

ANNUAL STATEMENT
OF THE
Group Hospitalization and Medical Services,
Inc.

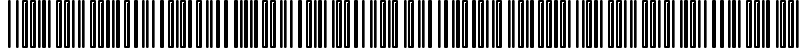
of
Washington
in the state of
District of Columbia

TO THE
Insurance Department

OF THE STATE OF

FOR THE YEAR ENDED
DECEMBER 31, 1999

1999



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ANNUAL STATEMENT

For the Year Ended December 31, 1999
OF THE CONDITION AND AFFAIRS OF THE
Group Hospitalization and Medical Services, Inc.

NAIC Group Code 0380 , 0380 NAIC Company Code 53007 Employer's ID Number 53-0078070
(Current Period) (Prior Period)
Organized under the laws of the State of United States of America
Incorporated 08/11/1939 Commenced Business 03/15/1934
Statutory Home Office 550 12th Street, S.W., Washington, DC 20065
Main Administrative Office SAME (202) 479-8000
Mail Address SAME
Primary Location of Books and Records SAME () -
Annual Statement Contact William V. Stack (410) 998-7011
E-Mail Address: bill_stack@carefirst.com Fax Number: (410) 998-6850

OFFICERS

President William Lockwood Jews
Secretary John Anthony Picciotto
Treasurer Geoffrey Stewart Clasper
Asst. Secretary Mary Elizabeth Giblin #

Vice-Presidents

Michael Joseph Arens
Livio Broccolino, Esq.
Gregory Mark Chaney
Linda Dean #
Francis Doherty #
Andrew Fitzsimmons #
Mary Anne Heckwolf #
Jeanne Kennedy #
John Anthony Picciotto
William V. Stack #
Sharon Jean Vecchioni
David Donald Wolf

David Robert Astar
Janice Carman #
Geoffrey Stewart Clasper #
Pamela Sue Deuteran
Michael Bruce Edwards
Ann Teat Gallant
Susan Homar #
Barbara Knox #
Thomas Charles Rekart #
Raymond William Turner, M.D.
Ernest Viscuso #

Eric Randolph Baugh
Booker T. Carter, Jr. #
Rita Ann Costello
Gregory Allen Devou
Michael John Felber
John Leroy Hauer
Robert James Huber
Kevin O'Neill #
Robert Sheff, M.D #
Samuel Tyre #
Daniel Winn

DIRECTORS OR TRUSTEES

Edward John Baran
Floretta Dukes McKenzie, ED.D

Father William James Byron, S.J.
George Burch Wilkes, III

Sister Carol Keehan, R.N., M.S.
Eddie Nathaniel Williams

State of _____
County of _____ ss

The officers of this company, being duly sworn, each depose and say that they are the described officers of said corporation, and that on the thirty-first day of December last, all of the herein described assets were the absolute property of the said corporation, free and clear from any liens or claims thereon, except as herein stated, and that this annual 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 insurer as of the thirty-first day of December last, and of its income and deductions therefrom for the period reported, and have been completed in accordance with the NAIC annual statement instructions and accounting practices and procedures manuals 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.

(Signature)
William Lockwood Jews
(Printed Name)
President

(Signature)
John Anthony Picciotto
(Printed Name)
Secretary

(Signature)
Geoffrey Stewart Clasper
(Printed Name)
Treasurer

Subscribed and sworn to before me this _____ day of _____, 2000

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 Year				Prior Year
	1 Ledger Assets	2 Non-Ledger Assets	3 Assets Not Admitted	4 Net Admitted Assets (Columns 1 + 2 - 3)	5 Net Admitted Assets
1. Bonds (Schedule D)	221,746,319			221,746,319	199,899,934
2. Stocks (Schedule D):					
2.1 Preferred stocks	2,418,255	(283,055)		2,135,200	
2.2 Common stocks	66,472,728	5,207,444		71,680,172	53,841,854
3. Mortgage loans on real estate (Schedule B):					
3.1 First liens					
3.2 Other than first liens					
4. Real estate (Schedule A):					
4.1 Properties occupied by the company (less \$..... encumbrances)					
4.2 Other properties (less \$..... encumbrances)					
5. Cash (\$.....(21,640,588), Schedule E - Part 1) and short-term investments (\$.....46,000,052, Schedule DA)	24,359,464			24,359,464	55,292,746
6. Other invested assets					
7. Receivable for securities					
8. Aggregate write-ins for invested assets					
9. Subtotals, cash and invested assets (Lines 1 to 8)	314,996,766	4,924,389		319,921,155	309,034,534
10. Uncollected premiums	145,769,933			145,769,933	119,236,585
11. Amounts receivable relating to uninsured accident and health plans	19,988,420			19,988,420	9,460,168
12. Funds held by or deposited with reinsured companies					
13. Reinsurance ceded:					
13.1 Amounts recoverable from reinsurers (Schedule S, Part 1)					
13.2 Commissions and expense allowances due					
13.3 Experience rating and other refunds					
14. Federal income tax recoverable and interest thereon					
14A. Guaranty Funds receivable or on deposit					
15. Electronic data processing equipment (Column 4 includes \$..... Health Care Delivery and \$..... Administration)	19,873,274		14,547,831	5,325,443	6,806,569
16. Interest and other investment income due and accrued	3,469,337			3,469,337	2,992,951
17. Receivable from parent, subsidiaries and affiliates	(3,506,461)		168,801	(3,675,262)	10,400,997
18. Other assets nonadmitted (Exhibit 1)	1,649,019		1,649,019		
19. Aggregate write-ins for other than invested assets	167,150,833		13,297,761	153,853,072	153,416,099
20. TOTAL (Lines 9 through 19)	669,391,121	4,924,389	29,663,412	644,652,098	611,347,903
DETAILS OF WRITE-INS					
0801.					
0802.					
0803.					
0898. Summary of remaining write-ins for Line 8 from overflow page					
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)					
1901. Deposits and prepaid expenses	13,374,960		2,935,598	10,439,362	11,884,804
1902. Miscellaneous accounts receivable	11,031,929		2,857,485	8,174,444	3,969,761
1903. Leasehold Improvements	31,012		31,012		
1998. Summary of remaining write-ins for Line 19 from overflow page	142,712,932		7,473,666	135,239,266	137,561,534
1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above)	167,150,833		13,297,761	153,853,072	153,416,099

LIABILITIES, RESERVES AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Claims unpaid (Part 2A, Line 9, Column 4) (Includes provision for retroactive cost adjustments \$.....)	158,479,677	120,602,966
2. Provision for deferred maternity benefits (Part 2B, Line 5, Column 2)		
3. Unpaid claims adjustment expenses (Part 3, Line 32, Column 2)	7,363,966	6,002,878
4. Unearned premiums (Part 1, Column 8)	169,560,186	149,110,071
5. Unearned investment income (Part 4, Line 9, Column 4)		
6. A. Taxes, licenses and fees due or accrued (excluding Federal income taxes)	135,450	
B. Federal income taxes (excluding deferred taxes)	(1,117,633)	150,000
C. Other expenses due or accrued	55,659,586	22,939,712
7. Premium deposits made by applicants rejected or not as yet accepted as members or subscribers	560,629	556,858
8. Borrowed money \$..... and interest thereon \$.....		
9. Amounts withheld or retained for account of others	7,395,001	3,935,410
10. Liability for amounts held under uninsured accident and health plans		
11. Funds held by corporation under reinsurance treaties		
12A. Reinsurance in unauthorized companies		
12B. Funds held under reinsurance treaties with unauthorized reinsurers		
13. Payable for securities		
14. Aggregate write-ins for other liabilities	59,769,701	149,334,479
15. TOTAL LIABILITIES	457,806,563	452,632,374
RESERVES AND OTHER FUNDS		
16. Statutory reserve	1,500,000	1,500,000
17. Surplus notes	26,809,800	35,746,400
18. Aggregate write-ins for reserves and other funds		
19. Unassigned funds	158,535,737	121,469,129
20. TOTAL reserves and unassigned funds (Page 4, Line 21)	186,845,537	158,715,529
21. TOTALS (Lines 15 plus 20)	644,652,100	611,347,903
DETAILS OF WRITE-INS		
1401. Miscellaneous	20,431,448	72,761,637
1402. Bank depository ***		44,180,167
1403. Provision for experience rated refunds	7,399,874	2,949,684
1498. Summary of remaining write-ins for Line 14 from overflow page	31,938,379	29,442,991
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	59,769,701	149,334,479
1801.		
1802.		
1803.		
1898. Summary of remaining write-ins for Line 18 from overflow page		
1899. TOTALS (Lines 1801 through 1803 plus 1898) (Line 18 above)		

UNDERWRITING AND INVESTMENT EXHIBIT

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 9, Column 9)	1,076,588,930	954,297,925
2. A. Claims incurred (Part 2, Line 9, Column 5) net of reinsurance (\$.....)	975,773,647	872,379,340
B. Increase (decrease) in provision for deferred maternity benefits (Part 2B, Line 5, Column 4)		
3. Expenses incurred (Part 3, Line 30):		
A. Claim adjustment	38,593,010	38,938,184
B. Administrative	30,338,591	31,491,832
C. Soliciting	15,491,596	12,727,748
4. Reinsurance allowances - expense and experience refund		
5. TOTAL underwriting deductions (Lines 2 through 4)	1,060,196,844	955,537,104
6. Net underwriting gain or (loss) (Line 1 minus Line 5)	16,392,086	(1,239,179)
INVESTMENT INCOME		
7. Net investment income earned (Part 4, Line 14, Column 8)	16,998,257	19,837,262
8. Net realized capital gains or (losses) (Part 4A, Line 10, Column 6)	2,989,968	9,210,592
9. Net investment gain or (loss) (Line 7 plus Line 8)	19,988,225	29,047,854
OTHER INCOME OR EXPENSE		
10. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$..... amount charged off \$.....)		
11. Aggregate write-ins for other income or expense	464,555	11,448,037
12. Net gain or (loss) before federal income taxes (Lines 6 + 9 + 10 + 11)	36,844,866	39,256,712
13. Federal income taxes incurred	2,061,433	270,518
14. Net gain or (loss) (to Line 16) (Line 12 minus Line 13)	34,783,433	38,986,194
RESERVES AND UNASSIGNED FUNDS		
15. Reserves and unassigned funds December 31, prior year (Page 4, Line 21, Column 2)	158,715,529	149,815,926
GAINS AND (LOSSES)		
16. Net gain or (loss) (from Line 14)	34,783,433	38,986,194
17. Net unrealized capital gains or (losses) (Part 4A, Line 11, Column 6)	13,856,456	(39,670,690)
18. Change in non-admitted assets (Exhibit 1, Line 6, Column 3)	(14,181,389)	(6,498,128)
18A. Change in surplus notes	(8,936,600)	(8,936,600)
18B. Change in unauthorized reinsurance		
19. Aggregate write-ins for changes to reserves and unassigned funds	2,608,113	25,018,827
20. Change in reserves and unassigned funds for the year (Lines 16 through 19)	28,130,013	8,899,603
21. Reserves and unassigned funds December 31, current year (Line 15 plus Line 20)	186,845,542	158,715,529
DETAILS OF WRITE-INS		
1101. Miscellaneous	464,555	289,407
1102. Current year gain/(loss) on subsidiaries in liquidation		35,671
1103. Gain on sale of building		16,059,488
1198. Summary of remaining write-ins for Line 11 from overflow page		(4,936,529)
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	464,555	11,448,037
1901. Change in Deferred Gain on sale of building	(4,855,887)	25,018,827
1902. Deferred Tax Asset	7,464,000	
1903.		
1998. Summary of remaining write-ins for Line 19 from overflow page		
1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above)	2,608,113	25,018,827

CASH FLOW

CASH FROM OPERATIONS	1 Current Year	2 Prior Year
1. Premiums collected net of reinsurance	1,495,204,553	1,319,169,251
2. Claims and claims adjustment expenses	1,388,966,275	1,236,483,856
3. Underwriting expenses paid	71,652,533	65,279,571
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	34,585,745	17,405,824
6. Net investment income	14,603,873	20,423,851
7. Other income (expenses)	464,555	(4,611,451)
8. Federal income taxes (paid) recovered	3,321,066	(420,517)
9. Net cash from operations (Line 5 plus Line 6 plus Line 7 plus Line 8)	52,975,239	32,797,707
CASH FROM INVESTMENTS		
10. Proceeds from investments sold, matured or repaid:		
10.1 Bonds	154,587,135	197,418,707
10.2 Stocks	31,291,318	41,118,545
10.3 Mortgage loans		
10.4 Real estate		54,350,000
10.5 Other invested assets		
10.6 Net gains or (losses) on cash and short-term investments	330	13,198
10.7 Miscellaneous proceeds	420,691	
10.8 TOTAL investment proceeds (Lines 10.1 to 10.7)	186,299,474	292,900,450
11. Cost of investments acquired (long-term only):		
11.1 Bonds	177,527,566	238,633,015
11.2 Stocks	33,809,219	41,372,533
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Miscellaneous applications	4,116,406	
11.7 TOTAL investments acquired (Lines 11.1 to 11.6)	215,453,191	280,005,548
12. Net cash from investments (Line 10.8 minus Line 11.7)	(29,153,717)	12,894,902
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
13. Cash provided:		
13.1 Surplus notes, capital and surplus paid in	(8,936,600)	(8,936,600)
13.2 Net transfers from affiliates	16,911,987	
13.3 Borrowed funds received		
13.4 Other cash provided	36,943,765	21,862,878
13.5 TOTAL (Lines 13.1 to 13.4)	44,919,152	12,926,278
14. Cash applied:		
14.1 Net transfers to affiliates		1,039,038
14.2 Borrowed funds repaid		
14.3 Other applications	99,673,956	38,498,319
14.4 TOTAL (Lines 14.1 to 14.3)	99,673,956	39,537,357
15. Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.4)	(54,754,804)	(26,611,079)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
16. Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	(30,933,282)	19,081,530
17. Cash and short-term investments:		
17.1 Beginning of year	55,292,746	36,211,217
17.2 End of year (Line 16 plus Line 17.1)	24,359,464	55,292,747

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit) (Excluding Capital Gains and Losses)

	1	2	3	4	5	6	7	8	9	10	11
	Total	Comprehensive (Hospital & Medical)	Medical Only	Medicare Supplemental	Administrative Services Only	Administrative Services Contracts	Dental	Federal Employee Health Benefit Plan Premiums	Title XVIII Medicare	Title XIX Medicaid	Other
1. Premium earned	1,076,588,930	251,222,252		19,203,218	XXX	5,288,614		780,898,696			19,976,150
2. A. Claims incurred	975,773,647	200,553,964		14,068,371	XXX	5,815,208		739,663,491			15,672,613
B. Increase (decrease) in provision for deferred maternity benefits					XXX						
3. Expenses incurred:											
A. Claims adjustment	38,593,010	17,872,036		2,186,950		(87,762)		16,994,971			1,626,815
B. Administrative	30,338,591	14,049,498		1,719,197		(68,991)		13,360,022			1,278,865
C. Soliciting	15,491,596	7,174,002		877,862		(35,228)		6,821,941			653,019
4. Reinsurance allowances-expense and experience refund					XXX						
5. TOTAL underwriting deductions (Lines 2 through 4)	1,060,196,844	239,649,500		18,852,380		5,623,227		776,840,425			19,231,312
6. Net underwriting gain or (loss) (Line 1 minus Line 5)	16,392,086	11,572,752		350,838		(334,613)		4,058,271			744,838
7. Net investment income earned	16,998,256	10,533,502		805,172	XXX	221,746		4,600,256			837,580
8. Net realized capital gains or (losses)	2,989,969	2,540,316		194,180	XXX	53,478					201,995
9. Net investment gain or (loss) (Line 7 plus Line 8)	19,988,225	13,073,818		999,352	XXX	275,224		4,600,256			1,039,575
10. Net gain or (loss) from agents' or premium balances charged off					XXX						
11. Aggregate write-ins for other income or expense	464,555	394,692		30,170	XXX	8,309					31,384
12. Net gain or (loss) before federal income taxes (Lines 6 + 9 + 10 + 11)	36,844,866	25,041,262		1,380,360		(51,080)		8,658,527			1,815,797
13. Federal income taxes incurred	2,061,433	1,934,231		58,638	XXX	(55,926)					124,490
14. Net gain or (loss) (Line 12 minus Line 13)	34,783,433	23,107,031		1,321,722		4,846		8,658,527			1,691,307
DETAILS OF WRITE-INS											
1101. Miscellaneous	464,555	394,692		30,170	XXX	8,309					31,384
1102.					XXX						
1103.					XXX						
1198. Summary of remaining write-ins for Line 11 from overflow page					XXX						
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	464,555	394,692		30,170	XXX	8,309					31,384

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premiums Written (Columns 1 + 2 - 3)	5 Unearned Premiums December 31 Prior Year	6 Unearned Premiums December 31 Current Year (Part 1A)	7 Reserve for Rate Credits and Retrospective Returns Based on Experience	8 Total Reserve for Unearned Premiums (Columns 6 + 7)	9 Premiums Earned (Columns 4 + 5 - 8)
1. Comprehensive (Hospital & Medical)	255,072,824			255,072,824	13,417,647	31,591,106		31,591,106	236,899,365
2. Medical only									
3. Medical Supplemental	19,916,169			19,916,169	1,467,921	2,516,093		2,516,093	18,867,997
4. Dental	15,789,499			15,789,499	823,303	1,954,694		1,954,694	14,658,108
5. Federal Employee Health Benefit Plans	780,898,696			780,898,696	133,252,961	133,252,961		133,252,961	780,898,696
6. Title XVIII - Medicare									
7. Title XIX - Medicaid									
8. Other	25,409,870	250,268	298,281	25,361,857	148,239	245,332		245,332	25,264,764
9. TOTALS (Sum of Lines 1 through 8)	1,097,087,058	250,268	298,281	1,097,039,045	149,110,071	169,560,186		169,560,186	1,076,588,930

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PART 1A - UNEARNED PREMIUMS

	1 Premiums in Force December 31 Current Year	2 Amount of Premiums or Fees Unearned
1. Annual premiums		
2. Semi-annual premiums		
3. Quarterly premiums		
4. Monthly premiums	1,076,588,930	169,560,186
5. Advanced premiums		
6. TOTALS	1,076,588,930	169,560,186

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS PAID AND INCURRED

NET OF REINSURANCE

1 Line of Business	2 Claims Paid	3 Claims Unpaid Current Year (Column 4, Part 2A)	4 Claims Unpaid Prior Year	5 Claims Incurred (Columns 2 + 3 - 4)
1. Comprehensive (Hospital & Medical)	179,219,473	29,763,233	23,160,245	185,822,461
2. Medical Only				
3. Medicare Supplemental	14,307,371	2,893,390	3,132,390	14,068,371
4. Dental	10,476,870	1,057,601	1,181,440	10,353,031
5. Federal Employees Health Benefits Plan Premiums	709,684,321	120,954,519	90,975,352	739,663,488
6. Title XVIII - Medicare				
7. Title XIX - Medicaid				
8. Other	24,208,901	3,810,934	2,153,539	25,866,296
9. TOTALS (Sum of Lines 1 through 8)	937,896,936	158,479,677	120,602,966	975,773,647

PART 2A - CLAIMS UNPAID

NET OF REINSURANCE

1 Line of Business	2 Reported Claims in Process of Adjustment	3 Estimated Incurred But Unreported	4 Total Claims Unpaid
1. Comprehensive (Hospital & Medical)	2,694,781	27,068,452	29,763,233
2. Medical Only			
3. Medicare Supplemental	191,018	2,702,372	2,893,390
4. Dental	147,840	909,761	1,057,601
5. Federal Employees Health Benefits Plan Premiums	18,462,658	102,491,861	120,954,519
6. Title XVIII - Medicare			
7. Title XIX - Medicaid			
8. Other		3,810,934	3,810,934
9. TOTALS (Sum of Lines 1 through 8)	21,496,297	136,983,380	158,479,677

PART 2B - DEFERRED MATERNITY BENEFITS

NET OF REINSURANCE

1 Line of Business	2 Liability Current Year	3 Liability Prior Year	4 Change in Liability
1. Comprehensive (Hospital & Medical)			
2. Medical Only			
3. Federal Employees Health Benefits Plan Premiums			
4. Title XIX - Medicaid			
5. TOTALS (Sum of Lines 1 through 4)			

NONE

PART 2C - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR

NET OF REINSURANCE

1 Line of Business	Claims Paid During the Year		Claims Unpaid December 31 of Current Year, Viz.: Estimated Liability December 31 of Current Year		6 Total Claims Incurred to December 31 of Current Year on Claims Incurred in Prior Years (Columns 2 + 4)	7 Estimated Liability on Unpaid Claims December 31 of Prior Year
	2 On Claims Incurred Prior to January 1 of Current Year	3 On Claims Incurred During the Year	4 On Claims Unpaid December 31 of Prior Year	5 On Claims Incurred During the Year		
1. Comprehensive (Hospital & Medical)	18,881,957	160,337,517	540,022	29,223,211	19,421,979	23,160,245
2. Medical Only						
3. Medicare Supplemental	2,846,925	11,460,446	109,008	2,784,382	2,955,933	3,132,390
4. Dental	897,501	9,579,370	4	1,057,597	897,505	1,181,440
5. Federal Employee Health Benefit Plans	80,026,928	629,657,391	638,300	120,316,219	80,665,228	90,975,352
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other	5,318,451	18,890,450	266,496	3,544,438	5,584,947	2,153,539
9. TOTALS (Sum of Lines 1 through 8)	107,971,762	829,925,174	1,553,830	156,925,847	109,525,592	120,602,966

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

1	Incurred Expenses				
	2 Claim Adjustment	3 Administrative	4 Soliciting	5 Investment	6 Total
1. Rent (\$..... for occupancy of own building)	3,021,904	2,909,014	331,299	16,554	6,278,771
2. Salaries and wages	46,675,395	29,660,037	6,497,240	101,633	82,934,305
3. Contributions for benefit plans for employees	4,885,274	7,063,721	502,131	8,158	12,459,284
4. Payments to employees under non-funded benefit plans					
5. Other employee welfare	485,431	(3,329,781)	93,493	574	(2,750,283)
6. Legal fees and expenses	11,679	1,460,101		42	1,471,822
7. Medical examination fees					
8. Utilization management					
9. Certifications and accreditation					
10. Auditing, actuarial and consulting services	1,845,252	1,370,984	430,928	42,264	3,689,428
11. Traveling expenses	1,020,593	723,536	169,267	1,651	1,915,047
12. Marketing and advertising	10,278	1,078,735	841,679		1,930,692
13. Postage, express, telegraph and telephone	4,080,203	1,676,509	571,837	1,323	6,329,872
14. Printing and stationery	979,154	1,503,134	356,580	1,312	2,840,180
15. Occupancy, depreciation and amortization					
16. Rental of equipment	496,220	206,582	305	25	703,132
17. Outsourced services including EDP, claims, and other services	15,374,496	7,310,963	16,282,726	1,847	38,970,032
18. Books and periodicals	75,880	67,071	11,453	11	154,415
19. Boards, bureaus and association fees	66,247	1,154,930	224,728	18	1,445,923
20. Insurance, except on real estate	317,403	268,372	33,545	422	619,742
21. Collection and bank service charges					
22. Group service and administration fees					
23. Reimbursements by uninsured accident and health plans	(19,675,348)	(15,131,142)	(7,897,869)		(42,704,359)
24. Reimbursements from fiscal intermediaries					
25. Real estate expenses					
26. Real estate taxes					
27. Taxes, Licenses and Fees:					
27.1 State and local insurance taxes					
27.2 State premium taxes					
27.3 Insurance department licenses and fees					
27.4 Payroll taxes	3,553,559	2,354,033	474,196	5,757	6,387,545
27.5 Other (excluding Federal Income and Real Estate Taxes)	117,340	224,553	3,209	14,116	359,218
28. Investment expenses not included elsewhere		19,181	250	431,950	451,381
29. Aggregate write-ins for other expenses	(24,747,950)	(10,251,942)	(3,435,401)	58,354	(38,376,939)
30. General Expenses Incurred	38,593,010	30,338,591	15,491,596	686,011	(a) 85,109,208
31. General Expenses unpaid December 31, prior year	6,002,878	3,500,185	1,187,335	160,429	10,850,827
32. General Expenses unpaid December 31, current year	7,363,966	548,064	1,346,121	122,888	9,381,039
33. General Expenses paid during year (Lines 30 + 31 - 32)	37,231,922	33,290,712	15,332,810	723,552	86,578,996
34. Administrative expenses allocated to uninsured accident and health	XXX	XXX	XXX	XXX	
35. Administrative expenses allocated to A & H limited risk contracts	XXX	XXX	XXX	XXX	
36. Administrative expenses allocated to fiscal intermediaries	XXX	XXX	XXX	XXX	
37. Administrative expenses allocated to all other operations	XXX	XXX	XXX	XXX	
DETAILS OF WRITE-INS					
2901. Miscellaneous	(3,032,901)	(2,683,126)	(1,138,116)	54,909	(6,799,234)
2902. IPSBB	2,321,071	1,851,368	10		4,172,449
2903. Equipment	4,757,441	6,444,168	137,436	3,445	11,342,490
2998. Summary of remaining write-ins for Line 29 from overflow page	(28,793,561)	(15,864,352)	(2,434,731)		(47,092,644)
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)	(24,747,950)	(10,251,942)	(3,435,401)	58,354	(38,376,939)

(a) Includes management fees of \$..... to affiliates and \$..... to non-affiliates

Ratio of expense of soliciting subscribers and administrative expenses to net premiums written:

- a. Expense of soliciting subscribers: Percentage Page 9, Part 3, Line 33, Column 4 to Page 7, Part 1, Line 9, Column 4
Actual1.398 % Legal Limit %
- b. Administrative expenses: Percentage Page 9, Part 3, Line 33, Columns 2 + 3 + 5 to Page 7, Part 1, Line 9, Column 4
Actual6.494 % Legal Limit %
- c. Total expenses: Percentage Page 9, Part 3, Line 33, Column 6 to Page 7, Part 1, Line 9, Column 4
Actual7.892 % Legal Limit %

UNDERWRITING AND INVESTMENT EXHIBIT PART 4 - INTEREST, DIVIDENDS AND REAL ESTATE INCOME

1	2	3	Received in Advance		Due and Accrued (g)		8
			4	5	6	7	
	Schedule	Collected During Year Less Paid For Accrued on Purchases	Current Year	Prior Year	Current Year	Prior Year	Earned During Year (Columns 3 - 4 + 5 + 6 - 7)
1. Government bonds	D (a)	2,550,624			404,139	1,001,533	1,953,230
1.1 Other bonds (unaffiliated)	D (a)	9,699,047			2,562,946	1,711,761	10,550,232
1.2 Bonds of affiliates	D (a)						
2.1 Preferred stocks (unaffiliated)	D (b)	80,859					80,859
2.11 Preferred stocks of affiliates	D (b)						
2.2 Common stocks (unaffiliated)	D	440,092					440,092
2.21 Common stocks of affiliates	D						
3. Mortgage loans	B (c)						
4. Real estate	A (d)				332,648	184,855	147,793
5.1 Cash on hand and on deposit	E	6,490			175		6,665
5.2 Short-term investments	DA (e)	2,498,681			155,502	94,801	2,559,382
6. Other invested assets	BA						
7. Derivative instruments	DB (f)	5,087					5,087
8. Aggregate write-ins for investment income		4,151,910			13,927		4,165,837
9. TOTALS		19,432,790			3,469,337	2,992,950	19,909,177

		DEDUCTIONS	
10. TOTAL investment expenses incurred (Part 3, Line 30, Column 5)		686,011	
10A. Interest expense		(h)	
11. Depreciation on real estate			
12. Aggregate write-ins for other deductions		2,224,909	
13. TOTAL deductions			2,910,920
14. Net investment income earned (Line 9 minus Line 13) (to Page 4, Line 7)			16,998,257

DETAILS OF WRITE-INS							
0801. Other		34,423			13,927		48,350
0802. Investment income FEP		4,600,256					4,600,256
0803. Investment exp. Retro groups		(482,769)					(482,769)
0898. Summary of remaining write-ins for Line 8 from overflow page							
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Part 4, Line 8)		4,151,910			13,927		4,165,837

		DEDUCTIONS	
1201. Other investment exps.-bank charges		144,645	
1202. Surplus note interest		1,787,320	
1203. Other real estate expenses		292,944	
1298. Summary of remaining write-ins for Line 12 from overflow page			
1299. TOTALS (Lines 1201 through 1203 plus 1298) (Part 4, Line 12)		2,224,909	

- (a) Includes \$.....243,498 accrual of discount less \$.....818,776 amortization of premium.
 (b) Includes \$..... accrual of discount less \$..... amortization of premium.
 (c) Includes \$..... accrual of discount less \$..... amortization of premium.
 (d) Includes \$..... for corporation's occupancy of its own buildings.
 (e) Includes \$.....1,227,867 accrual of discount less \$.....419 amortization of premium.
 (f) Includes \$..... accrual of discount less \$..... amortization of premium.
 (g) Admitted items only. State basis of exclusions for corporation's occupancy of its own buildings.
 (h) Includes \$..... interest on surplus notes and \$..... interest on capital notes.

PART 4A - CAPITAL GAINS AND (LOSSES) ON INVESTMENTS

	1	2	3	4	5	6
	Profit on Sales or Maturity	Loss on Sales or Maturity	Increases by Adjustment in Book Value	Decreases by Adjustment in Book Value	Net Gain or (Loss) from Change in Difference Between Book and Admitted Values	Total (Net of Columns 1 to 5 inclusive) (1 - 2 + 3 - 4 + 5)
1. Government bonds	216,739	654,582				(437,843)
1.1 Other bonds (unaffiliated)	451,709	546,123				(94,414)
1.2 Bonds of affiliates						
2.1 Preferred stocks (unaffiliated)						
2.11 Preferred stocks of affiliates						
2.2 Common stocks (unaffiliated)	3,997,559	677,987			(1,396,487)	1,923,085
2.21 Common stocks of affiliates					15,252,943	15,252,943
3. Mortgage loans						
4. Real estate				(a)		
5.1 Cash on hand and on deposit						
5.2 Short-term investments	338	8				330
6. Other invested assets						
7. Derivative Instruments	202,500					202,500
8. Aggregate write-ins for capital gains and (losses)		177				(177)
9. TOTALS	4,868,845	1,878,877			13,856,456	16,846,424

(Distribution of Line 9, Column 6)					
10. Net realized capital gains or (losses) (Page 4, Line 8) (Line 9, Column 1 - 2)					2,989,968
11. Net unrealized capital gains or (losses) (Page 4, Line 17) (Line 9, Columns 3 - 4 + 5)					13,856,456

DETAILS OF WRITE-INS							
0801. Other			177				(177)
0802.							
0803.							
0898. Summary of remaining write-ins for Line 8 from overflow page							
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Part 4A, Line 8)			177				(177)

(a) Excluding \$..... depreciation on real estate included in Part 4, Line 11.

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
1. Summary of Items Page 2, Lines 10 to 15 and 17, Column 3	14,716,632	11,971,027	(2,745,605)
2. Other Assets:			
2.1 Deposits in suspended depositories, less estimated amount recoverable			
2.2 Furniture and equipment	1,649,019	792,972	(856,047)
2.3 Loans on personal security, endorsed or not			
2.4 Bills receivable			
2.5 Agents' balances (net)			
2.6 Cash advanced to or in the hands of officers or agents			
2.7 Supplies, stationery, printed matter			
3. TOTAL (Lines 2.1 to 2.7) (Page 2, Line 18, Column 3)	1,649,019	792,972	(856,047)
4. Aggregate write-ins for other than invested assets (Page 2, Line 19, Column 3)	13,297,761	2,718,024	(10,579,737)
5. Aggregate write-ins for related items			
6. TOTAL (Line 1 plus Lines 3 through 5)	29,663,412	15,482,023	(14,181,389)
DETAILS OF WRITE-INS			
0401. Deposits and prepaid expense	2,935,598	1,195,947	(1,739,651)
0402. Leasehold improvements	31,012		(31,012)
0403. Miscellaneous accounts receivable	2,857,485	1,490,968	(1,366,517)
0498. Summary of remaining write-ins for Line 4 from overflow page	7,473,666	31,109	(7,442,557)
0499. TOTALS (Lines 0401 through 0403 plus 0498) (Line 4 above)	13,297,761	2,718,024	(10,579,737)
0501. Loans on corporation's stock			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			

EXHIBIT 2 - RECONCILIATION OF LEDGER ASSETS

INCREASE IN LEDGER ASSETS	1 Amount
1. Net premiums written (Part 1, Column 4)	1,097,039,045
2. Interest, dividends and real estate income received (Part 4, Line 9, Column 3)	19,432,790
3. From sale or maturity of ledger assets (Part 4A, Column 1)	4,868,845
4. Adjustment in book value of ledger assets (Part 4A, Column 3)	
4A. Surplus notes (Page 4, Line 18A, Column 1)	
5. Other income items or increases, viz:	
A. Borrowed money (gross)	
B. Amounts withheld or retained for account of others (net)	3,459,591
C. Funds held under reinsurance treaties (net)	
D. Agents' balances previously charged off	
6. Aggregate write-ins for other increases in ledger assets	14,368,146
7. TOTAL (Lines 1 to 6)	1,139,168,417
DECREASE IN LEDGER ASSETS	
8. Claims paid (Part 2, Column 2)	937,896,936
9. Expenses paid (Part 3, Line 33, Column 6)	86,578,996
9A. Interest expense (Part 4, Line 10A)	
10. From sale or maturity of ledger assets (Part 4A, Column 2)	1,878,877
11. Adjustment in book value of ledger assets (Part 4A, Column 4) and depreciation (Part 4, Line 11)	
11A. Surplus notes (Page 4, Line 18A, Column 1)	8,936,600
12. Other disbursement items or decreases, viz:	
A. Borrowed money (gross)	
B. Amounts withheld or retained for account of others (net)	
C. Federal income taxes paid	3,321,066
D. Agents' balances charged off	
13. Aggregate write-ins for other decreases in ledger assets	67,207,107
14. TOTAL (Lines 8 to 13)	1,105,819,582
RECONCILIATION BETWEEN YEARS	
15. Amount of ledger assets as per balance December 31 of prior year	636,042,285
16. Increase or (decrease) in ledger assets during the year (Line 7 minus Line 14)	33,348,835
17. Balance-ledger assets December 31 of current year	669,391,120
DETAILS OF WRITE-INS	
0601. Other income	464,555
0602. Accrued Interest	476,386
0603. Federal income tax accrual	1,259,633
0698. Summary of remaining write-ins for Line 6 from overflow page	12,167,572
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	14,368,146
1301. Accrued interest-surplus note	1,787,320
1302. Other expenses-bank charges	144,645
1303. Other expenses real estate	292,944
1398. Summary of remaining write-ins for Line 13 from overflow page	64,982,198
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)	67,207,107

13D Exhibit 3 - Dental NONE

13H Exhibit 3 - Hospital NONE

EXHIBIT 3

PREMIUM RATES FOR COMMUNITY RATED BUSINESS

Medical

Classifications	1 Monthly Rates	2 Quarterly Rates
1. Group Remittance:		
A. Individual	221	663
B. Two Person	486	1,458
C. Family	663	1,989
D. Complementary (Medicare)	266	798
E. Aggregate detail for Group Remittance		
01E01.		
01E02.		
01E03.		
2. Group Conversions:		
A. Individual	316	948
B. Two Person	600	1,800
C. Family	947	2,841
D. Complementary (Medicare)		
E. Aggregate detail for Group Conversions		
02E01.		
02E02.		
02E03.		
3. Direct Payment, Miscellaneous:		
A. Individual	211	633
B. Two Person	401	1,203
C. Family	633	1,899
D. Complementary (Medicare)		
E. Aggregate detail for Direct Payment, Miscellaneous		
03E01.		
03E02.		
03E03.		
4. Experience Rated Groups .....	.XXX	.XXX
5. Other:		
A. Individual	198	594
B. Two Person	376	1,128
C. Family	594	1,782
D. Complementary (Medicare)		
E. Aggregate detail for Other Premium Rates		
05E01.		
05E02.		
05E03.		

