

QUARTERLY STATEMENT

OF THE

NCRIC, INC.

Of

WASHINGTON

in the state of DC

to the Insurance Department

of the State of

For the Period Ended

June 30, 2006

2006



QUARTERLY STATEMENT

As of June 30, 2006
of the Condition and Affairs of
NCRIC, INC.

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 41149	Employer's ID Number..... 52-1194407
Organized under the Laws of DISTRICT OF COLUMBIA	State of Domicile or Port of Entry DISTRICT OF COLUMBIA	Country of Domicile US
Incorporated/Organized..... June 24, 1980	Commenced Business..... October 1, 1980	
Statutory Home Office	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	202-969-1866 <i>(Area Code) (Telephone Number)</i>
Mail Address	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	202-969-1866 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	WWW.PROASSURANCE.COM	
Statutory Statement Contact	JAMES CHRISTOPHER LAMON <i>(Name)</i> clamon@proassurance.com <i>(E-Mail Address)</i>	202-969-1866 <i>(Area Code) (Telephone Number) (Extension)</i> 202-969-1881 <i>(Fax Number)</i>
Policyowner Relations Contact	1115 30TH STREET, NW..... WASHINGTON DC 20007 <i>(Street and Number) (City or Town, State and Zip Code)</i>	202-969-1866 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

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

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

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

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

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	239,281,209		239,281,209	206,578,242
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....	1,301,614		1,301,614	1,156,780
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).....			.0	
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 (\$.....(231,277)), cash equivalents (\$.....434,553) and short-term investments (\$.....9,074,803).....	9,278,079		9,278,079	30,257,549
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Other invested assets.....			.0	
8. Receivables for securities.....			.0	20,091
9. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	249,860,902	.0	249,860,902	238,012,662
11. Title Plants less \$.....0 charged off (for Title insurers only).....			.0	
12. Investment income due and accrued.....	2,968,736		2,968,736	2,525,706
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	1,036,528	202,830	833,698	4,353,764
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	1,566,297	93,294	1,473,003	1,641,147
13.3 Accrued retrospective premiums.....			.0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	1,618,087		1,618,087	3,573,373
14.2 Funds held by or deposited with reinsured companies.....			.0	
14.3 Other amounts receivable under reinsurance contracts.....	36,129		36,129	
15. Amounts receivable relating to uninsured plans.....			.0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	3,832,295		3,832,295	1,228,448
16.2 Net deferred tax asset.....	19,331,629	13,065,974	6,265,655	4,223,176
17. Guaranty funds receivable or on deposit.....			.0	
18. Electronic data processing equipment and software.....	1,224,416	1,032,387	192,029	273,289
19. Furniture and equipment, including health care delivery assets (\$.....0).....	358,556	358,556	.0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
21. Receivables from parent, subsidiaries and affiliates.....	1,873,216		1,873,216	5,519,446
22. Health care (\$.....0) and other amounts receivable.....			.0	
23. Aggregate write-ins for other than invested assets.....	237,324	237,324	.0	.0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	283,944,115	14,990,365	268,953,750	261,351,011
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
26. TOTALS (Lines 24 and 25).....	283,944,115	14,990,365	268,953,750	261,351,011

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. Prepaid expenses.....	44,438	44,438	.0	
2302. Other assets.....	192,886	192,886	.0	
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).....	237,324	237,324	.0	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$....16,169,221).....	115,546,149	104,239,000
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	45,825,103	42,652,000
4. Commissions payable, contingent commissions and other similar charges.....	125,925	1,092,565
5. Other expenses (excluding taxes, licenses and fees).....	774,523	1,874,174
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	2,947	334,662
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....2,566,729 and including warranty reserves of \$.....0).....	31,586,269	34,977,470
10. Advance premium.....	144,556	3,956,499
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	3,037,799	4,017,619
13. Funds held by company under reinsurance treaties.....		476,057
14. Amounts withheld or retained by company for account of others.....	21,535	58,433
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	1,089,000	1,089,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	56,251	
20. Payable for securities.....		
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	19,500,000	19,500,000
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	217,710,057	214,267,479
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	217,710,057	214,267,479
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	1,000,000	1,000,000
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.....	50,434,666	50,434,666
33. Unassigned funds (surplus).....	(190,973)	(4,351,134)
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....		
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34).....	51,243,693	47,083,532
36. TOTALS.....	268,953,750	261,351,011

