,037)	72,325	01/15/2007	1FE
55264T AZ 4	MBNAS 2002-A6 A6	3.900	08/12/2004	GREENWICH CAPITAL		2,028,359	2,000,000	2,062,188	2,061,134		(26,867)		(26,867)		2,034,267		(5,908)	(5,908)	52,433	06/15/2005	1FE
58013M DM 3	MCDONALDS CORP	6.000	09/07/2004	CITATION GROUP		1,633,905	1,500,000	1,652,955	1,648,748		(12,173)		(12,173)		1,636,575		(2,670)	(2,670)	81,250	04/15/2011	1FE
590188 HW 1	MERRILL LYNCH & CO	6.550	08/01/2004	MATURITY		500,000	500,000	530,160	515,130		(15,130)		(15,130)		500,000				32,750	08/01/2004	1FE
61745M FG 3	MSC 1998-HF1 A2	6.520	09/01/2004	MBS PAYDOWN		243,208	243,208	272,254	266,894		(23,686)		(23,686)		243,208				12,168	01/01/2008	1FE
62621D AA 8	MUNI CORRECTIONS FINANCE	8.4	08/01/2004	SINKING FUND REDEMPTION		21,023	21,023	21,023	21,023		0		0		21,023				1,781	08/01/2016	2FE
655356 JE 4	NASC 1998-D6 A1A	6.280	09/11/2004	MBS PAYDOWN		112,787	112,787	121,369	119,455		(6,668)		(6,668)		112,787				4,792	08/11/2007	1FE
634902 JB 7	NATL CITY BANK	2.700	08/24/2004	SINKING FUND REDEMPTION		227,273	227,273	226,605	226,605		668		668		227,273				3,153	08/24/2009	1FE
655844 AH 1	NORFOLK SOUTHERN CORP	7.3	09/17/2004	EXCHANGE		1,823,494	1,652,000	1,656,279	1,653,804		(355)		(355)		1,653,450		170,044	170,044	108,682	05/15/2007	2FE
655844 AU 2	NORFOLK SOUTHERN CORP	5.2	09/17/2004	CASH IN LIEU		494	494	494	494		0		0		494				0	09/17/2014	2FE
705220 AF 8	PECO 1999-A A6	6.050	09/01/2004	VARIOUS		1,294,098	1,225,000	1,352,477	1,320,359		(24,517)		(24,517)		1,295,841		(1,744)	(1,744)	74,318	03/01/2007	1FE
69340W AA 1	PLC TRUST 2003-1	2.709	09/30/2004	SINKING FUND REDEMPTION		27,004	27,004	27,004	27,004		0		0		27,004				573	03/31/2006	1FE
74005P AL 8	PRAXAIR INC	3.950	09/01/2004	MORGAN STANLEY DEAN WIT		953,720	1,000,000	976,650	976,650		918		918		977,568		(23,848)	(23,848)	29,844	06/01/2013	1FE
76110H DB 2	RALI 2003-QS10 A13	4.250	09/01/2004	MBS PAYDOWN		272,129	272,129	266,261	266,425		5,704		5,704		272,129				7,771	05/01/2024	1FE
760985 FJ 5	RAMP 2001-RZ4 A4	5.200	08/01/2004	MBS PAYDOWN		120,653	120,653	120,626	120,650		3		3		120,653				3,758	07/01/2004	1FE
760985 MY 4	RAMP 2002-RZ3	4.730	09/01/2004	MBS PAYDOWN		48,420	48,420	47,654	47,860		561		561		48,420				1,694	09/01/2006	1FE
76110W GG 5	RASC 1999-KS2 CL A19	7.150	09/01/2004	MBS PAYDOWN		63,053	63,053	66,304	65,164		(2,111)		(2,111)		63,053				3,032	08/01/2005	1FE
76110W HL 3	RASC 1999-KS4 A14	7.220	09/01/2004	MBS PAYDOWN		49,601	49,601	51,812	50,817		(1,216)		(1,216)		49,601				2,374	11/01/2008	1FE
76110W JZ 0	RASC 2000- KS3 CL A16	7.810	09/01/2004	MBS PAYDOWN		43,142	43,142	45,885	44,890		(1,748)		(1,748)		43,142				2,212	11/01/2005	1FE
45660N JL 0	RAST 2002-A13 A3	5.000	09/01/2004	MBS PAYDOWN		44,321	44,321	45,366	45,040		(719)		(719)		44,321				1,512	02/01/2005	1FE
76110V GE 2	RFMS2 01-HS2 A4	6.430	09/01/2004	MBS PAYDOWN		48,147	48,147	49,572	48,315		(168)		(168)		48,147				2,075	09/01/2004	1FE
76110V LU 0	RFMS2 2003-HS1 A13	2.640	09/01/2004	MBS PAYDOWN		468,141	468,141	468,099	468,117		23		23		468,141				8,635	08/01/2005	1FE
78442G AL 0	SLMA 1997-1 A2	2.286	08/26/2004	VARIOUS		2,317,683	2,309,980	2,309,980	2,309,980		0		0		2,309,980		7,703	7,703	31,764	01/25/2007	1FE
89232X AC 4	TAOT 2002-C A3	2.650	09/15/2004	MBS PAYDOWN		192,430	192,430	194,722	194,219		(1,789)		(1,789)		192,430				3,383	07/15/2005	1FE
60935B DD 8	TMSHE 1998-A AF7	6.870	09/15/2004	MBS PAYDOWN		476,407	476,407	481,766	478,612		(2,206)		(2,206)		476,407				24,264	08/01/2012	1FE
87302* AA 0	TSV L P 144A	6.000	07/08/2004	SINKING FUND REDEMPTION		25,737	25,737	26,961	26,916		(1,179)		(1,179)		25,737				1,544	07/09/2013	1Z
337358 DQ 5	WACHOVIA CORPORATION	7.55	08/27/2004	BEAR STEARNS & CO		2,887,528	2,750,000	2,951,988	2,951,988		(49,884)		(49,884)		2,902,103		(14,576)	(14,576)	111,310	08/18/2005	1FE
96683M AC 7	WALT 2002-1 A3	2.600	09/15/2004	MBS PAYDOWN		194,924	194,924	197,452	196,968		(2,044)		(2,044)		194,924				3,583	07/15/2005	1FE
94356# AA 7	WAVELAND NCP ALABAMA CAPCO NOT		08/15/2004	SINKING FUND REDEMPTION		122,305	122,305	122,305	122,305		0		0		122,305				5,699	03/01/2014	1FE
92925U AD 4	WESTO 2001-C A4	5.180	09/20/2004	MBS PAYDOWN		162,536	162,536	170,942	167,321		(4,785)		(4,785)		162,536				6,315	06/20/2005	1FE
949762 AA 6	WFMB 2003-10 A1	4.500	09/01/2004	MBS PAYDOWN		52,851	52,851	51,662	51,726		1,125		1,125		52,851				1,603	07/01/2008	1FE
	U.S.					52,735,417	51,209,223	53,288,586	52,880,516		0		(508,420)		52,372,094		363,319	363,319	2,271,700	...XXX	...XXX
Foreign																					
30215E AA 5	EXP-IMP BK KOREA 144A	4.125	08/05/2004	UBS SECURITIES		983,000	1,000,000	995,000	995,000		454		454		995,454		(12,454)	(12,454)	20,625	02/10/2009	1FE
983730 AA 0	XL CAPITAL (EUROPE) PLC	6.500	09/08/2004	GOLDMAN SACHS		272,683	250,000	258,850	257,987		(556)		(556)		257,431		15,251	15,251	18,868	01/15/2012	1FE
	Foreign					1,255,683	1,250,000	1,253,850	1,252,987		0		(102)		1,252,885		2,797	2,797	39,493	...XXX	...XXX

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 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Amortization/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
4599999	Total - Bonds - Industrial & Miscellaneous					53,991,100	52,459,223	54,542,436	54,133,503	0	(508,522)	0	(508,522)	0	53,624,979	0	366,116	366,116	2,311,193	XXX	XXX
6099997	Total - Bonds - Part 4					172,619,258	166,545,452	176,999,898	174,652,056	0	(2,095,252)	0	(2,095,252)	0	172,556,809	0	62,441	62,441	6,691,929	XXX	XXX
6099999	Total - Bonds					172,619,258	166,545,452	176,999,898	174,652,056	0	(2,095,252)	0	(2,095,252)	0	172,556,809	0	62,441	62,441	6,691,929	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
United States																					
172967 10 1	CITIGROUP INC		09/27/2004	MORGAN STANLEY DEAN WIT	10,000.000	436,848		234,549	485,400	(250,851)			(250,851)		234,549		202,299	202,299	12,000	XXX	L
30231G 10 2	EXXON MOBIL CORP		09/10/2004	CITIGROUP GLOBAL MARKET	7,920.000	374,884		213,396	324,720	(111,324)			(111,324)		213,396		161,488	161,488	6,257	XXX	L
313586 10 9	FANNIE MAE		09/09/2004	MORGAN STANLEY DEAN WIT	2,600.000	200,775		153,368	195,156	(41,788)			(41,788)		153,368		47,407	47,407	4,056	XXX	L
319963 10 4	FIRST DATA CORP		09/17/2004	CITIGROUP GLOBAL MARKET	7,000.000	308,546		92,505	287,630	(195,125)			(195,125)		92,505		216,041	216,041	420	XXX	L
313400 30 1	FREDDIE MAC		09/22/2004	CITIGROUP GLOBAL MARKET	3,000.000	200,095		141,540	174,960	(33,420)			(33,420)		141,540		58,555	58,555	2,700	XXX	L
369604 10 3	GENERAL ELECTRIC CO		09/24/2004	CITIGROUP GLOBAL MARKET	12,500.000	416,380		309,969	385,025	(75,056)			(75,056)		309,969		106,411	106,411	6,500	XXX	L
478160 10 4	JOHNSON & JOHNSON		09/14/2004	CITIGROUP GLOBAL MARKET	6,800.000	396,771		218,656	351,288	(132,632)			(132,632)		218,656		178,115	178,115	5,508	XXX	L
713448 10 8	PEPSICO INC		09/15/2004	CITIGROUP GLOBAL MARKET	5,600.000	277,297		200,457	261,072	(60,615)			(60,615)		200,457		76,840	76,840	4,368	XXX	L
983024 10 0	WYETH		09/15/2004	CITIGROUP GLOBAL MARKET	5,400.000	207,208		196,611	229,230	(32,619)			(32,619)		196,611		10,597	10,597	3,726	XXX	L
U.S.						2,818,804	XXX	1,761,051	2,694,481	(933,430)	0	0	(933,430)	0	1,761,051	0	1,057,753	1,057,753	45,535	XXX	XXX
6899999	Total - Common Stocks - Industrial & Miscellaneous					2,818,804	XXX	1,761,051	2,694,481	(933,430)	0	0	(933,430)	0	1,761,051	0	1,057,753	1,057,753	45,535	XXX	XXX
7299997	Total - Common Stocks - Part 4					2,818,804	XXX	1,761,051	2,694,481	(933,430)	0	0	(933,430)	0	1,761,051	0	1,057,753	1,057,753	45,535	XXX	XXX
7299999	Total - Common Stocks					2,818,804	XXX	1,761,051	2,694,481	(933,430)	0	0	(933,430)	0	1,761,051	0	1,057,753	1,057,753	45,535	XXX	XXX
7399999	Total - Preferred and Common Stocks					2,818,804	XXX	1,761,051	2,694,481	(933,430)	0	0	(933,430)	0	1,761,051	0	1,057,753	1,057,753	45,535	XXX	XXX
7499999	Total - Bonds, Preferred and Common Stocks					175,438,062	XXX	178,760,949	177,346,537	(933,430)	(2,095,252)	0	(3,028,682)	0	174,317,860	0	1,120,194	1,120,194	6,737,464	XXX	XXX

E05.5

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

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

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

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

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

THE MEDICAL ASSURANCE COMPANY, INC.

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
BANK OF AMERICA..... ATLANTA, GA.....					2,400,151	1,382,067	2,249,920	XXX
BANK ONE..... BATON ROUGE, LA.....					70,000	70,000	70,000	XXX
FEDERAL HOME LOAN BANK..... INDIANAPOLIS, IN.....					12,943	12,929	12,929	XXX
SOUTHTRUST BANK..... BIRMINGHAM, AL.....					8,786,089	5,648,960	8,184,204	XXX
VOYAGER BANK..... EDEN PRAIRIE, MN.....					508,454	436,931	434,840	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	11,777,637	7,550,887	10,951,893	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	11,777,637	7,550,887	10,951,893	XXX
0499999. Cash in Company's Office.....	XXX	XXX	XXX	XXX	2,808	2,808	2,808	XXX
0599999. Total Cash.....	XXX	XXX	0	0	11,780,445	7,553,695	10,954,701	XXX