



QUARTERLY STATEMENT

AS OF JUNE 30, 2006

OF THE CONDITION AND AFFAIRS OF THE

PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

NAIC Group Code 0382 0382 NAIC Company Code 15040 Employer's ID Number 05-0204000
(Current Period) (Prior Period)

Organized under the Laws of Rhode Island, State of Domicile or Port of Entry Rhode Island

Country of Domicile United States of America

Incorporated/Organized 10/27/1800 Commenced Business 10/27/1800

Statutory Home Office 340 East Avenue, Warwick, RI 02886-1802
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 340 East Avenue Warwick, RI 02886-1802 401-827-1800
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 6066, Providence, RI 02940-6066
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 340 East Avenue Warwick, RI 02886-1802 401-827-1800-125
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.providencemutual.com

Statutory Statement Contact Richard Albert Sinnigen 401-827-1800-125
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Policyowner Relations Contact 340 East Avenue Warwick, RI 02886 401-827-1800
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
<u>Sandra Glaser Parrillo</u>	<u>President</u>	<u>Richard Albert Sinnigen</u>	<u>Secretary</u>
<u>Earl Francis Cottam Jr.</u>	<u>Treasurer</u>		

OTHER OFFICERS

<u>Thomas Francis Burkart</u>	<u>Vice President</u>	<u>Dale Fogg Groves</u>	<u>Vice President</u>
<u>Mark Alan Trombly #</u>	<u>Vice President</u>		

DIRECTORS OR TRUSTEES

<u>Benjamin Pearce Harris III</u>	<u>John Parcher Nixon Jr.</u>	<u>Richard LeRoy Allen</u>	<u>James Vincent Rosati</u>
<u>Leslie Adams Gardner</u>	<u>Robert White Parsons</u>	<u>Mary Louise Fazzano</u>	<u>Sandra Glaser Parrillo</u>
<u>Alan Michael Gilstein</u>			

State of Rhode Island

ss

County of Kent

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.

Sandra Glaser Parrillo
President

Richard Albert Sinnigen
Secretary

Earl Francis Cottam Jr.
Treasurer

a. Is this an original filing? Yes [] No [X]

Subscribed and sworn to before me this _____ day of September, 2006

b. If no,
1. State the amendment number 1
2. Date filed 09/05/2006
3. Number of pages attached _____

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	62,851,471		62,851,471	65,622,775
2. Stocks:				
2.1 Preferred stocks	777,792		777,792	832,127
2.2 Common stocks	84,498,255		84,498,255	75,105,428
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$3,851,742 encumbrances)	3,851,742		3,851,742	3,923,575
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$1,894,324), cash equivalents (\$7,968,970) and short-term investments (\$328,292)	10,191,586		10,191,586	19,506,981
6. Contract loans, (including \$ premium notes)			0	0
7. Other invested assets	0	0	0	0
8. Receivables for securities			0	202,017
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	162,170,846	0	162,170,846	165,192,903
11. Title plants less \$ charged off (for Title insurers only)			0	0
12. Investment income due and accrued	881,811		881,811	771,590
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	8,291,537	261,410	8,030,127	7,220,874
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
13.3 Accrued retrospective premiums			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	255,691		255,691	185,774
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	792,726		792,726	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software	450,018	347,519	102,499	28,394
19. Furniture and equipment, including health care delivery assets (\$)	483,284	483,284	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$) and other amounts receivable			0	0
23. Aggregate write-ins for other than invested assets	3,148,347	600	3,147,747	2,570,700
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	176,474,260	1,092,813	175,381,447	175,970,235
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
26. Total (Lines 24 and 25)	176,474,260	1,092,813	175,381,447	175,970,235
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Other Assets	444,693	600	444,093	230,924
2302. Pools and Associations	2,703,654		2,703,654	2,339,776
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	3,148,347	600	3,147,747	2,570,700

