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HEALTH QUARTERLY STATEMENT

As of September 30, 2010

of the Condition and Affairs of the

HMO Partners, Inc

NAIC Group Code.....876, 876 (Current Period) (Prior Period) NAIC Company Code..... 95442 Employer's ID Number..... 71-0747497

Organized under the Laws of Arkansas State of Domicile or Port of Entry Arkansas Country of Domicile US

Licensed as Business Type Is HMO Federally Qualified? Yes [X] No [ ]

Incorporated/Organized..... November 8, 1993 Commenced Business..... January 1, 1994

Statutory Home Office	320 West Capitol….. Little Rock ..... AR ..... 72203-8069 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	320 West Capitol….. Little Rock ..... AR ..... 72203-8069 *(Street and Number) (City or Town, State and Zip Code)*	501-221-1800 *(Area Code) (Telephone Number)*
Mail Address	320 West Capitol….. Little Rock ..... AR ..... 72203-8069 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	601 S. Gaines….. Little Rock ..... AR ..... 72201 *(Street and Number) (City or Town, State and Zip Code)*	501-378-2000 *(Area Code) (Telephone Number)*
Internet Web Site Address	healthadvantage-hmo.com	
Statutory Statement Contact	Scott Bradley Winter *(Name)*	501-399-3951 *(Area Code) (Telephone Number) (Extension)*
	sbwinter@arkbluecross.com *(E-Mail Address)*	501-378-3258 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. David Frank Bridges	President	2. Gray Donald Dillard	Vice President/CFO
3. Scott Bradley Winter	Assistant Treasurer	4. Kathleen O'Dea Ryan	Vice President

OTHER

James Sterling Adamson Jr. MD	Chairman	Robert Cecil Roberts	Vice Chairman
Russell Doyne Harrington Jr.	Secretary	Steven James Short	Treasurer
Clement Wade Fox MD	Assistant Secretary		

DIRECTORS OR TRUSTEES

James Sterling Adamson Jr. MD	Sharon Kay Allen	Richard Allen Calhoun Jr. MD	David Warren Cobb R.PH.
Richard Loyd Gore DDS	Russell Doyne Harrington Jr.	Nikita Jean Wilson RN	William Patton Phillips MD
Steven James Short	Robert Cecil Roberts	Michael David Voss	Paul Mark White
James Robert Bailey	David Frank Bridges	Michael Wayne Brown	James Bruce Hazlewood MD
Merlin Moody Hagan	Clement Wade Fox MD	Robert Lee Trammel	Randy Allan Jordan MD #
Jim Loyd English MD #			

State of..... Arkansas
County of..... Pulaski

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)	(Signature)	(Signature)
David Frank Bridges	Gray Donald Dillard	Scott Bradley Winter
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Vice President/CFO	Assistant Treasurer
(Title)	(Title)	(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 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	47,781,977		47,781,977	40,444,133
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	22,352,825		22,352,825	21,108,717
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....1,061,295), cash equivalents ($.....0) and short-term investments ($.....43,136,248)	44,197,543		44,197,543	54,716,338
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets			0	
9. Receivables for securities			0	
10 Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	114,332,345	0	114,332,345	116,269,188
12. Title plants less $.....0 charged off (for Title insurers only)			0	
13. Investment income due and accrued	644,150		644,150	525,373
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	1,837,987		1,837,987	1,819,494
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
14.3 Accrued retrospective premiums			0	
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	71,519		71,519	224,984
15.2 Funds held by or deposited with reinsured companies			0	
15.3 Other amounts receivable under reinsurance contracts			0	
16. Amounts receivable relating to uninsured plans	12,656,047		12,656,047	6,292,551
17.1 Current federal and foreign income tax recoverable and interest thereon	513,160		513,160	513,160
17.2 Net deferred tax asset			0	
18. Guaranty funds receivable or on deposit			0	
19. Electronic data processing equipment and software			0	
20. Furniture and equipment, including health care delivery assets ($.....0)			0	
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	
22. Receivables from parent, subsidiaries and affiliates	53,336		53,336	
23. Health care ($.....660,549) and other amounts receivable	1,425,352	764,951	660,401	1,086,693
24. Aggregate write-ins for other than invested assets	1,500,104	0	1,500,104	1,626,838
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 through 24)	133,034,000	764,951	132,269,049	128,358,281
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
27. Total (Lines 25 and 26)	133,034,000	764,951	132,269,049	128,358,281

