

QUARTERLY STATEMENT
OF THE
PRONATIONAL INSURANCE
COMPANY

Of

OKEMOS
in the state of MI

to the Insurance Department
of the State of

For the Period Ended
September 30, 2005

2005



QUARTERLY STATEMENT

As of September 30, 2005
of the Condition and Affairs of the

PRONATIONAL INSURANCE COMPANY

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 38954	Employer's ID Number..... 38-2317569
Organized under the Laws of MI	State of Domicile or Port of Entry MI	Country of Domicile US
Incorporated/Organized..... June 27, 1980	Commenced Business..... June 27, 1980	
Statutory Home Office	2600 PROFESSIONALS DRIVE..... OKEMOS MI 48864 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	517-349-6500 <i>(Area Code) (Telephone Number)</i>
Mail Address	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	proassurance.com	
Statutory Statement Contact	PHILIP NEWTON LEWIS <i>(Name)</i> plewis@proassurance.com <i>(E-Mail Address)</i>	205-445-2665 <i>(Area Code) (Telephone Number) (Extension)</i> 205-868-4025 <i>(Fax Number)</i>
Policyowner Relations Contact	2600 PROFESSIONALS DRIVE..... OKEMOS MI 48864 <i>(Street and Number) (City or Town, State and Zip Code)</i>	517-349-6500 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

Name	Title	Name	Title
1. VICTOR THOMAS ADAMO	PRESIDENT	2. KATHRYN ANNE NEVILLE	SECRETARY
3. JAMES JOSEPH MORELLO	TREASURER	4.	

OTHER

JEFFREY LYNN BOWLBY	VICE PRESIDENT	HOWARD HARLEY FRIEDMAN	VICE PRESIDENT
JAMES JOSEPH MORELLO	VICE PRESIDENT	FRANK BERRY O'NEIL	VICE PRESIDENT
EDWARD LEWIS RAND, JR.	VICE PRESIDENT	DARRYL KEITH THOMAS	VICE PRESIDENT

DIRECTORS OR TRUSTEES

VICTOR THOMAS ADAMO	JEFFREY LYNN BOWLBY	AUBREY DERRILL CROWE	HOWARD HARLEY FRIEDMAN
JAMES JOSEPH MORELLO	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) VICTOR THOMAS ADAMO 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 _____

PRONATIONAL INSURANCE COMPANY

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.....	709,593,191		709,593,191	670,202,416
2. Stocks:				
2.1 Preferred stocks.....	15,794,728		15,794,728	15,117,875
2.2 Common stocks.....	233,985,540		233,985,540	194,993,735
3. Mortgage loans on real estate:				
3.1 First liens.....			0	402,436
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	4,156,064		4,156,064	4,287,547
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 (\$.....(4,814,464)), cash equivalents (\$.....5,831,000) and short-term investments (\$.....35,301,824).....	36,318,360		36,318,360	15,837,552
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	1,177,400		1,177,400	1,153,100
8. Receivables for securities.....	3,132		3,132	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,001,028,415	0	1,001,028,415	901,994,661
11. Title Plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	7,546,821		7,546,821	8,102,287
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	28,837,481	151,015	28,686,466	25,914,186
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	13,623,958		13,623,958	19,599,848
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	7,048,596		7,048,596	2,927,090
14.2 Funds held by or deposited with reinsured companies.....	34,434,903		34,434,903	23,783,000
14.3 Other amounts receivable under reinsurance contracts.....	96,324		96,324	
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
16.2 Net deferred tax asset.....	34,613,844	20,967,555	13,646,289	13,849,537
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....	264,443		264,443	290,398
19. Furniture and equipment, including health care delivery assets (\$.....0).....	545,999	545,999	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	131,846		131,846	5,377,877
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	11,763,980	397,333	11,366,647	11,132,747
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,139,936,610	22,061,902	1,117,874,708	1,012,971,631
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,139,936,610	22,061,902	1,117,874,708	1,012,971,631

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. Intangible Assets.....	(55,735)		(55,735)	(55,735)
2302. Prepaid Expenses and Other Assets.....	397,333	397,333	0	
2303. Company Owned Life Insurance.....	11,152,076		11,152,076	10,815,541
2398. Summary of remaining write-ins for Line 23 from overflow page.....	270,306	0	270,306	372,941
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	11,763,980	397,333	11,366,647	11,132,747

PRONATIONAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$...35,432,764).....	494,394,121	472,660,402
2. Reinsurance payable on paid losses and loss adjustment expenses.....	554,289	21,338
3. Loss adjustment expenses.....	204,223,459	172,773,473
4. Commissions payable, contingent commissions and other similar charges.....	3,936,876	5,508,596
5. Other expenses (excluding taxes, licenses and fees).....	1,752,274	1,773,692
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	655,164	1,864,383
7.1 Current federal and foreign income taxes (including \$0 on realized capital gains (losses)).....	446,883	4,516,621
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 \$...3,699,726 and including warranty reserves of \$0).....	96,141,887	94,632,746
10. Advance premium.....	2,039,332	5,442,134
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	7,860,586	5,557,400
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	56,022	77,959
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	810,000	810,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,278,854	199,824
20. Payable for securities.....	3,005,867	7,681,462
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.....	(2,373,097)	(2,373,097)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	814,782,517	771,146,933
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	814,782,517	771,146,933
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	3,188,145	3,188,145
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....	10,093,603	10,093,603
32. Gross paid in and contributed surplus.....	27,978,790	27,978,790
33. Unassigned funds (surplus).....	261,831,653	200,564,160
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).....	303,092,191	241,824,698
36. TOTALS.....	1,117,874,708	1,012,971,631

DETAILS OF WRITE-INS

2301. Retroactive Reinsurance Reserve Ceded.....	(2,373,097)	(2,373,097)
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).....	(2,373,097)	(2,373,097)
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

PRONATIONAL INSURANCE COMPANY

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 \$.....143,999,668).....	140,230,332	134,519,106	179,390,628
1.2 Assumed..... (written \$.....13,464,897).....	15,402,177	15,639,384	21,649,617
1.3 Ceded..... (written \$.....8,337,525).....	8,014,613	7,765,533	10,227,214
1.4 Net..... (written \$.....149,127,040).....	147,617,896	142,392,957	190,813,031
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....35,577,234):			
2.1 Direct.....	32,538,216	58,442,616	30,483,580
2.2 Assumed.....	5,544,779	5,502,975	4,207,403
2.3 Ceded.....	4,005,760	4,665,899	(28,554,953)
2.4 Net.....	34,077,235	59,279,692	63,245,936
3. Loss expenses incurred.....	88,796,344	72,137,795	96,179,541
4. Other underwriting expenses incurred.....	22,076,708	25,252,243	34,075,781
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	144,950,287	156,669,730	193,501,258
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	2,667,609	(14,276,773)	(2,688,227)
INVESTMENT INCOME			
9. Net investment income earned.....	24,600,630	22,939,762	30,529,546
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....	275,229	2,563,995	2,608,062
11. Net investment gain (loss) (Lines 9 + 10).....	24,875,859	25,503,757	33,137,608
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.....	944,193	700,194	932,189
15. Total other income (Lines 12 through 14).....	944,193	700,194	932,189
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	28,487,661	11,927,178	31,381,570
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).....	28,487,661	11,927,178	31,381,570
19. Federal and foreign income taxes incurred.....	5,730,208	(3,560,547)	(1,066,929)
20. Net income (Line 18 minus Line 19) (to Line 22).....	22,757,453	15,487,725	32,448,499
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	241,824,698	187,936,820	187,936,820
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20).....	22,757,453	15,487,725	32,448,499
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	38,414,735	22,169,723	32,786,697
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	88,514	(3,501,872)	(8,652,271)
27. Change in nonadmitted assets.....	6,791	6,150,719	9,514,353
28. Change in provision for reinsurance.....			5,790,600
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			(18,000,000)
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).....	61,267,493	40,306,295	53,887,878
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	303,092,191	228,243,115	241,824,698
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. Increase in cash surrender value of life insurance.....	336,534	364,571	478,380
1402. Risk management income.....	643,959	333,211	425,184
1403. Other.....	(36,300)	2,412	28,625
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).....	944,193	700,194	932,189
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

