



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Scottsdale Insurance Company

NAIC Group Code01400140NAIC Company Code41297Employer's ID Number31-1024978  
(Current)(Prior)

Organized under the Laws ofOhio, State of Domicile or Port of EntryOhio

Country of DomicileUnited States of America

Incorporated/Organized01/04/1982Commenced Business07/01/1982

Statutory Home OfficeOne West Nationwide Blvd.Columbus , OH 43215-2220  
(Street and Number)(City or Town, State and Zip Code)

Main Administrative Office8877 N. Gainey Center Drive  
(Street and Number)  
Scottsdale , AZ 85258-2108480-365-4000  
(City or Town, State and Zip Code)(Area Code) (Telephone Number)

Mail AddressOne West Nationwide Blvd., 1-04-701Columbus , OH 43215-2220  
(Street and Number or P.O. Box)(City or Town, State and Zip Code)

Primary Location of Books and RecordsOne West Nationwide Blvd., 1-04-701  
(Street and Number)  
Columbus , OH 43215-2220614-249-1545  
(City or Town, State and Zip Code)(Area Code) (Telephone Number)

Internet Web Site Addresswww.scottsdaleins.com

Statutory Statement ContactArlene E. Swanson614-249-1545  
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OFFICERS

President & COOMichael Dean MillerVP & TreasurerPeter Whitney Harper

VP & Asst SecretaryRandall Lee OrrVP & SecretaryRobert William Horner III

OTHER

Pamela Ann BieseckerSr VP-Head of TaxationThomas Williams DietrichSr VP-Div General CounselJohn Edward GoodloeSr VP

Patricia Ruth HatlerExec VP & Chief Legal & Gov OffCraig Edward LandiSr VP-UnderwritingGary Lynn TiepelmanSr VP-Underwriting

Susan Feola WainSr VP-Claims

DIRECTORS OR TRUSTEES

Peter Whitney HarperMichael Dean MillerDoreen Katherine Reinke

Gary Lynn TiepelmanSusan Feola Wain

State ofArizonaSS:

County ofMaricopa

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.

Michael Dean MillerPresident & COO

Randall Lee OrrVP & Asst Secretary

Peter Whitney HarperVP & Treasurer

Subscribed and sworn to before me thisApril , 2011

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 MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	925,064,541		925,064,541	905,098,679
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....	198,839,267		198,839,267	199,281,926
3. Mortgage loans on real estate:				
3.1 First liens .....	3,313,999		3,313,999	3,352,499
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ .....8,787,855 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....101,570,340 ) .....	110,358,195		110,358,195	77,760,283
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....	158,536		158,536	139,186
10. Securities lending reinvested collateral assets .....	1,188,213	123,922	1,064,291	355,352
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	1,238,922,751	123,922	1,238,798,829	1,185,987,925
13. Title plants less \$ ..... charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	9,145,543		9,145,543	9,759,640
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	361,971,520	82,734,486	279,237,034	298,126,940
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	83,751,821	191,717	83,560,104	80,682,820
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	110,742,492		110,742,492	118,498,649
16.2 Funds held by or deposited with reinsured companies .....	2,045		2,045	2,100
16.3 Other amounts receivable under reinsurance contracts .....				1,386,350
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....	40,078,756	8,773,992	31,304,764	31,881,425
19. Guaranty funds receivable or on deposit .....	1,610,849		1,610,849	1,628,034
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	1,797		1,797	388
23. Receivables from parent, subsidiaries and affiliates .....	35,373,841	1,908	35,371,933	35,091,264
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	33,443,931	24,255,295	9,188,636	2,084,177
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,915,045,346	116,081,320	1,798,964,026	1,765,129,712
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. Total (Lines 26 and 27)	1,915,045,346	116,081,320	1,798,964,026	1,765,129,712
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Miscellaneous .....	9,188,636		9,188,636	2,084,177
2502. Deposits and prepaid assets .....	9,064,132	9,064,132		
2503. Other assets nonadmitted .....	15,191,163	15,191,163		
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	33,443,931	24,255,295	9,188,636	2,084,177

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 48,095,336 )	312,656,538	323,903,492
2. Reinsurance payable on paid losses and loss adjustment expenses	75,579,345	77,334,849
3. Loss adjustment expenses	67,329,706	67,844,578
4. Commissions payable, contingent commissions and other similar charges	11,011,885	12,481,054
5. Other expenses (excluding taxes, licenses and fees)	2,684,891	3,357,321
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	3,736,912	4,433,545
7.1 Current federal and foreign income taxes (including \$ 91,596 on realized capital gains (losses))	14,583,050	8,340,644
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 866,158,573 and including warranty reserves of \$ 1,772,756 )	218,641,373	221,431,823
10. Advance premium	5,684,881	4,814,398
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	220,908	210,582
12. Ceded reinsurance premiums payable (net of ceding commissions)	338,009,837	347,419,596
13. Funds held by company under reinsurance treaties	60,436	70,686
14. Amounts withheld or retained by company for account of others	1,412,739	6,423,817
15. Remittances and items not allocated		
16. Provision for reinsurance	15,691,998	15,691,998
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	20,698,200	12,863,120
20. Derivatives		
21. Payable for securities	31,618,129	86,418
22. Payable for securities lending	1,338,750	625,000
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$		
25. Aggregate write-ins for liabilities	4,620,676	2,675,381
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,125,580,254	1,110,008,302
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	1,125,580,254	1,110,008,302
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	6,027,200	6,027,200
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	9,688,450	9,703,585
33. Surplus notes		
34. Gross paid in and contributed surplus	143,973,300	143,973,300
35. Unassigned funds (surplus)	513,694,822	495,417,325
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		
36.2 shares preferred (value included in Line 31 \$ )		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	673,383,772	655,121,410
38. Totals (Page 2, Line 28, Col. 3)	1,798,964,026	1,765,129,712
DETAILS OF WRITE-INS		
2501. Contingent suits	531,672	504,088
2502. Loss based assessment	423,834	423,834
2503. Reserve for state escheat payment	1,157,640	1,216,675
2598. Summary of remaining write-ins for Line 25 from overflow page	2,507,530	530,784
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	4,620,676	2,675,381
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)		
3201. SSAP 10 DTA	9,688,450	9,703,585
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	9,688,450	9,703,585

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 247,098,369 )	252,095,781	260,496,274	1,024,575,911
1.2 Assumed (written \$ 372,507,149 )	370,295,019	345,684,440	1,413,357,699
1.3 Ceded (written \$ 480,860,451 )	480,860,801	460,605,008	1,860,412,526
1.4 Net (written \$ 138,745,067 )	141,529,999	145,575,706	577,521,084
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 80,297,698 ):			
2.1 Direct	120,858,076	110,750,937	480,802,156
2.2 Assumed	199,305,217	196,176,677	791,809,678
2.3 Ceded	248,489,491	229,536,501	940,991,062
2.4 Net	71,673,802	77,391,113	331,620,772
3. Loss adjustment expenses incurred	14,782,599	14,533,018	59,756,846
4. Other underwriting expenses incurred	47,924,141	47,460,467	192,351,915
5. Aggregate write-ins for underwriting deductions		(13,482)	(13,482)
6. Total underwriting deductions (Lines 2 through 5)	134,380,542	139,371,116	583,716,051
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	7,149,457	6,204,590	(6,194,967)
INVESTMENT INCOME			
9. Net investment income earned	12,142,889	10,065,140	38,835,375
10. Net realized capital gains (losses) less capital gains tax of \$ 91,596	499,745	(266,140)	(534,821)
11. Net investment gain (loss) (Lines 9 + 10)	12,642,634	9,799,000	38,300,554
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 28,968 amount charged off \$ 688,168 )	(659,200)	(608,763)	(2,932,987)
13. Finance and service charges not included in premiums	1,775,782	1,945,672	7,487,968
14. Aggregate write-ins for miscellaneous income	741,823	589,298	2,151,513
15. Total other income (Lines 12 through 14)	1,858,405	1,926,207	6,706,494
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	21,650,496	17,929,797	38,812,081
17. Dividends to policyholders	81,907	93,339	260,432
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)	21,568,589	17,836,458	38,551,649
19. Federal and foreign income taxes incurred	6,150,810	4,175,645	8,258,205
20. Net income (Line 18 minus Line 19)(to Line 22)	15,417,779	13,660,813	30,293,444
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	655,121,410	610,168,949	610,168,949
22. Net income (from Line 20)	15,417,779	13,660,813	30,293,444
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ (28,585)	1,314,986	2,294,272	11,824,608
25. Change in net unrealized foreign exchange capital gain (loss)	98,322	50,587	113,267
26. Change in net deferred income tax	(613,767)	(669,485)	(1,005,454)
27. Change in nonadmitted assets	2,060,177	(73,606)	3,249,820
28. Change in provision for reinsurance			1,177,245
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	(15,135)	(124,033)	(700,469)
38. Change in surplus as regards policyholders (Lines 22 through 37)	18,262,362	15,138,548	44,952,461
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	673,383,772	625,307,497	655,121,410
DETAILS OF WRITE-INS			
0501. Loss based assessment		(13,482)	(13,482)
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)		(13,482)	(13,482)
1401. Contingent suit liability	(27,584)	389,001	1,090,515
1402. Other income	769,407	200,297	1,060,998
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	741,823	589,298	2,151,513
3701. SSAP 10 DTA	(15,135)	(124,033)	(700,469)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	(15,135)	(124,033)	(700,469)

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	146,325,045	131,201,465	567,287,691
2. Net investment income .....	13,469,673	9,558,921	42,126,876
3. Miscellaneous income .....	4,681,919	4,289,937	9,329,481
4. Total (Lines 1 to 3) .....	164,476,637	145,050,323	618,744,048
5. Benefit and loss related payments .....	76,920,102	76,495,897	341,447,843
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	66,042,659	64,836,977	257,887,169
8. Dividends paid to policyholders .....	71,581	98,178	312,683
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....			4,701,774
10. Total (Lines 5 through 9) .....	143,034,342	141,431,052	604,349,469
11. Net cash from operations (Line 4 minus Line 10) .....	21,442,296	3,619,271	14,394,580
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	95,303,947	17,585,998	167,974,946
12.2 Stocks .....			
12.3 Mortgage loans .....	38,646	52,052	809,405
12.4 Real estate .....			
12.5 Other invested assets .....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....			(40,031)
12.7 Miscellaneous proceeds .....	31,571,597	257,473	110,900
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	126,914,190	17,895,523	168,855,220
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	113,020,386	8,518,044	73,831,523
13.2 Stocks .....	504,000	900,000	1,000,000
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....	713,738		544,223
13.6 Miscellaneous applications .....	31,834		108,715
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	114,269,958	9,418,044	75,484,461
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	12,644,232	8,477,479	93,370,759
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			
16.2 Capital and paid in surplus, less treasury stock .....			
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied) .....	(1,488,615)	(12,822,695)	(35,528,413)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(1,488,615)	(12,822,695)	(35,528,413)
<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) ..	32,597,912	(725,945)	72,236,926
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	77,760,283	5,523,357	5,523,357
19.2 End of period (Line 18 plus Line 19.1) .....	110,358,195	4,797,412	77,760,283

