



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

## ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011  
OF THE CONDITION AND AFFAIRS OF THE

### Scottsdale Indemnity Company

NAIC Group Code	0140 (Current)	0140 (Prior)	NAIC Company Code	15580	Employer's ID Number	31-1117969
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Organized under the Laws of Country of Domicile	Ohio	State of Domicile or Port of Entry United States of America	Ohio
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Incorporated/Organized	11/14/1984	Commenced Business	08/01/1985
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Statutory Home Office	One West Nationwide Blvd. (Street and Number)	Columbus , OH 43215-2220 (City or Town, State and Zip Code)	
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Main Administrative Office	8877 N. Gainey Center Drive (Street and Number)		480-365-4000 (Area Code) (Telephone Number)
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Mail Address	Scottsdale , AZ 85258-2108 (City or Town, State and Zip Code)		Columbus , OH 43215-2220 (City or Town, State and Zip Code)
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Primary Location of Books and Records	One West Nationwide Blvd., 1-04-701 (Street and Number)		614-249-1545 (Area Code) (Telephone Number)
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Internet Website Address	Columbus , OH 43215-2220 (City or Town, State and Zip Code)		www.scottsdaleins.com
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Statutory Statement Contact	Arlene E. Swanson (Name)		614-249-1545 (Area Code) (Telephone Number)
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FinRpt@nationwide.com  
(E-mail Address)

866-315-1430  
(FAX Number)

#### OFFICERS

President & COO	Michael Dean Miller	VP & Treasurer	Peter Whitney Harper
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VP & Asst Secretary	Randall Lee Orr	VP & Secretary	Robert William Horner III
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#### OTHER

Pamela Ann Biesecker Sr VP-Head of Taxation	Thomas Williams Dietrich Sr VP-Div General Counsel	Craig Edward Landi Sr VP-Underwriting
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Gary Lynn Tiepelman Sr VP-Underwriting Susan Feola Wain Sr VP-Claims

#### DIRECTORS OR TRUSTEES

Peter Whitney Harper	Kenneth Ari Levine	Michael Dean Miller
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Gary Lynn Tiepelman Susan Feola Wain

State of Arizona SS: \_\_\_\_\_  
County of Maricopa

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 Miller  
President & COO

\_\_\_\_\_  
Randall Lee Orr  
VP & Asst Secretary

\_\_\_\_\_  
Peter Whitney Harper  
VP & Treasurer

Subscribed and sworn to before me this  
day of January , 2012

- 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.....

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY**  
**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities .....	14,995,605	42.522	14,995,605		14,995,605	42.522
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies .....		0.000				0.000
1.22 Issued by U.S. government sponsored agencies .....		0.000				0.000
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities) .....		0.000				0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations .....	616,155	1.747	616,155		616,155	1.747
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....	2,055,171	5.828	2,055,171		2,055,171	5.828
1.43 Revenue and assessment obligations .....	5,776,432	16.380	5,776,432		5,776,432	16.380
1.44 Industrial development and similar obligations .....		0.000				0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA .....		0.000				0.000
1.512 Issued or guaranteed by FNMA and FHLMC .....		0.000				0.000
1.513 All other .....		0.000				0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....	99,724	0.283	99,724		99,724	0.283
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 .....		0.000				0.000
1.523 All other .....		0.000				0.000
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) .....		0.000				0.000
2.2 Unaffiliated non-U.S. securities (including Canada) .....	9,533,565	27.033	9,533,565		9,533,565	27.033
2.3 Affiliated securities .....		0.000				0.000
3. Equity interests:						
3.1 Investments in mutual funds .....		0.000				0.000
3.2 Preferred stocks:						
3.21 Affiliated .....		0.000				0.000
3.22 Unaffiliated .....		0.000				0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated .....		0.000				0.000
3.32 Unaffiliated .....		0.000				0.000
3.4 Other equity securities:						
3.41 Affiliated .....		0.000				0.000
3.42 Unaffiliated .....		0.000				0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated .....		0.000				0.000
3.52 Unaffiliated .....		0.000				0.000
4. Mortgage loans:						
4.1 Construction and land development .....		0.000				0.000
4.2 Agricultural .....		0.000				0.000
4.3 Single family residential properties .....		0.000				0.000
4.4 Multifamily residential properties .....		0.000				0.000
4.5 Commercial loans .....		0.000				0.000
4.6 Mezzanine real estate loans .....		0.000				0.000
5. Real estate investments:						
5.1 Property occupied by company .....		0.000				0.000
5.2 Property held for production of income (including \$ _____ of property acquired in satisfaction of debt) .....		0.000				0.000
5.3 Property held for sale (including \$ _____ property acquired in satisfaction of debt) .....		0.000				0.000
6. Contract loans .....		0.000				0.000
7. Derivatives .....		0.000				0.000
8. Receivables for securities .....		0.000				0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral) .....		0.000		XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments .....	2,189,174	6.208	2,189,174		2,189,174	6.208
11. Other invested assets .....		0.000				0.000
12. Total invested assets .....	35,265,825	100.00	35,265,825		35,265,825	100.000