14D Exhibit 4 - Dental NONE

14H Exhibit 4 - Hospital NONE

EXHIBIT 4 UNDERWRITING GAINS AND (LOSSES) BY ENROLLMENT CLASSIFICATION

Medical

1 Classifications	2 Premiums Written (Part 1, Line 9, Column 4)	3 Premiums Earned (Part 1, Line 9, Column 9)	4 Claims Incurred (Part 2, Line 9, Column 5 plus Part 2B, Line 5, Column 4)	5 Expenses (Part 3, Line 30 Columns 2 + 3 + 4)	6 Gain from Underwriting During Year (Col. 3 minus Col. 4 Minus Col. 5)	Percent of Premiums Earned		
						7 Claims Incurred (Column 4 / Column 3)	8 Expenses Incurred (Column 5 / Column 3)	9 Total (Column 6 / Column 3)
1. Group Remittance:								
A. Individual	62,406,912	58,476,261	43,772,766	9,261,038	5,442,457	74.9	15.8	9.3
B. Two Person	24,867,429	23,301,173	18,567,221	3,928,281	805,671	79.7	16.9	3.5
C. Family	68,293,736	63,992,308	47,870,254	10,127,947	5,994,107	74.8	15.8	9.4
D. Complementary (Medicare)	3,491,330	3,271,431	3,412,046	721,889	(862,504)	104.3	22.1	(26.4)
E. Aggregate write-ins for Group Remittance								
2. Group Conversions:								
A. Individual	4,222,152	3,956,223	6,709,715	897,697	(3,651,189)	169.6	22.7	(92.3)
B. Two Person	414,964	388,828	556,301	74,428	(241,901)	143.1	19.1	(62.2)
C. Family	922,395	864,299	791,510	105,897	(33,108)	91.6	12.3	(3.8)
D. Complementary (Medicare)			1,581	212	(1,793)			
E. Aggregate write-ins for Group Conversions								
3. Direct Payment, Miscellaneous:								
A. Individual	26,814,974	25,126,053	21,260,119	2,844,404	1,021,530	84.6	11.3	4.1
B. Two Person	5,921,045	5,548,112	4,042,616	540,864	964,632	72.9	9.7	17.4
C. Family	10,833,244	10,150,920	7,335,730	981,452	1,833,738	72.3	9.7	18.1
D. Complementary (Medicare)	20,494,018	19,203,218	14,068,371	4,784,009	350,838	73.3	24.9	1.8
E. Aggregate write-ins for Direct Payment, Miscellaneous								
4. Experience Rated Groups:								
A. Individual	20,837,138	19,524,727	17,404,701	3,618,196	(1,498,170)	89.1	18.5	(7.7)
B. Two Person	9,382,095	8,791,171	8,486,877	1,764,304	(1,460,010)	96.5	20.1	(16.6)
C. Family	28,923,223	27,101,516	19,572,865	4,068,928	3,459,723	72.2	15.0	12.8
D. Complementary (Medicare)	778,247	729,229	769,661	160,002	(200,434)	105.5	21.9	(27.5)
E. Aggregate write-ins for Experience Rated Groups								
5. Other:								
A. Individual								
B. Two Person								
C. Family								
D. Complementary (Medicare)								
E. Aggregate write-ins for Other Underwriting Gains and (Losses)	808,436,143	806,163,461	761,151,313	40,543,649	4,468,499	94.4	5.0	0.6
6. TOTALS	1,097,039,045	1,076,588,930	975,773,647	84,423,197	16,392,086	90.6	7.8	1.5

DETAILS OF WRITE-INS

01E01.								
01E02.								
01E03.								
01E98. Summary of remaining write-ins for Line 1E from overflow page								
01E99. TOTALS (Lines 01E01 through 01E03 plus 01E98) (Line 1E above)								
02E01.								
02E02.								
02E03.								
02E98. Summary of remaining write-ins for Line 2E from overflow page								
02E99. TOTALS (Lines 02E01 through 02E03 plus 02E98) (Line 2E above)								
03E01.								
03E02.								
03E03.								
03E98. Summary of remaining write-ins for Line 3E from overflow page								
03E99. TOTALS (Lines 03E01 through 03E03 plus 03E98) (Line 3E above)								
04E01.								
04E02.								
04E03.								
04E98. Summary of remaining write-ins for Line 4E from overflow page								
04E99. TOTALS (Lines 04E01 through 04E03 plus 04E98) (Line 4E above)								
05E01. Other	27,537,448	25,264,766	21,487,822	3,558,696	218,248	85.1	14.1	0.9
05E02. FEP	767,782,978	767,782,978	727,547,910	36,545,210	3,689,858	94.8	4.8	0.5
05E03. FEHBP	13,115,717	13,115,717	12,115,581	631,724	368,412	92.4	4.8	2.8
05E98. Summary of remaining write-ins for Line 5E from overflow page				(191,981)	191,981			
05E99. TOTALS (Lines 05E01 through 05E03 plus 05E98) (Line 5E above)	808,436,143	806,163,461	761,151,313	40,543,649	4,468,499	94.4	5.0	0.6

15D Exhibit 5 - Dental NONE

15H Exhibit 5 - Hospital NONE

EXHIBIT 5 CERTIFICATES AND PREMIUMS BY ENROLLMENT CLASSIFICATION

Medical

1 Classifications	At End of Prior Year			Add New Business	Deduct Net Cancellations	Add Transfers	Total Outstanding At End Of Year		
	2 Number of Contracts	3 Number of Participants	4 Annual Premium	5 Number of Contracts	6 Number of Contracts	7 Number of Contracts	8 Number of Contracts	9 Number of Participants	10 Annual Premium
1. Group Remittance:									
A. Individual	23,277	23,277	43,887,406	6,051	1,777	1,135	28,686	28,704	58,476,261
B. Two Person	4,391	8,765	15,488,352	1,199	365	249	5,474	10,911	23,301,173
C. Family	8,694	32,961	46,635,389	2,126	654	561	10,727	41,495	63,992,308
D. Complementary (Medicare)	1,140	1,142	2,536,693	13	23	(19)	1,111	1,111	3,271,431
E. Aggregate write-ins for Group Remittance									
2. Group Conversions:									
A. Individual	938	938	3,976,948	376	524	98	888	888	3,956,223
B. Two Person	49	96	286,729	45	115	84	63	127	388,828
C. Family	90	279	966,161	35	56	7	76	246	864,299
D. Complementary (Medicare)									
E. Aggregate write-ins for Group Conversions									
3. Direct Payment, Miscellaneous:									
A. Individual	10,436	10,436	20,781,186	3,321	4,224	1,540	11,073	11,073	25,126,053
B. Two Person	1,241	2,475	4,213,948	446	544	252	1,395	2,778	5,548,112
C. Family	1,681	5,916	9,583,665	230	453	99	1,557	5,827	10,150,920
D. Complementary (Medicare)	12,778	12,778	18,876,000	481	1,044	(841)	11,374	11,374	19,203,218
E. Aggregate write-ins for Direct Payment, Miscellaneous									
4. Experience Rated Groups:									
A. Individual	7,882	7,882	13,061,641	2,493	832	3,121	12,664	12,681	19,524,727
B. Two Person	1,446	2,880	4,419,777	550	184	1,280	3,092	6,157	8,791,171
C. Family	3,673	13,089	18,712,293	1,117	322	1,362	5,830	21,365	27,101,516
D. Complementary (Medicare)	268	269	629,811		7	62	323	324	729,229
E. Aggregate write-ins for Experience Rated Groups									
5. Other:									
A. Individual									
B. Two Person									
C. Family									
D. Complementary (Medicare)									
E. Aggregate write-ins for Other Certificates and Premiums	236,933	417,832	750,241,925	31,556	8,740	(12,122)	247,627	446,114	806,163,459
6. TOTALS	314,917	541,015	954,297,924	50,039	19,864	(3,132)	341,960	601,175	1,076,588,928
DETAILS OF WRITE-INS									
01E01.									
01E02.									
01E03.									
01E98. Summary of remaining write-ins for Line 1E from overflow page									
01E99. TOTALS (Lines 01E01 through 01E03 plus 01E98) (Line 1E above)									
02E01.									
02E02.									
02E03.									
02E98. Summary of remaining write-ins for Line 2E from overflow page									
02E99. TOTALS (Lines 02E01 through 02E03 plus 02E98) (Line 2E above)									
03E01.									
03E02.									
03E03.									
03E98. Summary of remaining write-ins for Line 3E from overflow page									
03E99. TOTALS (Lines 03E01 through 03E03 plus 03E98) (Line 3E above)									
04E01.									
04E02.									
04E03.									
04E98. Summary of remaining write-ins for Line 4E from overflow page									
04E99. TOTALS (Lines 04E01 through 04E03 plus 04E98) (Lines 4E above)									
05E01. FEP	189,587	328,967	730,778,755	13,325	7,755	(3,751)	191,406	332,199	767,782,978
05E02. FEHBP	2,206	4,649	9,606,508			99	2,305	5,906	13,115,717
05E03. Other	45,140	84,216	9,856,662	18,231	985	(8,470)	53,916	108,009	25,264,764
05E98. Summary of remaining write-ins for Line 5E from overflow page									
05E99. TOTALS (Lines 05E01 through 05E03 plus 05E98) (Line 5E above)	236,933	417,832	750,241,925	31,556	8,740	(12,122)	247,627	446,114	806,163,459

16D Exhibit 6 - Dental NONE

16H Exhibit 6 - Hospital NONE

EXHIBIT 6 CLAIMS INCURRED DURING YEAR BY ENROLLMENT CLASSIFICATION

Medical

1 Classifications	Claims Other Than Maternity and Out-Patient			Maternity			Out-Patient			Total		
	2 Number	3 Total Days	4 Amount	5 Number	6 Total Days	7 Amount	8 Number	9 Total Days	10 Amount	11 Number	12 Total Days	13 Amount
1. Group Remittance:												
A. Individual	6,307	4,074	7,761,316	1,561	762	1,801,133	177,801		34,210,318	185,669	4,836	43,772,767
B. Two Person	2,840	1,419	3,315,180	945	532	1,111,688	74,718		14,140,353	78,503	1,951	18,567,221
C. Family	7,066	4,099	8,444,521	2,242	1,320	3,173,526	217,807		36,252,208	227,115	5,419	47,870,255
D. Complementary (Medicare)	4,108	2,532	471,894	1		1,875	24,408		2,938,277	28,517	2,532	3,412,046
E. Aggregate write-ins for Group Remittance												
2. Group Conversions:												
A. Individual	1,781	1,709	2,138,529	45	30	46,564	13,303		4,524,622	15,129	1,739	6,709,715
B. Two Person	55	35	53,668	8	2	6,248	1,249		496,385	1,312	37	556,301
C. Family	91	88	141,374	9	7	12,124	2,714		638,012	2,814	95	791,510
D. Complementary (Medicare)									1,581			1,581
E. Aggregate write-ins for Group Conversions												
3. Direct Payment, Miscellaneous:												
A. Individual	5,484	4,478	6,051,010	439	314	501,898	94,109		14,707,212	100,032	4,792	21,260,120
B. Two Person	910	575	1,056,646	207	110	251,367	21,250		2,734,603	22,367	685	4,042,616
C. Family	1,380	1,171	1,879,230	277	185	390,148	39,036		5,066,352	40,693	1,356	7,335,730
D. Complementary (Medicare)	65,316	34,541	5,456,299	1		104	234,395		8,611,968	299,712	34,541	14,068,371
E. Aggregate write-ins for Direct Payment, Miscellaneous												
4. Experience Rated Groups:												
A. Individual	2,473	1,782	3,427,459	572	240	592,949	65,006		13,384,293	68,051	2,022	17,404,701
B. Two Person	1,366	860	2,232,521	335	173	419,867	26,579		5,834,489	28,280	1,033	8,486,877
C. Family	2,428	1,565	3,043,869	833	448	1,091,393	75,603		15,437,603	78,864	2,013	19,572,865
D. Complementary (Medicare)	987	810	127,305				4,588		642,355	5,575	810	769,660
E. Aggregate write-ins for Experience Rated Groups												
5. Other:												
A. Individual												
B. Two Person												
C. Family												
D. Complementary (Medicare)												
E. Aggregate write-ins for Other Claims Incurred	412,277	253,379	218,630,039	10,731	6,256	14,022,628	3,230,735		528,498,645	3,653,743	259,635	761,151,312
6. TOTALS	514,869	313,117	264,230,860	18,206	10,379	23,423,512	4,303,301		688,119,276	4,836,376	323,496	975,773,648

DETAILS OF WRITE-INS												
01E01.												
01E02.												
01E03.												
01E98. Summary of remaining write-ins for Line 1E from overflow page												
01E99. TOTALS (Lines 01E01 - 01E03 + 01E98) (Line 1E above)												
02E01.												
02E02.												
02E03.												
02E98. Summary of remaining write-ins for Line 2E from overflow page												
02E99. TOTALS (Lines 02E01 - 02E03 + 02E98) (Line 2E above)												
03E01.												
03E02.												
03E03.												
03E98. Summary of remaining write-ins for Line 3E from overflow page												
03E99. TOTALS (Lines 03E01 - 03E03 + 03E98) (Line 3E above)												
04E01.												
04E02.												
04E03.												
04E98. Summary of remaining write-ins for Line 4E from overflow page												
04E99. TOTALS (Lines 04E01 - 04E03 + 04E98) (Line 4E above)												
05E01. Other	2,296	1,233	1,352,532	157	65	157,691	32,170		19,977,598	34,623	1,298	21,487,821
05E02. FEP	408,033	250,675	214,267,256	10,392	6,084	13,605,967	3,160,810		499,674,687	3,579,235	256,759	727,547,910
05E03. FEHBP	1,948	1,471	3,010,251	182	107	258,970	37,755		8,846,360	39,885	1,578	12,115,581
05E98. Summary of remaining write-ins for Line 5E from overflow page												
05E99. TOTALS (Lines 05E01 - 05E03 + 05E98) (Line 5E above)	412,277	253,379	218,630,039	10,731	6,256	14,022,628	3,230,735		528,498,645	3,653,743	259,635	761,151,312

FIVE-YEAR HISTORICAL DATA

	1 1999	2 1998	3 1997	4 1996	5 1995
Balance Sheet Items (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 20, Column 4)	644,652,098	611,347,903	583,956,050	587,162,934	619,592,528
2. TOTAL Liabilities (Page 3, Line 15)	457,806,563	452,632,374	434,170,124	454,284,875	519,136,949
3. Statutory Reserve (Page 3, included in Line 16)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. Unassigned Funds (Page 3, Line 19)	158,535,737	121,469,129	103,632,926	71,378,059	38,955,579
5. TOTAL Reserves and Unassigned Funds (Page 3, Line 20)	186,845,537	158,715,529	149,815,926	132,878,059	100,455,579
Risk Based Capital Analysis					
6. TOTAL Adjusted Capital	186,845,537	158,716,000	.XXX	.XXX	.XXX
7. Authorized Control Level Risk-Based Capital	19,267,133	13,495,694	.XXX	.XXX	.XXX
Income Statement Items (Page 4)					
8. Premiums Earned (Line 1)	1,076,588,930	954,297,925	853,274,087	840,441	902,580,572
9. Claims Incurred (Lines 2A and 2B)	975,773,647	872,379,340	771,042,065	765,249,069	818,806,676
10. Expenses Incurred (Lines 3A, 3B, 3C and 4)	84,423,197	83,157,764	79,036,996	74,408,314	95,887,840
11. Net Underwriting Gain (Loss) (Line 6)	16,392,086	(1,239,179)	3,195,026	633,058	(12,113,944)
12. Net Investment Gain (Loss) (Line 9)	19,988,225	29,047,854	20,750,952	28,106,855	23,532,009
13. TOTAL Other Income (Lines 10 + 11)	464,555	11,448,037	4,055,015	3,006,232	25,437,092
14. Net Gain or (Loss) (Line 14)	34,783,433	38,986,194	27,248,496	31,261,145	36,759,007
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.00					
15. Premiums Earned (Line 1)	100.0	100.0	100.0	100.0	100.0
16. Claims Incurred (Lines 2A and 2B)	90.6	91.4	90.4	91.1	90.7
17. Expenses Incurred (Lines 3A, 3B, 3C and 4)	7.8	8.7	9.3	8.9	10.6
18. Net Underwriting Gain (Loss) (Line 6)	1.5	(0.1)	0.4	0.1	(1.3)
Unpaid Claims Analysis (Page 8, Part 2C)					
19. TOTAL Claims Incurred for Prior Years (Line 9, Column 6)	109,525,592	110,540,320	100,324,589	122,866,200	138,168,881
20. Estimated Liability of Unpaid Claims - Prior Year (Line 9, Column 7)	120,602,966	114,955,140	119,286,651	129,603,217	166,354,759

GENERAL INTERROGATORIES

1. (a) Has the Corporation received any endowment or gift from contracting hospitals, physicians, dentists, or others which it is agreed will be returned when, as and if the earnings of the Corporation permits? Yes[] No[X]
 (b) If "Yes," give particulars: Yes[] No[X]
2. Does the Corporation own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[] No[X]
3. Did any person while an officer, director, or trustee of the Corporation receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the Corporation? Yes[] No[X]
4. Has the Corporation an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of its officers, directors, trustees or responsible employees which is in or is likely to conflict with the official duties of such person? Yes[X] No[]
5. (a) Was money loaned during the year to any officer, director or trustee of the Corporation? Yes[] No[X]
 (b) If "Yes," give detailed explanation of each loan:
6. (a) Are there any loans outstanding at end of year to any officer, director or trustee of the Corporation? Yes[] No[X]
 (b) If "Yes," give detailed explanation of each loan:
7. Were all the stocks, bonds and other securities owned December 31 of current year, over which the Corporation has exclusive control, in the actual possession of the Corporation on said date? Yes[] No[X]
8. (a) Were any of the stocks, bonds or other assets of the Corporation owned at December 31 of the current year not exclusively under the control of the Corporation; or has the Corporation sold or transferred any assets subject to a put option that is currently in force? (Exclude securities subject to Interrogatory 9.) Yes[X] No[]
 (b) If "yes," state the amount thereof at December 31, of the current year:

(i) loaned to others	\$
(ii) subject to repurchase agreements	\$
(iii) subject to reverse repurchase agreements	\$
(iv) subject to dollar repurchase agreements	\$
(v) subject to reverse dollar repurchase agreements	\$
(vi) pledged as collateral	\$ 3,475,753
(vii) placed under option agreements	\$
(viii) letter stock or other securities restricted as to sale	\$
(ix) other	\$
- (c) For categories i and iii above, and for any other securities that were made available for use by another person during the year covered by this statement give full and complete information relating thereto:
- (d) For each category above, if any of these assets are held by others, identify by whom held.
 - (i)
 - (ii)
 - (iii)
 - (iv)
 - (v)
 - (vi) Crestar, BankOne
 - (vii)
 - (viii)
 - (ix)
9. Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes[] No[X]
 If "Yes," state the amount thereof at December 31 of the current year:

(i) Rented from others	\$
(ii) Borrowed from others	\$
(iii) Leased from others	\$
(iv) Other	\$

 Disclose in Notes to Financial Statements the nature of these obligations.
10. What official supervised the making of the report? William V. Stack
11. Is the purchase or sale of all investments of the Corporation passed upon either by the Board of Directors or a subordinate committee thereof? Yes[X] No[]
12. Does the Corporation keep a permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes[X] No[]
13. (a) Has the current rate(s) which the Corporation agrees to pay its contracting hospitals, physicians and dentists for care of subscribers and dependents been filed with the Insurance Department? Yes[X] No[]
 (b) If "Yes," what date(s) was it filed? / /
 (c) If "No," furnish herewith the current rate(s) See Attached for dates
14. (a) What percentage of the full schedule of rates or fees to contracting hospitals, physicians and dentists was paid during the year? 100.00 %
 (b) Was this a full settlement? Yes[X] No[]
 (c) If "No," show amount unpaid: \$
15. (a) Have copies of all agreements stating the period and nature of the hospitals', physicians' and dentists' care offered to subscribers and dependents been filed with the Insurance Department? Yes[X] No[]
 (b) If not previously filed furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes[] No[X]
 (c) If "Yes," specify:
16. (a) Is maternity coverage included in all contracts? Yes[] No[X]
 (b) If "No," specify which contracts include maternity coverage: See Attached
17. What is basis of underwriting Group business?
 - (a) For new groups: See Attached
 - (b) For additions to old groups:
18. What is the basis of underwriting Direct Payment Miscellaneous business? See Attached
19. (a) State as of what date the latest financial examination of the Corporation was made or is being made: 12/31/1994
 (b) By what departments? Department of Insurance and Securities Regulation of the District of Columbia
20. In what states, territories or foreign countries is the Corporation authorized to transact business? Virginia, Maryland, and the District of Columbia

GENERAL INTERROGATORIES (Continued)

- 21. (a) Has any change been made during the year of this statement in the charter, articles of incorporation, deed of settlement or by-laws of the Corporation? Yes[] No[X]
 (b) If "Yes," furnish herewith a certified copy of the instrument as amended, if they have not been previously submitted.
- 22. (a) Does the Corporation have any direct Medicare Supplement insurance in force? Yes[X] No[]
 (b) If "Yes," indicate premium earned on U.S. Business only \$ 19,203,218
 (c) What portion of Item (b) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
 Reason for excluding:
 (d) Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (b) above. \$
 (e) Indicate total incurred claims on all Medicare Supplement insurance. \$ 14,068,371
- 23. (a) Was the Corporation's prior year's annual statement amended? Yes[] No[X]
 (b) If "Yes," furnish the following information regarding the last amendment to the prior year's annual statement filed with the company's state of domicile:
 (i) Amendment Number
 (ii) Date of Amendment / /
- 24. (a) Has the Corporation been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
 (b) If "Yes," provide name of company, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any company that has ceased to exist as a result of the merger or consolidation.
- 25. (a) Has this corporation had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes[] No[X]
 (b) If "Yes," give full information.
- 26. (a) Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes[] No[X]
 (b) If "Yes,"
 (i) amount paid as losses or risk adjustment: \$
 (ii) amount paid as expenses: \$
 (iii) other amounts paid: \$
- 27. (a) Does the HMDI have stop-loss reinsurance? Yes[] No[X]
 (i) If "No," explain Stop-loss insurance is not required and not deemed, by management, to be necessary.
 (b) Maximum retained risk (see instructions):
 (i) Medical Reimbursement \$
 (ii) Medical only \$
 (iii) Medicare Supplement \$
 (iv) Dental \$
 (v) Other Limited Benefits \$
 (vi) Other \$
- 28. (a) Does the HMDI write administrative service contract business? Yes[X] No[]
 (b) If "Yes,"
 (i) premium \$ 451,125,160
 (ii) medical expense \$ 403,749,285
 (iii) administrative expense \$ 47,375,876
- 29. (a) Does the HMDI have business subject to implicit or explicit premium rate guarantees? Yes[] No[X]
 (b) If "Yes," Direct Premiums Earned
 (i) business with rate guarantees between 15-36 months \$
 (ii) business with rate guarantees over 36 months \$
- 30. (a) Does the HMDI have Bonus/Withhold Arrangements in its provider contracts? Yes[] No[X]
 (b) If "Yes," Bonuses Withholds
 (i) Amount payable under best case scenario Bonuses: \$
 (i) Amount payable under best case scenario Withholds: \$
 (ii) Amount actually paid for year Bonuses: \$
 (ii) Amount actually paid for year Withholds: \$
- 31. Provide the following information for any furniture and equipment owned:

Description	1 Cost	2 Improvements	3 Accumulated Depreciation	4 Book Value (Cols. 1+2-3)	5 Nonadmitted Value	6 Admitted Value
(a) Medical						
(b) EDP Hardware	29,481,242		24,155,799	5,325,443		5,325,443
(c) EDP Software	23,992,768		9,444,937	14,547,831	14,547,831	
(d) Administrative	6,710,733		5,030,702	1,680,031	1,680,031	

GENERAL INTERROGATORIES (Continued)

32. (a) Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 319,782
 (b) List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

Name of Organization	Amount Paid
Blue Cross Blue Shield Association	102,015
Maryland Insurance Administration	105,611

33. (a) Amount of payments for legal expenses, if any? \$ 1,503,142
 (b) List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

Name of Firm	Amount Paid
Tucker Alan Inc.	443,843

34. (a) Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 97,735
 (b) List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

Name of Firm	Amount Paid
Furey, Doolan & Abell	26,617
Hunton & Williams	61,022

Notes to Financial Statement

1. Organization:

Group Hospitalization and Medical Services, Inc. (the Company), is a not-for-profit company that provides a comprehensive array of health insurance and managed care services primarily through indemnity health insurance and health benefits administration, and also has an investment in a health maintenance organization (HMO). These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area.

Effective January 16, 1998, CareFirst of Maryland, Inc. (CFMI) and the Company became affiliates of a new, not-for-profit parent company, CareFirst, Inc. In 1998 and prior years, the Company and CFMI did business as Blue Cross and Blue Shield of the National Capital Area and as Blue Cross and Blue Shield of Maryland, respectively. In 1999, both CFMI and the Company began doing business as CareFirst BlueCross BlueShield. In connection with this affiliation, the Company incurred \$5,037 of affiliation costs for the year ended December 31, 1998. These affiliation costs consist primarily of personnel-related expenses, legal fees and consulting fees and are included in other income, net, in the accompanying statements of operations and changes in reserves and unassigned funds--statutory basis.

In December 1998, CareFirst, Inc. signed a letter of intent to enter into a business affiliation with BCBSD, Inc. (which does business as Blue Cross and Blue Shield of Delaware). Pending regulatory approval, BCBSD, Inc. would become affiliated with CareFirst, Inc.

2. Summary of Significant Accounting Policies:

Basis of Financial Reporting

The accompanying statutory basis financial statements have been prepared on the basis of accounting practices prescribed and permitted by the District of Columbia Department of Insurance and Securities Regulation (the Department). These statutory accounting practices vary in some respects from generally accepted accounting principles (GAAP). Based on GAAP, net income was \$54,526 and \$50,787 and reserves were \$156,781 and \$112,706 for 1999 and 1998, respectively. The jurisdictions in which the Company is licensed to conduct business require the Company to have a minimum statutory net worth of \$34,353. Significant variances from GAAP are as follows:

Until December 1998, the Company's Washington, D.C. headquarters building and land was recorded at its estimated realizable value rather than depreciated historical cost. Changes to the value of the building were reflected as a direct adjustment to reserves and unassigned funds. In December 1998, the office building was sold and leased back by the Company (see Note 5).

Expenses incurred and investment income include an amount to estimate the current market rental value of the Company's headquarters office building (until its sale). The imputed amount was \$6,930 for the year ended December 31, 1998. This practice has no effect on the Company's net gain or reserves and unassigned funds.

The Company's surplus note payable is included in reserves and unassigned funds rather than recorded as a liability.

Investment securities are carried in accordance with valuation criteria established by the National Association of Insurance Commissioners (NAIC), i.e., stocks (other than investments in subsidiaries) are carried at market value and bonds are carried at amortized cost. Adjustments reflecting the revaluation of stocks and bonds at the statement date are charged to reserves and unassigned funds and reflected in the statements of operations and changes in reserves and unassigned funds--statutory basis as net change in unrealized capital gains.

Nonadmitted assets, principally premiums receivable over 90 days past due, certain furniture and equipment, computer software, prepaid expenses and net deferred tax assets are excluded from the statements of admitted assets, liabilities, reserves and unassigned funds--statutory basis.

Claims incurred on behalf of and reimbursed by uninsured health plans under administrative service contracts are excluded from the statements of operations and changes in reserves and unassigned funds but are included in the statements of cash flows. Fees and service charges earned under these contracts are included in the statements of operations and changes in reserves and unassigned funds--statutory basis as a reduction of administrative expenses incurred. Also, the unpaid claims liability and its corresponding accounts receivable for administrative service only contracts is not included in the statements of admitted assets, liability, reserves and unassigned funds--statutory basis.

For statutory reporting purposes, investments in subsidiaries are valued, as prescribed by the NAIC Securities Valuation Office (SVO). The net results of the subsidiaries' operations of \$15,603 and \$8,746 for the years ended December 31, 1999 and 1998, respectively, and current year adjustments to the recorded net worth of the subsidiaries are reflected in the statements of operations and changes in reserves and unassigned funds--statutory basis as net change in unrealized capital gains.

Costs incurred in the affiliation of CFMI and the Company have been included in other income (expense), net, in the accompanying statements of operations and changes in reserves and unassigned funds--statutory basis, as prescribed by the Department. GAAP requires these costs to be included in operating expenses.

Statutory accounting practices do not permit the adoption of Statement of Financial Accounting Standards (SFAS) No. 95 for statements of cash flows, SFAS No. 109 for income taxes, SFAS No. 115 for accounting for certain debt and equity securities, or SFAS No. 130 for reporting comprehensive income. With certain modifications from GAAP, the Company has adopted SFAS No. 106 for accounting for postretirement benefits other than pensions.

Statutory accounting practices report certain short-term borrowings as a reduction of cash and overnight investments and money market accounts as short-term investments.

Permitted Practices

Notes to Financial Statement

Certain statutory accounting practices are prescribed by the NAIC, as well as by state laws, regulations and general administrative rules. Permitted accounting practices encompass all accounting practices not so prescribed.

The Company received permission to record the deferred gain on the sale of the headquarters office building and land (see Note 5) as reserves and unassigned funds. The prescribed practice specifies that the deferred gain on the sale of building and land be recorded as a liability. This permitted practice increases reserves and unassigned funds by approximately \$20,163 and \$25,019 over what would have been recorded had the prescribed accounting practice been followed as of December 31, 1999 and 1998, respectively.

The Company received permission to charge accrued interest on its surplus note to operations in the period in which the interest expense is incurred. The prescribed statutory practice specifies that surplus note interest not be charged to operations until the payment of the interest has been approved by the appropriate regulatory officials. This permitted practice decreases net income to the extent of accrued interest unapproved for payment, which was \$1,787 and \$2,324 at December 31, 1999 and 1998, respectively. Once accrued interest has been approved for payment there is no difference in the effect on reserves and unassigned funds or net gain.

Reclassifications

Certain amounts from the prior year statutory basis financial statements have been reclassified in order to conform with the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with statutory accounting practices requires management to make estimates and assumptions that affect the reported amounts of admitted assets, liabilities, revenues and expenses in the financial statements and in the disclosures of contingent assets and liabilities. While actual results could differ from those estimates, management believes that actual results will not be materially different from those amounts provided in the accompanying statutory basis financial statements.

Fair Value of Financial Instruments

The carrying amounts of cash and short-term investments, stocks (other than investments in subsidiaries), advances to providers, uncollected premiums, amounts receivable relating to uninsured accident and health plans, miscellaneous accounts receivable, other assets, claims unpaid, accrued expenses, unearned premiums, group experience funds and advances, and other liabilities approximate fair value given the short-term nature of these financial instruments.

Cash and Short-Term Investments

In accordance with the Company's cash management policy of maximizing the amount of funds invested in income-earning assets, the Company routinely anticipates the timing and amount of future cash flows. This policy frequently results in the existence of negative book cash balances. Short-term investments consist primarily of United States government securities and/or agency securities, bankers acceptance and commercial paper with original maturities of one year or less.

Bonds

Bonds are carried at amortized cost. The Company's policy is to recognize any realized gains or losses on a specific identification basis.

Stocks

Stocks primarily consist of mutual funds carried at fair value and investments in subsidiaries valued as prescribed by the SVO.

Advances to Providers

The Company has advances on deposit with certain hospitals in the State of Maryland. These advances permit the Company to earn differentials of 2.25% and 2.00% of amounts billed for inpatient and outpatient charges by these hospitals, respectively.

Revenue Recognition

Revenues are recognized and earned on a monthly basis for the period the health care coverage is in effect. Unearned premiums represent prepayments of premiums for future health care coverage and Federal Employee Program unearned premiums.

Uncollected premiums primarily represent unpaid amounts earned from employer groups and individuals for health benefits. Provision is made for potential adjustments which arise as a result of management or third party review.

The Company participates with other Blue Cross and Blue Shield plans in administering the health care benefit plans of various national accounts. Administrative fees are generally recognized and earned on a monthly basis for the period the participating agreement is in effect.

Certain claim payments, premium rates, administrative expense reimbursements and provider discounts are subject to review and potential retroactive adjustment by third parties. Reserves are established for potential obligations arising from such reviews. Management believes that any potential claims will not be materially different from the amounts recorded in the accompanying statutory basis financial statements.

Federal Employee Program

Notes to Financial Statement

The Company participates in the Blue Cross and Blue Shield Federal Employee Program (FEP) through the Office of Personnel Management (OPM). Claims incurred on behalf of FEP are reported as revenues during the period in which the claims are incurred. The related administrative fees are recognized as revenues as they are earned during the contract period. The Blue Cross and Blue Shield Association (BCBSA) acts as agent for FEP and provides information to the Company for inclusion in the accompanying statutory basis financial statements. The Company records its allocable share of amounts held by the OPM as an asset, with an equivalent amount recorded as a liability. These amounts are \$133,253 as of December 31, 1999 and 1998 and are included in other assets and unearned premiums in the accompanying statements of admitted assets, liabilities, reserves and unassigned funds--statutory basis. The current contract expires December 31, 2000.

FEP represents 96% of uncollected premiums for the year ended December 31, 1999. FEP revenues were \$772,383 and \$740,070 for the years ended December 31, 1999 and 1998, respectively.

Reimbursement of FEP Operations Center Expenses

The Company performs certain administrative functions as the national operations center for the FEP under a cost reimbursement contract with BCBSA. The reimbursement of allocable costs under this contract is recorded as a reduction of general and administrative expenses. The FEP reimbursed the Company for operating expenses incurred in connection with this agreement totaling \$39,291 and \$31,432 for the years ended December 31, 1999 and 1998, respectively.

3. Regulatory Matters:

The Company is subject to regulation and supervision by regulatory authorities of the various jurisdictions in the Washington, D.C., metropolitan area in which it is licensed to conduct business. The Company considers the Department to be its primary regulator. The Company is operating under a consent order issued by the Department which, among other things, mandates the maintenance of minimum statutory reserves and unassigned funds and prohibits certain transactions between the Company and its subsidiaries without prior regulatory approval. The consent order will be superceded by the Hospital and Medical Services Corporation Regulatory Act of 1996 upon the Department's issuance of a Certificate of Authority for the Company, which has been applied for and is pending. In addition, effective in January 1998, the Company also must comply with various conditions, restricting certain operations and financial transactions, that were contained in the Department's approval of the Company's affiliation with CFMI.

4. Property and Equipment:

Property and equipment are recorded at cost and are depreciated on the straight-line method over useful lives ranging from eighteen months to five years. Property and equipment is comprised of the following at December 31:

	<u>1999</u>	<u>1998</u>
Electronic data processing equipment	\$ 27,857	\$ 27,501
Electronic data processing equipment under capital lease	<u>1,624</u>	<u>11,968</u>
	29,481	39,469
Less: Accumulated depreciation and amortization, including \$1,624 and \$11,968, respectively, for capital lease equipment	<u>24,156</u>	<u>32,662</u>
Property and equipment, net	\$ 5,325	\$ 6,807

Depreciation and amortization expense related to electronic data processing equipment for 1999 and 1998 was \$3,255 and 1,913, respectively, and is included as a component of general and administrative expenses in the accompanying statements of operations and changes in reserves and unassigned funds--statutory basis.

5. Sale/Leaseback of Headquarters Building:

On December 3, 1998, the Company sold its headquarters building in Washington, D.C. Net sale proceeds were \$48,063, net of expenses and other direct liabilities of sale of \$7,687. The sale resulted in a gain, based on depreciated cost, of \$41,079.

In connection with the sale, the Company entered into a five-year lease for all of the net rentable space in the building. The purchaser has the right to recapture a portion or all of the space upon notice to the Company at various points during the leaseback period, beginning in the year 2000. Under the terms of the lease, minimum future lease payments (assuming no recapture of space by the purchaser) will be as follows:

2000	\$ 5,777
2001	5,864
2002	5,952
2003	<u>6,041</u>
Total Minimum payments	\$ 23,634

Approximately \$16,060 of the realized gain from the sale of the building was recognized as other income, net, during the year ended December 31, 1998; the balance of the realized gain was deferred and recorded as an increase in reserves and unassigned funds and will be amortized over the life of the leaseback period in proportion to the lease payments. In 1999, \$4,856 was amortized against rent expense. The deferred gain is equal to the net present value of the future lease payments, using a discount rate of 6.5%. The deferred gain may be adjusted downward through other income, net, in future periods if the purchaser exercises any or all of its recapture rights.

6. Claims Unpaid:

Notes to Financial Statement

The liability for claims unpaid includes medical claims payable and the related accrued claims processing expenses. Medical claims payable is computed in accordance with generally accepted actuarial practices and is based upon authorized health care services and past claims payment experience, together with current factors which, in management's judgment, require recognition in the calculation. These estimates are periodically reviewed and any adjustments are reflected in current operations.

Activity in the medical claims payable account is summarized as follows:

	1999	1998
Balance at January 1	\$ 120,603	\$ 114,955
Incurred related to:		
Current year	976,651	876,794
Prior years	<u>(877)</u>	<u>(4,415)</u>
Total incurred	975,774	872,379
Paid related to:		
Current year	826,635	757,549
Prior years	<u>111,262</u>	<u>109,182</u>
Total paid	<u>937,897</u>	<u>866,731</u>
Balance at December 31	\$ 158,480	\$ 120,603

The methodology used in calculating the liability for medical claims has been consistently applied between years.

As of December 31, 1999 and 1998, accrued claims processing expenses were approximately \$7,364 and \$6,003, respectively.

7. Surplus Note:

The Company has a surplus note held by BCS Plan Investors Corporation (BPIC), an affiliate of BCBSA. The outstanding balance of the note was \$26,810 and \$35,746 as of December 31, 1999 and 1998, respectively. The note is unsecured and bears interest at 6% per annum. The note is guaranteed by CFMI and CareFirst, Inc. Interest is payable out of fifty percent (50%) of the previous calendar year's statutory earnings and profits generated by the Company and CFMI (as determined by reference to the Company's and CFMI's audited statutory financial statements ended on December 31 of such calendar year) and is due April 30. In addition, the Company agreed to repay the balance in equal annual installments, beginning April 30, 1998 through April 30, 2002. Pursuant to the Note Purchase Agreement, the Company is required to make a mandatory prepayment of principal if the Company's and CFMI's reserves (determined by generally accepted accounting principles) exceeds the greater of 150% of the BCBSA's capital benchmark and 150% of the highest required reserves and unassigned funds of the Company's and CFMI's regulators. Both interest and principal payments require the prior approval of the Department.