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

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NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

C. Accounting Policies

7. Investment in subsidiary and affiliated companies are stated as follows:

The admitted investments in all subsidiary, controlled, and affiliated (SCA) entities are valued using an equity method approach. Under this approach, investments in insurance affiliated companies are stated at underlying statutory equity adjusted for unamortized goodwill. Investments in non-insurance affiliated companies that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at audited GAAP equity adjusted to a statutory basis of accounting. Investments in non-insurance affiliated companies that have significant ongoing operations beyond holding assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at audited GAAP equity. Unaudited affiliated companies of the reporting entity or its affiliates are non-admitted under prescribed SAP accounting practices. Goodwill arising from the acquisition of affiliated companies is amortized over a period of ten years. Unamortized goodwill at March 31, 2011 was \$21.2 million, of which \$5.6 million was nonadmitted due to no statutory audit having been performed on an acquired entity, Freedom Specialty Insurance Company (formerly Atlantic Insurance Company). Unamortized goodwill at December 31, 2010 was \$21.9 million, of which \$5.8 million was nonadmitted.

Note 2 - Accounting Changes and Corrections of Errors

No change.

Note 3 - Business Combinations and Goodwill

No change.

Note 4 - Discontinued Operations

No change.

Note 5 - Investments

A. Mortgage Loans

No change.

B. Troubled Debt Restructuring for Creditors

No change.

C. Reverse Mortgages

No change.

D. Loan-Backed Securities

- 1. Prepayment assumptions are generally obtained using a model provided by a third-party vendor.
- 2. Not applicable.
- 3. Not applicable.
- 4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$ (128,373)
	2. 12 Months or Longer	\$ (736,332)
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$ 20,202,858
	2. 12 Months or Longer	\$ 9,841,808

- 5. The Company reviews all loan-backed and structured securities in which the fair value of the given security is less than the amortized cost to determine if a given security is other-than-temporarily impaired. The Company examines characteristics of the underlying collateral, such as delinquency and default rates, the quality of the underlying borrower, the type of collateral in the pool, the vintage year of the collateral, subordination levels within the structure of the collateral pool, the quality of any credit guarantors, to determine the cash flows expected to be received for the security.

If the severity and duration of the security's unrealized loss indicates a risk of an other-than-temporary impairment, the Company will evaluate if the amortized cost basis of the security will be recovered by comparing the present value of the cash flows expected to be received for the given security with the amortized cost basis of the security. If the present value of cash flows is greater than the amortized cost basis of a security then the security is deemed other-than-temporarily impaired.

E. Repurchase Agreements

No change.

F. Real Estate

No change.

G. Low-Income Housing Tax Credits

No change.

# NOTES TO FINANCIAL STATEMENTS

**Note 6 - Joint Ventures, Partnerships and Limited Liability Companies**

No change.

**Note 7 - Investment Income**

No change.

**Note 8 - Derivative Instruments**

No change.

**Note 9 - Income Taxes**

No change.

**Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

No change.

**Note 11 - Debt**

No change.

**Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

No change.

**Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

No change.

**Note 14 – Contingencies**

No change.

**Note 15 - Leases**

No change.

**Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk**

No change.

**Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales

No change.

B. Transfers and Servicing of Financial Assets

No change.

C. Wash Sales

Not applicable.

**Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**

No change.

**Note 19 - Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators**

No change.

**Note 20 – Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources while unobservable inputs reflect the Company's view of market assumptions in the absence of observable market information. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. In determining fair value, the Company uses various methods including market, income and cost approaches.

The Company categorizes its assets and liabilities measured and reported at fair value in the quarterly statement into a three-level hierarchy based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety.

The fair value hierarchy levels are as follows:

*Level 1.* Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date.

*Level 2.* Unadjusted quoted prices for similar assets or liabilities in active markets or inputs (other than quoted prices) that are observable or that are derived principally from or corroborated by observable market data through correlation or other means.

*Level 3.* Prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management's best estimate about the assumptions market participants would use at the measurement date in pricing the asset or liability. Consideration is given to the risk inherent in both the method of valuation and the valuation inputs.

NOTES TO FINANCIAL STATEMENTS

The Company periodically reviews its fair value hierarchy classifications for financial assets and liabilities. Changes in observability of significant valuation inputs identified during these reviews may trigger reclassifications. Reclassifications into/out of the fair value hierarchy levels are reported as transfers at the beginning of the period in which the change occurs.

For bonds and marketable stocks for which market quotations are available, the Company generally uses independent pricing services to assist in determining the fair value measurement.

The Company’s investments in corporate debt securities, mortgage-backed securities and other asset-backed securities are valued with the assistance of independent pricing services and non-binding broker quotes. The Company’s policy is to give priority to pricing obtained from our primary independent pricing service. In the event that pricing information is not available from an independent pricing service, non-binding broker quotes are used to assist in the valuation of the investments. In many cases, only one broker quote is available. The Company’s policy is generally not to adjust the values obtained from brokers.

Broker quotes are considered unobservable inputs as only one broker quote is ordinarily obtained, the investment is not traded on an exchange, the pricing is not available to other entities and/or the transaction volume in the same or similar investments has decreased such that generally only one quotation is available. As the brokers often do not provide the necessary transparency into their quotes and methodologies, the Company periodically performs reviews and tests to ensure that quotes are a reasonable estimate of the investments fair value.

For investments valued with the assistance of independent pricing services, the Company obtains the pricing services’ methodologies, inputs and assumptions and classifies these investments accordingly in the fair value hierarchy. The Company periodically reviews and tests the pricing and related methodologies obtained from these independent pricing services against secondary sources to ensure that management can validate the investment’s fair value and related fair value hierarchy categorization. If large variances are observed between the price obtained from the independent pricing services and secondary sources, the Company analyzes the causes driving the variance.

For certain bonds not priced by independent services (e.g., private placement securities without quoted market prices) a corporate pricing matrix or internally developed pricing model is most often used. The corporate pricing matrix is developed using private spreads for corporate securities with varying weighted average lives and credit quality ratings. The weighted average life and credit quality rating of a bond to be priced using the corporate pricing matrix are important inputs into the model and are used to determine a corresponding spread that is added to the appropriate U.S. Treasury yield to create an estimated market yield for that security. The estimated market yield and other relevant factors are then used to estimate the fair value of the particular bond.

Assets measured and reported at fair value as of March 31, 2011:

	Level 1	Level 2	Level 3	Total
<b>Assets at Fair Value</b>				
U.S. Government bonds	-	-	-	-
States, Territories and Possessions	-	-	-	-
Political subdivisions	-	-	-	-
Special revenues	-	-	-	-
Hybrid Securities	-	-	-	-
Credit tenant loans	-	-	-	-
Industrial & Misc.	-	3,710,271	-	3,710,271
<b>Total Bonds</b>	-	<b>3,710,271</b>	-	<b>3,710,271</b>
Sec Lending	-	94,229	-	94,229
Preferred Stocks	-	-	-	-
Common Stocks	153,715	-	-	153,715
Loans held for sale	-	-	-	-
Derivative Assets	-	-	-	-
<b>Total Assets at Fair Value</b>	<b>153,715</b>	<b>3,804,500</b>	-	<b>3,958,214</b>
<b>Liabilities</b>				
Derivatives Liabilities	-	-	-	-
<b>Total Liabilities</b>	-	-	-	-

Note 21 - Other Items

No change.

Note 22 - Events Subsequent

There were no events occurring subsequent to March 31, 2011 meriting disclosure.

Note 23 - Reinsurance

No change.

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change.

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

No change.

Note 26 - Intercompany Pooling Arrangements

No change.

Note 27 - Structured Settlements

No change.

NOTES TO FINANCIAL STATEMENTS

**Note 28 - Health Care Receivables**

No change.

**Note 29 - Participating Policies**

No change.

**Note 30 - Premium Deficiency Reserves**

No change.

**Note 31- High Deductibles**

No change.

**Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

No change.

**Note 33 - Asbestos/Environmental Reserves**

No change.

**Note 34 - Subscriber Savings Accounts**

No change.

**Note 35 - Multiple Peril Crop Insurance**

No change.

**Note 36 – Financial Guaranty Insurance**

A. and B. Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? .....

Yes [ ☐ ] No [ ☒ ]
- 1.2

If yes, has the report been filed with the domiciliary state? .....

Yes [ ☐ ] No [ ☐ ]
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? .....

Yes [ ☐ ] No [ ☒ ]
- 2.2

If yes, date of change: .....
3.

Have there been any substantial changes in the organizational chart since the prior quarter end? .....

Yes [ ☐ ] No [ ☒ ]

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....

Yes [ ☐ ] No [ ☒ ]
- 4.2

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

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

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? .....

Yes [ ☐ ] No [ ☒ ] N/A [ ☐ ]

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2006
- 6.2

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

12/31/2006
- 6.3

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

03/29/2008
- 6.4

By what department or departments?  
OH
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

Yes [ ☐ ] No [ ☐ ] N/A [ ☒ ]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with? .....

Yes [ ☐ ] No [ ☐ ] N/A [ ☒ ]
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....

Yes [ ☐ ] No [ ☒ ]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? .....

Yes [ ☐ ] No [ ☒ ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms? .....

Yes [ ☒ ] No [ ☐ ]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
Nationwide Bank .....	Columbus, OH .....	NO	NO	YES	NO	NO
Nationwide Investment Services Corp. ....	Columbus, OH .....	NO	NO	NO	NO	YES
Nationwide Investment Advisors, LLC .....	Columbus, OH .....	NO	NO	NO	NO	YES
Nationwide Securities, LLC .....	Dublin, OH .....	NO	NO	NO	NO	YES
Nationwide SA Capital Trust .....	King of Prussia, PA .....	NO	NO	NO	NO	YES
Nationwide Fund Advisors .....	King of Prussia, PA .....	NO	NO	NO	NO	YES
Nationwide Fund Distributors, LLC .....	King of Prussia, PA .....	NO	NO	NO	NO	YES
Nationwide Asset Management, LLC .....	Columbus, OH .....	NO	NO	NO	NO	YES

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .....  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes [ X ] No [ ]
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] No [ X ]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers? .....