Schedule A - Verification - Real Estate

**N O N E**

Schedule B - Verification - Mortgage Loans

**N O N E**

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

## Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year .....	
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 8) .....	
2.2	Additional investment made after acquisition (Part 2, Column 9) .....	
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 16 .....	
3.2	Totals, Part 3, Column 12 .....	
4.	Accrual of discount .....	
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 13 .....	
5.2	Totals, Part 3, Column 9 .....	
6.	Total gain (loss) on disposals, Part 3, Column 19 .....	
7.	Deduct amounts received on disposals, Part 3, Column 16 .....	
8.	Deduct amortization of premium and depreciation .....	
9.	Total foreign exchange change in book/adjusted carrying value:	
9.1	Totals, Part 1, Column 17 .....	
9.2	Totals, Part 3, Column 14 .....	
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 15 .....	
10.2	Totals, Part 3, Column 11 .....	
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) .....	

NONE

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

## Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year .....	26,779,683
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....	19,017,500
3.	Accrual of discount .....	51,929
4.	Unrealized valuation increase (decrease):	
4.1.	Part 1, Column 12 .....	447,538
4.2.	Part 2, Section 1, Column 15 .....	
4.3.	Part 2, Section 2, Column 13 .....	
4.4.	Part 4, Column 11 .....	(28,366) .419,172
5.	Total gain (loss) on disposals, Part 4, Column 19 .....	176,573
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....	13,248,359
7.	Deduct amortization of premium .....	119,846
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1.	Part 1, Column 15 .....	
8.2.	Part 2, Section 1, Column 19 .....	
8.3.	Part 2, Section 2, Column 16 .....	
8.4.	Part 4, Column 15 .....	
9.	Deduct current year's other than temporary impairment recognized:	
9.1.	Part 1, Column 14 .....	
9.2.	Part 2, Section 1, Column 17 .....	
9.3.	Part 2, Section 2, Column 14 .....	
9.4.	Part 4, Column 13 .....	
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	33,076,652
11.	Deduct total nonadmitted amounts .....	
12.	Statement value at end of current period (Line 10 minus Line 11) .....	33,076,652

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - SUMMARY BY COUNTRY**

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States .....	14,995,604	17,108,755	14,644,203	14,105,000
	2. Canada .....				
	3. Other Countries .....				
	4. Totals .....	14,995,604	17,108,755	14,644,203	14,105,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals .....	616,155	622,863	651,899	615,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals .....	2,055,171	2,162,355	2,248,435	2,000,000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals .....	5,876,156	6,403,379	5,967,880	5,598,187
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States .....				
	9. Canada .....				
	10. Other Countries .....	9,533,566	9,530,000	9,530,000	10,000,000
Parent, Subsidiaries and Affiliates	11. Totals .....	9,533,566	9,530,000	9,530,000	10,000,000
	12. Totals .....				
	13. Total Bonds .....	33,076,652	35,827,352	33,042,417	32,318,187
PREFERRED STOCKS Industrial and Miscellaneous (unaffiliated)	14. United States .....				
	15. Canada .....				
	16. Other Countries .....				
	17. Totals .....				
Parent, Subsidiaries and Affiliates	18. Totals .....				
	19. Total Preferred Stocks .....				
COMMON STOCKS Industrial and Miscellaneous (unaffiliated)	20. United States .....				
	21. Canada .....				
	22. Other Countries .....				
	23. Totals .....				
Parent, Subsidiaries and Affiliates	24. Totals .....				
	25. Total Common Stocks .....				
	26. Total Stocks .....				
	27. Total Bonds and Stocks .....	33,076,652	35,827,352	33,042,417	

