66680200720100101

QUARTERLY STATEMENT

As of March 31, 2007

of the Condition and Affairs of the

National Life Insurance Company

NAIC Group Code.....634, 634 (Current Period) (Prior Period) NAIC Company Code..... 66680 Employer's ID Number..... 03-0144090

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

Incorporated/Organized..... November 13, 1848 Commenced Business..... January 17, 1850

Statutory Home Office	1 National Life Drive….. Montpelier ..... VT ..... 05604 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	1 National Life Drive….. Montpelier ..... VT ..... 05604 *(Street and Number) (City or Town, State and Zip Code)*	802-229-3333 *(Area Code) (Telephone Number)*
Mail Address	1 National Life Drive….. Montpelier ..... VT ..... 05604 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	1 National Life Drive….. Montpelier ..... VT ..... 05604 *(Street and Number) (City or Town, State and Zip Code)*	802-229-3333 *(Area Code) (Telephone Number)*
Internet Website Address	www.nationallife.com	
Statutory Statement Contact	Craig Alan Anderson *(Name)*	802-229-3189 *(Area Code) (Telephone Number) (Extension)*
	CAnderson@Nationallife.com *(E-Mail Address)*	802-229-3189 *(Fax Number)*
Policyowner Relations Contact	1 National Life Drive….. Montpelier ..... VT ..... 05604 *(Street and Number) (City or Town, State and Zip Code)*	800-732-8939 *(Area Code) (Telephone Number) (Extension)*

OFFICERS

Name	Title	Name	Title
1. Thomas Henry MacLeay	President, Chairman & CEO	2. James Kenneth McQueston	Secretary
3. Robert Earl Cotton	Treasurer	4. Craig Alan Smith	Vice President & Chief Actuary

OTHER

Mehran (nmn) Assadi	Executive Vice President	Edward John Bonach	Executive Vice President & CFO
Michele Susan Gatto	Executive Vice President - General Counsel	Christian William Thwaites	Executive Vice President
Thomas Hyde Brownell	Senior Vice President & CIO	Don Wayne Cummings	Senior Vice President
William Edward Decker	Senior Vice President	Gregory Henry Doremus	Senior Vice President
Kenneth Ray Ehinger	Senior Vice President	Wade Hampton Mayo	Senior Vice President
Ruth Barra Smith	Senior Vice President		Senior Vice President

DIRECTORS OR TRUSTEES

David Rudolph Coates	Bruce Michael Lisman	Thomas Henry MacLeay	Vera Louise McCarren
Roger Blaine Porter	Eugene Miles Prentice III	Albert Gary Shilling	Patricia Ann Kelsh Woolf

State of........ Vermont
County of..... Washington

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)
Thomas Henry MacLeay	James Kenneth McQueston	Robert Earl Cotton
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President, Chairman & CEO	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me

This 1st day of May, 2007

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	4,780,566,482	0	4,780,566,482	4,691,831,929
2. Stocks:				
2.1 Preferred stocks	79,134,051	0	79,134,051	88,219,325
2.2 Common stocks	293,405,157	0	293,405,157	304,859,947
3. Mortgage loans on real estate:				
3.1 First liens	849,859,594	0	849,859,594	861,229,492
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less $.....40,841,839 encumbrances)	40,841,839	0	40,841,839	41,193,441
4.2 Properties held for the production of income (less $.....3,195,065 encumbrances)	3,195,065	0	3,195,065	3,217,715
4.3 Properties held for sale (less $..........0 encumbrances)	0	0	0	1,700,000
5. Cash ($.....(17,728,255)), cash equivalents ($..........0) and short-term investments ($.....25,042,186)	7,313,931	0	7,313,931	129,751,843
6. Contract loans (including $..........0 premium notes)	562,171,828	0	562,171,828	564,280,950
7. Other invested assets	162,448,763	0	162,448,763	155,295,329
8. Receivables for securities	393,059	0	393,059	1,949,864
9. Aggregate write-ins for invested assets	1,117,378	0	1,117,378	1,110,393
10. Subtotals, cash and invested assets (Lines 1 to 9)	6,780,447,147	0	6,780,447,147	6,844,640,229
11. Title Plants less $..........0 charged off (for Title insurers only)	0	0	0	0
12. Investment income due and accrued	81,785,348	0	81,785,348	78,592,432
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	10,138,101	2,090	10,136,011	19,733,659
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	49,904,476	0	49,904,476	53,835,345
13.3 Accrued retrospective premiums	0	0	0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	2,808,345	0	2,808,345	1,632,586
14.2 Funds held by or deposited with reinsured companies	0	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
16.2 Net deferred tax asset	171,503,444	99,780,108	71,723,336	71,723,336
17. Guaranty funds receivable or on deposit	107,487	0	107,487	114,406
18. Electronic data processing equipment and software	2,415,267	0	2,415,267	2,735,181
19. Furniture and equipment, including health care delivery assets ($..........0)	2,063,973	2,063,973	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates	2,167,964	0	2,167,964	25,517,208
22. Health care ($..........0) and other amounts receivable	4,932,841	4,932,841	0	0
23. Aggregate write-ins for other than invested assets	191,054,103	34,912,340	156,141,762	121,463,731
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23)	7,299,328,495	141,691,352	7,157,637,142	7,219,988,112
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	954,128,531	0	954,128,531	944,732,865
26. TOTALS (Lines 24 and 25)	8,253,457,026	141,691,352	8,111,765,674	8,164,720,977

DETAILS OF WRITE-INS

0901. Futures contracts	823,399	0	823,399	971,922
0902. Options	205,997	0	205,997	0
0903. Other real estate deposits	87,982	0	87,982	138,471
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)	1,117,378	0	1,117,378	1,110,393
2301. Corporate owned life insurance	133,569,670	0	133,569,670	99,793,985
2302. Cash value of deferred compensation life insurance policies	17,526,842	0	17,526,842	17,723,499
2303. Items not allocated	4,966,353	0	4,966,353	3,860,823
2398. Summary of remaining write-ins for Line 23 from overflow page	34,991,237	34,912,340	78,897	85,424
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	191,054,103	34,912,340	156,141,762	121,463,731

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts $.....5,253,845,487 less $..........0 included in Line 6.3 (including $.....37,073,864 Modco Reserve)	5,253,845,487	5,271,613,167
2. Aggregate reserve for accident and health contracts (including $....404,741,768 Modco Reserve)	521,812,033	516,277,871
3. Liability for deposit-type contracts (including $..........0 Modco Reserve)	187,453,172	192,184,114
4. Contract claims:		
4.1 Life	32,583,923	32,595,543
4.2 Accident and health	2,708,943	3,964,595
5. Policyholders' dividends $.....1,397,174 and coupons $..........0 due and unpaid	1,397,174	1,664,598
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including $..........0 Modco)	122,728,234	124,496,318
6.2 Dividends not yet apportioned (including $..........0 Modco)	0	0
6.3 Coupons and similar benefits (including $..........0 Modco)	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less $..........0 discount; including $.....198,135 accident and health premiums	3,687,810	3,834,127
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including $..........0 accident and health experience rating refunds	0	0
9.3 Other amounts payable on reinsurance, including $..........0 assumed and $..........0 ceded	0	0
9.4 Interest Maintenance Reserve	35,091,424	39,243,133
10. Commissions to agents due or accrued - life and annuity contracts $..........0, accident and health $..........0 and deposit-type contract funds $..........0	1,037,582	2,707,296
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued	20,047,701	21,590,372
13. Transfers to Separate Accounts due or accrued (net) (including $..........0 accrued for expense allowances recognized in reserves, net of reinsured allowances)	(46,518,912)	(46,843,227)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	(902,295)	(171,148)
15.1 Current federal and foreign income taxes, including $..........0 on realized capital gains (losses)	7,486,107	753,432
15.2 Net deferred tax liability	0	0
16. Unearned investment income	5,862	7,457
17. Amounts withheld or retained by company as agent or trustee	1,795,933	1,844,598
18. Amounts held for agents' account, including $..........0 agents' credit balances	16,205	0
19. Remittances and items not allocated	6,730,581	9,233,716
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	101,840,407	101,034,678
22. Borrowed money $..........0 and interest thereon $..........0	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	72,397,706	72,459,772
24.2 Reinsurance in unauthorized companies	0	0
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.4 Payable to parent, subsidiaries and affiliates	46,330	31,060,634
24.5 Drafts outstanding	0	0
24.6 Liability for amounts held under uninsured plans	0	0
24.7 Funds held under coinsurance	0	0
24.8 Payable for securities	0	28,546,688
24.9 Capital notes $..........0 and interest thereon $..........0	0	0
25. Aggregate write-ins for liabilities	109,634,182	107,257,866
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	6,434,925,590	6,515,355,599
27. From Separate Accounts Statement	950,763,039	941,376,250
28. Total Liabilities (Line 26 and 27)	7,385,688,628	7,456,731,849
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus	107,123,400	107,123,400
34. Aggregate write-ins for special surplus funds	4,050,900	4,056,472
35. Unassigned funds (surplus)	612,402,745	594,309,255
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 29 $..........0)	0	0
36.2 .....0.000 shares preferred (value included in Line 30 $..........0)	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including $..........0 in Separate Accounts Statement)	723,577,046	705,489,127
38. Totals of Lines 29, 30 and 37	726,077,046	707,989,127
39. Totals of Lines 28 and 38	8,111,765,674	8,164,720,977

DETAILS OF WRITE-INS

2501. Minimum Pension Obligation Accrual - ABO	52,757,000	52,757,000
2502. Accumulated post retirement benefits	26,385,552	25,809,760
2503. Miscellaneous	12,668,231	12,407,615
2598. Summary of remaining write-ins for Line 25 from overflow page	17,823,398	16,283,491
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	109,634,182	107,257,866
3101.	0	0
3102.	0	0
3103.	0	0
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above)	0	0
3401. Separate account annuity mortality fluctuation fund	3,361,054	3,356,615
3402. Permanent surplus (Guaranty Fund)	500,000	500,000
3403. Separate account special contingency fund	189,846	199,857
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	4,050,900	4,056,472

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	114,804,723	139,628,962	559,229,426
2. Considerations for supplementary contracts with life contingencies	440,399	1,909,460	3,370,044
3. Net investment income	109,302,891	107,147,602	443,747,530
4. Amortization of Interest Maintenance Reserve (IMR)	724,363	1,049,106	4,151,015
5. Separate Accounts net gain from operations excluding unrealized gains or losses	(55,542)	0	149,939
6. Commissions and expense allowances on reinsurance ceded	2,130,362	2,292,443	8,888,957
7. Reserve adjustments on reinsurance ceded	167,569	(7,669,144)	(10,169,335)
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	2,321,543	2,220,831	8,958,075
8.2 Charges and fees for deposit-type contracts	0	0	0
8.3 Aggregate write-ins for miscellaneous income	(5,997,257)	(7,472,057)	(25,958,462)
9. Totals (Lines 1 to 8.3)	223,839,051	239,107,203	992,367,189
10. Death benefits	42,529,770	43,740,311	145,258,166
11. Matured endowments (excluding guaranteed annual pure endowments)	6,709,250	597,083	5,568,505
12. Annuity benefits	12,108,657	50,322,337	68,205,494
13. Disability benefits and benefits under accident and health contracts	3,285,385	4,578,692	20,574,477
14. Coupons, guaranteed annual pure endowments and similar benefits	0	0	0
15. Surrender benefits and withdrawals for life contracts	83,286,933	39,821,444	291,720,143
16. Group conversions	0	0	0
17. Interest and adjustments on contract or deposit-type contract funds	364,079	2,050,412	7,476,073
18. Payments on supplementary contracts with life contingencies	1,500,325	1,481,304	5,626,633
19. Increase in aggregate reserves for life and accident and health contracts	(11,021,518)	(13,980,412)	57,226,650
20. Totals (Lines 10 to 19)	138,762,880	128,611,170	601,656,141
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	10,799,471	12,456,694	46,063,809
22. Commissions and expense allowances on reinsurance assumed	3,699	4,130	8,262
23. General insurance expenses	27,968,296	27,680,149	119,207,790
24. Insurance taxes, licenses and fees, excluding federal income taxes	3,375,706	3,713,997	12,350,219
25. Increase in loading on deferred and uncollected premiums	(1,748,861)	(1,478,332)	252,684
26. Net transfers to or (from) Separate Accounts net of reinsurance	(7,643,348)	18,118,180	8,074,428
27. Aggregate write-ins for deductions	1,556,826	3,068,472	4,731,350
28. Totals (Lines 20 to 27)	173,074,669	192,174,460	792,344,683
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	50,764,382	46,932,743	200,022,506
30. Dividends to policyholders	25,065,550	24,096,371	121,254,299
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	25,698,833	22,836,372	78,768,207
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	6,165,894	(795,389)	(2,050,767)
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	19,532,939	23,631,761	80,818,974
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $.....1,958,208 (excluding taxes of $.....909,747 transferred to the IMR)	1,894,715	7,627,092	(1,109,360)
35. Net income (Line 33 plus Line 34)	21,427,654	31,258,853	79,709,614
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	707,989,127	623,465,036	623,465,036
37. Net income (Line 35)	21,427,654	31,258,853	79,709,614
38. Change in net unrealized capital gains (losses) less capital gains tax of $..........0	(2,279,903)	(306,576)	36,262,994
39. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
40. Change in net deferred income tax	0	0	(862,952)
41. Change in nonadmitted assets and related items	(1,176,093)	(15,211,956)	(23,213,121)
42. Change in liability for reinsurance in unauthorized companies	0	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease	0	0	0
44. Change in asset valuation reserve	62,066	(3,391,024)	(5,406,438)
45. Change in treasury stock	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period	0	0	0
47. Other changes in surplus in Separate Accounts Statement	59,981	128,803	259,642
48. Change in surplus notes	0	0	0
49. Cumulative effect of changes in accounting principles	0	0	0
50. Capital changes:			
50.1 Paid in	0	0	0
50.2 Transferred from surplus (Stock Dividend)	0	0	0
50.3 Transferred to surplus	0	0	0
51. Surplus adjustment:			
51.1 Paid in	0	0	0
51.2 Transferred to capital (Stock Dividend)	0	0	0
51.3 Transferred from capital	0	0	0
51.4 Change in surplus as a result of reinsurance	0	0	0
52. Dividends to stockholders	0	0	(10,000,000)
53. Aggregate write-ins for gains and losses in surplus	(5,787)	0	7,774,352
54. Net change in capital and surplus (Lines 37 through 53)	18,087,919	12,478,100	84,524,091
55. Capital and surplus as of statement date (Lines 36 + 54)	726,077,046	635,943,136	707,989,127

