



# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2005  
OF THE CONDITION AND AFFAIRS OF THE

## LUMBERMENS MUTUAL CASUALTY COMPANY

NAIC Group Code 0108 0108 NAIC Company Code 22977 Employer's ID Number 36-1410470  
(Current Period) (Prior Period)

Organized under the Laws of Illinois, State of Domicile or Port of Entry Illinois  
Country of Domicile United States of America

Incorporated/Organized 11/18/1912 Commenced Business 11/25/1912

Statutory Home Office 1 Kemper Drive, Long Grove, IL 60049-0001  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 1 Kemper Drive Long Grove, IL 60049-0001 847-320-2000  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Kemper Drive, Long Grove, IL 60049-0001  
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 1 Kemper Drive Long Grove, IL 60049-0001 847-320-3127  
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.kemperinsurance.com

Statutory Statement Contact Fredrick Thomas Griffith 847-320-3127  
(Name) (Area Code) (Telephone Number) (Extension)  
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(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number) (Extension)

### OFFICERS

Name	Title	Name	Title
<u>Douglas Sean Andrews</u>	<u>President and CEO</u>	<u>John Keating Conway</u>	<u>Secretary</u>
<u>Geoffrey Andrew Cooke #</u>	<u>Treasurer</u>	<u>Fredrick Thomas Griffith #</u>	<u>Chief Accounting Officer</u>

### OTHER OFFICERS

<u>Frederick Otto Kist</u>	<u>Senior Vice President</u>	<u>Benjamin David Schwartz</u>	<u>Senior Vice President</u>
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### DIRECTORS OR TRUSTEES

<u>John Thomas Chain Jr.</u>	<u>Jerome Reed Coleman</u>	<u>James Robert Edgar</u>	<u>Peter Bannerman Hamilton</u>
<u>Roberta Segal Karmel</u>	<u>George Ralph Lewis</u>	<u>David Barrett Mathis</u>	

State of Illinois

ss

County of Lake

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.

Douglas Sean Andrews  
President and CEO

John Keating Conway  
Secretary

Fredrick Thomas Griffith  
Chief Accounting Officer

Subscribed and sworn to before me this  
7th day of November, 2005

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

b. If no,

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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 .....	1,695,812,252		1,695,812,252	1,584,466,780
2. Stocks:				
2.1 Preferred stocks .....	34,357		34,357	68,030
2.2 Common stocks .....	96,459,370		96,459,370	108,301,446
3. Mortgage loans on real estate:				
3.1 First liens .....	799,657		799,657	1,810,907
3.2 Other than first liens .....	8,537		8,537	24,560
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....	4,241,182		4,241,182	34,965,386
5. Cash (\$ .....(27,765,898) ), cash equivalents (\$ .....71,875,991 ) and short-term investments (\$ .....326,664,164 ) .....	370,774,257		370,774,257	937,981,796
6. Contract loans, (including \$ .....premium notes)			0	0
7. Other invested assets .....	28,692,648	1,304	28,691,344	51,460,040
8. Receivables for securities .....	2,000,000		2,000,000	2,405,798
9. Aggregate write-ins for invested assets .....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	2,198,822,260	1,304	2,198,820,956	2,721,484,743
11. Title plants less \$ ..... charged off (for Title insurers only) .....	0		0	0
12. Investment income due and accrued .....	17,632,191		17,632,191	15,581,714
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....	165,651,284	52,295,996	113,355,288	109,557,218
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	68,338,123	11,801,443	56,536,680	90,367,442
13.3 Accrued retrospective premiums .....	72,215,621	1,656,606	70,559,015	107,837,509
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....	387,590,268		387,590,268	371,196,164
14.2 Funds held by or deposited with reinsured companies .....	12,727,482		12,727,482	16,561,259
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 .....			0	0
16.2 Net deferred tax asset .....	728,852,179	728,852,179	0	0
17. Guaranty funds receivable or on deposit .....	30,510		30,510	30,510
18. Electronic data processing equipment and software .....			0	2,174,949
19. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
21. Receivables from parent, subsidiaries and affiliates .....	3,706,580		3,706,580	59,672,555
22. Health care (\$ ..... ) and other amounts receivable .....			0	0
23. Aggregate write-ins for other than invested assets .....	205,249,720	46,386,705	158,863,015	281,976,444
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	3,860,816,218	840,994,233	3,019,821,985	3,776,440,507
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
26. Total (Lines 24 and 25) .....	3,860,816,218	840,994,233	3,019,821,985	3,776,440,507
<b>DETAILS OF WRITE-INS</b>				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above) .....	0	0	0	0
2301. Reinsurance accounted for as a deposit .....	28,743,616		28,743,616	43,011,255
2302. Advance to claims service provider .....	16,533,527		16,533,527	21,273,837
2303. Insurance recoveries related to UBIC .....	11,675,000	11,675,000	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page .....	148,297,577	34,711,705	113,585,872	217,691,352
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) .....	205,249,720	46,386,705	158,863,015	281,976,444

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....15,504,000 ) .....	1,653,311,065	2,016,267,854
2. Reinsurance payable on paid losses and loss adjustment expenses .....	44,879,308	82,963,829
3. Loss adjustment expenses .....	565,668,190	742,764,295
4. Commissions payable, contingent commissions and other similar charges .....	3,242,542	1,476,794
5. Other expenses (excluding taxes, licenses and fees) .....	24,894,436	32,081,754
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	52,585,066	57,581,110
7.1 Current federal and foreign income taxes (including \$ .....0 on realized capital gains (losses)) .....	14,452,475	29,742,368
7.2 Net deferred tax liability .....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....15,943,759 and including warranty reserves of \$ ..... ) .....	21,647,183	43,108,518
10. Advance premium .....		0
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	23,994,447	21,673,664
13. Funds held by company under reinsurance treaties .....	19,253,056	13,229,512
14. Amounts withheld or retained by company for account of others .....	205,621,730	247,644,657
15. Remittances and items not allocated .....	19,623,559	58,502,234
16. Provision for reinsurance .....		0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	5,321,730	5,519,042
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....		0
20. Payable for securities .....	36,889,282	50,283
21. Liability for amounts held under uninsured accident and health plans .....		0
22. Capital notes \$ ..... and interest thereon \$ .....		0
23. Aggregate write-ins for liabilities .....	228,205,191	252,399,713
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23) .....	2,919,589,260	3,605,005,627
25. Protected cell liabilities .....		0
26. Total liabilities (Lines 24 and 25) .....	2,919,589,260	3,605,005,627
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 .....	1,500,000	1,500,000
31. Surplus notes .....	698,355,598	698,355,598
32. Gross paid in and contributed surplus .....		0
33. Unassigned funds (surplus) .....	(599,622,873)	(528,420,718)
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) .....	100,232,725	171,434,880
36. TOTALS .....	3,019,821,985	3,776,440,507
<b>DETAILS OF WRITE-INS</b>		
2301. Accounts payable and other liabilities .....	205,190,162	205,508,547
2302. Reinsurance funds held related to retroactive reinsurance .....	23,015,029	38,950,767
2303. Minimum Pension Liability .....		7,940,399
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) .....	228,205,191	252,399,713
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. Guaranty fund .....	1,500,000	1,500,000
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) .....	1,500,000	1,500,000

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 9,983,930 )	17,765,350	82,524,676	89,123,122
1.2 Assumed (written \$ 23,113,797 )	45,079,048	161,653,764	173,720,978
1.3 Ceded (written \$ 38,379,170 )	46,664,506	178,267,560	203,034,399
1.4 Net (written \$ (5,281,443) )	16,179,892	65,910,880	59,809,701
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ 26,082,000 ):			
2.1 Direct	88,503,712	(168,906,927)	58,133,999
2.2 Assumed	28,386,490	100,012,144	(630,223,504)
2.3 Ceded	(33,009,247)	38,452,920	(432,821,396)
2.4 Net	149,899,449	(107,347,703)	(139,268,109)
3. Loss expenses incurred	5,073,156	317,344,356	354,887,855
4. Other underwriting expenses incurred	81,160,761	44,475,911	74,976,195
5. Aggregate write-ins for underwriting deductions	540,492	(2,981,449)	(3,428,954)
6. Total underwriting deductions (Lines 2.4 thru 5)	236,673,858	251,491,115	287,166,987
7. Net income of protected cells		0	0
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	(220,493,966)	(185,580,235)	(227,357,285)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	56,046,319	48,951,034	96,109,930
10. Net realized capital gains (losses) less capital gains tax of \$	(2,208,812)	(11,331,215)	12,867,168
11. Net investment gain (loss) (Lines 9 + 10)	53,837,507	37,619,819	108,977,098
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 89,669 amount charged off \$ (192,130) )	281,799	(4,550,217)	(6,589,637)
13. Finance and service charges not included in premiums	363	26,654	26,784
14. Aggregate write-ins for miscellaneous income	21,616,791	9,166,317	21,360,748
15. Total other income (Lines 12 through 14)	21,898,953	4,642,754	14,797,895
16. Net income before dividends to policyholders after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(144,757,506)	(143,317,662)	(103,582,292)
17. Dividends to policyholders	5,042,686	(22,774,418)	(49,931,358)
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)	(149,800,192)	(120,543,244)	(53,650,934)
19. Federal and foreign income taxes incurred	(18,214,530)	(1,859,811)	12,317,644
20. Net income (Line 18 minus Line 19)(to Line 22)	(131,585,662)	(118,683,433)	(65,968,578)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	171,434,880	202,425,965	202,425,965
<b>GAINS AND (LOSSES) IN SURPLUS</b>			
22. Net income (from Line 20)	(131,585,662)	(118,683,433)	(65,968,578)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(776,730)	3,575,749	(22,252,837)
25. Change in net unrealized foreign exchange capital gain (loss)	197,312	5,638,667	7,243,566
26. Change in net deferred income tax	36,417,810	32,091,932	79,106,434
27. Change in nonadmitted assets	106,312	(33,432,592)	(57,637,749)
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	24,438,803	(11,604,730)	28,518,079
38. Change in surplus as regards policyholders (Lines 22 through 37)	(71,202,155)	(122,414,407)	(30,991,085)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	100,232,725	80,011,558	171,434,880
<b>DETAILS OF WRITE-INS</b>			
0501. Change in premium deficiency reserve	540,492	(2,981,449)	(3,428,954)
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)	540,492	(2,981,449)	(3,428,954)
1401. Retroactive reinsurance gain/(loss)		838,570	838,570
1402. Other income	21,616,791	8,327,747	20,522,178
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)	21,616,791	9,166,317	21,360,748
3701. Reinsurance allowance	26,579,153	(13,123,124)	(80,058,000)
3702. Correction of errors	(2,140,350)	1,518,394	1,518,394
3703. Change in minimum pension liability		0	107,057,685
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)	24,438,803	(11,604,730)	28,518,079

## CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	71,310,223	148,166,219
2. Net investment income.....	56,708,521	98,876,020
3. Miscellaneous income.....	25,732,730	17,654,792
4. Total (Lines 1 to 3).....	153,751,474	264,697,031
5. Benefits and loss related payments.....	567,334,863	949,891,359
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	272,934,722	508,241,729
8. Dividends paid to policyholders.....	(35,388,661)	(79,500,716)
9. Federal and foreign income taxes paid (recovered) \$ ..... net of tax on capital gains (losses)	(2,924,637)	5,378,382
10. Total (Lines 5 through 9).....	801,956,287	1,384,010,754
11. Net cash from operations (Line 4 minus Line 10).....	(648,204,813)	(1,119,313,723)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	529,536,947	694,195,689
12.2 Stocks.....	57,057,236	284,985,793
12.3 Mortgage loans.....	978,409	17,519,311
12.4 Real estate.....	32,137,953	0
12.5 Other invested assets.....	21,857,918	62,160,014
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(17,932)	(183,121)
12.7 Miscellaneous proceeds.....	37,672,598	939,777
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	679,223,129	1,059,617,463
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	646,218,988	608,850,613
13.2 Stocks.....	49,401,466	121,346,233
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	27,206,632
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	695,620,454	757,403,478
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).....	(16,397,325)	302,213,985
<b>Cash from Financing and Miscellaneous Sources</b>		
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).....	97,394,599	(115,492,197)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	97,394,599	(115,492,197)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Lines 15 and 17).....	(567,207,539)	(932,591,935)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	937,981,796	1,870,573,731
19.2 End of period (Line 18 plus Line 19.1).....	370,774,257	937,981,796

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

No change.

### 2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No change.

### 3. BUSINESS COMBINATIONS AND GOODWILL

No change.

### 4. DISCONTINUED OPERATIONS

No change.

### 5. INVESTMENTS

In the third quarter of 2004, the Company signed a definitive agreement to sell its home office complex in Long Grove, Illinois, and to lease back a portion of that office space for the Company's current operations. In anticipation of the proposed sale terms, the Company recorded an impairment write-down on the property of \$5.9 million. The Company received net proceeds of \$29.8 million at closing on March 16, 2005, and recorded a realized gain on the sale of \$0.3 million.

### 6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No change.

### 7. INVESTMENT INCOME

No change.

### 8. DERIVATIVE INSTRUMENTS

Not applicable.

### 9. INCOME TAXES

A. The components of the Company's net deferred tax asset are as follows:

		September 30, 2005		December 31, 2004
Total of gross deferred tax assets	\$	732,431,490		696,013,680
Total of deferred tax liabilities		(3,579,311)		(3,579,311)
Net deferred tax asset		728,852,179		692,434,369
Deferred tax asset nonadmitted		(728,852,179)		(692,434,369)
Net admitted deferred tax asset		0		0
Increase in nonadmitted asset	\$	(36,417,810)		

C2. The change in net deferred income taxes is comprised of the following:

		September 30, 2005		December 31, 2004		Change
Total deferred tax assets	\$	732,431,490		696,013,680	\$	36,417,810
Total deferred tax liabilities		(3,579,311)		(3,579,311)		0
Net deferred tax asset	\$	728,852,179		692,434,369		36,417,810
Tax effect of unrealized gains (losses)						0
Changes in net deferred income tax					\$	36,417,810

## NOTES TO FINANCIAL STATEMENTS

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

		September 30, 2005
Provision computed at statutory rate	\$	(52,430,067)
Prior period adjustment		(13,240,843)
Net operating loss adjustment		12,680,680
Foreign income tax		(1,642,110)
Total	\$	(54,632,340)
Federal and foreign income taxes incurred	\$	(18,214,530)
Change in net deferred income taxes		(36,417,810)
Total statutory income taxes	\$	(54,632,340)

F. No change.

### 10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

#### **Affiliate Support for D&O Insurance**

In connection with a portion of the Company's and its affiliates' corporate insurance program, a wholly owned subsidiary of the Company, Specialty Surplus Insurance Company (SSIC), entered into a reinsurance agreement, effective for a three-year period (2005, 2006, and 2007), facultatively reinsuring a corresponding three-year A-side management liability policy issued by an unaffiliated third party to the Company and American Manufacturers Mutual Insurance Company (AMM). During the second quarter SSIC deposited \$15 million as the reinsurance premium it received into trust for the benefit of the third-party insurer to collateralize the reinsurance obligation. SSIC's earned premium from this reinsurance contract totaled approximately \$3.8 million through the first nine months of 2005.

#### **Broadspire**

In June 2005, a binding arbitration ruling awarded the Company \$23.2 million on its claim against Broadspire that was carried at \$17.9 million at December 31, 2004. Broadspire then paid \$19.0 million in cash and asserted an offset right to the remaining \$4.2 million. The Company's surplus at September 30, 2005 reflects a benefit of \$5.3 million due to the ruling and payment.

#### **Renewal Rights Transactions**

Of the \$17.6 million carried on the Company's December 31, 2004 balance sheet as a receivable from the St. Paul Travelers Companies in connection with those companies' purchase from the Company of renewal rights to certain lines of business in 2003, the St. Paul Travelers Companies paid to the Company approximately \$16.7 million in June 2005, following resolution of unrelated issues between the two organizations in the second quarter. The Company expects to receive the remaining approximately \$900 thousand during the fourth quarter of 2005.

#### **International Operations**

The Company is exploring assumption reinsurance alternatives for the closure of the two Canadian branches. Such closure may cost a significant minority portion of the approximately \$34 million of surplus contained in the two Canadian branches. Due to the Canadian regulators' refusal to approve releases of certain branch assets from trust accounts in Canada, certain Canadian claims in 2005 are being paid from the Company's U.S. assets.

In the first nine months of 2005, the Company received from its Japanese branch repatriation of approximately \$2.2 million and from its Singapore subsidiary dividends consisting of cash of \$4.0 million and return and cancellation of a \$4.7 million loan to the subsidiary from the Company. None of these receipts impacted the Company's surplus, although they increased liquidity in the U.S. for the Company by approximately \$6.3 million. The Japanese branch was fully liquidated in the third quarter of 2005. The Company projects that the remaining approximately \$500 thousand in Singapore will be transferred to the Company as the Singapore subsidiary is liquidated in late 2005 or early 2006.

In the third quarter of 2005, the Company's Bermuda subsidiary, The Seven Continent Insurance Company (7CI), entered formal voluntary liquidation proceedings, as 7CI earlier in 2005 completed a solvent scheme and commuted its separate cell reinsurance agreement (by payment to the Company of \$4.9 million) to settle virtually all its (7CI's) outstanding liabilities. In the fourth quarter of 2005, 7CI distributed to its shareholders all its assets other than \$100,000 to cover final closure expenses. The Company received from this distribution reinsurance recoverables valued at \$1.6 million and cash of \$1.9 million.

## NOTES TO FINANCIAL STATEMENTS

### Agency Loan

The Company was repaid \$16.7 million in July 2005 on an outstanding \$17.4 million loan to one of its former independent insurance agencies. The remaining balance due has not been recognized by the Company as a receivable as of September 30, 2005. Any additional amounts received on the loan will be recorded as miscellaneous income.

### 11. DEBT

Not applicable.

### 12. RETIREMENT PLANS, DEFERRED COMPENSATION, POST EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No change.

### 13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

Payment of interest on and repayment of principal of the surplus notes may be made only with the prior approval of the Director of the Illinois Division of Insurance (the Director), which approval will only be granted if, in the judgement of the Director, the financial condition of the Company warrants the making of such payments and the Company's policyholders' surplus reflects sufficient funds to cover the amount of such payment. As in 2003 and 2004, the Director has denied the Company's requests in 2005 for payment of interest on the surplus notes due on June 1, July 1 and December 1, 2005 and January 1, 2006.

### 14. CONTINGENCIES

D. Having entered into voluntary run-off in the first half of 2003, the Company has been operating under guidance provided within certain agreed to Corrective Orders with the Illinois Division of Insurance, pursuant to which the Company has ceased to write virtually all insurance business and is settling its liabilities under the administrative supervision of the Illinois Division of Insurance. The Company has also entered into consent agreements with certain states under which the Company agreed to cease writing business in those jurisdictions. In addition, in 2005, the Company entered into a voluntary Agreed Order with the Tennessee Division of Insurance for its license to be suspended with the Company permitted to maintain its license, but not permitted to write any new business. Florida has also sought to unilaterally suspend the Company's certificate of authority. The Company has resisted unilateral actions by states as not being in the best interests of the Company's policyholders or claimants.

By order dated June 29, 2005, the California Insurance Commissioner/California Department of Insurance fixed the amount of the Company's deposits in that state and ordered the withdrawal of deposits of approximately \$188 million. The Company received the release of that amount in the third quarter of 2005 and an additional \$71.5 million in the fourth quarter.