Yes [ ] No [ X ]
- 9.31

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

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? .....

Yes [ X ] No [ ]
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$.....

34,590,155

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) .....

Yes [ ] No [ X ]
- 11.2

If yes, give full and complete information relating thereto:
12.

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

\$.....
13.

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

\$.....
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes [ X ] No [ ]
- 14.2

If yes, please complete the following:
- |   | 1   | 2  |
|---|---|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 Bonds .....   | \$.....   | \$.....  |
| 14.22 Preferred Stock .....   | \$.....   | \$.....  |
| 14.23 Common Stock .....  | \$.....199,088,351                                | \$.....198,685,552                                 |
| 14.24 Short-Term Investments .....  | \$.....   | \$.....  |
| 14.25 Mortgage Loans on Real Estate .....   | \$.....   | \$.....  |
| 14.26 All Other .....   | \$.....   | \$.....  |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$.....199,088,351                                | \$.....198,685,552                                 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$.....   | \$.....  |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

Yes [ ] No [ X ]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....

Yes [ ] No [ ]
- If no, attach a description with this statement.

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

GENERAL INTERROGATORIES

16. Excluding items in Schedule E - Part 3 - Special Deposits, 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 Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [ X ] No [ ]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon .....	1 Wall Street, New York, NY 10286 .....
Royal Trust .....	77 King St. West, 10th Flr., Toronto, OH M5W 1p9 .....

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

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

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [ X ]
- 16.4 If yes, give full information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address
N/A .....	Members of the investment staff designated by the Chief Investment Officer as detailed in the Corporate Resolution. ....	One Nationwide Blvd., Columbus, OH 43215 .....

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? ..... Yes [ X ] No [ ]
- 17.2 If no, list exceptions:

GENERAL INTERROGATORIES

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 ] N/A [ ]  
If yes, attach an explanation.

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

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

3.2 If yes, give full and complete information thereto.

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

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:

5.1 A&H loss percent .....76.000 %

5.2 A&H cost containment percent .....0.000 %

5.3 A&H expense percent excluding cost containment expenses .....20.000 %

6.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date .....\$.....

6.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

6.4 If yes, please provide the balance of the funds administered as of the reporting date .....\$.....

## SCHEDULE F - CEDED REINSURANCE

[illegible]

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

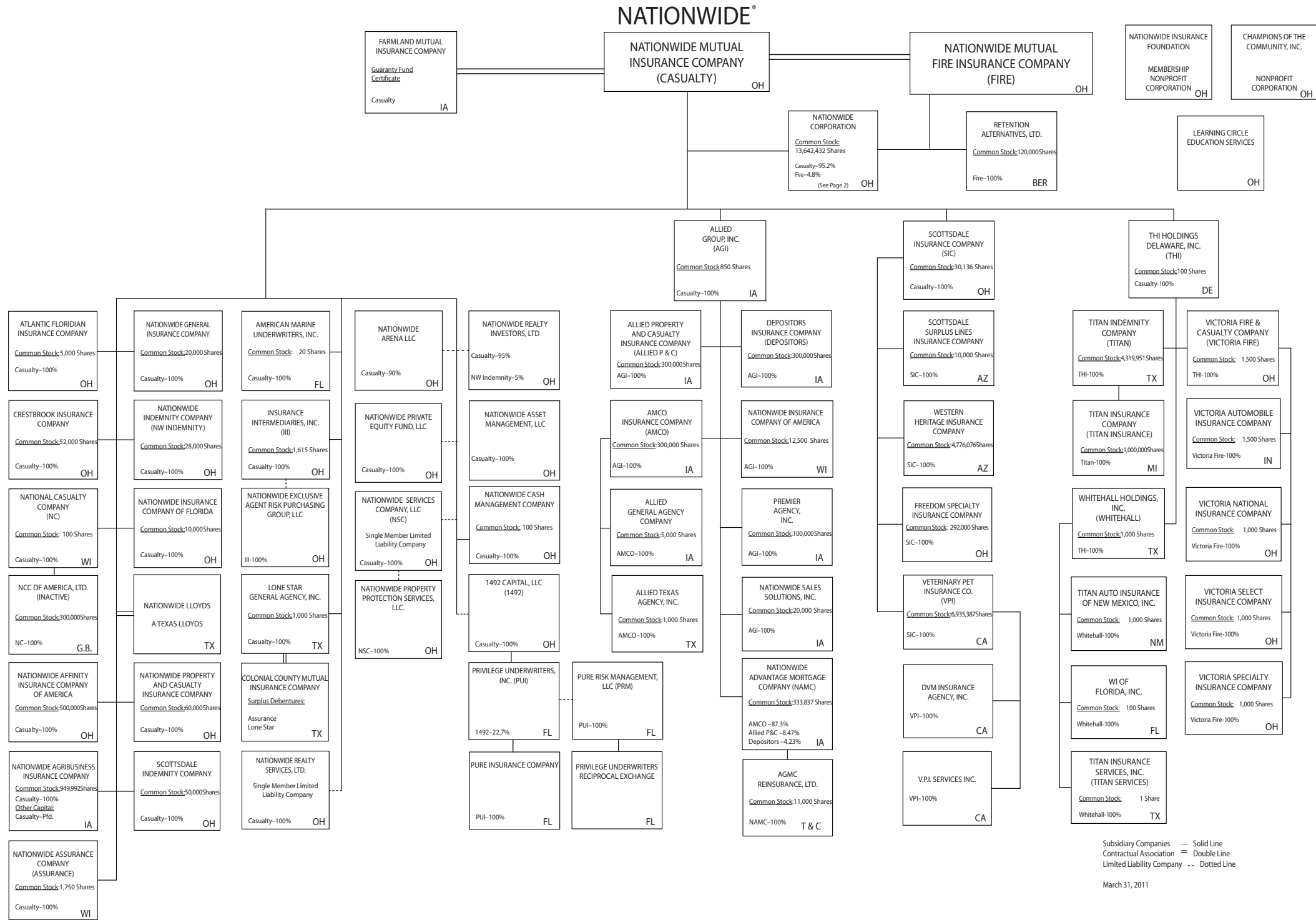
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