DETAILS OF WRITE-INS

08.301. Miscellaneous income	1,208,382	216,935	2,388,234
08.302. Change in COLI	1,147,271	1,342,799	6,200,682
08.303. MODCO interest	(8,352,910)	(9,031,791)	(34,547,378)
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	(5,997,257)	(7,472,057)	(25,958,462)
2701. Changes in agents deferred comp	1,565,771	3,052,767	5,740,750
2702. Miscellaneous deductions	(8,945)	15,705	(1,009,400)
2703.	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	1,556,826	3,068,472	4,731,350
5301. Net change in provision for sales practice litigation	(5,787)	0	0
5302. Minimum pension obligation	0	0	7,653,000
5303. Miscellaneous adjustment	0	0	121,352
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399. Totals (Lines 5301 thru 5303 plus 5398) (Line 53 above)	(5,787)	0	7,774,352

CASH FLOW

		1 Current Year to Date	2 Prior Year Ended December 31
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	130,381,835	562,070,504
2.	Net investment income	108,520,185	448,405,429
3.	Miscellaneous income	(1,377,783)	(18,004,815)
4.	Total (Lines 1 through 3)	237,524,237	992,471,117
5.	Benefit and loss related payments	152,227,429	535,512,051
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	(7,967,663)	5,835,317
7.	Commissions, expenses paid and aggregate write-ins for deductions	45,241,468	183,824,101
8.	Dividends paid to policyholders	27,101,057	119,161,047
9.	Federal and foreign income taxes paid (recovered) net of $.....1,958,208 tax on capital gains (losses)	2,301,174	(9,292,143)
10.	Total (Lines 5 through 9)	218,903,465	835,040,374
11.	Net cash from operations (Line 4 minus Line 10)	18,620,773	157,430,743
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	391,254,247	1,472,440,707
	12.2 Stocks	26,698,425	17,969,187
	12.3 Mortgage loans	21,094,898	189,451,370
	12.4 Real estate	1,407,000	811,400
	12.5 Other invested assets	5,506,616	25,465,936
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
	12.7 Miscellaneous proceeds	1,556,805	34,836,956
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	447,517,991	1,740,975,557
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	489,972,384	1,552,071,878
	13.2 Stocks	5,748,633	19,967,250
	13.3 Mortgage loans	9,725,000	138,016,673
	13.4 Real estate	106,530	2,043,387
	13.5 Other invested assets	7,954,270	41,369,327
	13.6 Miscellaneous applications	28,553,673	952,676
	13.7 Total investments acquired (Lines 13.1 to 13.6)	542,060,490	1,754,421,191
14.	Net increase (decrease) in contract loans and premium notes	(2,109,122)	(6,366,342)
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(92,433,377)	(7,079,293)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	121,352
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	(3,522,193)	(13,855,037)
	16.5 Dividends to stockholders	0	10,000,000
	16.6 Other cash provided (applied)	(45,103,115)	(1,592,860)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(48,625,308)	(25,326,545)
	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)	(122,437,913)	125,024,906
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	129,751,843	4,726,937
	19.2 End of period (Line 18 plus Line 19.1)	7,313,931	129,751,843

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

20.0001		0	0

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life	0	0	0
2. Ordinary life insurance	100,655,960	101,411,999	473,469,276
3. Ordinary individual annuities	23,301,745	31,805,007	102,969,180
4. Credit life (group and individual)	0	0	0
5. Group life insurance	0	0	0
6. Group annuities	(2,695,782)	12,219,221	19,493,208
7. A&H - group	0	0	0
8. A&H - credit (group and individual)	0	0	0
9. A&H - other	10,119,793	10,389,565	41,795,627
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	131,381,716	155,825,792	637,727,291
12. Deposit-type contracts	0	0	0
13. Total	131,381,716	155,825,792	637,727,291

DETAILS OF WRITE-INS

1001.	0	0	0
1002.	0	0	0
1003.	0	0	0
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0
1099. Total (Lines 1001 thru 1003 plus 1098) (Line 10 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

C. None.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

No significant change.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 31 - Reserves for Life Contracts and Deposit-Type Contracts

No significant change.

Note 32 - Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

No significant change.

Note 33 - Premiums and Annuity Considerations Deferred and Uncollected

No significant change.

Note 34 - Separate Accounts

No significant change.

Note 35 - Loss/Claim Adjustment Expenses

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
	00000	

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2004.......................

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. 06/07/2006.......................

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). 06/07/2006.......................

6.4 By what department or departments?
Vermont Department of Banking, Insurance, Securities & Health Care Administration

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 [X] No [ ]

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
Equity Services, Inc.	Montpelier, VT					YES
Sentinel Financial Services Compan	Montpelier, VT					YES

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

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]

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. $....................(4,742,714)

INVESTMENT

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

11.2 If yes, explain:

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

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

13. Amount of real estate and mortgages held in other invested assets in Schedule BA: $......................2,674,273

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

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

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
15.21 Bonds	$...0	$...0
15.22 Preferred Stock	$...0	$...0
15.23 Common Stock	$.............................265,986,651	$...262,903,618
15.24 Short-Term Investments	$...0	$...0
15.25 Mortgages, Loans or Real Estate	$...0	$...0
15.26 All Other	$...0	$...0
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26)	$.............................265,986,651	$...262,903,618
15.28 Total Investment in Parent included in Lines 15.21 to 15.26 above	$...0	$...0

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address

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

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

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

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - LIFE & HEALTH

		1
1.	Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
1.1	Long-term mortgages in good standing	Amount
1.11	Farm mortgages	$0
1.12	Residential mortgages	$10,871
1.13	Commercial mortgages	$849,848,724
1.14	Total mortgages in good standing	$849,859,595
1.2	Long-term mortgages in good standing with restructured terms	
1.21	Total mortgages in good standing with restructured terms	$0
1.3	Long-term mortgage loans upon which interest is overdue more than three months	
1.31	Farm mortgages	$0
1.32	Residential mortgages	$0
1.33	Commercial mortgages	$0
1.34	Total mortgages with interest overdue more than three months	$0
1.4	Long-term mortgage loans in process of foreclosure	
1.41	Farm mortgages	$0
1.42	Residential mortgages	$0
1.43	Commercial mortgages	$0
1.44	Total mortgages in process of foreclosure	$0
1.5	Total mortgage loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)	$849,859,595
1.6	Long-term mortgages foreclosed, properties transferred to real estate in current quarter	
1.61	Farm mortgages	$0
1.62	Residential mortgages	$0
1.63	Commercial mortgages	$0
1.64	Total mortgages foreclosed and transferred to real estate	$0

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	47,722,520	47,563,626
2. Increase (decrease) by adjustment	(2,092,149)	(1,884,493)
3. Cost of acquired	106,530	182,918
4. Cost of additions to and permanent improvements	0	1,860,469
5. Total profit (loss) on sales	(293,000)	0
6. Increase (decrease) by foreign exchange adjustment	0	0
7. Amount received on sales	1,407,000	0
8. Book/adjusted carrying value at end of current period	44,036,901	47,722,520
9. Total valuation allowance	0	(1,611,368)
10. Subtotal (Lines 8 plus 9)	44,036,901	46,111,152
11. Total nonadmitted amounts	0	0
12. Statement value, current period (Page 2, real estate lines, net admitted assets column)	44,036,901	46,111,152

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year	861,229,492	911,404,189
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions	7,550,000	138,216,673
2.2 Additional investment made after acquisitions	2,175,000	0
3. Accrual of discount and mortgage interest points and commitment fees	0	0
4. Increase (decrease) by adjustment	0	0
5. Total profit (loss) on sale	0	200,000
6. Amounts paid on account or in full during the period	21,094,898	188,591,370
7. Amortization of premium	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	849,859,594	861,229,492
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	849,859,594	861,229,492
12. Total nonadmitted amounts	0	0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column)	849,859,594	861,229,492

SCHEDULE BA - VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	162,862,576	137,780,326
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions	109,625	5,123,346
2.2 Additional investment made after acquisitions	10,288,301	36,110,396
3. Accrual of discount	463	1,785
4. Increase (decrease) by adjustment	2,443,656	994,025
5. Total profit (loss) on sale	0	7,287,500
6. Amounts paid on account or in full during the period	5,506,616	24,071,025
7. Amortization of premium	181,997	363,777
8. Increase (decrease) by foreign exchange adjustment	0	0
9. Book adjusted/carrying value of long-term invested assets at end of current period	170,016,009	162,862,576
10. Total valuation allowance	(7,567,249)	(7,567,249)
11. Subtotal (Lines 9 plus 10)	162,448,760	155,295,327
12. Total nonadmitted amounts	0	0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	162,448,760	155,295,327

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	5,084,911,201	4,989,424,494
2. Cost of bonds and stocks acquired	491,036,951	1,572,039,131
3. Accrual of discount	764,598	3,535,066
4. Increase (decrease) by adjustment	(4,684,066)	32,188,297
5. Increase (decrease) by foreign exchange adjustment	0	0
6. Total profit (loss) on disposal	679,082	(17,870,239)
7. Consideration for bonds and stocks disposed of	417,952,665	1,487,327,287
8. Amortization of premium	1,661,217	7,078,261
9. Book/adjusted carrying value, current period	5,153,093,884	5,084,911,201
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	5,153,093,884	5,084,911,201
12. Total nonadmitted amounts	0	0
13. Statement value	5,153,093,884	5,084,911,201

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	3,324,550,456	1,640,508,264	1,726,125,603	(3,966,286)	3,234,966,831	0	0	3,324,550,456
2. Class 2	1,260,432,245	121,717,901	55,423,624	(21,513,036)	1,305,213,486	0	0	1,260,432,245
3. Class 3	161,080,290	17,152,740	17,135,976	41,372,504	202,469,558	0	0	161,080,290
4. Class 4	69,708,214	6,238,750	0	(16,511,157)	59,435,808	0	0	69,708,214
5. Class 5	2,411,756	0	184,255	0	2,227,501	0	0	2,411,756
6. Class 6	1,307,288	0	0	0	1,307,288	0	0	1,307,288
7. Total Bonds	4,819,490,249	1,785,617,655	1,798,869,458	(617,975)	4,805,620,472	0	0	4,819,490,249
PREFERRED STOCK								
8. Class 1	69,243,246	0	0	278	69,243,524	0	0	69,243,246
9. Class 2	14,070,805	0	9,090,210	(172)	4,980,423	0	0	14,070,805
10. Class 3	4,905,274	0	0	4,830	4,910,104	0	0	4,905,274
11. Class 4	0	0	0	0	0	0	0	0
12. Class 5	0	0	0	0	0	0	0	0
13. Class 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	88,219,325	0	9,090,210	4,936	79,134,051	0	0	88,219,325
15. Total Bonds and Preferred Stock	4,907,709,574	1,785,617,655	1,807,959,668	(613,039)	4,884,754,523	0	0	4,907,709,574

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	25,042,186	XXX	25,042,186	101,235	0

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	127,658,319	27,317,068
2. Cost of short-term investments acquired	1,300,317,535	3,134,610,103
3. Increase (decrease) by adjustment	0	0
4. Increase (decrease) by foreign exchange adjustment	0	0
5. Total profit (loss) on disposal of short-term investments	0	0
6. Consideration received on disposal of short-term investments	1,402,933,668	3,034,268,852
7. Book/adjusted carrying value, current period	25,042,186	127,658,319
8. Total valuation allowance	0	0
9. Subtotal (Lines 7 plus 8)	25,042,186	127,658,319
10. Total nonadmitted amounts	0	0
11. Statement value (Lines 9 minus 10)	25,042,186	127,658,319
12. Income collected during period	1,319,641	2,511,600
13. Income earned during period	1,227,596	2,598,182

