

QUARTERLY STATEMENT

OF THE

Delta Dental Plan

of

Arkansas, Inc.

of **Sherwood**

in the state of **Arkansas**

TO THE

Insurance Department

OF THE

STATE OF Arkansas

FOR THE QUARTER ENDED

June 30, 2007

HEALTH

2007



47155200720100102

HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2007

OF THE CONDITION AND AFFAIRS OF THE

Delta Dental Plan of Arkansas, Inc.

NAIC Group Code 0000 0000 NAIC Company Code 47155 Employer's ID Number 71-0561140
(Current Period) (Prior Period)

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

Country of Domicile US

Licensed as business type: Life, Accident & Health Property/Casualty Hospital, Medical & Dental Service or Indemnity
Dental Service Corporation Vision Service Corporation Health Maintenance Organization
Other Is HMO Federally Qualified? YES NO

Incorporated/Organized: March 15, 1982 Commenced Business: August 1, 1982

Statutory Home Office: 1513 Country Club Road Sherwood, AR 72120

Main Administrative Office: 1513 Country Club Road Sherwood, AR 72120 501-835-3400

Mail Address: 1513 Country Club Road Sherwood, AR 72120

Primary Location of Books and Records: 1513 Country Club Road Sherwood, AR 72120 501-835-3400

Internet Website Address: www.ddpar.com

Statutory Statement Contact: Phyllis L Rogers 501-992-1616

progers@ddpar.com 501-992-1617

Policyowner Relations Contact: 1513 Country Club Road Sherwood, AR 72120 000-000-0000

OFFICERS

	Name	Title
1.	<u>Eddie Allen Choate</u>	<u>President and CEO</u>
2.	<u>Robert Joe Matlock</u>	<u>Secretary</u>
3.	<u>Ebb Weldon Johnson</u>	<u>Treasurer</u>

Vice-Presidents

Name	Title	Name	Title
<u>Ina Lynn Harbert</u>	<u>Senior Vice President and COO</u>	<u>Phyllis Lynn Rogers</u>	<u>Senior Vice President and CFO</u>
<u>Herman Eldon Hurd</u>	<u>Vice President of Provider Relations</u>	<u>Allen Dale Moore</u>	<u>Vice President of Information Technology</u>
<u>Timothy Wayne Carney</u>	<u>Vice President of Sales and Marketing</u>	<u>James Durette Johnson</u>	<u>Vice President of Business Development</u>

DIRECTORS OR TRUSTEES

<u>Ronald Paul Ownbey</u>	<u>Harold Wayne Perrin</u>	<u>Robert Joe Matlock</u>	<u>Robert Howard Gladden</u>
<u>Ebb Weldon Johnson</u>	<u>James Talbert Johnston</u>	<u>Daniel Austin Lieblong</u>	<u>Byron Scott Southern</u>
<u>Paul David Fitzgerald</u>	<u>Susan Jane Fletcher Smith</u>		

State of Arkansas
County of Pulaski ss

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

(Signature)	(Signature)	(Signature)
<u>Eddie Allen Choate</u>	<u>Robert Joe Matlock</u>	<u>Not Required</u>
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
<u>President and CEO</u>	<u>Secretary</u>	<u>Treasurer</u>
(Title)	(Title)	(Title)

Subscribed and sworn to before me this
13th day of August, 2007

a. Is this an original filing? YES NO
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

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	13,776,394		13,776,394	13,590,731
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	12,356,178	2,363,035	9,993,143	8,940,373
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	6,601,809		6,601,809	6,600,139
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 11,613,221), cash equivalents (\$ 0) and short-term investments (\$ 0)	11,613,221		11,613,221	8,232,108
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	44,347,602	2,363,035	41,984,567	37,363,351
11. Title plants less \$ 0 charged off (for Title insurers only)				
12. Investment income due and accrued	201,075		201,075	193,218
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	255,074		255,074	290,415
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 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				
15. Amounts receivable relating to uninsured plans	5,799,059		5,799,059	5,233,219
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset				
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	2,919,689	1,224,661	1,695,028	1,511,206
19. Furniture and equipment, including health care delivery assets (\$ 0)	423,303	423,303		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates				20,031
22. Health care (\$ 0) and other amounts receivable	30,912		30,912	90,425
23. Aggregate write-ins for other than invested assets	359,533	359,533		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	54,336,247	4,370,532	49,965,715	44,701,865
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	54,336,247	4,370,532	49,965,715	44,701,865