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 9,102,498)	22,120,143	21,925,365
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	6,664,818	6,612,722
4. Commissions payable, contingent commissions and other similar charges	1,801,154	2,049,745
5. Other expenses (excluding taxes, licenses and fees)	574,678	953,815
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	202,716	309,583
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		683,916
7.2 Net deferred tax liability	10,630,438	11,429,532
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 758,146 and including warranty reserves of \$)	30,732,032	31,782,728
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	174,482	253,514
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others	87,592	7,262
15. Remittances and items not allocated	455,799	19,487
16. Provision for reinsurance	2,000	89,800
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Payable for securities		162,976
21. Liability for amounts held under uninsured plans		0
22. Capital notes \$ and interest thereon \$		0
23. Aggregate write-ins for liabilities	0	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	73,445,852	76,280,445
25. Protected cell liabilities		0
26. Total liabilities (Lines 24 and 25)	73,445,852	76,280,445
27. Aggregate write-ins for special surplus funds	0	0
28. Common capital stock		0
29. Preferred capital stock		0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes		0
32. Gross paid in and contributed surplus		0
33. Unassigned funds (surplus)	101,935,595	99,689,790
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		0
34.2 shares preferred (value included in Line 29 \$)		0
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	101,935,595	99,689,790
36. TOTALS	175,381,447	175,970,235
DETAILS OF WRITE-INS		
2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 30,202,911)	31,176,075	28,968,643	59,409,961
1.2 Assumed (written \$ 323,804)	351,907	249,751	586,634
1.3 Ceded (written \$ 4,381,984)	4,332,555	3,250,689	6,753,561
1.4 Net (written \$ 26,144,731)	27,195,427	25,967,705	53,243,034
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 14,160,720):			
2.1 Direct	13,272,237	15,678,619	27,170,151
2.2 Assumed	160,433	171,422	370,558
2.3 Ceded	581,333	1,256,553	1,246,874
2.4 Net	12,851,337	14,593,488	26,293,835
3. Loss expenses incurred	2,781,524	2,920,304	5,690,993
4. Other underwriting expenses incurred	10,819,513	10,249,690	21,435,183
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	26,452,374	27,763,482	53,420,011
7. Net income of protected cells	0	0	0
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	743,053	(1,795,777)	(176,977)
INVESTMENT INCOME			
9. Net investment income earned	2,139,371	1,852,518	3,872,271
10. Net realized capital gains (losses) less capital gains tax of \$	3,318,124	1,620,546	4,167,015
11. Net investment gain (loss) (Lines 9 + 10)	5,457,495	3,473,064	8,039,286
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 61 amount charged off \$ 71,624)	(71,563)	(33,725)	(114,720)
13. Finance and service charges not included in premiums	152,901	148,881	310,629
14. Aggregate write-ins for miscellaneous income	0	0	(4,191)
15. Total other income (Lines 12 through 14)	81,338	115,156	191,718
16. Net income before dividends to policyholders after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,281,886	1,792,443	8,054,027
17. Dividends to policyholders	523,440	471,249	1,074,751
18. Net income, after dividends to policyholders after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	5,758,446	1,321,194	6,979,276
19. Federal and foreign income taxes incurred	1,542,729	255,000	2,405,705
20. Net income (Line 18 minus Line 19)(to Line 22)	4,215,717	1,066,194	4,573,571
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	99,689,790	98,441,087	98,441,088
22. Net income (from Line 20)	4,215,717	1,066,194	4,573,571
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(2,736,304)	(3,669,572)	(5,389,266)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	799,094	1,465,274	2,179,614
27. Change in nonadmitted assets	(120,502)	12,202	(56,417)
28. Change in provision for reinsurance	87,800	0	(58,800)
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,245,805	(1,125,902)	1,248,702
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	101,935,595	97,315,185	99,689,790
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Loss		0	(4,191)
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	(4,191)
3701.		0	0
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	25,256,446	54,815,157
2. Net investment income.....	2,244,381	4,516,889
3. Miscellaneous income.....	81,338	191,718
4. Total (Lines 1 to 3).....	27,582,165	59,523,764
5. Benefits and loss related payments.....	12,726,476	25,152,256
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	14,283,538	27,240,632
8. Dividends paid to policyholders.....	523,440	1,074,751
9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses)	3,019,371	1,412,371
10. Total (Lines 5 through 9).....	30,552,825	54,880,010
11. Net cash from operations (Line 4 minus Line 10).....	(2,970,660)	4,643,754
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	11,374,018	20,715,021
12.2 Stocks.....	7,469,230	10,707,509
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(100)	(92)
12.7 Miscellaneous proceeds.....	39,041	967,107
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	18,882,189	32,389,545
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	8,767,451	30,973,779
13.2 Stocks.....	16,159,810	9,465,929
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	24,927,261	40,439,708
14. Net increase (or decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(6,045,072)	(8,050,163)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	(299,664)	(1,095,534)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(299,664)	(1,095,534)
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).....	(9,315,396)	(4,501,943)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	19,506,981	24,008,924
19.2 End of period (Line 18 plus Line 19.1).....	10,191,585	19,506,981

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A) Accounting Practices

The accompanying financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual (NAIC SAP) has been adopted as a prescribed or permitted practices by the State of Rhode Island Department of Business Regulation Insurance Division.

B) Use of Estimates in Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C) Accounting Policies

Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by semi-monthly pro-rata methods for direct and ceded business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at either amortized cost using the interest method or the lower of amortized cost or fair market value.
3. Unaffiliated common stocks are stated at fair market value. Common stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
4. Redeemable preferred stocks in good standing are carried at amortized cost. Perpetual preferred stocks in good standing are carried at fair market value. Other preferred stocks not in good standing are carried at the lower of amortized cost or fair market value.
5. Loan-backed securities are stated at either amortized cost, using the interest method or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities, EITF 90-20 eligible securities or securities where the yield had become negative, that are valued using the prospective method.
6. Real estate is stated at cost less accumulated depreciation.
7. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessary based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

2. Accounting Changes and Corrections of Errors

There have been no accounting changes or corrections of errors during the statement periods.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A) Mortgage Loans

Not applicable.

B) Debt Restructuring

Not applicable.

C) Reverse Mortgages

Not applicable.

D) Loan-Backed Securities

- 1) When applying the retrospective method, the Company uses historical cash flows and has elected not to use book values as of January 1, 1994 as the cost for securities purchased prior to January 1, 1994.
- 2) Prepayment assumptions for mortgage-backed securities, Asset-backed securities and Collateralized Mortgage Obligations were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).
- 3) The market values of bonds and preferred stocks are based upon closing prices of publicly traded issues. The market value of other issues was obtained from FT-Interactive, Reuters, Kenney Information Systems, Lehman Brothers, Bear Stearns, Bloomberg or independent security dealers.
- 4) The company has no negative yield situations requiring a change from the retrospective to prospective method.

NOTES TO FINANCIAL STATEMENTS

E) Repurchase Agreements
Not applicable.

F) Real Estate
Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

A) The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B) The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

Due and accrued income was included in investment income during the statement periods.

8. Derivative Instruments

Not applicable.

9. Income Taxes

A) The Components of the net deferred asset / (liability) at June 30 are as follows:

Gross deferred tax assets	\$ 3,797,195
Gross deferred tax liabilities	<u>(14,427,633)</u>
Net deferred tax liability	<u>(10,630,438)</u>

B) Unrecognized DTL's
Not applicable.

C) Current Tax and Change in Deferred Tax

Current income taxes incurred consist of the following major components at June 30, 2006 and December 31, 2005:

	<u>2006</u>	<u>2005</u>
Current income tax expense	\$ 1,542,729	2,008,916
Prior year under (over) accrual	<u>0</u>	<u>396,789</u>
Current year expense incurred	<u>1,542,729</u>	<u>2,405,705</u>

The main components of the June 30, 2006 deferred tax amounts are as follows:

<u>Deferred Tax Assets</u>	
Unearned premium reserve	\$ 2,089,778
Loss and LAE reserves	1,001,240
Investment in Partnership	253,586
Anticipated salvage / subrogation	214,700
Net operating loss carryforward	86,784
Other	151,107
<u>Deferred Tax Liabilities</u>	
Common stocks	(14,335,596)
Bond market discount	(51,881)
Accrued dividends	<u>(40,156)</u>
Net Deferred Tax Liability	<u>(10,630,438)</u>

The changes in the main components of Deferred Tax Assets and Deferred Tax Liabilities at June 30, 2006 and December 31, 2005 are as follows:

