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

HEALTH QUARTERLY STATEMENT

As of March 31, 2006

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 Website 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)*
Policyowner Relations Contact	320 West Capitol….. Little Rock ..... AR ..... 72203-8069 *(Street and Number) (City or Town, State and Zip Code)*	800-843-1329 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

Name	Title	Name	Title
1. David Frank Bridges	President	2. Steven James Short	Vice President/CFO
3. Scott Bradley Winter	Assistant Treasurer	4. Kathleen O'Dea Ryan #	Vice President

OTHER

James Sterling Adamson Jr. MD	Chairman	Allen Frances Smith	Vice Chairman
Russell Doyne Harrington Jr.	Secretary	Robert Lee Shoptaw	Treasurer
James Robert Bailey	Vice President	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.	Randal Freeland Hundley MD	Nikita Jean Wilson RN
William Patton Phillips MD	Robert Lee Shoptaw	Allen Frances Smith	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

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	Steven James Short	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	43,743,746		43,743,746	43,256,245
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	14,587,678		14,587,678	13,440,266
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 $.....0 encumbrances)			0	
5. Cash ($.....9,318,817), cash equivalents ($.....0) and short-term investments ($.....8,638,529)	17,957,346		17,957,346	25,259,701
6. Contract loans (including $.....0 premium notes)			0	
7. Other invested assets			0	
8. Receivables for securities			0	
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	76,288,770	0	76,288,770	81,956,212
11. Title Plants less $.....0 charged off (for Title insurers only)			0	
12. Investment income due and accrued	621,370		621,370	1,203,341
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	973,878		973,878	798,541
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
13.3 Accrued retrospective premiums			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	193,055		193,055	193,055
14.2 Funds held by or deposited with reinsured companies			0	
14.3 Other amounts receivable under reinsurance contracts			0	
15. Amounts receivable relating to uninsured plans	6,515,062		6,515,062	9,249,337
16.1 Current federal and foreign income tax recoverable and interest thereon			0	
16.2 Net deferred tax asset			0	
17. Guaranty funds receivable or on deposit			0	
18. Electronic data processing equipment and software			0	
19. Furniture and equipment, including health care delivery assets ($.....0)			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	
21. Receivables from parent, subsidiaries and affiliates	1,001,779		1,001,779	1,133,712
22. Health care ($.....770,827) and other amounts receivable	992,108	371,849	620,259	605,735
23. Aggregate write-ins for other than invested assets	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23)	86,586,022	371,849	86,214,173	95,139,933
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
26. TOTALS (Lines 24 and 25)	86,586,022	371,849	86,214,173	95,139,933

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.			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $.....4,631,190 reinsurance ceded)	9,058,294		9,058,294	17,145,415
2. Accrued medical incentive pool and bonus amounts			0	
3. Unpaid claims adjustment expenses	801,999		801,999	767,955
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	2,015,138		2,015,138	1,394,162
9. General expenses due or accrued	180,000		180,000	
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	946,489		946,489	845,298
10.2 Net deferred tax liability	1,949,553		1,949,553	1,752,348
11. Ceded reinsurance premiums payable	95,955		95,955	95,773
12. Amounts withheld or retained for the account of others	1,258,349		1,258,349	1,477,892
13. Remittances and items not allocated	637,687		637,687	82,385
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates	3,961,742		3,961,742	5,632,868
16. Payable for securities			0	
17. Funds held under reinsurance treaties with ($.....0 authorized reinsurers and $.....0 unauthorized reinsurers)			0	
18. Reinsurance in unauthorized companies			0	
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	
20. Liability for amounts held under uninsured plans	7,120,849		7,120,849	9,303,535
21. Aggregate write-ins for other liabilities (including $.....0 current)	198,561	0	198,561	59,832
22. Total liabilities (Lines 1 to 21)	28,224,616	0	28,224,616	38,557,463
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX	10,000	10,000
25. Preferred capital stock	XXX	XXX		
26. Gross paid in and contributed surplus	XXX	XXX	1,919,153	1,919,153
27. Surplus notes	XXX	XXX		
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	56,060,404	54,653,317
30. Less treasury stock, at cost:				
30.1 .....0.000 shares common (value included in Line 24 $.....0)	XXX	XXX		
30.2 .....0.000 shares preferred (value included in Line 25 $.....0)	XXX	XXX		
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	57,989,557	56,582,470
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	86,214,173	95,139,933