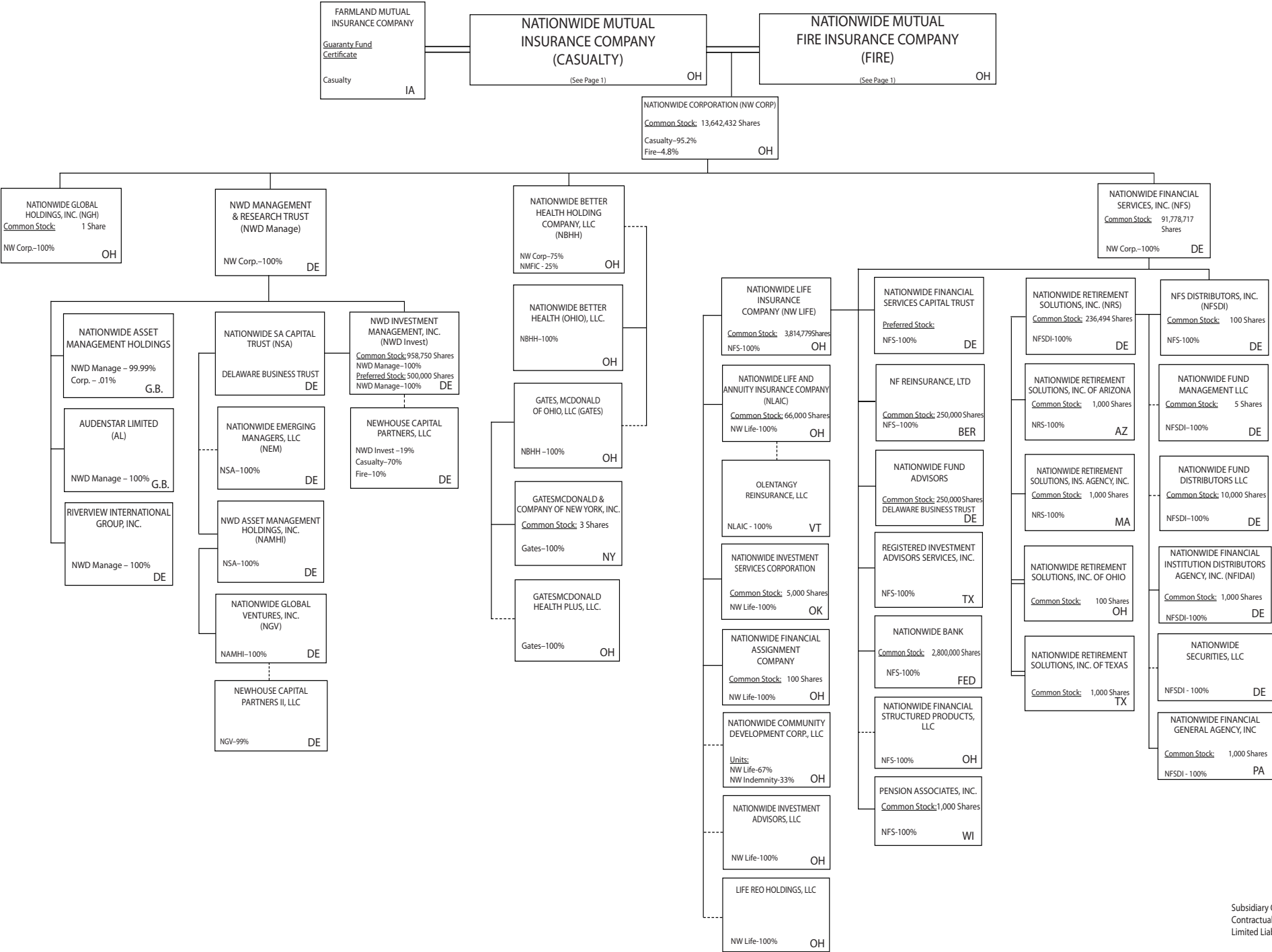
			1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
			Active Status	2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
States, etc.									
1.	Alabama	AL	E	5,896,297	4,566,059	2,451,307	1,985,623	17,686,730	17,723,512
2.	Alaska	AK	E	187,873	436,471	36,794	47,864	2,609,449	2,664,759
3.	Arizona	AZ	L	2,218,819	2,295,793	6,043,674	1,177,837	7,551,697	5,546,856
4.	Arkansas	AR	E	1,631,991	1,566,466	283,695	1,224,790	5,022,217	5,054,829
5.	California	CA	E	38,130,953	38,105,579	14,646,622	24,578,301	187,015,607	177,933,980
6.	Colorado	CO	E	2,228,968	2,413,088	1,118,570	669,365	13,647,713	12,856,097
7.	Connecticut	CT	E	1,385,386	1,656,731	900,148	239,376	10,510,454	12,697,150
8.	Delaware	DE	L	130,616	334,202	17,804	46,745	1,094,469	996,311
9.	District of Columbia	DC	E	383,976	405,293	198,500	21,696	1,171,600	1,677,856
10.	Florida	FL	E	40,262,770	38,266,390	14,248,476	12,670,493	132,065,435	146,626,671
11.	Georgia	GA	E	6,256,742	5,604,733	2,013,846	2,023,177	23,098,028	22,696,220
12.	Hawaii	HI	E	2,999,629	3,074,942	228,771	524,527	12,745,258	12,313,569
13.	Idaho	ID	E	628,619	474,179	90,532	85,324	3,474,364	3,173,431
14.	Illinois	IL	E	6,117,779	8,128,712	1,862,720	1,054,984	57,663,036	45,620,041
15.	Indiana	IN	E	2,957,815	3,173,142	1,117,552	2,255,472	13,329,305	14,382,457
16.	Iowa	IA	E	2,281,596	1,670,993	406,865	321,759	5,704,178	5,866,872
17.	Kansas	KS	E	1,337,547	1,226,048	159,500	479,994	4,337,003	3,900,707
18.	Kentucky	KY	E	1,050,493	870,927	402,707	197,878	14,697,473	14,589,765
19.	Louisiana	LA	E	15,884,801	16,721,180	4,407,787	7,960,127	117,217,194	131,836,895
20.	Maine	ME	E	291,723	469,150	42,878	(15,830)	1,747,628	3,250,956
21.	Maryland	MD	E	2,763,464	2,932,405	1,348,628	1,482,578	20,384,361	19,229,484
22.	Massachusetts	MA	E	3,575,307	4,080,610	1,339,772	959,864	26,448,570	24,858,041
23.	Michigan	MI	E	2,181,292	2,268,263	464,241	6,709,141	9,070,981	9,474,166
24.	Minnesota	MN	E	1,313,109	1,512,337	521,947	389,442	10,365,176	9,912,412
25.	Mississippi	MS	E	3,107,966	3,320,803	1,336,571	1,249,677	8,142,994	11,169,437
26.	Missouri	MO	E	3,183,882	3,063,710	603,820	665,476	13,911,456	13,987,439
27.	Montana	MT	E	767,197	919,919	60,443	373,483	4,042,746	3,984,932
28.	Nebraska	NE	E	1,100,001	879,984	131,478	106,512	3,114,397	2,623,788
29.	Nevada	NV	E	1,683,940	1,612,556	8,960,462	307,446	10,993,872	9,615,544
30.	New Hampshire	NH	E	374,062	395,234	104,133	61,881	2,004,267	2,319,836
31.	New Jersey	NJ	E	9,827,466	9,985,531	10,146,155	4,331,949	61,980,930	70,080,848
32.	New Mexico	NM	E	968,516	932,667	1,497,705	540,392	6,210,984	7,845,059
33.	New York	NY	E	20,078,879	21,543,054	10,569,407	16,630,327	187,585,206	195,895,782
34.	North Carolina	NC	E	5,568,135	5,202,575	1,784,152	1,637,264	14,036,527	15,737,031
35.	North Dakota	ND	E	273,362	200,931	31,484	271,017	968,064	612,109
36.	Ohio	OH	L	1,106,899	1,149,702	1,106,484	938,183	7,134,099	5,082,621
37.	Oklahoma	OK	E	2,268,494	2,696,320	2,671,143	1,670,702	8,849,379	8,466,954
38.	Oregon	OR	E	2,565,576	1,748,502	2,083,525	1,004,921	14,918,347	15,587,322
39.	Pennsylvania	PA	E	5,564,394	5,109,765	2,625,138	1,207,627	35,430,314	31,698,581
40.	Rhode Island	RI	E	499,448	448,085	494,711	98,727	2,988,153	5,634,350
41.	South Carolina	SC	E	5,409,387	5,441,328	3,319,526	1,769,690	17,636,764	17,627,957
42.	South Dakota	SD	E	226,812	155,678	635	57,173	719,222	638,504
43.	Tennessee	TN	E	2,847,406	2,514,523	2,026,621	1,375,669	12,307,176	11,654,863
44.	Texas	TX	E	25,498,960	23,515,469	16,624,562	10,656,099	101,352,285	98,999,027
45.	Utah	UT	E	1,158,927	1,373,286	288,273	262,347	7,200,192	10,223,200
46.	Vermont	VT	E	310,247	172,342	14,619	2,651	1,214,972	2,215,302
47.	Virginia	VA	E	4,388,541	4,121,203	747,362	1,639,800	15,536,843	15,769,531
48.	Washington	WA	E	3,626,469	3,921,339	12,975,429	585,550	24,469,181	19,337,491
49.	West Virginia	WV	E	975,947	793,903	194,249	362,701	3,717,582	4,275,759
50.	Wisconsin	WI	E	1,189,146	1,170,539	6,958	114,431	8,190,577	8,716,044
51.	Wyoming	WY	E	372,620	317,767	216,526	(469)	1,555,900	1,658,243
52.	American Samoa	AS	N						
53.	Guam	GU	N						
54.	Puerto Rico	PR	E		79,648	(2,500)	(2,500)	36,602	52,365
55.	U.S. Virgin Islands	VI	N						
56.	Northern Mariana Islands	MP	N						
57.	Canada	CN	N						
58.	Aggregate Other Alien	OT	XXX	58,125				9,918	
59.	Totals	(a) 3		247,098,369	245,040,056	134,972,407	115,009,253	1,274,916,875	1,296,392,956
DETAILS OF WRITE-INS									
5801.	England		XXX	58,125				9,918	
5802.			XXX						
5803.			XXX						
5898.	Summary of remaining write-ins for Line 58 from overflow page		XXX						
5899.	Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)		XXX	58,125				9,918	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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



NATIONWIDE®



Subsidiary Companies — Solid Line  
Contractual Association = Double Line  
Limited Liability Company - - Dotted Line

NATIONWIDE INSURANCE COMPANIES

NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	Federal ID Number	Name of Company
0140	Nationwide	42579	IA	42-1201931	Allied Property and Casualty Insurance Company
0140	Nationwide	19100	IA	42-6054959	AMCO Insurance Company
0140	Nationwide	10127	OH	27-0114983	Atlantic Floridian Insurance Company
0140	Nationwide	22209	OH	75-6013587	Freedom Specialty Insurance Company
0140	Nationwide	29262	TX	74-1061659	Colonial County Mutual Insurance Company
0140	Nationwide	18961	OH	68-0066866	Crestbrook Insurance Company
0140	Nationwide	42587	IA	42-1207150	Depositors Insurance Company
0140	Nationwide	13838	IA	42-0618271	Farmland Mutual Insurance Company
0140	Nationwide	11991	WI	38-0865250	National Casualty Company
0140	Nationwide	26093	OH	48-0470690	Nationwide Affinity Insurance Company of America
0140	Nationwide	28223	IA	42-1015537	Nationwide Agribusiness Insurance Company
0140	Nationwide	10723	WI	95-0639970	Nationwide Assurance Company
0140	Nationwide	23760	OH	31-4425763	Nationwide General Insurance Company
0140	Nationwide	10070	OH	31-1399201	Nationwide Indemnity Company
0140	Nationwide	25453	WI	95-2130882	Nationwide Insurance Company of America
0140	Nationwide	10948	OH	31-1613686	Nationwide Insurance Company of Florida
0140	Nationwide	92657	OH	31-1000740	Nationwide Life and Annuity Insurance Company
0140	Nationwide	66869	OH	31-4156830	Nationwide Life Insurance Company
0140	Nationwide	42110	TX	75-1780981	Nationwide Lloyds
0140	Nationwide	23779	OH	31-4177110	Nationwide Mutual Fire Insurance Company
0140	Nationwide	23787	OH	31-4177100	Nationwide Mutual Insurance Company
0140	Nationwide	37877	OH	31-0970750	Nationwide Property & Casualty Insurance Company
0140	Nationwide	15580	OH	31-1117969	Scottsdale Indemnity Company
0140	Nationwide	41297	OH	31-1024978	Scottsdale Insurance Company
0140	Nationwide	10672	AZ	86-0835870	Scottsdale Surplus Lines Insurance Company
0140	Nationwide	13242	TX	74-2286759	Titan Indemnity Company
0140	Nationwide	36269	MI	86-0619597	Titan Insurance Company
0140	Nationwide	42285	CA	95-3750113	Veterinary Pet Insurance Company
0140	Nationwide	10644	IN	34-1785903	Victoria Automobile Insurance Company
0140	Nationwide	42889	OH	34-1394913	Victoria Fire & Casualty Company
0140	Nationwide	10778	OH	34-1842604	Victoria National Insurance Company
0140	Nationwide	10105	OH	34-1777972	Victoria Select Insurance Company
0140	Nationwide	10777	OH	34-1842602	Victoria Specialty Insurance Company
0140	Nationwide	37150	AZ	86-0561941	Western Heritage Insurance Company
0140	Nationwide	13999	VT	27-1712056	Olentangy Reinsurance, LLC
4664	PURE	13204	FL	26-3109178	PURE Insurance Company
4664	PURE	12873	FL	20-8287105	Privilege Underwriters Reciprocal Exchange