PRONATIONAL INSURANCE COMPANY CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	151,420,802	202,205,664
2. Net investment income.....	28,376,752	34,269,917
3. Miscellaneous income.....	944,193	932,189
4. Total (Lines 1 through 3).....	180,741,747	237,407,770
5. Benefit and loss related payments.....	84,026,656	106,518,092
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	24,879,065	29,636,598
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	9,799,946	(1,387,565)
10. Total (Lines 5 through 9).....	118,705,667	134,767,125
11. Net cash from operations (Line 4 minus Line 10).....	62,036,080	102,640,645
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	127,859,770	225,512,517
12.2 Stocks.....	4,250,000	
12.3 Mortgage loans.....	402,436	22,659
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		(5,015)
12.7 Miscellaneous proceeds.....		7,681,462
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	132,512,206	233,211,623
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	170,551,567	319,305,290
13.2 Stocks.....	5,016,850	
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	24,300	43,300
13.6 Miscellaneous applications.....	4,678,727	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	180,271,444	319,348,590
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).....	(47,759,238)	(86,136,967)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		18,000,000
16.6 Other cash provided (applied).....	6,203,966	(19,099,237)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	6,203,966	(37,099,237)
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).....	20,480,808	(20,595,559)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	15,837,552	36,433,111
19.2 End of period (Line 18 plus Line 19.1).....	36,318,360	15,837,552
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		
20.9999 Totals.....	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

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

On November 4, 2005 a definitive agreement was made to sell MEEMIC Insurance Company, Inc. and MEEMIC Insurance Services (collectively, the MEEMIC Companies) to Motors Insurance Corporation (Motors), a subsidiary of GMAC Insurance Holdings, Inc., for total consideration of \$400 million (\$327 million from Motors and \$73 million in dividends from the MEEMIC Companies), before transaction expenses, to be paid in cash. The MEEMIC Companies are wholly owned subsidiaries of ProNational Insurance, and as such are included in Common Stock on the balance sheet (line 2.2 on page 2) and have a carrying value of \$190 million at September 30, 2005. The transaction is expected to close early in the first quarter of 2006; however, the transaction is contingent upon obtaining certain insurance and anti-trust regulatory approvals

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 that 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 [X] No []
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. 12/31/2003.....

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. 12/31/2003.....

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). 06/30/2005.....

7.4 By what department or departments?

MICHIGAN OFFICE OF FINANCIAL AND INSURANCE SERVICES

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

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

INVESTMENT

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

11.2 If yes, explain:.....

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

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

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

13. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

14. Amount of real estate and mortgages held in short-term investments: \$.....0

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

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21 Bonds.....	\$.....0	\$.....0
15.22 Preferred Stock.....	\$.....0	\$.....0
15.23 Common Stock.....	\$.....194,981,690	\$.....233,971,167
15.24 Short-Term Investments.....	\$.....0	\$.....0
15.25 Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
15.26 All Other.....	\$.....0	\$.....0
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$.....194,981,690	\$.....233,971,167
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	\$.....0	\$.....0

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

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

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

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

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

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

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

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

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

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

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

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

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

18.2 If no, list exceptions: _____

**PRONATIONAL INSURANCE COMPANY
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
	.....	.....	.....	.....	.....	.....0	.....	.....	.....	.....0
Total.....	.....XXX..	.....XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

**PRONATIONAL INSURANCE COMPANY
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.....	4,287,547	4,462,858
2. Increase (decrease) by adjustment.....	(131,483)	(175,311)
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.....	4,156,064	4,287,547
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	4,156,064	4,287,547
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	4,156,064	4,287,547

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.....	402,436	425,095
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.....	402,436	22,659
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	402,436
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	402,436
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	0	402,436

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.....	1,153,100	1,109,800
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	24,300	43,300
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.....	1,177,400	1,153,100
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,177,400	1,153,100
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	1,177,400	1,153,100

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.....	880,314,024	755,620,342
2. Cost of bonds and stocks acquired.....	175,568,417	319,305,290
3. Accrual of discount.....	296,411	284,580
4. Increase (decrease) by adjustment.....	38,414,733	32,786,692
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	275,228	2,613,078
7. Consideration for bonds and stocks disposed of.....	132,109,770	225,512,517
8. Amortization of premium.....	3,385,584	4,783,441
9. Book/adjusted carrying value, current period.....	959,373,459	880,314,024
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	959,373,459	880,314,024
12. Total nonadmitted amounts.....		
13. Statement value.....	959,373,459	880,314,024

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.....	686,083,881	101,740,956	87,036,771	(7,936,031)	674,946,074	686,083,881	692,852,035	646,358,913
2. Class 2.....	21,604,587	4,885,846	1,182,605	7,066,312	29,887,431	21,604,587	32,374,139	32,784,942
3. Class 3.....	9,624,461	3,475,854	5,885	(1,724,431)	2,690,942	9,624,461	11,369,999	1,394,141
4. Class 4.....	1,582,341	801,598	136,135	2,371,746	1,584,169	1,582,341	4,619,550	
5. Class 5.....	4,626,332		36,989	(1,972,675)	4,870,142	4,626,332	2,616,668	2,594,355
6. Class 6.....	78,585	1,916	72,990	1,055,112		78,585	1,062,624	
7. Total Bonds.....	723,600,187	110,906,170	88,471,375	(1,139,967)	713,978,758	723,600,187	744,895,015	683,132,351
PREFERRED STOCK								
8. Class 1.....	7,612,000	5,016,850		(21,622)	12,049,133	7,612,000	12,607,228	8,997,875
9. Class 2.....	3,183,750			3,750	3,000,000	3,183,750	3,187,500	6,120,000
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	10,795,750	5,016,850	0	(17,872)	15,049,133	10,795,750	15,794,728	15,117,875
15. Total Bonds and Preferred Stock.....	734,395,937	115,923,020	88,471,375	(1,157,839)	729,027,891	734,395,937	760,689,743	698,250,226