The Massachusetts Department of Insurance released \$12 million of the Company's deposits in the fourth quarter of 2005.

### 15. LEASES

No change.

### 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

No change.

### 18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable.

### 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable.

### 20. SEPTEMBER 11 EVENTS

No change.

### 21. OTHER ITEMS

During the first six months of 2005, and predominantly with the second quarter financial statements, the Company recorded \$109.4 million of net negative (to surplus) audit adjustments relating to the year end 2004 financial statements of the Company.



**NOTES TO FINANCIAL STATEMENTS**

The \$109.4 million of audit adjustments is comprised of the following – all net detriments to surplus:

2004 Audit Adjustments (in millions)	
Investment write-downs	\$ 2.5
Over-cessions of loss/alaes on certain reinsurance contracts	32.9
Under-accrual of reinsurance premium, net of commissions	41.3
Relating to certain reinsurance annuity contracts	12.8
Development on certain direct losses/alaes	15.0
Other adjustments, net	4.9
<b>Total of all adjustments</b>	<b>\$109.4</b>

As agreed to within the aforementioned Corrective Orders with the Illinois Division of Insurance, the Company is not paying any dividends to policyholders. The Company's accounting policy is to initially record estimated future co-insurance premiums as part of accrued retrospective premiums. Changes in the valuation of such premiums are reflected in amounts presented as dividends to policyholders but do not reflect any agreement or expectation to pay any such dividends.

- 22. EVENTS SUBSEQUENT**  
No change.
- 23. REINSURANCE**  
No change.
- 24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION**  
No change.
- 25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES**  
No change.
- 26. INTERCOMPANY POOLING ARRANGEMENTS**  
No change.
- 27. STRUCTURED SETTLEMENTS**  
No change.
- 28. HEALTH CARE RECEIVABLES**  
Not applicable.
- 29. PARTICIPATING POLICIES**  
Not applicable.
- 30. PREMIUM DEFICIENCY RESERVES**  
No change.
- 31. HIGH DEDUCTIBLES**  
No change.
- 32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSE**  
No change.
- 33. ASBESTOS/ENVIRONMENTAL RESERVES**  
No change.
- 34. SUBSCRIBER SAVINGS ACCOUNT**  
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 implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements? ..... Yes [ ] No [X]
- 1.2 If yes, explain:  
.....
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]
- 2.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]
- 3.2 If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]  
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ ] NA [X]  
If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2000
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2000
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 11/18/2003
- 7.4 By what department or departments?  
Illinois, Delaware, Mississippi and Nevada.....
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) ..... Yes [X] No [ ]
- 8.2 If yes, give full information:  
Information is provided in Financial Note 14D.....
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.  
.....
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

# GENERAL INTERROGATORIES

## FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$ .....3,706,580

## INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes  No
- 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
- 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: .....\$ .....5,982,176

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

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

15.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
15.21 Bonds .....	\$ .....0	\$ .....0
15.22 Preferred Stock .....	\$ .....0	\$ .....0
15.23 Common Stock .....	\$ .....105,837,000	\$ .....94,002,814
15.24 Short-Term Investments .....	\$ .....0	\$ .....0
15.25 Mortgage Loans on Real Estate .....	\$ .....0	\$ .....0
15.26 All Other .....	\$ .....45,534,933	\$ .....27,442,362
15.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26).....	\$ .....151,371,933	\$ .....121,445,176
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

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

If no, attach a description with this statement.

17. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes  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
BNY Midwest Trust Company.....	209 W. Jackson Blvd., Suite 800, Chicago, IL 60606.....

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

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, 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
109875.....	Asset Allocation Management Company, L.L.C.....	30 North LaSalle, Suite # 3500, Chicago, IL 60602.....

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

18.2 If no, list exceptions:  
.....

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

**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 [X] NA [ ]

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 [X] No [ ]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
1. Homeowners/Far mowers.....		4.200			712,768	712,768			(59,873)	(59,873)
2. Private Passenger Auto Liability.....		4.200			6,223,061	6,223,061			(522,864)	(522,864)
3. Commercial Auto Liability.....		4.200			16,423,401	16,423,401			(6,289)	(6,289)
4. Workers Compensation.....		4.200			279,587,828	279,587,828			(52,632,193)	(52,632,193)
5. Commercial Multiple Peril.....		4.200			37,566,618	37,566,618			(3,748,722)	(3,748,722)
6. Medical Malpractice - Occurrence.....		4.200			(30,106)	(30,106)			(32,868)	(32,868)
7. Medical Malpractice - Claims Made.....		4.200			421,299	421,299				0
8. Special Liability.....		4.200			1,381,312	1,381,312			(116,028)	(116,028)
9. Other Liability - Occurrence.....		4.200			108,813,018	108,813,018			(13,990,518)	(13,990,518)
10. Other Liability - Claims Made.....		4.200			13,355,372	13,355,372			(87,551)	(87,551)
11. Special Property.....		4.200			1,150,520	1,150,520			(96,629)	(96,629)
12. Auto Physical Damage.....		4.200			(8,454)	(8,454)			711	711
13. Fidelity/Surety.....		4.200			3,783,699	3,783,699			1,633,356	1,633,356
14. Other.....		4.200			2,886,660	2,886,660			(242,532)	(242,532)
17. Reinsurance - Nonproportional Assumed Liability.....		4.200			31,651,440	31,651,440			(2,659,167)	(2,659,167)
19. Product Liability - Occurrence.....		4.200			(8,862,575)	(8,862,575)			(6,038,769)	(6,038,769)
20. Product Liability - Claims Made.....		4.200			(5,250)	(5,250)				0
<b>TOTAL</b>			0	0	495,050,611	495,050,611	0	0	(78,599,936)	(78,599,936)

**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 .....	34,965,386	40,855,789
2. Increase (decrease) by adjustment .....	0	(5,890,402)
3. Cost of acquired .....	0	0
4. Cost of additions to and permanent improvements .....	0	0
5. Total profit (loss) on sales .....	1,413,748	0
6. Increase (decrease) by foreign exchange adjustment .....	0	0
7. Amount received on sales .....	32,137,953	0
8. Book/adjusted carrying value at end of current period .....	4,241,182	34,965,386
9. Total valuation allowance .....	0	0
10. Subtotal (Lines 8 plus 9) .....	4,241,182	34,965,386
11. Total nonadmitted amounts .....	0	0
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	4,241,182	34,965,386

**SCHEDULE B – VERIFICATION****Mortgage Loans**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,835,467	17,147,650
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 .....	(48,864)	1,994,454
5. Total profit (loss) on sale .....	0	212,674
6. Amounts paid on account or in full during the period .....	978,409	17,519,311
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 .....	808,194	1,835,467
10. Total valuation allowance .....	0	0
11. Subtotal (Lines 9 plus 10) .....	808,194	1,835,467
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)	808,194	1,835,467

**SCHEDULE BA – VERIFICATION****Other Invested Assets Included in Schedule BA**

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	54,261,344	107,344,600
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions .....	0	23,685,723
2.2. Additional investment made after acquisitions .....	0	3,520,909
3. Accrual of discount .....	0	0
4. Increase (decrease) by adjustment .....	(910,778)	(18,129,874)
5. Total profit (loss) on sale .....	0	0
6. Amounts paid on account or in full during the period .....	21,857,918	62,160,014
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 .....	31,492,648	54,261,344
10. Total valuation allowance .....	(2,800,000)	(2,800,000)
11. Subtotal (Lines 9 plus 10) .....	28,692,648	51,461,344
12. Total nonadmitted amounts .....	1,304	1,304
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	28,691,343	51,460,040

**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 .....	1,692,836,255	1,955,458,832
2. Cost of bonds and stocks acquired .....	695,620,455	730,196,847
3. Accrual of discount .....	1,864,236	808,549
4. Increase (decrease) by adjustment .....	(8,834,287)	(33,290,819)
5. Increase (decrease) by foreign exchange adjustment .....	(265,441)	54,788
6. Total profit (loss) on disposal .....	3,806,577	29,345,849
7. Consideration for bonds and stocks disposed of .....	586,594,184	979,181,482
8. Amortization of premium .....	6,127,631	10,556,310
9. Book/adjusted carrying value, current period .....	1,792,305,979	1,692,836,255
10. Total valuation allowance .....	0	0
11. Subtotal (Lines 9 plus 10) .....	1,792,305,979	1,692,836,255
12. Total nonadmitted amounts .....	0	0
13. Statement value	1,792,305,979	1,692,836,255

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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
<b>BONDS</b>								
1. Class 1 .....	2,145,827,881	720,784,807	861,463,155	(900,415)	2,268,098,144	2,145,827,881	2,004,249,117	2,227,468,902
2. Class 2 .....	23,752,354		9,750,000	(15,970)	37,893,529	23,752,354	13,986,384	46,639,156
3. Class 3 .....	7,746,709		7,775,430	28,721	0	7,746,709	0	0
4. Class 4 .....	0				0	0	0	0
5. Class 5 .....	0				0	0	0	0
6. Class 6 .....	4,416,448		145,532	(30,000)	4,914,448	4,416,448	4,240,916	5,692,807
7. Total Bonds	2,181,743,391	720,784,807	879,134,117	(917,664)	2,310,906,121	2,181,743,391	2,022,476,417	2,279,800,864
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0				0	0	0	0
9. Class 2 .....	0				0	0	0	0
10. Class 3 .....	0				0	0	0	0
11. Class 4 .....	0				0	0	0	0
12. Class 5 .....	37,946			(5,692)	66,406	37,946	32,254	41,741
13. Class 6 .....	4,031			(1,928)	16,825	4,031	2,103	26,289
14. Total Preferred Stock	41,977	0	0	(7,620)	83,230	41,977	34,357	68,030
15. Total Bonds and Preferred Stock	2,181,785,368	720,784,807	879,134,117	(925,284)	2,310,989,351	2,181,785,368	2,022,510,774	2,279,868,894