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1 .....		1,224,187	13,771,418			14,995,605	45.3	17,129,247	64.0	14,995,605	
1.2 Class 2 .....											
1.3 Class 3 .....											
1.4 Class 4 .....											
1.5 Class 5 .....											
1.6 Class 6 .....											
1.7 Totals .....		1,224,187	13,771,418			14,995,605	45.3	17,129,247	64.0	14,995,605	
2. All Other Governments											
2.1 Class 1 .....											
2.2 Class 2 .....											
2.3 Class 3 .....											
2.4 Class 4 .....											
2.5 Class 5 .....											
2.6 Class 6 .....											
2.7 Totals .....											
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 Class 1 .....	310,000	116,155				426,155	1.3	1,452,646	5.4	426,155	
3.2 Class 2 .....	190,000					190,000	0.6	198,778	0.7	190,000	
3.3 Class 3 .....											
3.4 Class 4 .....											
3.5 Class 5 .....											
3.6 Class 6 .....											
3.7 Totals .....	500,000	116,155				616,155	1.9	1,651,424	6.2	616,155	
4. U.S. Political Subdivisions of States, Territories and Possessions , Guaranteed											
4.1 Class 1 .....		2,055,171				2,055,171	6.2	2,083,866	7.8	2,055,171	
4.2 Class 2 .....											
4.3 Class 3 .....											
4.4 Class 4 .....											
4.5 Class 5 .....											
4.6 Class 6 .....											
4.7 Totals .....		2,055,171				2,055,171	6.2	2,083,866	7.8	2,055,171	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1 .....	28,563	572,717	15,477	5,259,399		5,876,156	17.8	5,915,146	22.1	5,876,156	
5.2 Class 2 .....											
5.3 Class 3 .....											
5.4 Class 4 .....											
5.5 Class 5 .....											
5.6 Class 6 .....											
5.7 Totals .....	28,563	572,717	15,477	5,259,399		5,876,156	17.8	5,915,146	22.1	5,876,156	

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial & Miscellaneous (Unaffiliated)											
6.1 Class 1 .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				9,533,565
6.2 Class 2 .....											
6.3 Class 3 .....											
6.4 Class 4 .....											
6.5 Class 5 .....											
6.6 Class 6 .....											
6.7 Totals .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				9,533,565
7. Hybrid Securities											
7.1 Class 1 .....											
7.2 Class 2 .....											
7.3 Class 3 .....											
7.4 Class 4 .....											
7.5 Class 5 .....											
7.6 Class 6 .....											
7.7 Totals .....											
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1 .....											
8.2 Class 2 .....											
8.3 Class 3 .....											
8.4 Class 4 .....											
8.5 Class 5 .....											
8.6 Class 6 .....											
8.7 Totals .....											

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1A - SECTION 1 (Continued)**