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Line 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 .....	9,291,811	1,155,103	12.4	32.5
2.	Allied Lines .....	22,194,241	7,944,138	35.8	29.4
3.	Farmowners multiple peril .....	632,401	507,916	80.3	13.9
4.	Homeowners multiple peril .....	12,663,289	6,431,820	50.8	59.1
5.	Commercial multiple peril .....	58,503,258	22,172,302	37.9	36.5
6.	Mortgage guaranty .....				
8.	Ocean marine .....	7,385	(93,969)	(1,272.4)	(1,952.4)
9.	Inland marine .....	4,222,494	998,038	23.6	14.1
10.	Financial guaranty .....				
11.1	Medical professional liability - occurrence .....		(18,094)		
11.2	Medical professional liability - claims-made .....		(704)		
12.	Earthquake .....	24,088			
13.	Group accident and health .....				
14.	Credit accident and health .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....	98,675,985	64,161,884	65.0	45.3
17.2	Other liability - claims-made .....	29,355,799	6,371,796	21.7	35.8
17.3	Excess workers' compensation .....				
18.1	Products liability - occurrence .....	4,976,833	2,674,428	53.7	55.6
18.2	Products liability - claims-made .....	101,484	(250)	(0.2)	4.4
19.1,19.2	Private passenger auto liability .....				
19.3,19.4	Commercial auto liability .....	9,351,714	6,278,953	67.1	90.8
21.	Auto physical damage .....	1,498,423	630,954	42.1	32.9
22.	Aircraft (all perils) .....				
23.	Fidelity .....	810	103	12.7	100.5
24.	Surety .....				
26.	Burglary and theft .....	51,041			
27.	Boiler and machinery .....	(653,121)	103,852	(15.9)	8.6
28.	Credit .....	(261,252)	149,665	(57.3)	152.7
29.	International .....				
30.	Warranty .....	1,459,098	1,390,141	95.3	84.5
31.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business .....				
35.	Totals .....	252,095,781	120,858,076	47.9	42.5
3401.	DETAILS OF WRITE-INS .....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page .....				
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above) .....				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire .....	9,040,237	9,040,237	8,679,815
2.	Allied Lines .....	22,788,992	22,788,992	20,583,521
3.	Farmowners multiple peril .....	561,161	561,161	586,343
4.	Homeowners multiple peril .....	11,623,009	11,623,009	8,966,892
5.	Commercial multiple peril .....	65,969,344	65,969,344	61,225,527
6.	Mortgage guaranty .....			
8.	Ocean marine .....	1,738	1,738	(19,855)
9.	Inland marine .....	2,996,771	2,996,771	4,481,324
10.	Financial guaranty .....			
11.1	Medical professional liability - occurrence .....			
11.2	Medical professional liability - claims-made .....			
12.	Earthquake .....	32,540	32,540	27,746
13.	Group accident and health .....			
14.	Credit accident and health .....			
15.	Other accident and health .....			
16.	Workers' compensation .....			
17.1	Other liability - occurrence .....	87,890,692	87,890,692	97,839,088
17.2	Other liability - claims-made .....	31,705,627	31,705,627	24,482,877
17.3	Excess workers' compensation .....			
18.1	Products liability - occurrence .....	4,111,980	4,111,980	7,569,560
18.2	Products liability - claims-made .....	17,500	17,500	20,700
19.1,19.2	Private passenger auto liability .....			
19.3,19.4	Commercial auto liability .....	6,842,304	6,842,304	7,291,149
21.	Auto physical damage .....	1,612,498	1,612,498	1,617,622
22.	Aircraft (all perils) .....			
23.	Fidelity .....	803	803	500
24.	Surety .....			
26.	Burglary and theft .....	32,017	32,017	27,921
27.	Boiler and machinery .....	582,901	582,901	397,481
28.	Credit .....	240,113	240,113	160,029
29.	International .....			
30.	Warranty .....	1,048,142	1,048,142	1,101,816
31.	Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business .....			
35.	Totals .....	247,098,369	247,098,369	245,040,056
3401.	DETAILS OF WRITE-INS .....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page .....			
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above) .....			

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13									
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2011 Loss and LAE Payments on Claims Reported as of Prior Year-End	2011 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2011 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. 2008 + Prior .....	86,294	58,719	145,013	12,960	137	13,097	76,915	662	51,899	129,476	3,581	(6,021)	(2,440)									
2. 2009 .....	49,110	34,172	83,282	9,169	128	9,297	42,202	763	29,225	72,190	2,261	(4,056)	(1,795)									
3. Subtotals 2009 + Prior .....	135,404	92,891	228,295	22,129	265	22,394	119,117	1,425	81,124	201,666	5,842	(10,077)	(4,235)									
4. 2010 .....	83,544	79,909	163,453	32,531	4,491	37,022	64,304	4,909	52,605	121,818	13,291	(17,904)	(4,613)									
5. Subtotals 2010 + Prior .....	218,948	172,800	391,748	54,660	4,756	59,416	183,421	6,334	133,729	323,484	19,133	(27,981)	(8,848)									
6. 2011 .....	XXX	XXX	XXX	XXX	38,802	38,802	XXX	24,881	31,621	56,502	XXX	XXX	XXX									
7. Totals .....	218,948	172,800	391,748	54,660	43,558	98,218	183,421	31,215	165,350	379,986	19,133	(27,981)	(8,848)									
8. Prior Year-End Surplus As Regards Policyholders	655,121										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. 8.7	2. (16.2)	3. (2.3)									
											Col. 13, Line 7 As a % of Col. 1 Line 8											
											4. (1.4)											

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

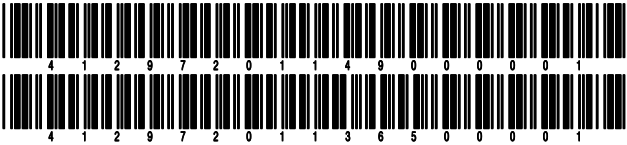
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? .....	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? .....	YES
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement? .....	YES

Explanations:

1.
3.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
3. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

		1	2
		Current Statement Date	December 31, Prior Year
2504.	Miscellaneous liabilities .....	1,065,553	487,903
2505.	Funds held equity pools & associations .....	727	42,881
2506.	Escrow liability .....	4,141	
2507.	Pooling expenses payable .....	1,437,109	
2597.	Summary of remaining write-ins for Line 25 from overflow page	2,507,530	530,784

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	3,369,016	4,161,897
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		16,524
7. Deduct amounts received on disposals .....	38,646	809,405
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	3,330,370	3,369,016
12. Total valuation allowance .....	(16,370)	(16,516)
13. Subtotal (Line 11 plus Line 12) .....	3,314,000	3,352,500
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14)	3,314,000	3,352,500

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	1,104,380,610	1,190,850,459
2. Cost of bonds and stocks acquired .....	113,524,386	74,831,521
3. Accrual of discount .....	174,350	843,340
4. Unrealized valuation increase (decrease) .....	1,295,363	11,381,337
5. Total gain (loss) on disposals .....	623,175	(704,631)
6. Deduct consideration for bonds and stocks disposed of .....	95,303,947	167,974,950
7. Deduct amortization of premium .....	888,446	4,379,730
8. Total foreign exchange change in book/adjusted carrying value .....	98,322	113,267
9. Deduct current year's other than temporary impairment recognized .....		580,003
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	1,123,903,813	1,104,380,610
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	1,123,903,813	1,104,380,610

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a) .....	861,145,529	80,803,041	85,834,764	(17,167,268)	838,946,538			861,145,529
2. Class 2 (a) .....	37,958,725	17,710,625	3,629,141	(3,927,004)	48,113,205			37,958,725
3. Class 3 (a) .....	754,832	10,945,000		(9,638,809)	2,061,023			754,832
4. Class 4 (a) .....	4,727,840	3,555,918	5,102,927	13,236,494	16,417,325			4,727,840
5. Class 5 (a) .....	511,751	5,802	113,940	19,122,834	19,526,447			511,751
6. Class 6 (a) .....								
7. Total Bonds	905,098,677	113,020,386	94,680,772	1,626,247	925,064,538			905,098,677
PREFERRED STOCK								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds and Preferred Stock	905,098,677	113,020,386	94,680,772	1,626,247	925,064,538			905,098,677

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

SCHEDULE DA - PART 1

Short-Term Investments

	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
9199999 Totals	101,570,338	XXX	101,570,338	3,591	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	78,143,085	62,924,785
2. Cost of short-term investments acquired .....	511,966,176	1,610,719,850
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	488,538,923	1,595,501,550
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	101,570,338	78,143,085
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	101,570,338	78,143,085

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**N O N E**

Schedule DB - Part B - Verification - Futures Contracts

**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**N O N E**

Schedule E - Verification - Cash Equivalents

**N O N E**

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

## STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

## SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

[illegible]

## SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1  Loan Number	Location		4  Loan Type	5  Date Acquired	6  Disposal Date	7 Book Value/ Recorded Investment Excluding Accrued Interest Prior Year	Change in Book Value/Recorded Investment						14 Book Value/ Recorded Investment Excluding Accrued Interest on Disposal	15  Consid- eration	16  Foreign Exchange Gain (Loss) on Disposal	17  Realized Gain (Loss) on Disposal	18  Total Gain (Loss) on Disposal
	2  City	3  State					8  Unrealized Valuation Increase (Decrease)	9  Current Year's (Amortization) /Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11  Capitalized Deferred Interest and Other	12  Total Change in Book Value (8+9-10+11)	13  Total Foreign Exchange Change in Book Value					
00-1000999 .....	AURORA .....	CO .....		.03/03/2004 .....		3,271 .....							3,271 .....	3,271 .....			
00-1001090 .....	MASON .....	OH .....		.12/20/2002 .....		9,685 .....							9,685 .....	9,685 .....			
00-1001233 .....	HOUSTON .....	TX .....		.11/20/2002 .....		24,718 .....							24,718 .....	24,718 .....			
00-9000147 .....	SAN DIEGO .....	CA .....		.09/03/2002 .....		972 .....							972 .....	972 .....			
0299999. Mortgages with partial repayments						38,646							38,646	38,646			
0599999 - Totals						38,646							38,646	38,646			