DETAILS OF WRITE-INS

2301. Litigation liability.....	19,500,000	19,500,000
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).....	19,500,000	19,500,000
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....31,849,950).....	37,534,441	41,544,703	81,894,867
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....3,067,679).....	5,298,165	7,243,677	14,025,992
1.4 Net..... (written \$.....28,782,271).....	32,236,276	34,301,026	67,868,875
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....16,169,221):			
2.1 Direct.....	19,770,966	31,521,251	53,346,864
2.2 Assumed.....			
2.3 Ceded.....	3,601,745	7,021,000	8,695,400
2.4 Net.....	16,169,221	24,500,251	44,651,464
3. Loss expenses incurred.....	12,074,696	12,765,854	25,036,618
4. Other underwriting expenses incurred.....	4,179,955	6,638,094	11,874,762
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	32,423,872	43,904,199	81,562,844
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(187,596)	(9,603,173)	(13,693,969)
INVESTMENT INCOME			
9. Net investment income earned.....	5,097,610	3,630,167	8,491,363
10. Net realized capital gains (losses) less capital gains tax of \$.....13,872.....	(25,763)	295,224	2,921,213
11. Net investment gain (loss) (Lines 9 + 10).....	5,071,847	3,925,391	11,412,576
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	(11,900)	(49,484)
13. Finance and service charges not included in premiums.....		17,956	32,187
14. Aggregate write-ins for miscellaneous income.....	20,148	(7,044)	(19,507,044)
15. Total other income (Lines 12 through 14).....	20,148	(988)	(19,524,341)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	4,904,399	(5,678,770)	(21,805,734)
17. Dividends to policyholders.....			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	4,904,399	(5,678,770)	(21,805,734)
19. Federal and foreign income taxes incurred.....	3,097,903	(208,301)	(1,889,783)
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,806,496	(5,470,469)	(19,915,951)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	47,083,532	62,994,487	62,994,487
22. Net income (from Line 20).....	1,806,496	(5,470,469)	(19,915,951)
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	196,212	228,947	(2,221,761)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	1,083,035	2,395,352	7,768,127
27. Change in nonadmitted assets.....	1,074,418	(2,172,022)	(8,452,370)
28. Change in provision for reinsurance.....			(1,089,000)
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			8,000,000
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	4,160,161	(5,018,192)	(15,910,955)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	51,243,693	57,976,295	47,083,532
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.....	59,029	(7,044)	(7,044)
1402. Litigation expense.....			(19,500,000)
1403. Gain/Loss on Sale of Equipment.....	(38,881)		
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).....	20,148	(7,044)	(19,507,044)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	27,620,691	64,936,284
2. Net investment income.....	5,517,780	9,862,108
3. Miscellaneous income.....	20,148	(24,341)
4. Total (Lines 1 through 3).....	33,158,619	74,774,051
5. Benefit and loss related payments.....	11,844,508	18,048,154
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	6,577,961	28,386,186
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	5,715,622	(2,999,883)
10. Total (Lines 5 through 9).....	24,138,091	43,434,457
11. Net cash from operations (Line 4 minus Line 10).....	9,020,528	31,339,594
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	17,156,037	50,806,929
12.2 Stocks.....		29,895,385
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.....		4
12.7 Miscellaneous proceeds.....	20,091	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	17,176,128	80,702,318
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	50,710,466	94,193,079
13.2 Stocks.....		5,480,274
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		2,018,993
13.7 Total investments acquired (Lines 13.1 to 13.6).....	50,710,466	101,692,346
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(33,534,338)	(20,990,028)
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.....	5,000,000	3,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	(1,465,660)	695,129
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	3,534,340	3,695,129
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(20,979,470)	14,044,695
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	30,257,549	16,212,854
19.2 End of period (Line 18 plus Line 19.1).....	9,278,079	30,257,549

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

20.0001		
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NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

- D. On March 2, 2004, the District of Columbia Superior Court entered judgment in favor of Columbia Hospital for Women Medical Center, Inc. (CHW) and against NCRIC, Inc., in the approximate amount of \$18.2 million. The judgment resulted from litigation in which NCRIC sought to recover nearly \$3 million in premiums that NCRIC alleges CHW owes under a retrospective rating agreement that expired in 2000. CHW asserted counterclaims for various alleged business torts. The jury rejected NCRIC's claim for premium and awarded damages to CHW on its counterclaims. On September 30, 2005, the trial court denied NCRIC's motions for post-trial relief. NCRIC has appealed the case to the District of Columbia Court of Appeals.

NOTES TO FINANCIAL STATEMENTS

NCRIC, Inc. has accrued \$19.5 million related to this litigation. NCRIC Corporation has indemnified NCRIC, Inc. for up to \$5.5 million of any final judgment from this litigation, with the \$5.5 million representing an after-tax amount. NCRIC Corporation or ProAssurance will continue to pay all post-trial legal costs. This accrual is made in accordance with SSAP 5.

To secure the CHW judgment during the appeal, NCRIC has posted a bond issued by The Medical Assurance Company, Inc. in the amount of \$20.5 million. The bond amount reflects the amount of the judgment plus interest. No letter of credit was required in connection with this bond.

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.

NOTES TO FINANCIAL STATEMENTS

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - High Deductibles

No significant change.

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

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []
- 2.2 If yes, date of change: 06/16/2006.....
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2005.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/07/2004.....
- 6.4 By what department or departments?

District of Columbia Department of Insurance, Securities and Banking

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

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

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

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

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....1,098,783

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: \$.....0
- 13. Amount of real estate and mortgages held in short-term investments: \$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

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

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
14.21	Bonds.....	\$.....0	\$.....0
14.22	Preferred Stock.....	\$.....0	\$.....0
14.23	Common Stock.....	\$.....1,156,780	\$.....1,301,614
14.24	Short-Term Investments.....	\$.....0	\$.....0
14.25	Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
14.26	All Other.....	\$.....0	\$.....0
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$.....1,156,780	\$.....1,301,614
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	\$.....0	\$.....0

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

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

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
Brown Brothers Harriman	140 Broadway, New York, NY 10005

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [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, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
113972	Standish Mellon Asset Management	One Boston Place, Suite 300, Boston, MA 02108

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

17.2 If no, list exceptions: _____

GENERAL INTERROGATORIES (continued)
PART 2
PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

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

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Increase (decrease) by adjustment.....		
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....		
5. Total profit (loss) on sales.....		
6. Increase (decrease) by foreign exchange adjustment.....		
7. Amount received on sales.....		
8. Book/adjusted carrying value at end of current period.....	0	0
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	0	0
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year.....	0	
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount and mortgage interest points and commitment fees.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	0	0

SCHEDULE BA - VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	0	
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book adjusted/carrying value of long-term invested assets at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	207,735,022	189,415,704
2. Cost of bonds and stocks acquired.....	50,710,466	99,673,353
3. Accrual of discount.....	66,012	38,147
4. Increase (decrease) by adjustment.....	196,207	(3,115,592)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	(39,636)	4,494,170
7. Consideration for bonds and stocks disposed of.....	17,156,037	80,702,314
8. Amortization of premium.....	929,212	2,068,446
9. Book/adjusted carrying value, current period.....	240,582,823	207,735,022
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	240,582,823	207,735,022
12. Total nonadmitted amounts.....		
13. Statement value.....	240,582,823	207,735,022