**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	326,664,164	XXX	325,747,591	11,652,462	2,139,272

**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.....	695,334,084	1,640,694,500
2. Cost of short-term investments acquired .....	1,908,847,090	3,331,583,306
3. Increase (decrease) by adjustment .....	(781,917)	(178,259)
4. Increase (decrease) by foreign exchange adjustment .....	0	0
5. Total profit (loss) on disposal of short-term investments .....	(17,932)	(183,121)
6. Consideration received on disposal of short-term investments .....	2,276,717,161	4,276,582,342
7. Book/adjusted carrying value, current period .....	326,664,164	695,334,084
8. Total valuation allowance .....	0	0
9. Subtotal (Lines 7 plus 8) .....	326,664,164	695,334,084
10. Total nonadmitted amounts .....	0	0
11. Statement value (Lines 9 minus 10) .....	326,664,164	695,334,084
12. Income collected during period .....	9,456,007	9,887,183
13. Income earned during period .....	8,343,110	13,252,881

Schedule DB - Part F - Section 1

**NONE**

Schedule DB - Part F - Section 2

**NONE**

Schedule F

**NONE**



STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

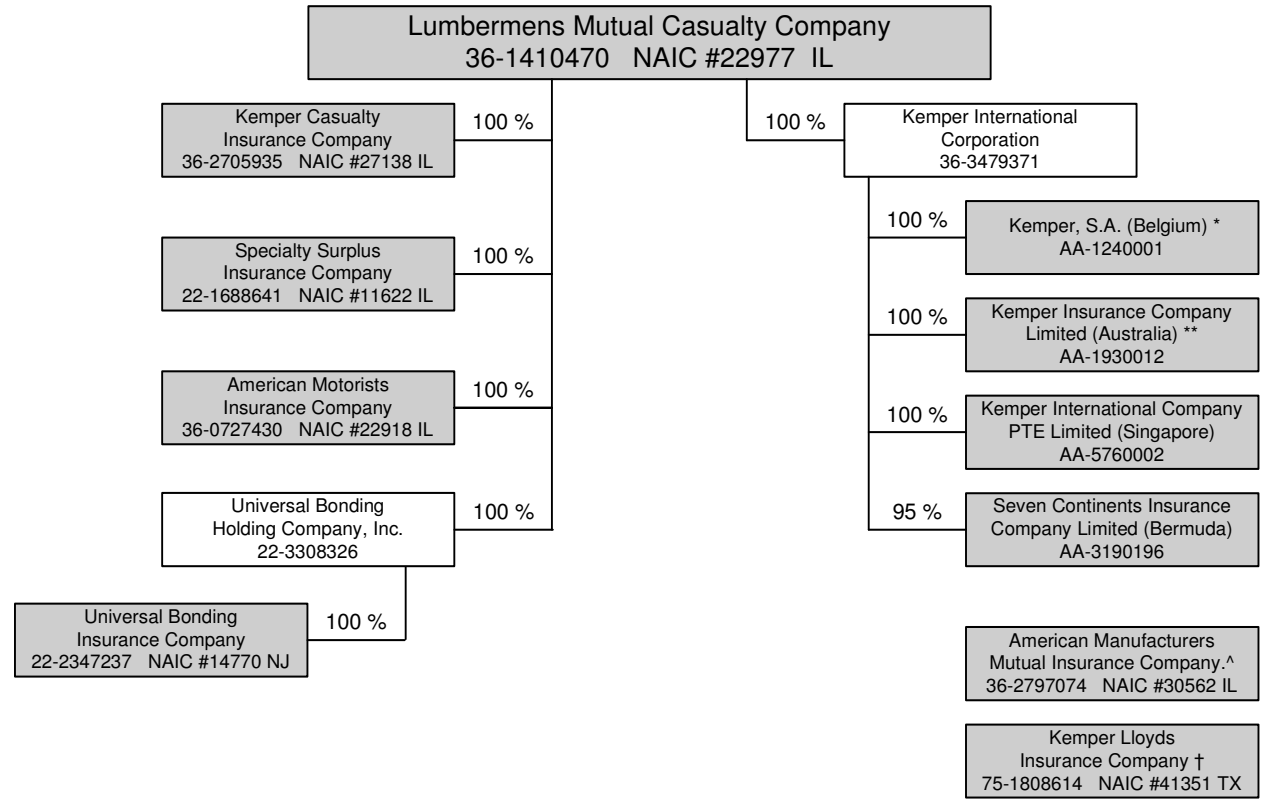
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

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	Yes	104,873	(704,387)	256,804	2,057,407	15,196,167	18,383,405
2. Alaska	AK	Yes	93,206	312,062	228,297	(226,287)	1,561,086	2,636,533
3. Arizona	AZ	Yes	170,675	(613,992)	4,903,513	9,559,960	10,842,123	12,328,193
4. Arkansas	AR	Yes	(217,162)	29,878	9,943,191	261,799	11,382,147	4,572,457
5. California	CA	Yes	3,001,306	(2,041,599)	56,285,948	68,334,214	179,847,208	274,028,541
6. Colorado	CO	Yes	653,335	2,570,800	2,760,047	4,301,246	4,672,628	4,750,292
7. Connecticut	CT	Yes	333,826	(98,108)	14,975,216	17,272,948	40,191,150	40,785,343
8. Delaware	DE	Yes	37,361	(319,565)	661,036	1,174,756	2,270,713	1,806,668
9. District of Columbia	DC	Yes	(36,250)	119,923	1,956,651	2,282,191	9,138,509	16,214,712
10. Florida	FL	Yes	1,776,331	11,237,578	17,811,793	35,383,180	43,652,803	64,769,081
11. Georgia	GA	Yes	253,034	1,510,505	(6,234,235)	14,192,022	38,628,458	29,375,158
12. Hawaii	HI	Yes	150,253	293,736	1,675,322	1,299,177	2,364,127	4,806,837
13. Idaho	ID	Yes	(87,388)	191,216	426,520	198,412	226,641	879,410
14. Illinois	IL	Yes	(41,730)	2,250,326	45,622,693	56,065,612	324,798,213	261,619,592
15. Indiana	IN	Yes	594,227	(57,933)	541,690	434,095	5,931,446	5,055,344
16. Iowa	IA	Yes	165,376	(49,299)	1,067,299	4,239,674	3,845,583	5,546,812
17. Kansas	KS	Yes	160,081	240,464	1,726,954	942,556	3,718,117	5,552,581
18. Kentucky	KY	Yes	60,147	173,567	1,822,948	3,951,041	21,250,884	42,930,363
19. Louisiana	LA	Yes	530,791	1,475,222	4,391,190	9,486,159	7,490,037	13,856,280
20. Maine	ME	Yes	23,483	2,173	124,251	1,954,731	406,446	(356,777)
21. Maryland	MD	Yes	56,298	673,966	6,433,740	17,442,553	26,068,666	55,674,268
22. Massachusetts	MA	Yes	324,350	348,729	61,749,111	9,707,095	23,618,609	59,987,049
23. Michigan	MI	Yes	158,623	697,283	11,429,175	4,710,919	11,696,407	19,679,094
24. Minnesota	MN	Yes	194,798	(410,820)	29,063,965	6,086,549	30,935,313	34,697,451
25. Mississippi	MS	Yes	153,770	(17,417)	683,899	1,995,823	6,852,380	2,507,327
26. Missouri	MO	Yes	(149,505)	419,466	3,064,763	4,517,452	5,620,297	12,008,997
27. Montana	MT	Yes	3,826	37,565	142,812	379,658	831,050	1,258,751
28. Nebraska	NE	Yes	(857,311)	(339,732)	531,699	425,319	3,806,347	4,229,901
29. Nevada	NV	Yes	95,612	(711,883)	3,344,438	5,635,157	4,574,181	9,031,156
30. New Hampshire	NH	Yes	(8,714)	80,106	1,493,581	664,887	4,385,938	8,584,902
31. New Jersey	NJ	Yes	836,031	2,095,146	22,262,844	11,471,504	82,067,213	166,442,403
32. New Mexico	NM	Yes	73,525	(38,942)	2,013,842	1,814,334	801,922	2,778,833
33. New York	NY	Yes	563,083	5,803,616	70,609,359	78,188,346	293,412,477	295,792,562
34. North Carolina	NC	Yes	451,475	3,131	14,716,152	12,303,281	17,251,640	23,924,517
35. North Dakota	ND	Yes	(2,224)	(20,831)	312,361	4,515	246,443	39,497
36. Ohio	OH	Yes	253,585	3,146,308	7,018,721	7,179,980	16,116,854	33,204,904
37. Oklahoma	OK	Yes	(12,532)	(173,242)	232,541	1,065,017	1,527,587	572,068
38. Oregon	OR	Yes	(1,367,696)	421,811	1,854,100	3,196,640	10,026,760	14,540,591
39. Pennsylvania	PA	Yes	1,281,711	(795,782)	13,699,046	17,435,560	58,696,499	34,103,284
40. Rhode Island	RI	Yes	69,473	6,679	398,698	540,396	6,426,076	6,517,102
41. South Carolina	SC	Yes	526,389	(799,907)	4,461,067	5,015,031	14,127,065	19,586,804
42. South Dakota	SD	Yes	(101,137)	(41,920)	(201,718)	15,032,936	1,049,768	464,546
43. Tennessee	TN	Yes	456,047	(635,125)	10,902,184	6,453,514	23,141,701	23,013,425
44. Texas	TX	Yes	(1,881,810)	(498,301)	8,922,721	33,506,216	123,842,110	141,285,179
45. Utah	UT	Yes	(1,805)	(166,768)	1,220,647	1,555,011	502,762	1,297,128
46. Vermont	VT	Yes	10,652	(41,690)	169,103	269,255	1,076,979	1,140,732
47. Virginia	VA	Yes	141,358	(988,283)	20,441,806	11,313,409	16,813,508	36,758,460
48. Washington	WA	Yes	(116,248)	(447,853)	1,471,514	5,022,019	15,912,940	13,951,885
49. West Virginia	WV	Yes	7,516	54,362	604,111	71,304	252,063	124,570
50. Wisconsin	WI	Yes	1,536,695	3,953,509	12,690,671	10,539,762	14,933,515	27,352,827
51. Wyoming	WY	Yes	18,653	(439,699)	121,335	18,472	83,570	81,297
52. American Samoa	AS	Yes		0		0		0
53. Guam	GU	Yes		0		0		0
54. Puerto Rico	PR	Yes	(39,536)	41,953	1,958,580	3,395,099	5,115,158	4,585,973
55. U.S. Virgin Islands	VI	Yes		(27)		0		22
56. Canada	CN	Yes	(1,025,302)	(178,672)	1,007,461	739,512	6,162,993	13,186,012
57. Aggregate Other Aliens	OT	XXX	608,505	53,804	5,428,757	23,113,284	5,312,968	14,352,787
58. Totals	(a) 55		9,983,930	27,613,107	481,200,214	533,974,702	1,560,704,245	1,892,297,129
<b>DETAILS OF WRITE-INS</b>								
5701. Asia	XXX		3,617	(54,994)	50,127	1,451,715	1,168,420	3,027,660
5702. Australia	XXX			54,041		0	(5,999)	(4,632)
5703. Europe	XXX		115,699	54,657	5,378,630	21,661,569	3,940,671	11,286,149
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX		489,189	100	0	0	209,876	43,610
5799. Totals (Lines 5701 through 5703 plus 5798) (Line 57 above)	XXX		608,505	53,804	5,428,757	23,113,284	5,312,968	14,352,787