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.....	35,301,824	XXX	35,263,746	63,703	59,974

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.....	12,929,935	24,767,250
2. Cost of short-term investments acquired.....	202,419,373	240,698,516
3. Increase (decrease) by adjustment.....	37,631	(51,687)
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....		(5,015)
6. Consideration received on disposal of short-term investments.....	180,085,115	252,479,129
7. Book/adjusted carrying value, current period.....	35,301,824	12,929,935
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	35,301,824	12,929,935
10. Total nonadmitted amounts.....		
11. Statement value (Lines 9 minus 10).....	35,301,824	12,929,935
12. Income collected during period.....	394,031	274,770
13. Income earned during period.....	449,673	216,404

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

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

**Sch. F
NONE**

PRONATIONAL INSURANCE COMPANY

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	1,622,068	2,572,196			1,895,638	1,335,846
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	2,716,497	872,627			567,144	67,557
9. District of Columbia.....DC	NO						
10. Florida.....FL	YES	43,495,408	52,261,870	4,367,598	10,499,527	234,525,246	248,249,753
11. Georgia.....GA	YES	573,970	211,448			430,706	190,919
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	YES	21,688,719	21,264,876	3,848,647	4,720,624	73,088,246	72,811,965
15. Indiana.....IN	YES	579,653	547,879	141,859	1,316,935	13,709,161	14,517,265
16. Iowa.....IA	YES	1,157,833	357,744	4,587		493,082	240,589
17. Kansas.....KS	YES						
18. Kentucky.....KY	YES	14,920,037	11,027,037	816,159		22,828,773	22,769,003
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	YES						
22. Massachusetts.....MA	NO						
23. Michigan.....MI	YES	36,640,766	33,984,737	5,170,563	6,497,619	136,721,156	145,691,736
24. Minnesota.....MN	NO						
25. Mississippi.....MS	NO						
26. Missouri.....MO	YES						
27. Montana.....MT	NO						
28. Nebraska.....NE	NO						
29. Nevada.....NV	NO						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	YES	13,001,431	12,087,068	406,587	20,648	18,130,346	16,190,401
32. New Mexico.....NM	NO						
33. New York.....NY	NO						
34. North Carolina.....NC	NO						
35. North Dakota.....ND	NO						
36. Ohio.....OH	YES	3,543,485	3,790,407	2,814,586	5,100,477	23,973,098	24,510,098
37. Oklahoma.....OK	NO						
38. Oregon.....OR	NO						
39. Pennsylvania.....PA	YES	4,012,509	5,891,204	3,802,444	4,001,002	35,420,388	39,025,628
40. Rhode Island.....RI	NO						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	NO						
43. Tennessee.....TN	YES						
44. Texas.....TX	NO						
45. Utah.....UT	NO						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES						
48. Washington.....WA	NO						
49. West Virginia.....WV	YES						
50. Wisconsin.....WI	YES	47,292	42,261			18,943	4,029
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. Canada.....CN	NO						
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
58. Totals.....(a) 19		143,999,668	144,911,354	21,373,030	32,156,832	561,801,927	585,604,789

DETAILS OF WRITE-INS

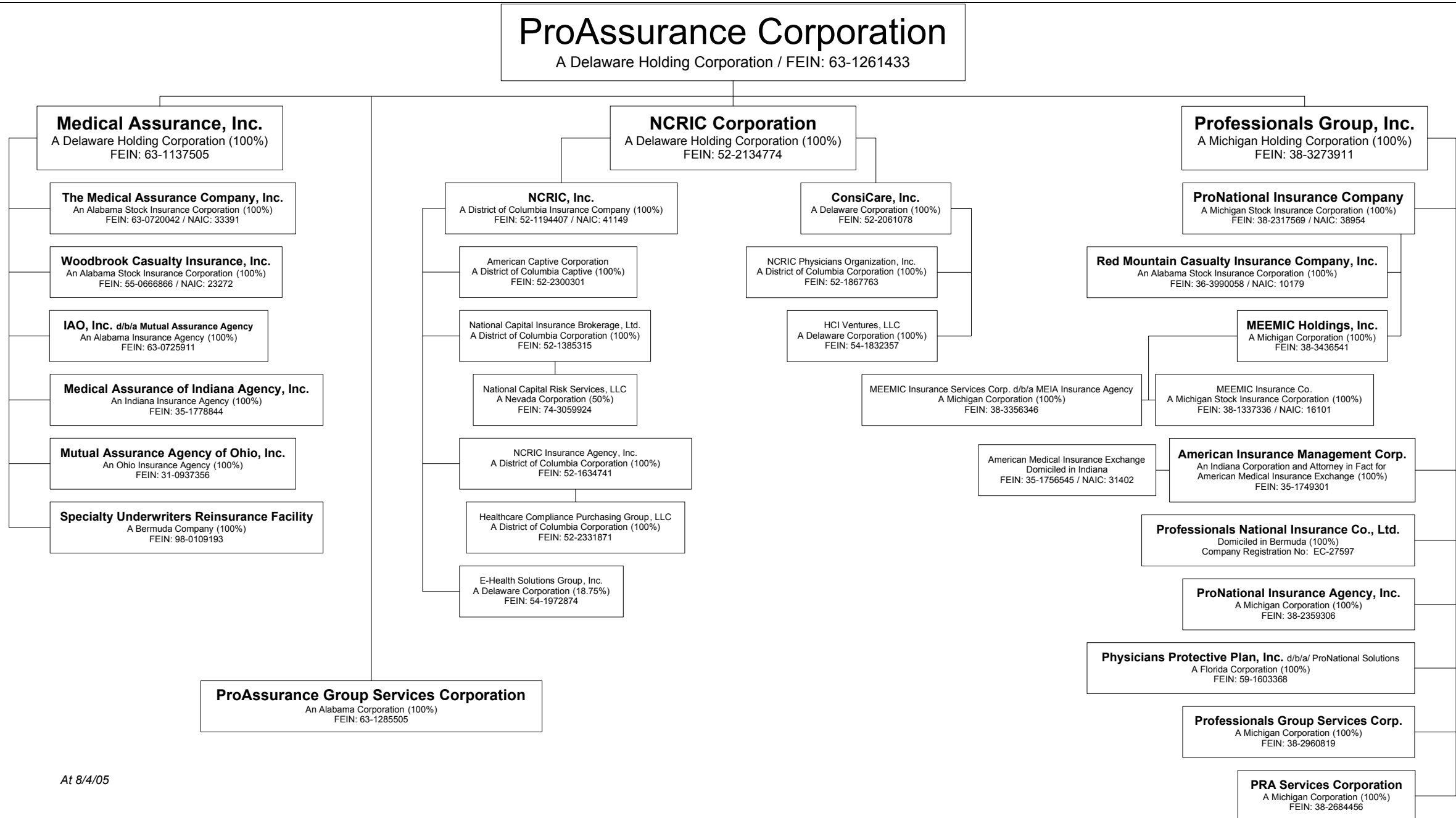
5701.....	XXX						
5702.....	XXX						
5703.....	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page.....	XXX	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above).....	XXX	0	0	0	0	0	0