	<u>2006</u>	<u>2005</u>	<u>Change</u>
<u>Deferred Tax Assets</u>			
Unearned premium reserve	\$ 2,089,778	2,161,226	(71,448)
Loss and LAE reserves	1,001,240	999,485	1,755
Investment in Partnership	253,586	253,586	0
Anticipated salvage / subrogation	214,700	214,700	0
Net operating loss carryforward	86,784	86,784	0
Other	151,107	151,107	0
<u>Deferred Tax Liabilities</u>			
Common stocks	14,335,596	15,215,858	(880,262)
Bond market discount	51,881	51,881	0
Accrued dividends	40,156	28,681	11,475

D) Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Among the more significant book to tax adjustments at June 30, 2006 and December 31, 2005 were the following:

NOTES TO FINANCIAL STATEMENTS

	<u>2006</u>	<u>2005</u>
Income tax expense computed at federal statutory rate	\$ 1,957,872	2,372,954
Tax exempt interest and dividends	(348,027)	(675,764)
Restriction of unearned premium deduction for tax purposes	(105,447)	170,469
Discount of loss reserves for tax purposes	11,649	(5,026)
Net operating loss carryforward	0	(21,696)
Underaccrual of prior year taxes	0	396,789
Other, net	<u>26,682</u>	<u>167,979</u>
Current year expense incurred	<u>1,542,729</u>	<u>2,405,705</u>

E) Operating Loss and Tax Credit Carryforwards

- At December 31, 2005 and 2004, the Company had unused operating loss carryforwards available of \$255,248 and \$319,060, respectively, to offset against future taxable income.
- The amounts of federal income taxes incurred and available for recoupment in the event of future losses are:

Current year	\$ 2,405,705
First preceding year	1,193,970
Second preceding year	906,780

F) Consolidated Federal Income Tax Return

- The Company's federal income tax return is consolidated with The Providence Plantations Insurance Company.
- Income taxes are allocated based on a ratio of each member's taxable income or loss to the consolidated taxable income. Intercompany tax balances are settled annually.

10. Information Concerning Parent, Subsidiaries and Affiliates

A) Nature of Relationships

The Company is not directly or indirectly owned or controlled by any other entity.

B-K) Not applicable.

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation and Other Postretirement Benefit Plans

A) Defined Benefit Plan

Not applicable.

B) Defined Compensation Plan

The Company maintains a 401(k) / Profit Sharing Plan which covers substantially all officers and employees. Under this plan, the Company will match participants pre-tax contributions to the plan, the Company may contribute a percentage of participants taxable wage base without the requirement of a contribution by the participant and the Company may contribute a percentage of participants taxable wages based on the achievement of goals as stated in the employee incentive plan.

The Company maintains a nonqualified excess benefit plan which is credited for benefits which exceed the government's restrictions on how much pre-tax investment an employee may make.

C) Multiemployer Plans

Not applicable.

D) Consolidated / Holding Company Plans

Not applicable.

E) Postemployment Benefits and Compensated Absences

Not applicable.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

1-4) Not applicable.

5-6) Mutual Surplus & Advances

No restrictions have been placed upon the unassigned surplus funds and there are no outstanding unpaid advances to surplus as of the reporting periods.

7-8) Not applicable.

9) Changes in Unassigned Funds at June 30, 2006 and December 31, 2005.

Description	Current Year Increase (Decrease) in Surplus	Prior Year Increase (Decrease) in Surplus
Unrealized gains and losses	(2,736,304)	(5,389,266)
Net deferred income taxes	799,094	2,179,614
Nonadmitted asset values	(120,502)	(56,417)
Other	87,800	(58,800)

NOTES TO FINANCIAL STATEMENTS

10-12) Not applicable.

14. Contingencies

A) Contingent Commitments

Not applicable.

B) Assessments

The Company is subject to guaranty fund assessments by the state in which it writes business. The Company has established a guaranty fund accrual which represents management's best estimate based on the information received by the Company as of the current reporting period.

C) Gain Contingencies

Not applicable.

D) All Other Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

15. Leases

The Company does not have any material lease obligations at this time.

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 Extinguishments of Liabilities

A) Transfers of Receivables reported as Sales

Not applicable.

B) Transfer and Servicing of Financial Assets

Not applicable.

C) Wash Sales

Not applicable.

18. Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

A) ASO Plans

Not applicable.

B) ASC Plans

Not applicable.

C) Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

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

Not applicable.

20. September 11 Events

A) Description of the nature and amount of losses recognized as a result of September 11 events

The Company received 8 claims relating to the September 11, 2001 terrorist attacks totaling \$16,789 of incurred loss. All of these reported claims have been settled as of this statement date.

B-D) Not applicable.

21. Other Items

A) Extraordinary Items

Not applicable.

B) Troubled Debt Restructuring: Debtors

Not applicable.

C) Other Disclosures

1. Grange Mutual Insurance Company was merged into The Providence Mutual Fire Insurance Company effective December 20, 2002.
2. Certain 2005 balances have been reclassified to conform to the 2006 Annual Statement presentation.

D) Uncollectible Premiums Receivable

At June 30, 2006 and December 31, 2005 the Company had admitted assets of \$8,030,000 and \$7,221,000, respectively in premiums receivable from agents and policyholders. The Company routinely assesses the collectibility of these receivables. Based on the Company experience, less than 2% of the balance may become uncollectible and the potential is not material to the Company's financial condition.

NOTES TO FINANCIAL STATEMENTS

E) Noncash Transactions
Not applicable.

F) Additional Disclosures For Retirement Plans, Deferred Compensation Postemployment Benefits
Not applicable.

22. Events Subsequent
Not applicable.

23. Reinsurance

A) Unsecured Reinsurance Recoverables

The Company does not have any unsecured aggregate recoverables for losses; paid and unpaid including IBNR, loss adjustment expenses, and unearned premium that exceeds 3% of the Company's policyholder surplus.

B) Reinsurance Recoverable in Dispute

There are no individual reinsurance recoverables on paid and unpaid (including IBNR) losses in dispute by reason of notification, arbitration or litigation with any company which exceeds 5% of the Company's policyholder surplus or aggregate reinsurance recoverables on paid and unpaid (including IBNR) losses in dispute which exceed 10% of the Company's policyholder surplus.