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Prepaid Expenses	359,533	359,533		
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	359,533	359,533		

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	2,134,020		2,134,020	2,076,800
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	81,111		81,111	82,155
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	1,311,933		1,311,933	538,730
9. General expenses due or accrued	2,319,362		2,319,362	2,052,389
10.1 Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				903,515
13. Remittances and items not allocated				
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Payable for securities				
17. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers and \$ 0 unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured plans	2,280,565		2,280,565	2,275,365
21. Aggregate write-ins for other liabilities (including \$ 0 current)				
22. Total liabilities (Lines 1 to 21)	8,126,991		8,126,991	7,928,954
23. Aggregate write-ins for special surplus funds	X X X	X X X		
24. Common capital stock	X X X	X X X		
25. Preferred capital stock	X X X	X X X		
26. Gross paid in and contributed surplus	X X X	X X X		
27. Surplus notes	X X X	X X X		
28. Aggregate write-ins for other than special surplus funds	X X X	X X X	50,000	50,000
29. Unassigned funds (surplus)	X X X	X X X	41,788,724	36,722,911
30. Less treasury stock, at cost:				
30.1 0 shares common (value included in Line 24 \$ 0)	X X X	X X X		
30.2 0 shares preferred (value included in Line 25 \$ 0)	X X X	X X X		
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	41,838,724	36,772,911
32. Total liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	49,965,715	44,701,865

DETAILS OF WRITE-INS				
2101.				
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page				
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2301.	X X X	X X X		
2302.	X X X	X X X		
2303.	X X X	X X X		
2398. Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801. Surplus required by the Arkansas Insurance Department	X X X	X X X	50,000	50,000
2802.	X X X	X X X		
2803.	X X X	X X X		
2898. Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X	50,000	50,000

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1	2	3
	Uncovered	Total	Total
1. Member Months	X X X	755,543	735,124
2. Net premium income (including \$ 0 non-health premium income)	X X X	32,037,228	29,212,678
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ 0 medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X		
7. Aggregate write-ins for other non-health revenues	X X X	53,961	15,954
8. Total revenues (Lines 2 to 7)	X X X	32,091,189	29,228,632
Hospital and Medical:			
9. Hospital/medical benefits		24,331,755	23,428,183
10. Other professional services			
11. Outside referrals			
12. Emergency room and out-of-area			
13. Prescription drugs			
14. Aggregate write-ins for other hospital and medical			
15. Incentive pool, withhold adjustments and bonus amounts			
16. Subtotal (Lines 9 to 15)		24,331,755	23,428,183
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)		24,331,755	23,428,183
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 0 cost containment expenses		3,575,401	2,178,479
21. General administrative expenses		1,413,893	1,452,319
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)		29,321,049	27,058,981
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	2,770,140	2,169,651
25. Net investment income earned		1,057,570	518,422
26. Net realized capital gains (losses) less capital gains tax of \$ 0		200,359	50,297
27. Net investment gains (losses) (Lines 25 plus 26)		1,257,929	568,719
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 0) (amount charged off \$ 0)]			
29. Aggregate write-ins for other income or expenses			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	4,028,069	2,738,370
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Lines 30 minus 31)	X X X	4,028,069	2,738,370

DETAILS OF WRITE-INS			
0601.	X X X		
0602.	X X X		
0603.	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701. Miscellaneous Income	X X X	53,961	15,954
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X	53,961	15,954
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL & SURPLUS ACCOUNT	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year
33. Capital and surplus prior reporting year	36,772,911	31,360,316	31,360,316
34. Net income or (loss) from Line 32	4,028,069	2,738,370	6,692,773
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0	230,213	(406,130)	874,057
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	807,531	299,787	(2,154,235)
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Lines 34 to 47)	5,065,813	2,632,027	5,412,595
49. Capital and surplus end of reporting period (Line 33 plus 48)	41,838,724	33,992,343	36,772,911

DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

Cash from Operations	1 Current Year To Date	2 Prior Year Ended December 31
1. Premiums collected net of reinsurance	32,072,569	59,436,939
2. Net investment income	1,049,713	1,007,945
3. Miscellaneous income	53,961	49,026
4. Total (Lines 1 to 3)	33,176,243	60,493,910
5. Benefit and loss related payments	24,325,755	45,465,551
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	4,722,321	9,332,842
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		
10. Total (Lines 5 through 9)	29,048,076	54,798,393
11. Net cash from operations (Line 4 minus Line 10)	4,128,167	5,695,517
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,408,462	7,997,406
12.2 Stocks	2,066,526	2,930,789
12.3 Mortgage loans		
12.4 Real estate		851,314
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	200,359	223,470
12.7 Miscellaneous proceeds		2,516,846
12.8 Total investment proceeds (Lines 12.1 to 12.7)	4,675,347	14,519,825
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,609,493	8,430,702
13.2 Stocks	1,860,037	6,979,824
13.3 Mortgage loans		
13.4 Real estate	64,812	41,954
13.5 Other invested assets		
13.6 Miscellaneous applications	888,059	282,728
13.7 Total investments acquired (Lines 13.1 to 13.6)	5,422,401	15,735,208
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)	(747,054)	(1,215,383)
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)		
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)		
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)	3,381,113	4,480,134
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	8,232,108	3,751,974
19.2 End of period (Line 18 plus Line 19.1)	11,613,221	8,232,108

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

20.0001.		
20.0002.		
20.0003.		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	122,776					122,776				
2. First Quarter	125,524				577	124,947				
3. Second Quarter	128,234				748	127,486				
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	755,543				2,583	752,960				
Total Member Ambulatory Encounters for Period:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Health Premiums Written (a)	32,845,772				38,219	32,807,553				
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	32,037,228				38,219	31,999,009				
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	24,274,825				7,332	24,267,493				
18. Amount Incurred for Provision of Health Care Services	24,325,755				7,332	24,318,423				

(a) For health premiums written; amount of Medicare Title XVIII exempt from state taxes or fees \$ 0

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)
Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
0599999 Unreported claims and other claim reserves						2,128,020
0799999 Total claims unpaid						2,128,020
0899999 Accrued medical incentive pool and bonus amounts						

**UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental only	1,816,932	22,450,561	61,686	2,066,334	1,878,618	2,076,800
4. Vision only		7,332		6,000		
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)	1,816,932	22,457,893	61,686	2,072,334	1,878,618	2,076,800
10. Healthcare receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals	1,816,932	22,457,893	61,686	2,072,334	1,878,618	2,076,800

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. No Change
- b. No Change
- c. (1) No Change
(2) No Change
(3) No Change
(6) No Change
(7) No Change
- d. No change
- e. No Change
- e. No change

NOTE 2 - ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No Change

NOTE 3 - BUSINESS COMBINATIONS AND GOODWILL

No Change

NOTE 4 - DISCONTINUED OPERATIONS

No Change

NOTE 5 - INVESTMENTS

- d. No Change

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No Change

NOTE 7 - INVESTMENT INCOME

- a. No Change
- b. No Change

NOTE 8 - DERIVATIVE INSTRUMENTS

No Change

NOTE 9 - INCOME TAXES

No Change

NOTE 10 - INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- a. Omega Administrators, Inc.
No Change
- b. Omega Administrators of Mississippi, Inc.
Omega Administrators of Mississippi, Inc. was dissolved on March 23, 2007 and consolidated into Omega Administrators, Inc.
- c. The Incorporated PAC of Delta Dental Plan of Arkansas, Inc.

NOTES TO FINANCIAL STATEMENTS

No Change

- d. Delta Dental Foundation, Inc.

No Change

NOTE 11 - DEBT

- b. No Change

NOTE 12 - RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

- b. Effective January 1, 2007, the matching vesting schedule was modified to the Safe Harbor provision so that participants are vested 100% in all matching contributions.

NOTE 13 - CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

9. (a) Unrealized losses on US Treasury Bonds and government agency securities totaled approximately \$142,000 at June 30, 2007.
 (b) Non-admitted assets, excluding the adjustment for investment carrying value, totaled \$4,370,532 at June 30, 2007.