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.....	236,245,607	44,880,270	56,642,229	(399,813)	236,245,607	224,083,835		209,501,618
2. Class 2.....	25,154,791		825,000	(57,061)	25,154,791	24,272,730		20,273,770
3. Class 3.....								
4. Class 4.....								
5. Class 5.....								
6. Class 6.....								
7. Total Bonds.....	261,400,398	44,880,270	57,467,229	(456,874)	261,400,398	248,356,565	0	229,775,388
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	261,400,398	44,880,270	57,467,229	(456,874)	261,400,398	248,356,565	0	229,775,388

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.....	9,074,803	XXX	9,074,803		

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.....	23,197,146	6,156,516
2. Cost of short-term investments acquired.....	80,954,207	78,885,929
3. Increase (decrease) by adjustment.....	6,778	93,336
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....		
6. Consideration received on disposal of short-term investments.....	95,083,328	61,938,635
7. Book/adjusted carrying value, current period.....	9,074,803	23,197,146
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	9,074,803	23,197,146
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	9,074,803	23,197,146
12. Income collected during period.....	442,334	544,959
13. Income earned during period.....	432,616	590,507

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)
U.S. Insurers				
38636.....	13-3031176.....	Partner Reinsurance Company of the US.....	Greenwich, CT.....	YES.....
10357.....	52-1952955.....	Platinum Underwriters Reinsurance, Inc.....	New York, NY.....	YES.....
All Other Insurers				
.....	AA-3194129.....	Montpelier Reinsurance Ltd.....	Hamilton, Bermuda.....	NO.....

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	NO						
2. Alaska.....AK	NO						
3. Arizona.....AZ	NO						
4. Arkansas.....AR	NO						
5. California.....CA	NO						
6. Colorado.....CO	NO						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES	1,472,415	5,436,608	500,000	1,015,000	19,083,205	13,020,000
9. District of Columbia.....DC	YES	17,061,450	18,559,892	3,150,000	7,322,500	56,652,561	49,012,000
10. Florida.....FL	NO						
11. Georgia.....GA	NO						
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	NO						
15. Indiana.....IN	NO						
16. Iowa.....IA	NO						
17. Kansas.....KS	NO						
18. Kentucky.....KY	NO						
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	YES	9,156,189	8,856,039		5,364,751	19,261,274	14,831,000
22. Massachusetts.....MA	NO						
23. Michigan.....MI	NO						
24. Minnesota.....MN	NO						
25. Mississippi.....MS	NO						
26. Missouri.....MO	NO						
27. Montana.....MT	NO						
28. Nebraska.....NE	NO						
29. Nevada.....NV	NO						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	NO						
32. New Mexico.....NM	NO						
33. New York.....NY	NO						
34. North Carolina.....NC	NO						
35. North Dakota.....ND	NO						
36. Ohio.....OH	NO						
37. Oklahoma.....OK	NO						
38. Oregon.....OR	NO						
39. Pennsylvania.....PA	NO						
40. Rhode Island.....RI	NO						
41. South Carolina.....SC	NO						
42. South Dakota.....SD	NO						
43. Tennessee.....TN	NO						
44. Texas.....TX	NO						
45. Utah.....UT	NO						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	3,458,378	11,807,664	1,600,000	3,755,000	42,790,912	36,758,000
48. Washington.....WA	NO						
49. West Virginia.....WV	YES	701,518	1,697,020	400,000	240,000	8,717,014	7,949,000
50. Wisconsin.....WI	NO						
51. Wyoming.....WY	NO						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Northern Mariana Islands.....MP	NO						
57. Canada.....CN	NO						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....(a) 5		31,849,950	46,357,223	5,650,000	17,697,251	146,504,966	121,570,000

DETAILS OF WRITE-INS

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

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

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

PART 1 – ORGANIZATIONAL CHART

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....			0.0	
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical malpractice-occurrence.....	2,325,127	2,040,299	87.8	132.4
11.2. Medical malpractice-claims made.....	35,098,550	17,680,269	50.4	72.6
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....			0.0	
17.1. Other liability-occurrence.....			0.0	
17.2. Other liability-claims made.....	110,764	50,398	45.5	
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.....	37,534,441	19,770,966	52.7	75.9

DETAILS OF WRITE-INS

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

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	938,242	2,325,127	2,556,784
11.2. Medical malpractice-claims made.....	1,761,050	29,455,076	43,587,023
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1. Other liability-occurrence.....			
17.2. Other liability-claims made.....	4,153	69,747	213,416
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.....	2,703,445	31,849,950	46,357,223

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2006 Loss and LAE Payments on Claims Reported as of Prior Year-End	2006 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2006 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2003 + Prior	47,551	.671	48,222	6,301	.173	6,474	41,262	.106	.380	41,748	.12	(12)	.0
2. 2004	48,664	(1,721)	46,943	4,784	.173	4,957	37,147	.506	4,333	41,986	(6,733)	6,733	.0
3. Subtotals 2004 + Prior	96,215	(1,050)	95,165	11,085	.346	11,431	78,409	.612	4,713	83,734	(6,721)	6,721	.0
4. 2005	43,565	8,161	51,726	1,648	.277	1,925	38,889	.949	9,963	49,801	(3,028)	3,028	.0
5. Subtotals 2005 + Prior	139,780	7,111	146,891	12,733	.623	13,356	117,298	1,561	14,676	133,535	(9,749)	9,749	.0
6. 2006	XXX	XXX	XXX	XXX	.408	.408	XXX	9,797	18,039	27,836	XXX	XXX	XXX
7. Totals	139,780	7,111	146,891	12,733	1,031	13,764	117,298	11,358	32,715	161,371	(9,749)	9,749	.0
8. Prior Year-End's Surplus As Regards Policyholders	47,084										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. ....(7.0)%	2. ....137.1 %	3. ....0.0 %
													Col. 13, Line 7 Line 8
													4. ....0.0 %

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

NO

2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?