DETAILS OF WRITE-INS

1001			0	
1002			0	
1003.			0	
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above)	0	0	0	0
2401. Supplemental Savings Plan	1,500,104		1,500,104	1,626,838
2402.			0	
2403.			0	
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	1,500,104	0	1,500,104	1,626,838

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $.....6,010,842 reinsurance ceded)	21,328,356		21,328,356	21,569,980
2. Accrued medical incentive pool and bonus amounts			0	
3. Unpaid claims adjustment expenses	915,842		915,842	874,301
4. Aggregate health policy reserves			0	
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserve			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance	2,525,821		2,525,821	2,364,305
9. General expenses due or accrued	529,074		529,074	108,334
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	720,132		720,132	
10.2 Net deferred tax liability	1,195,212		1,195,212	1,067,496
11. Ceded reinsurance premiums payable	145,401		145,401	114,092
12. Amounts withheld or retained for the account of others	3,876,395		3,876,395	4,666,850
13. Remittances and items not allocated	348,341		348,341	246,328
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates	5,466,482		5,466,482	6,208,126
16. Derivatives			0	
17. Payable for securities			0	
18. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)			0	
19. Reinsurance in unauthorized companies			0	
20. Net adjustments in assets and liabilities due to foreign exchange rates			0	
21. Liability for amounts held under uninsured plans	4,893,623		4,893,623	6,600,536
22. Aggregate write-ins for other liabilities (including $.....0 current)	233,436	0	233,436	442,256
23. Total liabilities (Lines 1 to 22)	42,178,115	0	42,178,115	44,262,604
24. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
25. Common capital stock	XXX	XXX	10,000	10,000
26. Preferred capital stock	XXX	XXX		
27. Gross paid in and contributed surplus	XXX	XXX	1,919,153	1,919,153
28. Surplus notes	XXX	XXX		
29. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
30. Unassigned funds (surplus)	XXX	XXX	88,161,782	82,166,524
31. Less treasury stock, at cost:				
31.1 .....0.000 shares common (value included in Line 25 $.....0)	XXX	XXX		
31.2 .....0.000 shares preferred (value included in Line 26 $.....0)	XXX	XXX		
32. Total capital and surplus (Lines 24 to 30 minus Line 31)	XXX	XXX	90,090,935	84,095,677
33. Total liabilities, capital and surplus (Lines 23 and 32)	XXX	XXX	132,269,050	128,358,281

DETAILS OF WRITE-INS

2201. Unclaimed property	259,675		259,675	260,316
2202. Miscellaneous payables	(26,239)		(26,239)	181,940
2203.			0	
2298. Summary of remaining write-ins for Line 22 from overflow page	0	0	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above)	233,436	0	233,436	442,256
2401.				
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	XXX	XXX	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	XXX	XXX	0	0
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	XXX	XXX	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months	XXX	405,481	387,303	514,989
2. Net premium income (including $.....0 non-health premium income)	XXX	102,386,848	91,642,412	122,798,650
3. Change in unearned premium reserves and reserve for rate credits	XXX			
4. Fee-for-service (net of $.....0 medical expenses)	XXX			
5. Risk revenue	XXX			
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	102,386,848	91,642,412	122,798,650
Hospital and Medical:				
9. Hospital/medical benefits		90,093,228	90,950,844	119,712,647
10. Other professional services				
11. Outside referrals		1,356,294	1,670,615	2,318,436
12. Emergency room and out-of-area		8,427,318	6,421,193	9,808,668
13. Prescription drugs		23,730,809	23,031,560	30,892,411
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts				
16. Subtotal (Lines 9 to 15)	0	123,607,649	122,074,212	162,732,162
Less:				
17. Net reinsurance recoveries		40,297,340	46,356,227	61,823,759
18. Total hospital and medical (Lines 16 minus 17)	0	83,310,309	75,717,985	100,908,403
19. Non-health claims (net)				
20. Claims adjustment expenses, including $.....1,912,117 cost containment expenses		2,987,682	3,101,814	3,666,090
21. General administrative expenses		8,963,041	7,594,097	11,567,134
22. Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)				
23. Total underwriting deductions (Lines 18 through 22)	0	95,261,032	86,413,896	116,141,627
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	7,125,816	5,228,516	6,657,023
25. Net investment income earned		1,626,719	1,434,315	1,801,120
26. Net realized capital gains (losses) less capital gains tax of $.....66,116		122,788	1,075	(137,842)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	1,749,507	1,435,390	1,663,278
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]				
29. Aggregate write-ins for other income or expenses	0	259,349	174,548	288,002
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	9,134,672	6,838,454	8,608,303
31. Federal and foreign income taxes incurred	XXX	3,254,016	2,412,315	3,214,014
32. Net income (loss) (Lines 30 minus 31)	XXX	5,880,656	4,426,139	5,394,289