NOTE 14 - CONTINGENCIES

No Change

NOTE 15 - LEASES

No Change

NOTE 16 - INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No Change

NOTE 17 - SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES

No Change

NOTE 18 - GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND FROM THE UNINSURED

PORTION OF PARTIALLY INSURED PLANS

- b. The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows for the six months ended June 30, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
(a) Gross reimbursement for medical costs incurred	\$ 103,624,792	\$ 98,711,788
(b) Gross Administrative fees accrued	5,920,576	6,132,075
(c) Other income and expenses	0	0
(d) Gross expenses incurred	<u>(109,545,368)</u>	<u>(104,843,863)</u>
(e) Total net gain or loss from operations	<u>\$ 0</u>	<u>\$ 0</u>

NOTE 19 - DIRECT PREMIUMS WRITTEN OR PRODUCED BY MANAGING GENERAL AGENTS OR THIRD PARTY ADMINISTRATORS

No Change

NOTES TO FINANCIAL STATEMENTS

NOTE 20 - SEPTEMBER 11 EVENTS

None.

NOTE 21 - OTHER ITEMS

No Change

NOTE 22 - EVENTS SUBSEQUENT

On July 13, 2007, Omega Ventures, Inc. was incorporated as an Arkansas corporation. Upon completion of the corporate filings, the stock of Omega Administrators, Inc., currently owned by Delta Dental Plan of Arkansas, Inc. will be transferred to Omega Ventures, Inc.

NOTE 23 - REINSURANCE

No Change

NOTE 24 - RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

No Change

NOTE 25 - CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

The reserve for incurred claims and claim adjustment expenses attributable to insured events decreased \$30,935 from \$2,158,955 at December 31, 2006 to \$2,128,020 at June 30, 2007. The decrease is the result of the re-estimation of unpaid claims and claim adjustment expenses principally related to dental insurance. Original estimates are increased and decreased as additional information becomes available regarding individual claims and as a result of the ongoing analysis of recent loss development trends.

NOTE 26 - INTERCOMPANY POOLING ARRANGEMENTS

No Change

NOTE 27 - STRUCTURED SETTLEMENTS

No Change

NOTE 28 - HEALTH CARE RECEIVABLES

No Change

NOTE 29 - PARTICIPATING POLICIES

No Change

NOTE 30 - PREMIUM DEFICIENCY RESERVES

No Change

NOTE 31 - ANTICIPATED SALVAGE AND SUBROGATION

No Change

GENERAL INTERROGATORIES

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

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No [X]
- 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: 07/20/2007
- 3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart. Yes [] No [X]
- 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?
If yes, attach an explanation. Yes [] No [X] N/A []
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 08/10/2005
- 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. 09/19/2005
- 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). 09/19/2005
- 6.4 By what department or departments?
- 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 (Continued)

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules, and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain: _____

- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s). _____

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). _____

FINANCIAL

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

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 [X] No []

15.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/ Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
15.21 Bonds	\$ _____	\$ _____
15.22 Preferred Stock	\$ _____	\$ _____
15.23 Common Stock	\$ 1,908,387	\$ 1,991,301
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)	\$ 1,908,387	\$ 1,991,301
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 [X]

If no, attach a description with this statement.

GENERAL INTERROGATORIES (Continued)

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
Stephens Capital Management, Inc.	111 Center Street, Little Rock, AR 72201

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [X] No []

18.2 If no, list exceptions:

.....

.....

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	6,600,139	7,608,522
2. Increase (decrease) by adjustment	(63,142)	(143,174)
3. Cost of acquired		
4. Cost of additions to and permanent improvements	64,812	41,954
5. Total profit (loss) on sales		(55,850)
6. Increase (decrease) by foreign exchange adjustment		
7. Amount received on sales		851,313
8. Book/adjusted carrying value at end of current period	6,601,809	6,600,139
9. Total valuation allowance		
10. Subtotal (Lines 8 plus 9)	6,601,809	6,600,139
11. Total nonadmitted amounts		
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	6,601,809	6,600,139