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

Sch. S
NONE

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Is Insurer Licensed? (Yes or No)	Life Contracts 2 Life Insurance Premiums	 3 Annuity Considerations	4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 through 5	7 Deposit-Type Contracts
1. Alabama AL	YES	1,051,628	386,268	267,555	0	1,705,451	0
2. Alaska AK	YES	55,585	99	13,921	0	69,605	0
3. Arizona AZ	YES	1,244,173	329,362	105,704	0	1,679,239	0
4. Arkansas AR	YES	72,612	0	8,142	0	80,754	0
5. California CA	YES	9,795,337	617,671	1,091,609	0	11,504,617	0
6. Colorado CO	YES	479,533	104,018	86,429	0	669,980	0
7. Connecticut CT	YES	3,673,687	405,594	266,660	0	4,345,941	0
8. Delaware DE	YES	501,546	165,059	18,128	0	684,733	0
9. District of Columbia DC	YES	102,311	1,000	13,204	0	116,515	0
10. Florida FL	YES	6,531,098	2,175,090	669,821	0	9,376,009	0
11. Georgia GA	YES	5,264,454	3,220,343	507,461	0	8,992,258	0
12. Hawaii HI	YES	51,328	2,300	14,548	0	68,176	0
13. Idaho ID	YES	150,786	35,158	1,701	0	187,645	0
14. Illinois IL	YES	2,925,200	266,699	303,507	0	3,495,406	0
15. Indiana IN	YES	930,474	278,189	72,703	0	1,281,366	0
16. Iowa IA	YES	142,030	6,798	46,627	0	195,455	0
17. Kansas KS	YES	815,861	6,311	33,670	0	855,842	0
18. Kentucky KY	YES	565,402	100,144	22,911	0	688,457	0
19. Louisiana LA	YES	456,558	491	66,811	0	523,860	0
20. Maine ME	YES	1,328,108	536,045	108,698	0	1,972,851	0
21. Maryland MD	YES	2,151,633	18,723	107,273	0	2,277,629	0
22. Massachusetts MA	YES	3,030,877	317,587	225,357	0	3,573,821	0
23. Michigan MI	YES	1,832,046	87,730	479,784	0	2,399,560	0
24. Minnesota MN	YES	1,595,255	200,578	233,529	0	2,029,362	0
25. Mississippi MS	YES	1,321,414	0	17,912	0	1,339,326	0
26. Missouri MO	YES	3,230,035	1,400	68,856	0	3,300,291	0
27. Montana MT	YES	180,394	0	12,010	0	192,404	0
28. Nebraska NE	YES	326,282	51,675	49,772	0	427,729	0
29. Nevada NV	YES	211,895	0	23,030	0	234,925	0
30. New Hampshire NH	YES	794,548	578,421	103,830	0	1,476,799	0
31. New Jersey NJ	YES	4,604,229	499,751	589,404	0	5,693,384	0
32. New Mexico NM	YES	114,559	150	7,599	0	122,308	0
33. New York NY	YES	14,171,750	3,919,544	1,567,068	0	19,658,362	0
34. North Carolina NC	YES	5,403,181	1,945,093	256,391	0	7,604,665	0
35. North Dakota ND	YES	17,432	25	2,391	0	19,848	0
36. Ohio OH	YES	3,522,348	550,583	201,418	0	4,274,349	0
37. Oklahoma OK	YES	290,807	32,975	10,811	0	334,593	0
38. Oregon OR	YES	852,981	125,125	48,683	0	1,026,789	0
39. Pennsylvania PA	YES	3,934,158	706,279	534,330	0	5,174,767	0
40. Rhode Island RI	YES	780,999	259,245	110,350	0	1,150,594	0
41. South Carolina SC	YES	685,436	667,655	62,506	0	1,415,597	0
42. South Dakota SD	YES	76,837	37,974	9,349	0	124,160	0
43. Tennessee TN	YES	1,014,410	231,644	118,960	0	1,365,014	0
44. Texas TX	YES	2,319,808	65,022	220,289	0	2,605,119	0
45. Utah UT	YES	1,261,198	1,536,258	32,498	0	2,829,954	0
46. Vermont VT	YES	2,796,603	595,986	151,761	0	3,544,350	0
47. Virginia VA	YES	3,692,291	327,422	251,592	0	4,271,305	0
48. Washington WA	YES	603,744	10,415	59,420	0	673,579	0
49. West Virginia WV	YES	178,026	20,324	17,531	0	215,881	0
50. Wisconsin WI	YES	1,648,486	1,900	73,027	0	1,723,413	0
51. Wyoming WY	YES	51,907	1,980	5,927	0	59,814	0
52. American Samoa AS	NO	0	0	0	0	0	0
53. Guam GU	NO	0	0	0	0	0	0
54. Puerto Rico PR	NO	1,080	0	480	0	1,560	0
55. US Virgin Islands VI	NO	19,335	0	0	0	19,335	0
56. Northern Mariana Islands MP	NO	0	0	0	0	0	0
57. Canada CN	NO	0	0	0	0	0	0
58. Aggregate Other Alien OT	XXX	551,519	1,200	(3,846)	0	548,873	0
59. Subtotal	(a) 51	99,405,214	21,429,303	9,369,102	0	130,203,619	0
90. Reporting entity contributions for employee benefit plans	XXX	150,553	(2,759,432)	0	0	(2,608,879)	0
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX	15,349,827	1,936,094	0	0	17,285,921	0
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX	0	0	0	0	0	0
93. Premium or annuity considerations waived under disability or other contract provisions	XXX	849,729	0	754,854	0	1,604,583	0
94. Aggregate other amounts not allocable by State	XXX	15,402	0	0	0	15,402	0
95. Totals (Direct Business)	XXX	115,770,726	20,605,965	10,123,956	0	146,500,646	0
96. Plus Reinsurance Assumed	XXX	382,524	0	0	0	382,524	0
97. Totals (All Business)	XXX	116,153,250	20,605,965	10,123,956	0	146,883,170	0
98. Less Reinsurance Ceded	XXX	8,608,638	207,301	8,124,251	0	16,940,191	0
99. Totals (All Business) less Reinsurance Ceded	XXX	107,544,611	20,398,663	1,999,705	0	129,942,980	0
DETAILS OF WRITE-INS							
5801. Other foreign	XXX	551,519	1,200	(3,846)	0	548,873	0
5802.	XXX	0	0	0	0	0	0
5803.	XXX	0	0	0	0	0	0
5898. Summary of remaining write-ins for line 58 from overflow page	XXX	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above)	XXX	551,519	1,200	(3,846)	0	548,873	0
9401. Other foreign	XXX	15,402	0	0	0	15,402	0
9402.	XXX	0	0	0	0	0	0
9403.	XXX	0	0	0	0	0	0
9498. Summary of remaining write-ins for line 94 from overflow page	XXX	0	0	0	0	0	0
9499. Total (Lines 9401 thru 9403 plus 9498) (Line 94 above)	XXX	15,402	0	0	0	15,402	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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanations:

Bar Code:

* 6 6 6 8 0 2 0 0 7 4 9 0 0 0 0 0 1 *

* 6 6 6 8 0 2 0 0 7 3 6 5 0 0 0 0 1 *

Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31, Prior Year Net Admitted Assets
2304. Other amounts receivable	49,050	0	49,050	55,577
2305. Leasehold	29,847	0	29,847	29,847
2306. Overfunded pension	19,156,155	19,156,155	0	0
2307. Software applications	10,995,025	10,995,025	0	0
2308. Prepaid expenses	4,761,160	4,761,160	0	0
2309.	0	0	0	0
2310.	0	0	0	0
2311.	0	0	0	0
2397. Summary of remaining write-ins for Line 23	34,991,237	34,912,340	78,897	85,424

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31 Prior Year
2504. Reinsurance reserve adjustment	8,945,204	7,460,340
2505. Commission Accumulation Liability	3,107,126	3,244,585
2506. Home office and agent medical plans	2,379,795	2,178,566
2507. Provision for sales practice litigation	1,847,411	1,858,158
2508. Guaranty Fund	1,060,903	1,061,153
2509. Accrued interest on death claims	440,159	480,689
2510. SPX options	42,800	0
2597. Summary of remaining write-ins for Line 25	17,823,398	16,283,491

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements

NONE

SCHEDULE A - PART 3

Showing all Real Estate SOLD During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16	17
	2	3														
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs, and Expenses Incurred
Property Sold																
Albemarle Road-Office Building..................	Charlotte....................	NC....	02/12/2007	June D. Allen.......................	2,099,423	1,700,000	..........(399,423)	0	0	1,700,000	1,407,000	0	..........(293,000)	..........(293,000)	0	21,930
0199999. Totals..					2,099,423	1,700,000	..........(399,423)	0	0	1,700,000	1,407,000	0	..........(293,000)	..........(293,000)	0	21,930
9999999. Totals..					2,099,423	1,700,000	..........(399,423)	0	0	1,700,000	1,407,000	0	..........(293,000)	..........(293,000)	0	21,930

SCHEDULE B - PART 1

Showing all Mortgage Loans ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12
Loan Number	2 City	3 State	Loan Type	Actual Cost	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
Mortgages in Good Standing											
Commercial Mortgages - All Other											
329674	NEW BEDFORD	MA		5,325,000	02/02/2007	6.200	5,325,000	0	0	7,100,000	11/03/2006
329679	WEST FALMOUTH	ME		2,225,000	03/29/2007	6.290	2,225,000	0	0	3,000,000	03/01/2007
0599999. Total - Mortgages in Good Standing - Commercial Mortgages - All Other				7,550,000	XXX	XXX	7,550,000	0	0	10,100,000	XXX
0899999. Total - Mortgages in Good Standing				7,550,000	XXX	XXX	7,550,000	0	0	10,100,000	XXX
9999999. Totals				7,550,000	XXX	XXX	7,550,000	0	0	10,100,000	XXX

SCHEDULE B - PART 2

Showing all Mortgage Loans SOLD, Transferred or Paid in Full During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12	13
Loan Number	2 City	3 State	Loan Type	Date Acquired	Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/ Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
Mortgages Closed by Repayment												
329540	LINTHICUM	MD		10/08/1999	6,368,590	0	0	6,327,821	6,327,821	0	0	0
329624	MEMPHIS	TN		11/16/2004	2,030,884	0	0	2,014,978	2,014,978	0	0	0
329597A	MEMPHIS	TN		05/22/2003	6,308,046	0	0	6,252,652	6,252,652	0	0	0
329597B	MEMPHIS	TN		11/16/2004	283,379	0	0	281,160	281,160	0	0	0
0199999. Total - Mortgages Closed by Repayment					14,990,899	0	0	14,876,610	14,876,610	0	0	0
9999999. Totals					14,990,899	0	0	14,876,610	14,876,610	0	0	0

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13	14	15	16
		3	4												
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Desig-nation	Date Originally Acquired	Type and Strategy	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Fair Value	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Commitment for Additional Investment	Percentage of Ownership

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13	14	15
		3	4											
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration Received	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income