DETAILS OF WRITE-INS

0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0	0
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Licensing fee income		120,001	120,001	160,000
2902. Miscellaneous Income		139,348	54,547	128,002
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	259,349	174,548	288,002

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year	84,095,681	74,902,244	74,902,244
34. Net income or (loss) from Line 32	5,880,656	4,426,139	5,394,289
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of $.....0	281,439	2,874,354	4,283,809
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	23,827	69,943	380,001
39. Change in nonadmitted assets	348,761	(52,727)	(319,758)
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders	(539,429)	(544,904)	(544,904)
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	5,995,254	6,772,805	9,193,437
49. Capital and surplus end of reporting period (Line 33 plus 48)	90,090,935	81,675,049	84,095,681

DETAILS OF WRITE-INS

4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance	102,718,181	92,299,040	121,416,551
2. Net investment income	1,666,709	1,761,538	2,074,773
3. Miscellaneous income			
4. Total (Lines 1 through 3)	104,384,890	94,060,578	123,491,324
5. Benefit and loss related payments	83,398,468	76,997,593	100,726,482
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	19,378,326	10,187,684	14,168,308
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $.....66,116 tax on capital gains (losses)	2,600,000	2,212,697	3,212,703
10. Total (Lines 5 through 9)	105,376,794	89,397,974	118,107,493
11. Net cash from operations (Line 4 minus Line 10)	(991,904)	4,662,604	5,383,831
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	6,440,686	14,018,000	15,768,600
12.2 Stocks	370,605	1,655	168,263
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	6,811,291	14,019,655	15,936,863
13. Cost of investments acquired (long-term only):			
13.1 Bonds	13,938,999	14,313,662	30,417,737
13.2 Stocks	848,392	1,310,346	1,594,752
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications		314,890	314,890
13.7 Total investments acquired (Lines 13.1 to 13.6)	14,787,391	15,938,898	32,327,379
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)	(7,976,100)	(1,919,243)	(16,390,516)
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	539,429	544,904	544,904
16.6 Other cash provided (applied)	(1,011,362)	331,438	1,528,169
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(1,550,791)	(213,466)	983,265
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)	(10,518,795)	2,529,895	(10,023,420)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	54,716,338	64,739,758	64,739,758
19.2 End of period (Line 18 plus Line 19.1)	44,197,543	67,269,653	54,716,338

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

20.0001			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year	66,724		66,724							
2. First Quarter	66,623		66,623							
3. Second Quarter	66,133		66,133							
4. Third Quarter	65,400		65,400							
5. Current Year	0									
6. Current Year Member Months	596,679		596,679							
Total Member Ambulatory Encounters for Period:										
7. Physician	42,619		42,619							
8. Non-Physician	47,329		47,329							
9. Total	89,948	0	89,948	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	12,173		12,173							
11. Number of Inpatient Admissions	3,412		3,412							
12. Health Premiums Written (a)	154,683,957		154,683,957							
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	154,683,957		154,683,957							
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	123,667,130		123,667,130							
18. Amount Incurred for Provision of Health Care Services	123,607,649		123,607,649							