SCHEDULE B - VERIFICATION Mortgage Loans

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

SCHEDULE BA - VERIFICATION Other Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		
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	NONE	
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	25,437,604	20,102,382
2. Cost of bonds and stocks acquired	4,469,530	15,410,526
3. Accrual of discount	18,327	44,507
4. Increase (decrease) by adjustment	481,740	651,426
5. Increase (decrease) by foreign exchange adjustment		
6. Total profit (loss) on disposal	200,359	171,268
7. Consideration for bonds and stocks disposed of	4,474,988	10,928,195
8. Amortization of premium		14,310
9. Book/adjusted carrying value, current period	26,132,572	25,437,604
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)	26,132,572	25,437,604
12. Total nonadmitted amounts	2,363,035	2,906,500
13. Statement value	23,769,537	22,531,104

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	5,920,576	119,980	715,138	2,781	5,920,576	5,328,199		4,095,527
2. Class 2	7,776,293	666,568		5,334	7,776,293	8,448,195		9,495,204
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	13,696,869	786,548	715,138	8,115	13,696,869	13,776,394		13,590,731
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	13,696,869	786,548	715,138	8,115	13,696,869	13,776,394		13,590,731

NONE Schedule DA - Parts 1 and 2

NONE Schedule DB - Part F - Section 1

NONE Schedule DB - Part F - Section 2

NONE **Schedule S**

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

State, Etc.	1	Direct Business Only Year To Date							
		2	3	4	5	6	7	8	9
	Is Insurer Licensed (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	NO							
2. Alaska	AK	NO							
3. Arizona	AZ	NO							
4. Arkansas	AR	YES	32,037,228					32,037,228	
5. California	CA	NO							
6. Colorado	CO	NO							
7. Connecticut	CT	NO							
8. Delaware	DE	NO							
9. Dist. Columbia	DC	NO							
10. Florida	FL	NO							
11. Georgia	GA	NO							
12. Hawaii	HI	NO							
13. Idaho	ID	NO							
14. Illinois	IL	NO							
15. Indiana	IN	NO							
16. Iowa	IA	NO							
17. Kansas	KS	NO							
18. Kentucky	KY	NO							
19. Louisiana	LA	NO							
20. Maine	ME	NO							
21. Maryland	MD	NO							
22. Massachusetts	MA	NO							
23. Michigan	MI	NO							
24. Minnesota	MN	NO							
25. Mississippi	MS	NO							
26. Missouri	MO	NO							
27. Montana	MT	NO							
28. Nebraska	NE	NO							
29. Nevada	NV	NO							
30. New Hampshire	NH	NO							
31. New Jersey	NJ	NO							
32. New Mexico	NM	NO							
33. New York	NY	NO							
34. North Carolina	NC	NO							
35. North Dakota	ND	NO							
36. Ohio	OH	NO							
37. Oklahoma	OK	NO							
38. Oregon	OR	NO							
39. Pennsylvania	PA	NO							
40. Rhode Island	RI	NO							
41. South Carolina	SC	NO							
42. South Dakota	SD	NO							
43. Tennessee	TN	NO							
44. Texas	TX	NO							
45. Utah	UT	NO							
46. Vermont	VT	NO							
47. Virginia	VA	NO							
48. Washington	WA	NO							
49. West Virginia	WV	NO							
50. Wisconsin	WI	NO							
51. Wyoming	WY	NO							
52. American Samoa	AS	NO							
53. Guam	GU	NO							
54. Puerto Rico	PR	NO							
55. U.S. Virgin Islands	VI	NO							
56. Northern Mariana Islands	MP	NO							
57. Canada	CN	NO							
58. Aggregate other alien	OT	X X X							
59. Subtotal	X X X	32,037,228						32,037,228	
60. Reporting entity contributions for Employee Benefit Plans	X X X								
61. Total (Direct Business)	(a) 1	32,037,228						32,037,228	

DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page								
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)								

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

NONE **Schedule Y - Part 1**

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

EXPLANATION:

BAR CODE:



