

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
March 31, 2006

2006



QUARTERLY STATEMENT

As of March 31, 2006
of the Condition and Affairs of the

THE MEDICAL ASSURANCE COMPANY, INC.

NAIC Group Code.....2698, 2698 (Current Period) (Prior Period)	NAIC Company Code..... 33391	Employer's ID Number..... 63-0720042
Organized under the Laws of AL	State of Domicile or Port of Entry AL	Country of Domicile US
Incorporated/Organized..... October 1, 1976	Commenced Business..... April 15, 1977	
Statutory Home Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Mail Address	P.O. Box 590009..... Birmingham AL 35259-0009 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	proassurance.com	
Statutory Statement Contact	JEFFREY M. MANGET <i>(Name)</i> jmanget@proassurance.com <i>(E-Mail Address)</i>	205-877-4442 <i>(Area Code) (Telephone Number) (Extension)</i> 205-868-4029 <i>(Fax Number)</i>
Policyowner Relations Contact	100 BROOKWOOD PLACE..... BIRMINGHAM AL 35209 <i>(Street and Number) (City or Town, State and Zip Code)</i>	205-877-4400 <i>(Area Code) (Telephone Number) (Extension)</i>

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

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

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

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

_____ (Signature) HOWARD HARLEY FRIEDMAN 1. (Printed Name) PRESIDENT (Title)	_____ (Signature) KATHRYN ANNE NEVILLE 2. (Printed Name) SECRETARY (Title)	_____ (Signature) JAMES JOSEPH MORELLO 3. (Printed Name) TREASURER (Title)
---	---	---

Subscribed and sworn to before me
This _____ day of _____

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	1,328,322,232		1,328,322,232	1,329,413,702
2. Stocks:				
2.1 Preferred stocks.....	4,333,567		4,333,567	4,357,148
2.2 Common stocks.....	3,570,793		3,570,793	3,398,641
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).....	12,287,166		12,287,166	12,509,817
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 (\$.....(1,448,358)), cash equivalents (\$.....88,270,392) and short-term investments (\$.....17,606,957).....	107,393,442	2,964,451	104,428,991	41,351,747
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	17,529,790		17,529,790	18,154,809
8. Receivables for securities.....	5,205,391		5,205,391	1,930
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	1,478,642,381	2,964,451	1,475,677,930	1,409,187,794
11. Title Plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	13,485,875		13,485,875	13,438,042
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	25,089,353	467,068	24,622,285	29,759,571
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	46,709,301		46,709,301	42,827,016
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	2,361,748		2,361,748	5,648,654
14.2 Funds held by or deposited with reinsured companies.....	70,448		70,448	70,448
14.3 Other amounts receivable under reinsurance contracts.....	256,136		256,136	202,457
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.....	57,104,386	35,188,873	21,915,513	22,694,115
17. Guaranty funds receivable or on deposit.....	315,907		315,907	354,582
18. Electronic data processing equipment and software.....	840,427	448,180	392,247	414,819
19. Furniture and equipment, including health care delivery assets (\$.....0).....	594,526	594,526	0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	2,102,510		2,102,510	938,783
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	47,280,134	1,649,487	45,630,647	45,170,395
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	1,674,853,132	41,312,585	1,633,540,547	1,570,706,676
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	1,674,853,132	41,312,585	1,633,540,547	1,570,706,676

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.....	1,649,487	1,649,487	0	
2302. Cash Surrender Value of Business Owned Life Insurance.....	45,630,647		45,630,647	45,170,395
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).....	47,280,134	1,649,487	45,630,647	45,170,395

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$ 22,348,761).....	442,273,467	425,602,479
2. Reinsurance payable on paid losses and loss adjustment expenses.....	2,448,900	3,906,548
3. Loss adjustment expenses.....	583,756,587	568,014,546
4. Commissions payable, contingent commissions and other similar charges.....	5,761,310	6,114,580
5. Other expenses (excluding taxes, licenses and fees).....	4,939,140	8,009,994
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	534,443	832,575
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses)).....	7,880,320	2,945,554
7.2 Net deferred tax liability.....		
8. Borrowed money \$ 0 and interest thereon \$ 0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 12,996,917 and including warranty reserves of \$ 0).....	153,202,483	144,650,546
10. Advance premium.....	1,137,485	3,411,338
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	69,496,739	70,904,665
13. Funds held by company under reinsurance treaties.....	263,000	263,000
14. Amounts withheld or retained by company for account of others.....	544,889	1,683,121
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....	3,202,800	3,202,800
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	6,559,383	789,096
20. Payable for securities.....	6,776,889	1,712,000
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$ 0 and interest thereon \$ 0.....		
23. Aggregate write-ins for liabilities.....	0	(1)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	1,288,777,835	1,242,042,841
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	1,288,777,835	1,242,042,841
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).....	130,362,514	114,263,637
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).....	344,762,712	328,663,835
36. TOTALS.....	1,633,540,547	1,570,706,676

DETAILS OF WRITE-INS

2301. Other.....		(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).....	0	(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

THE MEDICAL ASSURANCE COMPANY, INC.
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 \$....90,554,888).....	82,437,035	86,317,585	347,827,643
1.2 Assumed..... (written \$....(15,590)).....	(15,590)	419,948	648,217
1.3 Ceded..... (written \$....5,879,148).....	6,313,232	10,216,645	45,374,517
1.4 Net..... (written \$....84,660,150).....	76,108,213	76,520,888	303,101,343
DEDUCTIONS:			
2. Losses incurred (current accident year \$....22,444,819):			
2.1 Direct.....	26,971,175	34,690,104	103,690,701
2.2 Assumed.....	(16,260)	291,967	1,467,027
2.3 Ceded.....	6,145,152	7,057,301	28,564,575
2.4 Net.....	20,809,763	27,924,770	76,593,153
3. Loss expenses incurred.....	35,895,559	38,272,461	161,709,054
4. Other underwriting expenses incurred.....	12,631,446	9,360,591	41,317,438
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	69,336,768	75,557,822	279,619,645
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	6,771,445	963,066	23,481,698
INVESTMENT INCOME			
9. Net investment income earned.....	14,745,474	11,260,885	49,319,710
10. Net realized capital gains (losses) less capital gains tax of \$....67,131.....	124,673	1,164,229	612,877
11. Net investment gain (loss) (Lines 9 + 10).....	14,870,147	12,425,114	49,932,587
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	638,862	479,079	1,845,440
15. Total other income (Lines 12 through 14).....	638,862	479,079	1,845,440
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	22,280,454	13,867,259	75,259,725
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).....	22,280,454	13,867,259	75,259,725
19. Federal and foreign income taxes incurred.....	4,867,635	3,044,929	21,231,555
20. Net income (Line 18 minus Line 19) (to Line 22).....	17,412,819	10,822,330	54,028,170
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	328,663,835	276,908,603	276,908,603
22. Net income (from Line 20).....	17,412,819	10,822,330	54,028,170
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or losses less capital gains tax of \$.....0.....	(818,537)	(518,811)	1,313,520
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(827,934)	170,146	1,087,833
27. Change in nonadmitted assets.....	332,529	(267,535)	(2,977,892)
28. Change in provision for reinsurance.....			(1,696,400)
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.....			
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	1
38. Change in surplus as regards policyholders (Lines 22 through 37).....	16,098,877	10,206,130	51,755,232
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	344,762,712	287,114,733	328,663,835
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.....	638,859	479,079	1,845,440
1402. Other.....	3		
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).....	638,862	479,079	1,845,440
3701.			1
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	1

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	82,260,399	317,147,284
2. Net investment income.....	17,270,562	57,940,357
3. Miscellaneous income.....	638,446	1,845,440
4. Total (Lines 1 through 3).....	100,169,407	376,933,081
5. Benefit and loss related payments.....	22,516,714	117,222,744
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	16,315,027	41,566,550
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net tax on capital gains (losses).....		15,623,813
10. Total (Lines 5 through 9).....	38,831,741	174,413,107
11. Net cash from operations (Line 4 minus Line 10).....	61,337,666	202,519,974
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	128,506,845	325,175,729
12.2 Stocks.....		11,376,324
12.3 Mortgage loans.....		
12.4 Real estate.....		(632)
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		(10,480)
12.7 Miscellaneous proceeds.....	5,064,889	703,775
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	133,571,734	337,244,716
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	129,508,366	528,238,498
13.2 Stocks.....		4,380,940
13.3 Mortgage loans.....		
13.4 Real estate.....	42,849	1,649,205
13.5 Other invested assets.....	364,300	2,361,500
13.6 Miscellaneous applications.....	5,203,461	1,930
13.7 Total investments acquired (Lines 13.1 to 13.6).....	135,118,976	536,632,073
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).....	(1,547,242)	(199,387,357)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	3,527,139	13,835,132
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	3,527,139	13,835,132
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).....	63,317,563	16,967,749
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	44,075,877	27,108,128
19.2 End of period (Line 18 plus Line 19.1).....	107,393,441	44,075,877

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

20.0001		
---------------	--	--

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

- A. The components of the deferred tax asset (DTA) or liability (DTL) at March 31, 2006 and December 31, 2005 are as follows:

	<u>3/31/2006</u>	<u>12/31/2005</u>
(1) Total of all DTAs (admitted and nonadmitted)	\$ 59,016,529	\$ 60,300,028
(2) Total of all DTLs	1,912,143	2,367,708
(3) Total DTAs nonadmitted in accordance with SSAP No. 10 – Income Taxes	35,188,873	35,238,205
(4) The Total of all DTAs admitted [(1)-(2)-(3)]	21,915,513	22,694,115
(5) Increase(Decrease) in the year of nonadmitted DTAs	\$ (49,332)	\$ 2,257,202

- B. As of March 31, 2006 the Company had no unrecognized deferred income tax liabilities.

- C. The components of income tax expense incurred and the change in DTAs and DTLs are as follows:

	Three months of <u>3/31/2006</u>	Year ended <u>12/31/2005</u>
(1) Federal income tax provision	<u>\$ 4,934,766</u>	<u>\$ 21,561,566</u>
(2) Increase/(Decrease) in components of deferred taxes:		
Discounting of unpaid losses and LAE	(1,424,801)	1,327,718
Change in unearned premiums	439,466	(435,994)
Nonadmitted assets	52,755	252,242
Other	<u>(350,919)</u>	<u>243,676</u>
Change in deferred tax assets	(1,283,499)	1,387,642
Bond discount adjustment – net	31,338	223,246
Change in unrealized gain/loss	(346,726)	193,720
Other	<u>(140,177)</u>	<u>(117,157)</u>
Increase (Decrease) in DTLs	<u>(455,565)</u>	<u>299,809</u>
Increase (Decrease) in Net DTAs	<u>\$ (827,934)</u>	<u>\$ 1,087,833</u>
(3) No investment tax credits		
(4) No benefits of operating loss carry forwards		

NOTES TO FINANCIAL STATEMENTS

(5) No deferred tax adjustments for tax law changes

D. The Company's income tax expense and changes in its DTAs and DTLs differ from the amounts obtained by applying the federal income tax rate of 35% in 2006 and 2005 to statutory income from operations for the following reasons:

	Three months of 3/31/2006	Year ended 12/31/2005
Expected federal income tax expense (benefit)	\$ 7,821,653	\$ 26,456,408
Tax exempt income	(1,419,151)	(4,924,973)
Cash surrender value of life insurance	(161,088)	(646,787)
(Increase)/decrease in nonadmitted assets	(52,755)	(252,242)
Change in unrealized gain/loss	(346,726)	193,720
Other amounts	(79,233)	(352,393)
Total income tax expense incurred	<u>\$ 5,762,700</u>	<u>\$ 20,473,733</u>
Federal income tax provision	\$ 4,867,635	\$ 21,231,555
Tax expense on realized capital gain/losses	<u>67,131</u>	<u>330,011</u>
	4,934,766	21,561,566
Increase in net DTA	<u>827,934</u>	<u>(1,087,833)</u>
Total statutory income taxes	<u>\$ 5,762,700</u>	<u>\$ 20,473,733</u>

- F. (1) The Company will file a consolidated Federal Income Tax return through December 31, 2006 with its ultimate parent, ProAssurance Corporation, and all of the entities listed in detail in Schedule Y with the exception of American Medical Insurance Exchange. Please refer to Schedule Y for a detailed listing.
- (2) The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon the relationship of each company's taxable income to the total taxable income of the group.

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.

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

C. There were no wash sales in the first quarter of 2006.

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

NOTES TO FINANCIAL STATEMENTS

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

E. Commutation of Ceded Reinsurance

The Company has reported in its operations in the current year as a result of commutation of a specific reinsurance agreement with the companies listed below, amounts which are reflected as:

(1) Losses incurred	\$	212,203
(2) Loss adjustment expenses incurred		37,448
(3) Premiums earned		(2,692,396)
(4) Other	N/A	
(5) Companies		Converium Reinsurance NA, Inc.

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.

Note 31 - High Deductibles

No significant change.