DETAILS OF WRITE-INS

2101. Unclaimed property	107,498		107,498	21,759
2102. Miscellaneous payables	91,063		91,063	38,073
2103.			0	
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	198,561	0	198,561	59,832
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.				
2802.				
2803.				
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year to Date
	1 Uncovered	2 Total	3 Total
1. Member months	XXX	101,042	148,233
2. Net premium income (including $.....0 non-health premium income)	XXX	21,662,349	30,143,177
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
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	21,662,349	30,143,177
Hospital and Medical:			
9. Hospital/medical benefits		21,409,553	28,469,784
10. Other professional services			
11. Outside referrals		688,125	1,336,509
12. Emergency room and out-of-area		1,461,764	996,175
13. Prescription drugs		4,192,000	3,981,181
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)	0	27,751,442	34,783,649
Less:			
17. Net reinsurance recoveries		10,296,034	9,161,948
18. Total hospital and medical (Lines 16 minus 17)	0	17,455,408	25,621,701
19. Non-health claims (net)			
20. Claims adjustment expenses, including $.....878,048 cost containment expenses		1,340,178	1,232,094
21. General administrative expenses		707,227	1,341,893
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	19,502,813	28,195,688
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	2,159,536	1,947,489
25. Net investment income earned		696,792	558,073
26. Net realized capital gains (losses) less capital gains tax of $.....32,487		60,334	
27. Net investment gains or (losses) (Lines 25 plus 26)	0	757,126	558,073
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	54,900	41,314
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	2,971,562	2,546,876
31. Federal and foreign income taxes incurred	XXX	1,021,924	891,407
32. Net income (loss) (Lines 30 minus 31)	XXX	1,949,638	1,655,469

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
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901. Licensing fee income		39,999	40,006
2902. Miscellaneous Income		14,901	1,308
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	54,900	41,314

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year
33. Capital and surplus prior reporting year	56,582,470	46,881,294	46,881,294
34. Net income or (loss) from Line 32	1,949,638	1,655,469	9,128,177
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	395,869	99,893	1,232,799
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	15,956		452,515
39. Change in nonadmitted assets	(41,558)	(407,204)	(22,315)
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	(912,818)		(1,090,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	1,407,087	1,348,158	9,701,176
49. Capital and surplus end of reporting period (Line 33 plus 48)	57,989,557	48,229,452	56,582,470

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 Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance	22,108,170	113,444,465
2. Net investment income	1,341,625	2,148,721
3. Miscellaneous income		
4. Total (Lines 1 through 3)	23,449,795	115,593,186
5. Benefit and loss related payments	25,542,529	93,227,366
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	964,888	11,744,576
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) $.....32,487 net tax on capital gains (losses)	920,733	4,333,373
10. Total (Lines 5 through 9)	27,428,150	109,305,315
11. Net cash from operations (Line 4 minus Line 10)	(3,978,355)	6,287,871
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,250,000	5,750,000
12.2 Stocks		898,099
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)	1,250,000	6,648,099
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,801,710	17,297,735
13.2 Stocks	545,138	251,969
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		1,005,676
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,346,848	18,555,380
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)	(1,096,848)	(11,907,281)
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	912,818	1,090,000
16.6 Other cash provided (applied)	(1,314,334)	(694,123)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(2,227,152)	(1,784,123)
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)	(7,302,355)	(7,403,533)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	25,259,701	32,663,234
19.2 End of period (Line 18 plus Line 19.1)	17,957,346	25,259,701

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	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at End of:													
1. Prior Year	51,965		51,965										
2. First Quarter	53,274		53,274										
3. Second Quarter	0												
4. Third Quarter	0												
5. Current Year	0												
6. Current Year Member Months	0												
Total Member Ambulatory Encounters for Period:													
7. Physician	9,341		9,341										
8. Non-Physician	12,499		12,499										
9. Total	21,840	0	21,840	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	3,182		3,182										
11. Number of Inpatient Admissions	932		932										
12. Health Premiums Written	35,876,582		35,876,582										
13. Life Premiums Direct	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	0												
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	35,705,584		35,705,584										
18. Amount Incurred for Provision of Health Care Services	27,751,441		27,751,441										