47155200736500002

OVERFLOW PAGE FOR WRITE-INS

NONE Schedule A - Part 2 and 3

NONE **Schedule B - Part 1 and 2**

NONE **Schedule BA - Part 1 and 2**

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)
912828DM9 31359MWJ8	US Treasury Note (02/15/2015) (4.000%) FNMA (10/15/2014)(4.625%)		04/23/2007 06/07/2007	Stephens Capital Management Stephens Capital Management		119,980 666,568	125,000.00 700,000.00	939 4,766	1Z 1Z
0399999	Total Bonds U. S. Government				X X X	786,548	825,000.00	5,705	X X X
6099997	Total Bonds Part 3				X X X	786,548	825,000.00	5,705	X X X
6099998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
6099999	Total Bonds				X X X	786,548	825,000.00	5,705	X X X
29081M102	Embraer Empresa Brasileiro De Aeronautica ADS		04/03/2007	Stephens Capital Management	1,040.000	48,960			L
344849104	Foot Locker		04/03/2007	Stephens Capital Management	1,665.000	39,794			L
480074103	Jones Apparel Group		04/03/2007	Stephens Capital Management	2,105.000	67,149			L
745867101	Pulte Home, Inc.		04/03/2007	Stephens Capital Management	1,880.000	50,421			L
889478103	Toll Brothers, Inc.		04/03/2007	Stephens Capital Management	1,905.000	52,791			L
559222401	Magna International, Inc.		04/03/2007	Stephens Capital Management	385.000	29,645			L
790148100	St. Joe Company		04/17/2007	Stephens Capital Management	1,710.000	93,909			L
86764P109	Sunoco, Inc.		04/17/2007	Stephens Capital Management	215.000	15,691			L
152312104	Centex Corporation		04/17/2007	Stephens Capital Management	130.000	5,883			L
76009N100	Rent A Center, Inc.		05/09/2007	Stephens Capital Management	305.000	8,497			L
88033G100	Tenet Healthcare Corporation		05/09/2007	Stephens Capital Management	4,225.000	29,406			L
055921100	BMC Software, Inc.		05/09/2007	Stephens Capital Management	445.000	14,017			L
451713101	Ikon Office solutions, Inc.		05/09/2007	Stephens Capital Management	1,125.000	16,453			L
55304X104	MI Developments, Inc.		05/09/2007	Stephens Capital Management	305.000	11,852			L
745867101	Pulte Home, Inc.		05/09/2007	Stephens Capital Management	405.000	10,372			L
451663108	Idearc, Inc.		05/09/2007	Stephens Capital Management	675.000	24,321			L
539320101	Liz Claiborne, Inc.		05/09/2007	Stephens Capital Management	700.000	24,367			L
074002106	Bearingpoint, Inc.		05/09/2007	Stephens Capital Management	1,230.000	8,918			L
208464883	Conseco, Inc.		05/09/2007	Stephens Capital Management	655.000	11,541			L
37247D106	Genworth Financial, Inc.		05/09/2007	Stephens Capital Management	620.000	21,917			L
76009N100	Rent A Center, Inc.		05/15/2007	Stephens Capital Management	500.000	13,480			L
480074103	Jones Apparel Group		05/15/2007	Stephens Capital Management	490.000	13,828			L
86764P109	Sunoco, Inc.		05/15/2007	Stephens Capital Management	195.000	14,399			L
460690100	Interpublic Group of Companies		06/15/2007	Stephens Capital Management	6,510.000	75,516			L
200340107	Comerica, Inc.		06/15/2007	Stephens Capital Management	785.000	48,811			L
05329W102	Autonation, inc.		06/18/2007	Stephens Capital Management	2,125.000	47,770			L
736508847	Portland General Electric Company		06/19/2007	Stephens Capital Management	1,745.000	47,811			L
931142103	Wal Mart Stores, Inc.		04/03/2007	Stephens Capital Management	810.000	39,050			L
480074103	Jones Apparel Group		04/03/2007	Stephens Capital Management	635.000	20,282			L
451663108	Idearc, Inc.		04/19/2007	Stephens Capital Management	1,215.000	41,918			L
152312104	Centex Corporation		05/08/2007	Stephens Capital Management	820.000	38,407			L
12673P105	CA, Inc.		05/08/2007	Stephens Capital Management	435.000	12,265			L
060505104	Bank of America Corporation		05/08/2007	Stephens Capital Management	200.000	10,274			L
780259107	Royal Dutch Shell PLC		05/08/2007	Stephens Capital Management	1,075.000	79,088			L