The Company incurred interest expense of \$1,787 and \$2,324, respectively, on the surplus note for 1999 and 1998.

8. Lease Commitments:

The Company leases certain administrative facilities and equipment under operating leases. Some of these lease agreements contain escalation clauses for increases in real estate taxes and operating costs over base year amounts. These leases expire on various dates, with renewal options available on many of these leases.

Future noncancelable minimum payments for leases, excluding the future lease payments for the sale/leaseback of the headquarters building (see Note 5), are as follows:

2000	\$ 2,535
2001	2,535
2002	1,503
2003	569
2004	<u>143</u>
Total Minimum payments	\$ 7,285

Rent expense for the years ended December 31, 1999 and 1998, for operating leases was \$2,589 and \$1,259, respectively.

9. Pension Benefits:

The Company has a noncontributory defined benefit retirement plan covering substantially all full-time employees. The annual contributions are not less than the minimum funding standards set forth in the Employee Retirement Income Security Act of 1974, as amended. The plan provides for eligible employees to receive benefits based principally on years of service with the Company and a percentage of certain compensation prior to normal retirement.

Effective January 1, 1999, the plan was amended to support a consistent benefit package across the CareFirst BlueCross BlueShield entities. The plan's traditional Excess Defined Benefit formula was changed to a Pension Equity formula. The resulting overall liability for the defined benefit plan was lowered due to these changes; however, employer matching contributions were added as an enhancement to the Company's 401(k) plan.

No pension expense was recognized in the current and prior year because the plan was subject to the full funding limitation under the Internal Revenue Code. The following table sets forth the plan's total funded status as of December 31:

Notes to Financial Statement

	<u>1999</u>	<u>1998</u>
Actuarial present value of accumulated benefit obligations:		
Accumulated benefit obligation	\$ 141,943	\$ 146,071
Net assets available for plan benefits	\$ 232,433	\$ 220,641

Employer contributions to the plan were \$0 for the years ended December 31, 1999 and 1998. Benefits paid from the plan were \$6,422 and \$3,894 for the years ended December 31, 1999 and 1998, respectively.

In determining the actuarial present value of the accumulated benefit obligation, the weighted average discount rate used was 7.75% and 6.75% as of December 31, 1999 and 1998, respectively. The expected long-term rate of return on plan assets was 9% in 1999 and 1998.

In addition, the Company sponsors 401(k) plans for the benefit of all eligible employees. The Company contributes to two of these plans and recognized expenses of \$1,412 and \$273 for its contributions in 1999 and 1998, respectively.

The Company also has nonqualified supplemental retirement benefit plans covering certain officers, which provide for eligible employees to receive additional benefits based principally on compensation and years of service. Supplemental retirement benefit plan expense for the years ended December 31, 1999 and 1998 was \$428 and \$1,280, respectively.

10. Postretirement Benefits:

The Company provides certain health care benefits for retired employees. Substantially all employees become eligible for those benefits if they remain employed until normal retirement age and fulfill other eligibility requirements, as specified by the plan. The specific dollar amounts available to retirees are in part determined by the employee's retirement date and years of service. As part of the affiliation between CFMI and the Company, the postretirement benefit plan was amended, effective January 1, 1999, to support a consistent benefit package across the CareFirst BlueCross Blue Shield entities.

In accordance with Statement of Financial Accounting Standards (SFAS) No. 106 "Employers' Accounting for Postretirement Benefits Other Than Pensions," as modified by the NAIC, the Company records the expected cost of these benefits as expense during the years that employees render service.

Net periodic postretirement benefit costs were \$1,714 and \$1,614 for the years ended December 31, 1999 and 1998, respectively. These benefit costs are allocated to the Company and its subsidiaries in accordance with management agreements in place during each year. The accumulated postretirement benefit obligation at December 31, 1999 and 1998, includes the following components:

	1999	1998
Retirees	\$ 9,829	\$ 10,633
Fully eligible active plan participants	<u>832</u>	<u>1,708</u>
	\$ 10,661	\$ 12,341

The contingent liability for the anticipated obligation to those active employees that are not yet eligible to receive benefits by December 31, 1999, is \$4,506 as of December 31, 1999.

The weighted-average discount rate used in determining the accumulated postretirement benefit obligation was 7.75% and 6.75% as of December 31, 1999 and 1998, respectively.

Payments made for postretirement benefits were \$921 and \$753 for the years ended December 31, 1999 and 1998, respectively.

11. Income Taxes:

The Company is included in the consolidated federal income tax return of CareFirst, Inc. The Company has regular tax loss carryforwards of approximately \$99,505 at December 31, 1999, which expire between 2002 and 2013, and accumulated Alternative Minimum Tax (AMT) credits of approximately \$5,342 at December 31, 1999. Both the carryforwards and the credits can be used, in certain circumstances, to offset future regular taxable income and tax, respectively. The Company also has AMT tax loss carryforwards of approximately \$14,115 at December 31, 1999. As a result of the affiliation with CFMI, the usage of the Company's net operating loss carryforwards will be limited under Section 382 of the Internal Revenue Code.

The Company is exempt from all income taxes in the District of Columbia, Maryland and Virginia but is subject to premium tax in Virginia. Subsidiary operations are subject to the applicable state or District of Columbia income taxes.

Effective January 16, 1998, the Company has a federal tax sharing agreement with CareFirst, Inc. Through this agreement, federal taxes of \$2,062 have been allocated to the Company. The agreement calls for an allocation based on CareFirst, Inc.'s effective tax rate before reflecting the allocation and after affecting for permanent differences and utilization of pre-affiliation loss carryforwards. The current federal tax allocation for 1999 was 6.3% of net income after permanent differences. This amount is included in income taxes in the accompanying statements of operations and changes in reserves and unassigned funds--statutory basis.

12. Related Party Transactions:

During 1999 and 1998, the Company incurred certain costs on behalf of CFMI, including costs of salaries, claims processing, and professional fees. Similarly, certain costs were incurred by CFMI on behalf of the Company. These amounts were allocated between the companies based on relevant statistics or work being performed. Total charges to the Company for services performed by CFMI were \$11,252 and \$4,124 and total charges to CFMI for services performed by the Company were \$328 and \$472 during the years ended December 31, 1999 and 1998, respectively. In addition, certain business affiliation costs were incurred during 1998, two-thirds of which were allocated to CFMI and one-third of which was allocated to the Company in

Notes to Financial Statement

accordance with regulatory conditions of the affiliation.

The Company has a wholly-owned subsidiary, CapitalCare, Inc. (CapitalCare), a health maintenance organization (HMO) that operates in Washington, D.C., Maryland, and Virginia. The Company provides all operational and administrative services to CapitalCare including staffing, facilities, information systems, benefits administration, benefits payments and other services. CapitalCare reimburses the Company for direct and indirect allocable costs related to these services. Total charges to CapitalCare for services provided were \$17,290 and \$15,282 in 1999 and 1998, respectively.

For certain fully insured point-of-service health care programs, the Company bears all of the out-of-network (indemnity) underwriting risk and CapitalCare bears the in-network (HMO) underwriting risk. Cost of care for these products is charged directly to the Company and CapitalCare based upon the nature of the claims incurred. Premiums on these health care programs are allocated between the Company and CapitalCare based on actual underwriting results such that the underwriting gain of the health care programs, as a percentage of premiums, is shared equally between the two companies.

The Company also receives various professional services from its subsidiaries. The Company was charged \$16,077 and \$14,991 for these services during 1999 and 1998, respectively. Of these charges, \$15,971 and \$14,909 in 1999 and 1998, respectively, were from Capital Area Services Company, Inc., which provides claims administration primarily for the FEP contract.

Costs aggregating \$18,510 and \$15,793 were allocated to subsidiaries, including CapitalCare, pursuant to administrative and service agreements during 1999 and 1998, respectively.

13. Commitments and Contingencies:

In the jurisdictions in which the Company is licensed to conduct business, Associations have been created for the purpose, among others, of protecting insured parties under health insurance policies. The Company is contingently liable for assessments in any calendar year, in order to provide any required funds to carry out the power and duties of the Associations.

The Company operates under a licensing agreement with BCBSA, whereby the Company uses the service marks of BCBSA in the course of its business. The Company files periodic reports with BCBSA and is in compliance with all requirements.

Various lawsuits, including class action lawsuits and other claims, occur in the normal course of business and are pending against the Company. Management, after consultation with legal counsel, is of the opinion that the lawsuits and other claims, when resolved, will not have a material effect on the accompanying statutory basis financial statements.

The Company's professional liability coverage is on a claims-made basis. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured. The claims-made policy has been renewed through March 31, 2000.

CareFirst, Inc. has a commitment for a credit facility with a commercial bank under which certain of its affiliates, including the Company, may borrow up to a maximum amount of \$60,000. There have been no draws made on this line of credit during 1999 and 1998.

This is a work paper page containing "diskette filing" data.

(Do NOT include this page in the copy of your Annual Statement that is filed.)

NOTES TO FINANCIAL STATEMENT

DISKETTE FILING DATA

NOTE 1	1	xxx	xxx	xxx	xxx	xxx	xxx
1. The accompanying financial statements of the Corporation have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except for the following item(s) which resulted in surplus being increased (decreased) by \$		xxx	xxx	xxx	xxx	xxx	xxx
NOTE 2	1	xxx	xxx	xxx	xxx	xxx	xxx
2AI. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgage was:		xxx	xxx	xxx	xxx	xxx	xxx
2AII. As of year end the corporation held mortgages with interest more than one year overdue with a statement value of:		xxx	xxx	xxx	xxx	xxx	xxx
2AIII. TOTAL interest due equals:		xxx	xxx	xxx	xxx	xxx	xxx
2AIV. The statement value of mortgage loans that were converted to loans that require payments of principal or interest be made based upon the cash flows generated by the property serving as collateral for the loans or that have a diminutive payment requirement; and were on such basis as of the statement date is:		xxx	xxx	xxx	xxx	xxx	xxx
2AV. As of December 31, the amount which had been advanced but not repaid and not included in the mortgage loan total was:		xxx	xxx	xxx	xxx	xxx	xxx
2AVI. There are prior liens totaling:		xxx	xxx	xxx	xxx	xxx	xxx
NOTE 7	1	xxx	xxx	xxx	xxx	xxx	xxx
7AI. TOTAL contingent liabilities:		xxx	xxx	xxx	xxx	xxx	xxx
NOTE 9	1 Current Year	2 First Preceding Year	3 Second Preceding Year	4 Third Preceding Year	5 Fourth Preceding Year	6 Fifth Preceding Year	7 Sixth Preceding Year
9B. The amount of federal income taxes incurred and available for recoupment in the event of future net losses is:				xxx	xxx	xxx	xxx
9C. The amount of net losses carried forward and available to offset future net income subject to federal income taxes is:							
NOTE 12	1	2	3	xxx	xxx	xxx	xxx
	Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total	xxx	xxx	xxx	xxx
12I. Net reimbursement for administrative expenses over (under) actual expenses				xxx	xxx	xxx	xxx
12II. Other income or (expenses)				xxx	xxx	xxx	xxx
12III. Net gain or (loss) from operations				xxx	xxx	xxx	xxx

NOTES TO FINANCIAL STATEMENT

DISKETTE FILING DATA

NOTE 8a (Do not include this page in Annual Statement.)

Number	1 Date Issued	2 Interest Rate	3 Par Value (Face Amount of Notes)	4 Amount of Note Outstanding	5 Interest Paid Current Year	6 Total Interest Paid	7 Accrued Interest	8 Date of Maturity
0000001 ..	03/01/1997	6.000	26,809,800	26,809,800	1,787,000			
Totals								
9999999 ..			26,809,800	26,809,800	1,787,000			XXX ..

* Total should agree with Page 3, Line 17.

22	Schedule A Part 1	NONE
23	Schedule A Part 2	NONE
24	Schedule A Part 3	NONE
	Schedule A Verification	NONE
25	Schedule B Part 1	NONE
26	Schedule B Part 2	NONE
	Schedule B Verification	NONE
27	Schedule BA Part 1	NONE
28	Schedule BA Part 2	NONE
	Schedule BA Verification	NONE

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description	1 Book Value	2 Market Value (a)	3 Actual Cost	4 Par Value of Bonds	5 Statement Value
BONDS					
1. United States	34,500,144	33,475,584	34,718,594	34,054,116	34,500,144
2. Canada					
3. Other Countries					
4. Totals	34,500,144	33,475,584	34,718,594	34,054,116	34,500,144
5. United States	1,874,588	1,803,500	1,874,464	1,873,784	1,874,588
6. Canada					
7. Other Countries					
8. Totals	1,874,588	1,803,500	1,874,464	1,873,784	1,874,588
9. United States	1,934,326	1,932,237	1,932,237	1,940,000	1,934,326
10. Canada					
11. Other Countries					
12. Totals	1,934,326	1,932,237	1,932,237	1,940,000	1,934,326
13. United States	40,314,854	40,055,520	40,337,557	40,507,442	40,314,854
14. Canada					
15. Other Countries					
16. Totals	40,314,854	40,055,520	40,337,557	40,507,442	40,314,854
17. United States	3,305,934	3,060,887	3,305,325	3,325,000	3,305,934
18. Canada					
19. Other Countries					
20. Totals	3,305,934	3,060,887	3,305,325	3,325,000	3,305,934
21. United States	139,769,437	137,467,616	140,053,572	141,264,178	139,769,437
22. Canada					
23. Other Countries	47,036	47,036	47,036	47,036	47,036
24. Totals	139,816,473	137,514,652	140,100,608	141,311,214	139,816,473
25. Totals					
26. Total Bonds	221,746,319	217,842,380	222,268,785	223,011,556	221,746,319
PREFERRED STOCKS					
27. United States				XXX	
28. Canada				XXX	
29. Other Countries				XXX	
30. Totals				XXX	
31. United States				XXX	
32. Canada				XXX	
33. Other Countries				XXX	
34. Totals				XXX	
35. United States	2,418,255	2,135,200	2,418,255	XXX	2,135,200
36. Canada				XXX	
37. Other Countries				XXX	
38. Totals	2,418,255	2,135,200	2,418,255	XXX	2,135,200
39. Totals				XXX	
40. Total Preferred Stocks	2,418,255	2,135,200	2,418,255	XXX	2,135,200
COMMON STOCKS					
41. United States	133,204	128,427	133,204		
42. Canada					
43. Other Countries					
44. Totals	133,204	128,427	133,204		
45. United States	1,879,989	2,927,647	1,879,989		
46. Canada					
47. Other Countries					
48. Totals	1,879,989	2,927,647	1,879,989		
49. United States	25,371,212	25,577,156	25,371,212		
50. Canada					
51. Other Countries					
52. Totals	25,371,212	25,577,156	25,371,212		
53. Totals	39,088,324	43,046,944	39,088,324		
54. Total Common Stocks	66,472,729	71,680,174	66,472,729		
55. Total Stocks	68,890,984	73,815,374	68,890,984		
56. Total Bonds and Stocks	290,637,303	291,657,754	291,159,769		

(a) The aggregate value of bonds which are valued at other than actual market is \$.....

SCHEDULE D - Verification Between Years

1. Book value of bonds and stocks, prior year	262,954,150
2. Cost of bonds and stocks acquired, Column 5, Part 3	211,336,785
3. Increase by adjustment in book value:	
3.1. Column 10, Part 1	149,282
3.2. Column 9, Part 2, Section 1	
3.3. Column 8, Part 2, Section 2	
3.4. Column 9, Part 4	69,556
4. Profit on disposal of bonds and stocks, Column 11, Part 4	4,692,910
5. TOTAL	479,202,683
6. Deduct consideration for bonds and stocks disposed of, Column 5, Part 4	185,878,453
7. Decrease by adjustment in book value:	
7.1. Column 11, Part 1	405,932
7.2. Column 10, Part 2, Section 1	
7.3. Column 9, Part 2, Section 2	
7.4. Column 10, Part 4	374,691
8. Loss on disposal of bonds and stocks, Column 12, Part 4	1,906,298
9. Book value of bonds and stocks, current year	290,637,309

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Statement Values By Major Types of Issues and NAIC Designations

1 Quality Rating Per the NAIC Designation	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. GOVERNMENTS, SCHEDULES D & DA (Group 1)											
1.1 Class 1	3,885,753	15,190,766	8,082,160	2,380,433	4,961,033	34,500,145	12.9	71,263,988	28.5	34,500,144	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 TOTALS	3,885,753	15,190,766	8,082,160	2,380,433	4,961,033	34,500,145	12.9	71,263,988	28.5	34,500,144	
2. ALL OTHER GOVERNMENTS, SCHEDULES D & DA (Group 2)											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 TOTALS											
3. STATES, TERRITORIES AND POSSESSIONS ETC., GUARANTEED, SCHEDULES D & DA (Group 3)											
3.1 Class 1		1,300,805		573,784		1,874,589	0.7			1,874,588	
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 TOTALS		1,300,805		573,784		1,874,589	0.7			1,874,588	
4. POLITICAL SUBDIVISIONS OF STATES, TERRITORIES & POSSESSIONS, GUARANTEED, SCHEDULES D & DA (Group 4)											
4.1 Class 1		1,934,326				1,934,326	0.7			1,934,326	
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 TOTALS		1,934,326				1,934,326	0.7			1,934,326	
5. SPECIAL REVENUE & SPECIAL ASSESSMENT OBLIGATIONS ETC., NON-GUARANTEED, SCHEDULES D & DA (Group 5)											
5.1 Class 1	4,183,252	13,854,399	12,581,599	8,099,077	1,596,528	40,314,855	15.1	21,483,074	8.6	40,314,854	
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 TOTALS	4,183,252	13,854,399	12,581,599	8,099,077	1,596,528	40,314,855	15.1	21,483,074	8.6	40,314,854	

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Statement Values by Major Types of Issues and NAIC Designations

1 Quality Rating Per the NAIC Designation	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
6. PUBLIC UTILITIES (UNAFFILIATED), SCHEDULES D & DA (Group 6)											
6.1 Class 1					1,291,635	1,291,635	0.5	2,902,367	1.2	1,291,635	
6.2 Class 2		549,739		692,481	772,079	2,014,299	0.8	2,113,327	0.8	2,014,300	
6.3 Class 3											
6.4 Class 4											
6.5 Class 5											
6.6 Class 6											
6.7 TOTALS		549,739		692,481	2,063,714	3,305,934	1.2	5,015,694	2.0	3,305,935	
7. INDUSTRIAL & MISCELLANEOUS (UNAFFILIATED), SCHEDULES D & DA (Group 7)											
7.1 Class 1	53,732,180	35,251,502	29,531,694	20,143,035	12,902,820	151,561,231	56.6	126,268,735	50.6	149,570,446	
7.2 Class 2	3,869,524	3,328,800	5,506,647	6,670,168	14,056,710	33,431,849	12.5	21,158,115	8.5	33,431,849	
7.3 Class 3		823,446				823,446	0.3	4,442,660	1.8	823,446	
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 TOTALS	57,601,704	39,403,748	35,038,341	26,813,203	26,959,530	185,816,526	69.4	151,869,510	60.8	183,825,741	
8. CREDIT TENANT LOANS, SCHEDULES D & DA (Group 8)											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 TOTALS											
9. PARENT, SUBSIDIARIES AND AFFILIATES, SCHEDULES D & DA (Group 9)											
9.1 Class 1											
9.2 Class 2											
9.3 Class 3											
9.4 Class 4											
9.5 Class 5											
9.6 Class 6											
9.7 TOTALS											

SCHEDULE D - PART 1A SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Statement Values By Major Types of Issues and NAIC Designations

1 Quality Rating Per the NAIC Designation	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
0. TOTAL BONDS CURRENT YEAR											
10.1 Class 1	61,801,185	67,531,798	50,195,453	31,196,329	20,752,016	231,476,781	86.5	XXX	XXX	229,485,993	
10.2 Class 2	3,869,524	3,878,539	5,506,647	7,362,649	14,828,789	35,446,148	13.2	XXX	XXX	35,446,149	
10.3 Class 3		823,446				823,446	0.3	XXX	XXX	823,446	
10.4 Class 4								XXX	XXX		
10.5 Class 5						(c)		XXX	XXX		
10.6 Class 6						(c)		XXX	XXX		
10.7 TOTALS	65,670,709	72,233,783	55,702,100	38,558,978	35,580,805	(b) 267,746,375	100.0	XXX	XXX	265,755,588	
10.8 Line 10.7 as a % of Column 7	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	99.3	
1. TOTAL BONDS PRIOR YEAR											
11.1 Class 1	69,895,241	60,499,873	35,939,199	28,757,933	26,825,918	XXX	XXX	221,918,164	88.9	221,918,164	
11.2 Class 2	1,294,228	9,990,875	2,496,536	3,914,176	5,575,627	XXX	XXX	23,271,442	9.3	23,271,442	
11.3 Class 3		831,660			3,611,000	XXX	XXX	4,442,660	1.8	4,442,660	
11.4 Class 4						XXX	XXX				
11.5 Class 5						XXX	XXX	(c)			
11.6 Class 6						XXX	XXX	(c)			
11.7 TOTALS	71,189,469	71,322,408	38,435,735	32,672,109	36,012,545	XXX	XXX	(b) 249,632,266	100.0	249,632,266	
11.8 Line 11.7 as a % of Col. 9	28.5	28.6	15.4	13.1	14.4	XXX	XXX	100.0	XXX	100.0	
2. TOTAL PUBLICLY TRADED BONDS											
12.1 Class 1	61,801,185	67,531,798	50,195,452	31,196,328	20,752,015	231,476,778	86.5	221,918,164	88.9	229,485,993	XXX
12.2 Class 2	3,869,524	3,878,540	5,506,647	7,362,648	14,828,789	35,446,148	13.2	23,271,442	9.3	35,446,149	XXX
12.3 Class 3		823,446				823,446	0.3	4,442,660	1.8	823,446	XXX
12.4 Class 4											XXX
12.5 Class 5											XXX
12.6 Class 6											XXX
12.7 TOTALS	65,670,709	72,233,784	55,702,099	38,558,976	35,580,804	267,746,372	100.0	249,632,266	100.0	265,755,588	XXX
12.8 Line 12.7 as a % of Col. 7	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	99.3	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 7, Section 10	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	99.3	XXX
3. TOTAL PRIVATELY PLACED BONDS											
13.1 Class 1										XXX	
13.2 Class 2										XXX	
13.3 Class 3										XXX	
13.4 Class 4										XXX	
13.5 Class 5										XXX	
13.6 Class 6										XXX	
13.7 TOTALS										XXX	
13.8 Line 13.7 as a % of Col. 7							XXX	XXX	XXX	XXX	
13.9 Line 13.7 as a % of Line 10.7, Col. 7, Section 10							XXX	XXX	XXX	XXX	

(a) Includes \$..... freely tradeable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$..... current year, \$..... prior year of bonds with Z designations and \$..... current year, \$..... prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$..... current year, \$..... prior year of bonds with 5* designations and \$..... current year, \$..... prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Statement Values by Major Type and Subtype of Issues

1 Distribution by Type	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
1. U.S. GOVERNMENTS, SCHEDULES D & DA (Group 1)											
1.1 Issuer Obligations	3,424,659	13,714,581	6,664,417	517,147	4,343,270	28,664,074	10.7	58,867,868	23.6	28,664,073	
1.2 Single Class Mortgage-Backed/Asset-Backed Bonds	461,094	1,476,185	1,417,742	1,863,286	617,763	5,836,070	2.2	12,396,120	5.0	5,836,071	
1.7 TOTALS	3,885,753	15,190,766	8,082,159	2,380,433	4,961,033	34,500,144	12.9	71,263,988	28.5	34,500,144	
2. ALL OTHER GOVERNMENTS, SCHEDULES D & DA (Group 2)											
2.1 Issuer Obligations											
2.2 Single Class Mortgage-Backed/Asset-Backed Bonds											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
2.3 Defined											
2.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
2.5 Defined											
2.6 Other											
2.7 TOTALS											
3. STATES, TERRITORIES AND POSSESSIONS, GUARANTEED, SCHEDULES D & DA (Group 3)											
3.1 Issuer Obligations		1,300,805		573,784		1,874,589	0.7			1,874,588	
3.2 Single Class Mortgage-Backed/Asset-Backed Bonds											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
3.3 Defined											
3.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
3.5 Defined											
3.6 Other											
3.7 TOTALS		1,300,805		573,784		1,874,589	0.7			1,874,588	
4. POLITICAL SUBDIVISIONS OF STATES, TERRITORIES & POSSESSIONS, GUARANTEED, SCHEDULES D & DA (Group 4)											
4.1 Issuer Obligations		1,934,326				1,934,326	0.7			1,934,326	
4.2 Single Class Mortgage-Backed/Asset-Backed Bonds											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
4.3 Defined											
4.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
4.5 Defined											
4.6 Other											
4.7 TOTALS		1,934,326				1,934,326	0.7			1,934,326	
5. SPECIAL REVENUE & SPECIAL ASSESSMENT OBLIGATIONS ETC., NON-GUAR., SCH. D & DA (Group 5)											
5.1 Issuer Obligations	82,233	449,568	1,267,689	1,870,799	1,050,583	4,720,872	1.8	8,763,932	3.5	4,720,873	
5.2 Single Class Mortgage-Backed/Asset-Backed Bonds	4,051,017	13,104,818	10,938,894	5,478,247	514,694	34,087,670	12.7	12,719,142	5.1	34,087,670	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined	50,002	300,012	375,015	750,031	31,251	1,506,311	0.6			1,506,311	
5.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
5.5 Defined											
5.6 Other											
5.7 TOTALS	4,183,252	13,854,398	12,581,598	8,099,077	1,596,528	40,314,853	15.1	21,483,074	8.6	40,314,854	

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, At Statement Values by Major Type and Subtype of Issues

1 Distribution by Type	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total from Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
6. PUBLIC UTILITIES (UNAFFILIATED), SCHEDULES D & DA (Group 6)											
6.1 Issuer Obligations		549,739		692,481	2,063,714	3,305,934	1.2	5,015,694	2.0	3,305,934	
6.2 Single Class Mortgage-Backed/Asset-Backed Bonds											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
6.3 Defined											
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
6.5 Defined											
6.6 Other											
6.7 TOTALS		549,739		692,481	2,063,714	3,305,934	1.2	5,015,694	2.0	3,305,934	
7. INDUSTRIAL & MISCELLANEOUS (UNAFFILIATED), SCHEDULES D & DA (Group 7)											
7.1 Issuer Obligations	51,284,608	12,769,891	21,113,325	19,344,265	24,590,754	129,102,843	48.2	97,090,965	38.9	129,102,843	
7.2 Single Class Mortgage-Backed/Asset-Backed Bonds	70,758	485,199	40,433			596,390	0.2			596,390	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
7.3 Defined	5,666,288	24,475,321	12,850,023	6,108,626	1,319,646	50,419,904	18.8	51,169,159	20.5	50,419,905	
7.4 Other	580,049	1,673,336	1,034,559	1,272,766	1,049,130	5,609,840	2.1	3,501,184	1.4	5,609,840	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
7.5 Defined				87,545		87,545	0.0	108,203	0.0	87,545	
7.6 Other											
7.7 TOTALS	57,601,703	39,403,747	35,038,340	26,813,202	26,959,530	185,816,522	69.4	151,869,511	60.8	185,816,523	
8. CREDIT TENANT LOANS, SCHEDULES D & DA (Group 8)											
8.1 Issuer Obligations											
8.7 TOTALS											
9. PARENT, SUBSIDIARIES AND AFFILIATES, SCHEDULES D & DA (Group 9)											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed/Asset-Backed Bonds											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
9.5 Defined											
9.6 Other											
9.7 TOTALS											

SCHEDULE D - PART 1A - SECTION 2 (Continued)
 Maturity Distribution of All Bonds Owned December 31, At Statement Values by Major Type and Subtype of Issues

1 Distribution by Type	2 1 Year or Less	3 Over 1 Year Through 5 Years	4 Over 5 Years Through 10 Years	5 Over 10 Years Through 20 Years	6 Over 20 Years	7 Total Current Year	8 Column 7 as a % of Line 10.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
10. TOTAL BONDS CURRENT YEAR											
10.1 Issuer Obligations	54,791,500	30,718,910	29,045,431	22,998,476	32,048,321	169,602,638	63.3	XXX	XXX	169,602,638	
10.2 Single Class Mortgage-Backed/Asset-Backed Bonds	4,582,869	15,066,202	12,397,069	7,341,533	1,132,457	40,520,130	15.1	XXX	XXX	40,520,131	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined	5,716,290	24,775,333	13,225,038	6,858,657	1,350,897	51,926,215	19.4	XXX	XXX	51,926,216	
10.4 Other	580,049	1,673,336	1,034,559	1,272,766	1,049,130	5,609,840	2.1	XXX	XXX	5,609,840	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined				87,545		87,545	0.0	XXX	XXX	87,545	
10.6 Other								XXX	XXX		
10.7 TOTALS	65,670,708	72,233,781	55,702,097	38,558,977	35,580,805	267,746,368	100.0	XXX	XXX	267,746,370	
10.8 Line 10.7 as a % of Column 7	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	100.0	
11. TOTAL BONDS PRIOR YEAR											
11.1 Issuer Obligations	64,769,278	37,936,092	13,840,116	21,814,570	31,378,402	XXX	XXX	169,738,458	68.0	169,738,458	
11.2 Single Class Mortgage-Backed/Asset-Backed Bonds	2,862,064	8,813,379	7,647,254	4,662,180	1,130,385	XXX	XXX	25,115,262	10.1	25,115,262	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined	2,915,945	23,639,651	15,989,131	5,409,533	3,214,899	XXX	XXX	51,169,159	20.5	51,169,159	
11.4 Other	642,182	933,286	959,234	677,623	288,858	XXX	XXX	3,501,183	1.4	3,501,184	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined				108,203		XXX	XXX	108,203	0.0	108,203	
11.6 Other						XXX	XXX				
11.7 TOTALS	71,189,469	71,322,408	38,435,735	32,672,109	36,012,544	XXX	XXX	249,632,265	100.0	249,632,266	
11.8 Line 11.7 as a % of Column 9	28.5	28.6	15.4	13.1	14.4	XXX	XXX	100.0	XXX	100.0	
12. TOTAL PUBLICLY TRADED BONDS											
12.1 Issuer Obligations	54,791,500	30,718,911	29,045,432	22,998,475	32,048,321	169,602,639	63.3	169,738,458	68.0	169,602,639	XXX
12.2 Single Class Mortgage-Backed/Asset-Backed Bonds	4,582,869	15,066,202	12,397,069	7,341,533	1,132,457	40,520,130	15.1	25,115,262	10.1	40,520,130	XXX
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined	5,716,290	24,775,334	13,225,039	6,858,656	1,350,897	51,926,216	19.4	51,169,159	20.5	51,926,216	XXX
12.4 Other	580,049	1,673,336	1,034,559	1,272,766	1,049,130	5,609,840	2.1	3,501,184	1.4	5,609,840	XXX
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined				87,545		87,545	0.0	108,203	0.0	87,545	XXX
12.6 Other											XXX
12.7 TOTALS	65,670,708	72,233,783	55,702,099	38,558,975	35,580,805	267,746,370	100.0	249,632,266	100.0	267,746,370	XXX
12.8 Line 12.7 as a % of Column 7	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Column 7, Section 10	24.5	27.0	20.8	14.4	13.3	100.0	XXX	XXX	XXX	100.0	XXX
13. TOTAL PRIVATELY PLACED BONDS											
13.1 Issuer Obligations										XXX	
13.2 Single Class Mortgage-Backed/Asset-Backed Bonds										XXX	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined										XXX	
13.4 Other										XXX	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined										XXX	
13.6 Other										XXX	
13.7 TOTALS										XXX	
13.8 Line 13.7 as a % of Column 7							XXX	XXX	XXX	XXX	
13.9 Line 13.7 as a % of Line 10.7, Column 7, Section 10							XXX	XXX	XXX	XXX	

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		3 Date of			4 Book Value	5 Par Value	6 Rate Used to Obtain Market Value	7 Market Value	8 Actual Cost	Interest		10 Increase by Adjustment in Book Value During Year	11 Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year
				Maturity		Option						9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year							
		a Rate of	b How Paid	a Year	Mo.	b Year						c Call Price								
U.S. Governments - Issuer Obligations																				
912810-DF-2	US TREAS BD	12.000	FA	2013	08		517,147	375,000	133.47	500,509	517,983	16,997		837		1	1999	7.509	517,147	
912810-FA-1	US TREAS BD 6.375%	6.375	FA	2027	08		746,857	675,000	96.000	648,000	747,773	16,254	21,516		917		1	1999	5.612	746,857
912810-FD-5	U.S. Treas Bd Infl Index 3.625%	3.625	AO	2028	04		1,610,966	1,647,024	89.375	1,472,027	1,610,363	42,576	60,325	603		1	1999	3.751	1,610,966	
912810-FE-3	US TREAS NT 5.5% 8/15/	5.500	FA	2028	08		1,053,367	1,000,000	85.344	853,440	1,054,219	20,774	55,000		806		1	1998	5.142	1,053,367
912810-FH-6	UST BD Infl Index 3.875%	3.875	AO	2029	04		932,080	943,026	93.406	880,843	932,022	7,788	14,554	58		1	1999	3.943	932,080	
912827-2S-0	U.S. Treasury Notes 6.625%	6.625	AO	2002	04		300,670	300,000	100.72	302,157	301,312	3,385	19,875		258		1	1997	6.520	300,670
912827-2T-8	U.S. Treasury Notes 6.375%	6.375	MN	2000	05		300,003	300,000	100.25	300,750	300,023	2,469	19,125		8		1	1997	6.372	300,003
912827-2Y-7	US TREAS NT 6.25% 6/30/02	6.250	JD	2002	06		3,503,079	3,400,000	99.938	3,397,892	3,536,856	584	212,500		33,777		1	1999	4.947	3,503,079
912827-3S-9	U.S. Treasury Notes 12/31/2002	5.625	JD	2002	12		1,756,375	1,725,000	98.094	1,692,122	1,765,613	7,298	97,031		8,908		1	1999	4.966	1,756,375
912827-3T-7	US TREAS NT	3.625	JJ	2008	01		4,015,150	4,092,314	95.250	3,897,929	4,012,142	68,900		3,008		1	1999	3.902	4,015,150	
912827-4Y-5	U.S. Treasury Note Infl Indexed	3.875	JJ	2009	01		1,597,218	1,600,000	96.656	1,546,496	1,596,976	28,641	31,416	242		1	1999	3.898	1,597,218	
912827-A8-5	US TREASURY NOTES 8% 5/15/	8.000	MN	2001	05		308,743	300,000	102.28	306,843	342,188	3,099	14,400		5,943		1	1993	5.765	308,743
912827-G5-5	U.S. Treasury Notes 6.375%	6.375	FA	2002	08		298,675	300,000	100.19	300,564	297,562	7,224	19,125	449		1	1997	6.561	298,675	
912827-J3-7	US TREAS NT 6.375% 1/15/	6.375	JJ	2000	01		200,063	200,000	100.00	200,000	202,375	5,890	12,750		1,459		1	1998	5.613	200,063
912827-L8-3	US TREAS NT 5.75%	5.750	FA	2003	08		1,017,668	1,000,000	97.906	979,060	1,020,586	21,719	28,750		2,918		1	1999	5.209	1,017,668
912827-P8-9	US TREASURY NOTES 7.25% 5/15/	7.250	MN	2004	05		351,345	350,000	103.06	360,720	352,406	3,276	25,375		254		1	1995	7.146	351,345
912827-T4-4	US Treasury 6.875%	6.875	MS	2000	03		350,024	350,000	100.38	351,312	350,410	6,114	24,062		93		1	1995	6.847	350,024
912827-U4-2	US TREAS NT 5.875%	5.875	JD	2000	06		2,274,445	2,260,000	100.12	2,262,825	2,303,964	365	132,775		27,929		1	1998	4.568	2,274,445
912827-W4-0	U.S. Treasury Notes 12/31/2000	5.500	JD	2000	12		300,124	300,000	99.406	298,218	300,352	45	16,500		118		1	1998	5.457	300,124
912827-X4-9	US TREAS NT 6.375% 3/31/01	6.375	MS	2001	03		5,363,394	5,250,000	100.22	5,261,498	5,456,230	85,044	334,688		86,225		1	1998	4.578	5,363,394
912827-Y4-8	US TREAS NT 6.625% 6/30/	6.625	JD	2001	06		514,888	500,000	100.59	502,970	524,805	91	28,393		9,382		1	1998	4.549	514,888
912827-Z3-9	U.S. Treasury Notes 6.500%	6.500	FA	2001	08		299,742	300,000	100.41	301,218	299,391	6,589	19,500	142		1	1997	6.555	299,742	
912827-Z6-2	US TREAS NT 6.5% 10/15/	6.500	AO	2006	10		1,052,049	1,025,000	99.719	1,022,120	1,053,107	14,199	33,312		1,059		1	1999	6.021	1,052,049
Subtotal - U.S. Governments - Issuer Obligations																				
0199999							28,664,072	28,192,364	XXX	27,639,513	28,878,658	369,321	1,220,972	4,502	180,891		XXX	XXX	XXX	28,664,072
U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities																				
362028-3S-9	GNMA Pool #003509	6.500	MTLY	2003	11		16,628	17,356	AV	16,628	14,086	94	1,128	144		1	1989	8.839	16,628	
36209N-5Y-4	GNMA 6.50% 12/28	6.500	MTLY	2028	12		1,456,089	1,507,306	AV	1,456,089	1,455,845	8,165	32,658	243		1	1999	6.984	1,456,089	
36209P-P8-4	GNMA 6.50 11/28	6.500	MTLY	2028	11		694,265	718,742	AV	694,265	694,148	3,893	15,573	117		1	1999	6.986	694,265	
36210A-UP-0	GNMA 6.50% 11/15/28	6.500	MTLY	2028	12		422,647	437,521	AV	422,647	422,539	2,370	9,479	108		1	1999	6.840	422,647	
36210H-RJ-3	GNMA 6.50 11/28	6.500	MTLY	2028	11		1,312,914	1,359,094	AV	1,312,914	1,312,693	7,362	29,447	220		1	1999	6.985	1,312,914	
36216F-XE-5	GNMA PL#163677 9.50% 7/15/16	9.500	MTLY	2016	07		37,510	34,862	AV	37,510	37,999	276	3,312	86		1	1993	7.928	37,510	
36216G-J7-4	GNMA PL#164186 9.50% 5/15/16	9.500	MTLY	2016	05		40,758	38,488	AV	40,758	41,134	305	3,656	75		1	1994	8.240	40,758	
36216J-PK-2	GNMA PL#166126 9.50% 7/15/16	9.500	MTLY	2016	07		139,677	131,881	AV	139,677	140,947	1,044	12,529	252		1	1994	8.244	139,677	
36216S-X8-0	GNMA PL#173603 9.50% 8/15/16	9.500	MTLY	2016	08		42,025	39,676	AV	42,025	42,404	314	3,769	75		1	1994	8.246	42,025	
36218E-AH-4	GNMA PL#219708SF 9.50% 9/15/17	9.500	MTLY	2017	09		72,138	66,962	AV	72,138	72,989	530	6,361	148		1	1993	7.955	72,138	
36219H-JS-3	GNMA PL#249673 9.500% 10/15/18	9.500	MTLY	2018	10		86,488	80,942	AV	86,488	87,253	641	7,689	141		1	1993	8.150	86,488	
36225A-4V-9	GNMA POOL #780836 8.25% 4/15/	8.250	MTLY	2020	04		1,514,934	1,428,922	AV	1,514,934	1,517,895	9,824	117,886	2,032		1	1998	7.142	1,514,934	