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees $.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0399999. Aggregate Accounts Not Individually Listed-Covered	2,060,513	48,328	37,344	50,524		2,196,709
0499999. Subtotals	2,060,513	48,328	37,344	50,524	0	2,196,709
0599999. Unreported Claims and Other Claim Reserves						17,358,454
0699999. Total Amounts Withheld						7,784,035
0799999. Total Claims Unpaid						27,339,198

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	16,757,114	67,590,417	219,033	21,109,323	16,976,147	21,569,979
2. Medicare Supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	16,757,114	67,590,417	219,033	21,109,323	16,976,147	21,569,979
10. Healthcare receivables (a)		795,599			0	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts					0	
13. Totals	16,757,114	66,794,818	219,033	21,109,323	16,976,147	21,569,979

(a) Excludes $.....0 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. The financial statements of the company are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department. There have been no changes since The Company's 2009 Annual Statement.

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

D. The Company has no loan-backed securities at this time.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

C. There was no sale, transfer, or servicing of Financial Assets or Extinguishments of Liabilities

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

No significant change.

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

No significant change.

Note 20 - Other Items

No significant change.

Note 21 - Events Subsequent

No significant change.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2009 were $21,569,979. As of September 30, 2010, $16,972,227 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $219,033 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on risk-based lines of business. Therefore, there has been a $4,593,832 favorable prior year development since December 31, 2009 to September 30, 2010.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

Not applicable.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 - Anticipated Salvage and Subrogation

No significant change.

GENERAL INTERROGATORIES

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 [ ] No [X]
If yes, complete the Schedule Y-Part 1 - Organizational chart.

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

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [X] N/A [ ]
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. 12/31/2008.....

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. 12/31/2008.....

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). 5/30/2010.....

6.4 By what department or departments?

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $.....53,336

INVESTMENT

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 [ ] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	$ 0	$ 0
14.22 Preferred Stock	$ 0	$ 0
14.23 Common Stock	$ 0	$ 0
14.24 Short-Term Investments	$ 0	$ 0
14.25 Mortgage Loans on 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)	$ 0	$ 0
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-Part 3-Special Deposits, 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 Section 3, III. Conducting Examinations, F-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 Institutional Trust and Custody	St. Louis, Missouri

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

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

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
116359	Foundation Resource Management	Little Rock, Arkansas

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1. Operating Percentages:

1.1 A&H loss percent		81.2 %
1.2 A&H cost containment percent		1.2 %
1.3 A&H expense percent excluding cost containment expenses		6.5 %
2.1 Do you act as a custodian for health savings accounts?	Yes [ ]	No [X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.		0
2.3 Do you act as an administrator for heatlh savings accounts?	Yes [ ]	No [X]
2.4 If yes, please provide the amount of funds administered as of the reporting date.		0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (YES or NO)

NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	L	153,862,755						153,862,755	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	N							0	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	153,862,755	0	0	0	0	0	153,862,755	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	821,202						821,202	
61. Total (Direct Business)	(a) 1	154,683,957	0	0	0	0	0	154,683,957	0

DETAILS OF WRITE-INS

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

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

PART 1 – ORGANIZATIONAL CHART

NONE

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 Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1.

Bar Code:

* 9 5 4 4 2 2 0 1 0 3 6 5 0 0 0 0 3 *

Overflow Page for Write-Ins

NONE

SCHEDULE A - VERIFICATION

Real Estate

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	61,552,847	39,606,768
2. Cost of bonds and stocks acquired	14,787,391	32,012,489
3. Accrual of discount	36,780	54,289
4. Unrealized valuation increase (decrease)	575,718	6,338,686
5. Total gain (loss) on disposals	188,904	(12,869)
6. Deduct consideration for bonds and stocks disposed of	6,811,291	15,936,863
7. Deduct amortization of premium	195,547	310,458
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		199,195
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	70,134,802	61,552,847
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	70,134,802	61,552,847