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

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)
055921100	BMC Software, Inc.		05/08/2007	Stephens Capital Management	320.000	10,031			L
526057104	Lennar Corporation		05/08/2007	Stephens Capital Management	690.000	29,808			L
37247D106	Genworth Financial, Inc.		05/08/2007	Stephens Capital Management	345.000	12,168			L
532457108	Eli Lilly & Company		05/15/2007	Stephens Capital Management	1,330.000	78,949			L
931142103	Wal Mart Stores, Inc.		06/04/2007	Stephens Capital Management	710.000	35,726			L
532457108	Eli Lilly & Company		06/15/2007	Stephens Capital Management	600.000	34,565			L
05329W102	Autonation, inc.		06/18/2007	Stephens Capital Management	1,755.000	39,532			L
6899999	Total Common Stock Industrial and Miscellaneous				X X X	1,329,582	X X X		X X X
7299997	Total Common Stock Part 3				X X X	1,329,582	X X X		X X X
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stock				X X X	1,329,582	X X X		X X X
7399999	Total Preferred and Common Stock				X X X	1,329,582	X X X		X X X
7499999	Totals					2,116,130	X X X	5,705	X X X

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	For e i g n	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)	
912828BZ2	US Treasury Bond		06/07/2007	Market		688,471	712,000.00	721,049	715,940		799		799		716,739		(28,268)	(28,268)		02/15/2009	1	
0399999	Subtotal - Bonds - U.S. Governments				X X X	688,471	712,000.00	721,049	715,940		799		799		716,739		(28,268)	(28,268)		X X X	X X X	
6099997	Subtotal - Bonds - Part 4				X X X	688,471	712,000.00	721,049	715,940		799		799		716,739		(28,268)	(28,268)		X X X	X X X	
6099998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
6099999	Total Bonds				X X X	688,471	712,000.00	721,049	715,940		799		799		716,739		(28,268)	(28,268)		X X X	X X X	
881609101	Tesoro Corporation		04/03/2007	Market	635,000	64,934		40,712	41,764						41,764		23,170	23,170			L	
451713101	Ikon Office Solutions, Inc.		04/03/2007	Market	225,000	3,366		2,396	3,683						3,683		(317)	(317)			L	
008916108	Agrium, Inc.		04/03/2007	Market	1,930,000	73,944		39,909	60,776						60,776		13,168	13,168			L	
285661104	Electronic Data Systems Corporation		04/17/2007	Market	2,210,000	64,338		47,304	60,886						60,886		3,452	3,452			L	
34354P105	Flowserve Corporation		04/17/2007	Market	1,000,000	59,978		34,368	50,470						50,470		9,508	9,508			L	
75605E100	Realogy Corporation		04/17/2007	Market	3,825,000	114,750		102,206	115,875						115,875		(1,125)	(1,125)			L	
540424207	Loews Corporation - Carolina Group		05/09/2007	Market	565,000	43,670		17,440	36,567						36,567		7,103	7,103			L	
549271104	Lubrizol Corporation		05/09/2007	Market	600,000	37,927		22,149	30,078						30,078		7,849	7,849			L	
670006105	Novell, Inc.		05/09/2007	Market	700,000	5,019		5,104	4,340						4,340		679	679			L	
74955W307	RH Connelley Corporation		05/09/2007	Market	360,000	29,271		20,696	22,583						22,583		6,688	6,688			L	
909214108	Unisys Corporation		05/09/2007	Market	925,000	7,501		8,129	8,129						8,129		(628)	(628)			L	
74251V102	Principal Financial Group		05/09/2007	Market	1,290,000	78,547		51,499	75,723						75,723		2,824	2,824			L	
12673P105	CA, Inc.		05/09/2007	Market	505,000	14,210		12,736	11,438						11,438		2,772	2,772			L	
260561105	Dow Jones & Company		05/09/2007	Market	665,000	35,814		25,557	25,270						25,270		10,544	10,544			L	
784635104	S P X Corporation		05/15/2007	Market	905,000	72,338		40,516	55,350						55,350		16,988	16,988			L	
88033G100	Tenet Healthcare Corporation		05/15/2007	Market	715,000	5,005		7,379	4,984						4,984		21	21			L	
055921100	BMC Software, Inc.		06/04/2007	Market	520,000	16,974		9,178	16,744						16,744		230	230			L	
008916108	Agrium, Inc.		06/15/2007	Market	1,455,000	60,512		30,087	45,818						45,818		14,694	14,694			L	
260561105	Dow Jones & Company		06/15/2007	Market	1,415,000	84,074		54,867	53,770						53,770		30,304	30,304			L	
844030106	Southern Union Company		06/15/2007	Market	2,031,000	68,748		45,003	54,083						54,083		14,665	14,665			L	
790148100	St. Joe Company		06/15/2007	Market	635,000	30,137		43,516	34,017						34,017		(3,880)	(3,880)			L	
904767704	Unilever PLC		04/03/2007	Market	1,605,000	48,504		12,916	16,876						16,876		31,628	31,628			L	
6435EV108	New Century Financial Corporation		04/04/2007	Market	965,000	984		48,341	30,484						30,484		(29,500)	(29,500)			L	
94106L109	Waste Management, Inc.		04/04/2007	Market	1,875,000	65,212		54,394	68,944						68,944		(3,732)	(3,732)			L	
285661104	Electronic Data Systems Corporation		04/19/2007	Market	890,000	26,030		19,073	24,520						24,520		1,510	1,510			L	
539830109	Lockheed Martin Corporation		04/19/2007	Market	385,000	36,867		25,193	35,447						35,447		1,420	1,420			L	
881609101	Tesoro Corporation		04/19/2007	Market	525,000	53,725		33,511	34,529						34,529		19,196	19,196			L	
75605E100	Realogy Corporation		04/19/2007	Market	305,000	91,350		77,373	92,242						92,242		(892)	(892)			L	
410345102	Hanesbrands, Inc.		05/08/2007	Market	210,000	5,523		4,960	4,960						4,960		563	563			L	
784635104	S P X Corporation		05/08/2007	Market	255,000	20,147		10,674	15,596						15,596		4,551	4,551			L	