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

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2002.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/25/2003.....
- 6.4 By what department or departments?
ALABAMA DEPARTMENT OF INSURANCE

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

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

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

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

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....81

INVESTMENT

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

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]
- 11.2 If yes, give full and complete information relating thereto:

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

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
14.21 Bonds.....	\$.....0	\$.....0
14.22 Preferred Stock.....	\$.....0	\$.....0
14.23 Common Stock.....	\$.....3,398,236	\$.....3,570,345
14.24 Short-Term Investments.....	\$.....0	\$.....0
14.25 Mortgages, Loans or Real Estate.....	\$.....0	\$.....0
14.26 All Other.....	\$.....0	\$.....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$.....3,398,236	\$.....3,570,345
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$.....0	\$.....0

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

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

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

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

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

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

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

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
WACHOVIA BANK	US BANK	01/01/2006	CUSTODIAL OPERATIONS SOLD

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

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

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

17.2 If no, list exceptions: _____

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.....	12,509,817	11,881,488
2. Increase (decrease) by adjustment.....	(265,500)	(1,020,244)
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....	42,849	1,649,205
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.....	12,287,166	12,509,817
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	12,287,166	12,509,817
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	12,287,166	12,509,817

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	18,154,809	14,193,266
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....		1,912,500
2.2 Additional investment made after acquisitions.....	364,300	449,000
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....	(989,319)	1,600,043
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.....	17,529,790	18,154,809
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	17,529,790	18,154,809
12. Total nonadmitted amounts.....		
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	17,529,790	18,154,809

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.....	1,337,169,491	1,150,254,156
2. Cost of bonds and stocks acquired.....	129,508,366	532,619,438
3. Accrual of discount.....	204,489	860,399
4. Increase (decrease) by adjustment.....	28,707	(286,523)
5. Increase (decrease) by foreign exchange adjustment.....		
6. Total profit (loss) on disposal.....	333,919	954,000
7. Consideration for bonds and stocks disposed of.....	128,506,845	336,552,053
8. Amortization of premium.....	2,511,535	10,679,926
9. Book/adjusted carrying value, current period.....	1,336,226,592	1,337,169,491
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	1,336,226,592	1,337,169,491
12. Total nonadmitted amounts.....		
13. Statement value.....	1,336,226,592	1,337,169,491

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.....	1,310,277,968	507,459,038	442,280,866	(1,744,100)	1,373,712,037			1,310,277,968
2. Class 2.....	45,713,002	1,645,352	2,641,839	(1,331,994)	43,384,522			45,713,002
3. Class 3.....	5,288,544	962,960	136,827	944,832	7,059,509			5,288,544
4. Class 4.....	5,840,898	30,654	1,219,930	164,473	4,816,096			5,840,898
5. Class 5.....	1,307,701	104,714	531,655	6,940	887,701			1,307,701
6. Class 6.....	1,115,194	554,215	42,041	22,799	1,650,167			1,115,194
7. Total Bonds.....	1,369,543,307	510,756,933	446,853,158	(1,937,050)	1,431,510,032	0	0	1,369,543,307
PREFERRED STOCK								
8. Class 1.....	4,357,148			(23,581)	4,333,567			4,357,148
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	4,357,148	0	0	(23,581)	4,333,567	0	0	4,357,148
15. Total Bonds and Preferred Stock.....	1,373,900,455	510,756,933	446,853,158	(1,960,631)	1,435,843,599	0	0	1,373,900,455

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.....	.....20,571,408	.....XXX.....	.....20,589,901	.....	.....

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.....	.....16,490,386	.....19,066,977
2. Cost of short-term investments acquired.....	.....66,399,470	.....442,519,851
3. Increase (decrease) by adjustment.....	.....(7,908)	.....23,019
4. Increase (decrease) by foreign exchange adjustment.....	.....	.....
5. Total profit (loss) on disposal of short-term investments.....	.....	.....(10,480)
6. Consideration received on disposal of short-term investments.....	.....62,310,540	.....445,108,981
7. Book/adjusted carrying value, current period.....	.....20,571,408	.....16,490,386
8. Total valuation allowance.....	.....	.....
9. Subtotal (Lines 7 plus 8).....	.....20,571,408	.....16,490,386
10. Total nonadmitted amounts.....	.....2,964,451	.....2,724,131
11. Statement value (Lines 9 minus 10).....	.....17,606,957	.....13,766,255
12. Income collected during period.....	.....196,036	.....1,083,217
13. Income earned during period.....	.....234,682	.....1,056,880

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

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)
U.S. Insurers				
10219.....	23-1641984.....	QBE Reinsurance Corporation.....	New York, NY.....	YES.....

THE MEDICAL ASSURANCE COMPANY, INC.

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	YES	32,980,085	35,409,423	957,267	2,466,003	156,324,424	144,541,161
2. Alaska.....AK	YES						
3. Arizona.....AZ	YES						
4. Arkansas.....AR	YES	403,494	582,736	(5,000)	(27,200)	10,438,623	8,450,936
5. California.....CA	YES						37,932
6. Colorado.....CO	YES						
7. Connecticut.....CT	NO						
8. Delaware.....DE	YES						
9. District of Columbia.....DC	YES						
10. Florida.....FL	YES	8,954	651,640	195,632	245,111	17,389,812	8,782,091
11. Georgia.....GA	YES	497,619	318,258	256,490		10,060,878	9,751,940
12. Hawaii.....HI	YES	240	404	5,294	127,416	3,530,981	3,788,982
13. Idaho.....ID	YES						
14. Illinois.....IL	YES	1,849				468,632	263,005
15. Indiana.....IN	YES	10,080,945	8,886,145	618,830	212,363	65,430,688	60,067,465
16. Iowa.....IA	YES						
17. Kansas.....KS	YES	1,087,438	1,229,620			7,317,139	5,272,978
18. Kentucky.....KY	YES					620,000	87,070
19. Louisiana.....LA	YES						
20. Maine.....ME	NO						
21. Maryland.....MD	YES					1,068,000	1,118,000
22. Massachusetts.....MA	YES						
23. Michigan.....MI	YES						
24. Minnesota.....MN	YES	4,000				2,163,505	1,662,238
25. Mississippi.....MS	NO		1,010			2,984,045	2,505,125
26. Missouri.....MO	YES	6,199,895	6,218,445	1,681,010	882,071	58,597,221	57,013,943
27. Montana.....MT	YES						
28. Nebraska.....NE	YES						
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	98,719	32,567			158,558	73,775
35. North Dakota.....ND	YES						
36. Ohio.....OH	YES	34,622,401	40,475,948	3,255,439	6,037,301	182,338,040	154,691,595
37. Oklahoma.....OK	YES	23,862		800		1,047,123	
38. Oregon.....OR	YES						
39. Pennsylvania.....PA	YES			73,578	24,283	601,995	1,032,474
40. Rhode Island.....RI	YES						
41. South Carolina.....SC	YES						
42. South Dakota.....SD	YES		2,005	(12,589)	(53,053)	1,736,886	1,892,110
43. Tennessee.....TN	YES	1,739,440	1,524,222		4,956	11,874,722	9,664,151
44. Texas.....TX	YES	415,862	632,138	135	3,919	12,249,224	10,091,670
45. Utah.....UT	YES						
46. Vermont.....VT	NO						
47. Virginia.....VA	YES	2,390,085	1,410,132	38,393	60,000	3,575,943	3,790,420
48. Washington.....WA	YES						
49. West Virginia.....WV	YES						
50. Wisconsin.....WI	YES						
51. Wyoming.....WY	YES						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Northern Mariana Islands.....MP	Invalid						
57. Canada.....CN	NO						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....(a)	44	90,554,888	97,374,693	7,065,279	9,983,170	549,976,439	484,580,272

DETAILS OF WRITE-INS

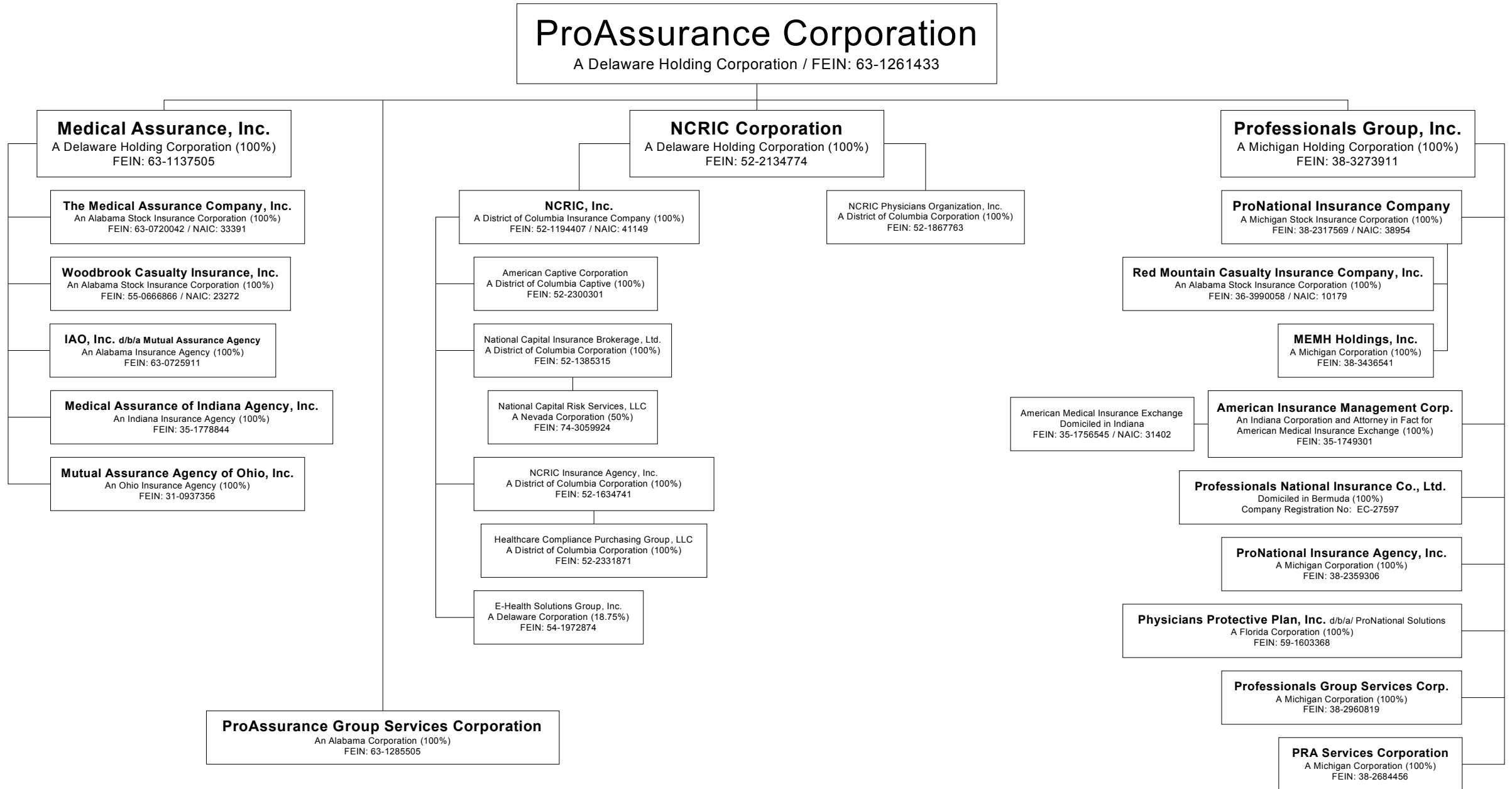
5801.....	XXX						
5802.....	XXX						
5803.....	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.....	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

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

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

PART 1 – ORGANIZATIONAL CHART

16



THE MEDICAL ASSURANCE COMPANY, INC.