(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

16



PRONATIONAL INSURANCE COMPANY

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.....	7,598,326	1,742,218	22.9	43.2
11.2. Medical malpractice-claims made.....	125,789,625	28,842,267	22.9	43.2
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.....	73,716	21,048	28.6	
17.2. Other liability-claims made.....	6,768,665	1,932,684	28.6	48.3
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.....	140,230,332	32,538,217	23.2	43.4

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.....	2,837,741	7,598,326	7,639,599
11.2. Medical malpractice-claims made.....	51,817,105	129,927,495	130,912,751
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.....	73,716	73,716	
17.2. Other liability-claims made.....	2,139,871	6,400,131	6,359,004
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.....	56,868,433	143,999,668	144,911,354

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)	2005 Loss and LAE Payments on Claims Reported as of Prior Year-End	2005 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2005 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. 2002 + Prior	257,433	58,662	316,095	43,095	2,874	45,969	243,909	5,174	16,043	265,126	29,571	(34,571)	(5,000)
2. 2003	66,480	91,535	158,015	11,459	2,289	13,748	80,197	4,709	59,361	144,267	25,176	(25,176)	0
3. Subtotals 2003 + Prior	323,913	150,197	474,110	54,554	5,163	59,717	324,106	9,883	75,404	409,393	54,747	(59,747)	(5,000)
4. 2004	33,622	137,702	171,324	4,277	2,193	6,470	49,672	2,423	112,759	164,854	20,327	(20,327)	0
5. Subtotals 2004 + Prior	357,535	287,899	645,434	58,831	7,356	66,187	373,778	12,306	188,163	574,247	75,074	(80,074)	(5,000)
6. 2005	XXX	XXX	XXX	XXX	3,503	3,503	XXX	24,085	100,285	124,370	XXX	XXX	XXX
7. Totals	357,535	287,899	645,434	58,831	10,859	69,690	373,778	36,391	288,448	698,617	75,074	(80,074)	(5,000)
8. Prior Year-End's Surplus As Regards Policyholders	241,825										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. ....21.0 %	2. ....(27.8)%	3. ....(0.8)%
													Col. 13, Line 7 Line 8
													4. ....(2.1)%

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

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

NO

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

YES

Explanation:

Bar Code:



Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2304. Note receivable.....	270,306		270,306	372,941
2397. Summary of remaining write-ins for Line 23.....	270,306	0	270,306	372,941

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 - Political Subdivisions of States									
702282 KA 1	PASADENA USD-REF 11/01/2015 5.000		08/24/2005	HUTCHINSON SHOCKEY ERLEY & CO		5,542,100	5,000,000	81,944	1FE
197895 BG 9	COLUMBIA MO LIBR DIST 03/01/2016 5.000		09/22/2005	PIPER JAFFRAY INC		1,545,627	1,420,000	5,522	1FE
2499999	Total - Bonds - Political Subdivision					7,087,727	6,420,000	87,466	XXX
Bonds - Special Revenue and Special Assessment									
56516T AA 3	MAPLE GROVE MINN HEALT 09/01/2020 5.000		09/15/2005	PIPER JAFFRAY INC		1,053,630	1,000,000		1FE
800051 AQ 7	SANDOVAL CNTY N M INCE 06/01/2015 4.000		09/16/2005	KIRKPATRICK PETTIS		1,000,000	1,000,000		1FE
676907 JR 0	OHIO HSG FIN AGY MTG R 03/01/2012 3.950		08/23/2005	LEHMAN BROTHERS		997,500	1,000,000		1FE
92812U GW 2	VIRGINIA ST HSG DEV AU 07/01/2014 4.100		07/20/2005	MERRILL LYNCH		2,233,350	2,250,000		1FE
31297S ZP 3	FG A37050 08/01/2035 5.000		08/24/2005	NOMURA SECURITIES INTERNATIONAL, INC		2,963,438	3,000,000	11,667	1
31407E UR 2	FN 828692 07/01/2035 6.000		08/18/2005	MERRILL LYNCH		5,109,825	4,995,094	18,315	1
3199999	Total - Bonds - Special Revenue & Special Assessments					13,357,743	13,245,094	29,982	XXX
Bonds - Industrial and Miscellaneous									
00441R AJ 6	ACERV 2001-RV1 E 09/20/2021 8.700		08/26/2005	CAPITALIZED INTEREST		371	371		3FE
031733 AQ 1	ARC 2004-1 B1 144A 06/25/2032 5.000		09/28/2005	DIRECT		1,022,267	1,022,267		3FE
14912L 2R 1	CATERPILLAR FIN SERV C 03/15/2012 4.700		07/22/2005	GOLDMAN SACHS		1,205,028	1,200,000	21,307	1FE
172850 BB 4	CITRV 1999-A B 01/15/2009 8.717		09/15/2005	CAPITALIZED INTEREST		6,637	6,637		3FE
225458 PD 4	CSFB 2005-AGE1 B3 FLTR 06/25/2012 7.330		08/30/2005	DIRECT		378,385	378,385		2FE
301965 CH 0	FFCA 2000-1 B 144A 08/01/2019 8.180		08/01/2005	DIRECT		681,986	681,986		3FE
319963 AF 1	FIRST DATA CORPORATION 11/01/2011 5.625		08/02/2005	FIRST TENNESSEE		1,780,665	1,700,000	24,969	1FE
302570 AK 2	FPL GROUP CAPITAL INC. 09/15/2006 7.625		08/22/2005	BANK AMERICA		1,757,783	1,700,000	57,611	1FE
393505 FK 3	GT 1995-1 B2 04/15/2025 9.200		09/15/2005	CAPITALIZED INTEREST		1,916	1,916		6FE
393505 SK 9	GT 1997-1 M1 03/15/2027 7.220		09/15/2005	CAPITALIZED INTEREST		342	342		4FE
393505 UW 0	GT 1997-4 M1 03/15/2023 7.220		07/19/2005	VARIOUS		775,088	775,088		4FE
393505 VY 5	GT 1997-5 M1 11/15/2022 6.950		09/15/2005	CAPITALIZED INTEREST		157	157		4FE
437076 AM 4	HOME DEPOT INC 08/15/2010 4.625		08/15/2005	HSBC SECURITIES LIMITED		2,002,440	2,000,000	1,799	1FE
456606 CF 7	INHEL 2001-A MV2 FLTR 07/25/2006 4.980		07/25/2005	VARIOUS		1,424,038	1,424,038		1FE
24422E PT 0	JOHN DEERE CAP MTN 07/15/2009 4.400		07/20/2005	LEHMAN BROTHERS		1,997,160	2,000,000	2,444	1FE
52519S AW 3	LABMH 2002-A B2 11/15/2026 11.018		09/15/2005	CAPITALIZED INTEREST		26,010	26,010		4FE
76110W 3R 5	RASC 2005-KS8 M1 08/25/2035 4.240		08/16/2005	J.P. MORGAN		3,500,000	3,500,000		1FE
86358E FT 8	SAIL 2003-BC12 M6 FLTR 04/25/2028 6.830		09/21/2005	DIRECT		880,461	880,461		2FE
86358E GG 5	SAIL 2004-1 B 04/25/2025 6.000		09/13/2005	DIRECT		1,432,830	1,432,830		3FE
86359A CT 8	SASC 2002-HF2 B2 FLTR 07/15/2032 5.830		09/29/2005	VARIOUS		331,763	331,763		3FE
907818 BA 5	UNION PACIFIC CORP 11/01/2008 7.250		07/19/2005	MORGAN STANLEY DEAN WITTER		1,082,596	1,000,000	16,313	2FE
4599999	Total - Bonds - Industrial & Miscellaneous					20,287,923	20,062,251	124,443	XXX
6099997	Total - Bonds - Part 3					40,733,393	39,727,345	241,891	XXX
6099999	Total - Bonds					40,733,393	39,727,345	241,891	XXX
Preferred Stocks - Industrial and Miscellaneous									
313586 79 4	FANNIE MAE FLTR		09/28/2005	GOLDMAN SACHS	91,000.000	5,016,850	5,016,850.00		RP1LFE
6399999	Total - Preferred Stocks - Industrial & Miscellaneous					5,016,850	5,016,850	0	XXX
6599997	Total - Preferred Stocks - Part 3					5,016,850	5,016,850	0	XXX
6599999	Total - Preferred Stocks					5,016,850	5,016,850	0	XXX
7399999	Total - Preferred and Common Stocks					5,016,850	5,016,850	0	XXX
7499999	Total - Bonds, Preferred and Common Stocks					45,750,243	44,753,690	241,891	XXX