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1		2		3			4	5	6	7	8	Interest		10	11	12	13	14	15	16		
				Date of		9.1						9.2										
CUSIP Identification	Description	a	b	Maturity		Option			Book Value	Par Value	Rate Used to Obtain Market Value	Market Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Year Acquired	Effective Rate of Interest	Statement Value Dec. 31 of Current Year
				a	b	a	b	c														
		Rate of	How Paid	Year	Mo.	Year	Call Price															
Subtotal - U.S. Governments - Single Class Mortgage-Backed/Asset-Backed Securities																						
0299999								5,836,073	5,861,752	XXX	5,836,073	5,839,932	34,818	243,487	832	2,809		XXX	XXX	XXX	5,836,073	
Subtotal - U.S. Governments																						
0399999								34,500,145	34,054,116	XXX	33,475,586	34,718,590	404,139	1,464,459	5,334	183,700		XXX	XXX	XXX	34,500,145	
States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
*** South Carolina																						
837147-TV-9	South Carolina St Pub Svc 6.68%	6.680	JJ	2003	01			1,001,334	1,000,000	98.856	988,560	1,001,290	33,400		44			1	1999	6.630	1,001,334	
*** US																						
3133M8-AY-0	Federal Home Loan Bank	5.485	MS	2004	03			299,471	300,000	94.969	284,907	299,391	12,748		80			1	1999	5.532	299,471	
83162C-JX-2	US SMALL BUS ADMIN 6.15% 4/01/	6.150	AO	2019	04			573,784	573,784	92.375	530,033	573,784	8,822	8,701				1	1999	6.150	573,784	
Subtotal - States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
1199999								1,874,589	1,873,784	XXX	1,803,500	1,874,465	54,970	8,701	124			XXX	XXX	XXX	1,874,589	
Subtotal - States, Territories and Possessions (Direct and Guaranteed)																						
1799999								1,874,589	1,873,784	XXX	1,803,500	1,874,465	54,970	8,701	124			XXX	XXX	XXX	1,874,589	
Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
*** New York																						
64970K-JF-5	NEW YORK NY TXBL 5.75% 6/15/	5.750	JD	2001	06			1,067,744	1,075,000	99.100	1,065,325	1,065,325	2,747	34,169	2,419			1Z	1999	6.241	1,067,744	
*** Virginia																						
92813A-XM-8	VIRGINIA ST HDA TXBL 6.65% 5/01/	6.650	MN	2002	05			866,583	865,000	100.22	866,912	866,912	9,587	28,761	329			1Z	1999	6.564	866,583	
Subtotal - Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
1899999								1,934,327	1,940,000	XXX	1,932,237	1,932,237	12,334	62,930	2,419	329		XXX	XXX	XXX	1,934,327	
Subtotal - Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																						
2499999								1,934,327	1,940,000	XXX	1,932,237	1,932,237	12,334	62,930	2,419	329		XXX	XXX	XXX	1,934,327	

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		3 Date of			4 Book Value	5 Par Value	6 Rate Used to Obtain Market Value	7 Market Value	8 Actual Cost	Interest		10 Increase by Adjustment in Book Value During Year	11 Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year
				9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year	Maturity						Option								
		a Rate of	b How Paid			a Year						Mo.	b Year								c Call Price
Special Revenue, Special Assessment - Issuer Obligations																				
*** UN																				
06738C-AD-1	BARCLAYS BANK 7.40% 12/15/09	7.400	MTLY	2009	12		999,491	1,000,000	AV	999,491	999,490	4,317		1			1	1999	7.413	999,491
*** US																				
31359M-EA-7	FNMA	6.160	FA	2028	08		1,050,583	1,000,000	86.781	867,810	1,051,225	24,640	61,771		642		1	1999	5.796	1,050,583
690353-BR-7	OVERSEAS PRIV INV 6.78% 1/15/	6.780	JAJO	2009	01		800,000	800,000	106.000	848,000	800,000	11,451	54,240				1	1997	6.780	800,000
83162C-HM-8	US SMALL BUS ADMIN 7.3%	7.300	MN	2017	05		417,044	417,044	99.281	414,045	417,044	5,074	31,898				1	1997	7.300	417,044
83162C-JF-1	SMALL BUSINESS ADMIN 6.3% 5/01/	6.300	MN	2018	05		688,434	688,434	93.750	645,407	688,434	7,229	44,678				1	1998	6.300	688,434
83162C-JR-5	US SMALL BUS ADMIN	5.800	JD	2018	12		765,321	765,321	90.469	692,379	765,321	3,699	42,054				1	1998	5.800	765,321
Subtotal - Special Revenue, Special Assessment - Issuer Obligations																				
2599999							4,720,873	4,670,799	XXX	4,467,132	4,721,514	56,410	234,641	1	642		XXX	XXX	XXX	4,720,873
Special Revenue, Special Assessment - Single Class Mortgage-Backed/Asset-Backed Securities																				
*** UN																				
31290K-VZ-9	FHLMC POOL #555132 8%	8.000	MTLY	2020	07		550,538	540,833	AV	550,538	551,481	3,606	43,267		269		1	1996	7.586	550,538
31340M-UW-3	FHLMC POOL #181497 7%	7.000	MTLY	2009	12		689,780	692,639	AV	689,780	690,475	8,164	48,485		210		1	1996	6.882	689,780
31357M-5N-1	FHLMC POOL #E48053 6.5%	6.500	MTLY	2007	11		762,430	775,708	AV	762,430	760,194	8,593	50,421	662			1	1996	6.792	762,430
31361W-4L-8	FNMA POOL #044027 7%	7.000	MTLY	2007	12		755,308	756,149	AV	755,308	756,149	4,411	52,930		248		1	1996	6.887	755,308
31371H-B6-4	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	12		329,633	353,307	93.281	329,570	329,570	1,767	1,767		63		1	1999	6.667	329,633
31373W-OK-2	FNMA POOL #305658 8%	8.000	MTLY	2008	02		584,234	575,532	AV	584,234	587,762	3,837	46,043		1,052		1	1996	7.361	584,234
31376Q-TC-7	FNMA POOL #362447 7%	7.000	MTLY	2008	07		850,640	846,387	AV	850,640	852,735	4,937	59,247		695		1	1996	6.710	850,640
31380H-Z9-1	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	10		660,424	707,855	93.281	660,298	660,298	3,539	3,539		127		1	1999	6.670	660,424
31380J-5T-6	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	09		428,176	458,927	93.281	428,094	428,094	2,295	2,295		82		1	1999	6.671	428,176
31380L-KN-7	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	10		430,598	461,476	93.281	430,471	430,598	2,307	2,307		127		1	1999	6.975	430,598
31380N-L5-1	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	09		254,095	272,344	93.281	254,046	254,046	1,362	1,362		49		1	1999	6.671	254,095
31380P-SN-0	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	12		271,428	290,923	93.281	271,376	271,376	1,455	1,455		52		1	1999	6.667	271,428
31380X-HT-2	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	12		346,590	371,445	93.281	346,489	346,489	1,857	1,857		101		1	1999	6.973	346,590
31380Y-P4-6	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2028	11		73,039	78,277	93.281	73,018	73,018	391	391		21		1	1999	6.974	73,039
31381D-JQ-9	FEDERAL NATIONAL MTG ASSN	6.000	MTLY	2029	01		582,496	624,269	93.281	582,326	582,326	3,121	3,121		170		1	1999	6.972	582,496
*** US																				
3128G7-5C-3	FHLMC POOL #E73543	5.500	MTLY	2013	12		694,733	703,176	98.730	694,249	694,249	3,223	32,215		484		1	1999	5.698	694,733
3128G7-QL-0	FHLMC POOL #E73159	5.500	MTLY	2013	12		644,041	651,906	98.730	643,630	643,630	5,961	29,866		411		1	1999	5.699	644,041
3128G8-5K-3	FHLMC POOL #E74450	5.500	MTLY	2014	01		1,012,334	1,033,041	97.892	1,011,266	1,011,266	9,451	46,927	1,068			1	1999	5.832	1,012,334
3128G8-5Z-0	FHLMC POOL #E74464	5.500	MTLY	2014	01		838,129	848,368	98.730	837,598	837,598	7,758	38,902		532		1	1999	5.698	838,129
3128G8-FK-2	FHLMC POOL #E73770	6.000	MTLY	2013	12		809,731	810,077	AV	809,731	810,014	8,079	48,605		246		1	1998	5.856	809,731
3128G8-JB-8	FHLMC POOL #E73858	5.500	MTLY	2013	12		703,501	712,092	98.730	703,052	703,052	6,512	32,638		449		1	1999	5.699	703,501
3128G8-UX-7	FHLMC POOL #E74198	5.500	MTLY	2014	01		790,401	800,057	98.730	789,900	789,900	7,319	36,669		501		1	1999	5.698	790,401

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		Date of			Book Value	Par Value	Rate Used to Obtain Market Value	Market Value	Actual Cost	Interest		Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year	
		a Rate of	b How Paid	Maturity		Option						9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year								
				a Year	b Mo.	b Year															c Call Price
3128G8-ZU-8	FHLMC POOL #E74355	5.500	MTLY	2014	01		667,200	675,350	98.730	666,777	666,777	6,178	30,954	423		1	1999	5.698	667,200		
3128G9-BH-1	FHLMC POOL #E74540	5.500	MTLY	2014	01		706,194	714,821	98.730	705,746	705,746	6,536	32,763	448		1	1999	5.698	706,194		
3128G9-BV-0	FHLMC POOL #E74552	5.500	MTLY	2014	01		717,134	725,894	98.730	716,679	716,679	6,639	33,270	455		1	1999	5.698	717,134		
3128G9-CP-2	FHLMC POOL #E74578 5.5% 1/01/	5.500	MTLY	2014	01		6,474,743	6,566,227	AV	6,474,743	6,471,453	30,095	331,047	3,290		1	1999	5.748	6,474,743		
3128G9-CQ-0	FHLMC POOL #E74579 5.5% 1/01/	5.500	MTLY	2014	01		672,135	680,346	AV	672,135	671,709	6,228	31,183	426		1	1999	5.698	672,135		
3128GB-2M-5	FHLMC POOL #E77080 6% 5/01/	6.000	MTLY	2014	05		1,901,818	1,912,255	99.445	1,901,648	1,901,648	9,561	66,929	170		1	1999	6.065	1,901,818		
31294J-HT-8	FHLMC GOLD E0-0242 6.5% 10/01/	6.500	MTLY	2008	10		83,478	82,978	AV	83,478	84,016	904	5,394	96		1	1994	6.098	83,478		
31294J-VJ-4	FHLMC POOL #E00617	5.500	MTLY	2014	01		732,596	741,546	98.730	732,132	732,132	6,784	33,988	465		1	1999	5.698	732,596		
31294J-W6-1	FHLMC POOL #E00669 6% 5/01/	6.000	MTLY	2014	05		3,229,955	3,240,903	99.648	3,229,509	3,229,509	16,205	113,432	446		1	1999	6.055	3,229,955		
31363W-H4-0	FNMA POOL #100250	7.500	MTLY	2007	07		3,165,955	3,050,407	AV	3,165,955	3,180,049	19,065	228,780		13,248	1	1998	6.117	3,165,955		
31374G-MV-6	FNMA POOL #313672	7.024	MTLY	2007	06		1,443,758	1,355,211	AV	1,443,758	1,454,311	7,932	95,190		10,063	1	1998	4.803	1,443,758		
31377M-4P-3	FNMA POOL #381630 6.2% 5/01/	6.200	MTLY	2009	05		1,230,425	1,217,916	101.11	1,231,475	1,231,475	6,293	44,048		1,050	1	1999	5.804	1,230,425		
Subtotal - Special Revenue, Special Assessment - Single Class Mortgage-Backed/Asset-Backed Securities																					
2699999							34,087,670	34,328,642	XXX	34,082,079	34,109,697	222,365	1,631,287	11,022	27,177		XXX	XXX	XXX	34,087,670	
Special Revenue, Special Assessment - Defined Multi-Class Residential Mortgage-Backed Securities																					
*** UN																					
312908-LN-4	FEDERAL HOME LOAN MTG CORP	6.750	MTLY	2007	02	2020	100.000	1,506,311	1,508,000	AV	1,506,311	1,506,351	12,724	8,482	39		1	1999	6.725	1,506,311	
Subtotal - Special Revenue, Special Assessment - Defined Multi-Class Residential Mortgage-Backed Securities																					
2799999							1,506,311	1,508,000	XXX	1,506,311	1,506,351	12,724	8,482	39			XXX	XXX	XXX	1,506,311	
Subtotal - Special Revenue, Special Assessment																					
3199999							40,314,854	40,507,441	XXX	40,055,522	40,337,562	291,499	1,874,410	11,023	27,858		XXX	XXX	XXX	40,314,854	
Public Utilities (Unaffiliated) - Issuer Obligations																					
293561-BX-3	ENRON CORP 7.375% 5/15/	7.375	MN	2019	05		692,481	700,000	94.051	658,357	692,438	6,597	14,012	43		2	1999	7.481	692,481		
482620-HA-2	KN ENERGY 6.45% 11/30/	6.450	MN	2001	11		549,739	550,000	100.45	552,475	549,604	3,055	36,066	124		2Z	1998	6.477	549,739		
845335-BR-8	SOUTHWESTERN BELL TEL 7.25% 7/15/	7.250	JJ	2025	07		1,291,635	1,300,000	90.062	1,170,806	1,291,251	43,460	94,250	110		1	1996	7.306	1,291,635		
912912-AQ-5	US WEST CAP FDG 6.875% 7/15/	6.875	JJ	2028	07		772,079	775,000	87.645	679,249	772,032	24,569	55,649	32		2	1998	6.905	772,079		
Subtotal - Public Utilities (Unaffiliated) - Issuer Obligations																					
3299999							3,305,934	3,325,000	XXX	3,060,887	3,305,325	77,681	199,977	309			XXX	XXX	XXX	3,305,934	
Subtotal - Public Utilities (Unaffiliated)																					
3899999							3,305,934	3,325,000	XXX	3,060,887	3,305,325	77,681	199,977	309			XXX	XXX	XXX	3,305,934	

36.3

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		3 Date of			4 Book Value	5 Par Value	6 Rate Used to Obtain Market Value	7 Market Value	8 Actual Cost	Interest		10 Increase by Adjustment in Book Value During Year	11 Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year	
				a Rate of	b How Paid	Maturity						Option									9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year
		a Year	b Mo.			b Year						c Call Price									
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
001957-AV-1	AT&T 6%	6.000	MS	2009	03		455,964	500,000	90.125	450,625	455,955	8,901		9			1	1999	7.332	455,964	
019754-AA-8	ALLAMERICA FINL	7.625	AO	2025	10		1,502,994	1,375,000	93.944	1,291,730	1,504,841	22,134	104,844		1,781		1	1998	6.851	1,502,994	
022615-AC-2	ALZA CORP ZERO CPN 7/14/		MAT R	2014	07		408,662	775,000	48.250	373,938	398,156			10,506			2	1999	4.500	408,662	
025818-CJ-2	AM EX CR EQ NT 1.125% 02/19/03	1.125	FA	2025	02		128,015	100,000	143.25	143,250	128,250	412			235		1	1999	0.009	128,015	
02687Q-AH-1	AIG INTL GROUP 2.25%	2.250	JJ	2016	07		135,669	100,000	AV	135,669	136,500	944			831		1	1999	0.084	135,669	
029163-AD-4	AMERICAN RE CORP 7.45%	7.450	JD	2026	12		994,853	875,000	94.875	830,156	996,529	2,897	65,188		1,645		1	1998	6.379	994,853	
036734-AA-9	ANTHEM INS 9%	9.000	AO	2027	04		750,631	675,000	107.31	724,342	751,862	45,562	30,375		765		2Z	1998	7.985	750,631	
037388-AE-5	AON CAP TRUST A 8.205%	8.205	JJ	2027	01		943,063	850,000	100.68	855,797	944,478	34,871	69,742		1,091		1	1998	7.273	943,063	
049164-AU-0	ATLAS AIR INC	7.200	JJ	2019	01		661,277	700,000	AV	661,277	661,087	25,060		190		1	1999	7.761	661,277		
057224-AH-0	BAKER HUGHES ZERO CPN CONV 5/05/		MAT R	2008	05		283,162	375,000	66.000	247,500	278,438			4,725			1	1999	3.423	283,162	
126545-AD-4	CUC INTL INC 3% 2/15/02	3.000	FA	2002	02		406,880	425,000	100.50	427,125	401,891	4,817	6,375	4,989			2	1999	5.144	406,880	
161992-HJ-4	POTOMAC CAPITAL 10/03/2001 8.89%	8.890	JJ	2001	10		1,032,705	1,000,000	AV	1,032,705	1,124,560	43,956	88,900		16,936		2Z	1993	6.883	1,032,705	
170040-AB-5	CHIRON CONV 1.9% 11/17/	1.900	MN	2000	11		267,215	270,000	146.25	394,875	265,275	627	5,130	1,940			2	1999	3.096	267,215	
184502-AE-2	Clear Channel 1.50% Of 12/01/02	1.500	JD	2002	12		546,300	550,000	102.25	562,375	546,204	1,749		96			2	1999	1.738	546,300	
204912-AE-9	COMPUTER ASSOC 6.25%	6.250	AO	2003	04		579,242	580,000	95.523	554,033	578,910	7,653	36,250	201			2	1998	6.295	579,242	
209864-AT-4	CONSOLIDATED RAIL 9.75%	9.750	JD	2020	06		912,682	750,000	115.78	868,365	923,468	3,397	73,125		3,233		2	1996	7.637	912,682	
210805-CQ-8	CONTINENTAL AIRLS 6.545%	6.545	FA	2019	02		1,499,357	1,499,357	AV	1,499,357	1,499,357	40,616	47,431				1	1999	6.545	1,499,357	
22160Q-AC-6	COSTCO COS CONV ZERO CPN 8/19/		MAT R	2017	08		393,362	425,000	106.00	450,500	392,328			1,034			1	1999	0.440	393,362	
22237A-AB-2	COUNTRYWIDE CAP III	8.050	JD	2027	06		877,020	880,000	94.812	834,346	877,017	3,148	35,420	3			1	1999	8.081	877,020	
233835-AB-3	DAIMLERCHRYSLER N.A.	6.900	MS	2004	09		496,142	500,000	99.038	495,190	496,140	11,500		2			1	1999	7.097	496,142	
235811-AL-0	DANA CORP 7.32% 3/01/	7.320	MS	2029	03		2,285,343	2,500,000	87.251	2,181,275	2,284,960	61,000	34,611	383			2	1999	8.092	2,285,343	
239753-BU-9	DAYTON HUDSON MTN 9.35%	9.350	JD	2020	06		1,269,647	1,075,000	AV	1,269,647	1,274,855	4,188	77,138		2,837		2	1999	7.609	1,269,647	
25179M-AA-1	DEVON ENERGY CONV 4.9%	4.900	FA	2008	08		374,979	375,000	96.875	363,281	374,981	6,942		3			2	1999	4.900	374,979	
25271C-AA-0	DIAMOND OFFSHR DRLLNG CONV 3.75%	3.750	FA	2007	02		295,993	275,000	101.00	277,750	296,812	3,896		819			2	1999	2.601	295,993	
25469H-BD-4	DISNEY WALT MTN 5.8%	5.800	FA	2008	10		1,095,514	1,200,000	AV	1,095,514	1,069,262	37,023	69,600	8,254			1	1996	7.147	1,095,514	
256605-AC-0	DOLE FOOD CO. 6.75% 7/15/2000	6.750	JJ	2000	07		1,200,982	1,200,000	100.00	1,200,000	1,210,368	37,350	81,000		1,724		2	1993	6.594	1,200,982	
263534-BH-1	DU PONT DE NEMOURS	6.750	AO	2004	10		494,508	500,000	98.654	493,270	494,505	7,125		3			1	1999	7.024	494,508	
26817Q-AC-4	DYNEX CAP 7.875%	7.875	JJ	2002	07		823,446	800,000	AV	823,446	836,296	29,050	63,000		8,214		3	1998	6.604	823,446	
277432-AD-2	EASTMAN CHEMICAL 7.6% 2/01/	7.600	FA	2027	02		2,082,235	2,000,000	92.571	1,851,420	2,082,980	63,333	76,000		745		2	1999	7.251	2,082,235	
284129-AA-1	ELAN FINANCE CONV ZERO CPN 12/14/		MAT R	2018	12		405,567	750,000	52.500	393,750	397,500			8,067			2	1999	3.296	405,567	
29875B-AA-4	EURO BK RECON CONV BND 0.75%	0.750	JJ	2006	07		198,155	190,000	AV	198,155	198,669	709		514			1	1999	0.088	198,155	
31331F-AX-9	FEDERAL EXPRESS 6.72% 1/15/	6.720	JJ	2022	01		1,246,878	1,246,878	AV	1,246,878	1,246,878	38,637	85,652				1	1998	6.720	1,246,878	
345370-BY-5	FORD MOTOR CO	6.625	AO	2028	10		685,381	750,000	86.969	652,268	685,305	12,422		76			1	1999	7.349	685,381	
345397-HG-1	FORD MOTOR CREDIT	7.500	JD	2004	06		503,718	500,000	100.89	504,445	503,720	1,667		2			1	1999	7.302	503,718	
345397-RR-6	FORD MTR CR 7.2%	7.200	JD	2007	06		2,130,385	2,000,000	98.278	1,965,560	2,145,660	6,400	144,000		12,413		1	1999	6.101	2,130,385	
362337-AG-2	GTE NORTH	6.900	MN	2008	11		486,888	500,000	96.198	480,990	486,885	5,750		3			1	1999	7.308	486,888	
369622-CQ-6	G E CAPITAL 8.5%	8.500	JJ	2008	07		1,114,726	1,000,000	106.88	1,068,780	1,143,000	37,069	85,000		9,636		1	1996	6.717	1,114,726	
370424-FV-0	GMAC 8.875% 6/01/	8.875	JD	2010	06		1,881,644	1,625,000	106.62	1,732,656	1,903,914	12,018	122,031		14,745		1	1999	6.752	1,881,644	

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		Date of			Book Value	Par Value	Rate Used to Obtain Market Value	Market Value	Actual Cost	Interest		Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year	
		a Rate of	b How Paid	Maturity		Option						9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year								
				a Year	b Mo.	b Year															c Call Price
370425-QW-3	GMAC	5.750	MN	2003	11		754,727	750,000	95.114	713,355	755,858	6,109	43,245		1,070	1	1998	5.566	754,727		
381317-AF-3	GOLDEN WEST FINL 8.375% 4/15/	8.375	AO	2002	04		789,695	750,000	102.43	768,248	807,780	13,260	62,812		15,741	1	1998	5.873	789,695		
381317-AK-2	GOLDEN WEST FINL 6.7%	6.700	JJ	2002	07		1,119,951	1,125,000	98.822	1,111,748	1,113,131	37,688	75,375		1,777	1	1998	6.899	1,119,951		
38142E-AG-3	GOLDMAN SACHS 144A 6.50% 6/15/2000	6.500	JD	2000	06		1,199,331	1,200,000	100.05	1,200,552	1,191,672	3,467	76,500		1,393	1	1993	6.626	1,199,331		
401698-AA-3	GUIDANT 6.15%	6.150	FA	2006	02		1,594,371	1,600,000	92.249	1,475,984	1,593,728	37,173	48,927		643	2	1999	6.220	1,594,371		
404280-AA-7	HSBC HLDGS PLC 7.5% 7/15/	7.500	JJ	2009	07		2,247,752	2,250,000	98.625	2,219,062	2,247,690	124,688			62	1	1999	7.514	2,247,752		
416515-AC-8	HARTFORD FIN SERV 6.375%	6.375	MN	2008	11		966,958	950,000	91.239	866,770	968,316	10,094	60,394		1,358	1	1999	6.111	966,958		
428040-AW-9	HERTZ CORP JR SUB NT\$6.625% 7/15/	6.625	JJ	2000	07		1,201,327	1,200,000	99.250	1,191,000	1,213,980	36,658	79,500		2,334	2	1993	6.414	1,201,327		
428236-AC-7	HEWLETT PACKARD CV ZERO CPN 10/14/		MAT R	2017	10		543,834	900,000	66.500	598,500	534,797				9,038	1	1999	2.872	543,834		
448814-EJ-8	HYDRO-QUEBEC 8.05%	8.050	JJ	2024	07		1,390,698	1,175,000	104.44	1,227,205	1,393,790	45,717	47,294		3,092	1	1999	6.538	1,390,698		
45068H-AD-8	ITT HARTFORD GROUP 6.375% 11/01/	6.375	MN	2002	11		1,106,387	1,125,000	96.750	1,088,438	1,087,749	12,019	71,719		5,728	1	1996	7.030	1,106,387		
518423-30-6	DEUTSCHE BK FIN CV ZERO CPN 2/12/		MAT R	2017	02		273,336	500,000	56.000	280,000	268,092				5,244	1Z	1999	3.598	273,336		
524908-BU-3	LEHMAN BROS HLDG 6.125% 7/15/	6.125	JJ	2003	07		598,150	600,000	95.768	574,608	597,492	16,946	37,260		454	1	1998	6.223	598,150		
524908-BY-5	LEHMAN BROS HLDG 6.625% 2/05/	6.625	FA	2006	02		847,062	850,000	94.288	801,448	846,719	22,838	28,156		343	1	1999	6.695	847,062		
530512-AB-8	LIBERTY FINANCIAL	7.625	MN	2028	11		1,085,924	1,000,000	91.288	912,880	1,086,870	9,743	76,885		920	1	1998	6.933	1,085,924		
530715-AF-8	Liberty Media 4.00% Of 11/15/29	4.000	MN	2029	11		300,000	300,000	125.50	376,500	300,000	1,549				2	1999	4.000	300,000		
534187-AL-3	LINCOLN NATL CORP	7.000	MS	2018	03		1,667,028	1,600,000	89.858	1,437,728	1,668,896	32,978	112,000		1,863	1	1998	6.601	1,667,028		
539830-AE-9	LOCKHEED MARTIN 7.65%	7.650	MN	2016	05		896,955	850,000	93.050	790,925	898,372	10,838	43,988		1,065	2	1999	7.079	896,955		
539830-AF-6	LOCKHEED MARTIN 7.75%	7.750	MN	2026	05		794,639	800,000	92.122	736,976	794,446	10,333	62,000		60	2	1996	7.810	794,639		
539830-AK-5	LOCKHEED MARTIN CORP	8.500	JD	2029	12		996,093	1,000,000	99.995	999,950	996,090	49,583			3	2	1999	8.536	996,093		
540424-AL-2	LOWES 3.125% 9/15/	3.125	MS	2007	09		255,553	300,000	80.500	241,500	252,750	2,760	4,688		2,803	1	1999	5.510	255,553		
552008-60-9	BELL ATLANTIC FINL CV 4.25% 9/15/	4.250	MS	2005	09		394,601	375,000	105.75	396,562	396,562	4,693	7,969		1,961	1Z	1999	3.240	394,601		
552008-61-7	Bell Atlantic Finl Cv 4.25%	4.250	MS	2005	09		25,814	25,000	106.00	26,500	25,875	315	531		61	1Z	1999	3.613	25,814		
559222-AG-9	MAGNA INTL CONV 4.875% 2/15/	4.875	FA	2005	02		391,131	375,000	85.000	318,750	392,910	6,906	9,141		1,779	2	1999	3.940	391,131		
590188-JK-5	MERRILL LYNCH 6.375% OF 10/08	6.375	AO	2008	10		464,188	500,000	92.197	460,985	464,180	6,729			8	1	1999	7.502	464,188		
590188-JP-4	MERRILL LYNCH	6.000	FA	2009	02		273,684	275,000	89.635	246,496	273,592	6,142	8,250		92	1	1999	6.069	273,684		
59018S-Z2-3	MERRILL LYNCH MTN 1% 2/08/	1.000	FA	2006	02		261,896	280,000	AV	261,896	260,400	1,112	1,400		1,496	1	1999	2.135	261,896		
617446-DE-6	M Stanley D Witter 5.625%	5.625	JJ	2004	01		473,366	500,000	94.000	470,000	473,350	12,610			16	1	1999	7.162	473,366		
617446-DQ-9	Morgan Stanley Dean Witter	0.500	JD	2004	12		550,000	550,000	AV	550,000	550,000	138				1	1999	0.500	550,000		
620076-AP-4	MOTOROLA 6.5% 11/15/	6.500	MN	2028	11		457,914	480,000	VAR	487,346	457,876	3,987	15,889		37	1	1999	6.882	457,914		
626717-AA-0	MURPHY OIL 7.05% 5/01/	7.050	MN	2029	05		221,304	225,000	89.682	201,784	221,281	2,644	7,799		24	1	1999	7.185	221,304		
637432-CH-6	NAT RURAL UTL 5.50% 01/05	5.500	JJ	2005	01		453,208	485,000	90.125	437,106	453,194	12,300			15	1	1999	7.068	453,208		
638585-AJ-8	NATIONSBANK 7.75% 8/15/04	7.750	FA	2004	08		509,610	500,000	101.90	509,485	509,615	14,639				1	1999	7.253	509,610		
638585-AN-9	NATIONSBANK	7.750	FA	2015	08		900,000	900,000	99.308	893,772	900,000	26,346	69,750			1	1995	7.750	900,000		
681919-AG-1	OMNICOM GROUP CONV 2.25% 1/06/	2.250	JJ	2033	01		397,477	250,000	204.12	510,312	399,941	2,734	2,812		2,463	2	1999	0.356	397,477		
69350E-AC-4	Pp&I Transition Bond Co Llc 6.60%	6.600	MS	2005	03		1,500,419	1,500,000	AV	1,500,419	1,499,988	26,950	37,125		431	1	1999	6.582	1,500,419		
695629-CF-0	PAINE WEBBER GROUP 6.375% 5/15/	6.375	MN	2004	05		763,674	775,000	95.101	737,033	763,264	6,313	14,888		410	2	1999	6.770	763,674		
74960L-AZ-9	RJR NABISCO INC NT \$ 8% 1/15/	8.000	JJ	2000	01		1,200,000	1,200,000	AV	1,200,000	1,200,000	44,267	96,000			2	1993	8.000	1,200,000		
750754-AB-9	RAILCAR LEASING 7.125%	7.125	JAJO	2013	01		1,478,369	1,500,000	AV	1,478,369	1,475,977	22,562	106,875		962	1	1997	7.297	1,478,369		
754603-AB-4	RAYCHEM 7.2% 10/15/	7.200	AO	2008	10		2,467,566	2,500,000	VAR	2,523,860	2,466,605	38,000	144,000		919	2Z	1999	7.405	2,467,566		
755111-AF-8	RAYTHEON CO 7.2%	7.200	FA	2027	08		1,200,068	1,200,000	89.217	1,070,604	1,200,398	32,640	86,400		5	2	1997	7.197	1,200,068		

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		3 Date of			4 Book Value	5 Par Value	6 Rate Used to Obtain Market Value	7 Market Value	8 Actual Cost	Interest		10 Increase by Adjustment in Book Value During Year	11 Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year	
				Maturity		Option						9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year								
		a Rate of	b How Paid	a Year	b Mo.	b Year						c Call Price									
755111-AS-0	RAYTHEON	6.400	JD	2018	12		1,195,177	1,200,000	AV	1,195,177	1,195,044	3,413	77,013	127		2	1998	6.437	1,195,177		
786429-AD-2	Safeco Corp 7.875%	7.875	AO	2005	04		1,251,485	1,250,000	98.443	1,230,538	1,251,562	25,156	49,219		77	1	1999	7.847	1,251,485		
811845-AW-6	SEAGRAM JOSEPH E & SON 7.5% 12/15/	7.500	JD	2018	12		2,745,571	2,750,000	94.508	2,598,970	2,745,940	9,167	170,250		370	2	1999	7.520	2,745,571		
834182-AG-2	SOLECTRON CONV ZERO CPN 1/27/		MAT R	2019	01		406,120	750,000	75.125	563,438	398,438			7,682		2	1999	3.269	406,120		
844030-AC-0	SOUTHERN UNION CO	8.250	MN	2029	11		779,859	750,000	99.948	749,610	779,888	7,906			29	2	1999	7.901	779,859		
861012-AB-8	STMICROELECTRONICS ZERO CPN 09/09		MAT R	2009	09		382,606	425,000	136.75	581,188	381,614			992		2	1999	1.140	382,606		
887315-BN-8	TIME WARNER INC	6.625	MN	2029	05		674,422	750,000	85.109	638,318	674,340	6,349			82	2	1999	7.477	674,422		
88731E-AF-7	TIME WARNER ENTMT 8.375%	8.375	MS	2023	03		1,613,615	1,500,000	104.29	1,564,305	1,614,360	36,990	62,812		745	2	1999	7.671	1,613,615		
887364-AE-7	TIMES MIRROR CONV ZERO CPN 4/15/		MAT R	2017	04	2002	554,630	1,150,000	48.375	556,312	542,844			11,786		1	1999	3.744	554,630		
903290-AD-6	USF&G CONV ZERO CPN 3/03/		MAT R	2009	03		409,437	600,000	64.125	384,750	399,055			10,382		1	1999	4.253	409,437		
907833-AB-3	Union Pacific RR Pass-thru 7.06%	7.060	MTLY	2003	05		997,619	1,000,000	AV	997,619	998,030	25,494	35,300		411	1	1999	6.926	997,619		
907833-AF-4	UNION PACIFIC RR 6.85%	6.850	JJ	2019	01		745,582	745,582	AV	745,582	745,582	25,394	39,297			1Z	1998	6.850	745,582		
907833-AG-2	UNION PACIFIC RR	6.330	JJ	2020	01		1,000,000	1,000,000	AV	1,000,000	1,000,000	31,474	35,342			1Z	1998	6.330	1,000,000		
911684-AA-6	US CELLULAR CONV ZERO CPN		MAT R	2015	06		335,779	675,000	89.000	600,750	327,375			8,404		2	1999	4.621	335,779		
931142-BE-2	WAL MART 6.875% OF 8/09	6.875	FA	2009	08		489,827	500,000	97.346	486,730	489,825	13,464			2	1	1999	7.172	489,827		
94973H-AA-6	WELLPOINT HEALTH CONV ZERO CPN		MAT R	2019	07		276,337	400,000	63.750	255,000	273,744			2,593		2	1999	1.905	276,337		
962166-AV-6	WEYERHAEUSER 6.95% 8/01/17	6.950	FA	2017	08		1,539,925	1,500,000	92.171	1,382,565	1,541,025	43,438	104,250		1,100	1	1999	6.690	1,539,925		
984121-BB-8	XEROX CONV 0.57% 4/21/	0.570	AO	2018	04		529,808	825,000	53.250	439,312	522,582	914	2,351		7,226	1	1999	3.159	529,808		
XS0084-57-7	BELL ATLANTIC FINL CV 5.75% 4/01/	5.750	AO	2003	04		262,713	250,000	102.75	256,875	265,000	3,594	8,338		2,287	1Z	1999	4.065	262,713		
388888-AA-7	GOVT OF GRENADA DEV BANK	8.000	JD	2001	06		11,194	11,194	100.00	11,194	11,194	3,137				1Z	1987	8.000	11,194		
388888-AC-3	GOVERNMENT OF MONSERRAT	7.500	MS	2002	10		35,842	35,842	100.00	35,842	35,842	7,518				1Z	1988	7.500	35,842		
Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
3999999							83,102,792	84,978,853	XXX	80,800,971	83,194,306	1,622,699	3,524,556	121,715	116,905		XXX	XXX	XXX	83,102,792	
Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset-Backed Securities																					
163762-AE-7	Chemical Master Credit Card 6.23%	6.230	MTLY	2005	04		596,390	600,000	AV	596,390	596,156	3,219	12,460	234			1	1999	6.364	596,390	
Subtotal - Industrial & Miscellaneous (Unaffiliated) - Single Class Mortgage-Backed/Asset-Backed Securities																					
4099999							596,390	600,000	XXX	596,390	596,156	3,219	12,460	234			XXX	XXX	XXX	596,390	
Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Residential Mortgage-Backed Securities																					
130335-AG-7	CA INFRA CMO 97-1 A7 6.42%	6.420	MTLY	2008	09	2009	1,002,951	1,000,000	AV	1,002,951	1,003,959	14,601	64,200		511	1	1998	6.271	1,002,951		
147440-BR-1	CASE EQUIP 98-A A4	5.830	MTLY	2005	02		1,630,242	1,620,000	AV	1,630,242	1,632,909	8,280	94,446		2,836	1	1998	5.401	1,630,242		
161626-TM-8	CHASE 1993 HII-A4 7% 7/25/2024	7.000	MTLY	2023	07	2006	811,000	811,538	AV	811,000	815,469	4,734	56,667		550	1	1993	6.835	811,000		