YES

Explanation:

Bar Code:



**Overflow Page
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 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - Political Subdivisions of States									
181054 J7 3	CLARK CNTY NEV SCH DIS 06/15/2011 5.500		04/03/2006	BB&T		1,482,759	1,375,000	23,318	1FE
2499999.	Total - Bonds - Political Subdivision					1,482,759	1,375,000	23,318	XXX
Bonds - Special Revenue and Special Assessment									
26349N BE 3	DU PAGE CNTY ILL TRANS 01/01/2014 5.000		04/10/2006	SALOMON SMITH BARNEY HLD		1,589,445	1,500,000	21,250	1FE
38373M TS 9	GNR 2006-18 A 03/01/2017 4.968		04/06/2006	DEUTSCHE BANK		594,000	600,000	2,236	1
38373M TZ 3	GNR 2006-19 A 06/01/2030 3.387		04/06/2006	J.P. MORGAN		950,000	1,000,000	2,540	1
3199999.	Total - Bonds - Special Revenue & Special Assessments					3,133,445	3,100,000	26,026	XXX
Bonds - Industrial and Miscellaneous									
002824 AS 9	ABBOTT LABORATORIES 05/15/2011 5.600		05/09/2006	ABN AMRO		324,789	325,000		1FE
07387B FP 3	BSCMS 2006-T22 A2 05/01/2011 5.467		04/06/2006	BEAR STEARNS & CO		904,788	900,000	2,597	1FE
16132N AW 6	CHARTER ONE BANK 04/26/2011 5.500		04/19/2006	GREENWICH CAPITAL		849,635	850,000		1FE
36962G YY 4	GENERAL ELEC CAP CORP 06/15/2012 6.000		05/03/2006	MORGAN STANLEY DEAN WITTER		791,787	775,000	18,471	1FE
59018Y VV 0	MERRILL LYNCH & CO 08/04/2010 4.790		05/02/2006	CREDIT SUISSE FIRST BOSTON		617,258	635,000	7,689	1FE
00209A AE 6	NEW CINGULAR WIRELESS 03/01/2011 7.875		05/02/2006	CREDIT SUISSE FIRST BOSTON		366,436	335,000	4,690	1FE
74153W AX 7	PRICOA GLOBAL FUNDING 05/24/2011 5.625		05/17/2006	DEUTSCHE BANK		1,248,875	1,250,000		1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					5,103,568	5,070,000	33,447	XXX
6099997.	Total - Bonds - Part 3					9,719,772	9,545,000	82,791	XXX
6099999.	Total - Bonds					9,719,772	9,545,000	82,791	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					9,719,772	XXX	82,791	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 Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
38373M SH 4	GNR 2006-3 A		06/01/2006	MBS PAYDOWN		3,451	3,451	3,382			69		69		3,451			0	48	04/01/2011	1
912828 CK 4	US TREASURY N/B		05/31/2006	MATURITY		465,000	465,000	465,566	465,156	(156)		(156)		465,000			0	5,813	05/31/2006	1	
0399999	Total - Bonds - U.S. Government					468,451	468,451	468,948	465,156	0	(87)	0	(87)	0	468,451	0	0	0	5,861	XXX	XXX
Bonds - States, Territories and Possessions																					
36202K 2A 2	G2 8869		06/01/2006	MBS PAYDOWN		3,258	3,258	3,331	3,320		(62)		(62)		3,258			0	62	09/01/2021	1
362207 YU 0	GN 299623		06/01/2006	MBS PAYDOWN		121	121	122	122		(1)		(1)		121			0	4	10/01/2022	1
36203G QN 6	GN 348861		06/01/2006	MBS PAYDOWN		2,149	2,149	2,172	2,170		(21)		(21)		2,149			0	63	10/01/2021	1
36203K A4 6	GN 351127		06/01/2006	MBS PAYDOWN		711	711	719	718		(7)		(7)		711			0	21	02/01/2022	1
36203L LQ 3	GN 352335		06/01/2006	MBS PAYDOWN		9	9	9	9				0		9			0	05/01/2023	1	
36203T BY 0	GN 358355		06/01/2006	MBS PAYDOWN		6,141	6,141	6,206	6,198		(57)		(57)		6,141			0	146	06/01/2021	1
36204F FG 4	GN 368367		06/01/2006	MBS PAYDOWN		316	316	334	329		(13)		(13)		316			0	11	07/01/2022	1
36208D M5 1	GN 447780		06/01/2006	MBS PAYDOWN		2,705	2,705	2,765	2,768		(62)		(62)		2,705			0	103	07/01/2025	1
36209A R8 5	GN 465911		06/01/2006	MBS PAYDOWN		708	708	685	685		23		23		708			0	19	05/01/2026	1
36209P SP 3	GN 477626		06/01/2006	MBS PAYDOWN		2,524	2,524	2,566	2,566		(42)		(42)		2,524			0	60	08/01/2027	1