E04

(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 Designa- tion or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
3134A3 M7 8	FREDDIE MAC		09/20/2005	MORGAN STANLEY DEAN WIT		3,248,766	3,000,000	3,299,083	3,193,214		(26,850)		(26,850)		3,166,364		82,402	82,402	202,063	09/15/2009	1.....
36202D C9 0	G2 2796		09/01/2005	MBS PAYDOWN		39,714	39,714	38,746	38,889		826		826		39,714			0	1,864	09/01/2028	1.....
36203L DN 9	GN 352109		09/01/2005	MBS PAYDOWN		18,824	18,824	19,230	19,102		(278)		(278)		18,824			0	832	04/01/2022	1.....
36205N M8 6	GN 395583		09/01/2005	MBS PAYDOWN		5,357	5,450	5,450	5,424		(67)		(67)		5,357			0	280	12/01/2026	1.....
36207K GS 3	GN 434109		09/01/2005	MBS PAYDOWN		85,735	85,735	86,057	85,977		(242)		(242)		85,735			0	3,833	01/01/2028	1.....
36207K JJ 0	GN 434165		09/01/2005	MBS PAYDOWN		41,343	41,343	41,498	41,458		(115)		(115)		41,343			0	1,914	12/01/2027	1.....
36208V 6E 0	GN 462669		09/01/2005	MBS PAYDOWN		21,869	21,869	22,234	22,135		(266)		(266)		21,869			0	976	04/01/2027	1.....
36208W DE 0	GN 462801		09/01/2005	MBS PAYDOWN		80,356	80,356	80,407	80,406		(49)		(49)		80,356			0	3,566	01/01/2027	1.....
36208W ES 8	GN 462845		09/01/2005	MBS PAYDOWN		979	979	1,015	1,005		(27)		(27)		979			0	49	03/01/2027	1.....
36208X D7 3	GN 463726		09/01/2005	MBS PAYDOWN		38,008	38,008	38,602	38,429		(421)		(421)		38,008			0	1,988	08/01/2025	1.....
36210A VS 3	GN 486725		09/01/2005	MBS PAYDOWN		64,674	64,674	66,079	65,684		(1,010)		(1,010)		64,674			0	2,655	03/01/2028	1.....
36210E X6 1	GN 490401		09/01/2005	MBS PAYDOWN		65,653	65,653	65,274	65,377		276		276		65,653			0	2,845	10/01/2028	1.....
36213U DK 3	GN 564506		09/01/2005	MBS PAYDOWN		25,060	25,060	25,381	25,323		(263)		(263)		25,060			0	1,143	02/01/2031	1.....
36200X LT 4	GN 575538		09/01/2005	MBS PAYDOWN		77,320	77,320	78,963	78,593		(1,273)		(1,273)		77,320			0	3,349	11/01/2031	1.....
36201F T7 2	GN 582074		09/01/2005	MBS PAYDOWN		55,004	55,004	55,099	55,083		(78)		(78)		55,004			0	2,076	03/01/2031	1.....
36225A UH 1	GN 780584		09/01/2005	MBS PAYDOWN		31,544	31,544	31,859	31,793		(249)		(249)		31,544			0	1,486	01/01/2026	1.....
0399999	Total - Bonds - U.S. Government					3,900,206	3,651,440	3,954,977	3,847,892		0		(30,086)		3,817,804		82,402	82,402	230,919	XXX	XXX
Bonds - Political Subdivisions of States																					
613664 M2 4	MONTGOMERY CNTY TENN		07/20/2005	MORGAN KEEGAN & CO INC		2,198,920	2,000,000	2,218,840	2,212,021		(10,938)		(10,938)		2,201,083		(2,163)	(2,163)	73,333	05/01/2014	1FE.....
2499999	Total - Bonds - Political Subdivisions					2,198,920	2,000,000	2,218,840	2,212,021		0		(10,938)		2,201,083		(2,163)	(2,163)	73,333	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
666446 AQ 2	NORTHGLENN COLO CTF PARTN		09/21/2005	DIRECT		1,049,027	1,040,000	1,040,000	1,040,000				0	1,040,000		9,027	9,027	40,821	12/01/2009	1FE.....	
164243 HP 5	CHEROKEE CNTY GA WTR & SEW AUTH		09/21/2005	VARIOUS		876,775	840,000	913,500	881,018		(11,950)		(11,950)		869,068		7,706	7,706	63,558	08/01/2009	1FE.....
575633 GS 5	MA ED LN ISSUE E-B		07/01/2005	MATURITY		165,000	165,000	166,650	165,123		(123)		(123)		165,000			0	9,075	07/01/2005	1FE.....