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	1,601,883	118,648	46,682	51,633		1,818,846
0499999. Subtotals	1,601,883	118,648	46,682	51,633	0	1,818,846
0599999. Unreported Claims and Other Claim Reserves						9,334,618
0699999. Total Amounts Withheld						2,536,021
0799999. Total Claims Unpaid						13,689,485

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)	13,976,967	12,009,500	854,645	8,203,649	14,831,612	17,145,415
2. Medicare Supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal Employees Health Benefits Plan Premiums					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid					0	
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	13,976,967	12,009,500	854,645	8,203,649	14,831,612	17,145,415
10. Healthcare receivables (a)	242,533	201,406			242,533	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts					0	
13. Totals	13,734,434	11,808,094	854,645	8,203,649	14,589,079	17,145,415

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

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

The Company files a stand-alone federal income tax return.

When available, the Company utilizes net operating loss carry forwards to offset taxable income. At March 31, 2006, the Company had $0 of operating loss carry forwards.

The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future net losses:

2005	$ 998,000
2004	$4,580,000
2003	$ -

The components of current income tax expense are as follows:

	2006	2005
Federal	$ 1,018,704	$ 4,627,198
Foreign	$ 3,221	7,510
Federal Income Tax on net capital gains	$ 32,487	$ 212,938
Utilization of capital loss carry-forwards	-	
Federal income tax incurred	$ 1,054,412	$4,847,646

The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	March 31, 2006	Effective Tax Rate
Provision computed at statutory rate	$ 1,051,419	35.0%
Dividends received deduction	$ (13,003)	-0.4%
Nondeductible expense	$ 1,313	0.0%
Other	$ (1,270)	0.0%
Total	$ 1,038,458	34.6%
Federal and foreign income taxes incurred	$ 1,054,412	35.1%

NOTES TO FINANCIAL STATEMENTS

Change in net deferred incomes taxes	$ (15,954)	-0.5%
Total statutory incomes taxes	$ 1,038,458	34.6%

The components of the net deferred tax asset/(liability) [at March 31] are as follows:

	March 31, 2006	December 31, 2005
Total of all deferred tax asset (admitted and nonadmitted)	$ 800,535	$ 786,932
Total of all deferred tax liabilities	2,750,088	2,539,280
Net deferred tax asset/(liability)	(1,949,554)	(1,752,348)
Total deferred tax assets nonadmitted in accordance with SSAP No. 10, Income Taxes		
Net admitted deferred tax asset/(liability)	(1,949,554)	(1,752,348)
Increase (decrease) in deferred tax assets nonadmitted	$ -	-

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at [March 31] are as follows:

	March 31, 2006	December 31, 2005
Deferred Tax Assets:		
Tax basis discount on unpaid losses	$ 65,373	$ 128,399
Unearned premium discounting	139,620	96,152
Accrued deferred compensation	437,531	404,371
Bad debts	9,228	9,228
Depreciation		
Impairment of Assets	148,782	148,782
Total deferred tax assets	800,535	786,932
Total deferred tax assets non-admitted		
Admitted deferred tax assets	800,535	786,932
Deferred Tax Liabilities:		
Unrealized Capital Gains	2,741,689	2,528,528
Accrued dividends	8,400	10,752
Other		
Total deferred tax liabilities	2,750,088	2,539,280
Net admitted deferred tax asset/(liability)	(1,949,554)	(1,752,348)

The change in net deferred income taxes is comprised of the following [at March 31]:

	March 31, 2006	December 31, 2005	Change
Total deferred tax assets	$ 800,535	$ 786,932	$ 13,602
Total deferred tax liabilities	2,750,088	2,539,280	210,808
Net deferred tax asset (liability)	$ (1,949,554)	$(1,752,348)	$ (197,206)
Tax effect of unrealized gains (losses)			213,160
Change in net deferred income tax			$ 15,954

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.

NOTES TO FINANCIAL STATEMENTS

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. NOTE: This disclosure is required in every filing for the Quarterly Statement.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - Anticipated Salvage and Subrogation

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 [ ] 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. 12/31/2002.....

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). 02/04/2004.....