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

**SCHEDULE D - PART 3**

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
874458-GK-2 .....	Tallahassee FL Cap Bd Rev Preref 5.000 .....		.03/11/2011 .....	Tax Free Exchange .....		599,793 .....	580,000 .....	12,889 .....	1FE .....
874458-GQ-9 .....	Tallahassee FL Cap Bd Rev Unref 5.000% .....		.03/11/2011 .....	Tax Free Exchange .....		1,468,459 .....	1,420,000 .....	31,556 .....	1FE .....
3199999. Bonds - U.S. Special Revenues						2,068,252 .....	2,000,000 .....	44,445 .....	XXX
01741R-AE-2 .....	Allegheny Technologies Inc Sr Nt 5.950 .....		.02/23/2011 .....	Barclays Capital .....		3,160,080 .....	3,000,000 .....	25,288 .....	2FE .....
172967-EV-9 .....	Citigroup Inc Sr Nt 8.500% 05/22/19 .....		.02/18/2011 .....	Citigroup .....		14,170,760 .....	11,500,000 .....	249,806 .....	1FE .....
369622-SM-8 .....	General Elec Cap Corp Sub Nt 5.300% 02 .....		.02/23/2011 .....	Various .....		13,739,040 .....	13,500,000 .....	33,788 .....	1FE .....
37946J-AE-7 .....	Global Tel*Link Corp 1st Lien TL Nt 1 .....		.03/22/2011 .....	Credit Suisse First Boston .....		10,945,000 .....	11,000,000 .....		4Z .....
40536R-AA-7 .....	Halcyon Structured Asset Mgmt Ser 2007- .....		.03/29/2011 .....	Citigroup .....		31,499,989 .....	34,332,413 .....	31,722 .....	1FE .....
494550-AW-6 .....	Kinder Morgan Energy - LP Sr Nt 6.950% .....		.01/10/2011 .....	Barclays Capital .....		10,982,600 .....	10,000,000 .....	343,639 .....	2FE .....
71944B-AF-2 .....	Physician Oncology Services (Vantage) Te .....		.03/09/2011 .....	Jeffries & Co Inc .....		3,555,918 .....	3,591,837 .....		4FE .....
961815-AF-4 .....	Westwood One Inc Sr Gtd Nt 15.000% 07/1 .....		.01/01/2011 .....	Interest Capitalization .....		5,802 .....	5,802 .....		5 .....
65334H-AG-7 .....	Nexen Inc Sr Nt 6.400% 05/15/37 .....	A .....	.01/11/2011 .....	Morgan/JP/Securities - Bonds .....		1,932,480 .....	2,000,000 .....	20,978 .....	2FE .....
65334H-AJ-1 .....	Nexen Inc Sr Nt 7.500% 07/30/39 .....	A .....	.01/12/2011 .....	Barclays Capital .....		1,635,465 .....	1,500,000 .....	52,500 .....	2FE .....
363203-AA-8 .....	Gale Force CLO LTD Ser 2005-1A 0.583% .....	F .....	.03/03/2011 .....	Credit Suisse First Boston .....		19,325,000 .....	20,000,000 .....	6,802 .....	5* .....
3899999. Bonds - Industrial and Miscellaneous (Unaffiliated)						110,952,134 .....	110,430,052 .....	764,523 .....	XXX
8399997. Total - Bonds - Part 3						113,020,386 .....	112,430,052 .....	808,968 .....	XXX
8399998. Total - Bonds - Part 5						XXX .....	XXX .....	XXX .....	XXX
8399999. Total - Bonds						113,020,386 .....	112,430,052 .....	808,968 .....	XXX
8999997. Total - Preferred Stocks - Part 3							XXX .....		XXX
8999998. Total - Preferred Stocks - Part 5						XXX .....	XXX .....	XXX .....	XXX
8999999. Total - Preferred Stocks							XXX .....		XXX
000000-00-0 .....	Freedom Specialty Ins Co Com .....		.01/14/2011 .....	Direct .....	42,000,000 .....	504,000 .....			K .....
9199999. Common Stocks - Parent, Subsidiaries and Affiliates						504,000 .....	XXX .....		XXX
9799997. Total - Common Stocks - Part 3						504,000 .....	XXX .....		XXX
9799998. Total - Common Stocks - Part 5						XXX .....	XXX .....	XXX .....	XXX
9799999. Total - Common Stocks						504,000 .....	XXX .....		XXX
9899999. Total - Preferred and Common Stocks						504,000 .....	XXX .....		XXX
9999999 - Totals						113,524,386 .....	XXX .....	808,968 .....	XXX

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

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of 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 Ident-ification	Description	For-eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid-eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor-tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn-ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	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 Design-ation or Market In-dicator (a)
912827-6R-8	U S Treasury Inflation Index Nt 3.500%		01/15/2011	Maturity		31,421,750	25,000,000	31,794,725	31,453,090	(81,347)	(37,244)		(118,591)		31,334,500		87,250	87,250	549,881	01/15/2011	1
0599999	Bonds - U.S. Governments					31,421,750	25,000,000	31,794,725	31,453,090	(81,347)	(37,244)		(118,591)		31,334,500		87,250	87,250	549,881	XXX	XXX
312905-YJ-5	FHLMC REMIC Ser 1077-E 9.000% 05/15/21		03/01/2011	Paydown		4,902	4,902	4,967	4,913		(11)		(11)		4,902				74	04/01/2021	1
31339D-KD-9	FHLMC REMIC Ser 2415 CE 5.500% 02/15/1		03/01/2011	Paydown		151,538	151,538	156,842	153,069		(1,531)		(1,531)		151,538				1,395	12/01/2016	1
313373-Q2-7	FHLMC REMIC Ser 1674-Z 6.750% 02/15/24		03/01/2011	Paydown		24,487	24,487	25,334	24,976		(489)		(489)		24,487				219	02/01/2024	1
31337C-6P-8	FHLMC Structured Ser 2008 M 7.000% 11/		03/01/2011	Paydown		10,320	10,320	10,710	10,564		(244)		(244)		10,320				124	08/01/2026	1
31337C-AU-2	FHLMC Structured Ser FSPC T-9 A6 6.564		03/01/2011	Paydown		2,436	2,436	2,344	2,421		15		15		2,436				27	03/25/2029	1
31340Y-DB-2	FHLMC REMIC Ser 12-A 9.250% 11/15/19		02/15/2011	Paydown		1,185	1,185	1,244	1,213		(28)		(28)		1,185				21	01/16/2018	1
31340Y-GR-4	FHLMC REMIC Ser 22-C 9.500% 04/15/20		02/15/2011	Paydown		3,060	3,060	3,171	3,082		(23)		(23)		3,060				52	03/16/2017	1
31358E-XG-2	FNMA REMIC Ser 1990-83A 9.250% 07/25/2		03/01/2011	Paydown		992	992	989	987		5		5		992				15	07/25/2020	1
31358G-X4-4	FNMA REMIC Ser 1991-56G 8.600% 06/25/2		03/01/2011	Paydown		5,552	5,552	5,561	5,545		7		7		5,552				81	01/01/2020	1
31358L-VM-5	FNMA REMIC Ser G92-14Z 7.000% 02/25/22		03/01/2011	Paydown		18,118	18,118	18,403	18,256		(138)		(138)		18,118				233	10/01/2021	1
31358N-SB-4	FNMA REMIC Ser 1992-124 PZ 7.000% 07/2		03/01/2011	Paydown		17,148	17,148	17,642	17,394		(247)		(247)		17,148				176	07/01/2022	1
31358N-RT-1	FNMA REMIC Ser G 1992-30Z 7.000% 06/25		03/01/2011	Paydown		9,981	9,981	10,142	10,088		(106)		(106)		9,981				113	05/01/2022	1
31359V-BH-5	FNMA Ser 1998-73 CI MZ 6.300% 10/17/38		03/01/2011	Paydown		149,887	149,887	153,765	152,259		(2,372)		(2,372)		1,567				1,567	04/01/2038	1
313603-GW-6	FNMA REMIC Ser 1989-86E 8.750% 11/25/1		03/01/2011	Paydown		3,262	3,262	3,195	3,227		35		35		3,262				55	11/25/2019	1
313603-YL-0	FNMA REMIC Ser 1990-16E 9.000% 03/25/2		03/01/2011	Paydown		5,563	5,563	6,055	5,728		(165)		(165)		5,563				71	03/01/2020	1
31381G-SY-5	FNMA Pool #460535 6.500% 11/25/13		03/01/2011	Paydown		13,588	13,588	13,656	13,564		24		24		13,588				1	11/25/2013	1
31392E-SX-9	FNMA REMIC Ser 2002-59 CI B 5.500% 09/		03/01/2011	Paydown		33,968	33,968	35,316	34,737		(770)		(770)		33,968				302	06/01/2017	1
31392H-LS-0	FNMA REMIC Ser 2003-10 CI HY 5.000% 11		03/01/2011	Paydown		982,940	982,940	990,226	980,000		2,940		2,940		982,940				7,638	04/01/2011	1
31392T-WT-0	FHLMC REMIC Ser 2478 JF 6.000% 08/15/2		03/01/2011	Paydown		38,828	38,828	40,441	39,416		(588)		(588)		38,828				345	12/01/2021	1
31392U-KL-7	FHLMC REMIC Ser 2504 N 5.500% 09/15/1		03/01/2011	Paydown		65,232	65,232	68,045	66,464		(1,232)		(1,232)		65,232				560	09/01/2017	1
31392U-MQ-4	FHLMC REMIC Ser 2503 BH 5.500% 09/15/1		03/01/2011	Paydown		44,916	44,916	46,341	45,280		(364)		(364)		44,916				400	09/01/2017	1
31392U-RH-9	FHLMC REMIC Ser 2501 AN 5.500% 09/15/1		03/01/2011	Paydown		138,125	138,125	143,218	139,904		(1,779)		(1,779)		138,125				1,213	04/01/2017	1
31392V-2F-8	FHLMC REMIC Ser 2494 J 5.500% 09/15/17		03/01/2011	Paydown		126,396	126,396	128,826	126,805		(408)		(408)		126,396				1,081	04/01/2017	1
31392V-7G-1	FHLMC REMIC Ser 2498 BM 5.500% 09/15/1		03/01/2011	Paydown		70,950	70,950	72,934	71,547		(597)		(597)		70,950				702	03/01/2017	1
31392V-SN-3	FHLMC REMIC Ser 2496 BK 5.500% 09/15/1		03/01/2011	Paydown		34,120	34,120	35,186	34,435		(316)		(316)		34,120				301	03/01/2017	1
31393D-J6-9	FNMA REMIC Ser 2003-59 CI VJ 5.000% 08		03/01/2011	Paydown		27,287	27,287	27,586	27,343		(55)		(55)		27,287				228	09/01/2013	1
31393H-6S-6	FHLMC REMIC Ser 2543 CI AN 5.000% 12/1		03/01/2011	Paydown		120,674	120,674	119,618	120,191		483		483		120,674				1,009	12/15/2017	1
31396N-EM-4	FHLMC REMIC Ser 3140 CI UP 6.000% 03/1		03/01/2011	Paydown		613,228	613,228	609,491	609,998		3,230		3,230		613,228				6,086	03/15/2036	1
3837H0-NF-6	GNMA REMIC Ser 1996-5 CI Z 7.000% 05/1		03/01/2011	Paydown		14,999	14,999	15,423	15,291		(291)		(291)		14,999				174	04/01/2026	1
649716-SV-5	New York NY City Rev Trans Fin Prerefnde		02/01/2011	Call 101.0000		2,020,000	2,000,000	2,170,811	2,026,721		(6,721)		(6,721)		2,020,000				55,000	02/01/2014	1FE
677560-JD-0	Ohio St Hsg Fin Agcy Mtg Rev Amt-Mtg-Bkd		03/01/2011	Call 100.0000		1,300,000	1,300,000	1,300,000	1,300,000						1,300,000				36,563	09/01/2024	1FE
68607K-QL-6	Oregon St Bd Bk Rev Econ Cmnty Dev Dept		01/01/2011	Call 100.0000		260,000	260,000	284,261	260,000						260,000				7,150	01/01/2012	1FE
874458-GA-4	Tallahassee FL Cap Bd Rev 5.000% 10/01		03/11/2011	Tax Free Exchange		2,068,252	2,000,000	2,211,400	2,073,051		(4,800)		(4,800)		2,068,252				44,444	10/01/2013	1FE
88275F-MS-5	Texas St Dept Hsg & Cmnty Rev SF Ser B		03/01/2011	Call 100.0000		295,000	295,000	296,260	296,106		(1,106)		(1,106)		295,000				6,566	09/01/2027	1FE
911760-GT-7	Vendee Mtg Tr REMIC Ser 1995-3 1Z 7.25		03/01/2011	Paydown		42,860	42,860	44,053	43,588		(727)		(727)		42,860				469	09/01/2025	1
911760-HH-2	Vendee Mtg Tr REMIC Ser 1996-2 1Z 6.75		03/01/2011	Paydown		66,831	66,831	66,499	66,525		306		306		66,831				771	06/15/2026	1
3199999	Bonds - U.S. Special Revenues					8,786,625	8,698,373	9,139,955	8,804,686		(18,063)		(18,063)		8,786,625				175,373	XXX	XXX
12669C-E4-8	CHIMBS Inc Ser 2002-8 CI A4 6.500% 07/2		03/01/2011	Paydown		21,847	21,847	22,639	22,004		(157)		(157)		21,847				260	10/01/2014	1Z*
17303M-ET-2	Citicorp Sub Nt Ser E 6.500% 02/15/11		02/15/2011	Maturity		3,500,000	3,500,000	3,724,126	3,505,970		(5,970)		(5,970)		3,500,000				113,750	02/15/2011	2FE
244199-BC-8	Deere & Co Nt 4.375% 10/16/19		02/18/2011	Barclays Capital Redemption 100.0000		14,969,510	14,500,000	14,421,120	14,428,945		984		984		14,429,930		539,580	539,580	225,556	10/16/2019	1FE
31331F-AW-1	Fedex Corp PTC Ser 1997-1C 7.650% 01/1		01/15/2011	Paydown		7,187	7,187	7,187	7,187						7,187				275	01/15/2014	2FE
31331F-AX-9	Fedex Corp PTC Ser 1998-1A 6.720% 01/1		01/15/2011	Paydown		68,770	68,770	72,453	71,135		(2,365)		(2,365)		68,770				2,311	01/15/2022	1FE
31331F-AY-7	Fedex Corp PTC Ser 1998-1 CI B 6.845%		01/15/2011	Paydown		20,670	20,670	21,393	21,070		(400)		(400)		20,670				707	01/15/2019	4FE
52109P-AG-0	LB-UBS Commercial Mtg Tr Ser 2007-C6 CI		01/05/2011	Royal Bank of Scotland		5,064,844	5,000,000	5,129,688	4,727,840	366,408	(301)		366,107		5,093,947		(29,103)	(29,103)	24,626	07/11/2017	4Z*
674135-CT-3	Oakwood Mtg Inv Inc Sr/Sub PT C1f 1997-D		03/01/2011	Paydown		1,050	1,050	1,058	1,047		2		2		1,050				12	06/01/2011	1FE
718172-AA-7	Philip Morris Intl Inc Sr Nt 5.650% 05		02/23/2011	Credit Suisse First Boston Redemption 100.0000		16,839,900	15,000,000	16,315,050	16,157,904		(21,449)		(21,449)		16,136,455		703,445	703,445	240,125	05/16/2018	1FE
71944B-AF-2	Physician Oncology Services (Vantage) Te		03/31/2011	Paydown		8,980	8,980	8,890	8,900		90		90		8,980				38	02/28/2017	4FE
78442G-GG-5	SLM Student Loan Tr Ser 2003-4 CI A5D		03/15/2011	Paydown		18,982	18,982	19,461	19,278		(296)		(296)		18,982				50	12/15/2028	1FE
882805-CM-0	Texas Utils Elec Co Sec Facility Bd 7		01/01/2011	Paydown		113,940	113,940	109,954	106,969		6,241		6,971		113,940				4,250	01/01/2015	5FE
921796-HB-7	Vanderbilt Mtg Fin Ser 1999-C CI 144 7		03/01/2011	Paydown		25,245	25,245	25,245	25,245						25,245				305	06/07/2026	1FE
931142-CV-3	Wal-Mart Stores Inc Sr Nt 4.875% 07/08		01/12/2011	Various		14,091,390	15,000,000	14,767,610	14,769,261		126		126		14,769,387		(677,997)	(677,997)	378,151	07/08/2040	1FE
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)					54,752,315	53,286,671	54,645,874	53,863,855	372,649	(29,006)		343,643		54,216,390		535,925	535,925	990,416	XXX	XXX