676901 YP 0	OH HFA AMT-B2-RMK 10/		09/01/2005	CALL BY ISSUER 100.000		60,000	60,000	60,000	60,000				0	60,000			0	3,225	09/01/2019	1FE.....	
876315 PB 2	TARRANT CNTY TEX		09/08/2005	CALL BY ISSUER 100.000 100		2,000,000	2,000,000	2,027,520	2,004,929		(6,317)		(6,317)		1,998,613		1,387	1,387	129,636	07/15/2007	1FE.....
31371L 3S 6	FB 255609		09/01/2005	MBS PAYDOWN		21,830	21,830	21,492	21,492		337		337		21,830			0	675	11/01/2024	1.....
31296J ZA 7	FG A10737		09/01/2005	MBS PAYDOWN		354,795	354,795	361,225	360,702		(5,907)		(5,907)		354,795			0	12,271	08/01/2032	1.....
31297H PN 3	FG A29429		09/01/2005	MBS PAYDOWN		25,647	25,647	24,773	24,773		874		874		25,647			0	753	11/01/2034	1.....
31297H X4 6	FG A29699		09/01/2005	MBS PAYDOWN		158,567	158,567	158,629	158,629		(62)		(62)		158,567			0	4,624	12/01/2034	1.....
31297K 7G 1	FG A30895		09/01/2005	MBS PAYDOWN		56,102	56,102	55,672	55,672		430		430		56,102			0	1,627	11/01/2034	1.....
31297S ZP 3	FG A37050		09/01/2005	MBS PAYDOWN		2,962	2,962	2,926	2,926		36		36		2,962			0	12	08/01/2035	1.....
31335H 5U 3	FG C90859		09/01/2005	MBS PAYDOWN		237,480	237,480	244,104	243,956		(6,476)		(6,476)		237,480			0	8,811	08/01/2024	1.....
3128H3 LP 4	FG E95734		09/01/2005	MBS PAYDOWN		130,970	130,970	135,226	134,508		(3,539)		(3,539)		130,970			0	4,328	10/01/2017	1.....
3128MJ BE 9	FG G08036		09/01/2005	MBS PAYDOWN		42,282	42,282	42,916	42,916		(634)		(634)		42,282			0	1,360	10/01/2034	1.....
3133TL UH 9	FHR 2178 PB		09/01/2005	MBS PAYDOWN		287,122	287,122	296,184	291,018		(3,896)		(3,896)		287,122			0	13,317	08/01/2029	1.....
31393M ZK 0	FHR 2583 ND		09/01/2005	MBS PAYDOWN		38,728	38,728	39,357	39,203		(475)		(475)		38,728			0	1,092	04/01/2009	1.....
31393N 2K 4	FHR 2583 TD		09/01/2005	MBS PAYDOWN		7,661	7,661	7,793	7,767		(106)		(106)		7,661			0	237	07/01/2012	1.....
31371K BR 1	FN 253948		09/01/2005	MBS PAYDOWN		168,746	168,746	166,478	166,991		1,755		1,755		168,746			0	7,130	09/01/2030	1.....
31371K MK 4	FN 254262		09/01/2005	MBS PAYDOWN		19,597	19,597	19,395	19,442		155		155		19,597			0	780	07/01/2031	1.....
31371K VA 6	FN 254509		09/01/2005	MBS PAYDOWN		75,478	75,478	76,669	76,429		(951)		(951)		75,478			0	2,503	05/01/2017	1.....
31371K VC 2	FN 254511		09/01/2005	MBS PAYDOWN		19,036	19,036	19,684	19,554		(519)		(519)		19,036			0	699	05/01/2017	1.....
31371K WJ 6	FN 254549		09/01/2005	MBS PAYDOWN		28,922	28,922	29,920	29,699		(778)		(778)		28,922			0	1,157	05/01/2032	1.....
31371L CE 7	FN 254869		09/01/2005	MBS PAYDOWN		280,667	280,667	281,018	280,973		(306)		(306)		280,667			0	10,212	04/01/2033	1.....
31371L WN 5	FN 255453		09/01/2005	MBS PAYDOWN		21,904	21,904	22,239	22,239		(335)		(335)		21,904			0	641	08/01/2019	1.....
31371L ZP 7	FN 255550		09/01/2005	MBS PAYDOWN		31,062	31,062	31,785	31,784		(723)		(723)		31,062			0	1,151	10/01/2024	1.....
31371L 2P 3	FN 255582		09/01/2005	MBS PAYDOWN		32,047	32,047	32,262	32,262		(215)		(215)		32,047			0	1,068	11/01/2024	1.....
31376K KG 0	FN 357695		09/01/2005	MBS PAYDOWN		24,505	24,505	24,481	24,481		24		24		24,505			0	648	01/01/2019	1.....