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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	69,015,898	17,844,954	10,684,390	(37,116)	69,035,334	69,015,898	76,139,346	80,735,052
2. Class 2 (a)	9,450,152	2,125,146	41,921	(12,455)	9,456,128	9,450,152	11,520,921	8,858,034
3. Class 3 (a)	300,000				300,000	300,000	300,000	300,000
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)	2,896,477			61,483	2,974,641	2,896,477	2,957,960	
7. Total Bonds	81,662,527	19,970,100	10,726,311	11,912	81,766,103	81,662,527	90,918,227	89,893,086
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	81,662,527	19,970,100	10,726,311	11,912	81,766,103	81,662,527	90,918,227	89,893,086

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....6,169,854; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	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
9199999. Totals	43,136,250	XXX	43,136,250	202	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	49,448,952	50,681,483
2. Cost of short-term investments acquired	60,507,470	144,935,063
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	66,820,174	146,167,594
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	43,136,248	49,448,952
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	43,136,248	49,448,952

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous									
00206R AV 4	AT&T Inc.		08/12/2010	Morgan Keegan		754,910	750,000	885	1FE
084664 AD 3	Berkshire Hathwy Note		08/17/2010	Citicorp		1,652,130	1,500,000	24,089	1FE
120568 AQ 3	Bunge Ltd. Finance Corp.		07/22/2010	Crews & Associates		429,300	405,000	689	2FE
450679 BW 4	ITT Corp Sr Nt		07/20/2010	Morgan Keegan		109,036	100,000	1,116	2FE
610202 BM 4	Monongahela Power		07/20/2010	Citicorp		531,320	450,000	3,776	2FE
91913Y AK 6	Valero Energy Corp.		09/08/2010	SW Securities		534,895	500,000	10,688	2FE
73755L AG 2	Potash Corp Sr Nt	I	09/27/2010	JP Morgan		520,595	500,000		2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					4,532,186	4,205,000	41,243	XXX
8399997.	Total - Bonds - Part 3					4,532,186	4,205,000	41,243	XXX
8399999.	Total - Bonds					4,532,186	4,205,000	41,243	XXX
Common Stocks - Industrial and Miscellaneous									
457983 10 4	Inmet Mining	I	07/02/2010	Union Bank Switzerland	4,600.000	183,887	XXX		L
9099999.	Total - Common Stocks - Industrial & Miscellaneous					183,887	XXX	0	XXX
9799997.	Total - Common Stocks - Part 3					183,887	XXX	0	XXX
9799999.	Total - Common Stocks					183,887	XXX	0	XXX
9899999.	Total - Preferred and Common Stocks					183,887	XXX	0	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					4,716,073	XXX	41,243	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 During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous																					
84474E AB 6	Southwest Airlines 93-A Trust		07/12/2010	Same As Description		40,241	40,241	42,212	42,071		(150)		(150)		41,921		(1,681)	(1,681)	1,517	06/29/2015	2FE
3899999.	Total - Bonds - Industrial & Miscellaneous					40,241	40,241	42,212	42,071	0	(150)	0	(150)	0	41,921	0	(1,681)	(1,681)	1,517	XXX	XXX
8399997.	Total - Bonds - Part 4					40,241	40,241	42,212	42,071	0	(150)	0	(150)	0	41,921	0	(1,681)	(1,681)	1,517	XXX	XXX
8399999.	Total - Bonds					40,241	40,241	42,212	42,071	0	(150)	0	(150)	0	41,921	0	(1,681)	(1,681)	1,517	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
31572V 11 2	Fibrek Inc Rights exp 7/15/10	A	07/20/2010	Same As Description	33,000.000		XXX						0					0		XXX	L
9099999.	Total - Common Stocks - Industrial & Miscellaneous					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997	Total - Common Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999.	Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999.	Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks					40,241	XXX	42,212	42,071	0	(150)	0	(150)	0	41,921	0	(1,681)	(1,681)	1,517	XXX	XXX

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

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt A-Sn 1-Footnote
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1-Footnote
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
Bank of America		0.010	275		7,186,667	11,766,980	1,061,295	XXX
0199999. Total Open Depositories	XXX	XXX	275	0	7,186,667	11,766,980	1,061,295	XXX
0399999. Total Cash on Deposit	XXX	XXX	275	0	7,186,667	11,766,980	1,061,295	XXX
0599999. Total Cash	XXX	XXX	275	0	7,186,667	11,766,980	1,061,295	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

NONE