(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**



^ American Manufacturers Mutual Insurance Company is a mutual company associated with Lumbermens Mutual Casualty Company.  
 † Kemper Lloyds Insurance Company is a Texas Lloyds association of underwriters under the sponsorship of Lumbermens Mutual Casualty Company.  
 \* Percentage includes one minority shareholder.  
 \*\* Percentage includes director qualifying shares.  
 Insurers are identified by shaded boxes. Percentages show common stock ownership as of 9/30/2005.

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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	221,780	717,056	323.3	(474.4)
2. Allied Lines	79,279	1,483,951	1,871.8	(396.4)
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	301,857	1,405,872	465.7	(205.4)
5. Commercial multiple peril	158,435	1,360,211	858.5	371.7
6. Mortgage guaranty			0.0	0.0
8. Ocean marine	5,437	10,083	185.5	(37.0)
9. Inland marine	22,510	(42,040)	(186.8)	(224.2)
10. Financial guaranty			0.0	0.0
11.1 Medical malpractice - occurrence		10,035	0.0	(59.7)
11.2 Medical malpractice - claims-made	1,261	216,493	17,168.4	404.7
12. Earthquake	514	(880)	(171.2)	(58.7)
13. Group accident and health		232,920	0.0	(3.0)
14. Credit accident and health			0.0	0.0
15. Other accident and health		8,622	0.0	101,526.1
16. Workers' compensation	7,851,182	63,837,826	813.1	359.6
17.1 Other liability - occurrence	4,245,480	(25,250,302)	(594.8)	(2,368.0)
17.2 Other liability - claims-made	1,772,056	13,091,386	738.8	2,330.5
18.1 Products liability - occurrence	(2,421,736)	(2,695,624)	111.3	1,990.8
18.2 Products liability - claims-made		7	0.0	0.0
19.1,19.2 Private passenger auto liability	1,730,761	1,174,433	67.9	169.3
19.3,19.4 Commercial auto liability	514,874	(1,609,623)	(312.6)	(9,225.4)
21. Auto physical damage	174,333	8,163	4.7	(49.9)
22. Aircraft (all perils)	(14,795)	112,383	(759.6)	(18,003.6)
23. Fidelity	134,940	28,273	21.0	200.4
24. Surety	2,720,941	34,360,052	1,262.8	379.8
26. Burglary and theft	2,380	16,125	677.5	1,590.9
27. Boiler and machinery	96	(4,928)	(5,133.3)	(11,063.3)
28. Credit	263,765	33,218	12.6	187.8
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	17,765,350	88,503,712	498.2	(204.7)
<b>DETAILS OF WRITE-INS</b>				
3301.			0.0	0.0
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**

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	133,604	199,446	189,930
2. Allied Lines	36,920	69,380	93,622
3. Farmowners multiple peril	0		0
4. Homeowners multiple peril	38,801	63,063	835,457
5. Commercial multiple peril	16,438	154,848	(2,605,095)
6. Mortgage guaranty	0		0
8. Ocean marine	(390)	(534)	126,229
9. Inland marine	(375,009)	(120,682)	12,017
10. Financial guaranty	0		0
11.1 Medical malpractice - occurrence	0		10,463
11.2 Medical malpractice - claims-made	0	1,261	(35,036)
12. Earthquake	(7)	(804)	(1,370)
13. Group accident and health	0		7,945,969
14. Credit accident and health	0		0
15. Other accident and health	0		(942)
16. Workers' compensation	1,491,240	7,851,178	8,597,043
17.1 Other liability - occurrence	1,193,340	2,926,499	3,219,651
17.2 Other liability - claims-made	(38,987)	35,514	(1,901)
18.1 Products liability - occurrence	(223,194)	(2,425,795)	(2,939,370)
18.2 Products liability - claims-made	0		0
19.1,19.2 Private passenger auto liability	3,184	(48,005)	7,871,953
19.3,19.4 Commercial auto liability	(431,327)	(340,793)	(298,666)
21. Auto physical damage	58,681	(59,389)	1,902,925
22. Aircraft (all perils)	0	(14,795)	0
23. Fidelity	(139)	(3,841)	(70,230)
24. Surety	629,040	1,576,229	2,371,142
26. Burglary and theft	0	1,833	(2,638)
27. Boiler and machinery	0		71,474
28. Credit	0	119,317	320,480
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	2,532,195	9,983,930	27,613,107
<b>DETAILS OF WRITE-INS</b>			
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 SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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)	2005 Loss and LAE Payments on Claims Reported as of Prior Year-End	2005 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2005 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. 2002 + Prior	2,171,693	263,442	2,435,135	520,165	38,743	558,908	1,815,580	48,738	195,057	2,059,375	164,052	19,096	183,148
2. 2003	157,888	115,165	273,053	101,154	1,094	102,248	129,217	3,861	(11,035)	122,043	72,483	(121,245)	(48,762)
3. Subtotals 2003 + Prior	2,329,581	378,607	2,708,188	621,319	39,837	661,156	1,944,797	52,599	184,022	2,181,418	236,535	(102,149)	134,386
4. 2004	24,268	26,576	50,844	10,899	1,236	12,135	16,364	2,693	14,856	33,913	2,995	(7,791)	(4,796)
5. Subtotals 2004 + Prior	2,353,849	405,183	2,759,032	632,218	41,073	673,291	1,961,161	55,292	198,878	2,215,331	239,530	(109,940)	129,590
6. 2005	XXX	XXX	XXX	XXX	21,735	21,735	XXX	4,022	(374)	3,648	XXX	XXX	XXX
7. Totals	2,353,849	405,183	2,759,032	632,218	62,808	695,026	1,961,161	59,314	198,504	2,218,979	239,530	(109,940)	129,590
8. Prior Year-End's Surplus As Regards Policyholders	171,435										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. 10.2	2. (27.1)	3. 4.7
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 75.6

## 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?

.....YES.....

**Explanation:**

1.

**Bar Code:**

1.



**OVERFLOW PAGE FOR WRITE-INS**

PQ002 Additional Aggregate Lines for Page 02 Line 23.

\*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
2304. Amounts receivable under high deductible policies.....	16,203,829	10,763,844	5,439,985	55,053,097
2305. Other admitted assets.....	132,093,748	23,947,861	108,145,887	162,638,255
2397. Summary of remaining write-ins for Line 23 from Page 02	148,297,577	34,711,705	113,585,872	217,691,352

PQ015 Additional Aggregate Lines for Page 15 Line 57.