F05

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.									
31382J WY 3	FN 484063		09/01/2005	MBS PAYDOWN		1,658	1,658	1,651	1,653		5		5		1,658			0	72	01/01/2028	1		
31383M VS 9	FN 507425		09/01/2005	MBS PAYDOWN		23,122	23,122	23,390	23,305		(183)		(183)		23,122			0	1,022	07/01/2028	1		
31384H 6L 2	FN 524775		09/01/2005	MBS PAYDOWN		23,463	23,463	23,360	23,395		67		67		23,463			0	1,018	05/01/2014	1		
31385J RT 7	FN 545998		09/01/2005	MBS PAYDOWN		43,428	43,428	44,093	44,022		(593)		(593)		43,428			0	1,747	08/01/2031	1		
31385X BN 6	FN 555445		09/01/2005	MBS PAYDOWN		20,092	20,092	20,142	20,136		(44)		(44)		20,092			0	678	11/01/2017	1		
31386U ZC 9	FN 574139		09/01/2005	MBS PAYDOWN		67,670	67,670	67,511	67,558		112		112		67,670			0	3,283	11/01/2029	1		
31387C P4 7	FN 580143		09/01/2005	MBS PAYDOWN		29,584	29,584	29,505	29,523		62		62		29,584			0	1,180	04/01/2030	1		
31387Q XP 0	FN 591186		09/01/2005	MBS PAYDOWN		22,401	22,401	22,737	22,670		(270)		(270)		22,401			0	972	11/01/2015	1		
31387Y YT 4	FN 598422		09/01/2005	MBS PAYDOWN		20,580	20,580	20,381	20,429		151		151		20,580			0	757	07/01/2016	1		
31388D LJ 5	FN 601629		09/01/2005	MBS PAYDOWN		57,444	57,444	58,108	57,959		(515)		(515)		57,444			0	2,692	08/01/2030	1		
31388V WH 7	FN 616348		09/01/2005	MBS PAYDOWN		14,603	14,603	14,701	14,674		(71)		(71)		14,603			0	613	02/01/2031	1		
31389E 5T 8	FN 623758		09/01/2005	MBS PAYDOWN		24,009	24,009	24,231	24,167		(158)		(158)		24,009			0	987	06/01/2016	1		
31389K CN 9	FN 627477		09/01/2005	MBS PAYDOWN		1,331	1,331	1,347	1,342		(11)		(11)		1,331			0	53	01/01/2017	1		
31389S GZ 1	FN 633916		09/01/2005	MBS PAYDOWN		7,227	7,227	7,189	7,199		28		28		7,227			0	272	10/01/2016	1		
31390K 5R 5	FN 648956		09/01/2005	MBS PAYDOWN		26,850	26,850	27,760	27,551		(701)		(701)		26,850			0	985	07/01/2017	1		
31390W 6C 1	FN 658867		09/01/2005	MBS PAYDOWN		56,028	56,028	57,858	57,365		(1,337)		(1,337)		56,028			0	2,292	11/01/2016	1		
31391N 6R 7	FN 672380		09/01/2005	MBS PAYDOWN		180,232	180,232	186,259	184,815		(4,583)		(4,583)		180,232			0	6,991	03/01/2017	1		
31391Q X5 8	FN 674000		09/01/2005	MBS PAYDOWN		71,426	71,426	72,609	72,425		(999)		(999)		71,426			0	2,512	08/01/2032	1		
31401W G2 9	FN 720317		09/01/2005	MBS PAYDOWN		167,407	167,407	171,147	170,796		(3,389)		(3,389)		167,407			0	5,581	02/01/2018	1		
31402H Q6 1	FN 729577		09/01/2005	MBS PAYDOWN		117,174	117,174	116,387	116,470		705		705		117,174			0	4,640	08/01/2032	1		
31402X Z7 4	FN 741566		09/01/2005	MBS PAYDOWN		26,264	26,264	26,798	26,710		(445)		(445)		26,264			0	942	08/01/2018	1		
31404B SF 0	FN 763818		09/01/2005	MBS PAYDOWN		288,244	288,244	295,180	294,462		(6,218)		(6,218)		288,244			0	10,814	10/01/2033	1		
31404C WM 8	FN 764852		09/01/2005	MBS PAYDOWN		204,204	204,204	208,735	208,240		(4,037)		(4,037)		204,204			0	6,905	09/01/2018	1		
31404N WB 8	FN 773842		09/01/2005	MBS PAYDOWN		258,474	258,474	262,189	261,919		(3,445)		(3,445)		258,474			0	9,727	01/01/2034	1		
31404R 4B 0	FN 776718		09/01/2005	MBS PAYDOWN		142,271	142,271	142,560	142,541		(270)		(270)		142,271			0	5,291	02/01/2034	1		
31404W YX 8	FN 781126		09/01/2005	MBS PAYDOWN		73,569	73,569	71,614	71,716		1,852		1,852		73,569			0	2,633	12/01/2033	1		
31404X T8 7	FN 781875		09/01/2005	MBS PAYDOWN		118,825	118,825	120,831	120,831		(2,005)		(2,005)		118,825			0	3,199	06/01/2033	1		
31404Y KL 5	FN 782499		09/01/2005	MBS PAYDOWN		150,455	150,455	149,785	149,831		625		625		150,455			0	4,077	03/01/2034	1		
31405U MK 2	FN 799662		09/01/2005	MBS PAYDOWN		27,566	27,566	27,441	27,441		125		125		27,566			0	788	08/01/2034	1		
31406J 6A 6	FN 811865		09/01/2005	MBS PAYDOWN		12,255	12,255	11,966	11,966		289		289		12,255			0	287	01/01/2020	1		
31406W US 1	FN 822393		09/01/2005	MBS PAYDOWN		15,654	15,654	15,813	15,813		(159)		(159)		15,654			0	288	03/01/2035	1		
31406Y 4L 1	FN 824427		09/01/2005	MBS PAYDOWN		78,914	78,914	79,642	79,642		(727)		(727)		78,914			0	941	04/01/2035	1		
31407A PZ 8	FN 824940		09/01/2005	MBS PAYDOWN		432,518	432,518	438,871	438,871		(6,353)		(6,353)		432,518			0	4,289	04/01/2035	1		
31407E UR 2	FN 828692		09/01/2005	MBS PAYDOWN		317,477	317,477	324,769	324,769		(7,292)		(7,292)		317,477			0	1,587	07/01/2035	1		
31392F 5Y 9	FNR 2002-77 CG		09/01/2005	MBS PAYDOWN		38,490	38,490	38,905	38,800		(309)		(309)		38,490			0	1,019	01/01/2010	1		
31393A SL 7	FNR 2003-43 PJ		09/01/2005	MBS PAYDOWN		568,016	568,016	577,601	573,099		(5,084)		(5,084)		568,016			0	15,330	12/01/2005	1		
31394C N3 2	FNR 2005-33 VA		09/01/2005	MBS PAYDOWN		43,786	43,786	44,176	44,176		(390)		(390)		43,786			0	913	03/01/2016	1		
36291P ZE 9	GN 634441		09/01/2005	MBS PAYDOWN		19,040	19,040	19,426	19,426		(387)		(387)		19,040			0	542	07/01/2034	1		
31405T SU 7	GN 798931		09/01/2005	MBS PAYDOWN		12,236	12,236	12,190	12,190		46		46		12,236			0	322	12/01/2019	1		
3199999	Total - Bonds - Special Revenue & Assessment					10,020,899	9,975,097	10,160,756	10,088,383		0		(85,609)		10,002,778			0	18,120	18,120	429,652	XXX	XXX
Bonds - Industrial and Miscellaneous																							
00441R AJ 6	ACERV 2001-RV1 E		07/14/2005	PRIOR YEAR INCOME									0					0	7	09/20/2021	3FE		
055959 AU 4	BMWOT 2002-A A4		08/25/2005	MBS PAYDOWN		531,632	531,632	552,918	535,673		(4,042)		(4,042)		531,632			0	15,603	06/25/2006	1FE		
125577 AK 2	CIT GROUP INC		08/16/2005	MATURITY		5,000,000	5,000,000	5,178,850	5,034,526		(34,526)		(34,526)		5,000,000			0	381,250	08/16/2005	1FE		
200339 CC 1	COMERICA BANK		08/15/2005	CALL BY ISSUER 100.000		2,000,000	2,000,000	1,996,120	1,997,513		227		227		1,997,740		2,260	2,260	153,000	08/15/2010	1FE		
225458 PD 4	CSFB 2005-AGE1 B3 FLTR		09/26/2005	MBS PAYDOWN		259	259	259	259		0		0		259			0	2	06/25/2012	2FE		
12669D LE 6	CWHL 2002-32 2A3		09/01/2005	MBS PAYDOWN		57,927	57,927	58,606	58,010		(83)		(83)		57,927			0	1,886	06/01/2006	1FE		
152314 HK 9	CXHE 2003-C AF2		07/01/2005	MBS PAYDOWN		76,398	76,398	76,394	76,396		1		1		76,398			0	1,301	08/01/2005	1FE		