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1 .....	(d) 937,579	7,410,680	18,739,894	5,798,499		32,886,652	99.4	XXX	XXX	23,353,087	9,533,565
9.2 Class 2 .....	(d) 190,000					190,000	0.6	XXX	XXX	190,000	
9.3 Class 3 .....	(d)							XXX	XXX		
9.4 Class 4 .....	(d)							XXX	XXX		
9.5 Class 5 .....	(d)							XXX	XXX		
9.6 Class 6 .....	(d)							XXX	XXX		
9.7 Totals .....	1,127,579	7,410,680	18,739,894	5,798,499		(b) 33,076,652	100.0	XXX	XXX	23,543,087	9,533,565
9.8 Line 9.7 as a % of Col. 6	3.4	22.4	56.7	17.5		100.0	XXX	XXX	XXX	71.2	28.8
10. Total Bonds Prior Year											
10.1 Class 1 .....	1,046,204	3,192,293	17,069,806	5,272,602		XXX	XXX	26,580,905	99.3	26,580,905	
10.2 Class 2 .....		198,778				XXX	XXX	198,778	0.7	198,778	
10.3 Class 3 .....						XXX	XXX				
10.4 Class 4 .....						XXX	XXX				
10.5 Class 5 .....						XXX	XXX				
10.6 Class 6 .....						XXX	XXX				
10.7 Totals .....	1,046,204	3,391,071	17,069,806	5,272,602		XXX	XXX	(b) 26,779,683	100.0	26,779,683	
10.8 Line 10.7 as a % of Col. 8	3.9	12.7	63.7	19.7		XXX	XXX	100.0	XXX	100.0	
11. Total Publicly Traded Bonds											
11.1 Class 1 .....	338,563	3,968,230	13,786,895	5,259,399		23,353,087	70.6	26,580,905	99.3	23,353,087	XXX
11.2 Class 2 .....	190,000					190,000	0.6	198,778	0.7	190,000	XXX
11.3 Class 3 .....											
11.4 Class 4 .....											
11.5 Class 5 .....											
11.6 Class 6 .....											
11.7 Totals .....	528,563	3,968,230	13,786,895	5,259,399		23,543,087	71.2	26,779,683	100.0	23,543,087	XXX
11.8 Line 11.7 as a % of Col. 6	2.2	16.9	58.6	22.3		100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	1.6	12.0	41.7	15.9		71.2	XXX	XXX	XXX	71.2	XXX
12. Total Privately Placed Bonds											
12.1 Class 1 .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8			XXX	9,533,565
12.2 Class 2 .....										XXX	
12.3 Class 3 .....										XXX	
12.4 Class 4 .....										XXX	
12.5 Class 5 .....										XXX	
12.6 Class 6 .....										XXX	
12.7 Totals .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8			XXX	9,533,565
12.8 Line 12.7 as a % of Col. 6	6.3	36.1	52.0	5.7		100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	1.8	10.4	15.0	1.6		28.8	XXX	XXX	XXX	XXX	28.8

(a) Includes \$ 9,533,565 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 9,533,565 current year, \$ prior year of bonds with Z designations and \$ , current year \$ prior year of bonds with Z\* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ current year, \$ prior year of bonds with 5\* designations and \$ , current year \$ prior year of bonds with 6\* designations. "5\*\*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) 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 \$ .

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments											
1.1 Issuer Obligations .....		1,224,187	13,771,418			14,995,605	45.3	17,129,247	64.0	14,995,605	
1.2 Residential Mortgage-Backed Securities .....											
1.3 Commercial Mortgage-Backed Securities .....											
1.4 Other Loan-Backed and Structured Securities .....											
1.5 Totals		1,224,187	13,771,418			14,995,605	45.3	17,129,247	64.0	14,995,605	
2. All Other Governments											
2.1 Issuer Obligations .....											
2.2 Residential Mortgage-Backed Securities .....											
2.3 Commercial Mortgage-Backed Securities .....											
2.4 Other Loan-Backed and Structured Securities .....											
2.5 Totals											
3. U.S. States, Territories and Possessions, Guaranteed											
3.1 Issuer Obligations .....	500,000	116,155				616,155	1.9	1,651,424	6.2	616,155	
3.2 Residential Mortgage-Backed Securities .....											
3.3 Commercial Mortgage-Backed Securities .....											
3.4 Other Loan-Backed and Structured Securities .....											
3.5 Totals	500,000	116,155				616,155	1.9	1,651,424	6.2	616,155	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Issuer Obligations .....		2,055,171				2,055,171	6.2	2,083,866	7.8	2,055,171	
4.2 Residential Mortgage-Backed Securities .....											
4.3 Commercial Mortgage-Backed Securities .....											
4.4 Other Loan-Backed and Structured Securities .....											
4.5 Totals		2,055,171				2,055,171	6.2	2,083,866	7.8	2,055,171	
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 Issuer Obligations .....		517,860				517,860	1.6	5,795,486	21.6	517,860	
5.2 Residential Mortgage-Backed Securities .....	28,563	54,858	15,477	827		99,725	0.3	119,660	0.4	99,725	
5.3 Commercial Mortgage-Backed Securities .....											
5.4 Other Loan-Backed and Structured Securities .....											
5.5 Totals	28,563	572,718	15,477	5,258,572		5,258,572	15.9			5,258,572	
6. Industrial and Miscellaneous											
6.1 Issuer Obligations .....											
6.2 Residential Mortgage-Backed Securities .....											
6.3 Commercial Mortgage-Backed Securities .....											
6.4 Other Loan-Backed and Structured Securities .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				
6.5 Totals	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				
7. Hybrid Securities											
7.1 Issuer Obligations .....											
7.2 Residential Mortgage-Backed Securities .....											
7.3 Commercial Mortgage-Backed Securities .....											
7.4 Other Loan-Backed and Structured Securities .....											
7.5 Totals											
8. Parent, Subsidiaries and Affiliates											
8.1 Issuer Obligations .....											
8.2 Residential Mortgage-Backed Securities .....											
8.3 Commercial Mortgage-Backed Securities .....											
8.4 Other Loan-Backed and Structured Securities .....											
8.5 Totals											