C) Reinsurance Assumed and Ceded

	ASSUMED REINSURANCE		CEDED REINSURANCE		NET	
	Premium Reserve (1)	Commission Equity (2)	Premium Reserve (3)	Commission Equity (4)	Premium Reserve (5)	Commission Equity (6)
Affiliates	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other	367,919	50,152	758,145	45,559	(390,226)	4,593
TOTAL	\$ 367,919	\$ 50,152	\$ 758,145	\$ 45,559	\$ (390,226)	\$ 4,593

Direct Unearned Premium Reserve \$31,122,258.

D) Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the statement periods.

E) Commutation of Ceded Reinsurance

Effective December 31, 2002, the Company commuted the intercompany pooling arrangement with The Providence Plantations Insurance Company.

F) Retroactive Reinsurance

The Company was not involved in any retroactive reinsurance contracts.

G) Reinsurance Accounted for as a Deposit

Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company was not involved in any retrospectively rated contracts during the statement periods.

25. Change in Incurred Losses and Loss Adjustment Expenses

There have been no changes in the provision for incurred loss and loss adjustment expense attributable to insured events of prior years.

26. Intercompany Pooling Arrangements

Effective January 1, 1995, The Company joined The Providence Plantations Insurance Company (NAIC #33430) and Grange Mutual Insurance Company (NAIC #14079) in a prospective pooling arrangement. Under the terms of the pooling arrangement, the Companies shared in the pool's underwriting activity based on predetermined participation percentages. The Company's participation percentage was 96% and both Providence Plantations and Grange Mutual participated at 2%. In 2002, Grange Mutual Insurance Company was merged into the Company and the Company commuted the intercompany pooling arrangement with The Providence Plantations Insurance Company. As a result of these two transactions, the Company is no longer a party to an intercompany pooling arrangement.

27. Structured Settlements

The Company has not purchased any annuities under which the claimant is payee but for which the Company is contingently liable.

28. Health Care Receivables

Not applicable.

NOTES TO FINANCIAL STATEMENTS

- 29. Participating Policies
Not applicable.
- 30. Premium Deficiency Reserves
Not applicable.
- 31. High Deductibles
Not applicable.
- 32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses
Not applicable.
- 33. Asbestos/Environmental Reserves
The Company has minor exposure to asbestos and / or environmental claims.
- 34. Subscriber Savings Accounts
Not applicable.
- 35. Multiple Peril Crop Insurance
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 experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [X] No []
- 2.2 If yes, date of change: 04/18/2006
If not previously filed, furnish herewith a certified copy of the instrument as amended.
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] NA [X]
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2001
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2001
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/23/2002
- 6.4 By what department or departments?
Rhode Island Insurance Department.....
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No []
- 10.2 If yes, explain:

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

- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0

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

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$ 1,238,667	\$ 1,238,667
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ 1,238,667	\$ 1,238,667
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

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

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

If no, attach a description with this statement.

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

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

1 Name of Custodian(s)	2 Custodian Address
Bank of America	50 Kennedy Plaza ,R11-536-11-04, Providence, RI 02903

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

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

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

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

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

16.5 Identify all investment advisors, 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
SEC File # 801-22445.....	General Re New England Asset Management.....	76 Batterson Park Road, Farmington, CT 06032-3065.....

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

17.2 If no, list exceptions:

GENERAL INTERROGATORIES

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

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] NA [X]

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

- 3.2 If yes, give full and complete information thereto.

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [] No [X]

- 4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....										
.....										
TOTAL			0	0	0	0	0	0	0	0

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	3,923,575	4,069,817
2. Increase (decrease) by adjustment	(71,833)	(146,242)
3. Cost of acquired	0	0
4. Cost of additions to and permanent improvements	0	0
5. Total profit (loss) on sales	0	0
6. Increase (decrease) by foreign exchange adjustment	0	0
7. Amount received on sales	0	0
8. Book/adjusted carrying value at end of current period	3,851,742	3,923,575
9. Total valuation allowance	0	0
10. Subtotal (Lines 8 plus 9)	3,851,742	3,923,575
11. Total nonadmitted amounts	0	0
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	3,851,742	3,923,575

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year	0	0
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions	0	0
2.2. Additional investment made after acquisitions	0	0
3. Accrual of discount and mortgage interest points and commitment fees	0	0
4. Increase (decrease) by adjustment	0	0
5. Total profit (loss) on sale	0	0
6. Amounts paid on account or in full during the period	0	0
7. Amortization of premium	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0	0
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts	0	0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0	0

SCHEDULE BA – VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value of long-term invested assets owned December 31 of prior year	0	0
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions	0	0
2.2. Additional investment made after acquisitions	0	0
3. Accrual of discount	0	0
4. Increase (decrease) by adjustment	0	0
5. Total profit (loss) on sale	0	0
6. Amounts paid on account or in full during the period	0	0
7. Amortization of premium	0	0
8. Increase (decrease) by foreign exchange adjustment	0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period	0	0
10. Total valuation allowance	0	0
11. Subtotal (Lines 9 plus 10)	0	0
12. Total nonadmitted amounts	0	0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	141,560,330	134,141,012
2. Cost of bonds and stocks acquired	24,927,261	40,439,707
3. Accrual of discount	80,932	114,295
4. Increase (decrease) by adjustment	(2,691,651)	(5,433,919)
5. Increase (decrease) by foreign exchange adjustment	0	0
6. Total profit (loss) on disposal	3,318,224	4,167,107
7. Consideration for bonds and stocks disposed of	18,843,248	31,422,530
8. Amortization of premium	224,330	445,342
9. Book/adjusted carrying value, current period	148,127,518	141,560,330
10. Total valuation allowance	0	44,652
11. Subtotal (Lines 9 plus 10)	148,127,518	141,604,982
12. Total nonadmitted amounts	0	44,652
13. Statement value	148,127,518	141,560,330

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

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	69,698,518	30,170,957	35,104,150	7,353	69,698,518	64,772,678	.0	77,294,021
2. Class 2	2,998,022	1,036,088	239,483	(492,428)	2,998,022	3,302,199	.0	2,872,793
3. Class 3	1,707,713	264,993	218,840	410,122	1,707,713	2,163,988	.0	1,643,294
4. Class 4	594,430	268	21,456	(360,924)	594,430	212,318	.0	1,073,367
5. Class 5	49,339		1,362	322,269	49,339	370,246	.0	55,903
6. Class 6	279,145		592	48,750	279,145	327,303	0	279,281
7. Total Bonds	75,327,167	31,472,306	35,585,883	(64,858)	75,327,167	71,148,732	0	83,218,659
PREFERRED STOCK								
8. Class 1	350,000			(5,600)	350,000	344,400	.0	358,050
9. Class 2 .....	.0				.0	.0	.0	.0
10. Class 3	453,112		19,720		453,112	433,392	.0	474,077
11. Class 4 .....	.0				.0	.0	.0	.0
12. Class 5 .....	.0				.0	.0	.0	.0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock	803,112	0	19,720	(5,600)	803,112	777,792	0	832,127
15. Total Bonds and Preferred Stock	76,130,279	31,472,306	35,605,603	(70,458)	76,130,279	71,926,524	0	84,050,786

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999 Totals	328,292	XXX	328,292	2,443	2,918

SCHEDULE DA - PART 2- VERIFICATION

Short-Term Investments Owned

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	1,705,115	1,085,416
2. Cost of short-term investments acquired	996,145	6,626,759
3. Increase (decrease) by adjustment		0
4. Increase (decrease) by foreign exchange adjustment		0
5. Total profit (loss) on disposal of short-term investments		0
6. Consideration received on disposal of short-term investments	2,372,968	6,007,060
7. Book/adjusted carrying value, current period	328,292	1,705,115
8. Total valuation allowance		0
9. Subtotal (Lines 7 plus 8)	328,292	1,705,115
10. Total nonadmitted amounts		0
11. Statement value (Lines 9 minus 10)	328,292	1,705,115
12. Income collected during period	21,612	37,819
13. Income earned during period	22,606	36,891

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	No	0	0	0	0	0	
2. Alaska	AK	No	0	0	0	0	0	
3. Arizona	AZ	No	0	0	0	0	0	
4. Arkansas	AR	No	0	0	0	0	0	
5. California	CA	No	0	0	0	0	0	
6. Colorado	CO	No	0	0	0	0	0	
7. Connecticut	CT	Yes	993,539	809,141	114,173	115,770	718,534	1,455,287
8. Delaware	DE	No	0	0	0	0	0	0
9. District of Columbia	DC	No	0	0	0	0	0	0
10. Florida	FL	No	0	0	0	0	0	0
11. Georgia	GA	No	0	0	0	0	0	0
12. Hawaii	HI	No	0	0	0	0	0	0
13. Idaho	ID	No	0	0	0	0	0	0
14. Illinois	IL	No	0	0	0	0	0	0
15. Indiana	IN	No	0	0	0	0	0	0
16. Iowa	IA	No	0	0	0	0	0	0
17. Kansas	KS	No	0	0	0	0	0	0
18. Kentucky	KY	No	0	0	0	0	0	0
19. Louisiana	LA	No	0	0	0	0	0	0
20. Maine	ME	Yes	776,313	605,959	856,206	636,080	599,872	724,967
21. Maryland	MD	No	0	0	0	0	0	0
22. Massachusetts	MA	Yes	12,557,300	11,989,964	4,568,366	4,014,412	10,259,766	8,309,117
23. Michigan	MI	No	0	0	0	0	0	0
24. Minnesota	MN	No	0	0	0	0	0	0
25. Mississippi	MS	No	0	0	0	0	0	0
26. Missouri	MO	No	0	0	0	0	0	0
27. Montana	MT	No	0	0	0	0	0	0
28. Nebraska	NE	No	0	0	0	0	0	0
29. Nevada	NV	No	0	0	0	0	0	0
30. New Hampshire	NH	Yes	1,849,835	2,033,267	988,601	1,367,701	226,149	1,854,393
31. New Jersey	NJ	Yes	5,343,139	5,553,588	3,250,130	3,751,090	4,923,698	7,002,289
32. New Mexico	NM	No	0	0	0	0	0	0
33. New York	NY	Yes	1,970,574	1,864,939	813,829	853,483	1,080,665	2,086,176
34. North Carolina	NC	No	0	0	0	0	0	0
35. North Dakota	ND	No	0	0	0	0	0	0
36. Ohio	OH	No	0	0	0	0	0	0
37. Oklahoma	OK	No	0	0	0	0	0	0
38. Oregon	OR	No	0	0	0	0	0	0
39. Pennsylvania	PA	No	0	0	0	0	0	0
40. Rhode Island	RI	Yes	6,707,606	6,279,867	2,545,805	3,061,136	4,489,866	4,109,507
41. South Carolina	SC	No	0	0	0	0	0	0
42. South Dakota	SD	No	0	0	0	0	0	0
43. Tennessee	TN	No	0	0	0	0	0	0
44. Texas	TX	No	0	0	0	0	0	0
45. Utah	UT	No	0	0	0	0	0	0
46. Vermont	VT	Yes	4,605	4,803	0	0	0	0
47. Virginia	VA	No	0	0	0	0	0	0
48. Washington	WA	No	0	0	0	0	0	0
49. West Virginia	WV	No	0	0	0	0	0	0
50. Wisconsin	WI	No	0	0	0	0	0	0
51. Wyoming	WY	No	0	0	0	0	0	0
52. American Samoa	AS	No	0	0	0	0	0	0
53. Guam	GU	No	0	0	0	0	0	0
54. Puerto Rico	PR	No	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	No	0	0	0	0	0	0
56. Northern Mariana Islands	MP	No	0	0	0	0	0	0
57. Canada	CN	No	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 8		30,202,911	29,141,528	13,137,110	13,799,672	22,298,550	25,541,736
DETAILS OF WRITE-INS								
5801.	XXX							
5802.	XXX							
5803.	XXX							
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX		0	0	0	0	0	0

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

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

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	1,263,578	269,782	21.4	52.3
2. Allied Lines	710,689	168,846	23.8	44.5
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	19,971,556	8,735,307	43.7	61.4
5. Commercial multiple peril	5,780,972	2,617,387	45.3	44.4
6. Mortgage guaranty			0.0	0.0
8. Ocean marine	0		0.0	0.0
9. Inland marine	421,772	82,887	19.7	24.9
10. Financial guaranty			0.0	0.0
11.1 Medical malpractice - occurrence			0.0	0.0
11.2 Medical malpractice - claims-made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability - occurrence	1,585,907	653,682	41.2	24.3
17.2 Other liability - claims-made			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability - claims-made			0.0	0.0
19.1,19.2 Private passenger auto liability	910,803	448,230	49.2	39.2
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	530,798	296,116	55.8	59.4
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
31. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business	0	0	0.0	0.0
34. Totals	31,176,075	13,272,237	42.6	54.1
DETAILS OF WRITE-INS				
3301.				
3302.				
3303.				
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0.0	0.0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	663,197	1,257,047	1,204,216
2. Allied Lines	374,099	717,263	690,846
3. Farmowners multiple peril	0		0
4. Homeowners multiple peril	10,611,708	18,814,454	17,761,321
5. Commercial multiple peril	2,937,366	5,839,026	6,078,952
6. Mortgage guaranty	0		0
8. Ocean marine	0		0
9. Inland marine	239,846	403,890	401,519
10. Financial guaranty	0		0
11.1 Medical malpractice - occurrence	0		0
11.2 Medical malpractice - claims-made	0		0
12. Earthquake	0		0
13. Group accident and health	0		0
14. Credit accident and health	0		0
15. Other accident and health	0		0
16. Workers' compensation	0		0
17.1 Other liability - occurrence	934,219	1,645,214	1,712,630
17.2 Other liability - claims-made	0		0
18.1 Products liability - occurrence	0		0
18.2 Products liability - claims-made	0		0
19.1,19.2 Private passenger auto liability	556,402	990,066	820,984
19.3,19.4 Commercial auto liability	0		0
21. Auto physical damage	300,509	535,951	471,060
22. Aircraft (all perils)	0		0
23. Fidelity	0		0
24. Surety	0		0
26. Burglary and theft	0		0
27. Boiler and machinery	0		0
28. Credit	0		0
29. International	0		0
30. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
31. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business	0	0	0
34. Totals	16,617,346	30,202,911	29,141,528
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Summary of remaining write-ins for Line 33 from overflow page	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2006 Loss and LAE Payments on Claims Reported as of Prior Year-End	2006 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2006 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2003 + Prior	3,505	3,798	7,303	1,221	15	1,236	2,743	60	2,505	5,308	459	(1,218)	(759)
2. 2004	2,549	2,319	4,868	1,124	21	1,145	2,159	351	1,651	4,161	734	(296)	438
3. Subtotals 2004 + Prior	6,054	6,117	12,171	2,345	36	2,381	4,902	411	4,156	9,469	1,193	(1,514)	(321)
4. 2005	8,036	8,331	16,367	5,897	379	6,276	3,615	551	2,892	7,058	1,476	(4,509)	(3,033)
5. Subtotals 2005 + Prior	14,090	14,448	28,538	8,242	415	8,657	8,517	962	7,048	16,527	2,669	(6,023)	(3,354)
6. 2006	XXX	XXX	XXX	XXX	6,729	6,729	XXX	4,445	7,813	12,258	XXX	XXX	XXX
7. Totals	14,090	14,448	28,538	8,242	7,144	15,386	8,517	5,407	14,861	28,785	2,669	(6,023)	(3,354)
8. Prior Year-End's Surplus As Regards Policyholders	99,690												
											Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 18.9	2. (41.7)	3. (11.8)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (3.4)

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 on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory question.

RESPONSE

- 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?NO.....
- 2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?NO.....

Explanation:

- 1.
- 2.

Bar Code:



OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
045416-DW-1	ASSET BACKED SECS CORP HM EQ 03 HE1 M3		04/06/2006	BB&T CAPITAL MARKETS		193,922	198,006	1,225	2FE
12506Y-BT-5	CDC MORTGAGE CAPITAL TR 03 HE3 B3		05/22/2006	MORGAN STANLEY & CO.		270,186	274,999	0	2FE
22541N-ZG-7	HOME EQUITY ASSET TR 03 1 B1		05/26/2006	CREDIT SUISSE FIRST BOSTON		153,797	156,337	253	2FE
233046-AB-7	DB MASTER FINANCE LLC 06 1 M1		05/22/2006	LEHMAN BROTHERS		69,999	70,000	0	3FE
36242D-SC-8	GSAMP TRUST 05 HE1 B4		05/09/2006	MORGAN STANLEY & CO.		179,000	200,000	367	3FE
437084-AK-2	HOME EQUITY ASSET TR 03 7 B3		06/19/2006	LEHMAN BROTHERS		93,279	97,166	724	2FE
456606-AT-9	INDYMAC HOME EQUITY LN AB 00 B MF1		06/21/2006	CREDIT SUISSE FIRST BOSTON		158,110	163,000	1,028	1FE
456606-BJ-0	INDYMAC HOME EQUITY LN AB 00 C MF1		06/26/2006	CREDIT SUISSE FIRST BOSTON		240,560	248,000	1,686	2FE
61746W-VU-1	MORGAN STANLEY DWC 1 02 NC4 B1		06/08/2006	MORGAN STANLEY & CO.		84,204	88,404	335	2FE
99M000-86-7	ACE RV AND MARINE TR 01 RV1 E		06/20/2006	CAPITALIZED INTEREST		241	241	0	3Z
99M001-03-0	INDYMAC HM EQ LN ABS TR 01 A MV2		04/25/2006	CAPITALIZED INTEREST		200	200	0	3FE
99M001-04-8	FIRST FRANKLIN MTG LN ABC 05 FFH2 B2		06/25/2006	CAPITALIZED INTEREST		3,844	3,844	0	3FE
99M001-08-9	FFCA SECURED LENDING CORP 00 1 B		06/18/2006	CAPITALIZED INTEREST		161	161	0	4FE
99M001-09-7	STRUCTURED ASSET SECS CORP 02 HF2 B2		06/25/2006	CAPITALIZED INTEREST		2,327	2,327	0	3FE
99M001-10-5	CSFB MTG SECS CORP 05 AGE1 B3		06/25/2006	CAPITALIZED INTEREST		127	127	0	2FE
99M001-12-1	STRUCTURED ASSET INVEST LN TR 04 1 B		06/25/2006	CAPITALIZED INTEREST		1,332	1,332	0	3FE
99M001-14-7	AMORTIZING RESIDENTIAL COLL TR 04 1 B1		06/25/2006	CAPITALIZED INTEREST		6,991	6,991	0	3FE
99M001-22-0	CSFB MTG SECS CORP 01 HE25 B		06/25/2006	CAPITALIZED INTEREST		107	107	0	4FE
99M001-23-8	CSFB MTG SECS CORP 02 HE1 B		06/25/2006	CAPITALIZED INTEREST		61	61	0	3FE
99M001-24-6	STRUCTURED ASSET SECS CORP 02 HF2 B1		06/25/2006	CAPITALIZED INTEREST		838	838	0	3FE
99M001-25-3	CDC MORTGAGE CAPITAL TR 03 HE1 B2		06/25/2006	CAPITALIZED INTEREST		12	12	0	2FE
99M001-26-1	MERITAGE MTG LN TR 04 1 B1		06/25/2006	CAPITALIZED INTEREST		162	162	0	3FE
4599999	- Total - Bonds - Industrial, Misc.					1,459,459	1,512,313	5,618	XXX
6099997	- Total - Bonds - Part 3					1,459,459	1,512,313	5,618	XXX
6099999	- Total - Bonds					1,459,459	1,512,313	5,618	XXX
6599999	- Total - Preferred Stocks					0	XXX	0	XXX
60692U-10-9	AXIS CAPITAL HOLDINGS LTD	F	06/06/2006	SANFORD BERNSTEIN	3,000.000	80,415	0	0	L
6799999	- Total - Common Stocks - Banks, Trusts, Insurance					80,415	XXX	0	XXX
166764-10-0	CHEVRON TEXACO CORPORATION		05/24/2006	MERRILL LYNCH	3,000.000	173,366	0	0	L
20825C-10-4	CONOCOPHILLIPS		05/24/2006	MERRILL LYNCH	3,000.000	184,760	0	0	L
319963-10-4	FIRST DATA CORPORATION		04/03/2006	CITIGROUP GLOBAL MARKETS	9,000.000	430,350	0	0	L
524901-10-5	LEGG MASON INC		05/24/2006	MERRILL LYNCH	3,000.000	290,846	0	0	L
742718-10-9	PROCTER & GAMBLE COMPANY (THE)		05/08/2006	VARIOUS	45,000.000	2,545,937	0	0	L
92553P-20-1	VIACOM INC - CLASS B		04/11/2006	LEHMAN BROTHERS	20,000.000	767,974	0	0	L
6899999	- Total - Common Stocks - Industrial, Misc.					4,393,232	XXX	0	XXX
7299997	- Total - Common Stocks - Part 3					4,473,647	XXX	0	XXX
7299999	- Total - Common Stocks					4,473,647	XXX	0	XXX
7399999	- Total - Preferred and Common Stocks					4,473,647	XXX	0	XXX
7499999	- Totals					5,933,106	XXX	5,618	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