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

CUSIP Identification	Description	Interest		3 Date of			4 Book Value	5 Par Value	6 Rate Used to Obtain Market Value	7 Market Value	8 Actual Cost	Interest		10 Increase by Adjustment in Book Value During Year	11 Decrease by Adjustment in Book Value During Year	12 Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	13 NAIC Designation	14 Year Acquired	15 Effective Rate of Interest	16 Statement Value Dec. 31 of Current Year		
				a Rate of	b How Paid	Maturity						Option									9.1 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	9.2 Gross Amount Received During Year
		a Year	b Mo.			a Year						b Call Price										
17303C-BH-3	CITIBANK CR 98-9 A	5.300	MTLY	2006	01	2005	100.000	1,925,760	1,930,000	AV	1,925,760	1,926,352	60,403	57,680		567		1	1998	5.246	1,925,760	
20033T-AB-1	COMED TRANS 98-1 A2	5.290	JAJ0	2003	06			1,198,565	1,200,000	AV	1,198,565	1,199,741	16,458	65,067		1,160		1	1998	5.144	1,198,565	
25466K-BY-4	DISCOVER CARD 98-6 A	5.850	MTLY	2006	01	2005	100.000	1,487,414	1,465,000	AV	1,487,414	1,494,643	48,151	82,132		7,152		1	1998	5.144	1,487,414	
312913-WU-6	FHG 4-B 6.50 11/25/22	6.500	MTLY	2022	11	2006	100.000	1,243,908	1,250,000	AV	1,243,908	1,243,359	6,771	81,250		109		1	1994	6.513	1,243,908	
312914-ZN-7	FHLMC REMIC 1473 HA 7%	7.000	MTLY	2008	01			1,877,818	1,900,000	AV	1,877,818	1,873,281	19,806	132,920		1,326		1	1996	7.209	1,877,818	
3133T4-HR-0	FHLMC-GNMA REMIC 28 PB 6.4% 3/25/	6.400	MTLY	2020	03			2,018,613	2,000,000	AV	2,018,613	2,019,375	19,123	64,001		762		1	1999	6.204	2,018,613	
3133T6-5S-6	FHLMC REMIC 1832 F 6.5%	6.500	MTLY	2011	03			3,203,222	3,030,702	AV	3,203,222	3,207,734	10,944	170,625		7,187		1	1999	5.347	3,203,222	
3133TH-7L-5	FHLMC REMIC 2104 PC	6.000	MTLY	2016	07			4,031,952	4,000,000	AV	4,031,952	4,035,000	36,392	220,000		3,048		1	1998	5.803	4,031,952	
3133TH-MV-6	FHLMC CMO 2120 PH 6% 9/15/	6.000	MTLY	2011	09			3,430,217	3,400,000	AV	3,430,217	3,432,938	17,000	187,000		2,721		1	1999	5.811	3,430,217	
3133TJ-MC-4	FHLMC REMIC 2127 TD 6% 1/15/	6.000	MTLY	2011	01			2,241,565	2,240,000	AV	2,241,565	2,242,756	22,460	95,900		1,191		1	1999	5.896	2,241,565	
3133TL-F3-7	FHLMC REMIC 6.28% 6/15/	6.280	MTLY	2009	06			1,157,237	1,200,000	AV	1,157,237	1,153,500	3,349	37,674		3,737		1	1999	7.152	1,157,237	
31358P-PK-7	FNMA G-92-48H 8/25/2007 7.50%	7.500	MTLY	2007	08	2005	100.000	4,922,107	4,835,647	AV	4,922,107	5,037,384	30,223	359,856		22,730		1	1993	6.855	4,922,107	
31358Q-DD-4	FNMA REMIC 92-164 PL 7% 9/25/	7.000	MTLY	2007	09			2,052,407	2,000,000	AV	2,052,407	2,065,000	21,043	140,000		6,721		1	1998	6.067	2,052,407	
31358R-WJ-8	FNMA G92-64-G 7% 12/25/2018	7.000	MTLY	2018	12	2002	100.000	1,389,325	1,385,545	AV	1,389,325	1,426,678	8,082	95,501		8,052		1	1993	6.352	1,389,325	
31358T-V7-1	FNMA REMIC G93-14 G 6% 6/25/	6.000	MTLY	2019	06			263,122	264,951	AV	263,122	263,088	2,070	7,834		34		1	1999	6.078	263,122	
31358U-VR-4	FNMA REMIC 93-G17 G 6.5% 2/25/	6.500	MTLY	2019	02			44,963	45,104	AV	44,963	44,963	463	1,310				1	1999	6.507	44,963	
31359D-L6-8	FNMA REMIC 93-155 TH 7%	7.000	MTLY	2010	09			1,312,460	1,340,000	AV	1,312,460	1,308,803	10,357	93,800		1,475		1	1997	7.377	1,312,460	
31359L-AH-8	FNMA CMO G94-9 PJ	6.500	MTLY	2024	08			1,319,083	1,300,000	AV	1,319,083	1,319,957	7,042	77,458		874		1	1999	6.311	1,319,083	
31359U-WA-9	FNMA REMIC 98-W5 A7 6.5% 5/25/	6.500	MTLY	2023	05			1,503,044	1,500,000	AV	1,503,044	1,503,374	8,367	97,500		249		1	1998	6.414	1,503,044	
31786Y-AF-7	FINGERHUT MSTR 98-2 A	6.230	MTLY	2007	02			483,279	475,000	AV	483,279	485,168	2,302	29,592		1,830		1	1998	5.538	483,279	
34527R-BW-2	FORD CR AUTO 99-A B	5.790	MTLY	2003	06			1,109,914	1,110,000	AV	1,109,914	1,109,877	1,785	57,842		38		1	1999	5.795	1,109,914	
3837H0-SM-6	GNMA REMIC 96-13 H 7%	7.000	MTLY	2009	11			1,746,551	1,744,781	AV	1,746,551	1,748,052	15,508	122,135		539		1	1999	6.902	1,746,551	
493063-AM-3	KEY AUTO FIN 97-2 AP 6.15% 10/15/	6.150	MTLY	2003	10			968,620	964,841	AV	968,620	969,966	4,945	44,503		1,347		1	1999	5.779	968,620	
65118N-AK-7	NEWCOURT EQ 98-2 A4 5.45% 10/15/	5.450	MTLY	2003	10	2002	100.000	998,727	1,000,000	AV	998,727	999,821	6,207	54,349		1,064		1	1998	5.327	998,727	
705220-AA-9	PECO ENERGY 99-A A1 5.48% 3/01/	5.480	MTLY	2003	03			767,329	768,324	AV	767,329	768,149	14,035	18,245		820		1	1999	5.325	767,329	
79548K-FW-3	SALOMON BROS. 7.20% 7/25/2023	7.200	MTLY	2023	07			827,583	819,870	AV	827,583	828,325	6,121	54,111		122		1	1993	7.118	827,583	
911760-BT-2	US DEPT VET AFF REMIC 7% 1/15/	7.000	MTLY	2016	01			2,337,084	2,300,244	AV	2,337,084	2,340,498	24,976	161,017		3,024		1	1998	6.640	2,337,084	
911760-EP-7	US DEPT VET AFF REMIC 6.5%	6.500	MTLY	2012	06			1,113,845	1,142,716	AV	1,113,845	1,108,970	12,204	68,087		1,405		1	1996	6.939	1,113,845	
Subtotal - Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Residential Mortgage-Backed Securities																						
4199999								50,419,907	50,044,263	XXX	50,419,907	50,609,089	464,202	2,892,702		8,124	75,057		XXX	XXX	XXX	50,419,907
Industrial & Miscellaneous (Unaffiliated) - Other Multi-Class Residential Mortgage-Backed Securities																						
00105K-AK-5	AFG RECEIV CMO 97-B A 6.2% 2/15/	6.200	MTLY	2003	02			1,021,663	1,018,106	AV	1,021,663	1,023,196	5,593	47,011		1,533		1	1999	5.696	1,021,663	
161626-RR-9	CHASE MTG FIN 6.5% 4/25/2009	6.500	MTLY	2009	04			793,474	791,791	AV	793,474	794,884	8,913	51,466		284		1	1993	6.369	793,474	
319339-DG-9	FIRST BOSTON MTG SECURITY 7.3% 7/2	7.300	MTLY	2023	07			252,680	249,805	AV	252,680	253,161	1,520	17,780		87		1	1993	7.101	252,680	
393505-2P-6	GREEN TREE FINL 99C A-2 VAR 7/15/	6.670	MTLY	2030	07			999,897	1,000,000	AV	999,897	1,000,000	8,338	30,571		103		1	1999	6.631	999,897	
393505-3X-8	Green Tree Home Improvement Trust	7.180	MTLY	2030	08			1,099,802	1,100,000	AV	1,099,802	1,099,828	6,801	313		26		1	1999	7.147	1,099,802	
597706-AT-7	Midland Realty Acceptance Corp	7.020	MTLY	2029	01	2028	100.000	1,442,325	1,441,233	AV	1,442,325	1,442,359	5,059	34,089		34		1	1999	6.977	1,442,325	

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1		2		3			4	5	6	7	8	Interest		10	11	12	13	14	15	16	
				Date of		9.1						9.2									
CUSIP Identification	Description	a	b	Maturity			Option		Book Value	Par Value	Rate Used to Obtain Market Value		Market Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Gross Amount Received During Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Amount of Interest Due and Accrued Dec. 31 Current Year, on Bonds in Default as to Principal or Interest	NAIC Designation	Year Acquired	Effective Rate of Interest	Statement Value Dec. 31 of Current Year
				a	b	a	b	c													
		Rate of	How Paid	Year	Mo.	Year	Call Price														
Subtotal - Industrial & Miscellaneous (Unaffiliated) - Other Multi-Class Residential Mortgage-Backed Securities																					
4299999								5,609,841	5,600,935	XXX	5,609,841	5,613,428	36,224	181,230		2,067		XXX	XXX	XXX	5,609,841
Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Commercial Mortgage-Backed Securities																					
78388B-AA-1	SOUTHTRUST FUNDING 6.65% 11/28/13	6.650	VAR	2013	11			87,545	87,166	AV	87,545	87,632	118	5,169		16		1	1999	6.602	87,545
Subtotal - Industrial & Miscellaneous (Unaffiliated) - Defined Multi-Class Commercial Mortgage-Backed Securities																					
4399999								87,545	87,166	XXX	87,545	87,632	118	5,169		16		XXX	XXX	XXX	87,545
Subtotal - Industrial and Miscellaeous (Unaffiliated)																					
4599999								139,816,475	141,311,217	XXX	137,514,654	140,100,611	2,126,462	6,616,117	130,073	194,045		XXX	XXX	XXX	139,816,475
Subtotals - Issuer Obligations																					
5499999								123,602,587	124,980,800	XXX	119,704,240	123,906,505	2,193,415	5,251,777	129,070	298,767		XXX	XXX	XXX	123,602,587
Subtotals - Single Class Mortgage-Backed/Asset-Backed Securities																					
5599999								40,520,133	40,790,394	XXX	40,514,542	40,545,785	260,402	1,887,234	12,088	29,986		XXX	XXX	XXX	40,520,133
Subtotals - Defined Multi-Class Residential Mortgage-Backed Securities																					
5699999								51,926,218	51,552,263	XXX	51,926,218	52,115,440	476,926	2,901,184	8,124	75,096		XXX	XXX	XXX	51,926,218
Subtotals - Other Multi-Class Residential Mortgage-Backed Securities																					
5799999								5,609,841	5,600,935	XXX	5,609,841	5,613,428	36,224	181,230		2,067		XXX	XXX	XXX	5,609,841
Subtotals - Defined Multi-Class Commercial Mortgage-Backed Securities																					
5899999								87,545	87,166	XXX	87,545	87,632	118	5,169		16		XXX	XXX	XXX	87,545
Grand Total - Bonds																					
6099999								221,746,324	223,011,558	XXX	217,842,386	222,268,790	2,967,085	10,226,594	149,282	405,932		XXX	XXX	XXX	221,746,324

36.8

SCHEDULE D - PART 2 - SECTION 1

Showing All PREFERRED STOCKS Owned December 31 of Current Year

1		2	3	4	5	6	6A	6B	7	Dividends		9	10	11	12
CUSIP Identifi- cation	Description									Number of Shares	Par Value Per Share					Book Value	Rate Per Share	Statement Value	Rate Per Share Used to Obtain Market Value	Market Value	Actual Cost	8.1 Declared But Unpaid	8.2 Amount Received During Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	NAIC Desig- nation	Year Acquired
Preferred Stock - Industrial and Miscellaneous															
177351-20-2	CITIZENS UTILS TR 5% CONV PFD	5,500.000		258,944	COST	258,944	56.375	310,062	258,944		6,875			P1L	1999
29476L-85-9	EQ RES PPTYS TR SER G CONV PFD	11,500.000		270,279	COST	270,279	19.750	227,125	270,279	5,210	10,422			P2L	1999
58440J-50-0	MEDIAONE GROUP	5,500.000		256,596	COST	256,596	48.000	264,000	256,596					P2L	1999
611662-30-5	MONSANTO CO 6.5% CONV PFD	6,250.000		277,372	COST	277,372	33.125	207,031	277,372	8,125	12,025			P2L	1999
632525-30-9	NATL AUSTRALIA BK LTD 7.875% CONV	12,500.000		393,511	COST	393,511	27.625	345,312	393,511		18,457			P1L	1999
929042-20-8	VORNADO RLTY TR 6.5% CONV PFD	5,000.000		278,644	COST	278,644	46.625	233,125	278,644		7,922			P2L	1999
460137-30-0	INTERNATIONAL PAPER 5.25% CONV PFD	2,400.000		125,400	COST	125,400	54.250	130,200	125,400		3,150			2	1999
651195-30-7	NEWELL FINL TR I 5.25% CONV PFD	5,000.000		276,562	COST	276,562	37.875	189,375	276,562		6,562			2L	1999
91528T-20-7	UNOCAL CAP TR 6.25% CONV PFD	2,500.000		144,688	COST	144,688	48.500	121,250	144,688	3,906	3,906			2L	1999
950588-20-2	WENDYS FING I 5% CONV PFD	2,250.000		136,260	COST	136,260	47.875	107,719	136,260		2,812			2L	1999
Subtotal - Preferred Stock - Industrial and Miscellaneous															
6399999				2,418,256	XXX	2,418,256	XXX	2,135,199	2,418,256	17,241	72,131			XXX	XXX
Total - Preferred Stock															
6599999				2,418,256	XXX	2,418,256	XXX	2,135,199	2,418,256	17,241	72,131			XXX	XXX

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1		2	3	4	5	6	Dividends		8	9	10	11
CUSIP Identifi- cation	Description						Number of Shares	Book Value					Rate Per Share Used to Obtain Market Value	Market Value	Actual Cost	7.1 Declared But Unpaid	7.2 Amount Received During Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	NAIC Desig- nation (a)	Year Acquired
Common Stock - Public Utilities												
615337-10-2	Mony Group	4,400,000	133,204	29.188	128,427	133,204		240			L	1999
Subtotal - Common Stock - Public Utilities												
6699999			133,204	XXX	128,427	133,204		240			XXX	XXX
Common Stock - Banks, Trust and Insurance Companies												
05536J-10-0	BCS INSURANCE COMPANY	4,411,000	249,971	56.670	249,971	249,971					U	1998
07336*-10-0	BCS FINANCIAL	10,550,000	676,232	133.140	1,404,627	676,232	5,275	10,550			A	1990
077459-10-5	Belden Inc	4,700,000	92,314	21.000	98,700	92,314					L	1999
72724*-10-4	PLANS' LIABILITY INSURANCE COMPANY	15,540	774,000	70,102.000	1,089,385	774,000	4,798	15,480			A	1987
845905-10-8	Sovereign Bancorp	11,400,000	87,472	7.453	84,964	87,472					L	1999
Subtotal - Common Stock - Banks, Trust and Insurance Companies												
6799999			1,879,989	XXX	2,927,647	1,879,989	10,073	26,030			XXX	XXX
Common Stock - Industrial and Miscellaneous												
000361-10-5	AAR Corporation	4,800,000	95,501	17.938	86,102	95,501		425			L	1999
001547-10-8	AK STEEL HOLDING CORP	15,500,000	354,183	18.875	292,562	354,183		2,100			L	1999
002535-20-1	AARON RENTS INC	7,200,000	122,916	17.750	122,800	122,916		130			L	1999
007942-10-5	ADVANTA CORP CL A	12,400,000	223,012	18.250	226,300	223,012		1,254			L	1999
035710-40-9	ANNALY MTG MGMT INC	31,400,000	310,340	8.750	274,750	310,340		11,200			L	1999
037411-10-5	APACHE CORP	5,100,000	171,482	36.938	188,384	171,482		714			L	1999
043339-10-0	ARVIN INDUS INC	4,400,000	140,882	28.375	124,850	140,882		1,430			L	1999
046265-10-4	ASTORIA FINL CORP	4,300,000	171,925	30.438	130,883	171,925		1,104			L	1999
065412-10-8	BANK UTD CORP CL A	8,200,000	283,662	27.250	223,450	283,662		2,386			L	1999
07262L-10-1	BAY VIEW CAP CORP DE	10,700,000	185,085	14.188	151,812	185,085		1,160			L	1999
097383-10-3	BOISE CASCADE CORP	6,100,000	247,937	40.500	247,050	247,937		900			L	1999
099724-10-6	BORG-WARNER AUTOMOTIVE INC	3,400,000	170,020	40.500	137,700	170,020		540			L	1999
105368-20-3	BRANDYWINE RLTY TR	17,000,000	307,085	16.375	278,375	307,085		6,786			L	1999
109043-10-9	BRIGGS & STRATTON CORP	2,200,000	131,829	53.625	117,975	131,829		708			L	1999
124661-10-9	C&D Technologies	2,500,000	98,911	42.500	106,250	98,911					L	1999
12561W-10-5	CLECO CORP	7,300,000	230,776	32.063	234,060	230,776		4,606			L	1999
12612L-10-8	CNA SURETY CORP	8,600,000	112,986	13.000	111,800	112,986		1,520			L	1999
149205-10-6	CATO CORP CL A	9,700,000	120,582	12.625	122,462	120,582		1,365			L	1999
153609-10-2	CN Energy Group	6,100,000	225,419	33.000	201,300	225,419		6,156			L	1999
189873-10-2	COACHMEN INDS INC	9,900,000	179,206	15.125	149,738	179,206		770			L	1999
20564D-10-7	COMSAT CORP SER 1	2,301,000	76,176	19.875	45,732	76,176		224			L	1999
206829-10-3	CONECTIV INC	13,600,000	282,956	16.813	228,657	282,956		3,080			L	1999
233856-10-3	DAIN RAUSCHER CORP	4,600,000	227,033	46.500	213,900	227,033		1,078			L	1999

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1		2	3	4	5	6	Dividends		8	9	10	11
CUSIP Identifi- cation	Description						Number of Shares	Book Value					Rate Per Share Used to Obtain Market Value	Market Value	Actual Cost	7.1 Declared But Unpaid	7.2 Amount Received During Year	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	NAIC Desig- nation (a)	Year Acquired
242361-10-3	Dean Foods	3,900,000	151,043	39.750	155,025	151,043					L	1999
253922-10-8	DIME CMNTY BANCORP INC	6,700,000	143,938	18.500	123,950	143,938		720			L	1999
270319-10-6	EARTHGRAINS CO	3,500,000	83,792	16.125	56,438	83,792		472			L	1999
27579R-10-4	EAST WEST BANCORP	12,000,000	139,219	11.438	137,256	139,219		300			L	1999
277276-10-1	EASTGROUP PPTYS INC	12,100,000	222,096	18.500	223,850	222,096		7,096			L	1999
29265N-10-8	ENERGEN CORP	10,700,000	199,559	18.063	193,274	199,559		3,069			L	1999
297178-10-5	ESSEX PPTY TR INC	6,800,000	225,732	34.000	231,200	225,732		4,620			L	1999
419596-10-1	HAVERTY FURNITURE COS INC	19,400,000	247,664	12.625	244,925	247,664		2,706			L	1999
423328-10-3	HELLER FINL INC CL A	15,500,000	379,816	20.063	310,976	379,816		2,204			L	1999
442161-20-4	HOUSTON INDS INC	1,250,000	141,518	120.500	150,625	141,518		2,010			P2L	1999
449681-10-5	IMCO RECYCLING INC	18,700,000	270,083	12.625	236,088	270,083		1,836			L	1999
50216C-10-8	LSI INDS INC OHIO	6,000,000	135,540	21.625	129,750	135,540		842			L	1999
505336-10-7	LA-Z-BOY CHAIR CO	11,500,000	235,022	16.813	193,350	235,022		2,608			L	1999
505862-10-2	LAFORGE CORP	5,800,000	183,594	27.625	160,225	183,594		1,380			L	1999
531172-10-4	LIBERTY PPTY TR	9,800,000	239,527	24.750	242,550	239,527		8,924			L	1999
55261R-10-8	MAF BANCORP INC	5,200,000	121,371	20.938	108,878	121,371		882			L	1999
554489-10-4	MACK CALI RLTY CORP	9,900,000	289,220	26.063	258,024	289,220		5,763			L	1999
563571-10-8	MANITOWOC INC	4,400,000	149,422	34.000	149,600	149,422		180			L	1999
601148-10-9	MILLS CORP	10,200,000	201,454	17.875	182,325	201,454		5,226			L	1999
666666-66-4	NEIGHBORHOOD EC DEV CORP	2,000	100,000			100,000					U	1986
709323-10-9	PENNZOIL-QUAKER ST CO	16,500,000	199,605	10.188	168,102	199,605		4,762			L	1999
740706-10-6	PRENTISS PPTYS TR	9,100,000	211,502	21.375	194,512	211,502		7,480			L	1999
741597-10-8	PRIMEX TECHNOLOGIES INC	10,400,000	219,746	20.750	215,800	219,746		38			L	1999
745332-10-6	PUGET SOUND ENERGY INC	4,800,000	119,071	19.375	93,000	119,071		4,140			L	1999
759509-10-2	RELIANCE STL & ALUM CO	9,150,000	227,045	23.438	214,458	227,045		292			L	1999
761695-10-5	REYNOLDS & REYNOLDS CO CL A	9,500,000	212,233	22.500	213,750	212,233		960			L	1999
778296-10-3	ROSS STORES INC	9,000,000	189,500	17.938	161,442	189,500		298			L	1999
781182-10-0	RUBY TUESDAY INC	11,900,000	214,071	18.188	216,437	214,071		274			L	1999
78375P-10-7	RYERSON TULL INC NEW	11,400,000	241,444	19.438	221,593	241,444		545			L	1999
831865-20-9	SMITH A O CORP	9,000,000	211,550	21.875	196,875	211,550		1,104			L	1999
868365-10-7	SUPERIOR TELECOM INC	10,400,000	240,561	15.438	160,555	240,561		331			L	1999
898402-10-2	TRUSTMARK CORP	5,300,000	121,606	21.609	114,528	121,606		1,692			L	1999
922040-10-0	Vanguard Institutional Index Fund	117,242,000	14,423,688	134.010	15,711,604	14,423,688		140,863			L	1999
950755-10-8	WERNER ENTERPRISES INC	6,400,000	118,562	14.063	90,003	118,562		300			L	1999
974637-10-0	WINNEBAGO INDS INC	4,700,000	91,514	20.063	94,296	91,514					L	1999
Subtotal - Common Stock - Industrial and Miscellaneous												
6899999			25,371,212	XXX	25,577,156	25,371,212		263,553			XXX	XXX
Common Stock - Parent, Subsidiaries and Affiliates												
13973#-10-2	Capital Area Services Company, Inc.	1,000,000	1,000	1.000	1,000	1,000					5Bai	1992

SCHEDULE D - PART 2 - SECTION 2

Showing All COMMON STOCKS Owned December 31 of Current Year

1		2	3	4	5	6	Dividends		8	9	10	11
CUSIP Identifi- cation	Description						Number of Shares	Book Value				
13985#-10-8	Capital Care, Inc.	4,000.000	20,611,719	9,084.921	36,339,685	20,611,719					5Baiii	1984
63516#-10-1	National Capital Administrative Services, Inc.	4,000.000	12,802,369	1,462.286	5,849,142	12,802,369					5Baii	1983
63517@-10-2	National Capital Insurance Agency, Inc.	20,000.000	5,363,429	42.912	858,244	5,363,429					5Bai	1978
	GHMSI Companies	25,000.000	309,807	(0.045)	(1,127)	309,807					Z	
Subtotal - Common Stock - Parent, Subsidiaries and Affiliates												
6999999			39,088,324	XXX	43,046,944	39,088,324					XXX	XXX
Total - Common Stock												
7099999			66,472,729	XXX	71,680,174	66,472,729	10,073	289,823			XXX	XXX
Total - Preferred and Common Stock												
7199999			68,890,985	XXX	73,815,373	68,890,985	27,314	361,954			XXX	XXX

(a) For all common stocks bearing the NAIC designation "U" provide: the number of such issues, the total \$ value (included in Column 5) of all such issues \$.....

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7
CUSIP Identification	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Description						
Bonds - U.S. Governments						
36209N-5Y-4	08/24/1999	UNDEFINED		1,463,248	1,514,970	6,291
36209P-P8-4	08/24/1999	UNDEFINED		705,509	730,506	3,034
36210A-UP-0	08/24/1999	UNDEFINED		434,645	450,056	1,869
36210H-RJ-3	08/24/1999	UNDEFINED		1,318,704	1,365,317	5,670
912810-DF-2	11/10/1999	ABN Amro		517,983	375,000	10,639
912810-FA-1	02/23/1999	CS First Boston		747,773	675,000	951
912810-FD-5	Various	VARIOUS		1,610,363	1,647,024	20,972
912810-FH-6	Various	VARIOUS		932,022	943,026	
912827-2Y-7	Various	VARIOUS		3,536,856	3,400,000	25,755
912827-3S-9	Various	VARIOUS		1,513,738	1,475,000	7,369
912827-3T-7	Various	VARIOUS		4,341,488	4,421,875	22,576
912827-4Y-5	01/15/1999	Merrill Lynch		1,596,976	1,600,000	
912827-L8-3	04/29/1999	County Natwest Securities		2,628,009	2,575,000	29,858
912827-Z6-2	09/01/1999	DB Clearing Services		1,489,762	1,450,000	35,794
Subtotal - Bonds - U.S. Governments						
0399999				22,837,076	22,622,774	170,778
Bonds - States, Territories and Possessions						
*** South Carolina						
837147-TV-9	10/12/1999	Dain Bosworth		1,001,290	1,000,000	7,608
*** US						
3133M8-AY-0	04/06/1999	G X Clarke		299,391	300,000	594
83162C-JX-2	04/14/1999	MLPF&S Fixed Income Ops		600,000	600,000	
Subtotal - Bonds - States, Territories and Possessions						
1799999				1,900,681	1,900,000	8,202
Bonds - Political Subdivisions of States, Territories and Possessions						
*** New York						
64970K-JF-5	06/24/1999	Dain Bosworth		1,065,325	1,075,000	4,808
*** Virginia						
92813A-XM-8	06/18/1999	Scott & Stringfellow		866,912	865,000	7,510
Subtotal - Bonds - Political Subdivisions of States, Territories and Possessions						
2499999				1,932,237	1,940,000	12,318

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1		2	3	4	5	6	7
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Bonds - Special Revenue, Special Assessment							
*** UN							
06738C-AD-1	BARCLAYS BANK 7.40% 12/15/09	12/10/1999	Barclays Dezoete		999,490	1,000,000	
312908-LN-4	FEDERAL HOME LOAN MTG CORP	11/17/1999	CS First Boston		1,506,351	1,508,000	4,524
31371H-B6-4	FEDERAL NATIONAL MTG ASSN	11/15/1999	Autranet		331,459	355,332	829
31380H-Z9-1	FEDERAL NATIONAL MTG ASSN	11/15/1999	Autranet		661,024	708,634	1,653
31380J-5T-6	FEDERAL NATIONAL MTG ASSN	11/15/1999	Autranet		428,631	459,503	1,072
31380L-KN-7	FEDERAL NATIONAL MTG ASSN	11/15/1999	Bear Stearns		430,957	461,996	1,078
31380N-L5-1	FEDERAL NATIONAL MTG ASSN	11/15/1999	Alex Brown & Sons		254,359	272,680	636
31380P-SN-0	FEDERAL NATIONAL MTG ASSN	11/15/1999	Alex Brown & Sons		271,697	291,266	680
31380X-HT-2	FEDERAL NATIONAL MTG ASSN	11/15/1999	Alex Brown & Sons		346,902	371,888	868
31380Y-P4-6	FEDERAL NATIONAL MTG ASSN	11/15/1999	Alex Brown & Sons		73,133	78,400	183
31381D-JQ-9	FEDERAL NATIONAL MTG ASSN	11/15/1999	Alex Brown & Sons		582,950	624,938	1,458
*** US							
3128G7-5C-3	FHLMC POOL #E73543	02/23/1999	SALOMON BROTHERS		726,195	735,532	2,472
3128G7-QL-0	FHLMC POOL #E73159	02/23/1999	SALOMON BROTHERS		694,025	702,949	2,363
3128G8-5K-3	FHLMC POOL #E74450	02/23/1999	SALOMON BROTHERS		1,152,788	1,177,611	3,924
3128G8-5Z-0	FHLMC POOL #E74464	02/23/1999	SALOMON BROTHERS		877,159	888,438	2,986
3128G8-JB-8	FHLMC POOL #E73858	02/23/1999	SALOMON BROTHERS		771,080	780,995	2,625
3128G8-UX-7	FHLMC POOL #E74198	02/23/1999	SALOMON BROTHERS		821,993	832,563	2,798
3128G8-ZU-8	FHLMC POOL #E74355	02/23/1999	SALOMON BROTHERS		694,152	703,078	2,363
3128G9-BH-1	FHLMC POOL #E74540	02/23/1999	SALOMON BROTHERS		740,711	750,236	2,522
3128G9-BV-0	FHLMC POOL #E74552	02/23/1999	SALOMON BROTHERS		780,985	791,027	2,659
3128G9-CP-2	FHLMC POOL #E74578 5.5% 1/01/	01/25/1999	Goldman Sachs & Co		8,269,148	8,390,250	30,764
3128G9-CQ-0	FHLMC POOL #E74579 5.5% 1/01/	02/23/1999	SALOMON BROTHERS		759,230	768,993	2,585
3128GB-2M-5	FHLMC POOL #E77080 6% 5/01/	05/20/1999	CS First Boston		1,964,241	1,975,197	6,255
31294J-VJ-4	FHLMC POOL #E00617	02/23/1999	SALOMON BROTHERS		781,092	791,136	2,659
31294J-W6-1	FHLMC POOL #E00669 6% 5/01/	05/20/1999	CS First Boston		3,363,135	3,375,000	10,688
31359M-EA-7	FNMA	01/21/1999	Merrill Lynch		1,051,225	1,000,000	28,233
31377M-4P-3	FNMA POOL #381630 6.2% 5/01/	05/07/1999	Donaldson Lufkin & Jenret		1,238,638	1,225,000	1,266
Subtotal - Bonds - Special Revenue, Special Assessment							
3199999					30,572,750	31,020,642	120,143
Bonds - Public Utilities							
293561-BX-3	ENRON CORP 7.375% 5/15/	Various	VARIOUS		692,438	700,000	246
Subtotal - Bonds - Public Utilities							
3899999					692,438	700,000	246
Bonds - Industrial and Miscellaneous							
00105K-AK-5	AFG RECEIV CMO 97-B A 6.2% 2/15/	03/26/1999	Mc Donald & Company		1,700,340	1,691,880	3,205

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7
CUSIP Identification	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
001957-AV-1	12/29/1999	UAT Added		455,955	500,000	8,667
022615-AC-2	05/27/1999	Morgan Stanley		398,156	775,000	
025818-CJ-2	10/15/1999	Warburg, S.G.		128,250	100,000	175
02687Q-AH-1	08/10/1999	Warburg, S.G.		136,500	100,000	62
049164-AU-0	11/19/1999	Alex Brown & Sons		661,087	700,000	30,240
057224-AH-0	06/30/1999	Montgomery Securities		278,438	375,000	
126545-AD-4	05/14/1999	County Natwest Securities		401,891	425,000	3,152
163762-AE-7	08/27/1999	UNDEFINED		596,156	600,000	1,246
170040-AB-5	05/14/1999	JP Morgan Securities, Inc		265,275	270,000	2,522
184502-AE-2	Various	VARIOUS		546,204	550,000	134
210805-CQ-8	02/08/1999	CS First Boston		1,500,000	1,500,000	
22160Q-AC-6	05/24/1999	County Natwest Securities		392,328	425,000	
22237A-AB-2	11/19/1999	CS First Boston		877,017	880,000	30,304
233835-AB-3	12/29/1999	UNDEFINED		496,140	500,000	11,979
235811-AL-0	Various	VARIOUS		2,284,960	2,500,000	51,236
239753-BU-9	08/18/1999	UNDEFINED		586,575	500,000	8,181
25179M-AA-1	Various	VARIOUS		374,981	375,000	1,633
25271C-AA-0	Various	VARIOUS		296,812	275,000	2,474
263534-BH-1	12/29/1999	UNDEFINED		494,505	500,000	6,469
277432-AD-2	03/23/1999	SMITH BARNEY		2,082,980	2,000,000	21,956
284129-AA-1	05/17/1999	Lehman Brothers		397,500	750,000	
29875B-AA-4	08/03/1999	Morgan Stanley		198,669	190,000	123
3133T4-HR-0	05/06/1999	Autranet		2,019,375	2,000,000	1,778
3133T6-5S-6	06/09/1999	Freeman Securities		1,237,109	1,030,702	1,806
3133TH-MV-6	01/29/1999	Prudential		3,432,938	3,400,000	15,867
3133TJ-MC-4	Various	VARIOUS		2,242,756	2,240,000	4,270
3133TL-F3-7	06/30/1999	Donaldson Lufkin & Jenret		1,153,500	1,200,000	6,070
31358T-V7-1	06/28/1999	Autranet		423,764	426,764	1,920
31358U-VR-4	06/28/1999	Autranet		205,694	206,339	1,006
31359L-AH-8	01/26/1999	Nationsbank		1,319,957	1,300,000	5,868
34527R-BW-2	01/21/1999	Goldman Sachs & Co		1,109,877	1,110,000	
345370-BY-5	11/19/1999	Baird, Robert W. & Co.		685,305	750,000	6,625
345397-HG-1	12/29/1999	UNDEFINED		503,720	500,000	1,458
345397-RR-6	02/17/1999	CS First Boston		1,087,880	1,000,000	12,400
362337-AG-2	12/29/1999	UNDEFINED		486,885	500,000	5,558
370424-FV-0	08/18/1999	UNDEFINED		550,135	500,000	9,491
393505-2P-6	06/30/1999	Lehman Brothers		1,000,000	1,000,000	
393505-3X-8	09/15/1999	Lehman Brothers		1,099,828	1,100,000	
401698-AA-3	02/16/1999	JP Morgan Securities, Inc		1,593,728	1,600,000	
404280-AA-7	Various	Carroll McEntee &McGinley		2,247,690	2,250,000	4,583
416515-AC-8	01/14/1999	CS First Boston		968,316	950,000	12,112
428236-AC-7	Various	VARIOUS		534,797	900,000	
448814-EJ-8	Various	VARIOUS		1,393,790	1,175,000	9,509
493063-AM-3	04/09/1999	Mc Donald & Company		1,673,749	1,664,904	6,826
518423-30-6	Various	VARIOUS		268,092	500,000	