\*SCT

	1	2	3	4	5	6	7
	Is Insurer Licensed? (Yes or No)	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
5704. South America.....	XXX		(835)		0	180,953	10,446
5705. Africa.....	XXX	489,189	935		0	28,923	33,164
5797. Summary of remaining write-ins for Line 57 from Page 15	XXX	489,189	100	0	0	209,876	43,610

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**SCHEDULE A - PART 2**

Showing All Real Estate ACQUIRED During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2 City	3 State						
<b>NONE</b>								
9999999 - Totals								

**SCHEDULE A - PART 3**

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Expended for Additions, Permanent Improvements and Changes in Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 Amounts Received	12 Foreign Exchange Profit (Loss) on Sale	13 Realized Profit (Loss) on Sale	14 Total Profit (Loss) on Sale	15 Gross Income Earned Less Interest Incurred on Encumbrances	16 Taxes, Repairs and Expenses Incurred
	2 City	3 State													
<b>NONE</b>															
9999999 Totals															

EO1

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**SCHEDULE B - PART 1**

Showing All Mortgage Loans ACQUIRED During the Current Quarter

1	Location		4	5	6	7	8	9	10	11	12
Loan Number	2 City	3 State	Loan Type	Actual Cost	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
<b>NONE</b>											
9999999 Totals					XXX	XXX					XXX

**SCHEDULE B - PART 2**

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

1	Location		4	5	6	7	8	9	10	11	12	13
Loan Number	2 City	3 State	Loan Type	Date Acquired	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
829	Houston	TX		10/08/1999	95,975	.0	.0	93,314	0	0	0	0
2036	Mt Juliet	TN		04/02/1999	96,857	.0	.0	93,925	0	0	0	0
2036-2	Mt Juliet	TN		04/02/1999	12,889	.0	.0	12,503	0	0	0	0
2045	Westchester	PA		06/11/1999	184,476	.0	.0	178,843	0	0	0	0
0199999 - Mortgages closed by repayment					390,197			378,585				
9999999 Totals					390,197			378,585				

E02



STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

**SCHEDULE BA - PART 1**

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

1 CUSIP Identification	2 Number of Units and Description	Location		5 Name of Vendor	6 NAIC Designation	7 Date Acquired	8 Actual Cost	9 Amount of Encumbrances	10 Book/Adjusted Carrying Value Less Encumbrances	11 SVO Assigned Value	12 Increase (Decrease) by Adjustment	13 Increase (Decrease) by Foreign Exchange Adjustment
		3 City	4 State									
<b>NONE</b>												
3399999 Totals												

**SCHEDULE BA - PART 2**

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

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/ Adjusted Carrying Value Less Encum- brances, Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/ Adjusted Carrying Value Less Encum- brances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
<b>NONE</b>												
3399999 Totals												

E03

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
BONDS									
GOVERNMENTS									
912827-4V-1	US TREASURY NOTE 4.750 11/15/2008		09/30/2005	GREENWICH CAPITAL MARKETS		6,530,661	6,425,000	116,933	1
0399999 - Total - Bonds - U.S. Government						6,530,661	6,425,000	116,933	XXX
STATES, TERRITORIES & POSSESSIONS									
57582N-3A-1	MASSACHUSETTS ST 4.430 01/01/2007		09/30/2005	GOLDMAN SACHS & CO		20,000,000	20,000,000		1FE
1799999 - Total - Bonds - States, Territories and Possessions						20,000,000	20,000,000	0	XXX
INDUSTRIAL & MISC. (UNAFFIL)									
03061N-GT-0	AMCAR 2003 - DM A3A 2.140 12/06/2007		08/04/2005	DEUTSCHE BANK SECURITIES		4,961,544	4,984,598	889	1FE
125581-AA-6	CIT GROUP INC 7.375 04/02/2007		07/25/2005	GOLDMAN SACHS & CO		6,819,410	6,500,000	154,465	1FE
14040K-BX-5	COMT 2001-5 A 5.300 08/15/2006		09/26/2005	DEUTSCHE BANK SECURITIES		6,218,371	6,163,000	12,703	1FE
171232-AG-6	CHUBB CORPORATION 4.930 11/16/2007		08/11/2005	CITIGROUP		4,528,395	4,500,000		1FE
25466K-AY-5	DCMT 1996-3 A 6.050 02/15/2006		08/30/2005	DEUTSCHE BANK SECURITIES		11,095,391	11,000,000	31,426	1FE
33901H-BJ-1	FCCMT 2003-A A 2.400 01/15/2006		08/16/2005	BARCLAYS BANK		17,881,875	18,000,000	4,800	1FE
36159M-AA-2	GEEST 2005-1 A1 4.000 09/22/2006		08/25/2005	CITIGROUP		12,800,000	12,800,000		1FE
575800-AB-3	BECO 2005-1 A1 3.400 09/15/2006		08/30/2005	DEUTSCHE BANK SECURITIES		4,782,750	4,800,000	82,053	1FE
65475B-AA-2	NAROT 2005-C A1 3.780 09/15/2006		09/09/2005	DEUTSCHE BANK SECURITIES		29,998,888	30,000,000		1FE
85333J-BE-6	SCCMT 1994-2 A 7.250 04/07/2006		07/11/2005	CREDIT SUISSE FIRST BOSTON		7,165,156	7,000,000	136,743	1FE
4599999 - Total - Bonds - Industrial, Misc.						106,251,780	105,747,598	423,080	XXX
6099997 - Total - Bonds - Part 3						132,782,440	132,172,598	540,013	XXX
6099999 - Total - Bonds						132,782,440	132,172,598	540,013	XXX
6599999 - Total - Preferred Stocks						0	XXX	0	XXX
7299999 - Total - Common Stocks						0	XXX	0	XXX
7399999 - Total - Preferred and Common Stocks						0	XXX	0	XXX
7499999 - Totals						132,782,440	XXX	540,013	XXX