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of 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 Ident- ification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recog- nized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market In- dicator (a)
..01082#-AA-3	Alameda Cnty CA Cr Tenant Lease Ser 2002 .....	.....	03/15/2011	Redemption 100.0000		.....12,986	.....12,986	.....13,765	.....13,496		.....(510)		.....(510)		.....12,986				.....163	..06/15/2021	1.....
..05164#-AA-5	Aurora Health Care (Badger RE) Cr Tenant .....	.....	03/15/2011	Redemption 100.0000		.....10,356	.....10,356	.....10,050	.....10,154		.....203		.....203		.....10,356				.....121	..12/15/2022	2.....
..05549#-AA-3	BJs Wholesale Club Inc Cr Ten Lease (HG .....	.....	03/15/2011	Redemption 100.0000		.....12,563	.....12,563	.....12,684	.....12,645		.....(82)		.....(82)		.....12,563				.....146	..05/15/2022	3.....
..117017-AC-7	Brunswick & Glynn Co Dev Auth Lease Rev .....	.....	01/15/2011	Redemption 100.0000		.....38,250	.....38,250	.....38,250	.....38,250						.....38,250				.....1,144	..01/15/2024	1.....
..151895-A*-0	CenterPoint Properties Tr Credit Tenant .....	.....	03/01/2011	Redemption 100.0000		.....21,020	.....21,020	.....21,020	.....21,020						.....21,020				.....264	..10/31/2014	1.....
..50026*-AA-3	Kohls Corp Cr Tenant Lease (Shelby MI) .....	.....	03/15/2011	Redemption 100.0000		.....19,642	.....19,642	.....20,751	.....20,370		.....(728)		.....(728)		.....19,642				.....249	..12/15/2022	4.....
..52465#-BP-9	Legg Mason Mtg Cap Corp Ser 2003-CTL-21 .....	.....	03/01/2011	Redemption 100.0000		.....20,135	.....20,135	.....20,135	.....20,135						.....20,135				.....162	..03/01/2023	1.....
..52467#-AW-5	Legg Mason Mtg Cap Corp Cr Tenant Lease .....	.....	03/05/2011	Redemption 100.0000		.....9,576	.....9,576	.....9,576	.....9,576						.....9,576				.....81	..02/05/2013	2.....
..64508#-AA-3	New Haven Fed Ofc Bldg Lease Cr Tenant L .....	.....	01/15/2011	Redemption 100.0000		.....19,374	.....19,374	.....19,374	.....19,374						.....19,374				.....572	..01/15/2020	1.....
..65324#-AA-9	Newtown Cr Tenant Lease Ser 2002-CTL 6 .....	.....	03/15/2011	Redemption 100.0000		.....24,715	.....24,715	.....24,714	.....24,714		.....1		.....1		.....24,715				.....251	..05/15/2023	1.....
..67020B-AA-8	NRRC-D Facilities Corp CTL Lease Rental .....	.....	03/07/2011	Redemption 100.0000		.....19,470	.....19,470	.....19,470	.....19,470						.....19,470				.....211	..11/07/2023	1.....
..91737#-AA-3	United States Govt SS Ls FinTr Fed Ls-Bk .....	.....	03/15/2011	Redemption 100.0000		.....70,543	.....70,543	.....70,311	.....70,408		.....135		.....135		.....70,543				.....554	..11/15/2018	1.....
..92851#-AA-3	Vivendi SPC Tr Cr Tenant Lease 6.630% .....	.....	03/15/2011	Redemption 100.0000		.....10,919	.....10,919	.....10,919	.....10,919						.....10,919				.....121	..04/15/2022	2.....
..94978#-AT-4	Wells Fargo Bank Northwest NA Cr Tenant .....	.....	03/01/2011	Redemption 100.0000		.....6,838	.....6,838	.....6,838	.....6,838						.....6,838				.....76	..08/01/2027	1.....
..94978#-AU-1	Wells Fargo Bank Northwest NA MWRA Lease .....	.....	03/15/2011	Redemption 100.0000		.....8,643	.....8,643	.....9,049	.....8,970		.....(327)		.....(327)		.....8,643				.....107	..05/15/2032	1.....
..94978#-AX-5	Wells Fargo Bank Northwest NA Cr Tenant .....	.....	03/10/2011	Redemption 100.0000		.....17,415	.....17,415	.....17,415	.....17,415						.....17,415				.....193	..10/10/2024	2.....
..98881#-AA-4	ZC Specialty Ins Co Cr Tenant Lease Ser .....	.....	01/25/2011	Redemption 100.0000		.....20,812	.....20,812	.....20,812	.....20,812						.....20,812				.....764	..12/23/2022	2.....
4199999. Bonds - Credit Tenant Loans						343,257	343,257	345,133	344,566		(1,308)		(1,308)		343,257				5,179	XXX	XXX
8399997. Total - Bonds - Part 4						95,303,947	87,328,301	95,925,687	94,466,197	291,302	(85,621)		205,681		94,680,772		623,175	623,175	1,720,849	XXX	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds						95,303,947	87,328,301	95,925,687	94,466,197	291,302	(85,621)		205,681		94,680,772		623,175	623,175	1,720,849	XXX	XXX
8999997. Total - Preferred Stocks - Part 4							XXX													XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX													XXX	XXX
9799997. Total - Common Stocks - Part 4							XXX													XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							XXX													XXX	XXX
9899999. Total - Preferred and Common Stocks							XXX													XXX	XXX
9999999 - Totals						95,303,947	XXX	95,925,687	94,466,197	291,302	(85,621)		205,681		94,680,772		623,175	623,175	1,720,849	XXX	XXX