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7
CUSIP Identification	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
524908-BY-5	02/05/1999	Lehman Brothers		846,719	850,000	
530715-AF-8	11/16/1999	Merrill Lynch		300,000	300,000	
539830-AE-9	05/03/1999	MLPF&S Fixed Income Ops		592,048	550,000	234
539830-AK-5	11/23/1999	ABN Amro		996,090	1,000,000	
540424-AL-2	05/19/1999	CS First Boston		252,750	300,000	1,667
552008-60-9	05/12/1999	Wagner Stott Clearing		396,562	375,000	2,523
552008-61-7	07/09/1999	Deutsche Bank Govt Sec		25,875	25,000	336
559222-AG-9	05/12/1999	JP Morgan Securities, Inc		392,910	375,000	4,418
590188-JK-5	12/29/1999	UNDEFINED		464,180	500,000	6,552
590188-JP-4	02/17/1999	MLPF&S Fixed Income Ops		572,056	575,000	
59018S-Z2-3	06/15/1999	MLPF&S Fixed Income Ops		260,400	280,000	988
597706-AT-7	08/27/1999	Donaldson Lufkin & Jenret		1,606,648	1,605,394	8,139
617446-DE-6	12/29/1999	UAT Added		473,350	500,000	12,422
617446-DQ-9	12/13/1999	UAT Added		550,000	550,000	
620076-AP-4	11/19/1999	ABN Amro		208,916	230,000	166
626717-AA-0	05/10/1999	SMITH BARNEY		221,281	225,000	264
637432-CH-6	12/29/1999	UNDEFINED		453,194	485,000	12,152
638585-AJ-8	12/29/1999	UNDEFINED		509,615	500,000	14,424
681919-AG-1	Various	VARIOUS		399,941	250,000	2,234
69350E-AC-4	08/10/1999	UNDEFINED		1,499,988	1,500,000	
695629-CF-0	Various	VARIOUS		763,264	775,000	212
705220-AA-9	03/25/1999	SALOMON BROTHERS		929,788	930,000	
754603-AB-4	Various	VARIOUS		1,469,865	1,500,000	38,100
78388B-AA-1	06/01/1999	UNDEFINED		12,706	12,706	
786429-AD-2	08/27/1999	UNDEFINED		1,251,562	1,250,000	39,922
811845-AW-6	Various	VARIOUS		1,348,376	1,350,000	35,469
834182-AG-2	Various	VARIOUS		529,375	1,000,000	
844030-AC-0	11/19/1999	Piper Jaffray		779,888	750,000	2,750
861012-AB-8	Various	VARIOUS		381,614	425,000	
887315-BN-8	11/19/1999	ABN Amro		674,340	750,000	552
88731E-AF-7	07/29/1999	SALOMON BROTHERS		1,614,360	1,500,000	46,760
887364-AE-7	Various	VARIOUS		542,844	1,150,000	
903290-AD-6	05/18/1999	Goldman Sachs & Co		399,055	600,000	
907833-AB-3	08/18/1999	UNDEFINED		998,030	1,000,000	18,238
911684-AA-6	06/08/1999	Goldman Sachs & Co		388,000	800,000	
931142-BE-2	12/29/1999	UNDEFINED		489,825	500,000	13,273
94973H-AA-6	07/02/1999	Goldman Sachs & Co		273,744	400,000	
962166-AV-6	01/21/1999	Morgan Stanley		1,541,025	1,500,000	49,229
984121-BB-8	05/20/1999	County Natwest Securities		522,582	825,000	379
XS0084-57-7	05/12/1999	Morgan Stanley		265,000	250,000	1,637
Subtotal - Bonds - Industrial and Miscellaneous						
4599999				68,987,370	72,028,689	603,945

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1		2	3	4	5	6	7
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Subtotal - Bonds - Part 3							
6099997					126,922,552	130,212,105	915,632
Summary Item for Bonds, Columns 06, 07 and 15 of Part 5							
6099998					50,605,014	50,239,979	413,306
Subtotal - Bonds							
6099999					177,527,566	180,452,084	1,328,938
Preferred Stock - Industrial and Miscellaneous							
177351-20-2	CITIZENS UTILS TR 5% CONV PFD	Various	Lehman Brothers	5,500.000	258,944		
29476L-85-9	EQ RES PPTYS TR SER G CONV PFD	Various	Standard & Poors Sec	11,500.000	270,279		
460137-30-0	INTERNATIONAL PAPER 5.25% CONV PFD	06/10/1999	JP Morgan Securities, Inc	2,400.000	125,400		
58440J-50-0	MEDIAONE GROUP	Various	UNDEFINED	5,500.000	256,596		
611662-30-5	MONSANTO CO 6.5% CONV PFD	Various	VARIOUS	6,250.000	277,372		
632525-30-9	NATL AUSTRALIA BK LTD 7.875% CONV	05/18/1999	Morgan Stanley	12,500.000	393,511		
651195-30-7	NEWELL FINL TR I 5.25% CONV PFD	Various	CS First Boston	5,000.000	276,562		
91528T-20-7	UNOCAL CAP TR 6.25% CONV PFD	06/28/1999	Lehman Brothers	2,500.000	144,688		
929042-20-8	VORNADO RLTY TR 6.5% CONV PFD	Various	VARIOUS	5,000.000	278,644		
950588-20-2	WENDYS FING I 5% CONV PFD	06/25/1999	Jefferies & Co	2,250.000	136,260		
Subtotal - Preferred Stock - Industrial and Miscellaneous							
6399999					2,418,256		
Subtotal - Preferred Stock - Part 3							
6599997					2,418,256		
Summary Item for Preferred Stock, Columns 07 and 15 of Part 5							
6599998					539,925		
Subtotal - Preferred Stock							
6599999					2,958,181		
Common Stock - Public Utilities							
615337-10-2	Mony Group	Various	VARIOUS	4,400.000	133,204		
Subtotal - Common Stock - Public Utilities							
6699999					133,204	XXX	

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1		2	3	4	5	6	7
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Common Stock - Banks, Trust and Insurance Companies							
077459-10-5	Belden Inc	Various	VARIOUS	4,700.000	92,314		
845905-10-8	Sovereign Bancorp	Various	VARIOUS	11,400.000	87,472		
Subtotal - Common Stock - Banks, Trust and Insurance Companies							
6799999					179,786	XXX	
Common Stock - Industrial and Miscellaneous							
000361-10-5	AAR Corporation	Various	VARIOUS	4,800.000	95,501		
001547-10-8	AK STEEL HOLDING CORP	Various	VARIOUS	15,500.000	354,183		
002535-20-1	AARON RENTS INC	Various	VARIOUS	7,200.000	122,916		
007942-10-5	ADVANTA CORP CL A	Various	VARIOUS	12,400.000	223,012		
035710-40-9	ANNALY MTG MGMT INC	Various	VARIOUS	31,400.000	310,340		
037411-10-5	APACHE CORP	Various	VARIOUS	5,100.000	171,482		
043339-10-0	ARVIN INDUS INC	Various	VARIOUS	4,400.000	140,882		
046265-10-4	ASTORIA FINL CORP	Various	VARIOUS	4,300.000	171,925		
065412-10-8	BANK UTD CORP CL A	Various	VARIOUS	8,200.000	283,662		
07262L-10-1	BAY VIEW CAP CORP DE	Various	VARIOUS	10,700.000	185,085		
097383-10-3	BOISE CASCADE CORP	Various	VARIOUS	6,100.000	247,937		
099724-10-6	BORG-WARNER AUTOMOTIVE INC	Various	VARIOUS	3,400.000	170,020		
105368-20-3	BRANDYWINE RLTY TR	Various	VARIOUS	17,000.000	307,085		
109043-10-9	BRIGGS & STRATTON CORP	Various	VARIOUS	2,200.000	131,829		
124661-10-9	C&D Technologies	12/31/1999	UAT Added	2,500.000	98,911		
12561W-10-5	CLECO CORP	Various	VARIOUS	7,300.000	230,776		
12612L-10-8	CNA SURETY CORP	Various	VARIOUS	8,600.000	112,986		
149205-10-6	CATO CORP CL A	Various	VARIOUS	9,700.000	120,582		
153609-10-2	CN Energy Group	Various	VARIOUS	6,100.000	225,419		
189873-10-2	COACHMEN INDS INC	Various	VARIOUS	9,900.000	179,206		
20564D-10-7	COMSAT CORP SER 1	Various	VARIOUS	5,101.000	168,907		
206829-10-3	CONNECTIV INC	Various	VARIOUS	13,600.000	282,956		
233856-10-3	DAIN RAUSCHER CORP	Various	VARIOUS	4,600.000	227,033		
242361-10-3	Dean Foods	12/31/1999	UAT Added	3,900.000	151,043		
253922-10-8	DIME CMNTY BANCORP INC	Various	VARIOUS	6,700.000	143,938		
270319-10-6	EARTHGRAINS CO	Various	VARIOUS	3,500.000	83,792		
27579R-10-4	EAST WEST BANCORP	Various	VARIOUS	12,000.000	139,219		
277276-10-1	EASTGROUP PPTYS INC	Various	VARIOUS	12,100.000	222,096		
29265N-10-8	ENERGEN CORP	Various	VARIOUS	10,700.000	199,559		
297178-10-5	ESSEX PPTY TR INC	Various	VARIOUS	6,800.000	225,732		
419596-10-1	HAVERTY FURNITURE COS INC	Various	VARIOUS	19,400.000	247,664		
423328-10-3	HELLER FINL INC CL A	Various	VARIOUS	15,500.000	379,816		
442161-20-4	HOUSTON INDS INC	06/07/1999	Goldman Sachs & Co	1,250.000	141,518		
449681-10-5	IMCO RECYCLING INC	Various	VARIOUS	18,700.000	270,083		
50216C-10-8	LSI INDS INC OHIO	Various	VARIOUS	6,000.000	135,540		
505336-10-7	LA-Z-BOY CHAIR CO	Various	VARIOUS	11,500.000	235,022		

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1		2	3	4	5	6	7
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
505862-10-2	LAFORGE CORP	Various	VARIOUS	5,800.000	183,594		
531172-10-4	LIBERTY PPTY TR	Various	VARIOUS	9,800.000	239,527		
55261R-10-8	MAF BANCORP INC	Various	VARIOUS	5,200.000	121,371		
554489-10-4	MACK CALI RLTY CORP	Various	VARIOUS	9,900.000	289,220		
563571-10-8	MANITOWOC INC	Various	VARIOUS	4,400.000	149,422		
601148-10-9	MILLS CORP	Various	VARIOUS	10,200.000	201,454		
709323-10-9	PENNZOIL-QUAKER ST CO	Various	VARIOUS	16,500.000	199,605		
740706-10-6	PRENTISS PPTYS TR	Various	VARIOUS	9,100.000	211,502		
741597-10-8	PRIMEX TECHNOLOGIES INC	Various	VARIOUS	10,400.000	219,746		
745332-10-6	PUGET SOUND ENERGY INC	Various	VARIOUS	4,800.000	119,071		
759509-10-2	RELIANCE STL & ALUM CO	Various	VARIOUS	9,150.000	227,045		
761695-10-5	REYNOLDS & REYNOLDS CO CL A	Various	VARIOUS	9,500.000	212,233		
778296-10-3	ROSS STORES INC	Various	VARIOUS	9,000.000	189,500		
781182-10-0	RUBY TUESDAY INC	Various	VARIOUS	11,900.000	214,071		
78375P-10-7	RYERSON TULL INC NEW	Various	VARIOUS	11,400.000	241,444		
831865-20-9	SMITH A O CORP	Various	VARIOUS	9,000.000	211,550		
868365-10-7	SUPERIOR TELECOM INC	Various	VARIOUS	10,400.000	240,561		
898402-10-2	TRUSTMARK CORP	Various	VARIOUS	5,300.000	121,606		
922040-10-0	Vanguard Institutional Index Fund	Various	Vanguard Group	117,242.000	14,423,688		
950755-10-8	WERNER ENTERPRISES INC	Various	VARIOUS	6,400.000	118,562		
974637-10-0	WINNEBAGO INDS INC	Various	VARIOUS	4,700.000	91,514		
Subtotal - Common Stock - Industrial and Miscellaneous							
6899999					25,363,943	XXX	
Subtotal - Common Stock - Part 3							
7099997					25,676,933	XXX	
Summary Item for Common Stock, Columns 07 and 15 of Part 5							
7099998					5,174,105	XXX	
Subtotal - Common Stock							
7099999					30,851,038	XXX	
Subtotal - Preferred and Common Stock							
7199999					33,809,219	XXX	
Total - Bonds, Preferred and Common Stock							
7299999					211,336,785	XXX	1,328,938

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
CUSIP Identification	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
Description													
Bonds - U.S. Governments													
362028-3S-9		GNMA Pool #003509		16,214	16,214	13,159	16,214	815				588	
36203D-KR-0		GNMA POOL #346004		22,263	22,019	22,394	22,391		1		128	322	
36203F-GQ-2		GNMA POOL #347707		953,338	942,910	953,517	953,393	40			55	13,771	
36203F-GW-9		GNMA POOL #347713		585,920	579,717	589,590	589,188	356		3,268	8,376		
36203K-KX-1		GNMA POOL #351410		1,801,438	1,782,264	1,802,315	1,801,540	616		102	25,722		
36203N-5R-5		GNMA POOL # 354656		380,850	376,815	375,578	375,653	46		5,198	5,412		
36203Y-2W-3		GNMA POOL #363589		391,439	387,407	391,765	391,461	270			22	5,502	
36204D-EW-5		GNMA POOL #366549		427,658	423,212	430,419	430,001	385		2,343	5,986		
36204F-XY-5		GNMA POOL #368895		329,353	325,841	331,390	331,204	160		1,850	4,728		
36204H-ZV-5		GNMA POOL #370756		22,874	22,629	22,555	22,558	2		316	326		
36204J-6J-0		GNMA POOL #371773		1,724,447	1,705,893	1,725,084	1,724,550	385		102	24,764		
36204M-NE-5		GNMA POOL #373989		32,141	31,817	31,713	31,724	9		418	442		
36204N-M7-9		GNMA POOL #374882		473,653	468,572	467,034	467,108	40		6,544	6,785		
36204P-QL-9		GNMA POOL #375859		510,714	505,165	513,769	513,637	92		2,923	7,364		
36204Q-RL-6		GNMA POOL #376791		475,886	470,799	476,095	475,913	141		27	6,793		
36204S-R6-5		GNMA POOL #378609		40,005	39,567	39,438	39,441	1		563	578		
36204S-U9-5		GNMA POOL #378708		20,477	20,270	20,615	20,587	26		109	290		
36204W-PL-5		GNMA POOL #382127		399,490	395,118	401,848	401,793	23		2,303	5,772		
36205B-MR-0		GNMA POOL #385668		446,840	441,954	449,481	449,415	31		2,575	6,454		
36209N-5Y-4		GNMA 6.50% 12/28		7,664	7,664	7,402	7,664	262			105		
36209P-P8-4		GNMA 6.50 11/28		11,764	11,764	11,361	11,764	403			113		
36210A-UP-0		GNMA 6.50% 11/15/28		12,535	12,535	12,106	12,535	429			152		
36210H-RJ-3		GNMA 6.50 11/28		6,224	6,224	6,011	6,224	212			84		
36216F-XE-5		GNMA PL#163677 9.50% 7/15/16		18,024	18,024	19,646	18,024		1,413		836		
36216G-J7-4		GNMA PL#164186 9.50% 5/15/16		34,586	34,586	36,964	34,586		2,107		1,464		
36216J-PK-2		GNMA PL#166126 9.50% 7/15/16		52,315	52,315	55,912	52,315		3,193		2,204		
36216S-X8-0		GNMA PL#173603 9.50% 8/15/16		21,573	21,573	23,056	21,573		1,318		597		
36218D-YJ-6		GNMA POOL #219513		520,953	515,253	513,562	513,612	11		7,342	7,526		
36218E-AH-4		GNMA PL#219708SF 9.50% 9/15/17		1,334	1,334	1,454	1,334		106		70		
36219H-JS-3		GNMA PL#249673 9.500% 10/15/18		31,863	31,863	34,347	31,863		2,239		1,691		
36224N-NP-4		GNMA POOL #333498		319,798	316,300	315,263	315,293	7		4,505	4,619		
36225A-4V-9		GNMA POOL #780836 8.25% 4/15/		362,612	362,612	385,191	362,612		22,343		13,285		
912810-DF-2		US TREAS BD		8,698,305	5,775,000	8,888,219	8,868,634		12,090		170,329	322,740	
912810-EE-4		US TREAS BD 8.5% 2/15/20		6,664,863	4,840,000	6,763,333	6,758,774		1,676		93,912	167,893	
912810-FE-3		US TREAS NT 5.5% 8/15/		2,717,500	2,750,000	2,899,102	2,898,474		502		180,974	90,930	
912827-3Q-3	01/08/1999	US TREAS NT 5.75% 11/30/	Carroll McEntee &McGinley	3,155,082	3,050,000	3,178,195	3,175,820		656		20,738	18,790	
912827-3T-7	06/23/1999	US TREAS NT	Barclays Dezoete	1,179,273	1,182,525	1,180,093	1,180,201	107			927	44,171	
912827-4V-1		US TREAS NT		996,406	1,000,000	1,009,531	1,009,452		35		13,046	8,201	
912827-A8-5	05/06/1999	US TREASURY NOTES 8% 5/15/	Lehman Brothers	1,265,578	1,200,000	1,368,750	1,250,578		8,167	15,000	55,213		
912827-J3-7		US TREAS NT 6.375% 1/15/		1,314,406	1,300,000	1,315,438	1,307,432		2,461	6,974	59,664		
912827-L8-3	05/17/1999	US TREAS NT 5.75%	County Natwest Securities	1,592,596	1,575,000	1,607,423	1,607,085		338		14,489	22,766	

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
912827-N6-5	US TREAS NOTES 5%	02/01/1999	Maturity		4,500,000	4,500,000	4,426,875	4,500,000	2,080				112,500	
912827-P4-8	U.S. TREAS NOTES 5.875% 3/31/99	03/31/1999	MATURITY		400,000	400,000	399,400	400,000	34				11,750	
912827-P6-3	US TREAS NT 6.5% 4/30/99	04/30/1999	MATURITY		6,000,000	6,000,000	6,049,375	6,000,000	23,237				195,000	
912827-R2-0	US TREAS NT 6.875%		VARIOUS		1,697,411	1,680,000	1,714,455	1,688,916	2,617		8,495		55,893	
912827-U4-2	US TREAS NT 5.875%	04/15/1999	G X Clarke		748,267	740,000	754,395	751,250	2,625			2,983	12,610	
912827-Y4-8	US TREAS NT 6.625% 6/30/		VARIOUS		4,662,906	4,500,000	4,723,242	4,703,219	15,214			40,313	59,209	
912827-Z6-2	US TREAS NT 6.5% 10/15/		VARIOUS		1,910,746	1,765,000	1,879,446	1,875,402	539		35,344		34,029	
912833-CK-4	US TREAS STRIP INT 2/15/	01/25/1999	Merrill Lynch		884,419	1,125,000	893,002	901,938	2,734			17,520		
Subtotal - Bonds - U.S. Governments														
0399999					58,844,003	53,732,755	59,530,308	59,324,345	7,192	105,402	90,699	571,038	1,434,080	.XXX
Bonds - States, Territories and Possessions														
*** US														
83162C-JX-2	US SMALL BUS ADMIN 6.15% 4/01/		Principal Receipt		26,216	26,216	26,216	26,216					17,515	
Subtotal - Bonds - States, Territories and Possessions														
1799999					26,216	26,216	26,216	26,216					17,515	.XXX
Bonds - Special Revenue, Special Assessment														
*** UN														
31290K-VZ-9	FHLMC POOL #555132 8%		PRINCIPAL RECEIPT		269,964	269,964	275,279	269,964		4,978			9,524	
31340M-UW-3	FHLMC POOL #181497 7%		PRINCIPAL RECEIPT		251,397	251,397	250,612	251,397	962				8,025	
31357M-5N-1	FHLMC POOL #E48053 6.5%		PRINCIPAL RECEIPT		127,846	127,846	125,289	127,846	2,297				3,903	
31361W-4L-8	FNMA POOL #044027 7%		PRINCIPAL RECEIPT		262,665	262,665	262,665	262,665	206				9,426	
31371H-B6-4	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		2,025	2,025	1,889	2,025	136				10	
31373W-QK-2	FNMA POOL #305658 8%		PRINCIPAL RECEIPT		153,342	153,342	156,601	153,342		2,599			5,244	
31376Q-TC-7	FNMA POOL #362447 7%		PRINCIPAL RECEIPT		288,750	288,750	290,916	288,750	1,688				8,862	
31380H-Z9-1	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		779	779	726	779	52				4	
31380J-5T-6	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		576	576	537	576	39				3	
31380L-KN-7	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		521	521	486	521	35				3	
31380N-L5-1	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		335	335	313	335	23				2	
31380P-SN-0	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		344	344	321	344	23				2	
31380X-HT-2	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		443	443	414	443	30				2	
31380Y-P4-6	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		124	124	115	124	8				1	
31381D-JQ-9	FEDERAL NATIONAL MTG ASSN	12/25/1999	PRINCIPAL RECEIPT		669	669	624	669	45				3	

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1		2	3	4	5	6	7	8	9	10	11	12	13	14
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
*** US														
31280Q-FA-1	FHLMC POOL #E69161		VARIOUS			55	55	55				55		
3128G7-5C-3	FHLMC POOL #E73543		PRINCIPAL RECEIPT		32,356	32,356	31,946	32,356	411				852	
3128G7-QL-0	FHLMC POOL #E73159		PRINCIPAL RECEIPT		51,042	51,042	50,394	51,042	648				1,459	
3128G8-5K-3	FHLMC POOL #E74450		PRINCIPAL RECEIPT		144,570	144,570	141,522	144,570	3,047				4,297	
3128G8-5Z-0	FHLMC POOL #E74464		PRINCIPAL RECEIPT		40,070	40,070	39,561	40,070	509				1,091	
3128G8-FK-2	FHLMC POOL #E73770		PRINCIPAL RECEIPT		80,924	80,924	80,918	80,924	10				3,215	
3128G8-JB-8	FHLMC POOL #E73858		PRINCIPAL RECEIPT		68,903	68,903	68,028	68,903	875				1,899	
3128G8-JZ-5	FHLMC POOL #E73880 5.5% 12/01/		VARIOUS		519,590	530,250	524,264	524,342	72			4,752	6,215	
3128G8-UX-7	FHLMC POOL #E74198		PRINCIPAL RECEIPT		32,506	32,506	32,093	32,506	413				805	
3128G8-ZU-8	FHLMC POOL #E74355		PRINCIPAL RECEIPT		27,728	27,728	27,376	27,728	352				685	
3128G9-BH-1	FHLMC POOL #E74540		PRINCIPAL RECEIPT		35,415	35,415	34,965	35,415	450				892	
3128G9-BV-0	FHLMC POOL #E74552		PRINCIPAL RECEIPT		65,133	65,133	64,306	65,133	827				2,309	
3128G9-CP-2	FHLMC POOL #E74578 5.5% 1/01/		VARIOUS		1,796,058	1,824,023	1,797,696	1,804,165	6,469			8,106	22,508	
3128G9-CQ-0	FHLMC POOL #E74579 5.5% 1/01/		PRINCIPAL RECEIPT		88,647	88,647	87,521	88,647	1,125				2,826	
3128GB-2M-5	FHLMC POOL #E77080 6% 5/01/		PRINCIPAL RECEIPT		62,942	62,942	62,593	62,942	349				1,279	
31294J-HT-8	FHLMC GOLD E0-0242 6.5% 10/01/		PRINCIPAL RECEIPT		26,073	26,073	26,399	26,073		187			775	
31294J-VJ-4	FHLMC POOL #E00617		PRINCIPAL RECEIPT		49,590	49,590	48,961	49,590	630				1,284	
31294J-W6-1	FHLMC POOL #E00669 6% 5/01/		PRINCIPAL RECEIPT		134,097	134,097	133,625	134,097	471				2,892	
312990-2G-8	FHLMC 5.5% 11/15/	01/06/1999	REVERSAL		519,073	525,000	519,073	519,086	4			13	241	
31363W-H4-0	FNMA POOL #100250		VARIOUS		949,593	949,593	989,951	954,719		34,969		5,126	38,445	
31374G-MV-6	FNMA POOL #313672		PRINCIPAL RECEIPT		15,729	15,729	16,880	15,729		1,145			606	
31377M-4P-3	FNMA POOL #381630 6.2% 5/01/		PRINCIPAL RECEIPT		7,084	7,084	7,163	7,084		79			147	
83162C-HM-8	US SMALL BUS ADMIN 7.3%		Principal Receipt		51,370	51,370	51,370	51,370					3,037	
83162C-JF-1	SMALL BUSINESS ADMIN 6.3% 5/01/		VARIOUS		45,216	45,216	45,216	45,216					2,316	
83162C-JR-5	US SMALL BUS ADMIN		VARIOUS		34,679	34,679	34,679	34,679					2,176	
Subtotal - Bonds - Special Revenue, Special Assessment														
3199999					6,238,168	6,282,775	6,283,342	6,256,221	20,518	45,645		18,052	147,265	XXX
Bonds - Public Utilities														
448814-DX-8	HYDRO-QUEBEC 8.4%	01/14/1999	SALOMON BROTHERS		913,522	750,000	841,732	838,736		59	74,786		31,325	
482620-AT-8	K N ENERGY 6.45%	07/14/1999	SMITH BARNEY		342,430	350,000	349,377	349,527	61			7,097	19,628	
69361*-BF-4	PSEG CAPITAL MTN 9.93% 5/10/99	05/10/1999	MATURITY		1,200,000	1,200,000	1,395,300	1,200,000		14,246			47,955	
Subtotal - Bonds - Public Utilities														
3899999					2,455,952	2,300,000	2,586,409	2,388,263	61	14,305	74,786	7,097	98,908	XXX
Bonds - Industrial and Miscellaneous														
00105K-AK-5	AFG RECEIV CMO 97-B A 6.2% 2/15/		PRINCIPAL RECEIPT		673,775	673,775	677,144	673,775		3,369			16,919	

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
030732-AA-9	AMERUS LIFE 6.95% 6/15/	11/10/1999	Dain Bosworth		430,778	470,000	469,436	469,528	58			38,750	37,887	
06606H-D8-7	BANKBOSTON NA MTN 6.375% 4/15/	01/12/1999	SALOMON BROTHERS		753,548	750,000	745,238	745,277	12		8,271		11,555	
11041R-D@-4	BRITISH AEROSPACE 8% 6/10/	06/10/1999	MATURITY		1,200,000	1,200,000	1,312,992	1,200,000		10,044			46,667	
126117-AK-6	CNA FINL 6.6% 12/15/		Goldman Sachs & Co		1,284,154	1,275,000	1,266,356	1,266,429	48		17,724		10,381	
12682P-AA-2	CABLE & WIRELESS 6.375%	04/12/1999	Carroll McEntee & McGinley		730,300	725,000	721,643	722,293	172		8,007		27,731	
151313-AD-5	CENDANT	10/13/1999	MLPF&S Fixed Income Ops		842,809	850,000	866,142	863,915		2,212		21,106	61,261	
161614-AD-4	CHASE MANHATTAN 95-A A 6% 9/17/		VARIOUS		76,773	76,773	76,773	76,702	8		71		1,558	
161626-QZ-2	CHASE MTG FIN 93-E 1A4		PRINCIPAL RECEIPT		259,216	259,216	260,512	259,216		831			3,771	
161626-RR-9	CHASE MTG FIN 6.5% 4/25/2009		PRINCIPAL RECEIPT		790,698	790,698	793,787	790,698		1,964			24,127	
161626-TM-8	CHASE 1993 HII-A4 7% 7/25/2024		PRINCIPAL RECEIPT		1,557,777	1,557,777	1,565,323	1,557,777		22			32,335	
210805-CQ-8	CONTINENTAL AIRLS 6.545%	08/03/1999	Principal Receipt		643	643	643	643					20	
25766C-AK-0	DONALDSON LUFKIN MTN 6.28% 5/15/	05/10/1999	Paine Webber		499,590	500,000	500,000	500,000				410	15,264	
31331F-AX-9	FEDERAL EXPRESS 6.72% 1/15/		Principal Receipt		3,122	3,122	3,122	3,122					202	
31358P-PK-7	FNMA G-92-48H 8/25/2007 7.50%		PRINCIPAL RECEIPT		4,164,353	4,164,353	4,338,085	4,164,353		94,031			236,927	
31358R-WJ-8	FNMA G92-64-G 7% 12/25/2018		PRINCIPAL RECEIPT		4,104,455	4,104,455	4,226,306	4,104,455		35,052			164,888	
31358T-V7-1	FNMA REMIC G93-14 G 6% 6/25/		PRINCIPAL RECEIPT		161,813	161,813	160,675	161,813	1,138				2,677	
31358U-VR-4	FNMA REMIC 93-G17 G 6.5% 2/25/		PRINCIPAL RECEIPT		161,235	161,235	160,732	161,235	504				2,762	
31359G-UH-7	FNMA REMIC 94-27 PJ 6.5% 6/25/	04/29/1999	SALOMON BROTHERS		2,013,125	2,000,000	1,942,188	1,945,983	383		67,142		53,445	
31786Y-AF-7	FINGERHUT MSTR 98-2 A	03/24/1999	Chemical Bank		451,441	450,000	459,633	458,997		579		7,556	7,710	
319339-DG-9	FIRST BOSTON MTG SECURITY 7.3% 7/2		PRINCIPAL RECEIPT		1,309,727	1,309,727	1,327,326	1,309,727		15,529			37,431	
362320-BA-0	GTE 6.94%	01/11/1999	Chemical Bank		560,684	525,000	524,391	524,395			36,289		8,704	
3837H0-SM-6	GNMA REMIC 96-13 H 7%		PRINCIPAL RECEIPT		105,219	105,219	105,416	105,219		139			7,098	
42220-AA-4	CAPITAL SERVICES CORP SUBORDINATED		GHMIS DIVERSIED		3,611,000	3,611,000	3,611,000	3,611,000					266,407	
441812-GD-0	HOUSEHOLD FIN 6.5% 11/15/	02/24/1999	Morgan Stanley		279,862	275,000	274,422	274,434	6		5,428		4,816	
493063-AM-3	KEY AUTO FIN 97-2 AP 6.15% 10/15/		PRINCIPAL RECEIPT		700,063	700,063	703,783	700,063		3,719			16,729	
501044-BM-2	KROGER	02/03/1999	Goldman Sachs & Co		911,829	875,000	872,340	872,349	6		39,480		8,594	
590188-JP-4	MERRILL LYNCH	06/22/1999	Prudential		276,873	300,000	298,464	298,503	39			21,630	6,250	
597706-AT-7	Midland Realty Acceptance Corp		PRINCIPAL RECEIPT		164,161	164,161	164,289	164,161		128			2,745	
66938F-JR-6	NORWEST MTN 6.75%	06/30/1999	Goldman Sachs & Co		1,223,062	1,250,000	1,237,702	1,241,096	453			18,034	63,047	
705220-AA-9	PECO ENERGY 99-A A1 5.48% 3/01/	09/02/1999	PRINCIPAL RECEIPT		161,676	161,676	161,639	161,676	37				3,839	
71644E-AF-9	PETRO-CANADA 7% 11/15/	03/19/1999	MLPF&S Fixed Income Ops		222,178	225,000	221,353	221,364	8		814		5,031	
74046R-CY-5	PREMIER AUTO TR 95-4 A4 6% 5/06/		PRINCIPAL RECEIPT		467,319	467,319	467,611	467,319	629				4,981	
74406V-AA-4	PROVIDIAN NATL BK MTN 6.7%	09/23/1999	Prudential		265,713	275,000	274,794	274,850	27			9,137	18,834	
755111-AN-1	RAYTHEON 6.15% 11/01/	01/20/1999	MLPF&S Fixed Income Ops		539,464	525,000	523,614	523,635	6		15,829		6,727	
78388B-AA-1	SOUTHTRUST FUNDING 6.65% 11/28/13		VARIOUS		33,175	33,175	33,378	33,344		3		169	1,630	
79548K-FW-3	SALOMON BROS. 7.20% 7/25/2023		VARIOUS		1,743,388	1,743,388	1,761,366	1,759,955		93		16,568	51,969	
811845-AW-6	SEAGRAM JOSEPH E & SON 7.5% 12/15/	02/12/1999	Goldman Sachs & Co		472,536	450,000	449,217	449,220	2		23,316		5,250	
81413T-AA-5	SECURITY CAP GRP MTN 7.75% 11/15/	05/18/1999	JP Morgan Securities, Inc		532,686	525,000	524,506	524,546	32		8,140		19,553	
834182-AG-2	SOLECTRON CONV ZERO CPN 1/27/	12/31/1999	UNDEFINED		130,938	250,000	130,938	133,628	2,691			2,691	39,285	
852060-AD-4	SPRINT CAPITAL 6.875%	01/11/1999	Chemical Bank		1,294,275	1,250,000	1,276,598	1,276,574		9	17,701		13,129	
907833-AF-4	UNION PACIFIC RR 6.85%	01/04/1999	Principal Receipt		4,418	4,418	4,418	4,418					82	
911684-AA-6	US CELLULAR CONV ZERO CPN		VARIOUS		114,302	125,000	60,625	61,943	1,318		52,359			

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
911760-BT-2	US DEPT VET AFF REMIC 7% 1/15/		PRINCIPAL RECEIPT		199,756	199,756	203,252	199,756		3,462			13,293	
911760-EP-7	US DEPT VET AFF REMIC 6.5%		PRINCIPAL RECEIPT		357,284	357,284	346,733	357,284	9,466				20,491	
929308-AB-0	WPP FINANCE 6.625% 7/15/	03/04/1999	Mc Donald & Company		495,883	510,000	506,476	506,727	73			10,844	20,929	
968905-AC-3	WILLIAMS HLDGS DE	02/03/1999	Paine Webber		351,768	350,000	349,412	349,428	9		2,340		3,275	
Subtotal - Bonds - Industrial and Miscellaneous														
4599999					36,688,844	36,741,046	36,961,793	36,532,825	17,125	171,186	302,911	146,895	1,408,206	XXX
Subtotal - Bonds - Part 4														
6099997					104,253,183	99,082,792	105,388,068	104,527,870	44,896	336,538	468,396	743,082	3,105,974	XXX
Summary Item for Bonds, Columns 06 through 14 of Part 5														
6099998					50,333,952	50,239,979	50,605,014	50,591,520	24,660	38,153	200,052	457,623	807,826	XXX
Subtotal - Bonds														
6099999					154,587,135	149,322,771	155,993,082	155,119,390	69,556	374,691	668,448	1,200,705	3,913,800	XXX
Common Stock - Industrial and Miscellaneous														
20564D-10-7	COMSAT CORP SER 1	10/01/1999	Tender	2,800.000	127,400		92,731	92,731			34,669			146
42220*-10-6	CAPITAL SERVICES CORP EQUITY SHARE	12/01/1999	GHMIS DIVERSIED	1389000.000	1,389,000		1,389,000	1,389,000						52,705
922040-10-0	Vanguard Institutional Index Fund		Vanguard Group	196,008.000	24,192,389		20,776,688	20,776,688			3,415,701			58,803
Subtotal - Common Stock - Industrial and Miscellaneous														
6899999					25,708,789	XXX	22,258,419	22,258,419			3,450,370			111,654
Subtotal - Common Stock - Part 4														
7099997					25,708,789	XXX	22,258,419	22,258,419			3,450,370			111,654
Summary Item for Common Stock, Columns 07 through 14 of Part 5														
7099998					5,043,306	XXX	5,174,105	5,174,105			547,189	677,987		38,615
Subtotal - Common Stock														
7099999					30,752,095	XXX	27,432,524	27,432,524			3,997,559	677,987		150,269

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1		2	3	4	5	6	7	8	9	10	11	12	13	14
CUSIP Identifi- cation	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year
Subtotal - Preferred and Common Stock														
7199999					31,291,318	XXX	27,972,449	27,972,449			4,024,462	705,593		158,997
Total - Bonds, Preferred and Common Stock														
7299999					185,878,453	XXX	183,965,531	183,091,839	69,556	374,691	4,692,910	1,906,298	3,913,800	158,997