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

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STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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)
BONDS GOVERNMENTS																					
3133M0-3S-1	FEDERAL HOME LOAN BANK		08/15/2005	MATURITY		9,045,000	9,045,000	9,147,661	9,108,232	0	(63,232)	0	(63,232)	0	9,045,000	0	0	0	293,963	08/15/2005	1
36200V-0J-5	GNMA 573857		09/01/2005	MBS PAYDOWN		645	645	669	650	0	(4)	0	(4)	0	645	0	0	0	26	11/01/2010	1FE
36201J-GF-0	GNMA 584398		09/01/2005	MBS PAYDOWN		4,835	4,835	5,139	4,926	0	(91)	0	(91)	0	4,835	0	0	0	217	05/01/2010	1FE
36202D-MA-6	GNMA 3053		09/01/2005	MBS PAYDOWN		3,914	3,914	4,115	3,981	0	(68)	0	(68)	0	3,914	0	0	0	168	03/01/2010	1FE
36207M-TP-1	GNMA 436258		09/01/2005	MBS PAYDOWN		3,486	3,486	3,676	3,581	0	(95)	0	(95)	0	3,486	0	0	0	168	03/01/2010	1FE
36209E-VL-3	GNMA 469619		09/01/2005	MBS PAYDOWN		61,315	61,315	64,668	62,621	0	(1,305)	0	(1,305)	0	61,315	0	0	0	2,792	10/01/2010	1FE
36210A-5V-5	GNMA 486960		09/01/2005	MBS PAYDOWN		22,610	22,610	23,499	22,892	0	(282)	0	(282)	0	22,610	0	0	0	924	02/01/2010	1FE
36212W-6G-9	GNMA 538271		09/01/2005	MBS PAYDOWN		5,160	5,160	5,484	5,309	0	(150)	0	(150)	0	5,160	0	0	0	233	11/01/2031	1FE
36213E-2H-8	GNMA 552576		09/01/2005	MBS PAYDOWN		73,385	73,385	77,993	74,848	0	(1,463)	0	(1,463)	0	73,385	0	0	0	3,603	05/01/2010	1FE
36213E-WW-2	GNMA 552461		09/01/2005	MBS PAYDOWN		1,180	1,180	1,224	1,189	0	(10)	0	(10)	0	1,180	0	0	0	48	03/01/2032	1FE
36213J-JD-8	GNMA 555660		09/01/2005	MBS PAYDOWN		1,244	1,244	1,291	1,258	0	(14)	0	(14)	0	1,244	0	0	0	50	01/01/2010	1FE
36213X-FH-2	GNMA 567268		09/01/2005	MBS PAYDOWN		37,481	37,481	39,489	37,734	0	(253)	0	(253)	0	37,481	0	0	0	1,624	10/01/2010	1FE
36225A-T9-1	GNMA 780576		09/01/2005	MBS PAYDOWN		1,150	1,150	1,229	1,170	0	(20)	0	(20)	0	1,150	0	0	0	54	12/01/2010	1FE
912810-EQ-7	US TREASURY NOTE		09/13/2005	COUNTRYWIDE		1,442,676	1,184,000	1,386,156	1,386,156	0	(4,756)	0	(4,756)	0	1,381,400	0	61,276	61,276	80,033	08/15/2023	1
912828-CT-5	US TREASURY NOTE		08/16/2005	CREDIT SUISSE FIRST BOSTON		45,058,008	45,000,000	45,364,453	45,364,371	0	(16,682)	0	(16,682)	0	45,347,689	0	(289,681)	(289,681)	1,072,317	08/15/2014	1
912828-DC-1	US TREASURY NOTE		09/08/2005	CREDIT SUISSE FIRST BOSTON		13,363,350	13,250,000	13,411,632	13,411,632	0	(7,300)	0	(7,300)	0	13,404,333	0	(40,983)	(40,983)	460,600	11/15/2014	1
912828-DG-2	US TREASURY NOTE		08/31/2005	VARIOUS		93,554,883	95,000,000	94,333,203	94,333,203	0	64,721	0	64,721	0	94,397,924	0	(843,042)	(843,042)	2,178,940	01/15/2010	1
912828-DM-9	US TREASURY NOTE N/B		08/15/2005	CREDIT SUISSE FIRST BOSTON		9,770,313	10,000,000	9,881,250	9,881,250	0	4,850	0	4,850	0	9,886,100	0	(115,787)	(115,787)	201,087	02/15/2015	1
0399999 - Bonds - U.S. Governments						172,450,633	173,695,404	173,752,832	173,705,003	0	(26,154)	0	(26,154)	0	173,678,850	0	(1,228,217)	(1,228,217)	4,296,845	XXX	XXX
STATES, TERRITORIES & POSSESSIONS																					
683234-JM-1	ONTARIO (PROVINCE OF)	F	08/04/2005	MATURITY		9,750,000	9,750,000	10,608,390	9,906,694	0	(156,694)	0	(156,694)	0	9,750,000	0	0	0	682,500	08/04/2005	1FE
1799999 - Bonds - States, Territories and Possessions						9,750,000	9,750,000	10,608,390	9,906,694	0	(156,694)	0	(156,694)	0	9,750,000	0	0	0	682,500	XXX	XXX
SPECIAL REVENUE & SPECIAL ASSESS																					
31286G-SZ-6	FHLMC E77736		09/01/2005	MBS PAYDOWN		7,952	7,952	8,338	8,042	0	(90)	0	(90)	0	7,952	0	0	0	291	02/01/2014	1FE
31286D-G0-7	FHLMC E78307		09/01/2005	MBS PAYDOWN		1,310	1,310	1,388	1,347	0	(38)	0	(38)	0	1,310	0	0	0	56	08/01/2014	1FE
31286H-6Z-9	FHLMC E81788		09/01/2005	MBS PAYDOWN		944	944	1,000	949	0	(9)	0	(9)	0	944	0	0	0	41	11/01/2015	1FE
31286H-SU-6	FHLMC E81431		09/01/2005	MBS PAYDOWN		1,269	1,269	1,344	1,294	0	(26)	0	(26)	0	1,269	0	0	0	55	12/01/2012	1FE
31286J-XP-7	FHLMC E82486		09/01/2005	MBS PAYDOWN		171	171	182	172	0	0	0	0	0	171	0	0	0	7	02/01/2016	1FE
31292H-JE-5	FHLMC C01161		09/01/2005	MBS PAYDOWN		3,008	3,008	3,188	3,067	0	(59)	0	(59)	0	3,008	0	0	0	138	04/01/2031	1FE
31294J-Y2-8	FHLMC E00729		09/01/2005	MBS PAYDOWN		8,108	8,108	8,595	8,271	0	(163)	0	(163)	0	8,108	0	0	0	401	08/01/2013	1FE
31298F-WR-9	FHLMC C46956		09/01/2005	MBS PAYDOWN		3,976	3,976	4,308	4,244	0	(269)	0	(269)	0	3,976	0	0	0	238	01/01/2031	1FE
31298G-SH-4	FHLMC C47720		09/01/2005	MBS PAYDOWN		1,117	1,117	1,184	1,136	0	(19)	0	(19)	0	1,117	0	0	0	52	02/01/2031	1FE
31339D-RL-4	FHR 2416 PN		09/01/2005	MBS PAYDOWN		195,000	195,000	196,813	198,020	0	(3,020)	0	(3,020)	0	195,000	0	0	0	7,766	09/01/2005	1
31337S-LK-7	FHR 1727 H		09/01/2005	MBS PAYDOWN		2,478,347	2,478,347	2,565,819	2,487,878	0	(9,532)	0	(9,532)	0	2,478,347	0	0	0	54,437	09/01/2006	1FE
31337G-Y9-4	FHR 2098 PG		09/01/2005	MBS PAYDOWN		627,471	627,471	632,570	627,639	0	(168)	0	(168)	0	627,471	0	0	0	9,556	06/01/2008	1FE
31337J-A5-2	FHR 2121 MF		09/01/2005	MBS PAYDOWN		2,078,321	2,078,321	2,125,584	2,080,273	0	(1,953)	0	(1,953)	0	2,078,321	0	0	0	32,555	08/01/2006	1FE
31337J-RL-9	FHR 2137 TW		09/01/2005	MBS PAYDOWN		296,593	296,593	297,520	297,658	0	(1,065)	0	(1,065)	0	296,593	0	0	0	12,888	10/01/2005	1FE
31337K-R0-5	FHR 2155 PG		09/01/2005	MBS PAYDOWN		1,700,252	1,700,252	1,735,428	1,702,660	0	(2,408)	0	(2,408)	0	1,700,252	0	0	0	28,328	06/01/2006	1FE
31337L-EJ-3	FHR 2165 PD		09/01/2005	MBS PAYDOWN		711,403	711,403	719,267	711,664	0	(262)	0	(262)	0	711,403	0	0	0	7,839	10/01/2006	1FE
31337L-WS-3	FHR 2186 PG		09/01/2005	MBS PAYDOWN		28,662	28,662	29,263	29,075	0	(413)	0	(413)	0	28,662	0	0	0	1,165	10/01/2007	1FE
31337V-GB-6	FHR 2355 V		09/01/2005	MBS PAYDOWN		13,777	13,777	14,287	13,872	0	(95)	0	(95)	0	13,777	0	0	0	505	07/01/2010	1FE
31371H-U9-7	FN 252708		09/01/2005	MBS PAYDOWN		9,719	9,719	10,304	9,927	0	(208)	0	(208)	0	9,719	0	0	0	458	11/01/2013	1FE
31371H-X2-9	FN 252797		09/01/2005	MBS PAYDOWN		7,865	7,865	8,351	8,033	0	(168)	0	(168)	0	7,865	0	0	0	398	02/01/2014	1FE
31371H-YD-4	FN 252808		09/01/2005	MBS PAYDOWN		103,148	103,148	99,960	100,680	0	2,467	0	2,467	0	103,148	0	0	0	4,809	11/01/2028	1FE
31371J-3G-7	FNMA 253799		09/01/2005	MBS PAYDOWN		4,078	4,078	4,325	4,148	0	(70)	0	(70)	0	4,078	0	0	0	176	05/01/2010	1FE
31371J-6R-0	FNMA 253880		09/01/2005	MBS PAYDOWN		11,482	11,482	12,178	11,629	0	(147)	0	(147)	0	11,482	0	0	0	496	07/01/2010	1FE
31371K-LP-4	FNMA 254234		09/01/2005	MBS PAYDOWN		30,826	30,826	31,909	31,050	0	(225)	0	(225)	0	30,826	0	0	0	1,146	03/01/2010	1FE
31379L-WA-5	FNMA 422841		09/01/2005	MBS PAYDOWN		15,213	15,213	16,147	15,431	0	(219)	0	(219)	0	15,213	0	0	0	680	04/01/2010	1FE
31381A-PT-2	FNMA 455034		09/01/2005	MBS PAYDOWN		2,705	2,705	2,840	2,739	0	(34)	0	(34)	0	2,705	0	0	0	106	12/01/2013	1FE
31383R-HW-5	FNMA 510645		09/01/2005	MBS PAYDOWN		26,951	26,951	28,292	27,234	0	(283)	0	(283)	0	26,951	0	0	0	1,116	08/01/2014	1FE
31383S-4N-7	FNMA 512129		09/01/2005	MBS PAYDOWN		15,633	15,633	16,591	15,885	0	(251)	0	(251)	0	15,633	0	0	0	670	08/01/2010	1FE
31383S-VT-4	FNMA 511926		09/01/2005	MBS PAYDOWN		6,997	6,997	7,345	7,172	0	(174)	0	(174)	0	6,997	0	0	0	292	08/01/2010	1FE
31384Q-ZD-9	FNMA 531092		09/01/2005	MBS PAYDOWN		5,402	5,402	5,790	5,405	0											