E04

STATEMENT AS OF JUNE 30, 2006 OF THE PROVIDENCE MUTUAL FIRE INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)	
31359M-VA-8	FEDERAL NATIONAL MORTGAGE ASSOCIATION		06/15/2006	MATURITY		3,000,000	3,000,000	2,969,310	2,989,543	0	10,457	0	10,457	0	3,000,000	0	0	0	37,500	06/15/2006	1	
0399999	Bonds - U.S. Governments					3,000,000	3,000,000	2,969,310	2,989,543	0	10,457	0	10,457	0	3,000,000	0	0	0	37,500	XXX	XXX	
31370Y-M2-5	FEDERAL NATIONAL MTG ASSOC #245277		06/01/2006	PAYDOWN		136	136	139	136	0	0	0	0	136	0	0	0	4	0	11/01/2008	1	
31370Y-MK-5	FEDERAL NATIONAL MTG ASSOC #245262		06/01/2006	PAYDOWN		117	117	119	117	0	0	0	0	117	0	0	0	3	0	11/01/2008	1	
31371H-PC-6	FEDERAL NATIONAL MTG ASSOC #252519		06/01/2006	PAYDOWN		35,094	35,094	32,856	34,795	0	299	0	299	0	35,094	0	0	0	799	05/01/2009	1	
31407F-KK-5	FEDERAL NATIONAL MTG ASSOC #829298		06/01/2006	PAYDOWN		41,845	41,845	39,226	41,757	0	87	0	87	0	41,845	0	0	0	881	08/01/2035	1	
31407N-QC-0	FEDERAL NATIONAL MTG ASSOC #835751		06/01/2006	PAYDOWN		62,426	62,426	58,534	62,290	0	136	0	136	0	62,426	0	0	0	1,167	06/01/2035	1	
31407R-BP-8	FEDERAL NATIONAL MTG ASSOC #838046		06/01/2006	PAYDOWN		33,901	33,901	31,780	33,840	0	61	0	61	0	33,901	0	0	0	675	07/01/2035	1	
3199999	Bonds - Special Revenues					173,519	173,519	162,655	172,935	0	583	0	583	0	173,519	0	0	0	3,530	XXX	XXX	
04541G-DM-1	ASSET BACKED SECS CORP HM EQ 03 HE1 M3		04/06/2006	UNITED CAPITAL MARKETS, INC.		194,046	198,006	193,922	193,922	0	0	0	0	193,922	0	124	124	1,225	0	10/15/2006	2FE	
12506Y-BT-5	CDC MORTGAGE CAPITAL TR 03 HE3 B3		06/25/2006	PAYDOWN		0	0	0	0	0	0	0	0	0	0	0	0	0	0	03/25/2020	2FE	
12669E-FX-9	COUNTRYWIDE HOME LOANS 03 J4 1A1		06/01/2006	PAYDOWN		50,901	50,901	50,265	50,865	0	37	0	37	0	50,901	0	0	0	897	12/01/2011	1FE	
12669E-JL-1	COUNTRYWIDE HOME LOANS 03 J5 1A1		06/01/2006	PAYDOWN		47,256	47,256	48,484	47,432	0	(176)	0	(176)	0	47,256	0	0	0	1,082	10/01/2008	1FE	
22541N-ZG-7	HOME EQUITY ASSET TR 03 1 B1		06/25/2006	PAYDOWN		40,303	40,303	39,648	39,998	0	305	0	305	0	40,303	0	0	0	298	12/25/2032	2FE	
456606-DD-1	INHEL 2001 C M2		06/25/2006	PAYDOWN		3,207	3,207	2,758	3,168	0	39	0	39	0	3,207	0	0	0	34	12/25/2031	2FE	
61746W-MN-7	MSDWC 2002 AM1 B1		06/25/2006	PAYDOWN		21,456	21,456	15,448	20,915	0	541	0	541	0	21,456	0	0	0	205	12/25/2031	4FE	
61746W-VU-1	MORGAN STANLEY DMC I 02 NC4 B1		06/25/2006	PAYDOWN		1,564	1,564	1,490	1,560	0	4	0	4	0	1,564	0	0	0	10	02/25/2032	2FE	
74436J-DJ-3	PRU SECS SECURED FING CORP 96 1 A2		05/01/2006	PAYDOWN		75,028	75,028	73,140	74,763	0	265	0	265	0	75,028	0	0	0	2,193	05/01/2006	1FE	
86358E-HK-5	STRUC ASSET INVEST LN TR 2004-3 B		05/03/2006	CREDIT SUISSE FIRST BOSTON		148,873	155,000	148,606	148,606	0	656	0	656	0	149,262	0	(389)	(389)	1,111	07/25/2007	3FE	
99M000-81-8	MERIT SECURITIES CORP 13 W1		06/28/2006	PAYDOWN		88	88	88	88	0	0	0	0	88	0	0	0	0	4	12/01/2033	6FE	
99M001-03-0	INDYMAC HM EQ LN ABS TR 01 A MV2		05/25/2006	PAYDOWN		60,763	60,763	60,763	60,763	0	0	0	0	60,763	0	0	0	0	13,716	08/25/2013	3FE	
99M001-07-1	GREEN TREE FINL CORP 97 4 M1		06/15/2006	PAYDOWN		1,362	1,362	1,362	1,362	0	0	0	0	1,362	0	0	0	0	46	02/15/2029	5FE	
99M001-19-6	ORIGEN MANUFACTURED HSG 01 A M1		06/15/2006	PAYDOWN		504	504	504	461	43	0	43	0	504	0	0	0	0	23	02/15/2031	6FE	
99M001-23-8	CSFB MTG SECS CORP 02 HE1 B		05/25/2006	PAYDOWN		8,815	8,815	8,815	8,815	0	0	0	0	8,815	0	0	0	0	316	11/25/2031	3FE	
99M001-25-3	CDC MORTGAGE CAPITAL TR 03 HE1 B2		04/25/2006	PAYDOWN		487	487	487	487	0	0	0	0	487	0	0	0	0	17	05/25/2033	2FE	
4599999	Bonds - Industrial and Miscellaneous					654,653	664,741	645,781	653,206	43	1,670	0	1,713	0	654,919	0	(266)	(266)	21,175	XXX	XXX	
6099997	Bonds - Part 4					3,828,172	3,838,259	3,777,746	3,815,685	43	12,710	0	12,753	0	3,828,437	0	(266)	(266)	62,205	XXX	XXX	
6099999	Total - Bonds					3,828,172	3,838,259	3,777,746	3,815,685	43	12,710	0	12,753	0	3,828,437	0	(266)	(266)	62,205	XXX	XXX	
80565Q-20-0	SAYBROOK POINT CBO LTD 2002-1A PS	F	05/10/2006	RETURN OF CAPITAL		0.000	0.000	19,720	19,720	0	0	0	0	19,720	0	0	0	0	0		RP3UFE	
6399999	Preferred Stocks - Industrial and Miscellaneous					19,720	19,720	19,720	19,720	0	0	0	0	19,720	0	0	0	0	0	0	XXX	XXX
6599997	Preferred Stocks - Part 4					19,720	19,720	19,720	19,720	0	0	0	0	19,720	0	0	0	0	0	0	XXX	XXX
6599999	Total - Preferred Stocks					19,720	19,720	19,720	19,720	0	0	0	0	19,720	0	0	0	0	0	0	XXX	XXX
949746-10-1	WELLS FARGO & COMPANY		04/25/2006	LIBS WARBURG		10,500,000	681,954	259,434	659,715	(400,281)	0	0	(400,281)	0	259,434	0	422,520	422,520	5,460		1	
6799999	Common Stocks - Banks, Trust and Insurance Companies					681,954	681,954	259,434	659,715	(400,281)	0	0	(400,281)	0	259,434	0	422,520	422,520	5,460	XXX	XXX	
191216-10-0	COCA COLA COMPANY		04/11/2006	LEHMAN BROTHERS		14,400,000	594,147	615,051	580,464	34,587	0	0	34,587	0	615,051	0	(20,904)	(20,904)	4,464		1	
24702R-10-1	DELL INC		05/04/2006	LEHMAN BROTHERS		23,900,000	610,308	723,054	723,054	0	0	0	0	723,054	0	(112,746)	(112,746)	0			1	
63930E-10-1	GLOBAL SANTA FE CORP	F	04/03/2006	WACHOVIA SECURITIES, INC		3,500,000	216,510	85,575	168,525	(82,950)	0	0	(82,950)	0	85,575	0	130,935	130,935	1,575		1	
6899999	Common Stocks - Industrial and Miscellaneous					1,420,966	1,420,966	1,423,680	1,472,043	(48,363)	0	0	(48,363)	0	1,423,680	0	(2,714)	(2,714)	6,039	XXX	XXX	
7299997	Common Stocks - Part 4					2,102,920	2,102,920	1,683,114	2,131,758	(448,644)	0	0	(448,644)	0	1,683,114	0	419,806	419,806	11,499	XXX	XXX	
7299999	Total - Common Stocks					2,102,920	2,102,920	1,683,114	2,131,758	(448,644)	0	0	(448,644)	0	1,683,114	0	419,806	419,806	11,499	XXX	XXX	
7399999	Total - Preferred and Common Stocks					2,122,640	2,122,640	1,702,834	2,151,478	0	0	0	(448,644)	0	1,702,834	0	419,806	419,806	11,499	XXX	XXX	
7499999	Totals					5,950,811	5,950,811	5,480,580	5,967,162	(448,601)	12,710	0	(435,891)	0	5,531,271	0	419,540	419,540	73,704	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