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

CUSIP Identification	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Cost to Company	Consideration	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest and Dividends Received During Year	Paid For Accrued Interest and Dividends
Bonds - U.S. Governments															
36210E-KP-3	GNMA 6.50 12/15/28	Various	UNDEFINED		VARIOUS	3,269,891	3,157,999	3,134,634	3,158,075	76			23,442	29,508	13,579
912810-DA-3	United States Treas Bonds 11.625	Various	VARIOUS	11/08/1999	Herzog Heine Geduld	1,375,000	1,591,941	1,586,406	1,587,006		4,935		600	76,881	64,261
912810-DM-7	U.S. Treasury Notes 11.625%	Various	VARIOUS	10/13/1999	HSBC Securities	575,000	715,514	709,227	713,003		2,510		3,777	27,428	20,036
912810-DZ-8	U.S Treasury Bonds 8.875%	Various	VARIOUS		VARIOUS	3,775,000	4,669,227	4,726,070	4,668,020		1,206	58,050		62,547	48,137
912810-EE-4	US TREAS BD 8.5% 2/15/20	Various	VARIOUS		VARIOUS	7,950,000	10,266,880	10,293,976	10,262,194		4,686	31,782		149,766	122,892
912810-FF-0	US TREAS NT 5.25% 11/15/	06/23/1999	Merrill Lynch		VARIOUS	1,800,000	1,596,938	1,593,660	1,597,139	202			3,479	17,441	10,015
912827-2P-6	US TREAS NT 6.625%	01/12/1999	Lehman Brothers	01/14/1999	Lehman Brothers	1,900,000	2,005,242	1,996,039	2,005,074		168		9,035	36,656	35,964
912827-2Y-7	US TREAS NT 6.25% 6/30/02	01/21/1999	Lehman Brothers	01/25/1999	SALOMON BROTHERS	1,450,000	1,520,801	1,517,855	1,520,590		211		2,734	6,259	5,257
912827-3T-7	US TREAS NT	Various	VARIOUS	06/23/1999	Barclays Dezoete	517,475	495,889	516,052	496,786	898		19,266		8,992	9,000
912827-3Z-3	US TREAS NT 5.5%	Various	VARIOUS		VARIOUS	1,575,000	1,585,730	1,575,682	1,585,664		67		9,982	25,399	17,079
912827-Z6-2	US TREAS NT 6.5% 10/15/	Various	CS First Boston		VARIOUS	1,100,000	1,186,717	1,177,249	1,186,326		391		9,078	24,410	19,361
912833-CH-1	US TREAS STRIP INT	01/25/1999	Merrill Lynch	01/26/1999	Greenwich Capital Markets	1,375,000	1,134,292	1,138,500	1,134,442	150		4,058			
912833-CY-4	US TREAS STRIP INT 8/15/	Various	SALOMON BROTHERS	06/23/1999	Merrill Lynch	3,675,000	1,870,408	1,854,662	1,876,079	5,670			21,417		
912833-JV-3	US TREAS STRIP INT 11/15/	06/07/1999	Greenwich Capital Markets	07/21/1999	Goldman Sachs & Co	1,850,000	914,344	934,139	921,255	6,911		12,884			
Subtotal - Bonds - U.S. Governments															
0399999						32,187,366	32,711,922	32,754,151	32,711,653	13,907	14,174	126,040	83,544	465,287	365,581
Bonds - Special Revenue, Special Assessment															
* * * US															
3128G9-DT-3	FHLMC POOL #E74614 5.5% 2/01/	01/25/1999	CS First Boston		VARIOUS	2,475,000	2,430,334	2,424,904	2,430,519	185			5,615	17,749	9,075
31376M-3H-3	FNMA POOL #360000	03/12/1999	Vining-Sparks IBG	11/25/1999	PRINCIPAL RECEIPT	1,000,000	1,016,641	1,000,000	1,000,000		16,641			62,075	2,000
Subtotal - Bonds - Special Revenue, Special Assessment															
3199999						3,475,000	3,446,975	3,424,904	3,430,519	185	16,641		5,615	79,824	11,075
Bonds - Industrial and Miscellaneous															
030732-AA-9	AMERUS LIFE 6.95%	07/22/1999	Goldman Sachs & Co	11/10/1999	Dain Bosworth	300,000	285,222	274,965	285,820	598			10,855		2,143
039006-AK-7	ARCADIA AUTO 97-C A5 6.55% 6/15/	01/11/1999	JP Morgan Securities, Inc	06/18/1999	BA Securities	200,000	202,445	200,000	202,171		274		2,171	6,659	946
099724-AC-0	BORG WARNER AUTO 7.125%	02/22/1999	MLPF&S Fixed Income Ops	02/23/1999	Paine Webber	850,000	838,117	852,431	838,117			14,314		168	
184502-AB-8	CLEAR CHANNEL COMMUN 2.625% 4/01/	06/02/1999	CS First Boston		UAT Added	300,000	378,750	416,420	376,027		2,723	40,392		5,265	1,334
3133TH-G8-4	FHLMC REMIC 2102 PE 6.5%	04/15/1999	SALOMON BROTHERS	07/20/1999	Nomura	1,275,000	1,264,641	1,199,048	1,264,746	105			65,698	25,093	3,223

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

CUSIP Identification	Description	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Cost to Company	Consideration	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	14 Interest and Dividends Received During Year	15 Paid For Accrued Interest and Dividends
3133TJ-3F-8	FHLMC REMIC 2111 PL 6.5% 1/15/	05/14/1999	SALOMON BROTHERS	07/20/1999	Nomura	370,000	355,605	346,846	355,721	116			8,875	5,278	868
3133TJ-3X-9	FHLMC REMIC 2111 UD 6% 12/15/	02/18/1999	SALOMON BROTHERS	04/23/1999	CS First Boston	1,675,000	1,677,028	1,680,627	1,676,827		202	3,800		22,892	4,746
3133TJ-DZ-3	FHLMC REMIC 2126 GE 6% 2/15/	02/26/1999	SALOMON BROTHERS	04/23/1999	CS First Boston	1,586,000	1,587,859	1,591,266	1,587,705		154	3,561		21,675	6,608
3133TJ-F9-9	FHLMC REMIC 2128 PG 5.75% 5/15/	02/26/1999	SALOMON BROTHERS	04/22/1999	Nationsbank	1,700,000	1,683,332	1,683,664	1,683,591	259		73		21,994	6,788
31359K-B4-8	FNMA REMIC 96-M6 A FLT 8/17/	02/19/1999	Suntrust Capital	03/04/1999	Suntrust Capital	1,631,613	1,659,146	1,659,146	1,658,540		607	607		6,020	6,020
31359R-AQ-5	FNMA REMIC 97-79 PL 6.85% 12/18/	05/17/1999	SALOMON BROTHERS	09/01/1999	Credit Suisse	1,000,000	986,562	945,312	986,636	73			41,324	22,833	3,044
432848-AL-3	HILTON HOTELS CONV 5% 5/15/	05/25/1999	JP Morgan Securities, Inc		VARIOUS	425,000	406,938	328,256	408,036	1,099			79,780	11,483	590
571900-AH-2	MARRIOTT INTL CONV ZERO CPN 3/25/	Various	VARIOUS	11/08/1999	Spin-Off	775,000	606,250	611,689	611,970	5,720			282		
59000G-AA-8	MERITOR AUTO 6.8%	02/24/1999	Morgan Stanley		VARIOUS	275,000	273,771	271,349	273,772	2			2,423	349	
61688A-AX-6	MORGAN J P MTN	01/25/1999	JP Morgan Securities, Inc	02/03/1999	Nationsbank	600,000	595,050	598,980	595,058	8		3,922		800	
676220-AB-2	OFFICE DEPOT ZERO CPN 11/01/	05/20/1999	JP Morgan Securities, Inc	09/14/1999	DB Clearing Services	475,000	390,094	318,250	392,677	2,584			74,427		
861012-AA-0	STMicroelectronics NV Conv	Various	VARIOUS	11/08/1999	Sutro & Co	200,000	250,950	250,950	249,018		1,932	1,932		107,250	
90333E-AA-6	USEC	01/20/1999	MLPF&S Fixed Income Ops	01/27/1999	MLPF&S Fixed Income Ops	750,000	748,095	753,510	748,099	4		5,411		966	
94106L-AA-7	WASTE MANAGEMENT CONV 4% 2/01/	05/13/1999	Goldman Sachs & Co	08/10/1999	Goldman Sachs & Co	190,000	256,262	172,188	254,817		1,446		82,629	3,990	340
Subtotal - Bonds - Industrial and Miscellaneous															
4599999						14,577,613	14,446,117	14,154,897	14,449,348	10,568	7,338	74,012	368,464	262,715	36,650
Subtotal - Bonds															
6099998						50,239,979	50,605,014	50,333,952	50,591,520	24,660	38,153	200,052	457,623	807,826	413,306
Preferred Stock - Industrial and Miscellaneous															
02637G-20-0	AMERICAN GEN DEL \$3 SER A CONV PFD	05/28/1999	Goldman Sachs & Co	09/03/1999	Standard & Poors Sec	1,500,000	137,059	134,382	137,059				2,677	1,500	
151313-30-1	CENDANT CORP 7.5% CONV PFD	05/21/1999	Standard & Poors Sec	12/27/1999	UAT Added	4,250,000	132,579	150,615	132,579			18,036		3,984	
456867-20-9	INGERSOLL-RAND 6.75% CV PFD	07/21/1999	Merrill Lynch	10/27/1999	Merrill Lynch	5,000,000	147,125	122,196	147,125				24,929	2,109	
58440J-40-1	Media One Group	10/27/1999	Nationsbank	12/17/1999	UAT Added	1,250,000	123,162	132,030	123,162			8,867		1,135	
Subtotal - Preferred Stock - Industrial and Miscellaneous															
6399999							539,925	539,223	539,925			26,903	27,606	8,728	

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
CUSIP Identification	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Cost to Company	Consideration	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest and Dividends Received During Year	Paid For Accrued Interest and Dividends
Subtotal - Preferred Stock														
6599998						539,925	539,223	539,925			26,903	27,606	8,728	
Common Stock - Industrial and Miscellaneous														
02341W-10-3	Various	VARIOUS	12/20/1999	UAT Added	9,300.000	116,029	151,236	116,029			35,207		1,274	
029899-10-1	Various	VARIOUS		UAT Added	6,800.000	181,479	247,253	181,479			65,773		4,224	
085789-10-5	Various	VARIOUS		UAT Added	9,300.000	123,408	135,682	123,408			12,274		2,670	
096761-10-1	Various	VARIOUS	10/18/1999	Prudential	6,000.000	114,019	89,867	114,019				24,151	1,053	
147528-10-3	Various	VARIOUS	12/21/1999	UAT Added	15,400.000	209,606	165,136	209,606				44,470	432	
171340-10-2	Various	VARIOUS	12/30/1999	UAT Added	5,300.000	115,828	144,445	115,828			28,618		1,021	
203900-10-5	Various	VARIOUS		Piper Jaffray	9,400.000	116,050	112,270	116,050				3,780	940	
216831-10-7	Various	VARIOUS	12/29/1999	UAT Added	3,500.000	85,174	51,230	85,174				33,945	1,060	
218412-10-4	Various	Execution Serv., Inc.	10/08/1999	BANKERS TRUST	3,800.000	169,824	114,133	169,824				55,691	740	
235204-10-4	Various	VARIOUS	12/31/1999	UAT Added	2,800.000	131,859	179,054	131,859			47,195		330	
254290-10-2	Various	VARIOUS	12/14/1999	UAT Added	4,200.000	88,272	70,138	88,272				18,135	1,308	
26816L-10-2	05/05/1999	Standard & Poors Sec	09/14/1999	Execution Serv., Inc.	1,200.000	20,901	26,947	20,901			6,046		30	
337930-10-1	Various	VARIOUS	12/29/1999	UAT Added	6,400.000	165,650	95,997	165,650				69,653	1,280	
341140-10-1	05/28/1999	Execution Serv., Inc.	12/29/1999	UAT Added	2,100.000	83,482	67,618	83,482				15,865	472	
42217K-10-6	Various	Execution Serv., Inc.		VARIOUS	5,900.000	140,512	115,683	140,512				24,829	3,363	
423452-10-1	Various	VARIOUS	12/29/1999	UAT Added	6,800.000	175,722	132,672	175,722				43,050	1,351	
435569-10-8	Various	VARIOUS	12/21/1999	UAT Added	7,800.000	112,290	98,252	112,290				14,038	2,145	
440452-10-0	Various	VARIOUS	12/30/1999	UAT Added	2,300.000	84,259	93,319	84,259			9,061		726	
466210-10-1	Various	VARIOUS	11/23/1999	Dain Bosworth	3,100.000	54,023	36,797	54,023				17,226	14	
492386-10-7	Various	VARIOUS	12/31/1999	UAT Added	2,400.000	112,231	142,075	112,231			29,844		2,070	
542290-40-8	05/10/1999	PCS Securities	09/08/1999	BANKERS TRUST	2,900.000	108,435	142,396	108,435			33,961		290	
546347-10-5	05/27/1999	Execution Serv., Inc.	12/29/1999	UAT Added	3,900.000	83,801	51,961	83,801				31,840	1,092	
55305B-10-1	Various	VARIOUS		UAT Added	4,200.000	88,380	57,121	88,380				31,259	400	
571903-20-2	11/08/1999	Spin-Off	11/23/1999	Spin-Off	13,578.000	544,403	447,388	544,403				97,015		
59000G-10-0	Various	VARIOUS		UAT Added	5,100.000	127,642	96,719	127,642				30,924	1,040	
688239-20-1	Various	VARIOUS	12/30/1999	UAT Added	8,000.000	184,400	237,992	184,400			53,592		1,915	
74264N-10-5	Various	VARIOUS	05/21/1999	PCS Securities	6,600.000	137,324	86,922	137,324				50,402		
769742-10-7	Various	VARIOUS	12/31/1999	UAT Added	8,000.000	152,166	170,110	152,166			17,945		1,005	
808655-10-4	Various	VARIOUS	12/31/1999	UAT Added	2,600.000	85,518	143,515	85,518			57,998		114	
833793-10-2	11/08/1999	Spin-Off	11/23/1999	Spin-Off	1,697.250	67,286	27,567	67,286				39,719	136	
845224-10-4	05/05/1999	Capel James Securities		VARIOUS	4,836.000	225,225	229,401	225,225			4,176		253	
872594-10-6	Various	VARIOUS	12/20/1999	UAT Added	3,500.000	115,219	143,132	115,219			27,914		2,929	
878895-20-0	05/05/1999	Baird, Robert W. & Co.	10/15/1999	Baird, Robert W. & Co.	1,700.000	104,975	75,435	104,975				29,540	1,020	
882491-10-3	05/10/1999	PCS Securities	12/30/1999	UAT Added	3,300.000	109,274	131,549	109,274			22,275		495	

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
CUSIP Identification	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Cost to Company	Consideration	Book Value at Disposal Date	Increase by Adjustment in Book Value During Year	Decrease by Adjustment in Book Value During Year	Profit on Disposal	Loss on Disposal	Interest and Dividends Received During Year	Paid For Accrued Interest and Dividends
916906-10-0	Various	VARIOUS	12/30/1999	UAT Added	3,000.000	114,080	144,037	114,080			29,957		523	
922040-10-0	04/01/1999	Vanguard Institutional Index Fund	06/16/1999	Vanguard Group	1,201.890	141,126	146,775	141,126			5,649			
922248-10-9	04/29/1999	VARLEN CORP		Piper Jaffray	4,400.000	107,800	167,504	107,800			59,704		75	
929794-10-5	05/05/1999	WACKENHUT CORP		Capel James Securities	8,400.000	190,328	189,482	190,328				846		
955306-10-5	Various	VARIOUS	12/21/1999	UAT Added	2,600.000	86,105	84,496	86,105				1,609	825	
Subtotal - Common Stock - Industrial and Miscellaneous														
6899999						5,174,105	5,043,306	5,174,105			547,189	677,987	38,615	
Subtotal - Common Stock														
7099998						5,174,105	5,043,306	5,174,105			547,189	677,987	38,615	
Subtotal - Preferred and Common Stock														
7199999						5,714,030	5,582,529	5,714,030			574,092	705,593	47,343	
Total - Bonds, Preferred and Common Stock														
7299999						56,319,044	55,916,481	56,305,550	24,660	38,153	774,144	1,163,216	855,169	413,306

41.3

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

CUSIP Identification	1 Description Name of Subsidiary, Controlled or Affiliated Company	2 NAIC Company Code or Alien Insurer Identification Number	3 NAIC Valuation Method (See SVO Purposes and Procedures manual)	4 Do Insurer's Admitted Assets Include Intangible Assets connected with Holding of Such Company's Stock?	5 If Yes, Amount of Such Intangible Assets	6 Statement Value	Stock of Such Company Owned by Insurer on Statement Date	
							7 Number of Shares	8 % of Outstanding
Common Stock - Other Affiliates								
	The GHMSI Companies, Inc.	N/A	Z	No.	N/A		25,000.000	100.000
	International Health Benefits(Ireland), Ltd	N/A	Z	No.	N/A		127,900.000	100.000
	Access America, Inc.	N/A	Z	No.	N/A		10,000.000	100.000
	Subtotal - Common Stock - Other Affiliates						XXX	XXX
1599999								
Subtotal - Common Stock							XXX	XXX
1699999								
Total - Preferred And Common Stock							XXX	XXX
1799999								

Amount of insurer's capital and surplus from the prior year's annual statement \$.....

SCHEDULE D - PART 6 - SECTION 2

CUSIP Identification	1 Name of Lower-tier Company	2 Name of Company Listed in Section 1 Which Controls Lower-tier Company	3 Amount of Intangible Assets Included in Amount Shown in Column 5, Section 1	Stock in Lower-tier Company Owned Indirectly by Insurer on Statement Date	
				4 Number of Shares	5 % of Outstanding
Common Stock					
13985#-10-8	CapitalCare, Inc	The GHMSI Companies, Inc		4,000.000	100.000
13973#-10-2	Capital Area Services Company, Inc	The GHMSI Companies Inc		1,000.000	100.000
63516#-10-1	National Capital Administrative Services, Inc.	The GHMSI Companies, Inc		4,000.000	100.000
63517-@-10-2	National Capital Insurance Agency, Inc	The GHMSI Companies, Inc		20,000.000	100.000
	National Capital Reinsurance, Ltd.	The GHMSI Companies, Inc		1,000,000.000	100.000
	Subtotal - Common Stock			XXX	XXX
0299999					
Total - Preferred And Common Stock				XXX	XXX
0399999					

SCHEDULE DA - PART 1

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Date Acquired	4 Name of Vendor	Interest		Date of Maturity		9 Book Value	10 Increase or (Decrease) by Adjustment in Book Value During Year	11 Par Value	12 Rate Used to Obtain State- ment Value	13 Statement Value	14 Actual Cost	Interest		17 Paid for Accrued Interest	18 NAIC Design- ation	19 Effective Rate of Interest
				5 Rate Of	6 How Paid	7 Year	8 Mo							15 Amount Due and Accrued Dec. 31 of Current Year On Bonds Not In Default	16 Gross Amount Received			
Industr. & Misc. (Unaffiliated) - Issuer Obligations																		
0660PO-AC-7	Bankamerica CP	10/1999	SALOMON BROTHERS	0.0000	MAT R	2000	01	1,497,079	21,970	1,500,000	AV	1,497,079	1,475,108				1Z	6.023
07389A-99-6	BEAR STEARNS CP	12/1999	Bear Stearns	0.0000	MAT R	2000	01	199,002	74	200,000	AV	199,002	198,928				1Z	6.897
07389A-AT-0	Bear Stearns CP	09/1999	UNDEFINED	0.0000	MAT R	2000	01	995,579	18,290	1,000,000	AV	995,579	977,289				1Z	6.085
17177J-AJ-8	Ciesco LP CP	09/1999	UNDEFINED	0.0000	MAT R	2000	01	1,495,668	23,602	1,500,000	AV	1,495,668	1,472,066				1Z	5.955
30229A-A3-3	EXXON CORP CP	12/1999	BANKERS TRUST	0.0000	MAT R	2000	01	2,998,662	1,783	3,000,000	AV	2,998,662	2,996,879				1Z	5.499
313384-VS-5	FED HOME LOAN BK BONDS	12/1999	ABN Amro	0.0000	MAT R	2000	04	7,115,206		7,250,000	COST	7,115,206	7,115,206				1	5.997
34539T-AB-1	Ford Motor Credit CP	10/1999	Bear Stearns	0.0000	MAT R	2000	01	1,497,336	20,973	1,500,000	AV	1,497,336	1,476,364				1Z	5.822
37042D-AJ-2	GMAC CP	10/1999	Deutsche Bank Govt Sec	0.0000	MAT R	2000	01	1,994,019	20,794	2,000,000	AV	1,994,019	1,973,225				1	6.173
42804A-AA-5	Hertz Corp CP	10/1999	Nomura	0.0000	MAT R	2000	01	1,497,566	21,008	1,500,000	AV	1,497,566	1,476,558				1Z	6.020
49833L-AU-7	KITTYHAWK FDG CORP	11/1999	Nationsbank	0.0000	MAT R	2000	01	1,843,455	13,953	1,852,000	AV	1,843,455	1,829,501	14,290			1Z	5.910
59018J-AK-0	Merrill Lynch CP	10/1999	Merrill Lynch	0.0000	MAT R	2000	01	1,893,988	22,298	1,900,000	AV	1,893,988	1,871,690				1Z	6.189
59087A-AX-7	MET LIFE FDG INC	11/1999	Nationsbank	0.0000	MAT R	2000	01	1,989,757	18,370	2,000,000	AV	1,989,757	1,971,387	18,747			1Z	5.920
70467L-AQ-5	Peacock Funding CP	10/1999	Bank Of New York	0.0000	MAT R	2000	01	1,892,293	21,350	1,900,000	AV	1,892,293	1,870,943				1Z	6.286
72702*-11-8	PLAN INVESTMENT FUND	05/1998	PLAN INVESTMENT FUND	5.5000	MTLY	2000	04	2,000,000		2,000,000	COST	2,000,000	2,000,000		97,411		1	5.500
89346U-AE-9	TRANSAMERICA ASSET FDG CORP I	11/1999	ASSET ALLOCATION	0.0000	MAT R	2000	01	1,995,300	15,366	2,000,000	AV	1,995,300	1,979,933	15,719			1Z	6.020
Subtotal - Industr. & Misc. (Unaffiliated) - Issuer Obligations																		
3999999								30,904,910	219,831	31,102,000	XXX	30,904,910	30,685,077	48,756	97,411		XXX	XXX
Subtotal - Industrial and Miscellaneous (Unaffiliated)																		
4599999								30,904,910	219,831	31,102,000	XXX	30,904,910	30,685,077	48,756	97,411		XXX	XXX
Subtotal - Issuer Obligations																		
5499999								30,904,910	219,831	31,102,000	XXX	30,904,910	30,685,077	48,756	97,411		XXX	XXX

SCHEDULE DA - PART 1

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	3 Date Acquired	4 Name of Vendor	Interest		Date of Maturity		9 Book Value	10 Increase or (Decrease) by Adjustment in Book Value During Year	11 Par Value	12 Rate Used to Obtain State- ment Value	13 Statement Value	14 Actual Cost	Interest		17 Paid for Accrued Interest	18 NAIC Desig- nation	19 Effective Rate of Interest
				5 Rate Of	6 How Paid	7 Year	8 Mo							15 Amount Due and Accrued Dec. 31 of Current Year On Bonds Not In Default	16 Gross Amount Received			
Subtotal - Bonds																		
6099999								30,904,910	219,831	31,102,000	XXX	30,904,910	30,685,077	48,756	97,411		XXX	XXX
Exempt Money Market Mutual Funds																		
997350-9A-3	CrestFunds-US Treasury Fund	Various	Crestar	5.5000	MTLY	2000	09	13,992,340		13,992,340	Cost	13,992,340	13,992,340	101,867	158,341		1	4.100
997471-9A-7	OneGroup-US Treas MM Fund	Various	BankOne	5.5000	MTLY	2000	12	152,766		152,766	Cost	152,766	152,766	381	2,320		1	4.300
997470-9A-9	Capitoline U.S. Govt. Sec Mny Fund	10/1999	Crestar	5.5000	MTLY	2000	06	950,036		950,036	Cost	950,036	950,036	4,499	4,537		1Z	5.587
Subtotal - Exempt Money Market Mutual Funds																		
7799999								15,095,142		XXX	XXX	15,095,142	15,095,142	106,747	165,198		XXX	XXX
Grand Total Short-term Investments																		
8099999								46,000,052	(a) 219,831	XXX	XXX	46,000,052	45,780,219	155,503	262,609		XXX	XXX

43.1

(a) Includes \$..... other than accrual of discount and amortization of premium.

SCHEDULE DA - PART 2

Verification of SHORT-TERM INVESTMENTS Between Years

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book value, prior year	55,091,842	55,091,842			
2. Cost of short-term investments acquired	367,257,169	367,257,169			
3. Increase by adjustment in book value	1,227,867	1,227,867			
4. Profit on disposal of short-term investments	338	338			
5. Subtotals (TOTAL of Lines 2 to 4)	368,485,374	368,485,374			
6. Consideration received on disposal of short-term investments	377,576,737	377,576,737			
7. Decrease by adjustment in book value	419	419			
8. Loss on disposal of short-term investments	8	8			
9. Subtotals (TOTAL of Lines 6 to 8)	377,577,164	377,577,164			
10. Book value, current year	46,000,052	46,000,052			
11. Income collected during year	2,498,681	2,498,681			
12. Income earned during year	2,559,382	2,559,382			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

45	Schedule DB Part A Section 1	NONE
	Schedule DB Part A Section 2	NONE
46	Schedule DB Part A Section 3	NONE
	Schedule DB Part A Section 4	NONE
47	Schedule DB Part B Section 1	NONE
	Schedule DB Part B Section 2	NONE
48	Schedule DB Part B Section 3	NONE
	Schedule DB Part B Section 4	NONE
49	Schedule DB Part C Section 1	NONE
	Schedule DB Part C Section 2	NONE
50	Schedule DB Part C Section 3	NONE
	Schedule DB Part C Section 4	NONE

SCHEDULE DB - PART D - SECTION 1

Showing All Futures Contracts Open December 31 of Current Year

1		2	3	4			5	6	7	8			9
a	b			a	b	c				a	b	c	
Type (a)	Description	Number of Contracts	Date of Maturity	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
N O N E													
Grand Total													

SCHEDULE DB - PART D - SECTION 2

Showing All Futures Contracts Opened During Current Year

1		2	3	4	5	6	7
a Type (a)	b Description	Number of Contracts	Date of Maturity	Original Value	Date of Opening Position	Exchange or Counterparty	Net Additions to Cash Deposits
Short Futures Positions - Hedging Transactions							
H	S&P 500 SEP FUTURES	43,000	09/1999	14,646,875	05/1999	CBOT	800,000
Subtotal - Short Futures Positions - Hedging Transactions							
0599999				14,646,875	XXX	XXX	800,000
Total - Short Futures Positions							
0899999				14,646,875	XXX	XXX	800,000
Total - Hedging Transactions							
1799999				14,646,875	XXX	XXX	800,000
Total - Other Derivative Transactions							
1999999					XXX	XXX	
Grand Total							
9999999				14,646,875	XXX	XXX	800,000

SCHEDULE DB - PART D - SECTION 3

Showing All Futures Contracts Terminated During Current Year

1		2	3	4			5	6	7	8	9		
a	b			a	b	c					a	b	c
Type (a)	Description	Number of Contracts	Date of Maturity	Original Value	Termination Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Net Reduction to Cash Deposits	Termination Date	Gain/ (Loss) Recognized	Gain/(Loss) Used to Adjust Basis of Hedged Item	Gain/(Loss) Deferred
Short Futures Positions - Hedging Transactions													
H	S&P 500 SEP FUTURES	43,000	09/1999	14,646,875	14,444,375	202,500	05/1999	CBOT	800,000	06/1999	202,500		
Subtotal - Short Futures Positions - Hedging Transactions													
0599999				14,646,875	14,444,375	202,500	XXX	XXX	800,000	XXX	202,500		
Total - Short Futures Positions													
0899999				14,646,875	14,444,375	202,500	XXX	XXX	800,000	XXX	202,500		
Total - Hedging Transactions													
1799999				14,646,875	14,444,375	202,500	XXX	XXX	800,000	XXX	202,500		
Total - Other Derivative Transactions													
1999999							XXX	XXX		XXX			
Grand Total													
9999999				14,646,875	14,444,375	202,500	XXX	XXX	800,000	XXX	202,500		

(a) Indicate type of transaction: (H = Hedging or O = Other).

SCHEDULE DB - PART D - SECTION 4

Verification Between Years of Aggregate Write-in Book Value on Futures Contracts

<p>1. Aggregate write-in book value, December 31, prior year (Section 4, Line 8, prior year) _____</p> <p>2. Change in TOTAL Variation Margin on Open Contracts (Difference between years - Section 1, Col. 4c) _____</p> <p>3. Change in Variation Margin on Open Contracts used to Adjust Basis of Hedged Item (Difference between years - Section 1, Column 8b) _____</p> <p>4. a. Variation Margin on Contracts Terminated During the Year (Section 3, Column 4c) _____</p> <p style="padding-left: 20px;">b. Less:</p> <p style="padding-left: 40px;">(i) Gain/(Loss) Recognized in Current Year (Section 3, Column 9a) _____</p> <p style="padding-left: 40px;">(ii) Gain/(Loss) Used to Adjust Basis of Hedge (Section 3, Column 9b) _____</p> <p style="padding-left: 20px;">c. Subtotal (Line 4a minus Line 4b) _____</p>	<p>5. a. Net Additions to Cash Deposits (Section 2, Column 7) _____</p> <p style="padding-left: 20px;">b. Less: Net Reductions to Cash Deposits (Section 3, Column 7) _____</p> <p>6. Subtotal (Line 1 - Line 2 + Line 3 - Line 4c + Line 5) NONE _____</p> <p>7. Disposition of Gain / (Loss) on Contracts Terminated in Prior Year:</p> <p style="padding-left: 20px;">a. Recognized _____</p> <p style="padding-left: 20px;">b. Used to Adjust Basis of Hedged Item _____</p> <p>8. Aggregate write-in book value, December 31, current year (Lines 6 + 7) _____</p>
--	--

53	Schedule DB Part E Section 1	NONE
	Schedule DB Part E Section 2	NONE
54	Schedule DB Part F Section 1	NONE
55	Schedule DB Part F Section 2	NONE

SCHEDULE E - PART 1 - CASH

1		2	3	4	5
Depository		Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance
Open Depositories					
Banker's Trust	Delaware				(10,749,519)
Crestar Bank	Washington, D.C.				(424,880)
Mellon Bank	Pennsylvania				288,119
Bank of America	California				(107,946)
Wachovia Bank	North Carolina				(2,054,787)
First Union Bank	Maryland				(17,392,250)
Cash held by Custodian	Washington, D.C.				8,599,775
0199998 Deposits in ... depositories < \$100,000		XXX	6,490	175	200,000
Totals - Open Depositories					
0199999		XXX	6,490	175	(21,641,488)
Total Cash On Deposit					
0399999		XXX	6,490	175	(21,641,488)
Cash In Company's Office					
0499999		XXX	XXX	XXX	900
Total Cash					
0599999		XXX	6,490	175	(21,640,588)

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	186,992	4. April	183,875	7. July	4,198,492	10. October	1,506,904
2. February	190,069	5. May	(39,561)	8. August	(862,644)	11. November	622,349
3. March	181,613	6. June	(36,087)	9. September	6,777,175	12. December	(21,640,588)

57 Schedule E-Spec. Dep NONE

SCHEDULE H - PART 5 - HEALTH CLAIMS

	1	2	3	4
	Medical	Dental	Other	Total
A. Direct:				
1. Claims Incurred	939,554,320	10,353,031	25,866,296	975,773,647
2. Beginning Claim Reserve	117,267,987	1,181,440	2,153,539	120,602,966
3. Ending Claim Reserve	153,611,142	1,057,601	3,810,934	158,479,677
4. Claims Paid	903,211,165	10,476,870	24,208,901	937,896,936
B. Assumed Reinsurance:				
5. Claims Incurred				
6. Beginning Claim Reserve				
7. Ending Claim Reserve				
8. Claims Paid				
C. Ceded Reinsurance:				
9. Claims Incurred				
10. Beginning Claim Reserve				
11. Ending Claim Reserve				
12. Claims Paid				
D. Net:				
13. Claims Incurred	939,554,320	10,353,031	25,866,296	975,773,647
14. Beginning Claim Reserve	117,267,987	1,181,440	2,153,539	120,602,966
15. Ending Claim Reserve	153,611,142	1,057,601	3,810,934	158,479,677
16. Claims Paid	903,211,165	10,476,870	24,208,901	937,896,936

SCHEDULE I

Showing the name and address of all contracting hospitals of the Corporation

1 Name	2 Address
Adelin Medical Centre	P.O. Box 1123 St John's Antigua West Indies
Albertinen Krankenhaus	Suntelstrasse 11A 2200 Hamburg 61 Germany
Alexandria Hospital	4320 Seminary Road Alexandria, Virginia 22314
Anne Arundel Medical Center	64 Franklin St. Annapolis, MD 21401
Apollo Hospital	No. 21 Greams Lane Madras 600 006, India
Arlington Hospital	1701 North George Mason Drive Arlington, Virginia 22205
Ashford Community Hospital	55 Anzac Highway Ashford, South Australia 5035 Australia
Assuta Hospital	62 Jabutinski Street Tel Aviv 62487, Israel
Baulkam Hills Private Hospital	499 Windsor Rd Baulkam Hills, New South Wales 2153 Australia
Bicton Private Hospital	6157 Preston Point Road Bicton, West Australia, Australia
Blackheath Hospital	40-42 Lee Terrace London SE3 9UD England
Bon Secours Hospital	College Road Cork City, Ireland
Burnie Northwestern General Hospital	Edwards Street Cairns, Queensland 4870 Australia
Burnside War Memorial Hospital	Kensington Road Toorak Gardens, South Australia 5065 Australia
Calvary Hospital	Strangways Terrace North Adelaide, South Australia 5005 Australia
Calvary Private Hospital	Abbott Street Cairns, Queensland 4870 Australia
Calvary Private Hospital	Lewisham Street Wagga Wagga, New South Wales 2650 Australia
Calvert Memorial Hospital	100 Hospital Road Prince Frederick, Maryland 20678
Carmel Medical Center	Rehov Michal 7 Haifa 34362, Israel
Casa di Cura Cellini S.P.A.	Via Cellini 5-10126 Turin, Italy
Casa di Cura Fornaca Dissessant	Corsa Vittorio Emanuele II No. 91 10128 Turin, Italy
Central Clinic and Hospital	77 Chung Hsiao East Road, Sec. 4 Taipei, Taiwan 106 Republic of China
Central Emek Hospital	Beit Holim Merkais Afula, Israel
Centre Chirurgical Pierre Cherest	5 Rue Pierre Cherest 92200 Neuilly Sur Seine, France
Centre Hospitalier Universitaire de Fort de France	Boite Postale 632 Chateau-Boef 97200 Fort-de-France Martinique
Centro Medico de Caracas	Caracas, Venezuela
Charter Behavioral Health System	14901 Brochart Rd. Rockville, MD 20850
Children's Hospital National Medical Center	111 Michigan Avenue NW Washington, DC 20010
Clementine Churchill Hospital	Sudbury Hill Harron, Middlesex HAI 3RX England
Clinica de Marly S.A.	Apartado 57187 Bogota, Columbia
Clinica Guayaquil	P.O. Box 844 Guayaquil, Ecuador
Clinica Hospital San Fernando	P.O. Box 363 Panama 9A Republic of Panama
Clinica Mare Nostrum	07012 Palma de Mallorca Isales Baleares, Spain
Clinica Quiron	Avenue Virgen de Montserrat del 5 al 11 Calle Virgen de la Salud 84 Barcelona 24, Spain
Clinica San Pablo	Urb. Las Mercedes, Esquina Calle Con La Guarita Caracas, Venezuela
Clinicia "Casa de Salud"	Dr. Manuel Candela 37 46021 Valencia, Spain
Clinicia Santa Elena	Apartado de Correos 286 Malaga, Spain
Clinique Chantereine	Rue Curie 77177 Brou-Sur-Chantereine France
Clinique Casahous	B.P. 2102 Dakar, Senegal
Clinique des Trois Quartiers	B.P. 4043 Libreville, Gabon
Clinique Generale de Sion	Rue Pre-Fleuri 16 CH 1950 Sion, Switzerland
Clinique Hubert	B.P. 2351 Dakar, Senegal
Clinique Medicale Plein Ciel et Centre de Repos Saint Basile	Avenue Doctor Maurice-Donat 06700 St. Laurent du Var Cedex, France
Clinique Mutualiste	10 Rue Rollin 44000 Nantes, France
Clinique Mutualiste	46 Avenue du Docteur Albert-Schweitzer - B.P.98, Bordeaux, France
Clinique Mutualiste "La Sagesse"	2, Rue du Para Grignon 35000 Rennes, France
Columbia Hospital for Women	2425 L Street, NW Washington, DC 20037
Commonwealth Health Center	P.O. Box 409 CK Saipan, M.P. 96950
Country Hospital	No. 61, Sec.4, Jen-Ai Road Taipei, Taiwan Republic of China
DC General Hospital	19th Street & Massachusetts Avenue, SE Washington, DC 20003