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

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open  
**N O N E**

Schedule DB - Part B - Section 1 - Futures Contracts Open  
**N O N E**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made  
**N O N E**

Schedule DB - Part D - Counterparty Exposure for Derivative Instruments Open  
**N O N E**

SCHEDULE DL - PART 1  
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date					
1 CUSIP Identification	2 Description	3 NAIC Designation/ Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates
0599999. Total - U.S. Government Bonds					XXX
1099999. Total - All Other Government Bonds					XXX
1799999. Total - U.S. States, Territories and Possessions Bonds					XXX
2499999. Total - U.S. Political Subdivisions Bonds					XXX
3199999. Total - U.S. Special Revenues Bonds					XXX
000000-00-0	Overnight Repo	1	1,084,000	1,084,000	
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations			1,084,000	1,084,000	XXX
86380W-AC-6	Structured Asset Inv Ln Tr Ser 2006-4 CI	1Z*	9,960	9,984	07/25/2036
362334-BQ-6	GSAA Home Equity Tr Ser 2006-3 CI A1	1Z*	12,780	12,780	03/25/2036
81376G-AC-4	Securitized AB Receivables LLC Ser 2006-	1Z*	81,449	81,449	09/25/2036
3399999. Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities			104,189	104,213	XXX
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds			1,188,189	1,188,213	XXX
4199999. Total - Credit Tenant Loans					XXX
4899999. Total - Hybrid Securities					XXX
5599999. Total - Parent, Subsidiaries and Affiliates Bonds					XXX
7799999. Total - Issuer Obligations			1,084,000	1,084,000	XXX
7899999. Total - Residential Mortgage-Backed Securities			104,189	104,213	XXX
7999999. Total - Commercial Mortgage-Backed Securities					XXX
8099999. Total - Other Loan-Backed and Structured Securities					XXX
8399999. Total Bonds			1,188,189	1,188,213	XXX
8999999. Total - Preferred Stocks					XXX
9799999. Total - Common Stocks					XXX
9899999. Total - Preferred and Common Stocks					XXX
9999999 - Totals			1,188,189	1,188,213	XXX

General Interrogatory:

1. Total activity for the year to date
- Fair Value \$ 704,678
- Book/Adjusted Carrying Value \$ 704,630
2. Average balance for the year to date
- Fair Value \$ 721,239
- Book/Adjusted Carrying Value \$ 721,274
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
- NAIC 1 \$ 1,175,433
- NAIC 2 \$
- NAIC 3 \$
- NAIC 4 \$
- NAIC 5 \$ 12,780
- NAIC 6 \$

**SCHEDULE DL - PART 2**  
**SECURITIES LENDING COLLATERAL ASSETS**

1 CUSIP Identification	2 Description	3 NAIC Designation/ Market Indicator	4 Fair Value	5 Book/Adjusted Carrying Value	6 Maturity Dates
NONE					
9999999 - Totals					XXX

1. Total activity for the year to date	Fair Value \$ .....	Book/Adjusted Carrying Value \$ .....
2. Average balance for the year to date	Fair Value \$ .....	Book/Adjusted Carrying Value \$ .....
3. Grand Total Schedule DL Part 1 and Part 2	Fair Value \$ .....	Book/Adjusted Carrying Value \$ .....

## SCHEDULE E - PART 1 - CASH

[illegible]

STATEMENT AS OF MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due and Accrued	Amount Received During Year
NONE							
8699999 - Total Cash Equivalents							



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page:  
Physicians, including surgeons and osteopaths

SUPPLEMENT A TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY 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  No. of Claims		6  Amount Reported	7  No. of Claims	
1. Alabama .....	AL							
2. Alaska .....	AK							
3. Arizona .....	AZ							
4. Arkansas .....	AR				(70)			1,606
5. California .....	CA							
6. Colorado .....	CO							
7. Connecticut .....	CT							
8. Delaware .....	DE							
9. District of Columbia .....	DC							
10. Florida .....	FL				(116)			1,097
11. Georgia .....	GA							
12. Hawaii .....	HI							
13. Idaho .....	ID							
14. Illinois .....	IL				(59)			2,073
15. Indiana .....	IN							
16. Iowa .....	IA							
17. Kansas .....	KS							
18. Kentucky .....	KY							
19. Louisiana .....	LA				32			585
20. Maine .....	ME							
21. Maryland .....	MD							
22. Massachusetts .....	MA							
23. Michigan .....	MI				(193)			3,129
24. Minnesota .....	MN							
25. Mississippi .....	MS				(5)			45
26. Missouri .....	MO				(1)			324
27. Montana .....	MT							
28. Nebraska .....	NE							
29. Nevada .....	NV							
30. New Hampshire .....	NH							
31. New Jersey .....	NJ				(67)			933
32. New Mexico .....	NM				4			(3,709)
33. New York .....	NY				(69)			2,293
34. North Carolina .....	NC							
35. North Dakota .....	ND							
36. Ohio .....	OH							
37. Oklahoma .....	OK							
38. Oregon .....	OR							
39. Pennsylvania .....	PA				(197)	75,000	1	9,804
40. Rhode Island .....	RI							
41. South Carolina .....	SC							
42. South Dakota .....	SD							
43. Tennessee .....	TN							
44. Texas .....	TX				45			877
45. Utah .....	UT							
46. Vermont .....	VT							
47. Virginia .....	VA							
48. Washington .....	WA							
49. West Virginia .....	WV							
50. Wisconsin .....	WI				(8)			45
51. Wyoming .....	WY							
52. American Samoa .....	AS							
53. Guam .....	GU							
54. Puerto Rico .....	PR							
55. U.S. Virgin Islands .....	VI							
56. Northern Mariana Islands .....	MP							
57. Canada .....	CN							
58. Aggregate Other Aliens .....	OT							
59. Totals					(704)	75,000	1	19,102
DETAILS OF WRITE-INS								
5801. ....								
5802. ....								
5803. ....								
5898. Summary of remaining write-ins for Line 58 from overflow page								
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)								



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

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

SUPPLEMENT A TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

	1	2	Direct Losses Paid		5	Direct Losses Unpaid		8
			3	4		6	7	
States, etc.	Direct Premiums Written	Direct Premiums Earned	Amount	No. of Claims	Direct Losses Incurred	Amount Reported	No. of Claims	Direct Losses Incurred But Not Reported
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. Nothern Mariana Islands.....MP								
57. Canada.....CN								
58. Aggregate Other Aliens.....OT								
59. Totals								
DETAILS OF WRITE-INS								
5801. ....								
5802. ....								
5803. ....								
5898. Summary of remaining write-ins for Line 58 from overflow page .....								
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)								



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care providers reported on this page:  
Other health care professionals, including dentists

SUPPLEMENT A TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY 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  No. of Claims		6  Amount Reported	7  No. of Claims	
1. Alabama .....	AL							
2. Alaska .....	AK							
3. Arizona .....	AZ							
4. Arkansas .....	AR							
5. California .....	CA				450			6,773
6. Colorado .....	CO				(122)			244
7. Connecticut .....	CT							
8. Delaware .....	DE							
9. District of Columbia .....	DC							
10. Florida .....	FL				822			10,489
11. Georgia .....	GA				(705)			1,811
12. Hawaii .....	HI							
13. Idaho .....	ID							
14. Illinois .....	IL				(5,423)			15,707
15. Indiana .....	IN				(1,178)	(60,000)	1	(55,618)
16. Iowa .....	IA							
17. Kansas .....	KS							
18. Kentucky .....	KY							
19. Louisiana .....	LA							
20. Maine .....	ME							
21. Maryland .....	MD							
22. Massachusetts .....	MA							
23. Michigan .....	MI				(2,559)			4,310
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				(1,723)			8,790
32. New Mexico .....	NM							
33. New York .....	NY				(2,212)			8,127
34. North Carolina .....	NC							
35. North Dakota .....	ND							
36. Ohio .....	OH							
37. Oklahoma .....	OK							
38. Oregon .....	OR							
39. Pennsylvania .....	PA				(2,171)			10,408
40. Rhode Island .....	RI							
41. South Carolina .....	SC							
42. South Dakota .....	SD							
43. Tennessee .....	TN				(2,654)			5,015
44. Texas .....	TX							
45. Utah .....	UT							
46. Vermont .....	VT							
47. Virginia .....	VA				(619)			1,693
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. Northern Mariana Islands .....	MP							
57. Canada .....	CN							
58. Aggregate Other Aliens .....	OT							
59. Totals					(18,094)	(60,000)	1	17,749
DETAILS OF WRITE-INS								
5801. ....								
5802. ....								
5803. ....								
5898. Summary of remaining write-ins for Line 58 from overflow page								
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)								



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

Designate the type of health care  
providers reported on this page:  
Other health care facilities

SUPPLEMENT A TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES

	1	2	Direct Losses Paid		5	Direct Losses Unpaid		8
			3	4		6	7	
States, etc.	Direct Premiums Written	Direct Premiums Earned	Amount	No. of Claims	Direct Losses Incurred	Amount Reported	No. of Claims	Direct Losses Incurred But Not Reported
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. Nothern Mariana Islands.....MP								
57. Canada.....CN								
58. Aggregate Other Aliens.....OT								
59. Totals								
DETAILS OF WRITE-INS								
5801. ....								
5802. ....								
5803. ....								
5898. Summary of remaining write-ins for Line 58 from overflow page .....								
5899. Totals (Lines 5801 through 5803 plus 5898)(Line 58 above)								



4 1 2 9 7 2 0 1 1 5 0 5 0 0 1 0 1

SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2011 OF THE SCOTTSDALE INSURANCE COMPANY

DIRECTOR AND OFFICER SUPPLEMENT

Year To Date For The Period Ended MARCH 31, 2011

NAIC Group Code 0140 NAIC Company Code 41297

Company Name SCOTTSDALE INSURANCE COMPANY

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 864,634	\$ 459,750	\$ 164,023

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy?

Yes [ ] No [ X ]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated?

Yes [ ] No [ X ]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:

\$

2.32 Amount estimated using reasonable assumptions:

\$
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies.

\$