6.4 By what department or departments?

Arkansas Insurance Department

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. $.....301,934

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 [ ] No [X]

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

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	$ 0	$ 0
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)	$ 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, 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
Regions Bank Trust Department	Little Rock, AR

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, AR

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: _____

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

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

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

SCHEDULE BA - VERIFICATION

Other Invested Assets

NONE

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	56,696,511	43,858,040
2. Cost of bonds and stocks acquired	2,346,847	17,549,704
3. Accrual of discount	31,356	49,660
4. Increase (decrease) by adjustment	600,928	1,666,890
5. Increase (decrease) by foreign exchange adjustment		
6. Total profit (loss) on disposal		608,394
7. Consideration for bonds and stocks disposed of	1,250,000	6,648,099
8. Amortization of premium	94,218	388,078
9. Book/adjusted carrying value, current period	58,331,424	56,696,511
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)	58,331,424	56,696,511
12. Total nonadmitted amounts		
13. Statement value	58,331,424	56,696,511

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	57,220,958	10,697,881	18,442,691	(65,803)	49,410,344			57,220,958
2. Class 2	1,063,365	520,780		(5,383)	1,578,762			1,063,365
3. Class 3	1,386,192			8,325	1,394,517			1,386,192
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	59,670,515	11,218,661	18,442,691	(62,861)	52,383,623	0	0	59,670,515
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	59,670,515	11,218,661	18,442,691	(62,861)	52,383,623	0	0	59,670,515

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	8,638,529	XXX	8,638,529		

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	16,414,269	14,932,328
2. Cost of short-term investments acquired	9,416,951	71,997,892
3. Increase (decrease) by adjustment		4,411
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments	92,821	
6. Consideration received on disposal of short-term investments	17,285,512	70,520,362
7. Book/adjusted carrying value, current period	8,638,529	16,414,269
8. Total valuation allowance		
9. Subtotal (Lines 7 plus 8)	8,638,529	16,414,269
10. Total nonadmitted amounts		
11. Statement value (Lines 9 minus 10)	8,638,529	16,414,269
12. Income collected during period	26,076	307,576
13. Income earned during period	78,048	357,870

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

Sch. S
NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1	2	Direct Business Only Year to Date					
				3	4	5	6	7	8
	State, Etc.	Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/Casualty Premiums
1.	Alabama AL	NO	NO						
2.	Alaska AK	NO	NO						
3.	Arizona AZ	NO	NO						
4.	Arkansas AR	NO	YES	35,725,091					
5.	California CA	NO	NO						
6.	Colorado CO	NO	NO						
7.	Connecticut CT	NO	NO						
8.	Delaware DE	NO	NO						
9.	District of Columbia DC	NO	NO						
10.	Florida FL	NO	NO						
11.	Georgia GA	NO	NO						
12.	Hawaii HI	NO	NO						
13.	Idaho ID	NO	NO						
14.	Illinois IL	NO	NO						
15.	Indiana IN	NO	NO						
16.	Iowa IA	NO	NO						
17.	Kansas KS	NO	NO						
18.	Kentucky KY	NO	NO						
19.	Louisiana LA	NO	NO						
20.	Maine ME	NO	NO						
21.	Maryland MD	NO	NO						
22.	Massachusetts MA	NO	NO						
23.	Michigan MI	NO	NO						
24.	Minnesota MN	NO	NO						
25.	Mississippi MS	NO	NO						
26.	Missouri MO	NO	NO						
27.	Montana MT	NO	NO						
28.	Nebraska NE	NO	NO						
29.	Nevada NV	NO	NO						
30.	New Hampshire NH	NO	NO						
31.	New Jersey NJ	NO	NO						
32.	New Mexico NM	NO	NO						
33.	New York NY	NO	NO						
34.	North Carolina NC	NO	NO						
35.	North Dakota ND	NO	NO						
36.	Ohio OH	NO	NO						
37.	Oklahoma OK	NO	NO						
38.	Oregon OR	NO	NO						
39.	Pennsylvania PA	NO	NO						
40.	Rhode Island RI	NO	NO						
41.	South Carolina SC	NO	NO						
42.	South Dakota SD	NO	NO						
43.	Tennessee TN	NO	NO						
44.	Texas TX	NO	NO						
45.	Utah UT	NO	NO						
46.	Vermont VT	NO	NO						
47.	Virginia VA	NO	NO						
48.	Washington WA	NO	NO						
49.	West Virginia WV	NO	NO						
50.	Wisconsin WI	NO	NO						
51.	Wyoming WY	NO	NO						
52.	American Samoa AS	NO	NO						
53.	Guam GU	NO	NO						
54.	Puerto Rico PR	NO	NO						
55.	U.S. Virgin Islands VI	NO	NO						
56.	Northern Mariana Islands MP								
57.	Canada CN	NO	NO						
58.	Aggregate Other alien OT	XXX	XXX	0	0	0	0	0	0
59.	Subtotal	XXX	XXX	35,725,091	0	0	0	0	0
60.	Reporting entity contributions for Employee Benefit Plans	XXX	XXX	151,491					
61.	Total (Direct Business)	XXX	(a) 1	35,876,582	0	0	0	0	0