E05.1

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (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.							
23383V BJ 8	DCAT 2001-D A4		08/06/2005	MBS PAYDOWN		416,382	416,382	412,153	415,972		410		410		416,382			0	10,327	04/06/2006	1FE
23383V CD 0	DCAT 2003-B A3		09/08/2005	MBS PAYDOWN		761,449	761,449	763,234	762,253		(804)		(804)		761,449			0	11,459	06/08/2006	1FE
23321P KF 4	DLJMA 1994-Q8 2A1		08/01/2005	MBS PAYDOWN		90,177	90,177	88,730	89,361		816		816		90,177			0	4,434	05/01/2024	1FE
29078P AB 6	EAST 2000-A A2		09/15/2005	MBS PAYDOWN		129,184	129,184	129,184	129,184				0		129,184			0	11,405	12/15/2009	4FE
301965 CH 0	FFCA 2000-1 B 144A		09/18/2005	MBS PAYDOWN		319	319	319	319				0		319			0	2	08/01/2019	3FE
30251T AA 7	FNBC 1993-A PASS THRU TR	8.080	07/05/2005	MBS PAYDOWN		28,169	28,169	30,269	29,733		(1,564)		(1,564)		28,169			0	2,276	01/05/2018	1FE
36828Q AA 4	GECMC 2003-C1 A1		09/01/2005	MBS PAYDOWN		56,254	56,254	56,393	56,342		(88)		(88)		56,254			0	1,154	03/01/2008	1FE
393505 UW 0	GT 1997-4 M1		09/15/2005	MBS PAYDOWN		6,951	6,951	6,951	6,951				0		6,951			0	65	03/15/2023	4FE
393505 YB 2	GT 1997-8 B1		09/15/2005	MBS PAYDOWN		28,920	28,920	28,920	28,920				0		28,920			0	1,550	08/15/2009	6FE
393505 T5 1	GT 1999-1 M1		09/01/2005	MBS PAYDOWN		4,213	4,213	4,213	4,213				0		4,213			0	245	05/01/2025	5FE
393505 W4 0	GT 1999-2 M1		09/01/2005	MBS PAYDOWN		13,582	13,582	13,582	13,582				0		13,582			0	522	01/01/2022	5FE
456606 CF 7	INHEL 2001-A MV2 FLTR		09/25/2005	MBS PAYDOWN		687,092	687,092	687,092	687,092				0		687,092			0	13,707	07/25/2006	1FE
456606 DE 9	INHEL 2001-C B		09/25/2005	MBS PAYDOWN		61,071	61,071	61,071	61,071				0		61,071			0	2,611	06/25/2007	2FE
24422E NW 5	JOHN DEERE CAPITAL CORP	4.12	07/15/2005	MATURITY		2,500,000	2,500,000	2,576,450	2,526,221		(26,221)		(26,221)		2,500,000			0	103,125	07/15/2005	1FE
589962 CV 9	MESC 13 M1		09/28/2005	MBS PAYDOWN		326	326	326	326				0		326			0	10	08/01/2015	3FE
61745M ES 8	MSC 1998-WF1 A2		09/01/2005	MBS PAYDOWN		74,690	74,690	80,408	79,441		(4,751)		(4,751)		74,690			0	4,588	12/01/2007	1FE
65473H AC 7	NAROT 2003-C A3		09/15/2005	MBS PAYDOWN		436,971	436,971	434,530	434,597		2,374		2,374		436,971			0	6,501	03/15/2006	1FE
67982X AB 4	OLD KENT BANK		08/15/2005	CALL BY ISSUER 100.000		2,000,000	2,000,000	1,996,080	1,997,438		232		232		1,997,670		2,330	2,330	155,000	08/15/2010	1FE
68619A AG 2	ORGN 2001-A M1		09/15/2005	MBS PAYDOWN		1,263	1,263	1,263	1,263				0		1,263			0	52	09/15/2013	5FE
70556J AA 7	PALS 1999-1A A1		09/28/2005	MBS PAYDOWN		7,097	7,097	7,097	7,097				0		7,097			0	235	03/25/2029	5FE
70556J AB 5	PALS 1999-1A A2		09/26/2005	MBS PAYDOWN		10,834	10,834	10,834	10,834				0		10,834			0	650	03/25/2024	5FE
70556J AC 3	PALS 1999-1A B1		09/26/2005	MBS PAYDOWN		44,070	44,070	44,070	44,070				0		44,070			0	4,168	10/25/2012	6FE
69348L GE 3	PNCMS 1996-PR1 A		03/01/2005	MBS PAYDOWN		2,411	2,411	2,494	2,439		(28)		(28)		2,411			0		04/01/2026	1FE
45660N JL 0	RAST 2002-A13 A3		09/01/2005	MBS PAYDOWN		20,421	20,421	20,903	20,479		(58)		(58)		20,421			0	711	07/01/2006	1FE
86358E GG 5	SAIL 2004-1 B		09/25/2005	MBS PAYDOWN		4,066	4,066	4,066	4,066				0		4,066			0	10	04/25/2025	3FE
86359A CT 8	SASC 2002-HF2 B2 FLTR		08/25/2005	MBS PAYDOWN		1,174	1,174	1,174	1,174				0		1,174			0	7	07/15/2032	3FE
89232X AC 4	TAOT 2002-C A3		09/15/2005	MBS PAYDOWN		413,416	413,416	418,342	414,796		(1,379)		(1,379)		413,416			0	7,310	10/15/2005	1FE
96683M AC 7	WALT 2002-1 A3		09/15/2005	MBS PAYDOWN		295,865	295,865	299,702	296,805		(940)		(940)		295,865			0	5,041	09/15/2005	1FE
950590 AJ 8	WENDYS INTL		08/01/2005	MORGAN STANLEY DEAN WIT		1,030,400	1,000,000	1,156,230	1,131,212		(9,937)		(9,937)		1,121,275		(90,875)	(90,875)	44,965	11/15/2011	2FE
25243Y AA 7	DIAGEO CAPITAL PLC		08/15/2005	MATURITY		2,000,000	2,000,000	2,126,240	2,056,295		(56,295)		(56,295)		2,000,000			0	122,500	08/15/2005	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					18,792,983	18,762,583	19,325,467	19,015,923		0		(136,656)		18,879,268		(86,285)	(86,285)	1,067,679	XXX	XXX
6099997.	Total - Bonds - Part 4					34,913,008	34,389,120	35,660,040	35,164,219		0		(263,289)		34,900,933		12,074	12,074	1,801,583	XXX	XXX
6099999.	Total - Bonds					34,913,008	34,389,120	35,660,040	35,164,219		0		(263,289)		34,900,933		12,074	12,074	1,801,583	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					34,913,008	XXX	35,660,040	35,164,219		0		(263,289)		34,900,933		12,074	12,074	1,801,583	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**

PRONATIONAL INSURANCE COMPANY

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.....	.....	.....	.....	.....365,708	.....770,531	.....1,002,146	XXX
FEDERAL HOME LOAN BANK.....	INDIANAPOLIS, IN.....	.....	.....	.....	.....13,176	.....13,156	.....13,158	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(4,172,670)	.....(8,091,485)	.....(5,832,735)	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....	.....	.....	.....	.....964	.....965	.....966	XXX
0199999. Total Open Depositories.....	...XXX...	...XXX...	.....0	.....0	.....(3,792,821)	.....(7,306,833)	.....(4,816,464)	XXX
0399999. Total Cash on Deposit.....	...XXX...	...XXX...	.....0	.....0	.....(3,792,821)	.....(7,306,833)	.....(4,816,464)	XXX
0499999. Cash in Company's Office.....	...XXX...	...XXX...	...XXX	...XXX	.....2,000	.....2,000	.....2,000	XXX
0599999. Total Cash.....	...XXX...	...XXX...	.....0	.....0	.....(3,790,821)	.....(7,304,833)	.....(4,814,464)	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								
31296N V6 1	FHLMCG A1 30 YR PL # 004237- REPOS.....	RA...	.....09/30/2005	.....3.550	.....10/03/2005	.....5,831,000	.....	.....60,620
0199999.	Totals.....					.....5,831,000	.....0	.....60,620