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	
2. Allied lines.....			0.0	
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....	400,279	135,094	33.7	35.0
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....			0.0	
10. Financial guaranty.....			0.0	
11.1. Medical malpractice-occurrence.....	4,142,273	1,346,223	32.5	40.0
11.2. Medical malpractice-claims made.....	76,352,352	24,814,232	32.5	40.0
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.....	412,915	194,625	47.1	54.9
17.1. Other liability-occurrence.....	78,615	33,487	42.6	49.8
17.2. Other liability-claims made.....	1,050,602	447,514	42.6	49.8
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.....	82,437,036	26,971,175	32.7	40.2

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.....	356,181	356,181	333,922
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical malpractice-occurrence.....	4,141,605	4,141,605	(1,086)
11.2. Medical malpractice-claims made.....	84,912,714	84,912,714	95,820,119
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	468,502	468,502	466,450
17.1. Other liability-occurrence.....	74,276	74,276	70,985
17.2. Other liability-claims made.....	601,610	601,610	684,303
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.....	90,554,888	90,554,888	97,374,693

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2006 Loss and LAE Payments on Claims Reported as of Prior Year-End	2006 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2006 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2003 + Prior	.....350,961	.....139,553	.....490,514	.....13,406	.....1,051	.....14,457	.....320,074	.....366	.....153,117	.....473,557	.....(17,481)	.....14,981	.....(2,500)
2. 2004	.....121,291	.....134,832	.....256,123	.....3,641	.....751	.....4,392	.....132,663	.....543	.....118,524	.....251,730	.....15,013	.....(15,014)	.....(1)
3. Subtotals 2004 + Prior	.....472,252	.....274,385	.....746,637	.....17,047	.....1,802	.....18,849	.....452,737	.....909	.....271,641	.....725,287	.....(2,468)	.....(33)	.....(2,501)
4. 2005	.....69,000	.....177,979	.....246,979	.....3,453	.....574	.....4,027	.....94,091	.....733	.....148,129	.....242,953	.....28,544	.....(28,543)	.....1
5. Subtotals 2005 + Prior	.....541,252	.....452,364	.....993,616	.....20,500	.....2,376	.....22,876	.....546,828	.....1,642	.....419,770	.....968,240	.....26,076	.....(28,576)	.....(2,500)
6. 2006	.....XXX	.....XXX	.....XXX	.....XXX	.....1,416	.....1,416	.....XXX	.....8,810	.....48,979	.....57,789	.....XXX	.....XXX	.....XXX
7. Totals	.....541,252	.....452,364	.....993,616	.....20,500	.....3,792	.....24,292	.....546,828	.....10,452	.....468,749	.....1,026,029	.....26,076	.....(28,576)	.....(2,500)
8. Prior Year-End's Surplus As Regards Policyholders	.....328,664										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. ....4.8%	2. ....(6.3)%	3. ....(0.3)%
													Col. 13, Line 7 Line 8
													4. ....(0.8)%

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?

NO

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

YES

Explanation:

Bar Code:



**Overflow Page
NONE**

**Sch. A-Part 2
NONE**

**Sch. A-Part 3
NONE**

**Sch. B-Part 1
NONE**

**Sch. B-Part 2
NONE**

**Sch. BA-Part 1
NONE**

**Sch. BA-Part 2
NONE**

SCHEDULE D - PART 3

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

1	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									
912827 4F 6	US TREASURY N/B 05/15/2008 5.625		01/20/2006	MORGAN KEEGAN & CO INC		3,478,352	3,385,000	36,293	1
0399999	Total - Bonds - U.S. Government					3,478,352	3,385,000	36,293	XXX
Bonds - States, Territories and Possessions									
419780 Q3 8	HAWAII ST 07/01/2017 5.000		03/20/2006	BEAR STEARNS & CO		1,187,024	1,105,000	13,659	1FE
419780 Q5 3	HAWAII ST 07/01/2018 5.000		03/20/2006	BEAR STEARNS & CO		1,510,166	1,410,000	17,429	1FE
709141 Q9 9	PENNSYLVANIA ST 09/01/2016 5.000		03/15/2006	SALOMON SMITH BARNEY HLD		1,712,512	1,600,000	4,222	1FE
1799999	Total - Bonds - States, Territories & Possessions					4,409,702	4,115,000	35,310	XXX
Bonds - Political Subdivisions of States									
120518 ED 3	BUNCOBE CNTY N C CTFS 04/01/2018 5.000		03/15/2006	AG EDWARDS		1,200,758	1,125,000		1FE
181093 WC 5	CLARK CNTY WASH 01/01/2020 5.000		01/20/2006	DAIN RAUSCHER		1,554,618	1,415,000		1FE
213183 Y8 3	COOK CNTY ILL 11/15/2013 5.250		02/09/2006	WACHOVIA/FIRST UNION		1,094,410	1,000,000	12,979	1FE
232760 VV 7	CYPRESS FAIRBANKS TEX 02/15/2016 5.000		03/17/2006	MORGAN KEEGAN & CO INC		269,523	250,000	417	1FE
252255 JA 3	DEXTER MICH CMNTY SCHS 05/01/2018 5.100		03/22/2006	DAIN BOSWORTH		1,091,570	1,000,000	20,683	1FE
283483 HK 4	EL PASO CNTY COLO 12/01/2020 5.000		03/09/2006	STIFEL NICOLAUS		1,456,601	1,360,000		1FE
43232V KC 4	HILLSBOROUGH CNTY FLA 07/01/2017 5.250		03/15/2006	DAIN BOSWORTH		1,657,305	1,500,000	17,281	1FE
472736 H2 6	JEFFERSON CNTY COLO SC 12/15/2018 5.000		03/07/2006	SALOMON SMITH BARNEY HLD		2,134,300	2,000,000	23,611	1FE
732521 KL 2	PONTIAC MICH 05/01/2021 5.000		02/28/2006	DAIN RAUSCHER		1,067,260	1,000,000	694	1FE
798147 B2 9	SAN JOSE CALIF REDEV A 08/01/2020 5.000		03/17/2006	MERRILL LYNCH		1,485,848	1,400,000	9,917	1FE
2499999	Total - Bonds - Political Subdivision					13,012,193	12,050,000	85,582	XXX
Bonds - Special Revenue and Special Assessment									
033896 HT 1	ANDERSON IND SCH BLDG 01/15/2018 5.250		03/21/2006	MORGAN KEEGAN & CO INC		1,939,368	1,750,000	766	1FE
055053 AA 0	AZUSA PACIFIC UNIV CAL 04/01/2009 7.250		02/27/2006	CANCEL AND REPLACE		819,280	800,000	24,328	2FE
121342 KK 4	BURKE CNTY GA DEV AUTH 10/01/2032 3.200		02/07/2006	LEHMAN BROTHERS		3,155,000	3,155,000		1FE
13033K 2G 3	CA HFA VAR-AMT-SER D 02/01/2040 3.110		01/23/2006	MERRILL LYNCH		3,000,000	3,000,000	40,098	1FE
13033K 2L 2	CA HFA-VAR-AMT-MFH-B 02/01/2038 3.160		02/22/2006	MERRILL LYNCH		1,000,000	1,000,000	1,812	1FE
196630 2N 6	COLORADO SPRINGS COLO 11/15/2020 5.000		03/21/2006	GRIFFIN KUBIC		1,054,690	1,000,000	17,917	1FE
228485 DH 8	CROWN POINT INDIANA MU 07/15/2018 5.000		01/20/2006	DAIN RAUSCHER		1,257,990	1,165,000	1,618	1FE
20774W CZ 2	CT HFA VAR-SUBSER B-2 11/15/2035 3.150		02/15/2006	MERRILL LYNCH		1,000,000	1,000,000	7,767	1FE
207748 ZU 1	CT ST HSG-VAR-F2 11/15/2033 3.170		01/25/2006	MERRILL LYNCH		1,000,000	1,000,000	5,995	1FE
31407Y RS 0	FN 844797 08/01/2035 4.500		01/05/2006	CREDIT SUISSE FIRST BOSTON		1,890,623	1,999,998	2,750	1
442348 W3 8	HOUSTON TEX ARPT FLTR 07/01/2032 2.990		01/19/2006	BEAR STEARNS & CO		5,200,000	5,200,000	1,343	1FE
485428 5V 4	KANSAS ST DEV FIN AUTH 10/01/2018 5.000		03/21/2006	BAUM		2,016,988	1,885,000	53,147	1FE
49130P UA 0	KY HSG VAR-AMT-SER H 07/01/2036 3.160		02/15/2006	MERRILL LYNCH		1,000,000	1,000,000	3,773	1FE
49130P RT 3	KY HSG-VAR-AMT-B 07/01/2032 3.160		01/30/2006	MERRILL LYNCH		1,000,000	1,000,000	2,500	1FE
546398 MD 7	LOUISIANA PUB FACS AUT 07/01/2011 4.000		02/23/2006	MORGAN KEEGAN & CO INC		1,002,310	1,000,000		1FE
546475 DF 8	LOUISIANA ST GAS & FUE 05/01/2016 5.250		03/02/2006	MORGAN KEEGAN & CO INC		1,368,675	1,250,000	22,969	1FE
591745 ZT 4	METROPOLITAN ATLANTA 07/01/2020 5.000		03/21/2006	RYAN BECK & CO		5,351,350	5,000,000		1FE
59465M KZ 7	MI HSG VAR-AMT-SER A 10/01/2039 3.100		02/15/2006	MERRILL LYNCH		1,000,000	1,000,000	11,092	1FE
594653 T4 9	MI HSG-VAR-C 06/01/2030 3.100		02/10/2006	MERRILL LYNCH		1,500,000	1,500,000	9,017	1FE
594520 KH 0	MICHIGAN HIGHER ED STU 03/01/2040 3.400		02/27/2006	DAIN RAUSCHER		3,000,000	3,000,000	43,570	1FE
613352 AQ 6	MONTGOMERY HSG-ADJ-C 11/01/2032 3.110		02/17/2006	MERRILL LYNCH		1,000,000	1,000,000	8,740	1FE
64983R HE 0	NEW YORK ST DORM AUTH 05/15/2019 5.500		01/12/2006	MORGAN STANLEY DEAN WITTER		1,643,356	1,430,000	13,764	1FE
66042R BB 6	NORTH LAWRENCE IND CMN 07/15/2019 5.000		01/05/2006	DAIN RAUSCHER		1,165,483	1,100,000	26,736	1FE
64970K YX 9	NYC WTR-ADJ-F-SUB F1 06/15/2035 3.100		02/17/2006	MERRILL LYNCH		1,000,000	1,000,000	517	1FE
67755C QK 8	OHIO ST BLDG AUTH 04/01/2018 5.000		03/24/2006	HUTCHINSON SHOCKEY ERLEY & CO		1,600,800	1,500,000	37,083	1FE
684906 EG 1	ORANGE MFH-BAR-A-LAND 08/15/2035 3.170		02/10/2006	MERRILL LYNCH		1,500,000	1,500,000	3,270	1FE
684906 DM 9	ORANGE MFH-VAR-A-CHAR 07/15/2034 3.170		02/22/2006	MERRILL LYNCH		1,000,000	1,000,000	625	1FE
726286 CU 9	PALINFIELD IND CMNTY H 07/15/2019 5.000		01/19/2006	MORGAN KEEGAN & CO INC		1,208,491	1,120,000	8,400	1FE
708793 CG 7	PENNSYLVANIA HSG FIN A 10/01/2034 3.350		02/10/2006	GOLDMAN SACHS		3,600,000	3,600,000	427	1FE
722045 BG 5	PINAL CNTY ARIZ INDL D 10/01/2016 5.000		02/02/2006	MORGAN STANLEY DEAN WITTER		521,785	500,000		1FE
810489 HL 1	SCOTTSDALE ARIZ MUN PP 07/01/2018 5.000		03/22/2006	BANK AMERICA		1,079,920	1,000,000	16,111	1FE
812728 BP 7	SEATTLE WTR SYS ADJ 09/01/2025 3.010		02/17/2006	MERRILL LYNCH		1,000,000	1,000,000	1,315	1FE