STATEMENT AS OF SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY 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)	
31387R-VN-5.	FNMA 592021		09/01/2005	MBS PAYDOWN		3,950	3,950	4,188	4,008	.0	(57)	.0	(57)	.0	3,950	.0	.0	.0	188	06/01/2031	1FE	
31387T-XP-4.	FNMA 593886		09/01/2005	MBS PAYDOWN		2,359	2,359	2,474	2,378	.0	(19)	.0	(19)	.0	2,359	.0	.0	.0	90	07/01/2016	1FE	
31388N-EB-5.	FNMA 609559		09/01/2005	MBS PAYDOWN		3,021	3,021	3,204	3,060	.0	(39)	.0	(39)	.0	3,021	.0	.0	.0	119	11/01/2016	1FE	
31388Y-B7-6.	FNMA 618462		09/01/2005	MBS PAYDOWN		11,592	11,592	12,154	11,662	.0	(70)	.0	(70)	.0	11,592	.0	.0	.0	436	12/01/2016	1FE	
31389L-RV-3.	FNMA 628800		09/01/2005	MBS PAYDOWN		27,967	27,967	29,322	28,098	.0	(131)	.0	(131)	.0	27,967	.0	.0	.0	1,233	03/01/2017	1FE	
31389V-FH-5.	FNMA 636568		09/01/2005	MBS PAYDOWN		17,361	17,361	18,404	17,619	.0	(258)	.0	(258)	.0	17,361	.0	.0	.0	718	04/01/2032	1FE	
313900-FP-5.	FNMA 652774		09/01/2005	MBS PAYDOWN		251,458	251,458	263,936	254,216	.0	(2,758)	.0	(2,758)	.0	251,458	.0	.0	.0	11,488	07/01/2032	1FE	
31390R-UU-5.	FNMA 654095		09/01/2005	MBS PAYDOWN		160	160	168	166	.0	(5)	.0	(5)	.0	160	.0	.0	.0	7	09/01/2032	1FE	
31392A-PS-1.	FNR 2001-74 PD.		09/01/2005	MBS PAYDOWN		41,051	41,051	41,582	41,415	.0	(364)	.0	(364)	.0	41,051	.0	.0	.0	1,649	05/01/2008	1FE	
31392E-AE-0.	FNR 2002-55 QC.		09/01/2005	MBS PAYDOWN		3,083,072	3,083,072	3,185,199	3,098,740	.0	(15,668)	.0	(15,668)	.0	3,083,072	.0	.0	.0	39,207	10/01/2006	1FE	
38373X-ZZ-5.	GNR 2002-51 MD.		07/01/2005	MBS PAYDOWN		1,314,056	1,314,056	1,360,269	1,404,933	.0	(90,877)	.0	(90,877)	.0	1,314,056	.0	.0	.0	13,140	07/01/2005	1FE	
3199999 - Bonds - Special Revenues						13,237,475	13,237,475	13,599,102	13,367,597	0	(130,122)	0	(130,122)	0	13,237,475	0	0	0	238,802	XXX	XXX	
INDUSTRIAL & MISC. (UNAFFIL)																						
03061N-EJ-4.	AMCAR 2001-C A4		09/06/2005	MBS PAYDOWN		58,730	58,730	59,437	59,127	.0	(397)	.0	(397)	.0	58,730	.0	.0	.0	1,955	07/06/2008	1FE	
03061N-GT-0.	AMCAR 2003 - DM ASA		09/06/2005	MBS PAYDOWN		981,023	981,023	976,486	980,581	.0	441	.0	441	.0	981,023	.0	.0	.0	1,749	12/06/2007	1FE	
				SECURITY CALLED BY ISSUER																		
084670-0@-5.	BONDING FACILITY		09/13/2005	at 100.000																		
149123-BJ-9.	CATERPILLAR INC.		09/13/2005	GOLDMAN SACHS & CO.		2,508,480	1,950,000	2,507,174	2,493,534	.0	(6,879)	.0	(6,879)	.0	2,486,654	.0	21,826	21,826	63,096	07/01/2033	1.	
172967-AG-6.	CITIGROUP INC.		09/15/2005	MATURITY		1,249,000	1,249,000	1,306,666	1,287,262	.0	(38,262)	.0	(38,262)	.0	1,249,000	.0	.0	.0	82,746	09/15/2005	1FE	
20825C-AF-1.	CONOCOPHILLIPS.		09/13/2005	JP MORGAN SECURITIES		2,513,352	2,275,000	2,441,189	2,437,728	.0	(1,854)	.0	(1,854)	.0	2,435,873	.0	77,478	77,478	123,412	10/15/2032	1FE	
211177-AJ-9.	CONTL CABLEVISION.		09/15/2005	MATURITY		1,750,000	1,750,000	1,869,035	1,828,995	.0	(78,995)	.0	(78,995)	.0	1,750,000	.0	.0	.0	155,313	09/15/2005	2FE	
34527R-GZ-0.	FORDO 2002-A A4A		07/15/2005	MBS PAYDOWN		374,619	374,619	376,312	377,716	.0	(3,097)	.0	(3,097)	.0	374,619	.0	.0	.0	9,528	07/15/2005	1FE	
36962G-XZ-2.	GENERAL ELEC CAP CORP.		09/13/2005	GOLDMAN SACHS & CO.		2,460,636	2,050,000	2,397,598	2,389,993	.0	(3,879)	.0	(3,879)	.0	2,386,114	.0	74,521	74,521	138,759	03/15/2032	1FE	
370425-RT-9.	GMAC		09/07/2005	VARIOUS		7,563,750	7,500,000	7,962,300	7,694,699	.0	(123,347)	.0	(123,347)	.0	7,571,352	.0	(7,602)	(7,602)	568,969	01/15/2006	3FE	
370425-RU-6.	GMAC		07/26/2005	BANK OF AMERICA.		194,500	200,000	205,220	204,417	.0	(338)	.0	(338)	.0	204,078	.0	(9,578)	(9,578)	13,171	03/02/2011	3FE	
45578V-AC-2.	LTD.		09/14/2005	DISTRIBUTION		12,736	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	12,736	.0	12,736	.0	09/14/2012	6
55262T-FR-9.	MBNAM 2000-I A.		08/15/2005	MBS PAYDOWN		500,000	500,000	512,210	512,210	.0	(12,210)	.0	(12,210)	.0	500,000	.0	.0	.0	23,000	08/15/2005	1FE	
575800-AB-3.	BECO 2005-1 A1.		09/15/2005	MBS PAYDOWN		1,450,480	1,450,480	1,445,268	1,450,480	.0	.0	.0	.0	.0	1,450,480	.0	.0	.0	26,576	09/15/2006	1FE	
713409-AC-4.	PEPSI BOTTLING GROUP INC.		09/13/2005	CITIGROUP		2,463,000	2,000,000	2,435,020	2,422,824	.0	(6,141)	.0	(6,141)	.0	2,416,683	.0	46,317	46,317	145,833	03/01/2029	1FE	
54265N-30-4.	RESIDUAL INTEREST		08/25/2005	REDEMPTION		145,532	.0	145,532	145,532	.0	.0	.0	.0	.0	145,532	.0	.0	.0	.0	05/25/2016	6*	
000000-00-0.	ADJUSTMENTS					11	.0	.0	.0	.0	281	.0	281	.0	281	.0	(269)	(269)	(259)			
4599999 - Bonds - Industrial and Miscellaneous						29,937,070	28,050,074	30,350,668	29,996,320	0	(274,677)	0	(274,677)	0	29,721,642	10	215,428	215,438	1,478,664	XXX	XXX	
6099997 - Bonds - Part 4						225,375,178	224,732,953	228,310,992	226,975,615	0	(587,647)	0	(587,647)	0	226,387,968	10	(1,012,789)	(1,012,779)	6,696,810	XXX	XXX	
6099999 - Total - Bonds						225,375,178	224,732,953	228,310,992	226,975,615	0	(587,647)	0	(587,647)	0	226,387,968	10	(1,012,789)	(1,012,779)	6,696,810	XXX	XXX	
6599999 - Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7299999 - Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7399999 - Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
7499999 Totals						225,375,178	224,732,953	228,310,992	226,975,615	0	(587,647)	0	(587,647)	0	226,387,968	10	(1,012,789)	(1,012,779)	6,696,810	XXX	XXX	

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

E05.1

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**







**SUPPLEMENT FOR SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**

Designate the type of health care providers reported on this page  
Physicians

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT	0	0	0	0	0	0	0	0
58. Totals	0	0	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>								
5701. ....								
5702. ....								
5703. ....								
5798. Summary of remaining write-ins for Line 57 from overflow page	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	0	0	0	0	0	0	0	0

**NONE**





**SUPPLEMENT FOR SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**

Designate the type of health care providers reported on this page  
Hospitals

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT	0	0	0	0	0	0	0	0
58. Totals	0	0	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>								
5701. ....								
5702. ....								
5703. ....								
5798. Summary of remaining write-ins for Line 57 from overflow page	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	0	0	0	0	0	0	0	0

**NONE**



**SUPPLEMENT FOR SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**

Designate the type of health care providers reported on this page  
Other Health Care Professionals

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported	
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims		
1. Alabama	AL				(29)			1,672	
2. Alaska	AK								
3. Arizona	AZ				(173)			10,143	
4. Arkansas	AR				(38)			2,234	
5. California	CA		27,250	1	(29,662)	75,750	3	97,509	
6. Colorado	CO				(103)			6,040	
7. Connecticut	CT				(48)			2,843	
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL		25,000		(197,395)		1	14,484	
11. Georgia	GA	1,261	1,261		(101)			5,932	
12. Hawaii	HI				(35)			2,027	
13. Idaho	ID		47,500	3	(44,748)			3,210	
14. Illinois	IL			0	18,169	42,010	3	(886,482)	
15. Indiana	IN				(2,492)			(330,956)	
16. Iowa	IA				(1,619)			4,623	
17. Kansas	KS				(89,405)	15,000	1	33,099	
18. Kentucky	KY				(8)			448	
19. Louisiana	LA								
20. Maine	ME				(16)			941	
21. Maryland	MD		22,500	1	19,185			1,963	
22. Massachusetts	MA				(21)			1,205	
23. Michigan	MI				(488)			28,622	
24. Minnesota	MN		38,000	1	37,917			3,625	
25. Mississippi	MS				(36)			2,094	
26. Missouri	MO				(8,172)			469,348	
27. Montana	MT				(1)			50	
28. Nebraska	NE				(12)			686	
29. Nevada	NV				(4,270)	5,000	1	6,761	
30. New Hampshire	NH				(54)			3,172	
31. New Jersey	NJ				(71)			4,150	
32. New Mexico	NM		3,500	1	45,449	50,000	2	34,232	
33. New York	NY		152,500	1	64,386	195,000	9	357,600	
34. North Carolina	NC				32,104	20,000	1	13,119	
35. North Dakota	ND								
36. Ohio	OH		6,500	1	6,383			6,281	
37. Oklahoma	OK		4,166	2	(20,985)	50,010	4	73,324	
38. Oregon	OR		280,629	2	523,020	383,466	19	233,382	
39. Pennsylvania	PA				(475)			27,887	
40. Rhode Island	RI							5	
41. South Carolina	SC				(21)			1,250	
42. South Dakota	SD				(8)			461	
43. Tennessee	TN		23,000	2	(129,925)	90,510	8	84,834	
44. Texas	TX				(130)			7,649	
45. Utah	UT				(126)			7,403	
46. Vermont	VT				(44)			2,589	
47. Virginia	VA				(61)			3,575	
48. Washington	WA		122,500		10,857	10	2	31,463	
49. West Virginia	WV				(9)			546	
50. Wisconsin	WI				(162)			9,494	
51. Wyoming	WY								
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Canada	CN								
57. Aggregate Other Aliens	OT	0	0	0	0	0	0	0	
58. Totals		1,261	1,261	753,045	15	226,527	926,756	54	384,537
<b>DETAILS OF WRITE-INS</b>									
5701.									
5702.									
5703.									
5798. Summary of remaining write-ins for Line 57 from overflow page		0	0	0	0	0	0	0	
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)		0	0	0	0	0	0	0	



**SUPPLEMENT FOR SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**

Designate the type of health care providers reported on this page  
Other Health Care Facilities

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								4,200
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								741,981
15. Indiana IN								477,114
16. Iowa IA								90,338
17. Kansas KS								2,878
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								10,029
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT	0	0	0	0	0	0	0	0
58. Totals	0	0	0	0	0	0	0	1,326,540
<b>DETAILS OF WRITE-INS</b>								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	0	0	0	0	0	0	0	0



**SUPPLEMENT FOR SEPTEMBER 30, 2005 OF THE LUMBERMENS MUTUAL CASUALTY COMPANY**

Designate the type of health care providers reported on this page  
 Medical Malpractice Policies

**SUPPLEMENT "A" TO SCHEDULE T  
 EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN  
 ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Aliens OT	0	0	0	0	0	0	0	0
58. Totals	0	0	0	0	0	0	0	0
<b>DETAILS OF WRITE-INS</b>								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)	0	0	0	0	0	0	0	0

**NONE**