

QUARTERLY STATEMENT
OF THE
THE MEDICAL ASSURANCE
COMPANY, INC.

Of
BIRMINGHAM
in the state of AL

to the Insurance Department
of the State of

For the Period Ended
September 30, 2005

2005

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	1,294,817,747		1,294,817,747	1,136,082,893
2. Stocks:				
2.1 Preferred stocks.....	4,380,541		4,380,541	11,533,062
2.2 Common stocks.....	3,092,631		3,092,631	2,638,201
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).....	12,679,350		12,679,350	11,881,488
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 (\$.....(6,511,438)), cash equivalents (\$.....8,416,000) and short-term investments (\$.....49,557,296).....	52,241,965	780,107	51,461,858	24,135,353
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	16,980,185		16,980,185	14,193,266
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).....	1,384,195,551	780,107	1,383,415,444	1,200,464,263
11. Title Plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	13,370,831		13,370,831	11,168,731
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	23,644,700	487,429	23,157,271	33,968,320
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	47,261,756		47,261,756	49,480,408
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	5,756,889		5,756,889	3,757,407
14.2 Funds held by or deposited with reinsured companies.....	8,407		8,407	
14.3 Other amounts receivable under reinsurance contracts.....	968,751		968,751	
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	2,992,199
16.2 Net deferred tax asset.....	57,675,126	34,433,786	23,241,340	23,863,484
17. Guaranty funds receivable or on deposit.....	538,946		538,946	538,946
18. Electronic data processing equipment and software.....	1,051,081	546,174	504,907	810,891
19. Furniture and equipment, including health care delivery assets (\$.....0).....	680,833	680,833	0	369,111
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	1,445,185		1,445,185	20,800,419
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	46,552,033	1,848,185	44,703,848	43,322,433
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,583,150,089	38,776,514	1,544,373,575	1,391,536,612
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,583,150,089	38,776,514	1,544,373,575	1,391,536,612

DETAILS OF WRITE-INS

0901.....			0	
0902.....			0	
0903.....			0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. Other Prepaid Expenses.....	1,848,185	1,848,185	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	44,703,848		44,703,848	43,322,433
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).....	46,552,033	1,848,185	44,703,848	43,322,433

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$....81,603,074).....	435,895,165	383,827,853
2. Reinsurance payable on paid losses and loss adjustment expenses.....	4,930,233	2,472,168
3. Loss adjustment expenses.....	539,801,244	487,979,936
4. Commissions payable, contingent commissions and other similar charges.....	5,223,967	8,031,318
5. Other expenses (excluding taxes, licenses and fees).....	7,549,285	5,804,733
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,788,431	1,504,076
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	2,485,262	
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 \$....13,160,026 and including warranty reserves of \$.....0).....	151,752,767	149,208,563
10. Advance premium.....	1,435,309	5,081,808
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	66,959,991	61,487,075
13. Funds held by company under reinsurance treaties.....	263,000	263,000
14. Amounts withheld or retained by company for account of others.....	499,288	540,845
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	1,506,400	1,506,400
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	795,177	5,912,008
20. Payable for securities.....	12,171,071	1,008,225
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.....	1	1
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,233,056,591	1,114,628,009
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,233,056,591	1,114,628,009
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	8,846,429	8,846,429
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....	205,553,769	205,553,769
33. Unassigned funds (surplus).....	96,916,787	62,508,405
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).....	311,316,985	276,908,603
36. TOTALS.....	1,544,373,576	1,391,536,612

DETAILS OF WRITE-INS

2301. Other.....	1	1
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	1	1
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 \$.....260,757,907).....	261,191,533	256,115,145	343,071,786
1.2 Assumed..... (written \$.....686,963).....	686,963	5,570,118	8,802,859
1.3 Ceded..... (written \$.....29,857,555).....	32,569,498	33,598,983	34,021,010
1.4 Net..... (written \$.....231,587,315).....	229,308,998	228,086,280	317,853,635
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....82,083,955):			
2.1 Direct.....	101,472,813	103,742,501	106,939,408
2.2 Assumed.....	425,818	4,635,314	7,094,190
2.3 Ceded.....	22,314,676	19,958,217	4,805,553
2.4 Net.....	79,583,955	88,419,598	109,228,045
3. Loss expenses incurred.....	111,669,607	115,630,201	186,129,509
4. Other underwriting expenses incurred.....	28,918,527	28,518,027	40,060,704
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	220,172,089	232,567,826	335,418,258
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	9,136,909	(4,481,546)	(17,564,623)
INVESTMENT INCOME			
9. Net investment income earned.....	36,024,582	28,176,440	38,847,130
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....	1,517,354	1,968,802	1,551,376
11. Net investment gain (loss) (Lines 9 + 10).....	37,541,936	30,145,242	40,398,506
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....			
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	1,402,180	1,605,480	2,055,895
15. Total other income (Lines 12 through 14).....	1,402,180	1,605,480	2,055,895
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	48,081,025	27,269,176	24,889,778
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).....	48,081,025	27,269,176	24,889,778
19. Federal and foreign income taxes incurred.....	13,988,953	7,041,367	7,335,165
20. Net income (Line 18 minus Line 19) (to Line 22).....	34,092,072	20,227,809	17,554,613
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	276,908,603	238,739,966	238,739,966
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20).....	34,092,072	20,227,809	17,554,613
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	(405,041)	(982,410)	(20,636)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	830,639	826,960	2,911,097
27. Change in nonadmitted assets.....	(109,288)	1,329,182	(2,066,037)
28. Change in provision for reinsurance.....			(210,400)
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.....			20,000,000
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).....	34,408,382	21,401,541	38,168,637
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	311,316,985	260,141,507	276,908,603
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Miscellaneous Income.....	1,402,180	1,605,480	2,055,895
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	1,402,180	1,605,480	2,055,895
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.....	246,710,683	322,683,678
2. Net investment income.....	41,998,641	48,607,171
3. Miscellaneous income.....	1,402,812	2,055,895
4. Total (Lines 1 through 3).....	290,112,136	373,346,744
5. Benefit and loss related payments.....	87,883,517	118,211,186
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	29,696,971	39,260,306
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....	8,511,492	6,899,319
10. Total (Lines 5 through 9).....	126,091,980	164,370,811
11. Net cash from operations (Line 4 minus Line 10).....	164,020,156	208,975,933
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	262,567,810	381,282,274
12.2 Stocks.....	11,376,324	7,977,874
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.....	(10,480)	(6,852)
12.7 Miscellaneous proceeds.....	11,162,846	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	285,096,500	389,253,296
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	428,312,928	646,441,840
13.2 Stocks.....	4,380,940	75,225
13.3 Mortgage loans.....		
13.4 Real estate.....	1,564,313	2,311,344
13.5 Other invested assets.....	2,361,500	2,411,500
13.6 Miscellaneous applications.....	3,132	9,445,007
13.7 Total investments acquired (Lines 13.1 to 13.6).....	436,622,813	660,684,916
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).....	(151,526,314)	(271,431,620)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		20,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	12,639,995	5,357,338
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	12,639,995	25,357,338
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).....	25,133,837	(37,098,349)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	27,108,128	64,206,477
19.2 End of period (Line 18 plus Line 19.1).....	52,241,965	27,108,128
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

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

NOTES TO FINANCIAL STATEMENTS

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 [X] No []

2.2 If yes, has the report been filed with the domiciliary state? Yes [X] 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 Name of Entity	2 NAIC Company Code	3 State of Domicile

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

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

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

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

7.4 By what department or departments?
ALABAMA DEPARTMENT OF INSURANCE

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

8.2 If yes, give full information:

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

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

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

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 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.....	\$.....2,638,201	\$.....3,091,950
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).....	\$.....2,638,201	\$.....3,091,950
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: _____

THE MEDICAL ASSURANCE COMPANY, INC.
GENERAL INTERROGATORIES (continued)
PART 2
PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

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

THE MEDICAL ASSURANCE COMPANY, INC.
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	11,881,488	10,499,082
2. Increase (decrease) by adjustment.....	(765,819)	(928,938)
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....	1,564,313	2,311,344
5. Total profit (loss) on sales.....	(632)	
6. Increase (decrease) by foreign exchange adjustment.....		
7. Amount received on sales.....		
8. Book/adjusted carrying value at end of current period.....	12,679,350	11,881,488
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	12,679,350	11,881,488
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	12,679,350	11,881,488

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Invested Assets 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.....	14,193,266	11,495,827
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	1,912,500	2,411,500
2.2 Additional investment made after acquisitions.....	449,000	
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....	425,419	285,939
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.....	16,980,185	14,193,266
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	16,980,185	14,193,266
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	16,980,185	14,193,266

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	1,150,254,156	902,425,192
2. Cost of bonds and stocks acquired.....	432,693,868	646,517,065
3. Accrual of discount.....	623,094	398,905
4. Increase (decrease) by adjustment.....	(830,459)	(1,190,570)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	1,527,834	2,442,228
7. Consideration for bonds and stocks disposed of.....	273,944,138	389,260,148
8. Amortization of premium.....	8,033,436	11,078,516
9. Book/adjusted carrying value, current period.....	1,302,290,919	1,150,254,156
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,302,290,919	1,150,254,156
12. Total nonadmitted amounts.....		
13. Statement value.....	1,302,290,919	1,150,254,156

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1.....	1,232,373,502	227,281,509	175,585,879	(2,920,402)	1,180,352,861	1,232,373,502	1,281,148,731	1,099,623,343
2. Class 2.....	46,724,283	4,601,183	2,890,159	441,206	49,756,343	46,724,283	48,876,514	51,538,031
3. Class 3.....	4,620,881	3,475,854	5,885	(1,736,731)	2,690,942	4,620,881	6,354,119	1,394,141
4. Class 4.....	1,582,341	801,598	136,135	2,371,746	3,066,319	1,582,341	4,619,550	
5. Class 5.....	5,102,796		36,989	(1,972,195)	5,345,409	5,102,796	3,093,612	2,594,355
6. Class 6.....	78,586	1,916	72,990	1,055,112		78,586	1,062,624	
7. Total Bonds.....	1,290,482,389	236,162,060	178,728,037	(2,761,264)	1,241,211,874	1,290,482,389	1,345,155,150	1,155,149,870
PREFERRED STOCK								
8. Class 1.....		4,380,940		(399)	5,936,130		4,380,541	8,933,062
9. Class 2.....								2,600,000
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	4,380,940	0	(399)	5,936,130	0	4,380,541	11,533,062
15. Total Bonds and Preferred Stock.....	1,290,482,389	240,543,000	178,728,037	(2,761,663)	1,247,148,004	1,290,482,389	1,349,535,691	1,166,682,932

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.....	50,337,403	XXX	50,317,873	46,675	31,075

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.....	19,066,977	47,442,560
2. Cost of short-term investments acquired.....	365,084,080	418,273,473
3. Increase (decrease) by adjustment.....	24,806	(173,134)
4. Increase (decrease) by foreign exchange adjustment.....		
5. Total profit (loss) on disposal of short-term investments.....	(10,480)	(5,755)
6. Consideration received on disposal of short-term investments.....	333,827,980	446,470,167
7. Book/adjusted carrying value, current period.....	50,337,403	19,066,977
8. Total valuation allowance.....		
9. Subtotal (Lines 7 plus 8).....	50,337,403	19,066,977
10. Total nonadmitted amounts.....	780,107	2,972,776
11. Statement value (Lines 9 minus 10).....	49,557,296	16,094,201
12. Income collected during period.....	774,486	455,077
13. Income earned during period.....	798,511	468,164

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

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

**Sch. F
NONE**

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	YES	90,107,653	89,970,774	5,740,921	4,479,631	160,440,297	144,960,219
2. Alaska.....AK	YES						
3. Arizona.....AZ	YES						
4. Arkansas.....AR	YES	4,391,891	6,112,284	(38,669)	169,189	10,754,439	7,709,256
5. California.....CA	YES				480	37,932	24,911
6. Colorado.....CO	YES						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES						
9. District of Columbia.....DC	YES						
10. Florida.....FL	YES	1,024,165	1,003,561	1,333,042	1,622,691	8,140,729	3,276,816
11. Georgia.....GA	YES	5,091,065	5,747,277	1,065,330	889,701	9,815,541	7,239,103
12. Hawaii.....HI	YES	404	2,779	302,669	966,209	3,613,728	4,400,282
13. Idaho.....ID	YES						
14. Illinois.....IL	YES				30,000	263,005	143,433
15. Indiana.....IN	YES	31,115,432	23,459,264	4,401,375	1,764,021	63,838,323	53,957,881
16. Iowa.....IA	YES						
17. Kansas.....KS	YES	6,001,533	5,912,925		605,000	6,611,123	3,975,656
18. Kentucky.....KY	YES		(15,555)	72	2,612	86,998	88,178
19. Louisiana.....LA	YES						4,877
20. Maine.....ME	NO						
21. Maryland.....MD	YES					1,118,000	1,378,095
22. Massachusetts.....MA	YES						
23. Michigan.....MI	YES						
24. Minnesota.....MN	YES	9,757	7,770	120,316	239,028	1,545,824	223,631
25. Mississippi.....MS	NO	1,010			3,600,000	2,505,114	2,504,434
26. Missouri.....MO	YES	19,331,320	28,016,490	2,721,970	5,497,850	60,679,782	57,959,000
27. Montana.....MT	YES						
28. Nebraska.....NE	YES						72,985
29. Nevada.....NV	YES					1,211	
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	NO						
32. New Mexico.....NM	YES						
33. New York.....NY	NO						
34. North Carolina.....NC	YES	299,469	166,816			109,687	38,077
35. North Dakota.....ND	YES						
36. Ohio.....OH	YES	86,322,469	93,792,898	11,202,662	14,725,452	174,244,896	158,471,013
37. Oklahoma.....OK	YES	4,208,857				405,533	
38. Oregon.....OR	YES						
39. Pennsylvania.....PA	YES			279,446	251,231	777,311	776,691
40. Rhode Island.....RI	YES						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	YES	2,005	15,864	69,399	172,581	1,769,658	1,996,032
43. Tennessee.....TN	YES	5,268,133	5,989,001	62,896	1,731,744	11,223,607	7,529,874
44. Texas.....TX	YES	4,802,678	5,702,413	40,772	125,778	11,607,847	9,627,863
45. Utah.....UT	YES						10,722
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	2,780,066	3,115,597	41,000	108,316	4,412,363	3,284,227
48. Washington.....WA	YES						
49. West Virginia.....WV	YES						4,165
50. Wisconsin.....WI	YES						
51. Wyoming.....WY	YES						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Canada.....CN	NO						
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
58. Totals.....(a)	44	260,757,907	269,000,158	27,343,201	36,981,514	534,002,948	469,657,421

DETAILS OF WRITE-INS

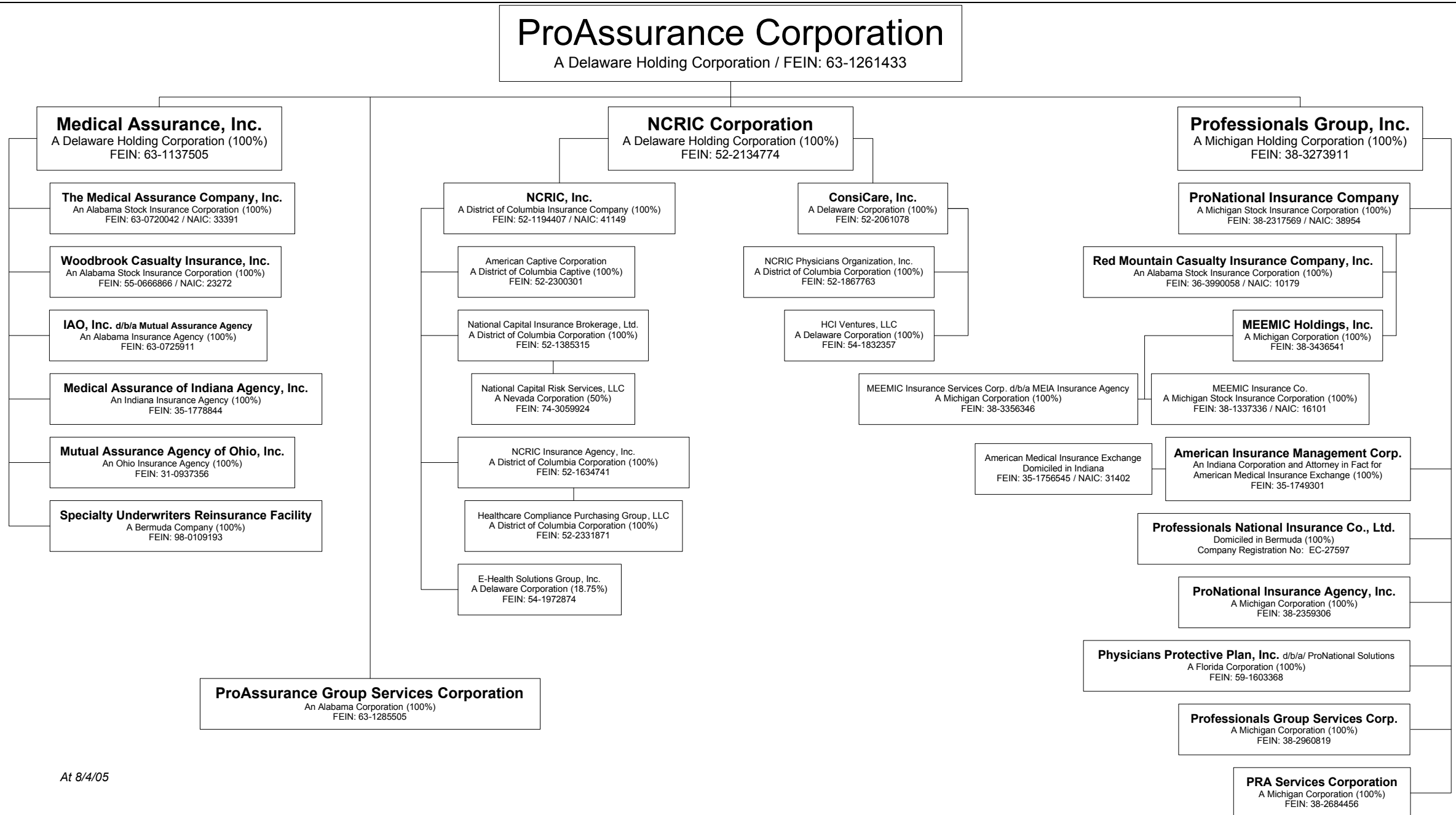
5701.....	XXX						
5702.....	XXX						
5703.....	XXX						
5798. Summary of remaining write-ins for Line 57 from overflow page.....	XXX	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above).....	XXX	0	0	0	0	0	0

(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



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.....	1,166,698	408,344	35.0	33.6
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.....	10,901,301	4,209,191	38.6	40.4
11.2. Medical malpractice-claims made.....	244,142,502	94,267,869	38.6	40.4
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....	1,170,575	641,991	54.8	41.1
17.1. Other liability-occurrence.....	233,366	119,144	51.1	49.1
17.2. Other liability-claims made.....	3,577,092	1,826,274	51.1	49.1
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.....	261,191,534	101,472,813	38.8	40.5

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.....	452,276	1,113,437	1,223,867
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	3,676,566	10,894,941	19,569,674
11.2. Medical malpractice-claims made.....	88,085,224	244,127,981	243,238,839
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	431,738	1,170,457	1,258,861
17.1. Other liability-occurrence.....	217,304	357,750	226,784
17.2. Other liability-claims made.....	679,114	3,093,341	3,482,133
18.1. Products liability-occurrence.....			
18.2. Products liability-claims made.....			
19.1, 19.2 Private passenger auto liability.....			
19.3, 19.4 Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business.....	0	0	0
34. Totals.....	93,542,222	260,757,907	269,000,158

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	310,310	58,525	368,835	46,513	5,692	52,205	254,320	2,158	55,152	311,630	(9,477)	4,477	(5,000)
2. 2003	121,618	102,641	224,259	17,389	2,519	19,908	113,990	7,250	83,111	204,351	9,761	(9,761)	0
3. Subtotals 2003 + Prior	431,928	161,166	593,094	63,902	8,211	72,113	368,310	9,408	138,263	515,981	284	(5,284)	(5,000)
4. 2004	63,556	215,158	278,714	8,220	1,892	10,112	115,998	2,434	150,170	268,602	60,662	(60,662)	0
5. Subtotals 2004 + Prior	495,484	376,324	871,808	72,122	10,103	82,225	484,308	11,842	288,433	784,583	60,946	(65,946)	(5,000)
6. 2005	XXX	XXX	XXX	XXX	5,139	5,139	XXX	50,748	140,366	191,114	XXX	XXX	XXX
7. Totals	495,484	376,324	871,808	72,122	15,242	87,364	484,308	62,590	428,799	975,697	60,946	(65,946)	(5,000)
8. Prior Year-End's Surplus As Regards Policyholders	276,909										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. ....12.3 %	2. ....(17.5)%	3. ....(0.6)%
													Col. 13, Line 7 Line 8
													4. ....(1.8)%

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?	<u>NO</u>
2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?	<u>YES</u>

Explanation:

Bar Code:



**Overflow Page
NONE**

**Sch. A-Part 2
NONE**

**Sch. A-Part 3
NONE**

**Sch. B-Part 1
NONE**

**Sch. B-Part 2
NONE**

**Sch. BA-Part 1
NONE**

**Sch. BA-Part 2
NONE**

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
31359M TP 8	FANNIE MAE 01/02/2014 5.125		09/27/2005	GOLDMAN SACHS		2,035,530	2,000,000	24,486	1
3133XC ET 6	FED HOME LN BANK 07/26/2006 3.450		07/05/2005	MORGAN KEEGAN & CO INC		3,740,000	3,740,000		1
3134A4 VC 5	FREDDIE MAC 07/17/2015 4.375		09/08/2005	MERRILL LYNCH		2,483,150	2,500,000	16,710	1
0399999	Total - Bonds - U.S. Government					8,258,680	8,240,000	41,196	XXX
Bonds - Political Subdivisions of States									
311315 PG 4	FARMINGTON MINN INDPT 02/01/2018 5.000		07/11/2005	RYAN BECK & CO		2,276,049	2,085,000	29,827	1FE
543706 CE 3	LORAIN OHIO CITY SCH D 12/01/2012 5.000		09/30/2005	BANK AMERICA		1,088,890	1,000,000	17,222	1FE
56516P DU 4	MAPLE GROVE MINN 02/01/2018 5.000		09/07/2005	COMMERCE BANK		3,141,296	2,840,000	1,972	1FE
197895 BH 7	COLUMBIA MO LIBR DIST 03/01/2017 5.000		09/22/2005	PIPER JAFFRAY INC		1,652,399	1,525,000	5,931	1FE
199491 RH 6	COLUMBUS OHIO 09/01/2019 5.000		09/13/2005	DAIN RAUSCHER		1,198,659	1,100,000	11,458	1FE
586145 NG 5	MEMPHIS TENN 10/01/2018 5.000		08/30/2005	LEHMAN BROTHERS		1,375,548	1,265,000	26,530	1FE
280785 NR 3	EDINBURG TEX CONS INDP 02/15/2020 5.000		08/29/2005	DAIN BOSWORTH		1,457,595	1,350,000	5,625	1FE
833170 HX 4	SNOHOMISH CNTY WASH SC 12/01/2017 5.250		09/14/2005	DAIN RAUSCHER		1,671,135	1,500,000	23,625	1FE
2499999	Total - Bonds - Political Subdivision					13,861,571	12,665,000	122,190	XXX
Bonds - Special Revenue and Special Assessment									
341602 YJ 3	FLORIDA ST DEPT MGMT S 09/01/2019 5.000		08/25/2005	BEAR STEARNS & CO		1,351,461	1,235,000	4,803	1FE
452226 4W 0	ILLINOIS ST SALES TAX 06/15/2020 5.000		09/07/2005	DIRECT		1,078,270	1,000,000	28,472	1FE
45505T AE 1	INDIANA ST HSG & CMNTY 01/01/2016 4.100		09/23/2005	MORGAN KEEGAN & CO INC		565,000	565,000		1FE
45505T AG 6	INDIANA ST HSG & CMNTY 01/01/2017 4.150		09/26/2005	MORGAN STANLEY DEAN WITTER		585,000	585,000		1FE
45505T AH 4	INDIANA ST HSG & CMNTY 07/01/2017 4.150		09/26/2005	MORGAN KEEGAN & CO INC		595,000	595,000		1FE
45505T AJ 0	INDIANA ST HSG & CMNTY 01/01/2020 4.300		09/26/2005	MORGAN KEEGAN & CO INC		290,000	290,000		1FE
575577 GE 5	MASSACHUSETTS BAY TRAN 07/01/2020 5.000		08/25/2005	RAYMOND JAMES		2,705,350	2,500,000		1FE
60412P AZ 3	MINNESOTA ST MUN PWR A 10/01/2021 5.250		09/15/2005	DAIN RAUSCHER		1,091,160	1,000,000		1FE
645918 AK 9	NEW JERSEY ECONOMIC DE 03/01/2012 5.000		09/22/2005	DAIN RAUSCHER		1,080,040	1,000,000		1FE
649716 R6 6	NEW YORK N Y CITY TRAN 05/01/2030 3.810		07/18/2005	LEHMAN BROTHERS		500,000	500,000	3,314	1FE
650013 T2 1	NEW YORK ST TWY AUTH H 04/01/2019 5.000		08/30/2005	GOLDMAN SACHS		3,271,290	3,000,000		1FE
65888M 4V 0	NORTH DAKOTA ST HSG FI 07/01/2011 4.000		09/22/2005	CITICORP SECURITIES		1,000,000	1,000,000	3,444	1FE
79560Q AP 3	SALT LK CITY REF-A 10/01/2017 5.000		07/08/2005	RYAN BECK & CO		1,095,050	1,000,000	3,056	1FE
31297S ZP 3	FG A37050 08/01/2035 5.000		08/24/2005	NOMURA SECURITIES INTERNATIONAL, INC		1,975,625	2,000,000	7,778	1
31395V RC 5	FHR 2986 GC 08/01/2010 4.500		07/06/2005	BANK AMERICA		1,989,735	1,987,871	4,970	1
3199999	Total - Bonds - Special Revenue & Special Assessments					19,172,981	18,257,871	55,837	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
07387B AE 3	BSCMS 2005-PWR9 A2 09/01/2010 4.735		09/14/2005	MORGAN STANLEY DEAN WITTER		2,010,924	2,000,000	7,103	1FE
12669F J8 7	CHWL 2004-13 2A1 05/01/2007 5.000		08/18/2005	UBS SECURITIES		4,590,238	4,592,391	14,032	1FE
12560P DB 4	CIT GROUP INC 12/15/2010 4.750		08/16/2005	FIRST TENNESSEE		1,002,450	1,000,000	8,444	1FE
172967 CX 7	CITIGROUP INC 05/18/2010 3.951		09/26/2005	VARIOUS		2,353,244	2,350,000	7,953	1FE
172850 BB 4	CITRV 1999-A B 01/15/2009 8.717		09/15/2005	CAPITALIZED INTEREST		6,637	6,637		3FE
22541L AB 9	CREDIT SUISSE FB USA I 11/15/2011 6.125		07/22/2005	FIRST TENNESSEE		908,223	845,000	10,351	1FE
22540A ES 3	CSFB 1997-C2 A3 11/11/2007 6.550		08/12/2005	MERRILL LYNCH		5,030,738	4,850,000	5,295	1FE
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		1,361,685	1,300,000	19,094	1FE
302570 AK 2	FPL GROUP CAPITAL INC. 09/15/2006 7.625		08/22/2005	BANK AMERICA		1,240,788	1,200,000	40,667	1FE
396789 JU 4	GCCFC 2005-GG3 A4 12/01/2014 4.799		07/15/2005	BEAR STEARNS & CO		1,501,875	1,500,000	3,799	1FE
36228C TH 6	GSMS 2004-GG2 A6 07/01/2014 5.396		09/26/2005	GOLDMAN SACHS		1,030,938	1,000,000	4,047	1FE
36228C VU 4	GSMS 2005-GG4 A4A 05/01/2015 4.751		08/04/2005	GOLDMAN SACHS		1,481,016	1,500,000	1,584	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

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SCHEDULE D - PART 3

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

1	2		3	4	5	6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
225458 4G 0	HEMT 2005-4 M4	01/01/2036 5.701		09/20/2005	FIRST BANK		2,499,995	2,500,000	11,481	1FE
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
441812 GA 6	HSBC FINANCE CORP	08/01/2010 6.375		08/16/2005	FIRST TENNESSEE		1,069,990	1,000,000	3,188	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
52519S AW 3	LABMH 2002-A B2	11/15/2026 11.018		09/15/2005	CAPITALIZED INTEREST		26,010	26,010		4FE
52108H FK 5	LBUBS 2001-C3 A1	12/11/2010 6.058		08/12/2005	WACHOVIA/FIRST UNION		3,656,042	3,551,980	3,586	1FE
52108H MU 5	LBUBS 2002-C4 A5	09/11/2012 4.853		07/15/2005	LEHMAN BROTHERS		1,512,715	1,500,000	1,820	1FE
52108H GS 8	LBUBS 2005-C5 A1	03/11/2010 4.741		08/15/2005	LEHMAN BROTHERS		5,276,115	5,250,000	9,680	1FE
52517P VM 0	LEHMAN BROTHERS HOLDIN	11/30/2010 4.375		08/16/2005	LEHMAN BROTHERS		1,969,880	2,000,000	19,201	1FE
526057 AQ 7	LENNAR CORP 144A	10/01/2010 5.125		09/08/2005	WACHOVIA/FIRST UNION		999,050	1,000,000		2FE
600388 AB 8	MILLER BREWING CO	08/15/2013 5.500		07/13/2005	UBS SECURITIES		514,650	500,000	11,688	2FE
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
86359D LX 3	SASC 2005-S4 A	09/01/2008 4.500		07/21/2005	LEHMAN BROTHERS		2,961,563	3,000,000	10,500	1FE
865622 AB 0	SUMITOMO MITSUI 144A	07/15/2049 5.625		07/15/2005	UBS SECURITIES		746,048	750,000		2FE
896047 AE 7	TRIBUNE CO	08/15/2010 4.875		08/10/2005	CITIGROUP GLOBAL MARKETS		2,246,153	2,250,000		1FE
907818 BA 5	UNION PACIFIC CORP	11/01/2008 7.250		07/19/2005	MORGAN STANLEY DEAN WITTER		1,082,590	1,000,000	16,313	2FE
929766 AB 9	WBCMT 2002-C1 A2	12/01/2009 5.681		08/01/2005	GREENWICH CAPITAL		5,114,063	5,000,000	2,367	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous						61,125,664	60,401,622	213,992	XXX
6099997.	Total - Bonds - Part 3						102,418,896	99,564,493	433,215	XXX
6099999.	Total - Bonds						102,418,896	99,564,493	433,215	XXX
Preferred Stocks - Industrial and Miscellaneous										
313586 79 4	FANNIE MAE FLTR			09/28/2005	GOLDMAN SACHS		4,380,940	4,380,940.00		RP1LFE
6399999.	Total - Preferred Stocks - Industrial & Miscellaneous						4,380,940	XXX	0	XXX
6599997.	Total - Preferred Stocks - Part 3						4,380,940	XXX	0	XXX
6599999.	Total - Preferred Stocks						4,380,940	XXX	0	XXX
7399999.	Total - Preferred and Common Stocks						4,380,940	XXX	0	XXX
7499999.	Total - Bonds, Preferred and Common Stocks						106,799,836	XXX	433,215	XXX

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(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																					
31359M QZ 9	FANNIE MAE		09/12/2005	LEGG MASON		247,355	250,000	246,728	246,728		1,641		1,641		248,369		(1,014)	(1,014)	4,840	04/15/2006	1
31359M TP 8	FANNIE MAE		09/29/2005	BANK AMERICA		2,033,820	2,000,000	2,035,530	2,035,530		(19)		(19)		2,035,511		(1,691)	(1,691)	25,056	01/02/2014	1
3133MQ ST 2	FEDERAL HOME LOAN BANK	3.00	08/15/2005	MATURITY		900,000	900,000	914,068	903,290		(3,290)		(3,290)		900,000				27,000	08/15/2005	1
36202B NJ 0	G2 1293		09/01/2005	MBS PAYDOWN		163	163	179	177		(14)		(14)		163				11	04/01/2019	1
36202D KY 6	G2 3011		09/01/2005	MBS PAYDOWN		973	973	995	989		(16)		(16)		973				49	03/01/2030	1
36224L QA 8	GN 331749		09/01/2005	MBS PAYDOWN		217	217	213	214		2		2		217				11	09/01/2022	1
36224P ML 9	GN 334363		09/01/2005	MBS PAYDOWN		621	621	629	627		(6)		(6)		621				31	06/01/2020	1
36224Q XR 2	GN 335588		09/01/2005	MBS PAYDOWN		360	360	354	356		4		4		360				18	01/01/2020	1
36224U 5Z 6	GN 339364		09/01/2005	MBS PAYDOWN		178	178	175	176		2		2		178				9	09/01/2022	1
36206E 3N 3	GN 409505		09/01/2005	MBS PAYDOWN		62,572	62,572	66,375	66,328		(3,756)		(3,756)		62,572				3,010	04/01/2024	1
36208T 4W 7	GN 460837		09/01/2005	MBS PAYDOWN		9,681	9,681	9,813	9,775		(94)		(94)		9,681				438	09/01/2027	1
36201Q 2C 6	GN 590371		09/01/2005	MBS PAYDOWN		83,464	83,464	86,985	86,224		(2,760)		(2,760)		83,464				3,500	04/01/2032	1
36200K UE 5	GN 603681		09/01/2005	MBS PAYDOWN		36,006	36,006	37,359	37,187		(1,181)		(1,181)		36,006				1,269	11/01/2032	1
36290S QF 1	GN 616154		09/01/2005	MBS PAYDOWN		29,159	29,159	29,022	29,031		128		128		29,159				990	12/01/2032	1
36201T KE 6	GNMA PL 592593		09/01/2005	MBS PAYDOWN		70,551	70,551	73,743	73,625		(3,073)		(3,073)		70,551				2,919	09/01/2032	1
36213C P2 0	GNMA PL 550441		09/01/2005	MBS PAYDOWN		35,573	35,573	37,691	37,659		(2,086)		(2,086)		35,573				1,617	09/01/2030	1
36215N R4 8	GNMA POOL # 140107		09/01/2005	MBS PAYDOWN		26	26	28	27		(1)		(1)		26				2	10/01/2015	1
36202D LW 9	GNMA POOL # 23041		09/01/2005	MBS PAYDOWN		25,973	25,973	26,546	26,374		(400)		(400)		25,973				1,294	04/01/2030	1
36220S DR 4	GNMA POOL # 286412		09/01/2005	MBS PAYDOWN		3	3	3	3						3					02/01/2020	1
36200Q JM 7	GNMA POOL # 569168	GN 6.500	09/01/2005	MBS PAYDOWN		117,934	117,934	120,735	119,964		(2,030)		(2,030)		117,934				5,420	11/01/2016	1
36225B HE 1	GNMA POOL # 781129		09/01/2005	MBS PAYDOWN		1,694	1,694	1,633	1,650		44		44		1,694				81	03/01/2028	1
36215K 2A 7	GNMA POOL #137669		09/01/2005	MBS PAYDOWN		54	54	57	56		(2)		(2)		54				4	03/01/2014	1
36220W KJ 5	GNMA POOL #290197		09/01/2005	MBS PAYDOWN		126	126	132	131		(5)		(5)		126				8	08/01/2020	1
36223M GH 1	GNMA POOL #306096		09/01/2005	MBS PAYDOWN		2,475	2,475	2,624	2,513		(38)		(38)		2,475				140	07/01/2006	1
36202D MT 5	GNMA POOL #3070		09/01/2005	MBS PAYDOWN		8,263	8,263	8,451	8,389		(126)		(126)		8,263				413	07/01/2030	1
36223H 4U 8	GNMA POOL #308735		09/01/2005	MBS PAYDOWN		1,840	1,840	1,950	1,866		(26)		(26)		1,840				105	08/01/2006	1
36223H 6B 8	GNMA POOL #308766		09/01/2005	MBS PAYDOWN		4,080	4,080	4,120	4,118		(38)		(38)		4,080				228	09/01/2021	1
36223M GH 3	GNMA POOL #311700		09/01/2005	MBS PAYDOWN		584	584	619	593		(9)		(9)		584				34	08/01/2006	1
36223N 5G 5	GNMA POOL #313247		09/01/2005	MBS PAYDOWN		133	133	141	135		(2)		(2)		133				7	07/01/2006	1
36223Q 7D 3	GNMA POOL #315092		09/01/2005	MBS PAYDOWN		801	801	849	813		(12)		(12)		801				45	09/01/2006	1
36224H E9 3	GNMA POOL #328760		09/01/2005	MBS PAYDOWN		567	567	601	576		(9)		(9)		567				32	04/01/2007	1
362067 VY 3	GNMA POOL #37531		09/01/2005	MBS PAYDOWN		86	86	90	88		(2)		(2)		86				6	07/01/2007	1
36205R MA 2	GNMA POOL #398253		09/01/2005	MBS PAYDOWN		1,709	1,709	1,726	1,721		(11)		(11)		1,709				86	04/01/2025	1
36206A LZ 4	GNMA POOL #405444		09/01/2005	MBS PAYDOWN		458	458	484	479		(21)		(21)		458				28	01/01/2024	1
36209P NT 0	GNMA POOL# 477502		09/01/2005	MBS PAYDOWN		160,465	160,465	163,248	163,198		(2,734)		(2,734)		160,465				7,187	06/01/2027	1
03999999	Total - Bonds - U.S. Government					3,837,964	3,806,789	3,873,896	3,860,610		0		(19,940)		3,840,669		(2,705)	(2,705)	85,888	XXX	XXX
Bonds - Political Subdivisions of States																					
362460 QU 4	GADSDEN ALA		09/07/2005	DIRECT		582,820	575,000	575,000	575,000						575,000		7,820	7,820	32,024	08/01/2014	1FE
24999999	Total - Bonds - Political Subdivisions					582,820	575,000	575,000	575,000		0		0		575,000		7,820	7,820	32,024	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
040649 GJ 8	ARIZONA ST TRANSN BRD EXCISE TAX		07/01/2005	MATURITY		1,000,000	1,000,000	1,051,740	1,018,920		(18,920)		(18,920)		1,000,000				50,000	07/01/2005	1FE
040649 FB 6	ARIZONA STATE TRANSP. TAX REV.	6	07/01/2005	MATURITY		3,000,000	3,000,000	3,244,860	3,015,651		(15,651)		(15,651)		3,000,000				180,000	07/01/2005	1FE
79875E CY 9	SAN MARCOS CALIF PUB FACS	4.7	09/07/2005	DIRECT		780,780	780,000	780,000	780,000						780,000		780	780	41,096	08/01/2013	1FE
80218M DX 6	SANTA FE SPRINGS CALIF CMNTY DEV		09/01/2005	SINKING FUND REDEMPTION		45,000	45,000	44,956	44,971		29		29		45,000				1,575	09/01/2008	1FE
873825 CK 7	TAHOE FOREST CALIFORNIA HOSP	7	07/01/2005	SINKING FUND REDEMPTION		20,000	20,000	20,000	20,000						20,000				1,536	07/01/2009	1FE
249301 CT 7	DENVER CO URBAN RENEWAL AUTH TA		09/01/2005	SINKING FUND REDEMPTION		75,000	75,000	75,000	75,000						75,000				4,965	09/01/2007	1FE
80207G AD 9	SANTA FE MFH-B-TXB-TU	6.710	08/01/2005	CALL BY ISSUER 100.000		5,000	5,000	5,188	5,110		(16)		(16)		5,094		(94)	(94)	336	08/01/2012	1FE
232286 BG 8	CUYAHOGA CNTY OHIO REV FLTR	2	07/18/2005	MORGAN KEEGAN & CO INC		5,000,000	5,000,000	5,000,000	5,000,000						5,000,000				8,556	01/01/2036	1FE

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SCHEDULE D - PART 4

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

1 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 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.							
592190 GU 0	METRO NASHVILLE TN AIRPORT	5.0	07/01/2005	MATURITY		540,000	540,000	552,987	541,054	(1,054)		(1,054)		540,000				27,000	07/01/2005	1FE	
41315R FK 5	HARRIS CNTY TEX HEALTH FACS DEV		08/11/2005	MORGAN KEEGAN & CO INC		5,000,000	5,000,000	5,000,000	5,000,000			0		5,000,000				33,104	12/01/2039	1FE	
392641 KD 7	GREEN BAY WIS 2.450		09/21/2005	DIRECT		742,275	750,000	750,000	750,000			0		750,000		(7,725)	(7,725)	16,589	05/01/2006	1FE	
3136F6 4A 4	FANNIE MAE 5.750		07/28/2005	CALL BY ISSUER 100.000		2,000,000	2,000,000	1,998,000	1,998,000	38		38		1,998,038		1,962	1,962	28,750	04/28/2015	1	
31371K 4K 4	FG 254726 5.500		09/01/2005	MBS PAYDOWN		82,170	82,170	83,569	83,463	(1,294)		(1,294)		82,170				3,009	10/01/2032	1	
31296L UE 9	FG A12381 5.000		09/01/2005	MBS PAYDOWN		92,979	92,979	91,003	91,194	1,785		1,785		92,979				3,251	04/01/2033	1	
31296L ZH 7	FG A12544 5.000		09/01/2005	MBS PAYDOWN		58,525	58,525	57,958	57,998	527		527		58,525				2,021	01/01/2033	1	
31296S WL 6	FG A17851 5.500		09/01/2005	MBS PAYDOWN		69,411	69,411	70,376	70,269	(858)		(858)		69,411				2,566	07/01/2033	1	
31297A P6 5	FG A23145 5.500		09/01/2005	MBS PAYDOWN		61,102	61,102	60,396	60,433	669		669		61,102				2,275	02/01/2034	1	
31297F J5 3	FG A27484 6.000		09/01/2005	MBS PAYDOWN		79,690	79,690	82,367	82,362	(2,672)		(2,672)		79,690				3,234	08/01/2034	1	
31297S ZP 3	FG A37050 5.000		09/01/2005	MBS PAYDOWN		1,975	1,975	1,951	1,951	24		24		1,975				8	08/01/2035	1	
312963 WK 3	FG B11550 5.000		09/01/2005	MBS PAYDOWN		380,900	380,900	386,792	386,642	(5,742)		(5,742)		380,900				11,740	11/01/2018	1	
312967 6K 3	FG B15374 5.000		09/01/2005	MBS PAYDOWN		286,320	286,320	289,093	288,950	(2,630)		(2,630)		286,320				10,067	03/01/2019	1	
31292H Q3 1	FG C01374 6.000		09/01/2005	MBS PAYDOWN		25,233	25,233	26,132	26,034	(801)		(801)		25,233				1,014	07/01/2031	1	
31292H UP 7	FG C01490 5.500		09/01/2005	MBS PAYDOWN		148,243	148,243	150,467	150,103	(1,859)		(1,859)		148,243				5,455	07/01/2032	1	
31292H YU 2	FG C01623 5.500		09/01/2005	MBS PAYDOWN		346,086	346,086	343,328	343,690	2,396		2,396		346,086				12,884	04/01/2033	1	
31287P E2 5	FG C63753 6.000		09/01/2005	MBS PAYDOWN		8,266	8,266	8,560	8,540	(275)		(275)		8,266				338	06/01/2031	1	
31288A X2 6	FG C72497 6.500		09/01/2005	MBS PAYDOWN		35,370	35,370	36,603	36,296	(926)		(926)		35,370				1,505	03/01/2031	1	
31294J G9 3	FG E00224 6.000		09/01/2005	MBS PAYDOWN		35,935	35,935	34,447	35,218	717		717		35,935				1,436	03/01/2008	1	
31294K FN 0	FG E01073 5.000		09/01/2005	MBS PAYDOWN		21,227	21,227	21,014	21,049	178		178		21,227				690	05/01/2016	1	
31294K M5 1	FG E01280 5.000		09/01/2005	MBS PAYDOWN		106,132	106,132	109,548	109,054	(2,922)		(2,922)		106,132				3,522	07/01/2017	1	
31294K WD 3	FG E01544 4.500		09/01/2005	MBS PAYDOWN		32,219	32,219	32,329	32,319	(101)		(101)		32,219				966	09/01/2018	1	
3128GJ 2E 6	FG E82573 6.000		09/01/2005	MBS PAYDOWN		6,819	6,819	6,793	6,801	18		18		6,819				273	06/01/2015	1	
3128GY MX 9	FG E93974 5.500		09/01/2005	MBS PAYDOWN		103,087	103,087	107,775	106,667	(3,580)		(3,580)		103,087				4,133	09/01/2017	1	
3128H3 LP 4	FG E95734 5.000		09/01/2005	MBS PAYDOWN		98,227	98,227	101,420	100,881	(2,654)		(2,654)		98,227				3,246	10/01/2017	1	
3128H4 XR 5	FG E96988 5.000		09/01/2005	MBS PAYDOWN		84,161	84,161	85,765	85,631	(1,470)		(1,470)		84,161				2,785	02/01/2018	1	
31283H S8 9	FG G01443 6.500		09/01/2005	MBS PAYDOWN		89,681	89,681	92,805	92,081	(2,400)		(2,400)		89,681				3,886	10/01/2031	1	
31283H S9 7	FG G01444 6.500		09/01/2005	MBS PAYDOWN		30,912	30,912	32,197	32,125	(1,213)		(1,213)		30,912				1,346	07/01/2031	1	
3128MM BN 2	FG G18044 4.500		09/01/2005	MBS PAYDOWN		92,929	92,929	92,334	92,334	595		595		92,929				1,783	01/01/2020	1	
31282R 4E 1	FG M80821 4.500		09/01/2005	MBS PAYDOWN		121,006	121,006	123,918	123,598	(2,592)		(2,592)		121,006				3,642	01/01/2010	1	
31282S AZ 5	FG M80924 4.500		09/01/2005	MBS PAYDOWN		566,881	566,881	572,373	572,053	(5,172)		(5,172)		566,881				16,876	02/01/2011	1	
31287P CQ 4	FGLMC PL C63679 6.000		09/01/2005	MBS PAYDOWN		8,186	8,186	8,119	8,133	52		52		8,186				331	04/01/2031	1	
31288C M4 0	FHLMC #C73979 6.000		09/01/2005	MBS PAYDOWN		53,752	53,752	55,154	54,858	(1,107)		(1,107)		53,752				2,239	08/01/2032	1	
31288B LZ 4	FHLMC C73044 6.000		09/01/2005	MBS PAYDOWN		209,673	209,673	215,079	214,065	(4,391)		(4,391)		209,673				8,493	02/01/2032	1	
31393M ZK 0	FHR 2583 ND 4.250		09/01/2005	MBS PAYDOWN		38,728	38,728	39,357	39,203	(475)		(475)		38,728				1,092	04/01/2009	1	
31393N 22 4	FHR 2583 TD 4.500		09/01/2005	MBS PAYDOWN		7,661	7,661	7,793	7,767	(106)		(106)		7,661				237	07/01/2012	1	
31395J R6 5	FHR 2890 AB 3.750		09/01/2005	MBS PAYDOWN		216,995	216,995	213,333	213,333	3,662		3,662		216,995				3,410	12/01/2010	1	
31395L KX 8	FHR 2920 LA 5.000		09/01/2005	MBS PAYDOWN		307,040	307,040	307,905	307,905	(865)		(865)		307,040				5,136	08/01/2014	1	
31395P ZE 5	FHR 2929 BE 4.500		09/01/2005	MBS PAYDOWN		132,452	132,452	132,039	132,039	414		414		132,452				2,010	05/01/2010	1	
31395T HU 1	FHR 2964 NG 4.500		09/01/2005	MBS PAYDOWN		27,156	27,156	27,151	27,151	4		4		27,156				413	11/01/2010	1	
31395T HV 9	FHR 2964 NH 4.750		09/01/2005	MBS PAYDOWN		48,880	48,880	49,079	49,079	(199)		(199)		48,880				785	11/01/2010	1	
31395V RC 5	FHR 2986 GC 4.500		09/01/2005	VARIOUS		27,894	27,895	27,920	27,920	(53)		(53)		27,867		27	27	9,994	08/01/2010	1	
31371K BL 4	FN 253943 6.500		09/01/2005	MBS PAYDOWN		10,242	10,242	10,508	10,449	(207)		(207)		10,242				453	02/01/2016	1	
31371K U4 1	FN 254503 5.000		09/01/2005	MBS PAYDOWN		171,750	171,750	177,278	176,635	(4,885)		(4,885)		171,750				5,771	09/01/2009	1	
31371K WK 3	FN 254550 6.500		09/01/2005	MBS PAYDOWN		34,857	34,857	36,077	35,890	(1,033)		(1,033)		34,857				1,513	05/01/2032	1	
31371K 2V 2	FN 254688 5.500		09/01/2005	MBS PAYDOWN		145,349	145,349	150,913	149,638	(4,289)		(4,289)		145,349				5,357	11/01/2022	1	
31371L CD 9	FN 254868 5.000		09/01/2005	MBS PAYDOWN		88,583	88,583	88,126	88,158	426		426		88,583				2,968	03/01/2033	1	
31371L CE 7	FN 254869 5.500		09/01/2005	MBS PAYDOWN		56,133	56,133	56,204	56,195	(61)		(61)		56,133				2,042	04/01/2033	1	

E05.1

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC 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.							
31376K FW 1	FN 357581		09/01/2005	MBS PAYDOWN		45,885	45,885	46,315	46,283	(398)		(398)		45,885				0	1,409	02/01/2019	1
31380M MS 2	FN 444169		09/01/2005	MBS PAYDOWN		193	193	191	191	1		1		193				0	8	10/01/2028	1
31380Y SL 5	FN 454223		09/01/2005	MBS PAYDOWN		1,195	1,195	1,184	1,187	8		8		1,195				0	50	08/01/2027	1
31381B V9 7	FN 456140		09/01/2005	MBS PAYDOWN		23,614	23,614	23,393	23,449	165		165		23,614				0	859	11/01/2028	1
31385J QV 3	FN 545968		09/01/2005	MBS PAYDOWN		38,949	38,949	39,679	39,606	(657)		(657)		38,949				0	1,429	01/01/2017	1
31385W 2S 7	FN 555285		09/01/2005	MBS PAYDOWN		43,773	43,773	44,402	44,331	(558)		(558)		43,773				0	1,750	10/01/2031	1
31385X FK 8	FN 555570		09/01/2005	MBS PAYDOWN		44,174	44,174	44,816	44,738	(564)		(564)		44,174				0	1,795	11/01/2031	1
31385X GW 4	FN 555607		09/01/2005	MBS PAYDOWN		28,634	28,634	28,643	28,642	(8)		(8)		28,634				0	859	01/01/2018	1
31386S BW 6	FN 571653		09/01/2005	MBS PAYDOWN		8,530	8,530	8,477	8,492	38		38		8,530				0	341	03/01/2015	1
31391P UV 6	FN 672996		09/01/2005	MBS PAYDOWN		75,959	75,959	76,600	76,600	(641)		(641)		75,959				0	975	07/01/2017	1
31391W 5R 8	FN 679556		09/01/2005	MBS PAYDOWN		38,851	38,851	39,701	39,560	(708)		(708)		38,851				0	1,325	01/01/2018	1
31400F PB 7	FN 686318		09/01/2005	MBS PAYDOWN		70,804	70,804	72,972	72,596	(1,792)		(1,792)		70,804				0	2,355	10/01/2017	1
31400Q TN 3	FN 694557		09/01/2005	MBS PAYDOWN		25,083	25,083	25,506	25,447	(365)		(365)		25,083				0	916	09/01/2032	1
31400R CF 6	FN 694970		09/01/2005	MBS PAYDOWN		63,647	63,647	66,352	65,830	(2,183)		(2,183)		63,647				0	2,217	12/01/2017	1
31400Y FU 5	FN 701379		09/01/2005	MBS PAYDOWN		17,621	17,621	17,698	17,687	(65)		(65)		17,621				0	502	12/01/2017	1
31401B P6 6	FN 703445		09/01/2005	MBS PAYDOWN		433,291	433,291	440,061	439,916	(6,625)		(6,625)		433,291				0	14,531	01/01/2018	1
31401H UX 8	FN 708998		09/01/2005	MBS PAYDOWN		161,525	161,525	160,137	160,279	1,247		1,247		161,525				0	6,113	01/01/2033	1
31401W G2 9	FN 720317		09/01/2005	MBS PAYDOWN		33,631	33,631	34,382	34,312	(681)		(681)		33,631				0	1,121	02/01/2018	1
31401X BJ 5	FN 721041		09/01/2005	MBS PAYDOWN		101,009	101,009	103,739	103,507	(2,498)		(2,498)		101,009				0	4,345	07/01/2033	1
31402F DL 6	FN 727407		09/01/2005	MBS PAYDOWN		70,442	70,442	69,539	69,655	786		786		70,442				0	2,057	05/01/2018	1
31403Y G6 4	FN 761721		09/01/2005	MBS PAYDOWN		34,257	34,257	33,904	33,932	325		325		34,257				0	1,153	01/01/2033	1
31404B VC 3	FN 763911		09/01/2005	MBS PAYDOWN		57,330	57,330	57,580	57,557	(228)		(228)		57,330				0	1,699	10/01/2018	1
31404N WB 8	FN 773842		09/01/2005	MBS PAYDOWN		172,316	172,316	174,793	174,612	(2,297)		(2,297)		172,316				0	6,485	01/01/2034	1
31404R MD 6	FN 776256		09/01/2005	MBS PAYDOWN		203,651	203,651	204,065	204,039	(388)		(388)		203,651				0	7,841	12/01/2033	1
31404U CL 2	FN 778675		09/01/2005	MBS PAYDOWN		15,602	15,602	15,407	15,420	182		182		15,602				0	472	02/01/2019	1
31404Y KL 5	FN 782499		09/01/2005	MBS PAYDOWN		150,455	150,455	149,785	149,831	624		624		150,455				0	4,077	03/01/2034	1
31405C HF 9	FN 785130		09/01/2005	MBS PAYDOWN		663,091	663,091	672,830	672,446	(9,355)		(9,355)		663,091				0	22,456	07/01/2019	1
31406W US 1	FN 822393		09/01/2005	MBS PAYDOWN		9,393	9,393	9,488	9,488	(95)		(95)		9,393				0	173	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
31379J Z2 5	FNMA POOL #421161		09/01/2005	MBS PAYDOWN		1,180	1,180	1,186	1,184	(3)		(3)		1,180				0	51	10/01/2012	1
31379Q 2H 2	FNMA #426576		09/01/2005	MBS PAYDOWN		10,782	10,782	10,725	10,741	41		41		10,782				0	485	07/01/2027	1
31388P XQ 9	FNMA #610987		09/01/2005	MBS PAYDOWN		93,406	93,406	93,807	93,700	(294)		(294)		93,406				0	3,539	04/01/2016	1
31390L RG 3	FNMA #649487		09/01/2005	MBS PAYDOWN		122,227	122,227	126,639	125,524	(3,297)		(3,297)		122,227				0	5,941	05/01/2032	1
31389V SD 0	FNMA PL # F636916		09/01/2005	MBS PAYDOWN		69,043	69,043	70,856	70,314	(1,271)		(1,271)		69,043				0	2,840	11/01/2016	1
31371K R3 7	FNMA PL 254406		09/01/2005	MBS PAYDOWN		65,436	65,436	67,103	66,594	(1,158)		(1,158)		65,436				0	2,819	12/01/2031	1
31387N 2W 6	FNMA PL 589489		09/01/2005	MBS PAYDOWN		80,392	80,392	81,598	81,221	(829)		(829)		80,392				0	3,492	09/01/2015	1
31389N 4X 0	FNMA PL# 630938		09/01/2005	MBS PAYDOWN		133,209	133,209	131,856	132,190	1,019		1,019		133,209				0	4,600	09/01/2016	1
31389P MP 2	FNMA PL# 631366		09/01/2005	MBS PAYDOWN		2,117	2,117	2,171	2,155	(39)		(39)		2,117				0	94	03/01/2016	1
31400Y ET 9	FNMA PL#701346		09/01/2005	MBS PAYDOWN		104,460	104,460	107,790	107,097	(2,637)		(2,637)		104,460				0	4,096	08/01/2032	1
31359U ZR 9	FNMA REMIC 98-W8 A6		09/01/2005	MBS PAYDOWN		32,329	32,329	32,329	32,329					32,329				0	1,288	04/01/2012	1
31379R VS 4	FNMA#427325		09/01/2005	MBS PAYDOWN		36,841	36,841	37,013	36,948	(107)		(107)		36,841				0	1,594	07/01/2012	1
31379T TE 4	FNMA#429049		09/01/2005	MBS PAYDOWN		15,691	15,691	15,764	15,737	(46)		(46)		15,691				0	727	10/01/2012	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
31392H SC 8	FNR 2003-4 PG		09/01/2005	MBS PAYDOWN		394,828	394,828	407,166	401,816	(6,989)		(6,989)		394,828				0	11,861	12/01/2006	1
31393A 5L 7	FNR 2003-43 PJ		09/01/2005	MBS PAYDOWN		227,206	227,206	231,040	229,240	(2,033)		(2,033)		227,206				0	6,132	12/01/2005	1
31393B 2U 8	FNR 2003-60 NA		09/01/2005	MBS PAYDOWN		142,367	142,367	138,897	138,897	3,470		3,470		142,367				0	2,391	03/01/2013	1
31394A 5Z 3	FNR 2004-74 BA		09/01/2005	MBS PAYDOWN		269,115	269,115	267,896	267,934	1,181		1,181		269,115				0	8,145	11/01/2014	1
31394C 7A 4	FNR 2005-30 BC		09/01/2005	MBS PAYDOWN		271,441	271,441	272,290	271,441	(848)		(848)		271,441				0	4,571	01/01/2017	1
31394C N3 2	FNR 2005-33 VA		09/01/2005	MBS PAYDOWN		26,272	26,272	26,506	26,506	(234)		(234)		26,272				0	548	03/01/2016	1

E05.2

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	11 Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC 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.							
3199999	Total - Bonds - Special Revenue & Assessment					27,707,523	27,714,469	28,128,897	27,835,352	0	(122,779)	0	(122,779)	0	27,712,573	0	(5,050)	(5,050)	706,189	XXX	XXX
Bonds - Public Utilities																					
882556 AA 1	TEXAS MUNICIPAL GAS CORP	2.60	07/01/2005	SINKING FUND REDEMPTION		185,000	185,000	185,000	185,000				0	185,000			0	0	4,810	07/01/2007	1FE
3899999	Total - Bonds - Public Utilities					185,000	185,000	185,000	185,000	0	0	0	0	185,000	0	0	0	0	4,810	XXX	XXX
Bonds - Industrial and Miscellaneous																					
00441R AJ 6	ACERV 2001-RV1 E	8.700	07/14/2005	PRIOR YEAR INCOME									0					0	09/20/2021	3FE	
05947U LH 9	BACM 2003-1 A1	3.878	09/01/2005	MBS PAYDOWN		19,853	19,853	19,601	19,601		252		252	19,853			0	446	01/01/2012	1FE	
05949A PF 1	BOAMS 2004-7 5A52	5.250	09/01/2005	MBS PAYDOWN		88,614	88,614	88,171	88,197		417		417	88,614			0	3,177	07/01/2007	1FE	
05949A PN 4	BOAMS 2004-7 6A1	4.500	09/01/2005	MBS PAYDOWN		71,245	71,245	70,722	70,722		523		523	71,245			0	1,935	07/01/2019	1FE	
12189P AF 9	BURLINGTON/SANTA	7.570	07/02/2005	SINKING FUND REDEMPTION		1,199	1,199	1,349	1,336		(137)		(137)	1,199			0	91	01/02/2021	1FE	
17305E AA 3	CCCIT 2000-B1 B1	7.050	09/15/2005	MBS PAYDOWN		3,000,000	3,000,000	3,318,516	3,063,054		(63,054)		(63,054)	3,000,000			0	211,500	09/15/2005	1FE	
12669F J8 7	CHWL 2004-13 2A1	5.000	09/01/2005	MBS PAYDOWN		46,256	46,256	46,234	46,234		22		22	46,256			0	193	05/01/2007	1FE	
125577 AK 2	CIT GROUP INC	7.625	08/16/2005	MATURITY		2,000,000	2,000,000	2,168,760	2,075,385		(75,385)		(75,385)	2,000,000			0	152,500	08/16/2005	1FE	
161581 CT 8	CMAOT 2003-A A3	1.520	09/15/2005	MBS PAYDOWN		215,699	215,699	215,708	215,703		(3)		(3)	215,699			0	2,187	02/15/2006	1FE	
201730 AA 6	CMAT 99-C1 A1	6.250	07/11/2005	MBS PAYDOWN		333,259	333,259	353,266	339,802		(6,543)		(6,543)	333,259			0	12,150	10/11/2005	1FE	
172973 YT 0	CMSI 2004-5 1A3	5.250	09/01/2005	MBS PAYDOWN		89,833	89,833	89,664	89,671		162		162	89,833			0	3,130	01/01/2008	1FE	
172973 P3 7	CMSI 2005-1 2A1	4.750	09/01/2005	MBS PAYDOWN		98,655	98,655	97,221	97,221		1,434		1,434	98,655			0	1,749	02/01/2020	1FE	
20033T AF 2	COMED 1998-1 A6	5.630	09/25/2005	MBS PAYDOWN		165,682	165,682	182,929	174,215		(8,533)		(8,533)	165,682			0	6,996	06/25/2007	1FE	
21075W FZ 3	CONHE 1997-4 A7	6.630	09/01/2005	MBS PAYDOWN		3,062	3,062	3,123	3,062		0		0	3,062			0	135	10/01/2008	1FE	
22540V EH 1	CSFB 2001-CKN5 A3	5.107	09/01/2005	MBS PAYDOWN		30,941	30,941	32,739	32,269		(1,328)		(1,328)	30,941			0	1,048	10/01/2009	1FE	
22541S HS 0	CSFB 2004-C2 A1	3.819	09/01/2005	MBS PAYDOWN		30,142	30,142	28,937	29,020		1,122		1,122	30,142			0	763	12/01/2013	1FE	
225458 PD 4	CSFB 2005-AGE1 B3 FLTR	7.330	09/26/2005	MBS PAYDOWN		259	259	259	259		0		0	259			0	2	06/25/2012	2FE	
126671 LF 1	CWL 2001-1 AF6	6.430	08/01/2005	MBS PAYDOWN		372,849	372,849	386,831	377,763		(4,914)		(4,914)	372,849			0	15,961	05/01/2014	1FE	
152314 CT 5	CXHE 2000-C A6	7.540	09/01/2005	MBS PAYDOWN		367,688	367,688	387,982	373,185		(5,497)		(5,497)	367,688			0	20,700	03/01/2009	1FE	
152314 DF 4	CXHE 2001-A A4	6.470	09/01/2005	MBS PAYDOWN		88,242	88,242	88,241	88,241		0		0	88,241		1	0	3,633	04/01/2006	1FE	
152314 DH 0	CXHE 2001-A A6	6.250	09/01/2005	MBS PAYDOWN		15,872	15,872	16,476	16,068		(196)		(196)	15,872			0	643	06/01/2010	1FE	
152314 HK 9	CXHE 2003-C AF2	2.920	07/01/2005	MBS PAYDOWN		30,868	30,868	30,866	30,867		1		1	30,868			0	526	08/01/2005	1FE	
23322B FZ 6	DLJCM 99-CG3 A1A	7.120	09/01/2005	MBS PAYDOWN		52,148	52,148	56,351	54,817		(2,669)		(2,669)	52,148			0	2,631	10/01/2008	1FE	
25786T BG 7	DONNELLEY & SONS MTN	6.660	07/06/2005	MATURITY		1,000,000	1,000,000	1,082,400	1,023,297		(23,297)		(23,297)	1,000,000			0	42,735	07/06/2005	2FE	
29078P AB 6	EAST 2000-A A2	4.248	09/15/2005	MBS PAYDOWN		129,184	129,184	129,184	129,184		0		0	129,184			0	11,405	12/15/2009	4FE	
29475A AQ 9	EQABS 02-1 AF2	5.523	09/01/2005	MBS PAYDOWN		13,302	13,302	13,451	13,389		(87)		(87)	13,302			0	537	11/01/2005	1FE	
294751 CZ 3	EQABS 2003-4 AF3	3.531	09/01/2005	MBS PAYDOWN		1,783,450	1,783,450	1,783,449	1,783,449		2		2	1,783,450			0	43,329	09/01/2006	1FE	
31846L BT 2	FAMLT 1998-1F NOTE	6.610	09/01/2005	MBS PAYDOWN		776	776	786	776		0		0	776			0	35	08/01/2014	1FE	
301965 CH 0	FFCA 2000-1 B 144A	8.180	09/18/2005	MBS PAYDOWN		319	319	319	319		0		0	319			0	2	08/01/2019	3FE	
33735P AE 7	FUCMT 1999-C1 A1	5.730	09/01/2005	MBS PAYDOWN		33,320	33,320	34,247	33,774		(454)		(454)	33,320			0	2,132	06/01/2007	1FE	
337367 AB 2	FULBA 1998-C2 A2	6.560	09/01/2005	MBS PAYDOWN		234,486	234,486	261,250	250,666		(16,180)		(16,180)	234,486			0	11,073	11/01/2008	1FE	
337378 AA 1	FUNBC 1999-C4 A1	7.180	09/01/2005	MBS PAYDOWN		4,847	4,847	5,163	5,055		(208)		(208)	4,847			0	232	09/01/2007	1FE	
33736X AA 7	FUNBC 2000-C1 A1	7.739	09/01/2005	MBS PAYDOWN		213,319	213,319	239,268	231,616		(18,297)		(18,297)	213,319			0	9,790	12/01/2008	1FE	
396789 JU 4	GCCFC 2005-GG3 A4	4.799	08/04/2005	GOLDMAN SACHS		1,488,750	1,500,000	1,501,875	1,501,875		(8)		(8)	1,501,867		(13,117)	(13,117)	1,600	12/01/2014	1FE	
361849 DY 5	GMACC 1998-C2 A2	6.420	09/01/2005	MBS PAYDOWN		75,521	75,521	84,427	80,893		(5,373)		(5,373)	75,521			0	3,231	07/01/2008	1FE	
361849 ES 7	GMACC 1999-C1 A1	5.830	09/01/2005	MBS PAYDOWN		6,410	6,410	6,590	6,504		(94)		(94)	6,410			0	437	11/01/2006	1FE	
361849 FT 4	GMACC 1999-C2 CL A1	6.570	09/01/2005	MBS PAYDOWN		12,966	12,966	13,637	13,325		(358)		(358)	12,966			0	571	02/01/2007	1FE	
393505 UW 0	GT 1997-4 M1	7.220	09/15/2005	MBS PAYDOWN		6,951	6,951	6,951	6,951		0		0	6,951			0	65	03/15/2023	4FE	
393505 YB 2	GT 1997-8 B1	7.170	09/15/2005	MBS PAYDOWN		28,920	28,920	28,920	28,920		0		0	28,920			0	1,550	08/15/2009	6FE	
393505 T5 1	GT 1999-1 M1	9.779	09/01/2005	MBS PAYDOWN		4,213	4,213	4,213	4,213		0		0	4,213			0	245	05/01/2025	5FE	
393505 W4 0	GT 1999-2 M1	6.800	09/01/2005	MBS PAYDOWN		13,582	13,582	13,582	13,582		0		0	13,582			0	522	01/01/2022	5FE	
456606 CF 7	INHEL 2001-A MV2 FLTR	4.980	09/25/2005	MBS PAYDOWN		687,092	687,092	687,092	687,092		0		0	687,092			0	13,707	07/25/2006	1FE	
456606 DE 9	INHEL 2001-C B	6.180	09/25/2005	MBS PAYDOWN		61,071	61,071	61,071	61,071		0		0	61,071			0	2,611	06/25/2007	2FE	

E05.3

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	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.							
47214T AA 7	JCPL 2002-A A1		09/05/2005	MBS PAYDOWN		47,426	47,426	49,901	48,950	(1,524)			(1,524)		47,426			0	1,490	12/05/2007	1FE
46625M WW 5	JPMCC 2003-CB6 A1		09/01/2005	MBS PAYDOWN		33,373	33,373	33,516	33,516	(143)			(143)		33,373			0	855	12/01/2012	1FE
52108H FK 5	LBUBS 2001-C3 A1		09/11/2005	MBS PAYDOWN		15,201	15,201	15,646	15,646	(445)			(445)		15,201			0	77	12/11/2010	1FE
52108H GS 8	LBUBS 2005-C5 A1		09/11/2005	MBS PAYDOWN		46,026	46,026	46,255	46,255	(229)			(229)		46,026			0	182	03/11/2010	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 FG 3	MSC 1998-HF1 A2		09/01/2005	MBS PAYDOWN		332,862	332,862	372,615	354,902	(22,040)			(22,040)		332,862			0	18,966	01/01/2008	1FE
61745M ES 8	MSC 1998-WF1 A2		09/01/2005	MBS PAYDOWN		332,993	332,993	370,865	355,060	(22,067)			(22,067)		332,993			0	20,457	12/01/2007	1FE
62621D AA 8	MUNI CORRECTIONS FINANCE	8.4	08/01/2005	SINKING FUND REDEMPTION		22,796	22,796	22,796	22,796				0		22,796			0	1,931	08/01/2016	2FE
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
655356 JE 4	NASC 1998-D6 A1A		09/11/2005	MBS PAYDOWN		186,515	186,515	200,707	194,520	(8,006)			(8,006)		186,515			0	7,375	07/11/2007	1FE
634902 JB 7	NATL CITY BANK		08/24/2005	SINKING FUND REDEMPTION		227,273	227,273	226,605	226,605	668			668		227,273			0	6,136	08/24/2009	1FE
648053 AA 4	NEW PLAN EXCEL REALTY TR	5.88	09/15/2005	CALL BY ISSUER 102.841		514,205	500,000	498,300	499,102	245			245		499,347		14,858	14,858	22,028	06/15/2007	2FE
64109Y AA 9	NLFLP 05-1A		09/27/2005	MBS PAYDOWN		205,706	205,706	205,706	205,706				0		205,706			0	4,234	03/27/2011	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
705220 AF 8	PECO 1999-A A6		09/01/2005	MBS PAYDOWN		375,073	375,073	418,221	393,640	(18,566)			(18,566)		375,073			0	22,692	03/01/2007	1FE
69340W AA 1	PLC TRUST 2003-1		06/30/2005	SINKING FUND REDEMPTION		182,332	182,332	182,332	182,332				0		182,332			0	2,470	03/31/2006	1FE
76110H DB 2	RALI 2003-QS10 A13		09/01/2005	MBS PAYDOWN		268,372	268,372	262,585	263,438	4,934			4,934		268,372			0	7,485	06/01/2010	1FE
760985 MY 4	RAMP 2002-RZ3 A4		07/01/2005	MBS PAYDOWN		24,127	24,127	23,746	23,984	143			143		24,127			0	663	08/01/2005	1FE
76110W GG 5	RASC 1999-KS2 A19		09/01/2005	MBS PAYDOWN		47,761	47,761	50,223	48,399	(639)			(639)		47,761			0	2,297	02/01/2014	1FE
76110W HL 3	RASC 1999-KS4 A14		09/01/2005	MBS PAYDOWN		23,544	23,544	24,593	23,943	(399)			(399)		23,544			0	1,130	05/01/2010	1FE
76110W JZ 0	RASC 2000-KS3 A16		09/01/2005	MBS PAYDOWN		63,576	63,576	67,619	64,807	(1,231)			(1,231)		63,576			0	3,229	04/01/2013	1FE
76110W RM 0	RASC 2003-KS4 A13		09/01/2005	MBS PAYDOWN		377,494	377,494	377,424	377,458	35			35		377,494			0	6,316	01/01/2006	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
76110V LU 0	RFMS2 2003-HS1 A13		07/01/2005	MBS PAYDOWN		102,816	102,816	102,807	102,814	1			1		102,816			0	1,583	10/01/2005	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
86359D LX 3	SASC 2005-S4 A		09/01/2005	MBS PAYDOWN		111,212	111,212	109,787	109,787	1,425			1,425		111,212			0	684	09/01/2008	1FE
865622 AB 0	SUMITOMO MITSUI 144A		07/15/2005	UBS SECURITIES		754,125	750,000	746,048	746,048				0		746,048		8,078	8,078		07/15/2049	2FE
89232X AC 4	TAOT 2002-C A3		09/15/2005	MBS PAYDOWN		114,838	114,838	116,206	115,221	(383)			(383)		114,838			0	2,031	10/15/2005	1FE
60935B DZ 9	TMSHE 1998-B AF9		09/01/2005	MBS PAYDOWN		13,410	13,410	13,947	13,614	(204)			(204)		13,410			0	594	08/01/2013	1FE
87302* AA 0	TSV L P 144A		07/08/2005	SINKING FUND REDEMPTION		105,000	105,000	109,995	109,408	(4,408)			(4,408)		105,000			0	6,300	07/09/2013	1FE
96683M AC 7	WALT 2002-1 A3		09/15/2005	MBS PAYDOWN		147,933	147,933	149,851	148,403	(470)			(470)		147,933			0	2,521	09/15/2005	1FE
94356# AA 7	WAVELAND NCP ALABAMA CAPCO NOT		08/15/2005	SINKING FUND REDEMPTION		82,975	82,975	82,975	82,975				0		82,975			0	5,331	03/01/2014	1FE
94356* AA 1	WAVELAND NCP TEXAS VENTURES		08/01/2005	SINKING FUND REDEMPTION		68,264	68,264	68,264	68,264				0		68,264			0	791	08/01/2011	1FE
950590 AJ 8	WENDYS INTL		08/01/2005	MORGAN STANLEY DEAN WI		515,200	500,000	578,115	565,606	(4,969)			(4,969)		560,637		(45,437)	(45,437)	22,483	11/15/2011	2FE
92925U AD 4	WESTO 2001-C A4		09/20/2005	MBS PAYDOWN		401,313	401,313	422,068	405,644	(4,331)			(4,331)		401,313			0	15,591	06/20/2007	1FE
949762 AA 6	WFMB 2003-10 A1		09/01/2005	MBS PAYDOWN		40,015	40,015	39,115	39,364	651			651		40,015			0	1,168	08/01/2018	1FE
94979F AC 0	WFMB 2003-12 A3		09/01/2005	MBS PAYDOWN		87,784	87,784	87,469	87,469	315			315		87,784			0	1,814	10/01/2018	1FE
94981A AA 1	WFMB 2003-14 1A1		09/01/2005	MBS PAYDOWN		51,467	51,467	51,303	51,306	161			161		51,467			0	1,654	11/01/2018	1FE
94982E AA 2	WFMB 2005-1 1A1		09/01/2005	MBS PAYDOWN		66,468	66,468	66,473	66,473	(5)			(5)		66,468			0	1,620	01/01/2020	1FE
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					21,436,542	21,414,262	22,486,402	21,836,299	0	(364,140)	0	(364,140)	0	21,472,160	0	(35,617)	(35,617)	916,934	XXX	XXX
6099997	Total - Bonds - Part 4					53,749,849	53,695,520	55,249,195	54,292,261	0	(506,859)	0	(506,859)	0	53,785,402	0	(35,552)	(35,552)	1,745,845	XXX	XXX
6099999	Total - Bonds					53,749,849	53,695,520	55,249,195	54,292,261	0	(506,859)	0	(506,859)	0	53,785,402	0	(35,552)	(35,552)	1,745,845	XXX	XXX
7499999	Total - Bonds, Preferred and Common Stocks					53,749,849	53,695,520	55,249,195	54,292,261	0	(506,859)	0	(506,859)	0	53,785,402	0	(35,552)	(35,552)	1,745,845	XXX	XXX

E05.4

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 Prior Year Book/ Adjusted Carrying Value	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 Desig- nation 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.							

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

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

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

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

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

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
BANK OF AMERICA.....	ATLANTA, GA.....	.....	.....	.....	.....896,434	.....872,049	.....974,270	XXX
BANK ONE.....	BATON ROUGE, LA.....	.....	.....	.....	.....70,000	.....70,000	.....70,000	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....	.....	.....	.....	.....58,635	.....58,806	.....58,953	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(9,811,432)	.....(2,234,188)	.....(7,720,795)	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....	.....	.....	.....	.....131,567	.....131,907	.....103,026	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(8,654,797)	.....(1,101,426)	.....(6,514,545)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(8,654,797)	.....(1,101,426)	.....(6,514,545)	XXX
0499999. Cash in Company's Office.....	XXX.....	XXX.....	XXX.....	XXX.....	.....3,108	.....3,108	.....3,108	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(8,651,689)	.....(1,098,319)	.....(6,511,438)	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								
31294K ZB 4	FHLMCG 15 YR PL # 001638- REPOS.....	RA...	.....09/30/2005	.....3.550	.....10/03/2005	.....8,416,000	.....	.....127,253
0199999.	Totals.....					.....8,416,000	.....0	.....127,253