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

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Forfeign	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)	
902124106	Tyco International, Ltd.		05/08/2007	Market	360.000	11,604		12,809	10,944						10,944		660	660			L	
91529Y106	unum/Provident Corporation		05/08/2007	Market	875.000	23,756		14,919	18,182						18,182		5,574	5,574			L	
962166104	Weyerhaeuser Company		05/08/2007	Market	105.000	8,589		6,676	7,418						7,418		1,171	1,171			L	
988498101	Yum Brnads, Inc.		05/08/2007	Market	120.000	8,019		5,475	7,056						7,056		963	963			L	
98310W108	Wyndham Worldwide Corporation		05/08/2007	Market	810.000	29,652		33,754	25,936						25,936		3,716	3,716			L	
30161N101	Exelon Corporation		05/08/2007	Market	240.000	18,523		14,915	14,854						14,854		3,669	3,669			L	
013817101	Alcoa, Inc.		05/15/2007	Market	765.000	30,010		22,223	22,958						22,958		7,052	7,052			L	
904767704	Unilever PLC		06/04/2007	Market	1,248.000	38,837		46,865	62,495						62,495		(23,658)	(23,658)			L	
784635104	S P X Corporation		06/04/2007	Market	870.000	76,405		38,726	53,209						53,209		23,196	23,196			L	
055921100	BMC Software, Inc.		06/04/2007	Market	365.000	11,917		5,950	11,753						11,753		164	164			L	
013817101	Alcoa, Inc.		06/15/2007	Market	630.000	25,949		18,302	18,906						18,906		7,043	7,043			L	
6899999	Subtotal - Common Stock - Industrial and Miscellaneous				X X X	1,602,660	X X X	1,162,840	1,389,657						1,389,657		213,003	213,003		X X X	X X X	
7299997	Subtotal - Common Stock - Part 4				X X X	1,602,660	X X X	1,162,840	1,389,657						1,389,657		213,003	213,003		X X X	X X X	
7299998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
7299999	Total Common Stock				X X X	1,602,660	X X X	1,162,840	1,389,657						1,389,657		213,003	213,003		X X X	X X X	
7399999	Total Preferred and Common Stock				X X X	1,602,660	X X X	1,162,840	1,389,657						1,389,657		213,003	213,003		X X X	X X X	
7499999	Totals					2,291,131	X X X	1,883,889	2,105,597		799		799		2,106,396		184,735	184,735		X X X	X X X	

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

NONE Schedule DB - Part A and B - Section 1

NONE Schedule DB - Part C and D - Section 1

NONE **Schedule E - Part 2**