36210C NT 6	GN 488302		06/01/2006	MBS PAYDOWN		27	27	26	26		1		1		27			0	1	10/01/2028	1
38374B QM 8	GNR 2003-72 A		06/01/2006	MBS PAYDOWN		9,357	9,357	9,357	9,357				0		9,357			0	125	05/01/2009	1
38373M RU 6	GNR 2005-87 A		06/01/2006	MBS PAYDOWN		2,749	2,749	2,694	2,695		54		54		2,749			0	51	12/01/2010	1
38373M SB 7	GNR 2005-90 A		06/01/2006	MBS PAYDOWN		3,716	3,716	3,586	3,586		130		130		3,716			0	58	07/01/2011	1
1799999	Total - Bonds - States, Territories & Possessions					34,491	34,491	34,572	34,549	0	(57)	0	(57)	0	34,491	0	0	0	724	XXX	XXX
Bonds - Political Subdivisions of States																					
207757 5B 7	CONNECTICUT ST SPL TAX		04/11/2006	LEHMAN BROTHERS		2,000,000	2,000,000	2,000,000					0	2,000,000			0	6,998	02/01/2022	1FE	
2499999	Total - Bonds - Political Subdivisions					2,000,000	2,000,000	2,000,000	0	0	0	0	0	0	2,000,000	0	0	0	6,998	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
31296K LQ 4	FG A11235		06/01/2006	MBS PAYDOWN		2,286	2,286	2,335	2,322		(36)		(36)		2,286			0	59	12/01/2032	1
31296N ZY 6	FG A14359		06/01/2006	MBS PAYDOWN		1,858	1,858	1,900	1,900		(42)		(42)		1,858			0	43	04/01/2033	1
31288G 3S 9	FG C78009		06/01/2006	MBS PAYDOWN		307	307	309	308		(1)		(1)		307			0	7	11/01/2031	1
31288J RK 4	FG C79490		06/01/2006	MBS PAYDOWN		606	606	636	635		(29)		(29)		606			0	14	10/01/2032	1
313970 SC 0	FG D32315		06/01/2006	MBS PAYDOWN		6,393	6,393	6,910	6,828		(435)		(435)		6,393			0	268	05/01/2016	1
3128H3 ZP 9	FG E96150		06/01/2006	MBS PAYDOWN		55,140	55,140	57,811	57,548		(2,407)		(2,407)		55,140			0	1,110	12/01/2017	1
3128H4 WA 3	FG E96941		06/01/2006	MBS PAYDOWN		48,686	48,686	49,903	49,823		(1,137)		(1,137)		48,686			0	934	12/01/2017	1
31282N BJ 1	FG M70041		06/01/2006	MBS PAYDOWN		1,861	1,861	1,933	1,876		(15)		(15)		1,861			0	54	01/01/2008	1
31353G PG 1	FH 884023		05/01/2006	MBS PAYDOWN		11,874	11,874	12,878	12,841		(967)		(967)		11,874			0	318	03/01/2018	1
31370L GE 4	FN 234297		06/01/2006	MBS PAYDOWN		9,082	9,082	9,564	9,122		(40)		(40)		9,082			0	322	08/01/2007	1
31371L 4L 0	FN 255627		06/01/2006	MBS PAYDOWN		20,486	20,486	20,665	20,662		(176)		(176)		20,486			0	427	02/01/2025	1
31371L 4M 8	FN 255628		06/01/2006	MBS PAYDOWN		19,505	19,505	19,993	19,990		(485)		(485)		19,505			0	450	11/01/2024	1
31371L 6C 8	FN 255667		06/01/2006	MBS PAYDOWN		56,735	56,735	56,877	56,873		(138)		(138)		56,735			0	1,225	12/01/2024	1
31371L 6D 6	FN 255668		06/01/2006	MBS PAYDOWN		31,821	31,821	32,542	32,530		(709)		(709)		31,821			0	740	12/01/2024	1
31371S QU 1	FN 260667		06/01/2006	MBS PAYDOWN		39	39	38	38		1		1		39			0	1	05/01/2022	1
31372A ZM 7	FN 267248		06/01/2006	MBS PAYDOWN		494	494	480	481		13		13		494			0	13	04/01/2012	1
31372C AX 6	FN 268322		06/01/2006	MBS PAYDOWN		245	245	238	240		6		6		245			0	7	11/01/2021	1
31372C MN 5	FN 268665		06/01/2006	MBS PAYDOWN		3,760	3,760	3,654	3,655		104		104		3,760			0	119	10/01/2020	1
31372D TM 8	FN 269756		06/01/2006	MBS PAYDOWN		35	35	34	34		1		1		35			0	1	04/01/2023	1
31372H RM 1	FN 273292		06/01/2006	MBS PAYDOWN		1,577	1,577	1,533	1,534		44		44		1,577			0	44	11/01/2022	1
31372J KM 4	FN 274000		06/01/2006	MBS PAYDOWN		491	491	477	480		11		11		491			0	13	03/01/2022	1
31372J 6Z 1	FN 274588		06/01/2006	MBS PAYDOWN		20	20	20	20		1		1		20			0	1	03/01/2021	1
31372P JR 1	FN 278472		06/01/2006	MBS PAYDOWN		7	7	7	7				0		7			0		01/01/2024	1
31372P ZD 4	FN 278940		06/01/2006	MBS PAYDOWN		15	15	15	15				0		15			0		08/01/2021	1
31372X ZK 1	FN 286146		06/01/2006	MBS PAYDOWN		11	11	11	11				0		11			0		05/01/2024	1

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designa- tion or Market Indicator (a)
31378T P2 5	FN 408241		06/01/2006	MBS PAYDOWN		684	684	669	670		15		15		684			0	17	01/01/2017	1
313615 TW 6	FN 50965		06/01/2006	MBS PAYDOWN		212	212	207	207		6		6		212			0	6	06/01/2022	1
31383S JZ 4	FN 511580		06/01/2006	MBS PAYDOWN		4,511	4,511	4,437	4,439		71		71		4,511			0	123	05/01/2012	1
31390L GN 0	FN 649205		06/01/2006	MBS PAYDOWN		22,316	22,316	23,462	23,487		(1,171)		(1,171)		22,316			0	618	02/01/2031	1
31390R E7 4	FN 653658		06/01/2006	MBS PAYDOWN		46,407	46,407	48,789	48,819		(2,411)		(2,411)		46,407			0	1,328	08/01/2031	1
31391S TF 7	FN 675650		06/01/2006	MBS PAYDOWN		16,484	16,484	17,226	17,227		(743)		(743)		16,484			0	468	05/01/2032	1
31391S U7 3	FN 675706		06/01/2006	MBS PAYDOWN		200,120	200,120	208,438	208,524		(8,404)		(8,404)		200,120			0	5,359	02/01/2032	1
31391U W6 8	FN 677569		06/01/2006	MBS PAYDOWN		730	730	746	739		(8)		(8)		730			0	15	03/01/2032	1
31391U YM 1	FN 677616		06/01/2006	MBS PAYDOWN		1,253	1,253	1,273	1,273		(20)		(20)		1,253			0	37	09/01/2032	1
31400C AL 8	FN 683211		06/01/2006	MBS PAYDOWN		20,825	20,825	21,391	21,391		(566)		(566)		20,825			0	478	11/01/2031	1
31400D X4 9	FN 684799		06/01/2006	MBS PAYDOWN		80,368	80,368	83,665	83,710		(3,342)		(3,342)		80,368			0	2,009	07/01/2032	1
31400H HJ 5	FN 687933		06/01/2006	MBS PAYDOWN		45,273	45,273	47,014	47,028		(1,755)		(1,755)		45,273			0	921	09/01/2032	1
31400T GU 5	FN 696911		06/01/2006	MBS PAYDOWN		2,467	2,467	2,519	2,520		(52)		(52)		2,467			0	54	08/01/2032	1
31401C FB 4	FN 704062		06/01/2006	MBS PAYDOWN		1,478	1,478	1,509	1,509		(32)		(32)		1,478			0	33	09/01/2032	1
31401H L9 1	FN 708752		06/01/2006	MBS PAYDOWN		36,389	36,389	38,185	38,033		(1,644)		(1,644)		36,389			0	755	01/01/2018	1
31401H 3J 9	FN 709201		06/01/2006	MBS PAYDOWN		8,363	8,363	8,331	8,331		31		31		8,363			0	188	11/01/2032	1
31401J AC 2	FN 709303		06/01/2006	MBS PAYDOWN		27,448	27,448	28,318	28,307		(860)		(860)		27,448			0	563	03/01/2033	1
31401L NU 3	FN 711503		06/01/2006	MBS PAYDOWN		1,851	1,851	1,869	1,865		(14)		(14)		1,851			0	49	01/01/2033	1
31401L P8 0	FN 711547		06/01/2006	MBS PAYDOWN		51,093	51,093	53,264	53,251		(2,158)		(2,158)		51,093			0	1,079	08/01/2032	1
31401L V5 9	FN 711736		06/01/2006	MBS PAYDOWN		1,577	1,577	1,586	1,584		(8)		(8)		1,577			0	34	11/01/2032	1
31401N GR 4	FN 713108		06/01/2006	MBS PAYDOWN		1,803	1,803	1,813	1,811		(8)		(8)		1,803			0	38	08/01/2032	1
31401Y VD 4	FN 722512		06/01/2006	MBS PAYDOWN		655	655	652	652		2		2		655			0	15	12/01/2032	1
31402A RB 4	FN 723282		06/01/2006	MBS PAYDOWN		116,334	116,334	121,620	121,088		(4,754)		(4,754)		116,334			0	2,598	05/01/2017	1
31402D XU 9	FN 726191		06/01/2006	MBS PAYDOWN		4,410	4,410	4,424	4,421		(11)		(11)		4,410			0	95	02/01/2018	1
31402D 5A 4	FN 726341		06/01/2006	MBS PAYDOWN		3,333	3,333	3,344	3,341		(8)		(8)		3,333			0	68	03/01/2018	1
31402G SW 4	FN 728733		06/01/2006	MBS PAYDOWN		1,167	1,167	1,187	1,187		(20)		(20)		1,167			0	24	01/01/2033	1
31402G WU 3	FN 728859		06/01/2006	MBS PAYDOWN		1,004	1,004	1,010	1,008		(4)		(4)		1,004			0	23	04/01/2033	1
31402H N8 0	FN 729515		06/01/2006	MBS PAYDOWN		46,082	46,082	46,550	46,532		(451)		(451)		46,082			0	913	09/01/2032	1
31402H PX 3	FN 729538		06/01/2006	MBS PAYDOWN		5,701	5,701	5,825	5,801		(100)		(100)		5,701			0	118	12/01/2032	1
31402Y T5 3	FN 742272		06/01/2006	MBS PAYDOWN		11,370	11,370	11,231	11,233		137		137		11,370			0	215	07/01/2033	1
31403F JX 3	FN 747378		06/01/2006	MBS PAYDOWN		13,759	13,759	13,658	13,658		101		101		13,759			0	282	01/01/2033	1
31403V ZZ 1	FN 759592		06/01/2006	MBS PAYDOWN		12,949	12,949	13,259	13,258		(309)		(309)		12,949			0	253	08/01/2033	1
31404B 3A 8	FN 764093		06/01/2006	MBS PAYDOWN		13,706	13,706	14,027	14,021		(315)		(315)		13,706			0	314	06/01/2033	1
31404S H3 2	FN 777050		06/01/2006	MBS PAYDOWN		12,154	12,154	12,006	12,006		148		148		12,154			0	232	11/01/2033	1
31404V TS 7	FN 780061		06/01/2006	MBS PAYDOWN		34,970	34,970	34,652	34,653		317		317		34,970			0	706	07/01/2033	1
31406B CY 4	FN 804787		06/01/2006	MBS PAYDOWN		14,452	14,452	14,777	14,778		(327)		(327)		14,452			0	340	09/01/2034	1
31406E DM 3	FN 807508		06/01/2006	MBS PAYDOWN		12,197	12,197	12,471	12,470		(273)		(273)		12,197			0	280	11/01/2034	1
31406E LL 6	FN 807731		06/01/2006	MBS PAYDOWN		26,635	26,635	27,246	27,251		(616)		(616)		26,635			0	559	07/01/2034	1
31407C J6 5	FN 826585		06/01/2006	MBS PAYDOWN		26,570	26,570	25,698			872		872		26,570			0	332	05/01/2035	1
31408A TC 4	FN 845747		06/01/2006	MBS PAYDOWN		9,949	9,949	9,607			342		342		9,949			0	148	08/01/2034	1
31408J MU 2	FN 852771		06/01/2006	MBS PAYDOWN		4,002	4,002	3,868			133		133		4,002			0	50	01/01/2036	1
38374J E9 3	GNR 2004-97 AB		06/01/2006	MBS PAYDOWN		4,257	4,257	4,075			182		182		4,257			0	22	01/01/2010	1
38373M PT 1	GNR 2005-29 A		06/01/2006	MBS PAYDOWN		2,023	2,023	1,961			62		62		2,023			0	14	07/01/2011	1
38373M TS 9	GNR 2006-18 A		06/01/2006	MBS PAYDOWN		4,136	4,136	4,095			41		41		4,136			0	26	03/01/2017	1
38373M TZ 3	GNR 2006-19 A		06/16/2006	MBS PAYDOWN		43,618	43,618	41,438			2,181		2,181		43,618			0	128	06/01/2030	1
38373M SX 9	GNR 2006-5 A		06/01/2006	MBS PAYDOWN		5,884	5,884	5,766			118		118		5,884			0	54	07/01/2011	1
38373M SP 6	GNR 2006-6 A		06/01/2006	MBS PAYDOWN		2,426	2,426	2,378			49		49		2,426			0	25	10/01/2023	1
38373M TD 2	GNR 2006-9 A		06/01/2006	MBS PAYDOWN		6,314	6,314	6,125			189		189		6,314			0	44	10/01/2022	1

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For re ign	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)
594648 SP 3	MICHIGAN ST HOSP FIN AUTH 9.000	...	05/01/2006	SINKING FUND REDEMPTION		240,000	240,000	310,274	258,087		(18,087)		(18,087)		240,000			0	10,800	05/01/2008	1FE
626207 CS 1	MUNICIPAL ELEC AUTH GA 3.690	...	04/11/2006	LEHMAN BROTHERS		1,000,000	1,000,000	1,000,000					0	1,000,000				3,375	01/01/2026	1FE	
646107 X4 9	NEW JERSEY ST HSG & MTG 4.300	...	04/03/2006	CALL BY ISSUER 100.000		5,000	5,000	5,141	5,102		(14)		(14)	5,088			(88)	(88)	2	11/01/2007	1FE
91335V CJ 3	UNIV PITTSBURGH OF COMW 3.840	...	04/11/2006	LEHMAN BROTHERS		2,000,000	2,000,000	2,000,000					0	2,000,000				0	6,930	09/15/2039	1FE
3199999.	Total - Bonds - Special Revenue & Assessment					4,530,043	4,530,043	4,633,847	1,475,045	0	(49,924)	0	(49,924)	0	4,530,131	0	(88)	(88)	49,327	XXX	XXX
Bonds - Industrial and Miscellaneous																					
02639M AG 1	AGFMT 2006-1 A1 5.750	...	06/01/2006	MBS PAYDOWN		70,553	70,553	70,564			(11)		(11)	70,553			0	1,035	03/01/2008	1FE	
12498N AA 1	CBASS 2006 CB2 AF1 5.717	...	06/01/2006	MBS PAYDOWN		37,758	37,758	37,758			1		1	37,758			0	572	12/01/2036	1FE	
161505 BY 7	CCMSC 1998-1 A2 6.560	...	06/01/2006	MBS PAYDOWN		2,309	2,309	2,609	2,427		(118)		(118)	2,309			0	67	05/01/2008	1FE	
17307G 4F 2	CMLTI 2006-WF1 A2A 5.701	...	06/01/2006	MBS PAYDOWN		198,222	198,222	198,222					0	198,222			0	1,848	03/01/2036	1FE	
23383V BZ 2	DCAT 2003-A A4 2.880	...	06/08/2006	MBS PAYDOWN		198,903	198,903	199,923	199,153		(250)		(250)	198,903			0	2,363	09/08/2007	1FE	
23383V CD 0	DCAT 2003-B A3 2.250	...	06/08/2006	MBS PAYDOWN		95,613	95,613	95,027	95,175		438		438	95,613			0	851	06/08/2006	1FE	
23322B EF 1	DLJCM 1999-CG1 A1A 6.080	...	06/01/2006	MBS PAYDOWN		6,430	6,430	6,935	6,430		(216)		(216)	6,430			0	164	03/01/2008	1FE	
319963 AJ 3	FIRST DATA CORPORATION 3.900	...	06/06/2006	WACHOVIA CAPITAL MARKET		284,838	300,000	299,520	299,638		37		37	299,675		(14,837)	(14,837)	8,060	10/01/2009	1FE	
43812H AC 4	HAROT 2003-4 A3 2.190	...	05/15/2006	MBS PAYDOWN		59,064	59,064	59,057	59,063		1		1	59,064			0	471	05/15/2006	1FE	
459506 AB 7	INTL FLAVORS & FRAGRANCE 6.450	...	05/15/2006	MATURITY		825,000	825,000	856,796	833,874		(8,874)		(8,874)	825,000			0	26,606	05/15/2006	2FE	
46625Y XL 2	JPMCC 2005-LDP5 A1 5.035	...	06/01/2006	MBS PAYDOWN		6,796	6,796	6,813	6,813		(17)		(17)	6,796			0	143	06/01/2010	1FE	
55445R AA 5	MACH 2004-1A A1 3.890	...	06/01/2006	MBS PAYDOWN		3,678	3,678	3,677	3,673		5		5	3,678			0	50	02/01/2008	1FE	
59022H KZ 4	MLMT 2005-CK11 A1 5.077	...	06/01/2006	MBS PAYDOWN		12,266	12,266	12,297	12,295		(29)		(29)	12,266			0	260	09/01/2010	1FE	
61745M ES 8	MSC 1998-WF1 A2 6.550	...	06/01/2006	MBS PAYDOWN		45,713	45,713	51,181	47,362		(1,649)		(1,649)	45,713			0	1,984	12/01/2007	1FE	
61745M MX 8	MSC 1999-CAM1 A2 6.760	...	05/01/2006	MBS PAYDOWN		17,990	17,990	19,823	18,721		(731)		(731)	17,990			0	1,816	08/01/2007	1FE	