DETAILS OF WRITE-INS

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

Overflow Page
NONE

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 1
NONE

Sch. B-Part 2
NONE

Sch. BA-Part 1
NONE

Sch. BA-Part 2
NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - States, Territories and Possessions									
041042 GP 1	Arkansas State GO Taxable		02/23/2006	Crews & Associates		249,290	250,000	208	1FE
1799999.	Total - Bonds - States, Territories & Possessions					249,290	250,000	208	XXX
Bonds - Industrial and Miscellaneous									
718507 BJ 4	Conoco Phillips Notes		03/08/2006	Union Bank Switzerland		1,031,640	1,000,000	28,865	1FE
698900 AF 4	PanCanadian Petroleum (now Encana)	F	03/28/2006	Union Bank Switzerland		520,780	500,000	13,125	2FE
4599999.	Total - Bonds - Industrial & Miscellaneous					1,552,420	1,500,000	41,990	XXX
6099997.	Total - Bonds - Part 3					1,801,710	1,750,000	42,198	XXX
6099999.	Total - Bonds					1,801,710	1,750,000	42,198	XXX
Common Stocks - Industrial and Miscellaneous									
552078 10 7	Lyondell Chemical		03/06/2006	Merrill Lynch	1,900.000	38,130	XXX		L
878895 20 0	Tecumseh Products Common A Shares		03/09/2006	Merrill Lynch	17,000.000	377,905	XXX		L
784142 10 1	SFK Pulp Fund	F	02/21/2006	Union Bank Switzerland	33,000.000	129,103	XXX		L
6899999.	Total - Common Stocks - Industrial & Miscellaneous					545,138	XXX	0	XXX
7299997.	Total - Common Stocks - Part 3					545,138	XXX	0	XXX
7299999.	Total - Common Stocks					545,138	XXX	0	XXX
7399999.	Total - Preferred and Common Stocks					545,138	XXX	0	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					2,346,848	XXX	42,198	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	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 - Public Utilities																					
709051 CQ 7	Penn. Power & Light 1st Mtg. AMBAC		.03/01/2006	MATURITY		500,000	500,000	535,195	501,731		(1,731)		(1,731)		500,000			0	16,375	03/01/2006	1FE
3899999.	Total - Bonds - Public Utilities					500,000	500,000	535,195	501,731	0	(1,731)	0	(1,731)	0	500,000	0	0	0	16,375	XXX	XXX
Bonds - Industrial and Miscellaneous																					
929160 AD 1	Vulcan Materials Notes		.02/01/2006	MATURITY		750,000	750,000	812,655	752,413		(2,413)		(2,413)		750,000			0	24,000	02/01/2006	1FE
4599999.	Total - Bonds - Industrial & Miscellaneous					750,000	750,000	812,655	752,413	0	(2,413)	0	(2,413)	0	750,000	0	0	0	24,000	XXX	XXX
6099997.	Total - Bonds - Part 4					1,250,000	1,250,000	1,347,850	1,254,144	0	(4,144)	0	(4,144)	0	1,250,000	0	0	0	40,375	XXX	XXX
6099999.	Total - Bonds					1,250,000	1,250,000	1,347,850	1,254,144	0	(4,144)	0	(4,144)	0	1,250,000	0	0	0	40,375	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					1,250,000	XXX	1,347,850	1,254,144	0	(4,144)	0	(4,144)	0	1,250,000	0	0	0	40,375	XXX	XXX

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

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	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		4.034	118,219		14,304,007	19,407,364	9,318,817	XXX
0199999. Total Open Depositories	XXX	XXX	118,219	0	14,304,007	19,407,364	9,318,817	XXX
0399999. Total Cash on Deposit	XXX	XXX	118,219	0	14,304,007	19,407,364	9,318,817	XXX
0599999. Total Cash	XXX	XXX	118,219	0	14,304,007	19,407,364	9,318,817	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned at End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Gross Investment Income

NONE