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 - U.S. Government									
912828 FK 1	United States Treasury 5.125% 06/30/11		02/06/2007	Barclays Capital		683,147	675,000	3,631	1
912828 FY 1	United States Treasury 4.625% 11/15/16		01/25/2007	Cantor Fitzgerald		39,381,250	40,000,000	383,287	1FE
912828 GH 7	United States Treasury 4.625% 02/15/17		02/08/2007	Barclays Capital		64,350,000	65,000,000	0	1
0399999.	Total - Bonds - U.S. Government					104,414,397	105,675,000	386,918	XXX
Bonds - Special Revenue and Special Assessment									
31392F A7 2	Federal Natl Mtg Assn 5.500% 12/25/32		03/01/2007	Interest Capitalization		293,801	293,801	0	1FE
31392P WS 0	Federal Home Ln Mtg 6.000% 07/15/32		03/01/2007	Interest Capitalization		294,546	294,546	0	1FE
31392U TM 6	Federal Home Ln Mtg 6.000% 09/15/32		03/01/2007	Interest Capitalization		243,019	243,019	0	1FE
31393G DM 3	Federal Home Ln Mtg 5.500% 12/15/32		03/01/2007	Interest Capitalization		344,071	344,071	0	1FE
31394B XB 5	Federal Natl Mtg Assn 5.000% 03/25/31		03/01/2007	Interest Capitalization		156,302	156,302	0	1FE
31394C 2J 0	Federal Natl Mtg Assn 5.500% 04/25/35		03/01/2007	Interest Capitalization		272,611	272,611	0	1FE
31394C AE 2	Federal Natl Mtg Assn 5.500% 02/25/35		03/01/2007	Interest Capitalization		119,833	119,833	0	1FE
31394D VS 6	Federal Natl Mtg Assn 6.000% 05/25/35		03/01/2007	Interest Capitalization		34,929	34,929	0	1FE
31394L 5R 9	Federal Home Ln Mtg 5.000% 10/15/33		03/01/2007	Interest Capitalization		773,993	773,993	0	1FE
31394N 4X 3	Federal Home Ln Mtg 5.500% 12/15/33		03/16/2007	Lehman Brothers		3,167,419	3,230,000	9,869	1FE
31394X GX 8	Federal Home Ln Mtg 6.000% 04/15/34		03/01/2007	Interest Capitalization		176,838	176,838	0	1FE
31395C 5P 2	Federal Home Ln Mtg 5.000% 07/15/34		03/01/2007	Interest Capitalization		137,359	137,359	0	1FE
31395E UL 9	Federal Home Ln Mtg 6.000% 08/15/34		03/01/2007	Interest Capitalization		173,345	173,345	0	1FE
31395G JR 4	Federal Home Ln Mtg 5.500% 09/15/34		03/01/2007	Interest Capitalization		242,239	242,239	0	1FE
31395H WQ 9	Federal Home Ln Mtg 6.000% 11/15/34		03/22/2007	Greenwich Capital		22,652,490	22,997,452	99,656	1FE
31395U RQ 6	Federal Home Ln Mtg 6.000% 05/15/35		03/01/2007	Interest Capitalization		165,736	165,736	0	1FE
31396E LR 5	Federal Home Ln Mtg 6.000% 11/15/35		03/01/2007	Interest Capitalization		305,614	305,614	0	1FE
31396G 2U 4	Federal Home Ln Mtg 6.000% 12/15/35		03/01/2007	Interest Capitalization		320,098	320,098	0	1FE
31396H FQ 7	Federal Home Ln Mtg 6.120% 02/15/36		03/01/2007	Interest Capitalization		485,421	485,421	0	1FE
31396J 2V 6	Federal Home Ln Mtg 6.000% 03/15/36		03/01/2007	Interest Capitalization		188,154	188,154	0	1FE
31396K DK 5	Federal Natl Mtg Assn 6.500% 08/25/36		03/01/2007	Interest Capitalization		218,695	218,695	0	1FE
31396K FU 1	Federal Natl Mtg Assn 6.500% 08/25/36		03/01/2007	Interest Capitalization		176,248	176,248	0	1FE
31396K G4 8	Federal Natl Mtg Assn 6.500% 09/25/36		03/01/2007	Interest Capitalization		262,044	262,044	0	1FE
31396K N7 3	Federal Natl Mtg Assn 6.000% 12/25/30		03/14/2007	Jefferies & Co.		5,035,373	4,953,333	14,860	1FE
31396K UR 1	Federal Natl Mtg Assn 6.000% 07/25/36		03/22/2007	Greenwich Capital		22,893,260	22,821,942	98,895	1FE
31396K UT 7	Federal Natl Mtg Assn 6.000% 07/25/36		03/22/2007	Greenwich Capital		14,393,438	14,348,598	62,177	1FE
31396L E5 5	Federal Natl Mtg Assn 6.000% 12/25/36		03/01/2007	Interest Capitalization		152,263	152,263	0	1FE
31396L FD 7	Federal Natl Mtg Assn 6.250% 10/25/36		03/01/2007	Interest Capitalization		199,415	199,415	0	1FE
31396L ZW 3	Federal Natl Mtg Assn 6.000% 12/25/36		01/23/2007	Banc of America Securities		29,751,549	30,300,750	126,253	1FE
31396L ZW 3	Federal Natl Mtg Assn 6.000% 12/25/36		03/01/2007	Interest Capitalization		303,765	303,765	0	1FE
31396U QN 3	Federal Home Ln Mtg 6.500% 07/15/36		02/23/2007	Jefferies & Co.		7,552,608	7,269,769	35,440	1FE
31396U QN 3	Federal Home Ln Mtg 6.500% 07/15/36		03/01/2007	Interest Capitalization		39,378	39,378	0	1FE
31396U UU 2	Federal Home Ln Mtg 6.000% 07/15/36		03/01/2007	Interest Capitalization		154,539	154,539	0	1FE
31397B ST 9	Federal Home Ln Mtg 6.000% 10/15/36		03/01/2007	Interest Capitalization		55,221	55,221	0	1FE
31397B VT 5	Federal Home Ln Mtg 6.000% 03/15/35		02/14/2007	UBS Warburg		6,801,144	6,712,000	21,255	1FE
38374C DG 3	Government Natl Mtg 6.000% 09/16/33		03/01/2007	Interest Capitalization		238,057	238,057	0	1FE
38374C SC 6	Government Natl Mtg 6.000% 09/20/33		03/01/2007	Interest Capitalization		169,729	169,729	0	1FE
38374D EC 9	Government Natl Mtg 6.500% 07/20/36		02/23/2007	UBS Warburg		9,562,920	9,132,003	44,519	1FE
38374D EC 9	Government Natl Mtg 6.500% 07/20/36		03/01/2007	Interest Capitalization		49,465	49,465	0	1FE
38374H FL 9	Government Natl Mtg 6.000% 07/16/34		03/01/2007	Interest Capitalization		174,211	174,211	0	1FE
38374K AK 9	Government Natl Mtg 6.000% 12/20/34		03/01/2007	Interest Capitalization		121,005	121,005	0	1FE
38374N HE 0	Government Natl Mtg 6.500% 06/20/36		01/10/2007	UBS Warburg		13,263,299	12,730,221	34,478	1FE
38374N HE 0	Government Natl Mtg 6.500% 06/20/36		03/01/2007	Interest Capitalization		138,284	138,284	0	1FE
38374N QB 6	Government Natl Mtg 6.500% 08/20/36		01/19/2007	UBS Warburg		11,612,123	11,192,407	46,480	1FE
38374N QB 6	Government Natl Mtg 6.500% 08/20/36		03/01/2007	Interest Capitalization		121,580	121,580	0	1FE
3199999.	Total - Bonds - Special Revenue & Special Assessments					153,987,431	152,990,283	593,882	XXX
Bonds - Public Utilities									

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)
02360F AB 2	Union Electric Co 5.300% 08/01/37		01/25/2007	Banc of America Securities		4,065,271	4,590,000	120,959	1FE
03040# AE 2	American Water Capital 5.770% 12/21/21		01/31/2007	Direct-Private Placement		3,300,000	3,300,000	0	2Z
096630 AA 6	Boardwalk Pipelines LP 5.875% 11/15/16		01/11/2007	Merrill Lynch		2,491,675	2,500,000	22,847	2FE
15189Y AD 8	Centerpoint Energy 6.250% 02/01/37		02/01/2007	Various		9,995,510	10,000,000	0	2FE
186108 CF 1	Cleveland Elec Illum Co 5.700% 04/01/17		03/22/2007	RBS Greenwich Capital		9,984,100	10,000,000	0	2FE
264399 ED 4	Duke Energy Corp 6.450% 10/15/32		01/23/2007	UBS		944,477	890,000	16,105	1FE
26816L AT 9	Dynegy Holdings Inc 8.375% 05/01/16		03/19/2007	Various		3,197,500	3,000,000	73,747	4FE
494550 AU 0	Kinder Morgan Ener Part 6.000% 02/01/17		01/25/2007	Wachovia Corp		4,994,400	5,000,000	0	2FE
629377 AX 0	NRG Energy Inc 7.375% 01/15/17		01/23/2007	UBS		1,010,000	1,000,000	13,316	4FE
64079* AA 0	Neptune Regional 6.370% 06/30/27		01/02/2007	Direct-Private Placement		355,532	355,532	0	2Z
64079* AA 0	Neptune Regional 6.310% 06/30/27		02/28/2007	Direct-Private Placement		163,651	163,651	0	2Z
678858 AZ 4	Oklahoma Gas & Elec Co 6.650% 07/15/27		01/23/2007	Cantor Fitzgerald		5,405,350	5,000,000	10,160	2FE
693304 AJ 6	Peco Energy Co 5.700% 03/15/37		03/12/2007	JP Morgan		6,963,180	7,000,000	0	1FE
694308 GJ 0	Pacific Gas & Elec Co 5.800% 03/01/37		03/08/2007	Various		4,982,540	5,000,000	0	2FE
785583 AD 7	Sabine Pass LNG LP 7.500% 11/30/16		03/21/2007	Credit Suisse First Boston		2,531,250	2,500,000	71,354	3FE
98389B AJ 9	Xcel Energy Inc 5.613% 04/01/17		03/30/2007	Exchange		2,547,830	2,631,250	0	2FE
3899999.	Total - Bonds - Public Utilities					62,932,266	62,930,433	328,488	XXX
Bonds - Industrial and Miscellaneous									
002824 AT 7	Abbott Laboratories 5.875% 05/15/16		01/22/2007	HSBC Securities		5,162,200	5,000,000	57,118	1FE
00440E AJ 6	Ace Ina Holdings 5.700% 02/15/17		02/27/2007	Various		11,946,807	11,855,000	13,842	1FE
013817 AL 5	Alcoa Inc 5.550% 02/01/17		01/22/2007	Deutsche Bank-Alex Brown		4,987,400	5,000,000	0	2FE
02406P AF 7	American Axle & Mfg Inc 7.875% 03/01/17		03/02/2007	KBC Financial		1,496,250	1,500,000	3,281	3FE
084423 AP 7	Berkley WR 6.250% 02/15/37		02/09/2007	Credit Suisse First Boston		6,984,880	7,000,000	0	2FE
10513K AA 2	Branch Banking & Trust 5.625% 09/15/16		02/21/2007	BB&T Capital Markets		5,081,450	5,000,000	127,344	1FE
125577 AY 2	CIT Group Inc 5.650% 02/13/17		02/06/2007	JP Morgan		4,983,000	5,000,000	0	1FE
156700 AK 2	Century Tel Ent 5.500% 04/01/13		03/26/2007	JP Morgan		1,997,360	2,000,000	0	2FE
231021 AJ 5	Cummins Engine 7.125% 03/01/28		03/13/2007	Cantor Fitzgerald		1,234,743	1,160,000	3,385	2FE
23331A AZ 2	D. R. Horton Inc 6.500% 04/15/16		01/25/2007	RBS Greenwich Capital		5,056,950	5,000,000	94,792	2FE
25468P CE 4	Disney (Walt) Co 5.625% 09/15/16		01/22/2007	Credit Suisse First Boston		5,068,650	5,000,000	104,688	1FE
26441Y AH 0	Duke Realty LP 5.400% 08/15/14		01/24/2007	Barclays Capital		1,820,122	1,850,000	44,550	2FE
30239F AC 0	FBL Financial Group 144 5.875% 03/15/17		03/07/2007	Citigroup Global		2,979,630	3,000,000	0	2FE
314275 AB 4	Federated Retail Hold 5.350% 03/15/12		03/07/2007	Credit Suisse First Boston		3,997,360	4,000,000	0	2FE
35671D AS 4	Freeport McMoran Copper 8.375% 04/01/17		03/16/2007	Various		3,071,500	3,000,000	1,024	3FE
370334 BB 9	General Mills Inc 5.700% 02/15/17		01/18/2007	Various		4,999,800	5,000,000	0	2FE
428236 AM 5	Hewlett-Packard Co 5.400% 03/01/17		02/27/2007	Morgan Stanley DWD		5,048,000	5,000,000	3,750	1FE
478366 AR 8	Johnson Controls Inc 5.500% 01/15/16		01/05/2007	BB&T Capital Markets		3,046,029	3,090,000	82,615	1FE
581557 AV 7	McKesson Corp 5.700% 03/01/17		02/28/2007	Banc of America Securities		4,991,750	5,000,000	0	2FE
59001A AH 5	Meritage Homes Corp 7.000% 05/01/14		02/23/2007	RBC Dain		1,957,500	2,000,000	45,500	3FE
617446 C2 3	Morgan Stanley 5.450% 01/09/17		01/04/2007	Morgan Stanley DWD		4,984,000	5,000,000	0	1FE
62947Q AB 4	NXP BV / NXP Funding 7.875% 10/15/14		01/25/2007	KBC Financial		3,120,000	3,000,000	70,875	3FE
65548Q AA 2	Norbord Delware Group 6.450% 02/15/17		02/09/2007	Credit Suisse First Boston		997,090	1,000,000	0	2FE
655844 AU 2	Norfolk & Southn Corp 5.257% 09/17/14		01/30/2007	Banc of America Securities		4,893,450	5,000,000	98,569	2FE
69336T AB 2	PHI Inc 7.125% 04/15/13		02/22/2007	KBC Financial		975,000	1,000,000	26,125	4FE
69351H AC 6	Prime Property Funding 5.625% 01/15/17		01/19/2007	JP Morgan		4,966,800	5,000,000	5,469	1FE
742718 DF 3	Procter and Gamble Co 5.500% 03/05/37		02/28/2007	Morgan Stanley DWD		4,966,050	5,000,000	0	1FE
743410 AN 2	Prologis Trust 5.625% 11/15/16		01/19/2007	Merrill Lynch		4,970,500	5,000,000	54,688	2FE
755111 AJ 0	Raytheon Co 6.750% 03/15/18		02/21/2007	Morgan Stanley DWD		3,504,787	3,169,000	95,664	2FE
77509N AP 8	Rogers Cable Inc 6.750% 03/15/15		02/12/2007	Credit Suisse First Boston		5,205,000	5,000,000	138,938	2FE
78355H JL 4	Ryder System Inc 5.850% 03/01/14		02/21/2007	Citigroup Global		2,999,610	3,000,000	0	2FE
87264M AB 5	TRW Automotive Inc 144A 7.250% 03/15/17		03/14/2007	Various		1,968,620	2,000,000	0	3FE
136385 AK 7	Canadian Natural Res 5.700% 05/15/17	I	03/12/2007	Various		4,990,830	5,000,000	0	2FE
292506 AA 0	Encana Holdings Finance 5.800% 05/01/14	I	01/26/2007	Putnam Lovell		6,576,226	6,565,000	95,193	1FE

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)
68383K AA 7	Opti Canada Inc 144A 8.250% 12/15/14	I	02/22/2007	KBC Financial		1,056,250	1,000,000	16,500	4FE
71644E AG 7	Petro Canada 5.950% 05/15/35	I	03/09/2007	Putnam Lovell		4,886,050	5,000,000	98,340	2FE
055451 AF 5	BHP Billiton Finance 5.400% 03/29/17	F	03/26/2007	JP Morgan		7,974,960	8,000,000	0	1FE
803070 AA 9	Sappi Papier Holding AG 6.750% 06/15/12	F	01/19/2007	Credit Suisse First Boston		3,007,620	3,000,000	21,938	3FE
G1591# AE 2	Britvic PLC Ser E 6.000% 02/20/19	F	02/20/2007	Direct-Private Placement		3,000,000	3,000,000	0	2Z
G4146* AC 4	Group 4 Securicor PLC 5.960% 03/01/19	F	03/01/2007	Direct-Private Placement		3,000,000	3,000,000	0	2Z
4599999.	Total - Bonds - Industrial & Miscellaneous					163,954,224	163,189,000	1,304,188	XXX
6099997.	Total - Bonds - Part 3					485,288,318	484,784,716	2,613,476	XXX
6099999.	Total - Bonds					485,288,318	484,784,716	2,613,476	XXX
Common Stocks - Industrial and Miscellaneous									
00141M 57 2	AIM Growth		03/29/2007	Various	342.000	5,773	XXX	0	L
315805 42 4	Fidelity Advisors Equity		03/29/2007	Fidelity Advisors	73.000	2,572	XXX	0	L
315807 83 4	Fidelity Advisors Growth		03/29/2007	Fidelity Advisors	27.000	970	XXX	0	L
68380E 81 7	Oppenheimer Small Cap		03/29/2007	Various	18.000	675	XXX	0	L
68380T 40 0	Oppenheimer Intl Bond		03/29/2007	Various	748.000	4,562	XXX	0	L
817270 20 0	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	21,743.000	383,692	XXX	0	L
817270 30 9	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	40,322.000	1,343,946	XXX	0	L
817270 50 7	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	10,210.000	177,454	XXX	0	L
817270 60 6	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	6,447.000	66,170	XXX	0	L
817270 65 5	Sentinel Group Fds Inc		03/28/2007	Sentinel Group Fds	1,579.000	26,207	XXX	0	L
817270 74 7	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	18,669.000	152,266	XXX	0	L
817270 80 4	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	41,508.000	317,300	XXX	0	L
817270 85 3	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	53,123.000	476,610	XXX	0	L
817270 88 7	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	36,267.000	749,768	XXX	0	L
81728B 10 6	Sentinel Group Fds Inc		03/30/2007	Sentinel Group Fds	103,801.000	1,977,922	XXX	0	L
88023U 10 1	Tempur Pedic		02/22/2007	Distribution	2,451.000	62,746	XXX	0	L
6899999.	Total - Common Stocks - Industrial & Miscellaneous					5,748,633	XXX	0	XXX
7299997.	Total - Common Stocks - Part 3					5,748,633	XXX	0	XXX
7299999.	Total - Common Stocks					5,748,633	XXX	0	XXX
7399999.	Total - Preferred and Common Stocks					5,748,633	XXX	0	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					491,036,951	XXX	2,613,476	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 11	12	13	14	15	16	17	18	19	20	21	22
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 - U.S. Government																					
16378# 9A 6	Chemical Mtg Co FHA 7.089% 11/01/10		03/01/2007	Paydown		46,440	46,440	44,104	45,611	0	829	0	829	0	46,440	0	0	0	498	11/01/2010	1FE
361849 B9 2	GMAC 1997 C - FHA Proj 7.111% 05/25/19		03/01/2007	Paydown		1,817,253	1,817,253	1,755,211	1,774,235	0	43,018	0	43,018	0	1,817,253	0	0	0	11,357	05/25/2019	1FE
36202D FB 2	Government Natl Mtg 8.000% 11/20/14		03/01/2007	Paydown		3,985	3,985	4,058	4,021	0	(36)	0	(36)	0	3,985	0	0	0	54	11/20/2014	1FE
362046 DG 6	Government Natl Mtg 7.500% 10/15/07		03/01/2007	Paydown		240	240	227	238	0	3	0	3	0	240	0	0	0	2	10/15/2007	1FE
362052 FE 7	Government Natl Mtg 8.500% 07/15/08		03/01/2007	Paydown		455	455	440	452	0	3	0	3	0	455	0	0	0	6	07/15/2008	1FE
36210Y GQ 2	Government Natl Mtg 8.000% 11/15/14		03/01/2007	Paydown		19,275	19,275	19,727	19,516	0	(241)	0	(241)	0	19,275	0	0	0	256	11/15/2014	1FE
36211D B5 8	Government Natl Mtg 7.000% 06/15/29		03/01/2007	Paydown		212	212	208	209	0	3	0	3	0	212	0	0	0	2	06/15/2029	1FE
36211H ZG 9	Government Natl Mtg 8.000% 08/15/14		03/01/2007	Paydown		1,745	1,745	1,786	1,766	0	(21)	0	(21)	0	1,745	0	0	0	23	08/15/2014	1FE
36211N TD 0	Government Natl Mtg 8.000% 10/15/14		03/01/2007	Paydown		36,968	36,968	37,939	37,823	0	(855)	0	(855)	0	36,968	0	0	0	492	10/15/2014	1FE
36211S N8 6	Government Natl Mtg 8.000% 12/15/14		03/01/2007	Paydown		6,736	6,736	6,900	6,826	0	(90)	0	(90)	0	6,736	0	0	0	85	12/15/2014	1FE
36211W VV 7	Government Natl Mtg 8.000% 12/15/14		03/01/2007	Paydown		3,973	3,973	4,066	4,050	0	(77)	0	(77)	0	3,973	0	0	0	53	12/15/2014	1FE
36225A WN 6	Government Natl Mtg 6.500% 10/15/27		03/01/2007	Paydown		88,076	88,076	87,740	87,745	0	331	0	331	0	88,076	0	0	0	943	10/15/2027	1FE
621999 DP 3	FHA-Insured 236 Project 8.100% 06/01/12		03/01/2007	Paydown		34,263	34,263	36,147	35,038	0	(775)	0	(775)	0	34,263	0	0	0	464	06/01/2012	1FE
621999 DQ 1	FHA-Insured 236 Project 8.150% 07/01/13		03/01/2007	Paydown		68,913	68,913	72,703	70,673	0	(1,760)	0	(1,760)	0	68,913	0	0	0	935	07/01/2013	1FE
621999 DS 7	FHA-Insured 236 Project 8.150% 01/01/13		03/01/2007	Paydown		36,630	36,630	38,645	37,519	0	(889)	0	(889)	0	36,630	0	0	0	499	01/01/2013	1FE
621999 DW 8	FHA-Insured 236 Project 7.950% 05/01/11		03/01/2007	Paydown		25,943	25,943	27,370	26,442	0	(499)	0	(499)	0	25,943	0	0	0	323	05/01/2011	1FE
621999 DX 6	FHA-Insured 236 Project 6.930% 11/01/12		03/01/2007	Paydown		30,357	30,357	32,026	31,072	0	(715)	0	(715)	0	30,357	0	0	0	351	11/01/2012	1FE
621999 EB 3	FHA-Insured 236 Project 7.930% 07/01/14		03/01/2007	Paydown		46,156	46,156	48,695	47,440	0	(1,284)	0	(1,284)	0	46,156	0	0	0	612	07/01/2014	1FE
621999 EE 7	FHA-Insured 236 Project 8.125% 07/01/15		03/01/2007	Paydown		15,597	15,597	16,455	16,064	0	(467)	0	(467)	0	15,597	0	0	0	180	07/01/2015	1FE
621999 EJ 6	FHA-Insured 236 Project 7.500% 01/01/13		03/01/2007	Paydown		51,329	51,329	54,152	52,566	0	(1,238)	0	(1,238)	0	51,329	0	0	0	634	01/01/2013	1FE
664355 B9 4	Northeast 1985-1 FHA 8.581% 12/24/20		03/01/2007	Paydown		181,221	181,221	190,030	187,094	0	(5,873)	0	(5,873)	0	181,221	0	0	0	2,598	12/24/2020	1FE
75933* B4 5	Reilly - FHA Project 6.930% 07/01/15		03/01/2007	Paydown		45,235	45,235	47,723	46,570	0	(1,335)	0	(1,335)	0	45,235	0	0	0	524	07/01/2015	1FE
75933* B5 2	Reilly - FHA Project 7.180% 02/01/18		02/01/2007	Paydown		4,533,835	4,533,835	4,624,512	4,581,264	0	(47,428)	0	(47,428)	0	4,533,835	0	0	0	19,909	02/01/2018	1FE
75933* B6 0	Reilly - FHA Project 8.767% 12/01/18		03/01/2007	Paydown		31,896	31,896	34,129	33,338	0	(1,442)	0	(1,442)	0	31,896	0	0	0	471	12/01/2018	1FE
75933* B7 8	Reilly - FHA Project 7.110% 10/24/19		03/01/2007	Paydown		34,123	34,123	34,710	34,473	0	(350)	0	(350)	0	34,123	0	0	0	393	10/24/2019	1FE
75933* B9 4	Reilly - FHA Project 7.000% 01/24/18		03/01/2007	Paydown		7,584	7,584	7,424	7,475	0	109	0	109	0	7,584	0	0	0	89	01/24/2018	1FE
812185 A9 7	Seamans - FHA Project 6.875% 02/24/16		03/01/2007	Paydown		18,242	18,242	17,698	17,910	0	332	0	332	0	18,242	0	0	0	211	02/24/2016	1FE
911759 AT 5	US Dept Of HUD Section 8.930% 08/01/12		02/01/2007	Call 100.0000		70,000	70,000	70,000	70,000	0	0	0	0	0	70,000	0	0	0	3,126	08/01/2012	1FE
91203* B8 6	USGI - FHA Project Pool 8.930% 10/24/19		03/01/2007	Paydown		2,252	2,252	2,354	2,317	0	(65)	0	(65)	0	2,252	0	0	0	34	10/24/2019	1FE
91203* B9 4	USGI - FHA Project Pool 7.278% 07/24/18		03/01/2007	Paydown		16,268	16,268	16,248	16,225	0	43	0	43	0	16,268	0	0	0	175	07/24/2018	1FE
912827 2J 0	United States Treasury 6.250% 02/15/07		02/15/2007	Maturity		675,000	675,000	676,477	675,033	0	(33)	0	(33)	0	675,000	0	0	0	21,094	02/15/2007	1
912828 FY 1	United States Treasury 4.625% 11/15/16		02/08/2007	Barclays Capital		64,286,523	65,000,000	64,326,563	24,945,375	0	3,700	0	3,700	0	64,330,325	0	(43,802)	(43,802)	764,019	11/15/2016	1FE
912828 GH 7	United States Treasury 4.625% 02/15/17		02/27/2007	Barclays Capital		65,731,250	65,000,000	64,350,000	0	0	2,135	0	2,135	0	64,352,135	0	1,379,115	1,379,115	124,568	02/15/2017	1
0399999.	Total - Bonds - U.S. Government					137,967,975	137,950,202	136,686,467	32,916,380	0	(14,967)	0	(14,967)	0	136,632,662	0	1,335,313	1,335,313	954,980	XXX	XXX
Bonds - Special Revenue and Special Assessment																					
31280E CE 3	Federal Home Ln Mtg 4.500% 03/01/09		03/01/2007	Paydown		52,975	52,975	44,880	50,916	0	2,059	0	2,059	0	52,975	0	0	0	485	03/01/2009	1FE
31283G 3V 7	Federal Home Ln Mtg 6.500% 04/01/26		03/01/2007	Paydown		15,180	15,180	15,460	15,432	0	(252)	0	(252)	0	15,180	0	0	0	193	04/01/2026	1FE
31297U V2 3	Federal Home Ln Mtg 5.500% 02/01/35		03/01/2007	Paydown		212,228	212,228	214,682	214,618	0	(2,390)	0	(2,390)	0	212,228	0	0	0	1,520	02/01/2035	1FE
31339W 3L 8	Federal Home Ln Mtg 6.500% 05/15/31		03/01/2007	Paydown		950,201	950,201	977,964	948,114	0	2,087	0	2,087	0	950,201	0	0	0	8,058	01/15/2007	1FE
313401 DY 4	Federal Home Ln Mtg 8.000% 04/01/07		03/01/2007	Paydown		5	5	5	5	0	0	0	0	0	5	0	0	0	0	04/01/2007	1FE
313401 EG 2	Federal Home Ln Mtg 8.250% 11/01/07		03/01/2007	Paydown		399	399	394	395	0	4	0	4	0	399	0	0	0	5	11/01/2007	1FE
313401 EJ 6	Federal Home Ln Mtg 8.250% 11/01/07		03/01/2007	Paydown		908	908	896	898	0	10	0	10	0	908	0	0	0	12	11/01/2007	1FE
31340A BB 6	Federal Home Ln Mtg 8.000% 05/01/08		03/01/2007	Paydown		381	381	365	376	0	5	0	5	0	381	0	0	0	6	05/01/2008	1FE
31340L QX 8	Federal Home Ln Mtg 8.000% 08/01/08		03/01/2007	Paydown		48	48	45	47	0	1	0	1	0	48	0	0	0	1	08/01/2008	1FE
31340N CC 5	Federal Home Ln Mtg 7.500% 03/01/08		03/01/2007	Paydown		6,327	6,327	5,339	6,018	0	309	0	309	0	6,327	0	0	0	76	03/01/2008	1FE
31340P UQ 9	Federal Home Ln Mtg 8.000% 12/01/09		03/01/2007	Paydown		61	61	58	60	0	1	0	1	0	61	0	0	0	1	12/01/2009	1FE
31341J DV 0	Federal Home Ln Mtg 8.000% 09/01/14		03/01/2007	Paydown		698	698	628	655	0	42	0	42	0	698	0	0	0	10	09/01/2014	1FE
31341K C4 8	Federal Home Ln Mtg 8.250% 12/01/08		03/01/2007	Paydown		1,845	1,845	1,831	1,827	0	18	0	18	0	1,845	0	0	0	28	12/01/2008	1FE

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value: 11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.	16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Designation or Market Indicator (a)
31344Y KK 0	Federal Home Ln Mtg 8.000% 04/01/17		03/01/2007	Paydown		1,207	1,207	1,092	1,137	0	70	0	70	0	1,207	0	0	0	16	04/01/2017	1FE
31345C 7E 6	Federal Home Ln Mtg 8.500% 01/01/17		03/01/2007	Paydown		2,992	2,992	2,765	2,818	0	174	0	174	0	2,992	0	0	0	41	01/01/2017	1FE
31345E MW 5	Federal Home Ln Mtg 8.500% 03/01/09		03/01/2007	Paydown		3,145	3,145	3,276	3,151	0	(6)	0	(6)	0	3,145	0	0	0	48	03/01/2009	1FE
31360B B2 9	Federal Natl Mtg Assn 5.000% 07/01/12		03/01/2007	Paydown		235	235	190	235	0	0	0	0	0	235	0	0	0	14	07/01/2012	1FE
31360Y QR 8	Federal Natl Mtg Assn 7.750% 12/01/09		03/01/2007	Paydown		11,747	11,747	12,118	11,859	0	(112)	0	(112)	0	11,747	0	0	0	128	12/01/2009	1FE
31361Y BE 2	Federal Natl Mtg Assn 7.500% 04/01/17		03/01/2007	Paydown		448	448	392	400	0	48	0	48	0	448	0	0	0	6	04/01/2017	1FE
31362P AM 3	Federal Natl Mtg Assn 8.500% 05/01/09		03/01/2007	Paydown		513	513	483	505	0	8	0	8	0	513	0	0	0	7	05/01/2009	1FE
31371J ZX 5	Federal Natl Mtg Assn 7.500% 03/01/24		03/01/2007	Paydown		476	476	488	485	0	(9)	0	(9)	0	476	0	0	0	6	03/01/2024	1FE
31374G H6 7	Federal Natl Mtg Assn 9.000% 05/01/12		03/01/2007	Paydown		8,443	8,443	8,771	8,710	0	(267)	0	(267)	0	8,443	0	0	0	126	05/01/2012	1FE
31383S WV 8	Federal Natl Mtg Assn 7.500% 10/01/29		03/01/2007	Paydown		516	516	514	514	0	2	0	2	0	516	0	0	0	6	10/01/2029	1FE
31384U WS 9	Federal Natl Mtg Assn 6.500% 10/01/28		03/01/2007	Paydown		37,941	37,941	38,030	38,015	0	(74)	0	(74)	0	37,941	0	0	0	411	10/01/2028	1FE
31393F VH 6	Federal Home Ln Mtg 5.500% 02/15/31		01/04/2007	Keycorp Capital		4,000,498	4,003,000	3,969,225	3,970,362	0	72	0	72	0	3,970,434	0	30,064	30,064	4,893	02/15/2031	1FE
31394F YF 6	Federal Natl Mtg Assn 5.500% 08/25/34		01/23/2007	Greenwich Capital		22,655,834	23,247,930	22,695,792	22,722,962	0	2,248	0	2,248	0	22,725,210	0	(69,376)	(69,376)	195,347	08/25/2034	1FE
31394L HP 0	Federal Home Ln Mtg 6.000% 03/15/20		03/01/2007	Paydown		219,429	219,429	221,212	220,776	0	(1,346)	0	(1,346)	0	219,429	0	0	0	2,198	01/15/2012	1FE
31395A VT 9	Federal Home Ln Mtg 5.000% 07/15/22		02/23/2007	JP Morgan		15,216,290	15,651,600	15,045,101	15,235,575	0	18,526	0	18,526	0	15,254,102	0	(37,812)	(37,812)	189,124	07/15/2022	1FE
31395R DG 0	Federal Home Ln Mtg 5.500% 10/15/32		01/19/2007	UBS Warburg		11,790,000	12,000,000	11,872,500	11,885,603	0	722	0	722	0	11,886,325	0	(96,325)	(96,325)	97,167	10/15/2032	1FE
31395T S9 6	Federal Home Ln Mtg 5.500% 04/15/35		03/22/2007	Countrywide Funding		47,982,338	48,985,000	49,727,744	49,680,742	0	(7,779)	0	(7,779)	0	49,672,963	0	(1,690,625)	(1,690,625)	868,123	03/15/2035	1FE
31396R RS 8	Federal Home Ln Mtg 6.000% 06/15/36		01/10/2007	FTN Financial Capital Markets		16,508,538	16,406,000	16,523,918	16,521,088	0	(408)	0	(408)	0	16,520,680	0	(12,143)	(12,143)	123,045	06/15/2036	1FE
31397A Z9 7	Federal Home Ln Mtg 6.000% 01/15/30		01/10/2007	Banc of America Securities		5,739,355	5,672,000	5,767,272	5,765,760	0	(835)	0	(835)	0	5,764,926	0	(25,571)	(25,571)	42,540	03/15/2012	1FE
31397B ST 9	Federal Home Ln Mtg 6.000% 10/15/36		02/01/2007	Paydown		966,541	966,541	943,963	940,081	0	21,652	0	21,652	0	966,541	0	0	0	9,641	10/15/2036	1FE
31401F YH 3	Federal Natl Mtg Assn 5.000% 06/01/33		03/01/2007	Paydown		99,555	99,555	97,269	97,318	0	2,237	0	2,237	0	99,555	0	0	0	551	06/01/2033	1FE
31402E 6W 3	Federal Natl Mtg Assn 6.500% 09/01/33		03/01/2007	Paydown		1,229	1,229	1,281	1,277	0	(48)	0	(48)	0	1,229	0	0	0	13	09/01/2033	1FE
31403F SB 1	Federal Natl Mtg Assn 6.500% 10/01/33		03/01/2007	Paydown		996	996	1,039	1,035	0	(39)	0	(39)	0	996	0	0	0	11	10/01/2033	1FE
31403M WL 9	Federal Natl Mtg Assn 6.500% 11/01/33		03/01/2007	Paydown		3,990	3,990	4,159	4,155	0	(165)	0	(165)	0	3,990	0	0	0	43	11/01/2033	1FE
31404K KG 6	Federal Natl Mtg Assn 5.000% 04/01/34		03/01/2007	Paydown		529,176	529,176	503,544	504,340	0	24,836	0	24,836	0	529,176	0	0	0	2,463	04/01/2034	1FE
31405F D4 1	Federal Natl Mtg Assn 6.500% 01/01/33		03/01/2007	Paydown		162,446	162,446	169,299	169,105	0	(6,659)	0	(6,659)	0	162,446	0	0	0	1,320	01/01/2033	1FE
31407B TX 7	Federal Natl Mtg Assn 5.000% 07/01/35		03/01/2007	Paydown		333,804	333,804	312,968	313,162	0	20,643	0	20,643	0	333,804	0	0	0	2,590	07/01/2035	1FE
31410P YM 9	Federal Natl Mtg Assn 6.500% 09/01/36		03/01/2007	Paydown		29,419	29,419	29,911	29,904	0	(485)	0	(485)	0	29,419	0	0	0	323	09/01/2036	1FE
38373X X9 2	Government Natl Mtg 6.000% 07/20/32		03/01/2007	Paydown		598,446	598,446	602,186	600,365	0	(1,919)	0	(1,919)	0	598,446	0	0	0	5,713	12/20/2031	1FE
3837H0 JB 0	Government Natl Mtg 8.050% 06/16/25		03/01/2007	Paydown		11,011	11,011	11,336	11,209	0	(199)	0	(199)	0	11,011	0	0	0	125	06/16/2025	1FE
911760 JT 4	US Dept Veterans Affair 7.073% 04/15/26		03/01/2007	Paydown		35,664	35,664	35,659	35,654	0	10	0	10	0	35,664	0	0	0	0	04/15/2026	1FE
3199999.	Total - Bonds - Special Revenue & Assessment					128,193,478	130,266,155	129,866,044	130,017,663	0	72,792	0	72,792	0	130,095,265	0	(1,901,788)	(1,901,788)	1,556,434	XXX	XXX
Bonds - Public Utilities																					
00111@ AA 2	AES Hawaii Inc 6.870% 06/30/22		03/31/2007	Redemption 100.0000		79,000	79,000	79,000	79,000	0	0	0	0	0	79,000	0	0	0	1,357	06/30/2022	2
001192 AE 3	AGL Capital Corp 4.950% 01/15/15		03/27/2007	Banc of America Securities		4,753,850	5,000,000	4,993,500	4,994,763	0	130	0	130	0	4,994,893	0	(241,043)	(241,043)	175,313	01/15/2015	2FE
281025 AB 2	Edison Mission Energy 7.330% 09/15/08		03/15/2007	Redemption 100.0000		228,210	228,210	228,210	228,210	0	0	0	0	0	228,210	0	0	0	8,364	09/15/2008	3FE
30257F AA 1	FPL Energy National 6.125% 03/25/19		03/25/2007	Redemption 100.0000		110,048	110,048	109,017	109,099	0	12	0	12	0	109,111	0	938	938	3,370	03/25/2019	3FE
40420E AA 5	Houston Lt & Pwr Cap Tr 8.257% 02/01/37		02/04/2007	Call 104.1285		10,412,850	10,000,000	10,393,400	10,271,229	0	(1,627)	0	(1,627)	0	10,269,602	0	143,248	143,248	419,731	02/01/2037	3FE
739227 AA 4	Power Contract Fin 6.256% 02/01/10		02/01/2007	Redemption 100.0000		1,871,853	1,871,853	1,951,820	1,902,321	0	(1,575)	0	(1,575)	0	1,900,746	0	(28,893)	(28,893)	58,552	02/01/2010	2FE
74042# AA 9	Bell Atlantic Prefco IX 8.970% 01/01/11		01/01/2007	Redemption 100.0000		195,922	195,922	205,865	199,491	0	0	0	0	0	199,491	0	(3,569)	(3,569)	8,787	01/01/2011	1FE
83851M AN 7	South Jersey Gas Co 4.460% 07/15/13		02/28/2007	Robert W. Baird & Co.		3,567,150	3,750,000	3,750,000	3,750,000	0	0	0	0	0	3,750,000	0	(182,850)	(182,850)	106,854	07/15/2013	2FE
843646 AF 7	Southern Power Co 4.875% 07/15/15		03/27/2007	Barclays Capital		4,761,450	5,000,000	4,986,900	4,989,904	0	234	0	234	0	4,990,138	0	(228,688)	(228,688)	172,656	07/15/2015	2FE
880314 AA 7	Tenaska Wash Partners 6.790% 09/23/11		03/23/2007	Redemption 100.0000		105,820	105,820	105,820	105,820	0	0	0	0	0	105,820	0	0	0	3,593	09/23/2011	2FE
924172 E* 6	Vermont Electric Power 7.420% 01/01/12		01/01/2007	Redemption 100.0000		19,630	19,630	19,630	19,630	0	0	0	0	0	19,630	0	0	0	364	01/01/2012	2
98388M AA 5	Xcel Energy Inc 7.000% 12/01/10		03/30/2007	Exchange		2,489,983	2,500,000	2,462,400	2,480,190	0	1,074	0	1,074	0	2,481,264	0	8,719	8,719	165,692	12/01/2010	2FE
3899999.	Total - Bonds - Public Utilities					28,595,766	28,860,483	29,285,562	29,129,657	0	(1,752)	0	(1,752)	0	29,127,905	0	(532,138)	(532,138)	1,124,633	XXX	XXX
Bonds - Industrial and Miscellaneous																					
020002 AR 2	Allstate Corp 5.000% 08/15/14		03/28/2007	Cantor Fitzgerald		2,940,990	3,000,000	2,977,890	2,982,181	0	465	0	465	0	2,982,647	0	(41,657)	(41,657)	93,750	08/15/2014	1FE

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)
04004# AA 2	Center Operating Co 8.200% 09/30/23		03/31/2007	Redemption 100.0000		52,470	52,470	52,470	52,470	0	0	0	0	0	52,470	0	0	0	1,076	09/30/2023	2FE
08181* AC 8	Wal-Mart 1st Mtg 9.450% 01/10/17		03/10/2007	Redemption 100.0000		73,001	73,001	73,001	73,001	0	0	0	0	0	73,001	0	0	0	1,153	01/10/2017	1
084664 AT 8	Berkshire Hathaway Fin 4.850% 01/15/15.		03/27/2007	HSBC Securities		6,817,440	7,000,000	6,985,650	6,987,997	0	300	0	300	0	6,988,297	0	(170,857)	(170,857)	240,479	01/15/2015	1FE
08861@ AA 7	Walgreen Company 6.043% 08/15/31		03/15/2007	Redemption 100.0000		11,329	11,329	11,329	11,329	0	0	0	0	0	11,329	0	0	0	114	08/15/2031	1Z
127210 AB 8	Cadbury Schweppes US 5.125% 10/01/13		03/23/2007	Cantor Fitzgerald		4,830,350	5,000,000	4,970,400	4,978,444	0	624	0	624	0	4,979,069	0	(148,719)	(148,719)	125,278	10/01/2013	2FE
14155# AA 8	Cardinals Ballpark LLC 5.720% 09/30/27		03/30/2007	Redemption 100.0000		239,950	239,950	239,950	239,950	0	0	0	0	0	239,950	0	0	0	6,863	09/30/2027	1
153467 A* 6	Washington Mutual Bank 9.500% 07/25/07		03/25/2007	Redemption 100.0000		1,511	1,511	1,405	1,504	0	1	0	1	0	1,505	0	5	5	18	07/25/2007	2FE
16937# AB 6	China Basin Ballpark 8.090% 09/30/17		03/31/2007	Redemption 100.0000		96,651	96,651	96,651	96,651	0	0	0	0	0	96,651	0	0	0	3,910	09/30/2017	2
20986N AB 1	Consolidated Rail Corp 6.960% 03/25/10		03/25/2007	Redemption 100.0000		243,961	243,961	241,772	243,113	0	54	0	54	0	243,167	0	794	794	8,490	03/25/2010	1FE
22540A FU 7	CS First Boston Mtg Sec 0.983% 04/17/30		03/01/2007	Paydown		0	0	30,184	30,222	0	(30,222)	0	(30,222)	0	0	0	0	0	2,206	04/17/2030	1FE
22540A FU 7	CS First Boston Mtg Sec 0.983% 04/17/30		03/31/2007	Basis Adjustment		0	0	206,052	209,619	0	(209,619)	0	(209,619)	0	0	0	0	0	0	04/17/2030	1FE
231021 AD 8	Cummins Engine 6.750% 02/15/27		02/15/2007	Call 100.0000		5,000,000	5,000,000	5,030,000	5,030,000	0	0	0	0	0	5,030,000	0	(30,000)	(30,000)	168,750	02/15/2027	2FE
23338* AB 1	Home Depot Union 7.100% 01/15/19		01/15/2007	Redemption 100.0000		100,844	100,844	100,844	100,844	0	0	0	0	0	100,844	0	0	0	3,580	01/15/2019	1
245655 AE 5	Delano ML CLO 7.156% 11/23/09		03/23/2007	Redemption 82.0000		184,255	224,701	184,255	184,255	0	0	0	0	0	184,255	0	0	0	224,287	11/23/2009	5FE
268766 BV 3	EOP Operating LP 7.875% 07/15/31		02/09/2007	Redemption 100.0000		10,538,000	10,538,000	12,030,246	11,952,780	0	(2,474)	0	(2,474)	0	11,950,306	0	(1,412,306)	(1,412,306)	3,787,410	07/15/2031	2FE
319963 AM 6	First Data Corp 4.950% 06/15/15		03/21/2007	Cantor Fitzgerald		5,241,170	5,500,000	5,498,935	5,499,237	0	17	0	17	0	5,499,254	0	(258,084)	(258,084)	76,381	06/15/2015	1FE
361452 AA 3	GATX Rail Corp 8.100% 01/13/20		01/13/2007	Redemption 100.0000		150,161	150,161	150,161	150,161	0	0	0	0	0	150,161	0	0	0	6,082	01/13/2020	2FE
368710 AG 4	Genentech Inc 4.750% 07/15/15		02/27/2007	Morgan Stanley DWD		4,832,450	5,000,000	4,996,850	4,997,202	0	44	0	44	0	4,997,246	0	(164,796)	(164,796)	149,757	07/15/2015	1FE
413627 AU 4	Harrahs Operating Co 5.625% 06/01/15		02/23/2007	KBC Financial		1,732,500	2,000,000	1,985,060	1,986,931	0	195	0	195	0	1,987,126	0	(254,626)	(254,626)	27,188	06/01/2015	3FE
456866 AS 1	Ingersoll Rand Co 4.750% 05/15/15		02/21/2007	Morgan Stanley DWD		4,715,750	5,000,000	4,981,250	4,983,618	0	248	0	248	0	4,983,866	0	(268,116)	(268,116)	66,632	05/15/2015	1FE
475070 AD 0	Jefferson Pilot Corp 4.750% 01/30/14		02/27/2007	Morgan Stanley DWD		4,842,050	5,000,000	4,993,650	4,995,228	0	94	0	94	0	4,995,322	0	(153,272)	(153,272)	139,861	01/30/2014	1FE
58983* DY 2	US West Ser B 8.750% 01/01/12		01/01/2007	Redemption 100.0000		1,101,725	1,101,725	1,101,725	1,101,725	0	0	0	0	0	1,101,725	0	0	0	48,200	01/01/2012	3
58983* CF 4	TTX Company Equip Ctfs 9.850% 01/29/1		01/29/2007	Redemption 100.0000		254,286	254,286	254,286	254,286	0	0	0	0	0	254,286	0	0	0	12,524	01/29/2010	1
58983* CG 2	TTX Company Equip Ctfs 9.850% 01/29/0		01/29/2007	Redemption 100.0000		326,972	326,972	326,972	326,972	0	0	0	0	0	326,972	0	0	0	16,103	01/29/2008	1
59018Y LN 9	Merrill Lynch & Co 5.360% 02/01/07		02/01/2007	Maturity		250,000	250,000	252,543	250,201	0	(201)	0	(201)	0	250,000	0	0	0	6,700	02/01/2007	1FE
617446 AL 3	Morgan Stanley 8.330% 01/15/07		01/15/2007	Maturity		5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0	0	5,000,000	0	0	0	208,250	01/15/2007	1FE
61910D DC 3	Mortgage Capital Fund 0.676% 11/20/12		03/01/2007	Paydown		0	0	52,676	52,911	0	(52,911)	0	(52,911)	0	0	0	0	0	19,580	11/20/2012	1FE
61910D DC 3	Mortgage Capital Fund 0.676% 11/20/12		03/31/2007	Basis Adjustment		0	0	84,343	85,300	0	(85,300)	0	(85,300)	0	0	0	0	0	0	11/20/2012	1FE
704549 AD 6	Peabody Energy Corp 5.875% 04/15/16		02/22/2007	KBC Financial		1,910,000	2,000,000	1,936,250	1,945,807	0	665	0	665	0	1,946,473	0	(36,473)	(36,473)	43,083	04/15/2016	3FE
74041# AA 0	Shell Oil Prefco X LP 8.450% 07/30/17		01/30/2007	Redemption 100.0000		389,796	389,796	389,796	389,796	0	0	0	0	0	389,796	0	0	0	16,469	07/30/2017	1
74954# AB 3	Chase Manhattan Bk Coll 8.060% 05/21/10		03/01/2007	Redemption 100.0000		185,873	185,873	185,873	185,873	0	0	0	0	0	185,873	0	0	0	2,502	05/21/2010	1
783549 AR 9	Ryder Sys Inc Ser G 9.000% 05/15/16		12/15/2006	Call 103.0000		4,446,510	4,317,000	4,291,357	4,300,884	0	(52)	0	(52)	0	4,300,831	0	145,679	145,679	32,378	05/15/2016	2FE
78387G AK 9	SBC Communications Inc 5.875% 08/15/12		01/04/2007	Barclays Capital		4,107,800	4,000,000	4,242,240	4,155,209	0	(516)	0	(516)	0	4,154,693	0	(46,893)	(46,893)	94,000	08/15/2012	1FE
795485 AA 9	Salomon Bros Mtg Sec 6.000% 12/01/11		03/01/2007	Paydown		1,646	1,646	1,528	1,611	0	35	0	35	0	1,646	0	0	0	17	12/01/2011	1FE
814141 AA 5	Archstone Communities 7.150% 02/15/10		02/15/2007	Redemption 100.0000		625,000	625,000	624,338	624,789	0	83	0	83	0	624,872	0	128	128	22,344	02/15/2010	2FE
86083# AC 9	Stimson Lumber Ser B 7.460% 03/10/09		03/10/2007	Redemption 100.0000		714,286	714,286	714,286	714,286	0	0	0	0	0	714,286	0	0	0	26,643	03/10/2009	2
861832 A# 0	Stonehenge Capital Fund 8.424% 12/15/16		03/15/2007	Redemption 100.0000		71,148	71,148	71,148	71,148	0	0	0	0	0	71,148	0	0	0	1,498	12/15/2016	1FE
861832 A* 4	Stonehenge Capital Fund 9.721% 12/15/11		03/15/2007	Redemption 100.0000		78,242	78,242	78,242	78,242	0	0	0	0	0	78,242	0	0	0	1,901	12/15/2011	1FE
87612# AA 1	Target Corporation 5.066% 01/15/25		03/15/2007	Redemption 100.0000		77,189	77,189	77,189	77,189	0	0	0	0	0	77,189	0	0	0	653	01/15/2025	1Z
896047 AF 4	Tribune Co 5.250% 08/15/15		02/23/2007	Banc of America Securities		1,319,205	1,500,000	1,492,860	1,493,637	0	92	0	92	0	1,493,729	0	(174,524)	(174,524)	42,219	08/15/2015	3FE
94978# AH 0	CVS Corporation 7.530% 01/10/24		03/10/2007	Redemption 100.0000		51,830	51,830	51,830	51,830	0	0	0	0	0	51,830	0	0	0	652	01/10/2024	2
97180* SN 9	Rolls Royce PLC Reg N89 8.930% 02/20/1		03/05/2007	Redemption 100.0000		1,517,939	1,517,939	1,517,939	1,517,939	0	0	0	0	0	1,517,939	0	0	0	72,233	02/20/2013	2FE
97180* SP 4	Rolls Royce PLC Reg N89 8.930% 02/20/1		03/05/2007	Redemption 100.0000		1,517,939	1,517,939	1,517,939	1,517,939	0	0	0	0	0	1,517,939	0	0	0	72,233	02/20/2013	2FE
97180* UJ 5	Tucson Electric Ser B 10.211% 01/01/09		01/01/2007	Redemption 100.0000		440,395	440,395	440,395	440,395	0	0	0	0	0	440,395	0	0	0	22,484	01/01/2009	2FE
981468 AA 9	World Financial Props 6.910% 09/01/13		03/01/2007	Redemption 100.0000		34,703	34,703	34,703	34,703	0	0	0	0	0	34,703	0	0	0	400	09/01/2013	1FE
981469 AA 7	World Financial Props 6.950% 09/01/13		03/01/2007	Redemption 100.0000		185,783	185,783	185,783	185,783	0	0	0	0	0	185,783	0	0	0	2,156	09/01/2013	1FE
CM4858 06 3	Investors GNMA Certfs 7.500% 12/01/08.		03/01/2007	Paydown		121,897	121,897	124,713	121,769	0	128	0	128	0	121,897	0	0	0	1,524	12/01/2008	1FE
64457* AD 6	New Grade Energy Inc 10.050% 08/31/07.	I	02/28/2007	Redemption 100.0000		593,470	593,470	593,470	593,470	0	0	0	0	0	593,470	0	0	0	9,941	08/31/2007	1
69320D AA 7	Petro Canada 5.000% 11/15/14	I	03/09/2007	Putnam Lovell		4,842,750	5,000,000	4,973,600	4,978,175	0	453	0	453	0	4,978,628	0	(135,878)	(135,878)	82,639	11/15/2014	2FE

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)
007924 AF 0	Aegon NV 4.750% 06/01/13	F	02/21/2007	Banc of America Securities		4,849,450	5,000,000	4,998,750	4,999,196	0	17	0	17	0	4,999,213	0	(149,763)	(149,763)	56,076	06/01/2013	1FE
589969 AB 0	Merita Bank LTD 144A 7.500% 01/30/07	F	01/30/2007	Maturity		8,000,000	8,000,000	8,207,660	8,002,445	0	(2,445)	0	(2,445)	0	8,000,000	0	0	0	300,000	01/30/2007	1FE
706448 AD 9	Pemex Finance 144A 8.020% 05/15/07	F	02/15/2007	Redemption 100.0000		416,667	416,667	416,650	416,644	0	22	0	22	0	416,666	0	1	1	8,354	05/15/2007	2FE
4599999.	Total - Bonds - Industrial & Miscellaneous					96,077,334	98,006,365	100,079,089	99,756,891	0	(380,203)	0	(380,203)	0	99,376,690	0	(3,299,357)	(3,299,357)	6,357,021	XXX	XXX
Bonds - Credit Tenant Loans																					
33632* UJ 4	Phillips Petroleum 7.950% 12/10/20	...	03/10/2007	Redemption 100.0000		35,600	35,600	35,600	35,600	0	0	0	0	0	35,600	0	0	0	473	12/10/2020	1
33632* UE 5	Baker Hughes Inc 8.036% 09/28/15	...	03/28/2007	Redemption 100.0000		105,506	105,506	105,506	105,506	0	0	0	0	0	105,506	0	0	0	4,239	09/28/2015	1
56602# AA 8	Marriott International 8.550% 11/17/22	...	03/17/2007	Redemption 100.0000		64,549	64,549	64,549	64,549	0	0	0	0	0	64,549	0	0	0	922	11/17/2022	2
58008# AA 4	Circuit City Stores 8.550% 11/15/09	...	03/15/2007	Redemption 100.0000		214,039	214,039	214,039	214,039	0	0	0	0	0	214,039	0	0	0	3,057	11/15/2009	2FE
4699999.	Total - Bonds - Credit Tenant Loans					419,694	419,694	419,694	419,694	0	0	0	0	0	419,694	0	0	0	8,691	XXX	XXX
6099997.	Total - Bonds - Part 4					391,254,247	395,502,899	396,336,856	292,240,285	0	(324,130)	0	(324,130)	0	395,652,216	0	(4,397,970)	(4,397,970)	10,001,759	XXX	XXX
6099999.	Total - Bonds					391,254,247	395,502,899	396,336,856	292,240,285	0	(324,130)	0	(324,130)	0	395,652,216	0	(4,397,970)	(4,397,970)	10,001,759	XXX	XXX
Preferred Stocks - Banks, Trust and Insurance Companies																					
40429Q 20 0	HSBC Capital Funding LP	F	03/27/2007	HSBC Securities	40,000.000	3,779,560	0	4,000,000	4,000,000	0	0	0	0	0	4,000,000	0	(220,440)	(220,440)	47,637	XXX	P2LFE.
6299999.	Total - Preferred Stocks - Banks, Trust & Insurance Companies					3,779,560	XXX	4,000,000	4,000,000	0	0	0	0	0	4,000,000	0	(220,440)	(220,440)	47,637	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous																					
718554 AA 6	Phillips 66 Cap Trust 8.000% 01/15/37	...	01/15/2007	Call 103.9400	50,000.000	5,197,000	0	5,131,550	5,090,435	0	(225)	0	(225)	0	5,090,210	0	106,790	106,790	200,000	XXX	P2LFE.
6399999.	Total - Preferred Stocks - Industrial & Miscellaneous					5,197,000	XXX	5,131,550	5,090,435	0	(225)	0	(225)	0	5,090,210	0	106,790	106,790	200,000	XXX	XXX
6599997.	Total - Preferred Stocks - Part 4					8,976,560	XXX	9,131,550	9,090,435	0	(225)	0	(225)	0	9,090,210	0	(113,650)	(113,650)	247,637	XXX	XXX
6599999.	Total - Preferred Stocks					8,976,560	XXX	9,131,550	9,090,435	0	(225)	0	(225)	0	9,090,210	0	(113,650)	(113,650)	247,637	XXX	XXX
Common Stocks - Public Utilities																					
60467R 10 0	Mirant Corp	...	03/27/2007	Various	331,874.000	12,635,044	XXX	7,851,201	10,477,262	(2,626,061)	0	0	(2,626,061)	0	7,851,201	0	4,783,843	4,783,843	0	XXX	L
6699999.	Total - Common Stocks - Public Utilities					12,635,044	XXX	7,851,201	10,477,262	(2,626,061)	0	0	(2,626,061)	0	7,851,201	0	4,783,843	4,783,843	0	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
817270 20 0	Sentinel Group Fds Inc	...	03/15/2007	Sentinel Group Fds	835.000	14,669	XXX	13,621	14,702	(1,081)	0	0	(1,081)	0	13,621	0	1,047	1,047	15	XXX	L
817270 30 9	Sentinel Group Fds Inc	...	03/27/2007	Sentinel Group Fds	15,915.000	520,095	XXX	467,732	524,069	(56,338)	0	0	(56,338)	0	467,732	0	52,364	52,364	16	XXX	L
817270 50 7	Sentinel Group Fds Inc	...	03/15/2007	Sentinel Group Fds	27,980.000	486,363	XXX	430,063	465,304	(35,240)	0	0	(35,240)	0	430,063	0	56,299	56,299	0	XXX	L
817270 60 6	Sentinel Group Fds Inc	...	03/30/2007	Sentinel Group Fds	22,000.000	223,850	XXX	228,970	223,742	5,229	0	0	5,229	0	228,970	0	(5,121)	(5,121)	229	XXX	L
817270 65 5	Sentinel Group Fds Inc	...	03/30/2007	Sentinel Group Fds	129,235.000	2,156,687	XXX	1,939,089	2,097,380	(184,499)	0	0	(184,499)	0	1,939,089	0	217,598	217,598	473	XXX	L
817270 74 7	Sentinel Group Fds Inc	...	03/15/2007	Sentinel Group Fds	3,281.000	26,806	XXX	26,886	18,142	355	0	0	355	0	26,886	0	(80)	(80)	171	XXX	L
817270 80 4	Sentinel Group Fds Inc	...	03/15/2007	Sentinel Group Fds	105,362.000	803,396	XXX	787,052	792,320	(5,268)	0	0	(5,268)	0	787,052	0	16,344	16,344	0	XXX	L
817270 85 3	Sentinel Group Fds Inc	...	03/21/2007	Sentinel Group Fds	27,974.000	252,201	XXX	261,839	250,929	10,910	0	0	10,910	0	261,839	0	(9,639)	(9,639)	1,513	XXX	L
817270 88 7	Sentinel Group Fds Inc	...	03/15/2007	Sentinel Group Fds	26,232.000	539,618	XXX	461,964	536,964	(75,000)	0	0	(75,000)	0	461,964	0	77,654	77,654	0	XXX	L
88023U 10 1	Tempur Pedic	...	02/23/2007	Mogavero Lee & Company	2,451.000	63,136	XXX	62,746	0	0	0	0	0	0	62,746	0	390	390	0	XXX	L
6899999.	Total - Common Stocks - Industrial & Miscellaneous					5,086,821	XXX	4,679,962	4,923,552	(340,932)	0	0	(340,932)	0	4,679,962	0	406,856	406,856	2,417	XXX	XXX
7299997.	Total - Common Stocks - Part 4					17,721,865	XXX	12,531,163	15,400,814	(2,966,993)	0	0	(2,966,993)	0	12,531,163	0	5,190,699	5,190,699	2,417	XXX	XXX
7299999.	Total - Common Stocks					17,721,865	XXX	12,531,163	15,400,814	(2,966,993)	0	0	(2,966,993)	0	12,531,163	0	5,190,699	5,190,699	2,417	XXX	XXX
7399999.	Total - Preferred and Common Stocks					26,698,425	XXX	21,662,713	24,491,249	(2,966,993)	(225)	0	(2,967,218)	0	21,621,373	0	5,077,049	5,077,049	250,054	XXX	XXX
7499999.	Total - Bonds, Preferred and Common Stocks					417,952,672	XXX	417,999,569	316,731,534	(2,966,993)	(324,355)	0	(3,291,348)	0	417,273,589	0	679,079	679,079	10,251,813	XXX	XXX

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

SCHEDULE DB - PART A - SECTION 1

Showing All Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Acquisition	6 Exchange or Counterparty	7 Cost/ Option Premium	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis of Hedged Item	14 Other Investment/ Miscellaneous Income
Call Options - Hedging Transactions													
S&P 500 OTC Option 42500000 Notional	1,881	03/20/2008	1,435.04	03/21/2007	JPMorgan	191,448	174,455		174,455	174,455	(16,994)	0	0
S&P Asian OTC Call Option 29000000	696	03/20/2008	1,435.04	03/21/2007	Barclays Capital	37,055	31,542		31,542	31,542	(5,513)	0	0
0199999. Subtotal - Call Options - Hedging Transactions						228,503	205,997	XXX	205,997	205,997	(22,506)	0	0
0499999. Subtotal - Call Options						228,503	205,997	XXX	205,997	205,997	(22,506)	0	0
2599999. Subtotal - Hedging Transactions						228,503	205,997	XXX	205,997	205,997	(22,506)	0	0
9999999. Totals						228,503	205,997	XXX	205,997	205,997	(22,506)	0	0

SCHEDULE DB - PART B - SECTION 1

Showing All Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date

1 Description	2 Number of Contracts or Notional Amount	3 Date of Maturity, Expiry, or Settlement	4 Strike Price, Rate or Index	5 Date of Issuance/ Purchase	6 Exchange or Counterparty	7 Consideration Received	8 Book Value	9 *	10 Statement Value	11 Fair Value	12 Year to Date Increase/ (Decrease) by Adjustment	13 Used to Adjust Basis	14 Other Investment/ Miscellaneous Income
Call Options - Hedging Transactions													
S&P 500 OTC Option 42500000 Notional	1,881	03/20/2008	1,592.89	03/21/2007	JPMorgan	49,188	42,800		42,800	42,800	(6,388)	0	0
0199999. Subtotal - Call Options - Hedging Transactions						49,188	42,800	XXX	42,800	42,800	(6,388)	0	0
0499999. Subtotal - Call Options						49,188	42,800	XXX	42,800	42,800	(6,388)	0	0
2599999. Subtotal - Hedging Transactions						49,188	42,800	XXX	42,800	42,800	(6,388)	0	0
9999999. Totals						49,188	42,800	XXX	42,800	42,800	(6,388)	0	0

SCHEDULE DB - PART C - SECTION 1

Showing All Collar, Swap and Forwards Open at Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price, Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure

NONE

SCHEDULE DB - PART D - SECTION 1

Showing All Futures Contracts and Insurance Futures Contracts at Current Statement Date

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure
Long Futures Positions - Other Derivative Transactions												
S&P 500 Index	28	06/15/2007	9,691,500	10,018,400	326,900	03/06/2007	CME	0	326,900	0	0	392,000
S&P 500 Index	1	06/15/2007	361,750	357,800	(3,950)	03/22/2007	CME	0	(3,950)	0	0	14,000
S&P 500 Index	1	06/15/2007	358,375	357,800	(575)	03/28/2007	CME	0	(575)	0	0	14,000
0399999. Subtotal - Long Futures Positions - Other Derivative Transactions			10,411,625	10,734,000	322,375	XXX	XXX	0	322,375	0	0	420,000
0499999. Subtotal - Long Futures Positions			10,411,625	10,734,000	322,375	XXX	XXX	0	322,375	0	0	420,000
2799999. Subtotal - Other Derivative Transactions			10,411,625	10,734,000	322,375	XXX	XXX	0	322,375	0	0	420,000
9999999. Totals			10,411,625	10,734,000	322,375	XXX	XXX	0	322,375	0	0	420,000

Brokers

Goldman Sachs		823,399
Broker Totals		823,399

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
			Amount of	Amount of				
		Rate	Interest	Interest Accrued	6	7	8	
		of	Received During	at Current				
Depository	Code	Interest	Current Quarter	Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
JP Morgan Chase Bank, N.A......................... New York, NY.............................	....	.......0.000	0	0	...(26,453,373)	...(17,476,216)	...(20,605,016)	XXX
Wachovia Bank & Trust................................. Philadelphia, PA.........................	....	.......0.000	0	0	269,079	126,371	56,828	XXX
State Street Bank... Boston, MA................................	....	.......0.000	0	0	353,335	389,800	338,965	XXX
TD Banknorth Vermont.................................. Burlington, VT.............................	....	.......0.000	0	0	........(158,503)	1,638,070	2,414,826	XXX
Fifth Third Bank... Cincinnati, OH............................	....	.......0.000	0	0	161,876	121,656	121,656	XXX
0199998. Deposits in.....2 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories............	....XXX....	......XXX....	0	0	..........(29,944)	55,709	..........(55,913)	XXX
0199999. Total Open Depositories...	....XXX....	......XXX....	0	0	...(25,857,529)	...(15,144,609)	...(17,728,655)	XXX
0399999. Total Cash on Deposit...	....XXX....	......XXX....	0	0	...(25,857,529)	...(15,144,609)	...(17,728,655)	XXX
0499999. Cash in Company's Office...	....XXX....	......XXX....	..........XXX........	..........XXX........	400	400	400	XXX
0599999. Total Cash...	....XXX....	......XXX....	0	0	...(25,857,129)	...(15,144,209)	...(17,728,255)	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 Gross Investment Income

NONE