61745M KY 8	MSC 1999-RM1 A2 6.710	...	06/01/2006	MBS PAYDOWN		12,205	12,205	13,773	12,771		(565)		(565)	12,205			0	338	10/01/2008	1FE	
61746W ES 5	MSDWC 2001-PPM A2 6.400	...	06/01/2006	MBS PAYDOWN		12,236	12,236	13,536	13,120		(883)		(883)	12,236			0	343	09/01/2011	1FE	
61746W ET 3	MSDWC 2001-PPM A3 6.540	...	06/01/2006	MBS PAYDOWN		42,836	42,836	48,396	45,941		(3,105)		(3,105)	42,836			0	1,230	09/01/2011	1FE	
61746W PE 4	MSDWC 2002-TOP7 A1 5.380	...	06/01/2006	MBS PAYDOWN		5,214	5,214	5,666	5,518		(304)		(304)	5,214			0	117	05/01/2011	1FE	
69121P CG 6	OWNIT 2006-1 AF1 5.424	...	06/01/2006	MBS PAYDOWN		50,006	50,006	50,005					0	50,006			0	968	10/01/2007	1FE	
76112B AB 6	RAMP 2004-RS8 A12 3.810	...	05/25/2006	MBS PAYDOWN		34,031	34,031	34,028	33,956		76		76	34,031			0	502	05/01/2006	1FE	
96683M AL 7	WALT 2003-1 A4 2.580	...	06/15/2006	MBS PAYDOWN		263	263	261	262		1		1	263			0	3	12/15/2007	1FE	
96683M AY 9	WALT 2004-1 A3 2.960	...	06/15/2006	MBS PAYDOWN		26,268	26,268	26,266	26,267		1		1	26,268			0	389	07/15/2007	1FE	
92926M AD 1	WESTO 2003-2 A4 2.410	...	06/20/2006	MBS PAYDOWN		105,104	105,104	105,228	105,137		(33)		(33)	105,104			0	1,044	04/20/2008	1FE	
92927T AE 3	WESTO 2004-4 B 3.130	...	06/17/2006	MBS PAYDOWN		52,014	52,014	52,006	52,010		4		4	52,014			0	673	03/17/2008	1FE	
4599999.	Total - Bonds - Industrial & Miscellaneous					2,205,310	2,220,472	2,269,367	1,879,822	0	(16,221)	0	(16,221)	0	2,220,147	0	(14,837)	(14,837)	51,897	XXX	XXX
6099997.	Total - Bonds - Part 4					9,238,295	9,253,457	9,406,734	3,854,572	0	(66,289)	0	(66,289)	0	9,253,220	0	(14,925)	(14,925)	114,807	XXX	XXX
6099999.	Total - Bonds					9,238,295	9,253,457	9,406,734	3,854,572	0	(66,289)	0	(66,289)	0	9,253,220	0	(14,925)	(14,925)	114,807	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					9,238,295	XXX	9,406,734	3,854,572	0	(66,289)	0	(66,289)	0	9,253,220	0	(14,925)	(14,925)	114,807	XXX	XXX

E05.2

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

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

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								
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	(2,068,287)	(767,956)	(236,291)	XXX
BANK OF AMERICA.....	ATLANTA, GA.....	.....	.....	.....	108,945	124,430	12,783	XXX
SUNTRUST BANK.....	WASHINGTON, DC.....	.....	.....	.....	207,169	362,231	(7,769)	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	0	0	(1,752,173)	(281,295)	(231,277)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	0	0	(1,752,173)	(281,295)	(231,277)	XXX
0599999. Total Cash.....	XXX.....	XXX.....	0	0	(1,752,173)	(281,295)	(231,277)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned at End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Gross Investment Income
Cash Equivalents								
99S031 73 4	Wells Fargo - Grand Cayman.....		.....06/29/2006	.....3.500	.....07/15/2006	.....553	.....	.....
31403D DX 4	FNMA CL30 YR PL # 745418.....	RA...	.....06/30/2006	.....5.050	.....07/03/2006	.....434,000	.....	.....131,903
0199999.	Totals.....					.....434,553	.....0	.....131,903