SCHEDULE I

Showing the name and address of all contracting hospitals of the Corporation

1 Name	2 Address
Doctors Community Hospital	8118 Good Luck Road Lanham, Maryland 20706
Dominion Hospital	2960 Sleepy Hollow Road Falls Church, Virginia 22044
Epworth Private Hospital	34 Erin Street Richmond, Victoria 3121 Australia
Evangelical Mission Hospital - Al Germania	23 Sharia Cornish el Nil Aswan, Egypt
Evangelisches Krankenhaus	Waldstrasse 73 5300 Bonn 2 Bad Godesberg, Germany
Fair Oaks Hospital	3600 Joseph Siewick Drive Fairfax, Virginia 22033
Fairfax Hospital	3300 Gallows Road Falls Church, Virginia 22046
Faquier Hospital	500 Hospital Drive Warrenton, Virginia 22186-3099
Fort Washington Medical Center	11711 Livingston Road Fort Washington, Maryland 20744
Frederick Memorial Hospital	400 West Seventh Street Frederick, Maryland 21701
Freemasons Private Hospital	166 Clarendon Street East Melbourne, Victoria 3002 Australia
George Washington University Medical Center	901 23rd Street, NW Washington, DC 20037
Georgetown University Hospital	3800 Reservoir Road NW Washington, DC 20007
Greater Southeast Community Healthcare System	1380 Southern Avenue, SE Washington, DC 20032
Hadassah Medical Center	Kiryat Hadassah Jerusalem, Israel
Hadley Memorial Hospital	4601 Martin Luther King Avenue, SE Washington, DC 20032
Hasharon Hospital	Rehov K.K.L. 4 Petah Tivka 49372, Israel
Highfield Hospital	Manchester Road Roch, Rochdale, England OL11 4LX
Holy Cross Hospital	1500 Forest Glen Road, Silver Spring, MD 20910
Hospital Britanico de Buenos Aires	Perdriel 74 C.P. 1280 Capital Federal Buenos Aires, Argentina
Hospital Clinica Catolica de la Purisma	Apartado 3184-1000 San Jose, Costa Rica
Hospital Coromoto	Avenida 3C No. 51 Urbanizacion Virginia Apartado Postal No. 422 Maracaibo, Venezuela
Hospital de Clinicas Caracas, C.A.	Ave. Panteon con Alemeda San Bernadino Caracas, Venezuela
Hospital for Sick Children	1731 Bunker Hill Road NE Washington, DC 20017
Hospital Herrera Llerandi	Sa. Avenida 8-71 Zona 10 Guatemala City, Guatemala
Hospital Metropolitano	Casilla N. 8115 Quito, Ecuador
Hospital Saint Louis	Rue Luz Soriano, 182 1200 Lisbon, Portugal
Hospital Samaritano	Rua Conselhiero Brotero, 1486 CEP 01232 San Paulo, Brazil
Hospital Viera, S.A.	Apartado Postal #322 Tegucigalpa, Honduras
Hospital Vozandes Quito	Casilla 691 Quito, Ecuador
Howard County General Hospital	5755 Cedar Lane Columbia, Maryland 21044
Howard University Hospital	2041 Georgia Avenue, NW Washington, DC 20060
Institut Arnault Tzanck	Boite Postale No. 47 06702 Saint Laurent du Var Cedex, France
Institut Dexeus	Paseo de la Bonanova, 67 Barcelona 17, Spain
Kangdong Sungshim General Hospital	445 Kildong, Knagdong-ku Seoul 134, South Korea
Kaplan Hospital	Rehovoth, Egypt
Klinik Beau-Site	Bern, Switzerland
Klinik St. Anna	CH-6006 Luzern, Switzerland
Kobe Kaisei Hospital	11-15 3-chome, Shincharakitamachi Nada-ku Kobe, Japan 657
Launceston General Hospital	Charles Street Launceston, Tasmania Australia
Laurel Regional Hospital	7300 Van Dusen Road Laurel, Maryland 20707
Lingard Private Hospital	23 Merewether Street Merewether, New South Wales 2291 Australia
Marienkrankenhaus	August-Antz-Strasse 22 5500 Trier-Ehrang Germany
Marigot Hospital	Marigot Commonwealth of Dominica
Mary Washington Hospital	1001 Sam Perry Blvd. Fredericksburg, VA
Mater Misericordiae Hospital	Mackay, Queensland, Australia
Mater Misericordiae Hospital	Raymond Terrace South Brisbane, Queensland 4101 Australia
Mater Misericordiae Private Hospital	Pacific Highway North Sydney, New South Wales 2060 Australia
McCormick Hospital	P.O. Box 55 Chiang Mai, Thailand 5000
Memorial Hospital	Pennington Terrace North Adelaide, South Australia 5006 Australia
Montgomery General Hospital	18101 Prince Philip Drive Olney, Maryland 20832-9990
Mount Hospital	Riverside Drive Perth, West Australia 6000 Australia
Mount Vernon Hospital	2501 Parker's Lane Alexandria, Virginia 22306
National Rehabilitation Center	102 Irving Street, NW Washington, DC 20010-2949
Nile Badrawi Hospital	Corniche El Nil Maadi Road, P.O. Box 611 Maadi, Egypt
North Arundel Hospital	300 Hospital Drive, Glen Burnie, Maryland 21061
North Gosford Private Hospital	Gosford, New South Wales, Australia
Northern Virginia Community Hospital	601 S. Carlin Springs Road
Northern Virginia Mental Health	3302 Gallows Rd. Falls Church, VA 22046
Park Hospital	Sherwood Lodge Drive Arnold Nottingham NG5 8RX England
Penang Adventist Hospital	485 Burmah Road 13050 Penang Penang, Malaysia
Peninsula Private Hospital	255-265 Cranbourne Road Frankston, Victoria 3197 Australia
Civista Hospital	701 East Charles Street La Plata, Maryland 20646-1070
Polyclinic Bonanjo	P.O. Box 103 Douala, Republic of Cameroon
Polyclinique CNSS Zirovi	8 Rue d' Etretat Casablanca, Morocco
Polyclinique du Parc	SARL - Sogecere 18 ter Avenue Georges Corneaux 08013 Charleville-Mezieres Cedex, France
Polyclinique Taoufik	Boluevard du 7 Novembre 1987 El Menzah Tunis, Tunisia
Port-of-Spain Adventist Hospital	P.O. Box 767 Port-of-Spain, Trinidad
Portsmouth Hospital	Portsmouth, Commonwealth of Dominica
Potomac Hospital	2300 Opitz Blvd. Woodbridge, VA 22191
Prince George's Hospital Center	3001 Hospital Drive Cheverly, Maryland 20785
Prince William Hospital	8700 Sudley Road, Manassas, Virginia 20110
Princess Maragret Hospital	Goodwill, Roseau Commonwealth of Dominica
Princess Margaret Hospital	P.O. Box N-3729 Nassau, Bahamas
Providence Hospital	1150 Varnum Street NE Washington, DC 20017
Psychiatric Institute of Washington	4228 Wisconsin Ave., N.W. Washington, D.C. 20016
Reston Hospital Center	1850 Town Center Pkwy. Reston, VA 20190
Royal Hobart Hospital	48 Liverpool Street Hobart, Tasmania 7000 Australia
Ruber Hospital	Madrid, Spain
Ruber Internacional, S.A.	La Meso, s/n Mirasierra Madrid, Spain
Sanatorio Perpetuo Socorro S.A.	Plaza Dr. Gomez Ulla No. 15 Alicante, Spain
Sanatorium der Kreuzschwern	6054 Rum, Larchenstrasse 41 Innsbruck, Austria
Shady Grove Adventist Hospital	9901 Medical Center Drive Rockville, Maryland 20850

SCHEDULE I

Showing the name and address of all contracting hospitals of the Corporation

1 Name	2 Address
Sibley Memorial Hospital	5255 Loughboro Road, NW Washington, DC 20016
SophiaHemmet A.V.	Box 5605 S-11486 Stockholm, Sweden
Soroka Medical Center	Shederot Hannessigim 84101 Beer Sheva, Israel
Southern Maryland Hospital, Inc.	7503 Surratts Road Clinton, Maryland 20735
St. Andrew's Hospital, Inc.	350 South Terrace Adelaide, South Australia 5000 Australia
St. Andrew's Private Hospital	St. Andrew's Place East Melbourne, Victoria 3002 Australia
St. Anne's Hospital	Ellesmore Street Mount Lawley, West Australia 6050 Australia
St. Johannis-Krankenhaus	Nardinistrasse 30 6790 Landstuhl, Germany
St. John of God Hospital	Cambridge Street Subiaco, West Australia 6050 Australia
St. John's Hospital	30 Cascade Street Hobart, Tasmania 7000 Australia
St. Jude Hospital	P.O. Box 331 Vieux Fort, St. Lucia
St. Vincent's Hospital	Victoria Parade Fitzroy, Victoria 3065 Australia
St. Vincent's Private Hospital	59 Victoria Parade Fitzroy, Victoria 3065 Australia
St. Vincent's Private Hospital	Victoria Street Darlinghurst, New South Wales 2010 Australia
Suburban Hospital	8600 Old Georgetown Road Bethesda, Maryland 20814
Sydney Adventist Hospital	Wahroonga, Australia
The Alfred Hospital (Public)	Commercial Road Prahan, Victoria 3181 Australia
The Avenue Hospital	40 The Avenue Windsor, Victoria 3181 Australia
Wakefield Memorial Hospital, Inc.	300 Wakefield Street Adelaide, South Australia 5000 Australia
Washington Adventist Hospital	7600 Carroll Avenue Takoma Park, Maryland 20912
Washington Hospital Center	110 Irving Street NW Washington, DC 20010
Wesley Hospital	Coronation Drive and Chesley Street Auchenflower, Queensland 4066 Australia
Western Community Hospital	Cudmore Terrace Grange, South Australia 5022 Australia
Yoseftal Medical Center	Beit Holim 88104 Eliat, Israel
ZZ1. In the past, this Schedule has displayed, in addition to the Corporation's contracting	
ZZ1.1 some health care facilities other than hospitals that contract with the Corporation.	
ZZ1.2 The Schedule now reflects only the Corporation's contracting hospitals.	

SCHEDULE L - PART 1 SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payments to Providers That Rendered Health Care Services Grouped by
Provider Type and Payment Method

1 Payment Method	2 Direct Medical Expense Payment	3 Column 2 as a % of Total	4 Total Members Covered	5 Column 4 as a % of Total
Capitation Payments:				
1. Medical Group				
2. Intermediary				
3. All Other Providers				
4. TOTAL Capitation Payments				
Other Payments:				
5. Fee-for-service (non-managed care) .....			.XXX	.XXX
6. Payments Under Provider Stop-loss Arrangements .....			.XXX	.XXX
7. Contractual Fee Payments	228,212,615	100.0	.XXX	.XXX
8. Bonus/Withhold Arrangements - Fee-for-service .....			.XXX	.XXX
9. Bonus/Withhold Arrangements - Contractual Fee Payments .....			.XXX	.XXX
10. Non-contingent Salaries .....			.XXX	.XXX
11. Aggregate Cost Arrangements .....			.XXX	.XXX
12. TOTAL Other Payments	228,212,615	100.0	.XXX	.XXX
13. TOTAL (Line 4 plus Line 12)	228,212,615	100.0		

SCHEDULE L - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Accrual Basis Financial Statements Field	6 Financial Statements Certified by CPA	7 Schedule of Stop-Loss Provided?	8 Funds Withheld by Insurer Under Contract	9 Letters of Credit	10 Intermediary's Total Adjusted Capital	11 Intermediary's Authorized Control Level RBC
				NONE						
Totals			.XXX	.XXX	.XXX	.XXX			.XXX	.XXX

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsured	Location	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
Affiliates											
80985	36-2149353		BCS LIFE INS CO	Chicago, Illinois		250,268					
Total, Affiliates						250,268					
0199999											
Total						250,268					
0399999											

61 Schedule S Part 2 NONE

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Company	5 Location	6 Type	7 Premiums	8 Unearned Premiums (estimated)	9 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		12 Modified Coinsurance Reserve	13 Funds Withheld Under Coinsurance
									10 Current Year	11 Prior Year		
Affiliates												
64696	87-0364806		FIRST CONTINENTAL LIFE & ACCIDENT	Salt Lake City, Utah		220,204						
00000	AA-9995056		AMERICAN LONG TERM CARE REINSURANCE GROU	New York City, New York		78,077						
Total, Affiliates												
0199999						298,281						
Total												
0399999						298,281						

63 Schedule S Part 4 **NONE**

SCHEDULE S - PART 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

A. OPERATIONS ITEMS	1 1999	2 1998	3 1997	4 1996	5 1995
1. Premiums	298	441	449	596	577
2. Commissions and reinsurance expense allowances					
3. Reserve adjustments on reinsurance ceded					
4. Increase in liability for unearned premium					
B. BALANCE SHEET ITEMS					
5. Uncollected premiums	120	126	126	112	115
6. Claims unpaid					
7. Unearned premium					
8. Liability for premium	120	126	126	112	115
9. Amounts recoverable on reinsurance					
10. Experience rating refunds due or unpaid					
11. Commissions and reinsurance expense allowances unpaid					
12. Unauthorized reinsurance offset					
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F)					
14. Letters of credit (L)					
15. Trust agreements (T)					
16. Other (O)					

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Column 4)			
1. Cash and Invested Assets (Line 9)	319,921,155		319,921,155
2. Reinsurance Ceded (Line 13)			
3. Uncollected Premiums (Line 10)	145,769,933		145,769,933
4. Net Credit for Ceded Reinsurance	XXX		
5. All Other Admitted Assets (Balance)	178,961,010		178,961,010
6. TOTAL Assets (Line 20)	644,652,098		644,652,098
LIABILITIES, RESERVES AND OTHER FUNDS (Page 3)			
7. Unearned Premiums (Line 4)	169,560,186		169,560,186
8. Claim Reserves (Lines 1 through 3)	165,843,643		165,843,643
9. Premium Deposits Made by Applicants Rejected or Not as Yet Accepted as Members or Subscribers (Line 7)	560,629		560,629
10. Reinsurance in Unauthorized Companies (Line 12A)			
11. Funds Held Under Reinsurance with Unauthorized Reinsurers (Line 12B)		XXX	
12. All Other Liabilities (Balance)	121,842,105		121,842,105
13. TOTAL Liabilities (Line 15)	457,806,563		457,806,563
14. Reserves and Other Funds (Line 20)	186,845,537	XXX	186,845,537
15. TOTAL Liabilities, Reserves and Other Funds (Line 21)	644,652,100		644,652,100
NET CREDIT FOR CEDED REINSURANCE			
16. Unearned Premium			
17. Claim Reserves			
18. Premium Deposits Made by Applicants Rejected or Not as Yet Accepted as Members or Subscribers (Line 7)	560,629		
19. Reinsurance Ceded Assets			
20. Other Ceded Reinsurance Recoverables			
21. TOTAL Ceded Reinsurance Recoverables	560,629		
22. Uncollected Premiums			
23. Reinsurance in Unauthorized Companies			
24. Other Ceded Reinsurance Payables/Offsets			
25. TOTAL Ceded Reinsurance Payables/Offsets			
26. TOTAL Net Credit for Ceded Reinsurance	560,629		

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART**

SCHEDULE Y - PART 1 - DISKETTE FILING DATA

Do not include in the bound copy of the annual statement.

NAIC Group Code	Group Name	NAIC Code	State of Domicile	FEI/All Number	Name of Company

SCHEDULE Y (continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
	52-1724358	Capital Area Services Co. Inc.					(15,985,166)			(15,985,166)	
96202	52-1358219	CAPITALCARE INC					(17,290,000)	(153,294)		(17,443,294)	
47058	52-1385894	CAREFIRST OF MARYLAND INC					114,317,919		(97,973)	114,219,946	
47021	52-2069215	CareFirst, Inc.					391,135			391,135	
	52-1635265	CFS Health Group					(2,295,271)			(2,295,271)	
95574	52-1226606	DELMARVA HEALTH PLAN INC					45,349,999		982	45,350,981	
60113	52-1962376	FIRST CARE INC					(95,874)			(95,874)	
95572	52-1191750	FREE STATE HEALTH PLAN INC					(310,629,972)		96,991	(310,532,981)	
	52-1435675	GHMSI Companies, Inc.									
53007	53-0078070	GROUP HOSPITALIZATION & MED SRVCS					24,981,968	153,294		25,135,262	
	52-1330940	National Capital Administrative Services					(252,067)			(252,067)	
	52-1118153	National Capital Insurance Agency, Inc.					(644,827)			(644,827)	
	52-0999133	Patuxent Medical Group					92,033,202			92,033,202	
	52-1589363	Potomac Physicians, P.A. of MD.					79,823,000			79,823,000	
	56-1641773	The Michelson Group, Inc. dba NCA Charlo					(418,507)			(418,507)	
	52-1187907	Willse & Associates					(9,285,539)			(9,285,539)	
Totals											
9999999											

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Schedule Y Part 2 Explanation: This chart includes allof the activity for CFI's consolidated group as documented on schedule Y part 1

SCHEDULE T - PREMIUMS

Allocated by States and Territories

1 States, Etc.		2 Is Insurer Licensed? (Yes or No)	3 Accident and Health Direct Business Only
1. Alabama	AL	No	
2. Alaska	AK	No	
3. Arizona	AZ	No	
4. Arkansas	AR	No	
5. California	CA	No	
6. Colorado	CO	No	
7. Connecticut	CT	No	
8. Delaware	DE	No	
9. District of Columbia	DC	Yes	908,819,339
10. Florida	FL	No	
11. Georgia	GA	No	
12. Hawaii	HI	No	
13. Idaho	ID	No	
14. Illinois	IL	No	
15. Indiana	IN	No	
16. Iowa	IA	No	
17. Kansas	KS	No	
18. Kentucky	KY	No	
19. Louisiana	LA	No	
20. Maine	ME	No	
21. Maryland	MD	Yes	83,525,180
22. Massachusetts	MA	No	
23. Michigan	MI	No	
24. Minnesota	MN	No	
25. Mississippi	MS	No	
26. Missouri	MO	No	
27. Montana	MT	No	
28. Nebraska	NE	No	
29. Nevada	NV	No	
30. New Hampshire	NH	No	
31. New Jersey	NJ	No	
32. New Mexico	NM	No	
33. New York	NY	No	
34. North Carolina	NC	No	
35. North Dakota	ND	No	
36. Ohio	OH	No	
37. Oklahoma	OK	No	
38. Oregon	OR	No	
39. Pennsylvania	PA	No	
40. Rhode Island	RI	No	
41. South Carolina	SC	No	
42. South Dakota	SD	No	
43. Tennessee	TN	No	
44. Texas	TX	No	
45. Utah	UT	No	
46. Vermont	VT	No	
47. Virginia	VA	Yes	104,742,539
48. Washington	WA	No	
49. West Virginia	WV	No	
50. Wisconsin	WI	No	
51. Wyoming	WY	No	
52. American Samoa	AS	XXX	XXX
53. Guam	GU	XXX	XXX
54. Puerto Rico	PR	No	
55. US Virgin Islands	VI	XXX	XXX
56. Canada	CN	XXX	XXX
57. Aggregate Other Alien	OT	XXX	XXX
58. TOTALS (Direct Business)	(a) . . . 3		1,097,087,058
91. Plus Reinsurance Assumed	. . . XXX		250,268
92. TOTALS (All Business)	. . . XXX		1,097,337,326
93. Less Reinsurance Ceded	. . . XXX		298,281
94. TOTALS (All Business) less Reinsurance Ceded	. . . XXX		1,097,039,045

(a) Insert the number of yes responses except for Canada and Other Alien.
 Explanation of basis of allocation by states, etc., of premiums

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual 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 to the specific interrogatory will be accepted in lieu of filing a "NONE" report.

1. (a) The officers and directors information is a required filing for all corporations.
 Will the officers and directors information be filed with the NAIC by March 1? Yes[X] No[]
 (b) If response is no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 380) here:

2. (a) Does your corporation write Medicare Supplement Insurance? Yes[X] No[]
 (b) Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1? Yes[X] No[]
 (c) If first response is yes and second response is no, please explain:
 If second response is no and the form is "None," affix bar code (Document Identifier 360) here:

3. (a) The SVO Compliance Certification is a required filing for all corporations. Will the SVO Compliance Certification be filed by March 1? Yes[X] No[]
 (b) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 470) here:

4. (a) An actuarial certification is a required filing for all companies. Will an actuarial certification be filed with this statement by March 1? Yes[X] No[]
 (b) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 440) here:

5. (a) The Supplemental Compensation Exhibit is a required filing, with the state of domicile, for all corporations. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1? Yes[X] No[]
 (b) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 460) here:

6. (a) Will the Risk-based Capital Report be filed with the NAIC by March 1? Yes[X] No[]
 (b) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 390) here:

6. (c) Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1? Yes[X] No[]
 (d) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 390) here:

7. (a) Management's Discussion and Analysis is a required filing for all corporations.
 Will Management's Discussion and Analysis be filed by April 1? Yes[X] No[]
 (b) If no, please explain:
 If response is no and the form is "None," affix bar code (Document Identifier 350) here:

OVERFLOW PAGE FOR WRITE-INS

Continuation of Write-ins from Page 2

ASSETS

	Current Year				Prior Year
	1 Ledger Assets	2 Non-Ledger Assets	3 Assets Not Admitted	4 Net Admitted Assets (Columns 1 + 2 - 3)	5 Net Admitted Assets
REMAINDER OF WRITE-INS					
1904. Other assets	135,248,932		9,666	135,239,266	137,561,534
1905. Deferred Tax Assets	7,464,000		7,464,000		
1906.					
1997. Summary of remaining write-ins for Line 19 (Lines 1904 through 1996)	142,712,932		7,473,666	135,239,266	137,561,534

Continuation of Write-ins from Page 3

LIABILITIES, RESERVES AND OTHER FUNDS

	1 Current Year	2 Prior Year
REMAINDER OF WRITE-INS		
1404. Federal Employee Program	6,711,460	7,023,792
1405. Rate stabilization funds	7,434,485	11,092,388
1406. Deposits - group	3,211,231	2,813,462
1407. Participating hospitals	4,231,990	4,124,804
1408. Claims refund suspense	9,667,251	3,568,083
1409. Unallocated receipts	681,962	820,462
1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496)	31,938,379	29,442,991

Continuation of Write-ins from Page 4

UNDERWRITING AND INVESTMENT EXHIBIT

	1 Current Year	2 Prior Year
REMAINDER OF WRITE-INS		
1104. Business Combination Costs		(4,936,529)
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)		(4,936,529)

Continuation of Write-ins from Page 9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

1	Incurred Expenses				
	2 Claim Adjustment	3 Administrative	4 Soliciting	5 Investment	6 Total
REMAINDER OF WRITE-INS					
2904. Reimbursement for Operations Center & Subsidiaries	(28,793,561)	(15,864,352)	(2,434,731)		(47,092,644)
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996)	(28,793,561)	(15,864,352)	(2,434,731)		(47,092,644)

OVERFLOW PAGE FOR WRITE-INS

Continuation of Write-ins from Page 11

EXHIBIT 1 - ANALYSIS OF NONADMITTED ASSETS AND RELATED ITEMS

	1 End of Current Year	2 End of Prior Year	3 Changes for Year (Increase) or Decrease
REMAINDER OF WRITE-INS			
0404. Other Assets	9,666	31,109	21,443
0405. Deferred Tax Assets	7,464,000		(7,464,000)
0406.			
0497. Summary of remaining write-ins for Line 4 (Lines 0404 through 0496)	7,473,666	31,109	(7,442,557)

Continuation of Write-ins from Page 12

EXHIBIT 2 - RECONCILIATION OF LEDGER ASSETS

	1 Amount
REMAINDER OF WRITE-INS	
0604. Bank Depository	12,167,572
0697. Summary of remaining write-ins for Line 06 (Lines 0604 through 0696)	12,167,572
1304. Accrued expenses	1,529,997
1305. Accounts Payable	58,596,314
1306. Deferred Gain on sale of building	4,855,887
1397. Summary of remaining write-ins for Line 13 (Lines 1304 through 1396)	64,982,198

Continuation of Write-ins from Page 14M

**EXHIBIT 4
UNDERWRITING GAINS AND (LOSSES) BY ENROLLMENT CLASSIFICATION**

Medical

1 Classifications	2 Premiums Written (Part 1, Line 9, Column 4)	3 Premiums Earned (Part 1, Line 9, Column 9)	4 Claims Incurred (Part 2, Line 9, Column 5 plus Part 2B, Line 5, Column 4)	5 Expenses (Part 3, Line 30 Columns 2 + 3 + 4)	6 Gain from Underwriting During Year (Col. 3 minus Col. 4 Minus Col. 5)	Percent of Premiums Earned		
						7 Claims Incurred (Column 4 / Column 3)	8 Expenses Incurred (Column 5 / Column 3)	9 Total (Column 6 / Column 3)
REMAINDER OF WRITE-INS								
05E04. Not-At-Risk Expenses				42,512,378	(42,512,378)			
05E05. Less: Not-At-Risk				(42,704,359)	42,704,359			
05E97. Summary of remaining write-ins for Line 05E (Lines 05E04 through 05E96)				(191,981)	191,981			

Since there were no landscape pages that have overflow write-in lines, this page was intentionally left blank.



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT FOR THE STATE OF ALL OTHER STATES

Address (City, State and Zip Code) Washington, D.C., DC 20065

NAIC Group Code 0380 NAIC Company Code 53007

Person Completing This Exhibit Barbara Holden Newman

Title Financial Reporting Actuary Telephone Number 202-479-8296

Policy Form Number SU65-0792 Standardized Medicare Supplement Benefit Plan A

Medicare Select Yes No Plan Characteristics _____

Date Approved / / Date Approval Withdrawn / /

Date Last Amended / / Date Closed / /

Policy Marketing/Trade Name _____

1 Classification	2 Premiums Earned	Incurred Claims		5 Number of Covered Lives
		3 Amount	4 Percent of Premiums Earned	
A. Experience on individual policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form	17,909,152	12,376,739	69.1	10,422
c. Nationwide - All Policy Forms	17,909,152	12,376,739	69.1	10,422
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form	1,294,066	1,691,632	130.7	952
c. Nationwide - All Policy Forms	1,294,066	1,691,632	130.7	952
B. Experience on group policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				

GENERAL INTERROGATORIES

- (i) Has the company complied with the requirements contained in the federal Omnibus Budget Reconciliation Act of 1987, Section 4081(42 U.S.C. 1395ss(c), et. seq.) as regards to its business reported in this Exhibit? Yes[] No[X] N/A[]
- (ii) If no, give full and complete details
- (iii) Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (iv) Billing address and contact person for user fees established under 42 U.S.C. 1395u(h)(3)(B)
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (v) Explain any policies identified above as policy type "O"



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT FOR THE STATE OF District of Columbia

Address (City, State and Zip Code) Washington, D.C., DC 20065

NAIC Group Code 0380 NAIC Company Code 53007

Person Completing This Exhibit Barbara Holden Newman

Title Financial Reporting Actuary Telephone Number 202-479-8296

Policy Form Number SU65-0792 Standardized Medicare Supplement Benefit Plan A

Medicare Select Yes [x] No [] Plan Characteristics 2, 3, 4, 5, 6

Date Approved / / Date Approval Withdrawn / /

Date Last Amended 06/01/1993 Date Closed / /

Policy Marketing/Trade Name Suppl. - 65 Medicare

1 Classification	2 Premiums Earned	Incurred Claims		5 Number of Covered Lives
		3 Amount	4 Percent of Premiums Earned	
A. Experience on individual policies				
1. Policies issued through 1996				
a. Reporting State	4,144,129	3,630,522	87.6	2,310
b. Nationwide - This Policy Form	17,909,152	12,376,739	69.1	10,422
c. Nationwide - All Policy Forms	17,909,152	12,376,739	69.1	10,422
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State	306,070	525,192	171.6	236
b. Nationwide - This Policy Form	1,294,066	1,691,632	130.7	952
c. Nationwide - All Policy Forms	1,294,066	1,691,632	130.7	952
B. Experience on group policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				

GENERAL INTERROGATORIES

- (i) Has the company complied with the requirements contained in the federal Omnibus Budget Reconciliation Act of 1987, Section 4081(42 U.S.C. 1395ss(c), et. seq.) as regards to its business reported in this Exhibit? Yes[] No[X] N/A[]
- (ii) If no, give full and complete details The information on this schedule includes the expenses for Medicare Supplement policies that meet the requirements effective 7/1/90, as well Medicare Supplement policies that do not meet requirements. All experience reported on group policies on previous exhibits represented Medicare Carve-out experience.
- (iii) Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - (a) Address: 550 12th Street, S.W., Washington, DC 20065
 - (b) Contact Person and Phone Number: Mark King
202-479-7957
- (iv) Billing address and contact person for user fees established under 42 U.S.C. 1395u(h)(3)(B)
 - (a) Address: 550 12th Street, S.W., Washington, DC 20065
 - (b) Contact Person and Phone Number: Bruce Daniel Shogren
202-479-6146
- (v) Explain any policies identified above as policy type "O" N/A



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT FOR THE STATE OF Maryland

Address (City, State and Zip Code) Washington, D.C., DC 20065

NAIC Group Code 0380 NAIC Company Code 53007

Person Completing This Exhibit Barbara Holden Newman

Title Financial Reporting Actuary Telephone Number 202-479-8296

Policy Form Number SU65-0792 Standardized Medicare Supplement Benefit Plan A

Medicare Select Yes [x] No [] Plan Characteristics 2, 3, 4, 5, 6

Date Approved / / Date Approval Withdrawn / /

Date Last Amended 06/01/1993 Date Closed / /

Policy Marketing/Trade Name _____

1 Classification	2 Premiums Earned	Incurred Claims		5 Number of Covered Lives
		3 Amount	4 Percent of Premiums Earned	
A. Experience on individual policies				
1. Policies issued through 1996				
a. Reporting State	8,770,365	5,342,550	60.9	5,121
b. Nationwide - This Policy Form	17,909,152	12,376,739	69.1	10,422
c. Nationwide - All Policy Forms	17,909,152	12,376,739	69.1	10,422
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State	466,869	594,775	127.4	330
b. Nationwide - This Policy Form	1,294,066	1,691,632	130.7	952
c. Nationwide - All Policy Forms	1,294,066	1,691,632	130.7	952
B. Experience on group policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				

GENERAL INTERROGATORIES

- (i) Has the company complied with the requirements contained in the federal Omnibus Budget Reconciliation Act of 1987, Section 4081(42 U.S.C. 1395ss(c), et. seq.) as regards to its business reported in this Exhibit? Yes[] No[X] N/A[]
- (ii) If no, give full and complete details The information on this schedule includes the expenses for Medicare Supplement policies that meet the requirements effective 7/1/90, as well Medicare Supplement policies that do not meet requirements. All experience reported on group policies on previous exhibits represented Medicare Carve-out experience.
- (iii) Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - (a) Address: 550 12th Street, S.W., Washington, DC 20065
 - (b) Contact Person and Phone Number: Mark King
202-479-7957
- (iv) Billing address and contact person for user fees established under 42 U.S.C. 1395u(h)(3)(B)
 - (a) Address: 550 12th Street, S.W., Washington, DC 20065
 - (b) Contact Person and Phone Number: Bruce Daniel Shogren
202-479-6146
- (v) Explain any policies identified above as policy type "O" N/A



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT FOR THE STATE OF Other Alien

Address (City, State and Zip Code) Washington, D.C., DC 20065

NAIC Group Code 0380 NAIC Company Code 53007

Person Completing This Exhibit Barbara Holden Newman

Title Financial Reporting Actuary Telephone Number 202-479-8296

Policy Form Number SU65-0792 Standardized Medicare Supplement Benefit Plan A

Medicare Select Yes No Plan Characteristics _____

Date Approved / / Date Approval Withdrawn / /

Date Last Amended / / Date Closed / /

Policy Marketing/Trade Name _____

1 Classification	2 Premiums Earned	Incurred Claims		5 Number of Covered Lives
		3 Amount	4 Percent of Premiums Earned	
A. Experience on individual policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form	17,909,152	12,376,739	69.1	10,422
c. Nationwide - All Policy Forms	17,909,152	12,376,739	69.1	10,422
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form	1,294,066	1,691,632	130.7	952
c. Nationwide - All Policy Forms	1,294,066	1,691,632	130.7	952
B. Experience on group policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				

GENERAL INTERROGATORIES

- (i) Has the company complied with the requirements contained in the federal Omnibus Budget Reconciliation Act of 1987, Section 4081(42 U.S.C. 1395ss(c), et. seq.) as regards to its business reported in this Exhibit? Yes[] No[X] N/A[]
- (ii) If no, give full and complete details
- (iii) Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (iv) Billing address and contact person for user fees established under 42 U.S.C. 1395u(h)(3)(B)
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (v) Explain any policies identified above as policy type "O"



MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT FOR THE STATE OF Virginia

Address (City, State and Zip Code) Washington, D.C., DC 20065

NAIC Group Code 0380 NAIC Company Code 53007

Person Completing This Exhibit Barbara Holden Newman

Title Financial Reporting Actuary Telephone Number 202-479-8296

Policy Form Number SU65-0792 Standardized Medicare Supplement Benefit Plan A

Medicare Select Yes No Plan Characteristics _____

Date Approved / / Date Approval Withdrawn / /

Date Last Amended / / Date Closed / /

Policy Marketing/Trade Name _____

1 Classification	2 Premiums Earned	Incurred Claims		5 Number of Covered Lives
		3 Amount	4 Percent of Premiums Earned	
A. Experience on individual policies				
1. Policies issued through 1996				
a. Reporting State	4,994,658	3,403,667	68.1	2,991
b. Nationwide - This Policy Form	17,909,152	12,376,739	69.1	10,422
c. Nationwide - All Policy Forms	17,909,152	12,376,739	69.1	10,422
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State	521,127	571,665	109.7	386
b. Nationwide - This Policy Form	1,294,066	1,691,632	130.7	952
c. Nationwide - All Policy Forms	1,294,066	1,691,632	130.7	952
B. Experience on group policies				
1. Policies issued through 1996				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				
2. Policies issued in 1997, 1998 & 1999				
a. Reporting State				
b. Nationwide - This Policy Form				
c. Nationwide - All Policy Forms				

GENERAL INTERROGATORIES

- (i) Has the company complied with the requirements contained in the federal Omnibus Budget Reconciliation Act of 1987, Section 4081(42 U.S.C. 1395ss(c), et. seq.) as regards to its business reported in this Exhibit? Yes[] No[X] N/A[]
- (ii) If no, give full and complete details
- (iii) Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (iv) Billing address and contact person for user fees established under 42 U.S.C. 1395u(h)(3)(B)
 - (a) Address:
 - (b) Contact Person and Phone Number:
- (v) Explain any policies identified above as policy type "O"



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OFFICERS AND DIRECTORS SUPPLEMENT

NAIC Company Code 53007

FEIN 53-0078070

POSITION: Officer Director Both Attorney-in-Fact

POSITION HELD SINCE: / / Ceased Employment: 11/23/1999 Changed Position: / /
mm/dd/yyyy mm/dd/yyyy mm/dd/yyyy

Wolington Vincent Alexander
Last First Middle Suffix

SSN: 169-32-8867 DOB: 04/17/1940
mm/dd/yyyy

PRINCIPAL RESIDENCE 4949 Lowell Street, N.W.

CITY: Washington STATE: DC ZIP: 20016

POSITION: Officer Director Both Attorney-in-Fact

POSITION HELD SINCE: 12/13/1993 Ceased Employment: / / Changed Position: / /
mm/dd/yyyy mm/dd/yyyy mm/dd/yyyy

Giblin Mary Elizabeth
Last First Middle Suffix

SSN: 011-60-7845 DOB: 05/09/1962
mm/dd/yyyy

PRINCIPAL RESIDENCE 1508 N. Greenbrier Street

CITY: Arlington STATE: VA ZIP: 22205

POSITION: Officer Director Both Attorney-in-Fact

POSITION HELD SINCE: / / Ceased Employment: / / Changed Position: / /
mm/dd/yyyy mm/dd/yyyy mm/dd/yyyy

Last First Middle Suffix

SSN: - - DOB: / /
mm/dd/yyyy

PRINCIPAL RESIDENCE:

CITY: STATE: ZIP:

POSITION: Officer Director Both Attorney-in-Fact

POSITION HELD SINCE: / / Ceased Employment: / / Changed Position: / /
mm/dd/yyyy mm/dd/yyyy mm/dd/yyyy

Last First Middle Suffix

SSN: - - DOB: / /
mm/dd/yyyy

PRINCIPAL RESIDENCE:

CITY: STATE: ZIP:

POSITION: Officer Director Both Attorney-in-Fact

POSITION HELD SINCE: / / Ceased Employment: / / Changed Position: / /
mm/dd/yyyy mm/dd/yyyy mm/dd/yyyy

Last First Middle Suffix

SSN: - - DOB: / /
mm/dd/yyyy

PRINCIPAL RESIDENCE:

CITY: STATE: ZIP:



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Document Code: 460

SUPPLEMENTAL COMPENSATION EXHIBIT

(To be filed by March 1)

PART 1 -- OFFICERS AND EMPLOYEES COMPENSATION

1 Name and Principal Position	2 Year	Annual Compensation			
		3 Salary	4 Bonus	5 All Other Compensation	6 Totals
1. Chief Executive Officer	1999 1998 1997	...............	...............	...............	...............
2.	1999 1998 1997	...............	...............	...............	...............
3.	1999 1998 1997	...............	...............	...............	...............
4.	1999 1998 1997	...............	...............	...............	...............
5.	1999 1998 1997	...............	...............	...............	...............
6.	1999 1998 1997	...............	...............	...............	...............
7.	1999 1998 1997	...............	...............	...............	...............
8.	1999 1998 1997	...............	...............	...............	...............
9.	1999 1998 1997	...............	...............	...............	...............
10.	1999 1998 1997	...............	...............	...............	...............

The reporting insurer is a member of a group of insurers or other holding company system: Yes[] No[X]

If yes, do the above amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group: Yes[] No[X]

or 2) allocation to each insurer: Yes[] No[X]

PART 2 -- DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals