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LIFE AND ACCIDENT AND HEALTH COMPANIES —ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2005

OF THE CONDITION AND AFFAIRS OF THE

AMERICAN PARTNERS LIFE INSURANCE COMPANY

NAIC Group Code 0004 (Current Period) 0004 (Prior Period) NAIC Company Code 93653 Employer's ID Number 03-0281692

Organized under the Laws of Arizona, State of Domicile or Port of Entry Arizona

Country of Domicile United States of America

Incorporated/Organized 12/07/1981 Commenced Business 12/28/1981

Statutory Home Office 3225 North Central Avenue (Street and Number), Phoenix, AZ 85012 (City or Town, State and Zip Code)

Main Administrative Office 1751 Ameriprise Financial Center (Street and Number) Minneapolis, MN 55474 (City or Town, State and Zip Code) 612-671-3131 (Area Code) (Telephone Number)

Mail Address 227 Ameriprise Financial Center (Street and Number or P.O. Box), Minneapolis, MN 55474 (City or Town, State and Zip Code)

Primary Location of Books and Records 1751 Ameriprise Financial Center (Street and Number) Minneapolis, MN 55474 (City or Town, State and Zip Code) 612-671-3969 (Area Code) (Telephone Number)

Internet Website Address N/A

Statutory Statement Contact Jill L Rickheim (Name) 612-671-3969 (Area Code) (Telephone Number) (Extension)

jill.l.rickheim@ampf.com (E-mail Address) 612-671-2154 (FAX Number)

Policyowner Relations Contact 1751 Ameriprise Financial Center (Street and Number) Minneapolis, MN 55474 (City or Town, State and Zip Code) 800-862-7919 (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
Gumer Cruz Alvero	President	Mark Edward Schwarzmann	Chairman of the Board & CEO
Paul Roberts Johnston	Assistant General Counsel & Secretary	Joseph John Rao #	Appointed Actuary

OTHER OFFICERS

Timothy Vernon Bechtold	Vice President - Insurance Products	Walter Stanley Berman	Vice President & Treasurer
Lorraine Rose Hart	Vice President - Investments	Michelle Marie Keeley	Vice President - Investments
Jeryl Ann Millner #	Vice President - Finance	Mary Ellyn Minenko	Vice President, Group Counsel & Assistant Secretary
Thomas William Murphy	Vice President - Investments	Balakrish Roger Natarajan	Vice President & Chief Actuary
David Kent Stewart	Vice President & Controller		

DIRECTORS OR TRUSTEES

Gumer Cruz Alvero	Timothy Vernon Bechtold	Arthur Howard Berman	Balakrish Roger Natarajan
Mark Edward Schwarzmann			

State of Minnesota
ss
County of Hennepin

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

Gumer Cruz Alvero	Paul Roberts Johnston	David Kent Stewart
President	Assistant General Counsel & Secretary	Vice President & Controller

Subscribed and sworn to before me this 10th day of August, 2005

Renee A. Bobick, Notary Public - Minnesota
January 31, 2010

RENEE A. BOBICK
Notary Public
Minnesota
My Commission Expires January 31, 2010

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

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	401,633,427		401,633,427	404,036,308
2. Stocks:				
2.1 Preferred stocks	1,000,000		1,000,000	11,698,362
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens	49,703,604		49,703,604	51,752,863
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less $ ..... encumbrances)				
4.2 Properties held for the production of income (less $ ..... encumbrances)				
4.3 Properties held for sale (less $ ..... encumbrances)				
5. Cash ($ (1,349,187)), cash equivalents ($ 37,910,954) and short-term investments ($ .....)	36,561,767		36,561,767	6,665,201
6. Contract loans, (including $ ..... premium notes)				
7. Other invested assets				
8. Receivables for securities	1,105,454		1,105,454	3,625
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	490,004,252		490,004,252	474,156,359
11. Title plants less $ ..... charged off (for Title insurers only)				
12. Investment income due and accrued	4,949,244		4,949,244	4,923,763
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection				
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				255,803
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon	1,900,705		1,900,705	1,615,258
16.2 Net deferred tax asset	6,135,731	5,842,614	293,117	379,099
17. Guaranty funds receivable or on deposit	9,999		9,999	7,834
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets ($ .....)				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	46,477		46,477	91,478
22. Health care ($ .....) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	55,181		55,181	139,851
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	503,101,589	5,842,614	497,258,975	481,569,445
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	13,686,967		13,686,967	14,815,114
26. Total (Lines 24 and 25)	516,788,556	5,842,614	510,945,942	496,384,559
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)				
2301. Miscellaneous Assets	55,181		55,181	139,851
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	55,181		55,181	139,851

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts $ 431,793,893 less $ ..... included in Line 6.3 (including $ ..... Modco Reserve)	431,793,893	422,028,398
2. Aggregate reserve for accident and health contracts (including $ ..... Modco Reserve)		
3. Liability for deposit-type contracts (including $ ..... Modco Reserve)		
4. Contract claims:		
4.1 Life		255,803
4.2 Accident and health		
5. Policyholders' dividends $ ..... and coupons $ ..... due and unpaid		
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including $ ..... Modco)		
6.2 Dividends not yet apportioned (including $ ..... Modco)		
6.3 Coupons and similar benefits (including $ ..... Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less $ ..... discount; including $ ..... accident and health premiums		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including $ ..... accident and health experience rating refunds		
9.3 Other amounts payable on reinsurance, including $ 789,578 assumed and $ ..... ceded	789,578	1,090,697
9.4 Interest Maintenance Reserve		
10. Commissions to agents due or accrued—life and annuity contracts $ ..... accident and health $ ..... and deposit-type contract funds $		
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued	362,959	(1,018,023)
13. Transfers to Separate Accounts due or accrued (net) (Including $ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances)	(11,343)	
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	16,344	5,041
15.1 Current federal and foreign income taxes, including $ ..... on realized capital gains (losses)		
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee	2,512	6,001
18. Amounts held for agents' account, including $ ..... agents' credit balances		
19. Remittances and items not allocated	214,900	480,246
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money $ ..... and interest thereon $		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve	3,753,023	3,733,610
24.2 Reinsurance in unauthorized companies		
24.3 Funds held under reinsurance treaties with unauthorized reinsurers		
24.4 Payable to parent, subsidiaries and affiliates		
24.5 Drafts outstanding		
24.6 Liability for amounts held under uninsured accident and health plans		
24.7 Funds held under coinsurance		
24.8 Payable for securities	124,313	
24.9 Capital notes $ ..... and interest thereon $		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	437,046,179	426,581,773
27. From Separate Accounts Statement	13,686,967	14,815,114
28. Total liabilities (Lines 26 and 27)	450,733,146	441,396,887
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds		
32. Surplus notes		
33. Gross paid in and contributed surplus	44,543,256	44,543,256
34. Aggregate write-ins for special surplus funds		
35. Unassigned funds (surplus)	13,169,540	7,944,415
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 $ .....)		
36.2 ..... shares preferred (value included in Line 30 $ .....)		
37. Surplus (total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including $ ..... in Separate Accounts Statement)	57,712,796	52,487,671
38. Totals of Lines 29, 30 and 37	60,212,796	54,987,671
39. Totals of Lines 28 and 38	510,945,942	496,384,558
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)		
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)		
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts	34,610,904	36,310,895	72,718,250
2. Considerations for supplementary contracts with life contingencies			
3. Net investment income	13,997,592	13,470,824	27,117,988
4. Amortization of Interest Maintenance Reserve (IMR)	(141,913)	(198,955)	(389,080)
5. Separate Accounts net gain from operations excluding unrealized gains or losses			
6. Commissions and expense allowances on reinsurance ceded	7,560		
7. Reserve adjustments on reinsurance ceded			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	116,668	131,723	277,902
8.2 Charges and fees for deposit-type contracts			
8.3 Aggregate write-ins for miscellaneous income			
9. Totals (Lines 1 to 8.3)	48,590,811	49,714,487	99,725,060
10. Death benefits	(11,278)	357,703	771,174
11. Matured endowments (excluding guaranteed annual pure endowments)			
12. Annuity benefits	1,720,850	1,669,321	3,085,174
13. Disability benefits and benefits under accident and health contracts			
14. Coupons, guaranteed annual pure endowments and similar benefits			
15. Surrender benefits and withdrawals for life contracts	30,395,397	28,825,272	55,667,672
16. Group conversions			
17. Interest and adjustments on contract or deposit-type contract funds			
18. Payments on supplementary contracts with life contingencies			
19. Increase in aggregate reserves for life and accident and health contracts	9,765,495	12,249,627	28,286,182
20. Totals (Lines 10 to 19)	41,870,464	43,101,923	87,810,202
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)		10,930	
22. Commissions and expense allowances on reinsurance assumed	26,652		24,681
23. General insurance expenses	1,208,490	1,540,041	1,986,656
24. Insurance taxes, licenses and fees, excluding federal income taxes	105,576	119,367	247,116
25. Increase in loading on deferred and uncollected premiums			
26. Net transfers to or (from) Separate Accounts net of reinsurance	(915,909)	(879,759)	(1,992,774)
27. Aggregate write-ins for deductions	4		
28. Totals (Lines 20 to 27)	42,295,277	43,892,502	88,075,881
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	6,295,534	5,821,985	11,649,179
30. Dividends to policyholders			
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	6,295,534	5,821,985	11,649,179
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	1,883,643	2,056,422	963,070
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains (losses) (Line 31 minus Line 32)	4,411,891	3,765,563	10,686,109
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of $ 486,472 (excluding taxes of $ 492,479 transferred to the IMR)	(11,155)	34,256	(35,255)
35. Net income (Line 33 plus Line 34)	4,400,736	3,799,819	10,650,854
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	54,987,671	44,953,217	44,953,217
37. Net income (Line 35)	4,400,736	3,799,819	10,650,854
38. Change in net unrealized capital gains (losses)	(82,376)	(24,370)	(5,299)
39. Change in net unrealized foreign exchange capital gain (loss)			
40. Change in net deferred income tax	(362,749)	(233,122)	(2,458,319)
41. Change in nonadmitted assets and related items	1,288,927	(99,502)	2,486,650
42. Change in liability for reinsurance in unauthorized companies			
43. Change in reserve on account of change in valuation basis, (increase) or decrease			
44. Change in asset valuation reserve	(19,413)	(367,303)	(639,432)
45. Change in treasury stock			
46. Surplus (contributed to) withdrawn from Separate Accounts during period			
47. Other changes in surplus in Separate Accounts Statement			
48. Change in surplus notes			
49. Cumulative effect of changes in accounting principles			
50. Capital changes:			
50.1 Paid in			
50.2 Transferred from surplus (Stock Dividend)			
50.3 Transferred to surplus			
51. Surplus adjustment:			
51.1 Paid in			
51.2 Transferred to capital (Stock Dividend)			
51.3 Transferred from capital			
51.4 Change in surplus as a result of reinsurance			
52. Dividends to stockholders			
53. Aggregate write-ins for gains and losses in surplus			
54. Net change in capital and surplus for the year (Lines 37 through 53)	5,225,125	3,075,522	10,034,454
55. Capital and surplus, as of statement date (Lines 36 + 54)	60,212,796	48,028,739	54,987,671
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page			
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)			
2701. Experience Rating Refund	4		
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page			
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	4		
5301.			
5302.			
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page			
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	34,610,904	72,718,250
2. Net investment income	14,375,266	27,892,859
3. Miscellaneous income	380,031	277,902
4. Total (Lines 1 to 3)	49,366,201	100,889,011
5. Benefits and loss related payments	32,661,891	59,447,521
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts	(904,566)	(1,992,774)
7. Commissions, expenses paid and aggregate write-ins for deductions	(49,398)	3,534,210
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) $ net of tax on capital gains (losses)	2,655,562	3,587,149
10. Total (Lines 5 through 9)	34,363,489	64,576,106
11. Net cash from operations (Line 4 minus Line 10)	15,002,712	36,312,905
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	38,253,312	50,792,569
12.2 Stocks	11,563,193	
12.3 Mortgage loans	2,054,555	5,689,055
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		(169)
12.7 Miscellaneous proceeds	18	1,561,121
12.8 Total investment proceeds (Lines 12.1 to 12.7)	51,871,079	58,042,576
13. Cost of investments acquired (long-term only):		
13.1 Bonds	35,860,544	81,337,572
13.2 Stocks		1,000,000
13.3 Mortgage loans		8,184,965
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	977,516	294,154
13.7 Total investments acquired (Lines 13.1 to 13.6)	36,838,060	90,816,691
14. Net increase (or decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	15,033,019	(32,774,115)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(139,164)	19,219
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(139,164)	19,219
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Lines 15 and 17)	29,896,567	3,558,009
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	6,665,201	3,107,192
19.2 End of period (Line 18 plus Line 19.1)	36,561,768	6,665,201

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial Life			
2. Ordinary Life Insurance	59,102	52,450	108,922
3. Ordinary Individual Annuities	3,032,810	2,865,919	5,799,879
4. Credit Life (Group & Individual)			
5. Group Life Insurance			
6. Group Annuities	31,442,644	32,547,238	65,202,300
7. A & H - Group			
8. A & H - Credit (Group & Individual)			
9. A & H - Other			
10. Aggregate of All Other Lines of Business			
11. Subtotal	34,534,556	35,465,607	71,111,101
12. Deposit-Type Contracts			
13. Total	34,534,556	35,465,607	71,111,101
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page			
1099. Totals (Lines 1001 thru 1003 plus 1098)(Line 10 above)			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies
No significant change

2. Accounting Changes and Corrections of Errors
None

3. Business Combinations and Goodwill
Not applicable

4. Discontinued Operations
Not applicable

5. Investments
No significant change

6. Joint Ventures, Partnerships and Limited Liability Companies
Not applicable

7. Investment Income
No significant change

8. Derivative Instruments
Not applicable

9. Income Taxes

A. The components of the net deferred tax asset (DTA) are as follows:

	June 30, 2005	December 31, 2004
Total of gross DTAs	$ 8,325,972	$ 6,498,481
Less: Total of deferred tax liabilities (DTLs)	2,190,241	44,357
Net DTA	$ 6,135,731	$ 6,454,124
Less: DTAs nonadmitted	5,842,614	6,075,025
Net admitted DTA	$ 293,117	$ 379,099
Decrease in nonadmitted DTAs	$ (232,411)	$ (1,894,163)

B. None

C. Current income taxes incurred consist of the following major components for the six months ending June 30, 2005 and the twelve months ending December 31, 2004;

	June 30, 2005	December 31, 2004
Current year expense	$ 2,370,115	$ 4,185,920
Prior year over-accrual of tax reserves	-	(1,103,905)
Capital loss carryback refund	-	(2,028,401)
Current federal income taxes incurred	$ 2,370,115	$ 1,053,614

DTAs	June 30, 2005	December 31, 2004
Investments	$ 3,895,840	$ 2,276,579
Reserves	1,780,574	1,780,574
Deferred acquisition costs	2,423,229	2,214,999
Other	226,329	226,329
Total gross DTAs	$ 8,325,972	$ 6,498,481
Less: DTAs nonadmitted	5,842,614	6,075,025
Admitted DTAs	$ 2,483,358	$ 423,456
DTLs		
Unrealized Gains	-	44,357
Other	2,190,241	-
Total DTLs	$ 2,190,241	$ 44,357
Net admitted DTA	$ 293,117	$ 379,099

The change in net DTAs in comprised of the following:

	June 30, 2005	December 31, 2004	Change
Gross DTAs	$ 8,325,972	$ 6,498,481	$ 1,827,491
Less: Total DTLs	2,190,241	44,357	2,145,884
Net DTAs in excess of DTLs	$ 6,135,731	$ 6,454,124	$ (318,393)
Tax effect on unrealized gains			(44,357)
Change in net deferred income taxes			$ (362,750)

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

	Amount	Tax	Effective Rate
Net gains from operations before federal income taxes	$ 6,295,535		
Capital gains	1,389,920		
Income before taxes	$ 7,685,455	$ 2,689,909	35.0%
Permanent differences:			
Amortization of IMR	141,913	49,670	0.7%
Dividends received deducton	(19,182)	(6,714)	(0.1)%
Total effective tax		$ 2,732,865	35.6%
Current federal income taxes incurred		$ 2,370,115	30.8%
Change in net deferred income taxes		362,750	4.8%
Total effective tax		$ 2,732,865	35.6%

NOTES TO FINANCIAL STATEMENTS

E. (1) At June 30, 2005, American Partners Life Insurance Company ("the Company" or American Partners Life) had no operating loss carryforwards. The Company has net capital loss carryforwards which expire as follows:

	Capital Loss Carryforward	Tax Effect (35%)
2009:	$ 4,576,960	$1,601,936

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

2005:	$ 2,370,115
2004:	$ 3,082,015
2003:	$ 3,545,144

F. No significant change

10. Information Concerning Parent, Subsidiaries and Affiliates

A. American Partners Life Insurance Company is a wholly owned subsidiary of IDS Life Insurance Company (IDS Life) which is a wholly-owned subsidiary of Ameriprise Financial, Inc. (Ameriprise Financial). Prior to August 1, 2005, Ameriprise Financial was known as American Express Financial Corporation (AEFC). Ameriprise Financial is a wholly owned subsidiary of American Express Company (American Express).

Ameriprise Financial changed its name on August 1, 2005 as a consequence of the plans announced by American Express on February 1, 2005, to pursue a spin off of the businesses now being operated under the Ameriprise Financial name. The separation from American Express is expected to be completed on or after September 30, 2005, subject to certain regulatory and other approvals, including final approval by the board of directors of American Express. After the expected separation from American Express, Ameriprise Financial and its subsidiaries will no longer be affiliated with American Express. Ameriprise Financial and American Express will be independent companies, with separate public ownership, boards of directors and management.

In connection with the separation, American Express has indicated that it will provide additional capital to Ameriprise Financial of approximately $1 billion. This capital contribution is intended to provide adequate support for Ameriprise Financial's senior debt rating on the distribution date, to allow Ameriprise Financial to have efficient access to the capital markets, and to support the current financial strength ratings of Ameriprise Financial's insurance subsidiaries.

D. The public shareholders of American Express are the ultimate owners off American Partners Life, and, immediately following the consummation of the spin-off of Ameriprise Financial to American Express's shareholders, those same public shareholders with their same proportionate interest will continue to be the ultimate owners of American Partners Life. As such, no change in control of American Partners Life will occur. Ameriprise Financial will be considered the ultimate controlling party for future holding company filings.

11. Debt
None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
Not applicable

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations
No significant change

14. Contingencies
No significant change

15. Leases
None

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk
Not applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities
Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans
Not applicable

19. Direct Premium Written by Managing General Agents/Third Party Administrators
Not applicable

20. September 11 Events
Not applicable

21. Other Items
None

22. Subsequent Events
None

23. Reinsurance
No significant change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination
Not applicable

25. Change in Incurred Losses and Loss Adjustment Expenses
Not applicable

26. Intercompany Pooling Arrangements
Not applicable

27. Structured Settlements
Not applicable

28. Health Care Receivables
Not applicable

29. Participating Policies

NOTES TO FINANCIAL STATEMENTS

Not applicable

30. Premium Deficiency Reserves
Not applicable

31. Reserves for Life and Deposit-Type Contracts
No significant change

32. Analysis of Actuarial Reserves and Deposit Liabilities by Withdrawal characteristics
No significant change

33. Premium and Annuity Considerations Deferred and Uncollected
No significant change

34. Separate Accounts
A. No significant change

B. 1. Transfers to or (from) the Separate Accounts	June 30, 2005	December 31, 2004
a. Transfers to Separate Accounts	$ 335,187	$ 774,111
b. Transfers from Separate Accounts	1,258,067	2,780,459
c. Net Transfers to or (from) Separate Accounts (a) - (b)	$ (922,880)	$ (2,006,348)
2. Reconciling Adjustments		
a. Contract and insurance charge	$ 6,970	$ 13,574
3. Transfers as Reported in the Summary of Operations (Page 4, Line 26)	$ (915,910)	$ (1,992,774)

35. Loss/Loss Adjustment Expenses
Not applicable

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements? Yes [ ] No [X]

1.2 If yes, explain:

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

2.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

3.2 If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

If yes, complete the Schedule Y - Part 1 - organizational chart.

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

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

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

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

If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2003

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/15/2005

7.4 By what department or departments?

Arizona Department of Insurance

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [ ] No [X]

8.2 If yes, give full information:

9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

9.2 If response to 9.1 is yes, please identify the name of the bank holding company.

9.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No [ ]

9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
American Enterprise Investment Services	Minneapolis, MN					Yes
Ameriprise Financial Services, Inc.	Minneapolis, MN					Yes
American Express Bank FSB	Minneapolis, MN				Yes	
Centurion Bank	Midvale, UT				Yes	
Securities America, Inc.	Omaha, NE					Yes
IDS Life Insurance Company	Minneapolis, MN					Yes
American Enterprise Life Insurance Company	Indianapolis, IN					Yes

GENERAL INTERROGATORIES

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 46,477

INVESTMENT

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

11.2 If yes, explain:

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

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

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

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

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

15.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21	Bonds	$	$
15.22	Preferred Stock	$	$
15.23	Common Stock	$	$
15.24	Short-Term Investments	$	$
15.25	Mortgage Loans on Real Estate	$	$
15.26	All Other	$	$
15.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26)	$	$
15.28	Total Investment in Parent included in Lines 15.21 to 15.26 above	$	$

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

16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

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

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

1 Name of Custodian(s)	2 Custodian Address

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Ameriprise Trust Company	50900 Ameriprise Financial Center, Minneapolis, MN 55474	The Company is in the process of amending its custodial agreement to include new provision(s) required by the NAIC Financial Condition Examiner Handbook

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
American Express Trust Company	Ameriprise Trust Company	08/01/2005	Name change

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

1 Central Registration Depository	2 Name(s)	3 Address
	Ameriprise Financial, Inc.	220 Ameriprise Financial Center, Minneapolis, MN 55474

GENERAL INTERROGATORIES

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

18.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

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

PART 2 - LIFE & HEALTH

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:

	1 Amount
1.1 Long-Term Mortgages In Good Standing	
1.11 Farm Mortgages	$
1.12 Residential Mortgages	$
1.13 Commercial Mortgages	$ 49,703,604
1.14 Total Mortgages in Good Standing	$ 49,703,604
1.2 Long-Term Mortgages In Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms	$
1.3 Long-Term Mortgages Loans Upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	$
1.32 Residential Mortgages	$
1.33 Commercial Mortgages	$
1.34 Total Mortgages with Interest Overdue more than Three Months	$
1.4 Long-Term Mortgages Loans in Process of Foreclosure	
1.41 Farm Mortgages	$
1.42 Residential Mortgages	$
1.43 Commercial Mortgages	$
1.44 Total Mortgages in Process of Foreclosure	$
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Col. 3, Lines 3.1 plus 3.2)	$ 49,703,604
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	$
1.62 Residential Mortgages	$
1.63 Commercial Mortgages	$
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	$

SCHEDULE A - VERIFICATION

Real Estate

NONE

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Increase (decrease) by adjustment		
3. Cost of acquired		
4. Cost of additions to and permanent improvements		
5. Total profit (loss) on sales		
6. Increase (decrease) by foreign exchange adjustment		
7. Amount received on sales		
8. Book/adjusted carrying value at end of current period		
9. Total valuation allowance		
10. Subtotal (Lines 8 plus 9)		
11. Total nonadmitted amounts		
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	51,752,863	49,256,953
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions		5,730,000
2.2. Additional investment made after acquisitions		2,454,965
3. Accrual of discount and mortgage interest points and commitment fees		
4. Increase (decrease) by adjustment		
5. Total profit (loss) on sale	5,297	
6. Amounts paid on account or in full during the period	2,054,555	5,689,055
7. Amortization of premium		
8. Increase (decrease) by foreign exchange adjustment		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	49,703,604	51,752,863
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)	49,703,604	51,752,863
12. Total nonadmitted amounts		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	49,703,604	51,752,863

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

NONE

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

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	415,734,674	384,780,787
2. Cost of bonds and stocks acquired	39,819,945	82,337,572
3. Accrual of discount	162,767	488,091
4. Increase (decrease) by adjustment	(126,732)	(5,300)
5. Increase (decrease) by foreign exchange adjustment		
6. Total profit (loss) on disposal	1,384,605	259,067
7. Consideration for bonds and stocks disposed of	53,775,909	50,792,569
8. Amortization of premium	565,922	1,332,974
9. Book/adjusted carrying value, current period	402,633,428	415,734,674
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)	402,633,428	415,734,674
12. Total nonadmitted amounts		
13. Statement value	402,633,428	415,734,674

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	276,532,103	11,975,940	14,367,090	1,122,614	276,532,103	275,263,567		278,720,403
2. Class 2	93,499,223	14,506,883	11,559,812	(578,166)	93,499,223	95,868,128		92,509,561
3. Class 3	18,715,323	486,812	885,556	(225,817)	18,715,323	18,090,762		19,300,977
4. Class 4	13,400,686	856,026	1,354,168	(491,574)	13,400,686	12,410,970		13,505,367
5. Class 5								
6. Class 6								
7. Total Bonds	402,147,335	27,825,661	28,166,626	(172,943)	402,147,335	401,633,427		404,036,308
PREFERRED STOCK								
8. Class 1	1,000,000				1,000,000	1,000,000		1,000,000
9. Class 2	10,069,624		9,749,754	(319,870)	10,069,624			10,698,362
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	11,069,624		9,749,754	(319,870)	11,069,624	1,000,000		11,698,362
15. Total Bonds and Preferred Stock	413,216,959	27,825,661	37,916,380	(492,813)	413,216,959	402,633,427		415,734,670

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

NONE

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999 Totals		XXX			

SCHEDULE DA - PART 2- VERIFICATION

Short-Term Investments Owned

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		3,296,454
2. Cost of short-term investments acquired		8,177,798
3. Increase (decrease) by adjustment		15,930
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments		(169)
6. Consideration received on disposal of short-term investments		11,490,013
7. Book/adjusted carrying value, current period		
8. Total valuation allowance		
9. Subtotal (Lines 7 plus 8)		
10. Total nonadmitted amounts		
11. Statement value (Lines 9 minus 10)		
12. Income collected during period		15,930
13. Income earned during period		15,930

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

		Direct Business Only				
		Life Contracts				
	1	2	3	4	5	6
States, Etc.	Is Insurer Licensed? (Yes or No)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Deposit-Type Contract Funds	Other Considerations
1. Alabama AL	Yes		21,835			
2. Alaska AK	Yes		110,089			
3. Arizona AZ	Yes	3,724	379,876			
4. Arkansas AR	Yes		175,237			
5. California CA	Yes	794	7,795,248			
6. Colorado CO	Yes	2,286	511,139			
7. Connecticut CT	Yes	850	962,835			
8. Delaware DE	Yes		109,824			
9. District of Columbia DC	Yes		241,518			
10. Florida FL	Yes	12,861	3,997,330			
11. Georgia GA	Yes		1,419,770			
12. Hawaii HI	Yes		96,738			
13. Idaho ID	Yes		50,807			
14. Illinois IL	Yes	4,353	1,753,545			
15. Indiana IN	Yes	407	318,226			
16. Iowa IA	Yes		66,250			
17. Kansas KS	Yes		477,918			
18. Kentucky KY	Yes		189,867			
19. Louisiana LA	Yes		591,471			
20. Maine ME	Yes		27,090			
21. Maryland MD	Yes	802	715,791			
22. Massachusetts MA	Yes	2,207	1,244,024			
23. Michigan MI	Yes	4,634	655,753			
24. Minnesota MN	Yes		112,808			
25. Mississippi MS	Yes		257,428			
26. Missouri MO	Yes		283,195			
27. Montana MT	Yes		22,660			
28. Nebraska NE	Yes		57,347			
29. Nevada NV	Yes		387,226			
30. New Hampshire NH	No		35,140			
31. New Jersey NJ	Yes		3,311,830			
32. New Mexico NM	Yes		150,314			
33. New York NY	No		406,526			
34. North Carolina NC	Yes	2,133	87,163			
35. North Dakota ND	Yes		6,300			
36. Ohio OH	Yes	1,296	725,065			
37. Oklahoma OK	Yes		217,766			
38. Oregon OR	Yes		65,313			
39. Pennsylvania PA	Yes	1,648	1,034,323			
40. Rhode Island RI	Yes	507	161,137			
41. South Carolina SC	Yes	5,983	31,010			
42. South Dakota SD	Yes		26,642			
43. Tennessee TN	Yes	780	507,854			
44. Texas TX	Yes	11,790	2,936,221			
45. Utah UT	Yes	294	90,237			
46. Vermont VT	Yes		37,530			
47. Virginia VA	Yes	1,751	1,083,129			
48. Washington WA	Yes		237,102			
49. West Virginia WV	Yes		18,545			
50. Wisconsin WI	Yes		182,670			
51. Wyoming WY	Yes		15,980			
52. American Samoa AS	No					
53. Guam GU	No					
54. Puerto Rico PR	No		1,850			
55. US Virgin Islands VI	No		1,200			
56. Canada CN	No		13,794			
57. Aggregate Other Alien OT	XXX		57,969			
58. Subtotal	(a) 49	59,102	34,475,454			
90. Reporting entity contributions for employee benefit plans	XXX					
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX					
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX					
93. Premium or annuity considerations waived under disability or other contract provisions	XXX					
94. Aggregate of other amounts not allocable by State	XXX					
95. Totals (Direct Business)	XXX	59,102	34,475,454			
96. Plus Reinsurance Assumed	XXX	126,406				
97. Totals (All Business)	XXX	185,508	34,475,454			
98. Less Reinsurance Ceded	XXX	50,057				
99. Totals (All Business) less Reinsurance Ceded	XXX	135,451	34,475,454			
DETAILS OF WRITE-INS						
5701. Other Alien	XXX		57,969			
5702.	XXX					
5703.	XXX					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX					
5799. Totals (Lines 5701 thru 5703 plus 5798)(Line 57 above)	XXX		57,969			
9401.	XXX					
9402.	XXX					
9403.	XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX					
9499. Totals (Lines 9401 thru 9403 plus 9498)(Line 94 above)	XXX					

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

Schedule Y - Part 1

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	RESPONSE
1. Will the Trusteed Surplus Statement be filed with the State of Domicile and the NAIC with this statement?	NO

Explanation:

1.

Bar Code:

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

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Expended for Additions and Permanent Improvements
9999999 - Totals								

NONE

SCHEDULE A - PART 3

Showing All Real Estate SOLD during the Current Quarter, including Payments during the Final Year on "Sales under Contract"

1	Location		4	5	6	7	8	9	10	11	12	13	14	15	16
	2	3													
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Expended for Additions, Permanent Improvements and Changes in Encum-brances	Book/ Adjusted Carrying Value Less Encum-brances	Amounts Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale	Gross Income Earned Less Interest Incurred on Encum-brances	Taxes, Repairs and Expenses Incurred
9999999 Totals															

NONE

SCHEDULE B - PART 1

Showing All Mortgage Loans ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12
	2	3									
Loan Number	City	State	Loan Type	Actual Cost	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
9999999 Totals					XXX	XXX					XXX

NONE

SCHEDULE B - PART 2

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

1	Location		4	5	6	7	8	9	10	11	12	13
	2	3										
Loan Number	City	State	Loan Type	Date Acquired	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
855004021	SAN DIMAS	CA		09/07/2000	1,231,911			1,195,994	1,201,291		5,297	5,297
0299999 - Mortgages sold					1,231,911			1,195,994	1,201,291		5,297	5,297
9999999 Totals					1,231,911			1,195,994	1,201,291		5,297	5,297

SCHEDULE BA - PART 1

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

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Number of Units and Description	City	State	Name of Vendor	NAIC Designation	Date Acquired	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	SVO Assigned Value	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment
3399999 Totals												

NONE

SCHEDULE BA - PART 2

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

1	Location		4	5	6	7	8	9	10	11	12	13
	2	3										
Number of Units and Description	City	State	Name of Purchaser or Nature of Disposition	Date Acquired	Book/ Adjusted Carrying Value Less Encum-brances, Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book/ Adjusted Carrying Value Less Encum-brances at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
3399999 Totals												

NONE

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
BONDS									
Special Revenue & Assessment									
83162C-PN-7	SBAP..05-20E 05-20E 1 4.840% 05/01/25		05/03/2005	MERRILL LYNCH CAPITAL MARKETS		5,000,000	5,000,000		1FE
3199999 - Total - Bonds - Special Revenue						5,000,000	5,000,000		XXX
Public Utilities (unaffiliated)									
240019-BQ-1	DPL INC 5.125% 10/01/13		06/29/2005	Tax Free Exchange		1,503,267	1,500,000	20,625	2FE
95709T-AB-6	WESTAR ENERGY INC 5.150% 01/01/17		04/12/2005	Various		1,473,795	1,500,000	18,669	2FE
3899999 - Total - Bonds - Public Utilities						2,977,062	3,000,000	39,294	XXX
Industrial & Miscellaneous									
05348E-AG-4	AVALONBAY COMMUNITIES INC 6.125% 11/01/		06/17/2005	UBS SECURITIES		1,620,435	1,500,000	13,016	2FE
055395-AA-5	BCP CRYSTAL US HOLDINGS CORP 9.625% 06/		04/13/2005	Tax Free Exchange		98,724	98,000	3,092	4FE
126408-GD-9	CSX CORP 5.500% 08/01/13		04/06/2005	LEHMAN BROTHERS INC		1,535,805	1,500,000	16,042	2FE
171340-AF-9	CHURCH & DWIGHT 6.000% 12/15/12		06/28/2005	Tax Free Exchange		201,844	200,000	433	4Z
203668-AD-0	COMMUNITY HEALTH SYSTEMS INC 6.500% 12/		04/15/2005	Tax Free Exchange		302,980	300,000	6,446	4FE
22238H-AG-5	COUNTRYWIDE FINANCIAL CORP 4.500% 06/15		06/10/2005	LEHMAN BROTHERS INC		2,980,230	3,000,000	750	1FE
23330X-AE-0	DRS TECHNOLOGIES INC 6.875% 11/01/13		06/29/2005	Tax Free Exchange		52,477	50,000	554	4FE
23331A-AX-7	HORTON D R INC 5.375% 06/15/12		06/29/2005	CITIGROUP GLOBAL MARKETS INC		124,313	125,000		3FE
26882P-AQ-5	ERAC USA FINANCE COMPANY 7.350% 06/15/0		04/20/2005	MORGAN (J.P.) SECURITIES		1,083,820	1,000,000	26,542	2FE
26882P-AS-1	ERAC USA FINANCE COMPANY 5.600% 05/01/1		04/13/2005	Various		2,007,560	2,000,000		2FE
365558-AA-3	GARDNER DENVER INC 8.000% 05/01/13		04/28/2005	BEAR STERNS & CO		100,000	100,000		4FE
442488-AU-6	K HOVNANIAN ENTERPRISES INC 6.250% 01/1		04/19/2005	Tax Free Exchange		100,000	100,000	1,632	3FE
49446Q-BC-4	KIMCO REALTY CORP 4.820% 06/01/14		06/01/2005	UBS SECURITIES		2,300,000	2,300,000		2FE
521865-AJ-4	LEAR CORP 5.750% 08/01/14		04/07/2005	Tax Free Exchange		984,800	1,000,000	10,542	2FE
532776-AJ-0	LIN TELEVISION CORP 6.500% 05/15/13		06/16/2005	Tax Free Exchange		100,000	100,000	560	4FE
59217E-AQ-7	METROPOLITAN LIFE GLOBAL FUNDI 4.500% 0		04/27/2005	DEUTSCHE BANK		997,120	1,000,000		1FE
651290-AH-1	NEWFIELD EXPLORATION CO 6.625% 09/01/14		04/04/2005	Tax Free Exchange		155,162	150,000	911	3FE
704549-AC-8	PEABODY ENERGY CORP 6.875% 03/15/13		04/21/2005	LEHMAN BROTHERS INC		52,125	50,000	391	3FE
828807-BJ-5	SIMON PROPERTY GROUP L.P. 4.600% 06/15/		06/01/2005	MORGAN STANLEY & CO		1,997,400	2,000,000		2FE
857689-AV-5	STATION CASINOS INC. 6.000% 04/01/12		04/28/2005	BANK OF AMERICA		29,963	30,000	160	3FE
960386-AG-5	WABTEC 6.875% 07/31/13		05/10/2005	MORGAN (J.P.) SECURITIES		25,250	25,000	492	3FE
05567M-AA-3	BNP PARIBAS 4.800% 06/24/15	F	06/17/2005	BNP SECURITIES		2,998,590	3,000,000		1FE
4599999 - Total - Bonds - Industrial, Misc.						19,848,598	19,628,000	81,563	XXX
6099997 - Total - Bonds - Part 3						27,825,660	27,628,000	120,857	XXX
6099999 - Total - Bonds						27,825,660	27,628,000	120,855	XXX
6599999 - Total - Preferred Stocks							XXX		XXX
7299999 - Total - Common Stocks							XXX		XXX
7399999 - Total - Preferred and Common Stocks							XXX		XXX
7499999 - Totals						27,825,660	XXX	120,855	XXX

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
BONDS																					
US Governments																					
3133X9-YQ-7	FEDERAL HOME LOAN BANK 4.890% 12/25/16		06/25/2005	Paydown		787,036	787,036	790,203	790,203		(3,167)		(3,167)		787,036				14,314	12/25/2016	1FE
0399999 - Bonds - U.S. Governments						787,036	787,036	790,203	790,203		(3,167)		(3,167)		787,036				14,314	XXX	XXX
State, Territories and Possessions																					
TT3163-06-6	BRAZIL - FEDERATIVE REPUBLIC O SOVD 8.0	F	04/15/2005	Redemption 100.0000		11,728	11,728	11,992	11,992		(264)		(264)		11,728				469	04/15/2014	3FE
1799999 - Bonds - States, Territories and Possessions						11,728	11,728	11,992	11,992		(264)		(264)		11,728				469	XXX	XXX
Special Revenue & Assessment																					
31280F-6P-2	FREDDIE MAC GOLD E61778 6.500% 04/01/08		06/01/2005	Paydown		16,126	16,126	16,142	16,114		12		12		16,126				444	04/01/2008	1
31283G-WK-9	FREDDIE MAC GOLD G00650 7.500% 12/01/25		06/01/2005	Paydown		7,215	7,215	7,259	7,259		(43)		(43)		7,215				237	12/01/2025	1
31283H-J8-9	FREDDIE MAC GOLD G01187 6.500% 09/01/30		06/01/2005	Paydown		91,061	91,061	90,405	90,401		660		660		91,061				2,455	09/01/2030	1
31288G-PP-1	FREDDIE MAC GOLD C77630 5.500% 03/01/33		06/01/2005	Paydown		484,025	484,025	495,331	495,242		(11,217)		(11,217)		484,025				11,388	03/01/2033	1
31292G-SM-9	FREDDIE MAC GOLD C00524 7.500% 06/01/27		06/01/2005	Paydown		1,771	1,771	1,796	1,796		(26)		(26)		1,771				56	06/01/2027	1
31292G-ST-4	FREDDIE MAC GOLD C00530 7.500% 07/01/27		06/01/2005	Paydown		5,506	5,506	5,584	5,585		(79)		(79)		5,506				167	07/01/2027	1
31292G-T6-3	FREDDIE MAC GOLD C00573 6.500% 12/01/27		06/01/2005	Paydown		48,312	48,312	47,737	47,736		575		575		48,312				1,321	12/01/2027	1
31294B-UX-1	FREDDIE MAC GOLD C35098 7.500% 01/01/30		06/01/2005	Paydown		728	728	715	715		13		13		728				23	01/01/2030	1
31335H-RM-7	FREDDIE MAC GOLD C90492 6.000% 11/01/21		06/01/2005	Paydown		220,947	220,947	217,322	217,315		3,631		3,631		220,947				5,420	11/01/2021	1
31339N-TA-4	FHLMC..2425 CMO 2425 OB 6.000% 03/15/17		06/01/2005	Paydown		681,923	681,923	661,092	674,775		7,147		7,147		681,923				16,735	03/15/2017	1
3133TT-B5-9	FHLMC..2318 CMO 2318 GK 6.000% 02/15/17		06/01/2005	Paydown		914,409	914,409	867,832	905,134		9,276		9,276		914,409				21,990	02/15/2017	1
31371F-GU-0	FNMA COLLATERAL - MUNI 250511 6.500% 03		06/01/2005	Paydown		11,633	11,633	11,302	11,310		323		323		11,633				316	03/01/2026	1
31371G-Z9-4	FNMA COLLATERAL - MUNI 251968 7.000% 09		06/01/2005	Paydown		23,212	23,212	23,125	23,125		87		87		23,212				692	09/01/2028	1
31371H-DU-9	FNMA COLLATERAL - MUNI 252215 6.000% 11		06/01/2005	Paydown		58,615	58,615	57,634	57,649		967		967		58,615				1,319	11/01/2028	1
31374G-G7-6	FNMA COLLATERAL - MUNI 313522 7.000% 05		06/01/2005	Paydown		14,930	14,930	15,017	14,987		(57)		(57)		14,930				429	05/01/2012	1
31375Q-G3-2	FNMA COLLATERAL - MUNI 341418 6.500% 05		06/01/2005	Paydown		6,980	6,980	6,914	6,922		58		58		6,980				166	05/01/2011	1
31377T-SG-2	FNMA COLLATERAL - MUNI 386719 5.090% 12		06/01/2005	Paydown		11,981	11,981	12,316	12,280		(298)		(298)		11,981				256	12/01/2013	1
31378V-FR-6	FNMA COLLATERAL - MUNI 409776 6.500% 12		06/01/2005	Paydown		35,395	35,395	34,894	34,892		503		503		35,395				789	12/01/2027	1
31380U-JP-4	FNMA COLLATERAL - MUNI 450370 6.500% 01		06/01/2005	Paydown		33,994	33,994	34,276	34,268		(274)		(274)		33,994				893	01/01/2029	1
31382K-QF-8	FNMA COLLATERAL - MUNI 484754 6.500% 03		06/01/2005	Paydown		7,734	7,734	7,697	7,697		37		37		7,734				245	03/01/2029	1
31384B-SY-3	FNMA COLLATERAL - MUNI 519035 7.000% 10		06/01/2005	Paydown		552	552	540	540		12		12		552				15	10/01/2029	1
31384V-P4-8	FNMA COLLATERAL - MUNI 535143 7.500% 02		06/01/2005	Paydown		5,125	5,125	5,029	5,028		96		96		5,125				167	02/01/2030	1
31384V-RN-4	FNMA COLLATERAL - MUNI 535193 7.500% 03		06/01/2005	Paydown		4,334	4,334	4,277	4,276		58		58		4,334				132	03/01/2030	1
31385P-H5-6	FNMA COLLATERAL - MUNI 548452 6.500% 12		06/01/2005	Paydown		2,728	2,728	2,720	2,720		8		8		2,728				74	12/01/2028	1

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
31385W-V3-0	FNMA COLLATERAL - MUNI 555134 6.000% 12		06/01/2005	Paydown		403,979	403,979	415,530	415,455		(11,477)		(11,477)		403,979				9,662	12/01/2032	1
31386V-2K-5	FNMA COLLATERAL - MUNI 575078 6.500% 05		06/01/2005	Paydown		94,007	94,007	93,330	93,329		678		678		94,007				2,325	05/01/2031	1
31387F-3C-6	FNMA COLLATERAL - MUNI 583195 6.500% 05		06/01/2005	Paydown		100,101	100,101	98,442	98,429		1,672		1,672		100,101				2,603	05/01/2031	1
31387W-2V-8	FNMA COLLATERAL - MUNI 596688 5.500% 12		06/01/2005	Paydown		449,610	449,610	444,552	444,582		5,027		5,027		449,610				11,253	12/01/2031	1
31389F-J5-2	FNMA COLLATERAL - MUNI 624084 5.500% 01		06/01/2005	Paydown		92,962	92,962	88,517	88,486		4,476		4,476		92,962				2,198	01/01/2032	1
31391N-SY-8	FNMA COLLATERAL - MUNI 672035 6.000% 12		06/01/2005	Paydown		81,710	81,710	85,042	85,090		(3,380)		(3,380)		81,710				2,039	12/01/2032	1
31392D-P5-3	FANNIE MAE FNMA..01-45 CMO 45 PE 6.500%		06/01/2005	Paydown		611,087	611,087	615,026	610,659		428		428		611,087				16,316	07/01/2016	1
31392X-KE-7	FREDDIE MAC FHLMC..2523 CMO 2523 GX 5.50		06/01/2005	Paydown		553,500	553,500	576,937	560,944		(7,445)		(7,445)		553,500				13,104	01/01/2012	1
313989-TJ-4	FREDDIE MAC GOLD D48653 6.500% 02/01/24		06/01/2005	Paydown		34,790	34,790	34,515	34,523		267		267		34,790				942	02/01/2024	1
31400B-ZC-3	FNMA COLLATERAL - MUNI 683039 6.000% 02		06/01/2005	Paydown		154,327	154,327	160,596	160,617		(6,290)		(6,290)		154,327				3,545	02/01/2033	1
38373X-HG-4	GNMA..02-42 2002-42 AB 6.000% 12/20/29		06/01/2005	Paydown		580,730	580,730	566,462	576,420		4,310		4,310		580,730				14,536	12/20/2029	1
83162C-NH-2	SMALL BUSINESS ADMIN 2003-20K 4.980% 1		05/01/2005	Paydown		139,836	139,836	141,363	141,348		(1,512)		(1,512)		139,836				3,557	11/01/2023	1
83162C-NT-6	SMALL BUSINESS ADMIN 2004-20E 5.180% 0		05/01/2005	Paydown		128,971	128,971	128,971	128,971						128,971				3,415	05/01/2024	1FE
83162C-NU-3	SMALL BUSINESS ADMIN 2004-20F 1 5.520%		06/01/2005	Paydown		163,411	163,411	163,411	163,411						163,411				4,611	06/01/2024	1FE
83162C-PE-7	SBAP..04-20L 04-20L 1 4.870% 12/01/24		06/01/2005	Paydown		168,216	168,216	168,216	168,216						168,216				3,823	12/01/2024	1FE
911760-ME-3	VENDEE MORTGAGE TRUST VENDE..99 CMO 1 2D		06/01/2005	Paydown		255,480	255,480	252,237	254,227		1,253		1,253		255,480				6,776	12/15/2026	1
3199999 - Bonds - Special Revenues						6,701,953	6,701,953	6,660,103	6,702,473		(524)		(524)		6,701,953				166,434	XXX	XXX
Public Utilities (unaffiliated)																					
240019-BP-3	DAYTON POWER AND LIGHT COMPANY 5.125% 1		06/29/2005	Tax Free Exchange		1,503,267	1,500,000	1,503,630	1,503,407		(140)		(140)		1,503,267				62,813	10/01/2013	2FE
269279-AB-1	EXCO RESOURCES INC 144A 7.250% 01/15/11		06/03/2005	WACHOVIA CAPITAL MARKETS		157,300	160,000	164,925	164,266		(313)		(313)		163,953		(6,653)	(6,653)	10,353	01/15/2011	4FE
337932-AB-3	FIRSTENERGY CORP. 6.450% 11/15/11		06/30/2005	UBS SECURITIES		1,092,650	1,000,000	1,003,030	1,002,278		(138)		(138)		1,002,139		90,511	90,511	41,388	11/15/2011	2FE
3899999 - Bonds - Public Utilities						2,753,217	2,660,000	2,671,585	2,669,951		(591)		(591)		2,669,359		83,858	83,858	114,554	XXX	XXX
Industrial & Miscellaneous																					
00184A-AF-2	TIME WARNER INC 6.875% 05/01/12		04/13/2005	Various		1,662,385	1,500,000	1,686,630	1,669,619		(5,727)		(5,727)		1,663,892		(1,507)	(1,507)	47,839	05/01/2012	2FE
038522-AA-6	ARAMARK SERVICES INC 8.150% 05/01/05		05/01/2005	Maturity		1,400,000	1,400,000	1,398,891	1,399,959		41		41		1,400,000				57,050	05/01/2005	2FE
045184-AA-6	ASIF GLOBAL FINANCING XIX 4.900% 01/17/		05/18/2005	MORGAN STANLEY & CO		2,496,225	2,500,000	2,502,495	2,502,239		(92)		(92)		2,502,147		(5,922)	(5,922)	104,125	01/17/2013	1FE
07329U-AA-0	CRYSTAL US HOLDINGS 9.625% 06/15/14		04/13/2005	Tax Free Exchange		98,724	98,000	98,778	98,745		(20)		(20)		98,724				17,529	06/15/2014	4FE
16162T-KL-9	CHASE..99-AS2 6.500% 07/25/29		06/01/2005	Paydown		759,492	759,492	708,760	743,935		15,557		15,557		759,492				23,629	07/25/2029	1FE
171340-AD-4	CHURCH & DWIGHT 6.000% 12/15/12		06/28/2005	Tax Free Exchange		201,844	200,000	201,994	201,987		(142)		(142)		201,844				6,200	12/15/2012	4FE
203668-AB-4	COMMUNITY HEALTH SYSTEMS INC 6.500% 12/		04/15/2005	Tax Free Exchange		302,980	300,000	303,125	303,107		(127)		(127)		302,980				6,446	12/15/2012	4FE
219350-AP-0	CORNING INC 5.900% 03/15/14		05/27/2005	Various		101,000	100,000	99,850	99,860		5		5		99,865		1,135	1,135	4,200	03/15/2014	3FE

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig-nation or Market Indicator (a)
23330X-AF-7	DRS TECHNOLOGIES INC 6.875% 11/01/13		06/29/2005	Tax Free Exchange		52,477	50,000	52,625	52,625		(148)		(148)		52,477				2,273	11/01/2013	4FE
298430-AB-8	EURAMAX INTERNATIONAL INC 8.500% 08/15/		06/29/2005	COMPANY TRADE		276,723	250,000	251,348	251,285		(111)		(111)		251,173		25,549	25,549	18,535	08/15/2011	4FE
346091-AU-5	FOREST OIL CORP REG'D 7.750% 05/01/14		06/08/2005	Various		267,250	250,000	268,313	266,427		(1,223)		(1,223)		265,203		2,047	2,047	11,582	05/01/2014	3FE
364725-AC-5	GANNETT CO INC 6.375% 04/01/12		05/16/2005	MORGAN (J.P.) SECURITIES		2,184,840	2,000,000	1,990,980	1,993,026		294		294		1,993,320		191,520	191,520	80,750	04/01/2012	1FE
370334-AS-3	GENERAL MILLS 6.000% 02/15/12		04/21/2005	COMPANY TRADE		761,160	714,000	711,630	712,164		64		64		712,228		48,932	48,932	29,274	02/15/2012	2FE
442488-AT-9	K HOVNANIAN ENTERPRISES INC 6.250% 01/1		04/19/2005	Tax Free Exchange		100,000	100,000	100,000	100,000						100,000				2,413	01/15/2015	3FE
480081-AG-3	JONES APPAREL GROUP INC 5.125% 11/15/14		05/05/2005	UBS SECURITIES		967,540	1,000,000	1,000,630	1,000,622		(26)		(26)		1,000,596		(33,056)	(33,056)	23,917	11/15/2014	2FE
49228R-AE-3	KERN RIVER FND CORP 4.893% 04/30/18		06/30/2005	Redemption 100.0000		11,000	11,000	11,000	11,000						11,000				224	04/30/2018	1FE
492386-AS-6	KERR MCGEE CORP 6.875% 09/15/11		05/26/2005	UBS SECURITIES		1,320,963	1,250,000	1,357,888	1,357,888		(2,943)		(2,943)		1,354,945		(33,982)	(33,982)	18,142	09/15/2011	3FE
505447-AG-7	LABRANCHE & CO 9.500% 05/15/09		04/06/2005	CS FIRST BOSTON NZ		101,500	100,000	100,000	100,000						100,000		1,500	1,500	3,853	05/15/2009	3FE
521865-AC-9	LEAR CORP 7.960% 05/15/05		05/15/2005	Maturity		250,000	250,000	257,500	250,941		(941)		(941)		250,000				9,950	05/15/2005	2FE
521865-AH-8	LEAR CORP 5.750% 08/01/14		04/07/2005	Tax Free Exchange		984,800	1,000,000	984,720	984,720		80		80		984,800				10,542	08/01/2014	2FE
532776-AM-3	LIN TELEVISION CORP 6.500% 05/15/13		06/16/2005	Tax Free Exchange		100,000	100,000	100,000	100,000						100,000				3,810	05/15/2013	4FE
549271-AE-4	LUBRIZOL CORP 5.500% 10/01/14		06/07/2005	Various		205,470	200,000	198,678	198,704		45		45		198,749		6,721	6,721	7,598	10/01/2014	2FE
552953-AF-8	MGM MIRAGE INC 6.000% 10/01/09		05/26/2005	LEHMAN BROTHERS INC		99,250	100,000	105,125	104,390		(346)		(346)		104,045		(4,795)	(4,795)	4,000	10/01/2009	3FE
651290-AG-3	NEWFIELD EXPLORATION CO 6.625% 09/01/14		04/04/2005	Tax Free Exchange		155,162	150,000	155,413	155,297		(136)		(136)		155,162				6,239	09/01/2014	3FE
652482-AR-1	NEWS AMERICA INC 6.625% 01/09/08		04/20/2005	WACHOVIA CAPITAL MARKETS		1,060,860	1,000,000	1,121,000	1,093,625		(9,401)		(9,401)		1,084,223		(23,363)	(23,363)	52,632	01/09/2008	2FE
730448-AQ-0	POGO PRODUCING CO 6.625% 03/15/15		05/18/2005	Various		48,863	50,000	49,551	49,551		4		4		49,555		(692)	(692)	475	03/15/2015	3FE
74432Q-AE-5	PRUDENTIAL FINANCIAL INC 5.100% 09/20/1		06/16/2005	GOLDMAN SACHS & CO		509,860	500,000	502,490	502,461		(83)		(83)		502,378		7,482	7,482	19,196	09/20/2014	1FE
74955W-AA-7	RH DONNELLEY CORPORATION 6.875% 01/15/1		06/01/2005	Various		86,700	85,000	85,950	85,950		(38)		(38)		85,912		788	788	2,243	01/15/2013	4FE
75040P-AG-3	RADIO ONE INC 6.375% 02/15/13		06/02/2005	LEHMAN BROTHERS INC		44,888	45,000	45,900	45,900		(35)		(35)		45,865		(978)	(978)	932	02/15/2013	4FE
918437-AB-0	VWR INTERNATIONAL INC 6.875% 04/15/12		04/13/2005	BANK OF AMERICA		50,250	50,000	51,291	51,291		(52)		(52)		51,239		(989)	(989)	1,747	04/15/2012	4FE
925524-AQ-3	VIACOM INC 6.625% 05/15/11		04/18/2005	CS FIRST BOSTON NZ		1,079,860	1,000,000	1,029,375	1,022,593		(893)		(893)		1,021,699		58,161	58,161	28,708	05/15/2011	1FE
92922F-UR-7	WASHINGTON MUTUAL WAMU..04-S3 2004S3 1A2		06/01/2005	Paydown		36,085	36,085	36,457	36,429		(344)		(344)		36,085				752	04/01/2015	1FE
81013T-AB-7	SCOTTISH POWER PLC 5.375% 03/15/15	F	05/24/2005	Various		407,067	405,000	404,972	404,972						404,972		2,096	2,096	3,991	03/15/2015	2FE
87203R-AA-0	SYSTEMS 2001 A.T. LLC 6.664% 09/15/13	F	06/15/2005	Redemption 100.0000		51,981	51,981	54,943	54,808		(2,827)		(2,827)		51,981				1,732	09/15/2013	1FE
4599999 - Bonds - Industrial and Miscellaneous						18,237,199	17,605,558	18,028,302	18,006,120		(9,565)		(9,565)		17,996,551		240,647	240,647	612,528	XXX	XXX
6099997 - Bonds - Part 4						28,491,133	27,766,275	28,162,185	28,180,739		(14,111)		(14,111)		28,166,627		324,505	324,505	908,299	XXX	XXX
6099999 - Total - Bonds						28,491,133	27,766,275	28,162,185	28,180,739		(14,111)		(14,111)		28,166,627		324,505	324,505	908,299	XXX	XXX
PREFERRED STOCK Industrial & Miscellaneous																					
95303*-10-4	WEST HAMPTON CDO LLC		06/24/2005	GOLDMAN SACHS & CO	11,000,889.890	10,741,318		9,746,909	9,876,487		(126,733)		(126,733)		9,749,754		991,564	991,564	462,765		RP2U
6399999 - Preferred Stocks - Industrial and Miscellaneous						10,741,318	XXX	9,746,909	9,876,487		(126,733)		(126,733)		9,749,754		991,564	991,564	462,765	XXX	XXX
6599997 - Preferred Stocks - Part 4						10,741,318	XXX	9,746,909	9,876,487		(126,733)		(126,733)		9,749,754		991,564	991,564	462,765	XXX	XXX
6599999 - Total - Preferred Stocks						10,741,318	XXX	9,746,909	9,876,487		(126,733)		(126,733)		9,749,754		991,564	991,564	462,765	XXX	XXX
7299999 - Total - Common Stocks							XXX													XXX	XXX
7399999 - Total - Preferred and Common Stocks						10,741,318	XXX	9,746,909	9,876,487		(126,733)		(126,733)		9,749,754		991,564	991,564	462,765	XXX	XXX
7499999 Totals						39,232,451	XXX	37,909,094	38,057,226		(140,844)		(140,844)		37,916,381		1,316,069	1,316,069	1,371,064	XXX	XXX

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Wells Fargo Bank Minneapolis, MN					591,337	190,993	353,343	XXX
Bank of America Chicago, IL					(1,435,524)	(1,584,442)	(1,702,530)	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Totals - Open Depositories	XXX	XXX			(844,187)	(1,393,449)	(1,349,187)	XXX
0399999 Total Cash on Deposit	XXX	XXX			(844,187)	(1,393,449)	(1,349,187)	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total Cash	XXX	XXX			(844,187)	(1,393,449)	(1,349,187)	XXX

SCHEDULE E - PART 2 CASH EQUIVALENTS

Showing Investments Owned End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Gross Investment Income
313385-JL-1	FEDERAL HOME LOAN BANK		06/28/2005	3.200	07/22/2005	7,286,373		1,947
313385-KN-5	FEDERAL HOME LOAN BANK		06/30/2005	3.220	08/17/2005	11,949,553		1,073
313397-HZ-7	FREDDIE MAC		05/11/2005	2.990	07/11/2005	1,298,920		5,507
313397-JH-5	FREDDIE MAC		06/21/2005	3.148	07/19/2005	8,187,126		7,152
313589-JB-0	FNMA COLLATERAL - MUNI		05/16/2005	3.000	07/13/2005	3,896,100		14,950
313589-JR-5	FNMA COLLATERAL - MUNI		06/10/2005	3.080	07/27/2005	3,192,882		5,749
36959H-U1-3	GENERAL ELECTRIC CAP CORP		06/30/2005	3.390	07/01/2005	2,100,000		198
0199999 Total Cash Equivalents						37,910,954		36,576