E04

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)
882797 7F 4	TEXAS TECH UNIV REVS 02/15/2013 5.000		02/13/2006	UBS SECURITIES		1,840,487	1,715,000	8,813	1FE
914233 PZ 8	UNIVERSITY CONN 02/15/2019 5.000		03/03/2006	SALOMON SMITH BARNEY HLD		1,078,260	1,000,000		1FE
93978E ZE 5	WASHINGTON ST HEALTH C 10/01/2028 3.000		01/31/2006	GOLDMAN SACHS		5,000,000	5,000,000		1FE
93978E ZF 2	WASHINGTON ST HEALTH C 10/01/2031 3.050		01/31/2006	GOLDMAN SACHS		5,000,000	5,000,000		1FE
97689P P4 4	WI HSG-ADJ-A 09/01/2030 3.180		02/22/2006	MERRILL LYNCH		1,000,000	1,000,000	13,913	1FE
97689P Y9 3	WI HSG-VAR-A 03/01/2036 3.180		01/30/2006	MERRILL LYNCH		1,000,000	1,000,000	12,003	1FE
97689P P8 5	WI HSG/ECON-ADJ-C 03/01/2034 3.120		02/15/2006	MERRILL LYNCH		1,000,000	1,000,000	13,284	1FE
98322P K3 2	WY DEV VAR-AMT-SER 11 06/01/2035 3.120		02/17/2006	MERRILL LYNCH		1,000,000	1,000,000	1,376	1FE
98322P P6 0	WY DEV VAR-AMT-SER 7 06/01/2036 3.120		01/30/2006	MERRILL LYNCH		1,000,000	1,000,000	5,188	1FE
98322P D7 1	WY DEV-VAR-AMT-6 12/01/2035 3.660		02/22/2006	MERRILL LYNCH		1,000,000	1,000,000	1,826	1FE
3199999	Total - Bonds - Special Revenue & Special Assessments					73,794,856	72,169,998	423,853	XXX
Bonds - Industrial and Miscellaneous									
00441R AJ 6	ACERV 2001-RV1 E 09/20/2021 8.700		03/21/2006	CAPITALIZED INTEREST		585	585		3Z
BCC00H 34 1	AMHPT 1996-2 B2 11/15/2026 8.300		02/13/2006	DIRECT		543,659	543,659		6FE
00252F AR 2	AMIT 2004-1 B2 12/25/2008 7.818		03/06/2006	DIRECT		290,132	290,132		2FE
035229 CC 5	ANHEUSER-BUSCH COS INC 01/15/2011 5.750		01/06/2006	WACHOVIA/FIRST UNION		3,000,000	3,000,000	84,333	1FE
031733 AQ 1	ARC 2004-1 B1 144A 06/25/2032 5.000		03/31/2006	CAPITALIZED INTEREST		17,219	17,219		3FE
05947U M2 1	BACM 2005-2 A5 05/01/2015 4.857		01/19/2006	WACHOVIA/FIRST UNION		2,698,223	2,750,000	8,533	1FE
07383F 3Y 2	BSCMS 2005-PWR7 AAB 10/01/2014 4.980		03/15/2006	MORGAN STANLEY DEAN WITTER		1,465,547	1,500,000	3,943	1FE
07383F 7U 6	BSCMS 2005-PWR8 A3 06/01/2012 4.550		03/17/2006	BEAR STEARNS & CO		1,436,191	1,500,000	3,981	1FE
07387B AH 6	BSCMS 2005-PWR9 A4A 08/01/2015 4.871		01/09/2006	DEUTSCHE BANK		2,214,053	2,250,000	3,349	1FE
17275R AC 6	CISCO SYSTEMS INC 02/22/2016 5.500		03/20/2006	DEUTSCHE BANK		1,499,580	1,500,000	7,104	1FE
172850 BB 4	CITRV 1999-A B 01/15/2009 8.717		03/15/2006	CAPITALIZED INTEREST		6,932	6,932		3FE
20047M AP 9	COMM 2006-CNF F 02/01/2011 5.470		02/10/2006	DEUTSCHE BANK		1,003,395	1,000,000	4,023	1FE
22540V HG 0	CSFB 2001-HE25 B 07/25/2009 7.618		03/31/2006	CAPITALIZED INTEREST		1,228	1,228		3FE
22540V UM 2	CSFB 2002-HE1 B 02/25/2010 10.618		03/27/2006	CAPITALIZED INTEREST		894	894		3FE
225458 PD 4	CSFB 2005-AGE1 B3 FLTR 06/25/2012 9.039		03/27/2006	CAPITALIZED INTEREST		576	576		2FE
225470 XD 0	CSMC 2006-OMA B2 05/01/2020 5.538		01/27/2006	FOB1		2,010,000	2,000,000	2,769	1FE
29078P AA 8	EAST 2000-A A1 FLTR 08/15/2025 4.450		01/19/2006	CAPITALIZED INTEREST		635	635		4FE
301965 CH 0	FFCA 2000-1 B 144A 08/01/2019 8.180		03/20/2006	CAPITALIZED INTEREST		631	631		4FE
35729P FA 3	FHLT 2004-C M8 04/25/2034 8.818		03/28/2006	VARIOUS		631,865	631,865		3FE
32054Y AC 7	FIB 2000-1 A FLTR 07/15/2026 5.550		02/16/2006	DIRECT		104,714	104,714		5FE
38141E KA 6	GOLDMAN SACHS GROUP IN 03/02/2010 5.022		01/09/2006	FIRST BANK		1,000,650	1,000,000	5,262	1FE
38141G EE 0	GOLDMAN SACHS GROUP IN 01/15/2016 5.350		03/20/2006	BEAR STEARNS & CO		1,473,090	1,500,000	14,713	1FE
36228F R9 9	GSAMP 204-HE1 B3 03/25/2011 8.818		03/23/2006	DIRECT		47,012	47,012		2FE
393505 FK 3	GT 1995-1 B2 04/15/2025 9.200		03/15/2006	CAPITALIZED INTEREST		1,941	1,941		6FE
393505 SK 9	GT 1997-1 M1 02/15/2027 7.220		03/15/2006	CAPITALIZED INTEREST		358	358		4FE
393505 VY 5	GT 1997-5 M1 02/15/2021 6.950		03/15/2006	CAPITALIZED INTEREST		163	163		4FE
393533 AK 0	GTCT 1996-B CTFS 06/15/2016 7.700		01/10/2006	DIRECT		8,615	8,615		6FE
440452 AD 2	HORMEL FOODS CORP 06/01/2011 6.625		02/22/2006	BNY CAPITAL MARKETS INC		1,851,255	1,750,000	26,730	1FE
456606 CF 7	INHEL 2001-A MV2 FLTR 06/25/2006 5.968		02/27/2006	CAPITALIZED INTEREST		3,706	3,706		2FE
52519S AW 3	LABMH 2002-A B2 10/15/2011 11.998		03/16/2006	CAPITALIZED INTEREST		25,760	25,760		4FE
542514 CL 6	LBMLT 2002-2 M3 11/25/2029 7.068		03/10/2006	DIRECT		98,175	110,000	334	3FE
50180A AB 0	LBSBN 2005-2A N2 09/27/2030 7.860		03/29/2006	CAPITALIZED INTEREST		1,574	1,574		4FE
52108M DH 3	LBUBS 2006-C1 A4 01/11/2016 5.156		01/20/2006	LEHMAN BROTHERS		5,276,043	5,250,000	15,038	1FE
59001F AZ 4	MMLT 2004-1 B1 FLTR 11/25/2009 12.065		03/27/2006	CAPITALIZED INTEREST		2,438	2,438		3FE
61746W RT 9	MSDWC 2002-HE2 B1 FLTR 01/25/2008 6.968		02/24/2006	DIRECT		36,638	36,638		2FE
758202 AE 5	REED ELSEVIER CAPITAL 06/15/2010 5.240		01/09/2006	FIRST BANK		1,500,525	1,500,000	5,625	1FE
86358E ES 1	SAIL 2003-BC11 B FLTR 02/25/2025 7.818		03/27/2006	VARIOUS		440,209	440,209		2FE
86358E FT 8	SAIL 2003-BC12 M6 FLTR 04/25/2028 7.818		03/29/2006	CAPITALIZED INTEREST		2,176	2,176		2FE
86358E GG 5	SAIL 2004-1 B 04/25/2025 6.000		03/27/2006	CAPITALIZED INTEREST		12,114	12,114		3FE
86358E HK 5	SAIL 2004-3 B 11/25/2022 6.000		03/22/2006	DIRECT		178,390	178,390		3FE

E04.1

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
86358R L7 0	SASC 2002-HF1 B FLTR 12/25/2025 8.968		02/25/2006	CAPITALIZED INTEREST		1,534	1,534		4FE
86359A CS 0	SASC 2002-HF2 B1 FLTR 06/25/2008 6.818		03/29/2006	CAPITALIZED INTEREST		5,837	5,837		3FE
86359A CT 8	SASC 2002-HF2 B2 07/25/2032 6.818		03/31/2006	CAPITALIZED INTEREST		7,282	7,282		3FE
86359D LY 1	SASC 2005-S4 B 11/01/2008 6.500		03/27/2006	CAPITALIZED INTEREST		5,624	5,624		2FE
91324P AM 4	UNITEDHEALTH GROUP INC 03/15/2015 4.875		03/20/2006	GOLDMAN SACHS		1,443,495	1,500,000	1,625	1FE
949746 CR 0	WELLS FARGO & COMPANY 11/15/2014 5.000		03/20/2006	BARCLAYS AMERICAN		1,462,620	1,500,000	26,667	1FE
98152D BZ 3	WOART 2006-A A4 10/15/2011 5.030		02/22/2006	CREDIT SUISSE FIRST BOSTON		2,999,980	3,000,000		1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					34,813,263	34,990,441	214,029	XXX
6099997.	Total - Bonds - Part 3					129,508,366	126,710,439	795,067	XXX
6099999.	Total - Bonds					129,508,366	126,710,439	795,067	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					129,508,366	XXX	795,067	XXX

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

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
Bonds - U.S. Government																					
31359M	QZ 9 FANNIE MAE		03/20/2006	BNP PARIBAS SECURITIES...		1,346,707	1,350,000	1,332,331	1,345,669		3,290		3,290		1,348,959		(2,252)	(2,252)	12,352	04/15/2006	1.....
3133MW	2M 2 FEDERAL HOME LOAN BANK	2.37	02/15/2006	MATURITY.....		3,000,000	3,000,000	3,012,720	3,000,541		(541)		(541)		3,000,000			0	35,625	02/15/2006	1.....
3134AA	SX 3 FREDDIE MAC	2,375	03/22/2006	VARIOUS.....		7,974,985	8,000,000	7,924,960	7,982,094		10,012		10,012		7,992,106		(17,120)	(17,120)	70,801	04/15/2006	1.....
36202B	NJ 0 G2 1293	10.500	03/01/2006	MBS PAYDOWN.....		175	175	192	189		(15)		(15)		175			0	3	04/01/2019	1.....
36202D	KY 6 G2 3011	7.500	03/01/2006	MBS PAYDOWN.....		821	821	839	834		(13)		(13)		821			0	9	02/01/2030	1.....
36224L	QA 8 GN 331749	7.500	03/01/2006	MBS PAYDOWN.....		225	225	222	223		2		2		225			0	3	09/01/2022	1.....
36224P	ML 9 GN 334363	7.500	03/01/2006	MBS PAYDOWN.....		646	646	655	652		(6)		(6)		646			0	8	08/01/2020	1.....
36224Q	XR 2 GN 335588	7.500	03/01/2006	MBS PAYDOWN.....		3,766	3,766	3,709	3,728		37		37		3,766			0	68	02/01/2020	1.....
36224U	5Z 6 GN 339364	7.500	03/01/2006	MBS PAYDOWN.....		185	185	182	183		2		2		185			0	2	09/01/2022	1.....
36206E	3N 3 GN 409505	7.000	03/01/2006	MBS PAYDOWN.....		981	981	1,041	1,040		(58)		(58)		981			0	11	11/01/2023	1.....
36208T	4W 7 GN 460837	7.000	03/01/2006	MBS PAYDOWN.....		13,221	13,221	13,401	13,348		(127)		(127)		13,221			0	154	07/01/2027	1.....
36201Q	2C 6 GN 590371	6.500	03/01/2006	MBS PAYDOWN.....		20,752	20,752	21,628	21,436		(684)		(684)		20,752			0	246	03/01/2032	1.....
36200K	UE 5 GN 603681	5.500	03/01/2006	MBS PAYDOWN.....		16,645	16,645	17,271	17,178		(533)		(533)		16,645			0	136	11/01/2032	1.....
36290S	QF 1 GN 616154	5.000	03/01/2006	MBS PAYDOWN.....		34,318	34,318	34,158	34,174		144		144		34,318			0	156	12/01/2032	1.....
36201T	KE 6 GNMA PL 592593	6.000	03/01/2006	MBS PAYDOWN.....		34,146	34,146	35,690	35,605		(1,460)		(1,460)		34,146			0	178	07/01/2032	1.....
36213C	P2 0 GNMA PL 550441	7.000	03/01/2006	MBS PAYDOWN.....		10,584	10,584	11,214	11,203		(618)		(618)		10,584			0	123	08/01/2030	1.....
36215N	R4 8 GNMA POOL # 140107	10.500	03/01/2006	MBS PAYDOWN.....		28	28	29	29		(1)		(1)		28			0		10/01/2015	1.....
36220D	LW 9 GNMA POOL # 23041	7.500	03/01/2006	MBS PAYDOWN.....		18,814	18,814	19,229	19,103		(289)		(289)		18,814			0	223	03/01/2030	1.....
36220S	DR 4 GNMA POOL # 286412	10.000	03/01/2006	MBS PAYDOWN.....		3	3	3	3		0		0		3			0		02/01/2020	1.....
36200Q	JM 7 GNMA POOL # 569168	GN 6.500	03/01/2006	MBS PAYDOWN.....		25,246	25,246	25,846	25,668		(422)		(422)		25,246			0	274	11/01/2016	1.....
36225B	HE 1 GNMA POOL # 781129	7.000	03/01/2006	MBS PAYDOWN.....		1,025	1,025	988	999		26		26		1,025			0	12	03/01/2028	1.....
36215K	2A 7 GNMA POOL #137669	10.500	03/01/2006	MBS PAYDOWN.....		57	57	60	59		(2)		(2)		57			0	1	03/01/2014	1.....
36220W	KJ 5 GNMA POOL #290197	9.500	03/01/2006	MBS PAYDOWN.....		132	132	139	138		(5)		(5)		132			0	2	08/01/2020	1.....
36223M	7H 1 GNMA POOL #306096	8.500	03/01/2006	MBS PAYDOWN.....		2,619	2,619	2,777	2,635		(16)		(16)		2,619			0	39	07/01/2006	1.....
36202D	MT 5 GNMA POOL #3070	7.500	03/01/2006	MBS PAYDOWN.....		6,559	6,559	6,709	6,659		(100)		(100)		6,559			0	65	05/01/2030	1.....
36223H	4U 8 GNMA POOL #308735	8.500	03/01/2006	MBS PAYDOWN.....		1,916	1,916	2,031	1,928		(12)		(12)		1,916			0	27	08/01/2006	1.....
36223H	6B 8 GNMA POOL #308766	7.500	03/01/2006	MBS PAYDOWN.....		3,051	3,051	3,080	3,079		(28)		(28)		3,051			0	20	02/01/2022	1.....
36223M	GH 3 GNMA POOL #311700	8.500	03/01/2006	MBS PAYDOWN.....		370	370	392	372		(2)		(2)		370			0	5	09/01/2006	1.....
36223N	5G 5 GNMA POOL #313247	8.500	03/01/2006	MBS PAYDOWN.....		24	24	25	24		0		0		24			0		09/01/2006	1.....
36223Q	7D 3 GNMA POOL #315092	8.500	03/01/2006	MBS PAYDOWN.....		508	508	538	511		(4)		(4)		508			0	7	07/01/2006	1.....
36224H	E9 3 GNMA POOL #328760	8.500	03/01/2006	MBS PAYDOWN.....		596	596	632	602		(6)		(6)		596			0	8	04/01/2007	1.....
362067	VY 3 GNMA POOL #37531	10.000	03/01/2006	MBS PAYDOWN.....		58	58	61	59		(1)		(1)		58			0	1	04/01/2007	1.....
36205R	MA 2 GNMA POOL #398253	7.500	03/01/2006	MBS PAYDOWN.....		12,702	12,702	12,825	12,786		(85)		(85)		12,702			0	159	05/01/2025	1.....
36206A	LZ 4 GNMA POOL #405444	9.000	03/01/2006	MBS PAYDOWN.....		649	649	685	679		(30)		(30)		649			0	10	12/01/2023	1.....
36209P	NT 0 GNMA POOL# 477502	6.500	03/01/2006	MBS PAYDOWN.....		37,668	37,668	38,322	38,305		(637)		(637)		37,668			0	578	03/01/2027	1.....
912827	W8 1 US TREASURY N/B	5.625	02/15/2006	MATURITY.....		8,635,000	8,635,000	9,383,447	8,667,214		(32,214)		(32,214)		8,635,000			0	242,859	02/15/2006	1.....
0399999	Total - Bonds - U.S. Government.....					21,205,182	21,233,490	21,908,031	21,248,949		0		(24,396)		21,224,555		(19,372)	(19,372)	364,165	XXX	XXX
Bonds - Political Subdivisions of States																					
20772G	KD 9 CT VAR-SER A-1	2.720	01/06/2006	MERRILL LYNCH.....		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	4,877	03/01/2023	1FE.....
45202B	BG 0 ILLINOIS HSG DEV AUTH	4.000	02/28/2006	SINKING FUND REDEMPTION.....		1,295,000	1,295,000	1,295,000	1,295,000				0		1,295,000			0	31,410	07/01/2008	1Z.....
2499999	Total - Bonds - Political Subdivisions.....					2,795,000	2,795,000	2,795,000	2,795,000		0		0		2,795,000		0	0	36,287	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
055053	AA 0 AZUSA PACIFIC UNIV CALIF.	7.250	02/27/2006	DAIN RAUSCHER.....		1,464,463	1,430,000	1,445,183	800,000				0		1,445,183		19,280	19,280	43,486	04/01/2009	2FE.....
121342	KK 4 BURKE CNTY GA DEV AUTH	3.200	03/13/2006	LEHMAN BROTHERS.....		3,155,000	3,155,000	3,155,000					0		3,155,000			0	9,816	10/01/2032	1FE.....
13033K	2G 3 CA HFA VAR-AMT-SER D	3.110	03/23/2006	MERRILL LYNCH.....		3,000,000	3,000,000	3,000,000					0		3,000,000			0	46,330	02/01/2040	1FE.....
13033K	2L 2 CA HFA-VAR-AMT-MFH-B	3.160	03/23/2006	MERRILL LYNCH.....		1,000,000	1,000,000	1,000,000					0		1,000,000			0	4,292	02/01/2038	1FE.....
13033E	8U 0 CA HFA-VAR-AMT-SER J	3.100	02/01/2006	VARIOUS.....		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	18,705	08/01/2031	1FE.....
20774W	CZ 2 CT HFA VAR-SUBSER B-2	3.150	03/23/2006	MERRILL LYNCH.....		1,000,000	1,000,000	1,000,000					0		1,000,000			0	10,857	11/15/2035	1FE.....

E05

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
207748 ZU 1	CT ST HSG-VAR-F2 3.170.....		03/23/2006	MERRILL LYNCH.....		1,000,000	1,000,000	1,000,000					0		1,000,000			0	10,857	11/15/2033	1FE.....
28148N AA 1	EDUCATIONAL FDG SOUTH INC TENN F		01/24/2006	DAIN RAUSCHER.....		500,000	500,000	499,965	499,965				0		499,965		35	35	2,414	12/01/2031	1FE.....
31371K 4K 4	FG 254726 5.500.....		03/01/2006	MBS PAYDOWN.....		36,478	36,478	37,099	37,037	(559)			(559)		36,478			0	324	09/01/2032	1.....
31296L UE 9	FG A12381 5.000.....		03/01/2006	MBS PAYDOWN.....		7,331	7,331	7,176	7,194	137			137		7,331			0	61	04/01/2033	1.....
31296L ZH 7	FG A12544 5.000.....		03/01/2006	MBS PAYDOWN.....		32,256	32,256	31,943	31,973	283			283		32,256			0	267	12/01/2032	1.....
31296S WL 6	FG A17851 5.500.....		03/01/2006	MBS PAYDOWN.....		29,374	29,374	29,782	29,710	(336)			(336)		29,374			0	262	06/01/2033	1.....
31297A P6 5	FG A23145 5.500.....		03/01/2006	MBS PAYDOWN.....		48,228	48,228	47,670	47,748	480			480		48,228			0	380	01/01/2034	1.....
31297F J5 3	FG A27484 6.000.....		03/01/2006	MBS PAYDOWN.....		52,685	52,685	54,455	54,174	(1,489)			(1,489)		52,685			0	404	06/01/2034	1.....
31297S ZP 3	FG A37050 5.000.....		03/01/2006	MBS PAYDOWN.....		7,590	7,590	7,497	7,500	90			90		7,590			0	63	07/01/2035	1.....
312963 WK 3	FG B11550 5.000.....		03/01/2006	MBS PAYDOWN.....		66,462	66,462	67,490	67,398	(936)			(936)		66,462			0	556	11/01/2018	1.....
312967 6K 3	FG B15374 5.000.....		03/01/2006	MBS PAYDOWN.....		243,840	243,840	246,203	245,880	(2,040)			(2,040)		243,840			0	2,459	03/01/2019	1.....
31292H Q3 1	FG C01374 6.000.....		03/01/2006	MBS PAYDOWN.....		12,893	12,893	13,352	13,301	(408)			(408)		12,893			0	130	07/01/2031	1.....
31292H UP 7	FG C01490 5.500.....		03/01/2006	MBS PAYDOWN.....		68,421	68,421	69,447	69,269	(848)			(848)		68,421			0	609	06/01/2032	1.....
31292H YU 2	FG C01623 5.500.....		03/01/2006	MBS PAYDOWN.....		143,512	143,512	142,368	142,571	941			941		143,512			0	1,223	03/01/2033	1.....
31287P E2 5	FG C63753 6.000.....		03/01/2006	MBS PAYDOWN.....		3,434	3,434	3,556	3,547	(114)			(114)		3,434			0	36	02/01/2031	1.....
31288A X2 6	FG C72497 6.500.....		03/01/2006	MBS PAYDOWN.....		19,495	19,495	20,175	20,005	(510)			(510)		19,495			0	146	12/01/2030	1.....
31294J G9 3	FG E00224 6.000.....		03/01/2006	MBS PAYDOWN.....		30,695	30,695	29,425	30,238	458			458		30,695			0	310	04/01/2008	1.....
31294K FN 0	FG E01073 5.000.....		03/01/2006	MBS PAYDOWN.....		15,728	15,728	15,570	15,602	125			125		15,728			0	127	05/01/2016	1.....
31294K M5 1	FG E01280 5.000.....		03/01/2006	MBS PAYDOWN.....		56,070	56,070	57,875	57,543	(1,473)			(1,473)		56,070			0	456	06/01/2017	1.....
31294K WD 3	FG E01544 4.500.....		03/01/2006	MBS PAYDOWN.....		27,533	27,533	27,628	27,613	(80)			(80)		27,533			0	210	08/01/2018	1.....
3128GJ 2E 6	FG E82573 6.000.....		03/01/2006	MBS PAYDOWN.....		6,815	6,815	6,789	6,797	18			18		6,815			0	68	05/01/2015	1.....
3128GY MX 9	FG E93974 5.500.....		03/01/2006	MBS PAYDOWN.....		51,858	51,858	54,216	53,588	(1,730)			(1,730)		51,858			0	609	09/01/2017	1.....
3128H3 LP 4	FG E95734 5.000.....		03/01/2006	MBS PAYDOWN.....		72,441	72,441	74,796	74,303	(1,862)			(1,862)		72,441			0	572	10/01/2017	1.....
3128H4 XR 5	FG E96988 5.000.....		03/01/2006	MBS PAYDOWN.....		45,931	45,931	46,807	46,685	(754)			(754)		45,931			0	421	01/01/2018	1.....
31283H S8 9	FG G01443 6.500.....		03/01/2006	MBS PAYDOWN.....		34,119	34,119	35,308	35,029	(910)			(910)		34,119			0	347	09/01/2031	1.....
31283H S9 7	FG G01444 6.500.....		03/01/2006	MBS PAYDOWN.....		11,808	11,808	12,299	12,270	(462)			(462)		11,808			0	122	06/01/2031	1.....
3128MM BN 2	FG G18044 4.500.....		03/01/2006	MBS PAYDOWN.....		73,077	73,077	72,609	72,642	435			435		73,077			0	586	12/01/2019	1.....
31282R 4E 1	FG M80821 4.500.....		03/01/2006	MBS PAYDOWN.....		43,145	43,145	44,183	43,967	(822)			(822)		43,145			0	295	05/01/2010	1.....
31282S AZ 5	FG M80924 4.500.....		03/01/2006	MBS PAYDOWN.....		259,059	259,059	261,568	261,114	(2,055)			(2,055)		259,059			0	1,814	06/01/2011	1.....
31287P CQ 4	FGLMC PL C63679 6.000.....		03/01/2006	MBS PAYDOWN.....		3,014	3,014	2,990	2,995	19			19		3,014			0	35	02/01/2031	1.....
31288C M4 0	FHLMC #C73979 6.000.....		03/01/2006	MBS PAYDOWN.....		56,235	56,235	57,703	57,381	(1,146)			(1,146)		56,235			0	542	07/01/2032	1.....
31288B LZ 4	FHLMC C73044 6.000.....		03/01/2006	MBS PAYDOWN.....		50,636	50,636	51,941	51,693	(1,058)			(1,058)		50,636			0	479	01/01/2032	1.....
31393G CN 2	FHR 2545 EY 4.500.....		03/01/2006	MBS PAYDOWN.....		245,615	245,615	243,476	244,028	1,588			1,588		245,615			0	1,660	06/01/2011	1.....
31393M Z2 0	FHR 2583 ND 4.250.....		03/01/2006	MBS PAYDOWN.....		9,111	9,111	9,259	9,196	(86)			(86)		9,111			0	48	07/01/2009	1.....
31393N 2K 4	FHR 2583 TD 4.500.....		03/01/2006	MBS PAYDOWN.....		1,087	1,087	1,106	1,101	(13)			(13)		1,087			0	8	11/01/2012	1.....
31395J R6 5	FHR 2890 AB 3.750.....		03/01/2006	MBS PAYDOWN.....		108,893	108,893	107,055	107,258	1,635			1,635		108,893			0	658	04/01/2011	1.....
31395L KX 8	FHR 2920 LA 5.000.....		03/01/2006	MBS PAYDOWN.....		196,379	196,379	196,932	196,892	(513)			(513)		196,379			0	1,563	08/01/2014	1.....
31395P ZE 5	FHR 2929 BE 4.500.....		03/01/2006	MBS PAYDOWN.....		187,911	187,911	187,323	187,425	485			485		187,911			0	1,432	05/01/2010	1.....
31395T HU 1	FHR 2964 NG 4.500.....		03/01/2006	MBS PAYDOWN.....		39,432	39,432	39,426	39,427	5			5		39,432			0	301	11/01/2010	1.....
31395T HV 9	FHR 2964 NH 4.750.....		03/01/2006	MBS PAYDOWN.....		70,978	70,978	71,266	71,225	(247)			(247)		70,978			0	571	11/01/2010	1.....
31395V RC 5	FHR 2986 GC 4.500.....		03/01/2006	MBS PAYDOWN.....		61,534	61,534	61,592	61,585	(51)			(51)		61,534			0	470	08/01/2010	1.....
31371K BL 4	FN 253943 6.500.....		03/01/2006	MBS PAYDOWN.....		10,198	10,198	10,463	10,397	(198)			(198)		10,198			0	94	02/01/2016	1.....
31371K U4 1	FN 254503 5.000.....		03/01/2006	MBS PAYDOWN.....		67,061	67,061	69,219	68,760	(1,699)			(1,699)		67,061			0	523	09/01/2009	1.....
31371K WK 3	FN 254550 6.500.....		03/01/2006	MBS PAYDOWN.....		21,405	21,405	22,154	22,035	(630)			(630)		21,405			0	189	04/01/2032	1.....
31371K 2V 2	FN 254688 5.500.....		03/01/2006	MBS PAYDOWN.....		82,481	82,481	85,638	84,844	(2,363)			(2,363)		82,481			0	711	11/01/2022	1.....
31371L CD 9	FN 254868 5.000.....		03/01/2006	MBS PAYDOWN.....		37,550	37,550	37,357	37,376	174			174		37,550			0	302	03/01/2033	1.....
31371L CE 7	FN 254869 5.500.....		03/01/2006	MBS PAYDOWN.....		24,408	24,408	24,438	24,433	(25)			(25)		24,408			0	224	03/01/2033	1.....
31376K FW 1	FN 357581 5.000.....		03/01/2006	MBS PAYDOWN.....		45,955	45,955	46,386	46,318	(363)			(363)		45,955			0	404	01/01/2019	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.							
31380M MS 2	FN 444169		03/01/2006	MBS PAYDOWN		198	198	196	196		1		1		198			0	2	10/01/2028	1
31380Y SL 5	FN 454223		03/01/2006	MBS PAYDOWN		451	451	446	447		3		3		451			0	5	09/01/2027	1
31381B V9 7	FN 456140		03/01/2006	MBS PAYDOWN		156	156	154	155		1		1		156			0	2	12/01/2028	1
31385J QV 3	FN 545968		03/01/2006	MBS PAYDOWN		24,835	24,835	25,300	25,238		(403)		(403)		24,835			0	231	12/01/2016	1
31385W 2S 7	FN 555285		03/01/2006	MBS PAYDOWN		18,940	18,940	19,213	19,181		(241)		(241)		18,940			0	181	09/01/2031	1
31385X FK 8	FN 555570		03/01/2006	MBS PAYDOWN		20,266	20,266	20,561	20,524		(258)		(258)		20,266			0	196	11/01/2031	1
31385X GQ 4	FN 555607		03/01/2006	MBS PAYDOWN		18,674	18,674	18,680	18,679		(5)		(5)		18,674			0	135	01/01/2018	1
31386S BW 6	FN 571653		03/01/2006	MBS PAYDOWN		8,228	8,228	8,176	8,193		35		35		8,228			0	83	05/01/2015	1
31391P UV 6	FN 672996		03/01/2006	MBS PAYDOWN		60,458	60,458	60,968	60,952		(493)		(493)		60,458			0	475	06/01/2017	1
31391W 5R 8	FN 679556		03/01/2006	MBS PAYDOWN		59,640	59,640	60,944	60,673		(1,033)		(1,033)		59,640			0	497	12/01/2017	1
31400F PB 7	FN 686318		03/01/2006	MBS PAYDOWN		57,755	57,755	59,523	59,146		(1,391)		(1,391)		57,755			0	370	09/01/2017	1
31400Q TN 3	FN 694557		03/01/2006	MBS PAYDOWN		9,838	9,838	10,004	9,978		(140)		(140)		9,838			0	85	08/01/2032	1
31400R CF 6	FN 694970		03/01/2006	MBS PAYDOWN		77,919	77,919	81,231	80,531		(2,611)		(2,611)		77,919			0	501	11/01/2017	1
31400Y FU 5	FN 701379		03/01/2006	MBS PAYDOWN		14,867	14,867	14,932	14,919		(52)		(52)		14,867			0	109	12/01/2017	1
31401B P6 6	FN 703445		03/01/2006	MBS PAYDOWN		214,938	214,938	218,297	218,038		(3,100)		(3,100)		214,938			0	1,719	12/01/2017	1
31401H UX 8	FN 708998		03/01/2006	MBS PAYDOWN		66,109	66,109	65,541	65,615		495		495		66,109			0	600	02/01/2033	1
31401W G2 9	FN 720317		03/01/2006	MBS PAYDOWN		27,085	27,085	27,690	27,599		(515)		(515)		27,085			0	259	01/01/2018	1
31401X BJ 5	FN 721041		03/01/2006	MBS PAYDOWN		13,027	13,027	13,379	13,318		(291)		(291)		13,027			0	109	04/01/2033	1
31402F DL 6	FN 727407		03/01/2006	MBS PAYDOWN		53,910	53,910	53,220	53,347		563		563		53,910			0	449	04/01/2018	1
31403Y G6 4	FN 761721		03/01/2006	MBS PAYDOWN		36,573	36,573	36,195	36,242		330		330		36,573			0	236	11/01/2032	1
31404B VC 3	FN 763911		03/01/2006	MBS PAYDOWN		52,411	52,411	52,641	52,604		(193)		(193)		52,411			0	321	09/01/2018	1
31404N WB 8	FN 773842		03/01/2006	MBS PAYDOWN		22,020	22,020	22,337	22,275		(254)		(254)		22,020			0	218	10/01/2033	1
31404R MD 6	FN 776256		03/01/2006	MBS PAYDOWN		3,315	3,315	3,322	3,321		(6)		(6)		3,315			0	32	12/01/2033	1
31404U CL 2	FN 778675		03/01/2006	MBS PAYDOWN		10,826	10,826	10,690	10,710		115		115		10,826			0	75	01/01/2019	1
31404Y KL 5	FN 782499		03/01/2006	MBS PAYDOWN		273,294	273,294	272,077	272,257		1,038		1,038		273,294			0	1,882	02/01/2034	1
31405C HF 9	FN 785130		03/01/2006	MBS PAYDOWN		382,733	382,733	388,355	387,562		(4,829)		(4,829)		382,733			0	2,213	05/01/2019	1
31406W US 1	FN 822393		03/01/2006	MBS PAYDOWN		9,776	9,776	9,875	9,868		(92)		(92)		9,776			0	90	03/01/2035	1
31406Y 4L 1	FN 824427		03/01/2006	MBS PAYDOWN		143,872	143,872	145,198	145,102		(1,230)		(1,230)		143,872			0	1,501	04/01/2035	1
31407Y RS 0	FN 844797		03/01/2006	MBS PAYDOWN		13,914	13,914	13,153	13,153		761		761		13,914			0	75	08/01/2035	1
31379J Z2 5	FNMA POOL #421161		03/01/2006	MBS PAYDOWN		1,151	1,151	1,157	1,154		(3)		(3)		1,151			0	12	09/01/2012	1
31379Q 2H 2	FNMA #426576		03/01/2006	MBS PAYDOWN		369	369	367	368		1		1		369			0	4	03/01/2027	1
31388P XQ 9	FNMA #610987		03/01/2006	MBS PAYDOWN		90,075	90,075	90,462	90,347		(273)		(273)		90,075			0	1,055	04/01/2016	1
31390L RG 3	FNMA #649487		03/01/2006	MBS PAYDOWN		40,487	40,487	41,949	41,577		(1,089)		(1,089)		40,487			0	234	04/01/2032	1
31389V SD 0	FNMA PL # F636916		03/01/2006	MBS PAYDOWN		35,225	35,225	36,150	35,853		(628)		(628)		35,225			0	427	11/01/2016	1
31371K R3 7	FNMA PL 254406		03/01/2006	MBS PAYDOWN		27,993	27,993	28,706	28,486		(493)		(493)		27,993			0	289	11/01/2031	1
31387N 2W 6	FNMA PL 589489		03/01/2006	MBS PAYDOWN		39,767	39,767	40,363	40,161		(395)		(395)		39,767			0	419	08/01/2015	1
31389N 4X 0	FNMA PL# 630938		03/01/2006	MBS PAYDOWN		69,760	69,760	69,052	69,247		513		513		69,760			0	565	09/01/2016	1
31389P MP 2	FNMA PL# 631366		03/01/2006	MBS PAYDOWN		18,743	18,743	19,230	19,075		(332)		(332)		18,743			0	278	04/01/2016	1
31400Y ET 9	FNMA PL#701346		03/01/2006	MBS PAYDOWN		21,735	21,735	22,428	22,265		(529)		(529)		21,735			0	221	07/01/2032	1
31359U ZR 9	FNMA REMIC 98-W8 A6		03/01/2006	MBS PAYDOWN		47,405	47,405	47,405	47,405		0		0		47,405			0	449	01/01/2013	1
31379R VS 4	FNMA#427325		03/01/2006	MBS PAYDOWN		8,637	8,637	8,678	8,661		(23)		(23)		8,637			0	94	05/01/2012	1
31379T TE 4	FNMA#429049		03/01/2006	MBS PAYDOWN		8,758	8,758	8,799	8,782		(24)		(24)		8,758			0	93	10/01/2012	1
31392F 5Y 9	FNR 2002-77 CG		03/01/2006	MBS PAYDOWN		22,531	22,531	22,774	22,679		(148)		(148)		22,531			0	145	03/01/2010	1
31392H SC 8	FNR 2003-4 PG		03/01/2006	MBS PAYDOWN		278,269	278,269	286,965	280,648		(2,379)		(2,379)		278,269			0	2,028	12/01/2006	1
31393B 2U 8	FNR 2003-60 NA		03/01/2006	MBS PAYDOWN		78,775	78,775	76,855	77,002		1,773		1,773		78,775			0	523	09/01/2013	1
31394A S2 3	FNR 2004-74 BA		03/01/2006	MBS PAYDOWN		130,749	130,749	130,156	130,235		513		513		130,749			0	928	05/01/2015	1
31394C 7A 4	FNR 2005-30 BC		03/01/2006	MBS PAYDOWN		136,577	136,577	137,004	136,973		(395)		(395)		136,577			0	1,125	07/01/2017	1
31394C N3 2	FNR 2005-33 VA		03/01/2006	MBS PAYDOWN		26,935	26,935	27,175	27,157		(222)		(222)		26,935			0	225	03/01/2016	1
442348 W3 8	HOUSTON TEX ARPT FLTR	2.990	03/31/2006	BEAR STEARNS & CO		5,200,000	5,200,000	5,200,000					0		5,200,000			0	23,842	07/01/2032	1FE

E05.2

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
49130P UA 0	KY HSG VAR-AMT-SER H	3.160	03/23/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	6,872	07/01/2036	1FE	
49130P RT 3	KY HSG-VAR-AMT-B	3.160	03/23/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	6,872	07/01/2032	1FE	
544358 UG 7	LOS ANGELES, CA GO	6.450	02/22/2006	RAYMOND JAMES		378,304	365,000	356,890	361,132		123		123		361,254		17,050	17,050	9,548	04/01/2010	1FE	
57586C HA 6	MA H/E VAR-J1-AMHERST	2.700	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	4,845	11/01/2035	1FE	
59259R LT 9	METRO TRANSN-REF-G1	3.480	01/06/2006	MERRILL LYNCH		2,000,000	2,000,000	2,000,000	2,000,000				0		2,000,000			0	6,546	11/01/2026	1FE	
59465M KZ 7	MI HSG VAR-AMT-SER A	3.100	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	14,538	10/01/2039	1FE	
594653 T4 9	MI HSG-VAR-C	3.100	03/24/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000					0		1,500,000			0	14,833	06/01/2030	1FE	
613352 AQ 6	MONTGOMERY HSG-ADJ-C	3.110	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	11,936	11/01/2032	1FE	
64971K FC 5	NEW YORK N Y CITY TRANSITIONAL F	2.900	01/09/2006	LEHMAN BROTHERS		2,900,000	2,900,000	2,900,000	2,900,000				0		2,900,000			0	17,120	11/01/2022	1FE	
650017 SZ 0	NEW YORK ST TWY AUTH SVC	2.50	03/15/2006	MATURITY		1,500,000	1,500,000	1,502,355	1,500,212		(212)		(212)		1,500,000			0	19,425	03/15/2006	1FE	
657903 DK 3	NORTH CAROLINA EDL FACS FIN AGY		01/09/2006	LEHMAN BROTHERS		1,000,000	1,000,000	1,000,000	1,000,000				0		1,000,000			0	3,498	12/01/2021	1FE	
64986M SL 0	NY HFA-VAR-A-AVALON	2.820	01/06/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000	1,000,000				0		1,000,000			0	3,356	11/01/2036	1FE	
896029 8H 1	NY TBTA GEN PURP NC S02B	MU 5.2	03/29/2006	RYAN BECK & CO.		5,465,550	5,000,000	5,423,700	5,341,214		(6,958)		(6,958)		5,334,256		131,294	131,294	99,167	11/15/2015	1FE	
64971K GD 2	NYC FIN REC-3-SUB 3D	3.040	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	8,455	11/01/2022	1FE	
64970K YX 9	NYC WTR-ADJ-F-SUB F1	3.100	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	3,360	06/15/2035	1FE	
684906 EG 1	ORANGE MFH-BAR-A-LAND	3.170	03/24/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000					0		1,500,000			0	9,103	08/15/2035	1FE	
684906 DM 9	ORANGE MFH-VAR-A-CHAR	3.170	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	3,457	07/15/2034	1FE	
708793 CY 8	PA HSG-VAR-AMT-82B	3.110	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	11,988	04/01/2034	1FE	
708793 CG 7	PENNSYLVANIA HSG FIN AGY	3.350	03/10/2006	GOLDMAN SACHS		3,600,000	3,600,000	3,600,000					0		3,600,000			0	14,720	10/01/2034	1FE	
72127M AA 6	PIKE INDL ADJ-A-MTN	6.500	03/13/2006	CALL BY ISSUER 100.000		500,000	500,000	499,500	475,100		24,435		24,437		499,537			463	463	03/01/2027	5FE	
80207G AD 9	SANTA FE MFH-B-TXB-TU	6.710	02/01/2006	CALL BY ISSUER 100.000		5,000	5,000	5,188	5,082		(2)		(2)		5,079			(79)	(79)	08/01/2012	1FE	
812728 BP 7	SEATTLE WTR SYS ADJ	3.010	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	4,484	09/01/2025	1FE	
829788 AT 5	SISTERS OF PROVIDENCE WA	7.47	03/20/2006	DAIN RAUSCHER		349,914	340,000	348,010	342,854		(378)		(378)		342,475		7,439	7,439	12,135	10/01/2007	1FE	
93978E ZE 5	WASHINGTON ST HEALTH CARE FACS		03/03/2006	GOLDMAN SACHS		5,000,000	5,000,000	5,000,000					0		5,000,000			0	7,597	10/01/2028	1FE	
93978E ZF 2	WASHINGTON ST HEALTH CARE FACS		03/07/2006	GOLDMAN SACHS		5,000,000	5,000,000	5,000,000					0		5,000,000			0	8,479	10/01/2031	1FE	
944314 JP 9	WAYNE CHRTR ARPT-AMT	3.530	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	5,022	12/01/2008	1FE	
97689P P4 4	WI HSG-ADJ-A	3.180	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	16,752	09/01/2030	1FE	
97689P Y9 3	WI HSG-VAR-A	3.180	03/24/2006	MERRILL LYNCH		1,000,000	1,000,000	1,000,000					0		1,000,000			0	16,752	03/01/2036	1FE	
97689P P8 5	WI HSG/ECON-ADJ-C	3.120	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	15,256	03/01/2034	1FE	
98322P WJ 4	WY HSG-ADJ-AMT-8	3.130	01/06/2006	MERRILL LYNCH		1,500,000	1,500,000	1,500,000	1,500,000				0		1,500,000			0	5,038	12/01/2033	1FE	
3199999	Total - Bonds - Special Revenue & Assessment					73,118,361	72,595,130	73,086,774	32,349,371	24,435	(44,260)	0	(19,825)	0	72,942,879	0	175,482	175,482	593,820	XXX	XXX	
Bonds - Public Utilities																						
709051 CQ 7	PP&L RESOURCES INC	6.550	03/01/2006	MATURITY		1,000,000	1,000,000	1,042,570	1,001,623		(1,623)		(1,623)		1,000,000			0	32,750	03/01/2006	1FE	
882556 AA 1	TEXAS MUNICIPAL GAS CORP	2.60	01/01/2006	SINKING FUND REDEMPTION		145,000	145,000	145,000	145,000				0		145,000			0	1,885	07/01/2007	1FE	
3899999	Total - Bonds - Public Utilities					1,145,000	1,145,000	1,187,570	1,146,623	0	(1,623)	0	(1,623)	0	1,145,000	0	0	0	34,635	XXX	XXX	
Bonds - Industrial and Miscellaneous																						
02666Q XM 0	AMER HONDA FIN 144A	5.125	03/27/2006	BNY CAPITAL MARKETS INC		1,736,963	1,750,000	1,747,655	1,747,669		104		104		1,747,773		(10,810)	(10,810)	25,162	12/15/2010	1FE	
02666Q WZ 2	AMER HONDA FIN MTN 144A FLTR	4.5	01/23/2006	BANK AMERICA		999,848	1,000,000	999,447	999,470		12		12		999,482		366	366	6,250	09/05/2008	1FE	
02666Q UF 8	AMER HONDA FIN MTN FLTR	5.208	01/17/2006	J.P. MORGAN		1,502,348	1,500,000	1,502,655	1,502,311		(97)		(97)		1,502,214		134	134	16,643	01/16/2007	1FE	
BCC00H 34 1	AMHPT 1996-2 B2	8.300	03/15/2006	MBS PAYDOWN		2,155	2,155	2,155					0		2,155			0			11/15/2026	6FE
00252F AR 2	AMIT 2004-1 B2	7.818	03/28/2006	MBS PAYDOWN		320	320	320					0		320			0	2	12/25/2008	2FE	
05947U LH 9	BACM 2003-1 A1	3.878	03/01/2006	MBS PAYDOWN		22,566	22,566	22,280	22,316		250		250		22,566			0	156	01/01/2012	1FE	
05949A PF 1	BOAMS 2004-7 5A52	5.250	03/01/2006	MBS PAYDOWN		45,422	45,422	45,195	45,306		117		117		45,422			0	427	03/01/2010	1FE	
05949A PN 4	BOAMS 2004-7 6A1	4.500	03/01/2006	MBS PAYDOWN		53,645	53,645	53,251	53,274		371		371		53,645			0	443	07/01/2019	1FE	
097014 AE 4	BOEING CAPITAL CORP	5.650	03/22/2006	BNP PARIBAS SECURITIES		1,826,515	1,825,000	1,929,646	1,836,081		(7,112)		(7,112)		1,828,969		(2,455)	(2,455)	37,808	05/15/2006	1FE	
12189P AF 9	BURLINGTON/SANTA	7.570	01/02/2006	SINKING FUND REDEMPTION		8,284	8,284	9,316	9,169		(886)		(886)		8,284			0	314	01/02/2021	1FE	
17305E BH 7	CCCIT 2003-A2 A2	2.700	01/17/2006	CALL BY ISSUER 100.000		1,000,000	1,000,000	995,625	999,907		93		93		1,000,000			0	13,500	01/15/2006	1FE	
12506Y BC 2	CDCMC 2003-HE1 B2 FLTR	10.291	03/25/2006	MBS PAYDOWN		35,640	35,640	35,640					0		35,640			0	595	09/25/2008	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	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designa- tion or Market Indicator (a)
16162W NE 5	CHASE 2005-S3 A4		03/01/2006	MBS PAYDOWN		118,538	118,538	118,242	118,244		295		295		118,538			0	856	01/01/2011	1FE
12669F J8 7	CHWL 2004-13 2A1		03/01/2006	MBS PAYDOWN		170,701	170,701	170,621	170,636		65		65	1,440	170,701			0	1,440	12/01/2007	1FE
161581 CT 8	CMAOT 2003-A A3		02/15/2006	MBS PAYDOWN		83,042	83,042	83,045	83,042				0	83,042			0	141	02/15/2006	1FE	
172850 BB 4	CITRV 1999-A B	8,717	03/31/2006	REDUCE BASIS								142,075	(142,075)				0		03/15/2017	3FE	
172973 YT 0	CMSI 2004-5 1A3	5,250	03/01/2006	MBS PAYDOWN		38,992	38,992	38,919	38,941		51		51	38,992			0	331	03/01/2012	1FE	
172973 P3 7	CMSI 2005-1 2A1	4,750	03/01/2006	MBS PAYDOWN		55,730	55,730	54,920	54,999		730		730	55,730			0	448	02/01/2020	1FE	
20033T AF 2	COMED 1998-1 A6	5,630	03/25/2006	MBS PAYDOWN		174,046	174,046	192,165	179,357		(5,311)		(5,311)	174,046			0	2,450	06/25/2007	1FE	
21075W FZ 3	CONHE 1997-4 A7	6,630	03/01/2006	MBS PAYDOWN		2,454	2,454	2,504	2,454				0	2,454			0	26	04/01/2009	1FE	
22540V EH 1	CSFB 2001-CKN5 A3	5,107	03/01/2006	MBS PAYDOWN		99,422	99,422	105,201	102,776		(3,354)		(3,354)	99,422			0	519	10/01/2009	1FE	
22540V HG 0	CSFB 2001-HE25 B	7,618	03/01/2006	VARIOUS		3,342	3,342	3,342	3,342				0	3,342			0	75	07/25/2009	3FE	
22541S HS 0	CSFB 2004-C2 A1	3,819	03/01/2006	MBS PAYDOWN		104,439	104,439	100,261	100,959		3,479		3,479	104,439			0	901	12/01/2013	1FE	
152314 DF 4	CXHE 2001-A A4	6,470	01/27/2006	MBS PAYDOWN		17,640	17,640	17,640	17,640				0	17,640			0	95	04/01/2006	1FE	
152314 DH 0	CXHE 2001-A A6	6,250	01/27/2006	MBS PAYDOWN		332,205	332,205	344,839	334,808		(2,602)		(2,602)	332,205			0	1,730	06/01/2010	1FE	
23322B FZ 6	DLJCM 99-CG3 A1A	7,120	03/01/2006	MBS PAYDOWN		7,517	7,517	8,123	7,800		(283)		(283)	7,517			0	96	10/01/2008	1FE	
29078P AA 8	EAST 2000-A A1 FLTR	4,450	01/20/2006	DIRECT		325,824	299,716	299,716	299,716				0	299,716		26,107	26,107	3,275	08/15/2025	4FE	
29078P AB 6	EAST 2000-A A2	4,950	01/20/2006	VARIOUS		1,064,523	884,032	884,032	884,032				0	884,032		180,492	180,492	12,036	12/15/2009	4FE	
294754 AQ 9	EQABS 02-1 AF2	5,523	01/01/2006	MBS PAYDOWN		542	542	548	542				0	542			0	2	02/01/2006	1FE	
294751 CZ 3	EQABS 2003-4 AF3	3,531	03/01/2006	MBS PAYDOWN		1,132,252	1,132,252	1,132,251	1,132,251		1		1	1,132,252			0	6,451	05/01/2006	1FE	
31846L BT 2	FAMLT 1998-1F NOTE	6,610	03/01/2006	MBS PAYDOWN		244	244	247	244				0	244			0	3	08/01/2017	1FE	
35729P FA 3	FHLT 2004-C M8	8,818	02/28/2006	MBS PAYDOWN		1,912	1,912	1,912	1,912				0	1,912			0	10	04/25/2034	3FE	
31396C 3C 2	FHRR R003 AG	5,125	03/01/2006	MBS PAYDOWN		36,147	36,147	36,066	36,069		78		78	36,147			0	302	05/01/2014	1	
32054Y AC 7	FIB 2000-1 A FLTR	5,550	03/15/2006	MBS PAYDOWN		3,655	3,655	3,655	3,655				0	3,655			0	24	07/15/2026	5FE	
337367 AB 2	FULBA 1998-C2 A2	6,560	03/01/2006	MBS PAYDOWN		173,962	173,962	193,818	182,082		(8,120)		(8,120)	173,962			0	1,856	11/01/2008	1FE	
337378 AA 1	FUNBC 1999-C4 A1	7,184	03/01/2006	MBS PAYDOWN		32,432	32,432	34,550	33,349		(917)		(917)	32,432			0	550	09/01/2007	1FE	
33736X AA 7	FUNBC 2000-C1 A1	7,739	03/01/2006	MBS PAYDOWN		32,826	32,826	36,819	34,933		(2,107)		(2,107)	32,826			0	469	12/01/2008	1FE	
361849 DY 5	GMACC 1998-C2 A2	6,420	03/01/2006	MBS PAYDOWN		90,757	90,757	101,460	95,038		(4,281)		(4,281)	90,757			0	740	07/01/2008	1FE	
361849 ES 7	GMACC 1999-C1 A1	5,830	02/01/2006	MBS PAYDOWN		2,639	2,639	2,714	2,662		(23)		(23)	2,639			0	57	04/01/2006	1FE	
361849 FT 4	GMACC 1999-C2 CL A1	6,570	03/01/2006	MBS PAYDOWN		17,923	17,923	18,849	18,189		(266)		(266)	17,923			0	171	02/01/2007	1FE	
393505 UW 0	GT 1997-4 M1	7,220	03/15/2006	MBS PAYDOWN		3,036	3,036	3,036	3,036				0	3,036			0	41	10/15/2020	4FE	
393505 YB 2	GT 1997-8 B1	7,170	03/15/2006	MBS PAYDOWN		30,854	30,854	30,854	27,228	3,626			3,626	30,854			0	672	07/15/2008	6FE	
393505 T5 1	GT 1999-1 M1	9,779	03/02/2006	MBS PAYDOWN		4,412	4,412	4,412	4,412				0	4,412			0	72	11/01/2022	5FE	
393505 W4 0	GT 1999-2 M1	6,800	03/02/2006	MBS PAYDOWN		14,296	14,296	14,296	14,296				0	14,296			0	246	01/01/2022	5FE	
393533 AK 0	GTCT 1996-B CTF5	7,700	03/21/2006	VARIOUS		9,012	8,615	8,615	8,615				0	8,615		397	397	25	06/15/2016	6FE	
40430G AJ 9	HFCHG 2005-3 M1	5,196	03/20/2006	MBS PAYDOWN		184,297	184,297	184,297	184,297				0	184,297			0	1,447	09/20/2013	1FE	
440452 AD 2	HORMEL FOODS CORP	6,625	03/28/2006	BNY CAPITAL MARKETS INC		1,844,973	1,750,000	1,851,255	1,851,255		(1,563)		(1,563)	1,849,692		(4,719)	(4,719)	38,002	06/01/2011	1FE	
44181K Q8 0	HSBC FINANCE CORP	3,375	02/21/2006	MATURITY		500,000	500,000	509,695	500,000		(565)		(565)	500,000			0	8,438	02/21/2006	1FE	
45254T MV 3	IMSA 2003-2 A4	3,750	03/01/2006	MBS PAYDOWN		127,992	127,992	120,103	120,113		7,879		7,879	127,992			0	473	07/01/2032	1FE	
456606 CF 7	INHEL 2001-A MV2 FLTR	5,968	03/25/2006	MBS PAYDOWN		289,600	289,600	289,600	289,600				0	289,600			0	7,405	06/25/2006	2FE	
456606 DE 9	INHEL 2001-C B	7,168	03/25/2006	MBS PAYDOWN		33,398	33,398	33,398	33,398				0	33,398			0	732	03/25/2008	3FE	
47214T AA 7	JCPL 2002-A A1	4,190	03/05/2006	MBS PAYDOWN		40,914	40,914	43,049	41,826		(913)		(913)	40,914			0	429	12/05/2007	1FE	
24422E PS 2	JOHN DEERE CAPITAL CORP	5,000	02/06/2006	UBS SECURITIES		2,001,360	2,000,000	2,003,232	2,003,085		(130)		(130)	2,002,955		(1,595)	(1,595)	15,094	06/10/2008	1FE	
46625M WW 5	JPMCC 2003-CB6 A1	4,393	03/01/2006	MBS PAYDOWN		37,481	37,481	37,642	37,624		(143)		(143)	37,481			0	289	12/01/2012	1FE	
542514 CL 6	LBMLT 2002-2 M3	7,068	03/10/2006	DONALDSON, LUFKIN & JENR		101,475	110,000	98,175					0	98,175		3,300	3,300	334	11/25/2029	3FE	
50180A AB 0	LBSBN 2005-2A N2	7,860	01/03/2006	PRIOR YEAR INCOME									0				0	3	09/27/2030	4FE	
52108H FK 5	LBUBS 2001-C3 A1	6,058	03/11/2006	MBS PAYDOWN		110,555	110,555	113,794	113,579		(3,024)		(3,024)	110,555			0	1,437	12/11/2010	1FE	
52108H GS 8	LBUBS 2005-C5 A1	4,741	03/11/2006	MBS PAYDOWN		160,889	160,889	161,690	161,631		(742)		(742)	160,889			0	1,350	03/11/2010	1FE	
589331 AF 4	MERCK & CO INC 144A	4,726	02/22/2006	PUT BY HOLDER		4,000,000	4,000,000	4,049,600	4,007,066		(7,066)		(7,066)	4,000,000			0	191,668	02/22/2011	1FE	
59018Y QN 4	MERRILL LYNCH & CO	2,470	03/10/2006	MATURITY		1,000,000	1,000,000	1,000,000	1,000,000				0	1,000,000			0	12,350	03/10/2006	1FE	

E05.4

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)				
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.											
589962 CV 9	MESC 13 M1		03/28/2006	VARIOUS		417	417	417	417				0		417			0	6	08/01/2015	6FE				
61745M FG 3	MSC 1998-HF1 A2		03/01/2006	MBS PAYDOWN		387,762	387,762	434,071	405,047		(17,285)		(17,285)		387,762			0	5,223	01/01/2008	1FE				
61745M ES 8	MSC 1998-WF1 A2		03/01/2006	MBS PAYDOWN		593,383	593,383	660,869	619,450		(26,067)		(26,067)		593,383			0	8,970	12/01/2007	1FE				
61746W RT 9	MSDWC 2002-HE2 B1 FLTR		03/27/2006	MBS PAYDOWN		1,395	1,395	1,395					0		1,395			0	15	01/25/2008	2FE				
65473H AC 7	NAROT 2003-C A3		03/15/2006	MBS PAYDOWN		252,109	252,109	250,701	251,900		209		209		252,109			0	761	03/15/2006	1FE				
655356 JE 4	NASC 1998-D6 A1A		03/11/2006	MBS PAYDOWN		138,604	138,604	149,151	142,269		(3,665)		(3,665)		138,604			0	1,619	07/11/2007	1FE				
637432 CQ 6	NATIONAL RURAL UTILITIES		03/28/2006	BNP PARIBAS SECURITIES		3,754,350	3,750,000	4,002,263	3,777,570		(18,517)		(18,517)		3,759,053		(4,703)	(4,703)	85,000	05/15/2006	1FE				
634902 JB 7	NATL CITY BANK		02/24/2006	SINKING FUND REDEMPTION		227,273	227,273	226,605	226,842		430		430		227,273			0	3,068	08/24/2009	1FE				
64109Y AA 9	NLFLP 05-1A		03/27/2006	MBS PAYDOWN		280,699	280,699	280,699	280,699				0		280,699			0	2,456	01/27/2011	1FE				
68619A AG 2	ORGN 2001-A M1		03/15/2006	MBS PAYDOWN		1,564	1,564	1,564	1,453		111		111		1,564			0	28	03/15/2016	5FE				
705220 AF 8	PECO 1999-A A6		03/01/2006	MBS PAYDOWN		436,099	436,099	486,268	448,401		(12,301)		(12,301)		436,099			0	13,192	03/01/2007	1FE				
69340W AA 1	PLC TRUST 2003-1		03/31/2006	VARIOUS		346,238	346,238	346,238	346,238				0		346,238			0	3,771	03/31/2006	1FE				
73316P BV 1	POPLR 2005-1 M4		02/03/2006	GOLDMAN SACHS		485,996	500,000	494,052	494,578		123		123		494,701		(8,705)	(8,705)	5,304	05/01/2017	2FE				
76126C KG 6	RACERS-01-29-E 144A		03/24/2006	SINKING FUND REDEMPTION		8,190	8,190	8,190	8,078		112		112		8,190			0	231	03/24/2011	5FE				
76110H DB 2	RALI 2003-QS10 A13		03/01/2006	MBS PAYDOWN		134,653	134,653	131,750	132,361		2,292		2,292		134,653			0	986	08/01/2022	1FE				
76110W HL 3	RASC 1999-KS4 A14		03/01/2006	MBS PAYDOWN		13,006	13,006	13,585	13,220		(214)		(214)		13,006			0	157	03/01/2011	1FE				
76110W JZ 0	RASC 2000-KS3 A16		03/01/2006	MBS PAYDOWN		37,191	37,191	39,556	37,679		(488)		(488)		37,191			0	488	06/01/2014	1FE				
76110W RM 0	RASC 2003-KS4 A13		01/01/2006	MBS PAYDOWN		59,840	59,840	59,829	59,840				0		59,840			0	125	01/01/2006	1FE				
45660N JL 0	RAST 2002-A13 A3		01/01/2006	MBS PAYDOWN		838	838	838	838				0		838			0	3	07/01/2006	1FE				
76111X ZR 7	RFMSI 2005-S7 A1		03/01/2006	MBS PAYDOWN		75,757	75,757	74,940	74,951		806		806		75,757			0	669	01/01/2012	1FE				
86358R L7 0	SASC 2002-HF1 B FLTR		03/25/2006	MBS PAYDOWN		33,146	33,146	33,146	32,806		339		339		33,146			0	897	12/25/2025	4FE				
86359D LX 3	SASC 2005-S4 A		03/01/2006	MBS PAYDOWN		217,146	217,146	214,364	214,727		2,419		2,419		217,146			0	1,575	09/01/2008	1FE				
872287 AE 7	TCI COMMUNICATIONS INC		02/15/2006	MATURITY		375,000	375,000	371,228	374,860		140		140		375,000			0	12,891	02/15/2006	2FE				
60935B DZ 9	TMSHE 1998-B AF9		03/01/2006	MBS PAYDOWN		15,727	15,727	16,356	15,893		(166)		(166)		15,727			0	155	06/01/2015	1FE				
94356* AA 1	WAVELAND NCP TEXAS VENTURES		03/02/2006	SINKING FUND REDEMPTION		325,042	325,042	325,042	325,042				0		325,042			0	17,350	08/01/2011	1FE				
949762 AA 6	WFMB 2003-10 A1		03/27/2006	MBS PAYDOWN		23,721	23,721	23,188	23,361		361		361		23,721			0	177	08/01/2018	1FE				
94979F AC 0	WFMB 2003-12 A3		03/27/2006	MBS PAYDOWN		72,945	72,945	72,683	72,696		250		250		72,945			0	606	10/01/2018	1FE				
94981A AA 1	WFMB 2003-14 1A1		03/27/2006	MBS PAYDOWN		44,003	44,003	43,862	43,876		127		127		44,003			0	391	11/01/2018	1FE				
94982E AA 2	WFMB 2005-1 1A1		03/27/2006	MBS PAYDOWN		49,252	49,251	49,255	49,254		(4)		(4)		49,251			0	469	01/01/2020	1FE				
4599999.	Total - Bonds - Industrial & Miscellaneous					30,243,302	29,967,477	30,698,512	28,201,350		4,188		(107,530)		142,075		(245,417)	0	30,065,491		177,809	177,809	583,444	XXX	XXX
6099997.	Total - Bonds - Part 4					128,506,845	127,736,097	129,675,887	85,741,293		28,623		(177,809)		142,075		(291,261)	0	128,172,925		333,919	333,919	1,612,351	XXX	XXX
6099999.	Total - Bonds					128,506,845	127,736,097	129,675,887	85,741,293		28,623		(177,809)		142,075		(291,261)	0	128,172,925		333,919	333,919	1,612,351	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					128,506,845	XXX	129,675,887	85,741,293		28,623		(177,809)		142,075		(291,261)	0	128,172,925		333,919	333,919	1,612,351	XXX	XXX

E05.5

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

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

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

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

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

THE MEDICAL ASSURANCE COMPANY, INC.

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
BANK OF AMERICA.....	ATLANTA, GA.....	.....	.....	.....	.....1,074,513	.....1,425,615	.....3,100,426	XXX
BANK ONE.....	BATON ROUGE, LA.....	.....	.....	.....	.....70,000	.....70,000	.....70,000	XXX
FEDERAL HOME LOAN BANK.....	ATLANTA, GA.....	.....	.....	.....	.....116,735	.....117,124	.....1,422	XXX
WACHOVIA BANK.....	BIRMINGHAM, AL.....	.....	.....	.....	.....(5,541,576)	.....(3,926,306)	.....(4,629,940)	XXX
VOYAGER BANK.....	EDEN PRAIRIE, MN.....	.....	.....	.....	.....6,446	.....6,622	.....6,628	XXX
0199999. Total Open Depositories.....	XXX.....	XXX.....	.....0	.....0	.....(4,273,882)	.....(2,306,946)	.....(1,451,465)	XXX
0399999. Total Cash on Deposit.....	XXX.....	XXX.....	.....0	.....0	.....(4,273,882)	.....(2,306,946)	.....(1,451,465)	XXX
0499999. Cash in Company's Office.....	XXX.....	XXX.....	XXX.....	.....XXX.....	.....3,108	.....3,108	.....3,108	XXX
0599999. Total Cash.....	XXX.....	XXX.....	.....0	.....0	.....(4,270,775)	.....(2,303,839)	.....(1,448,358)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned at End of Current Quarter

1	2		3	4	5	6	7	8	9
CUSIP Identification	Description		Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
Cash Equivalents									
05250M	DC	8		03/17/2006		04/12/2006	3,630,789		7,105
313313	VK	1		03/31/2006		04/11/2006	4,793,865		614
313589	VB	6		03/31/2006		04/03/2006	30,007,246		3,877
61777M	D7	6		03/22/2006		04/07/2006	7,024,435		9,276
6931M1	EA	7		03/22/2006		05/10/2006	5,964,800		38,718
74433H	DD	3		03/29/2006		04/13/2006	5,491,328		2,168
78957U	DA	7		03/28/2006		04/10/2006	7,019,602		3,733
87651U	DA	7		03/15/2006		04/10/2006	6,262,633		13,916
87651U	DJ	8		03/14/2006		04/18/2006	6,924,597		16,309
89233H	D5	0		03/29/2006		04/05/2006	5,497,097		2,177
31371M	Q9	1		03/31/2006	5.500	04/03/2006	5,654,000		61,039
0199999	Totals		RA				88,270,392	0	158,932