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1A - SECTION 2 (Continued)**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations .....	500,000	3,913,373	13,771,418			18,184,791	55.0	XXX	XXX	18,184,791	
9.2 Residential Mortgage-Backed Securities .....	28,563	54,858	15,477	827		99,725	0.3	XXX	XXX	99,725	
9.3 Commercial Mortgage-Backed Securities .....							XXX	XXX			
9.4 Other Loan-Backed and Structured Securities .....	599,016	3,442,450	4,952,999	5,797,672		14,792,137	44.7	XXX	XXX	5,258,572	9,533,565
9.5 Totals .....	1,127,579	7,410,681	18,739,894	5,798,499		33,076,653	100.0	XXX	XXX	23,543,088	9,533,565
9.6 Line 9.5 as a % of Col. 6	3.4	22.4	56.7	17.5		100.0	XXX	XXX	XXX	71.2	28.8
10. Total Bonds Prior Year											
10.1 Issuer Obligations .....	1,011,911	3,325,750	17,051,429	5,270,933		XXX	XXX	26,660,023	99.6	26,660,023	
10.2 Residential Mortgage-Backed Securities .....	34,293	65,321	18,377	1,669		XXX	XXX	119,660	0.4	119,660	
10.3 Commercial Mortgage-Backed Securities .....						XXX	XXX				
10.4 Other Loan-Backed and Structured Securities .....						XXX	XXX				
10.5 Totals .....	1,046,204	3,391,071	17,069,806	5,272,602		XXX	XXX	26,779,683	100.0	26,779,683	
10.6 Line 10.5 as a % of Col. 8	3.9	12.7	63.7	19.7		XXX	XXX	100.0	XXX	100.0	
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations .....	500,000	3,913,373	13,771,418			18,184,791	55.0	26,660,023	99.6	18,184,791	XXX
11.2 Residential Mortgage-Backed Securities .....	28,563	54,858	15,477	827		99,725	0.3	119,660	0.4	99,725	XXX
11.3 Commercial Mortgage-Backed Securities .....						5,258,572	15.9			5,258,572	XXX
11.4 Other Loan-Backed and Structured Securities .....											
11.5 Totals .....	528,563	3,968,231	13,786,895	5,259,399		23,543,088	71.2	26,779,683	100.0	23,543,088	XXX
11.6 Line 11.5 as a % of Col. 6	2.2	16.9	58.6	22.3		100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	1.6	12.0	41.7	15.9		71.2	XXX	XXX	XXX	71.2	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations .....											XXX
12.2 Residential Mortgage-Backed Securities .....											XXX
12.3 Commercial Mortgage-Backed Securities .....											XXX
12.4 Other Loan-Backed and Structured Securities .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				XXX
12.5 Totals .....	599,016	3,442,450	4,952,999	539,100		9,533,565	28.8				9,533,565
12.6 Line 12.5 as a % of Col. 6	6.3	36.1	52.0	5.7		100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	1.8	10.4	15.0	1.6		28.8	XXX	XXX	XXX	XXX	28.8

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE DA - VERIFICATION BETWEEN YEARS**

## Short-Term Investments

	1 Total	2 Bonds	3 Mortgage Loans	4 Other Short-term Investment Assets (a)	5 Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	8,941,362			8,941,362	
2. Cost of short-term investments acquired .....	103,173,381			103,173,381	
3. Accrual of discount .....					
4. Unrealized valuation increase (decrease) .....					
5. Total gain (loss) on disposals .....					
6. Deduct consideration received on disposals .....	109,935,535			109,935,535	
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) .....	2,179,208			2,179,208	
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11) .....	2,179,208			2,179,208	

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: Pool of Short Term Assets

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 1 - Real Estate Owned

**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**

Schedule B - Part 1 - Mortgage Loans Owned

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**N O N E**

Schedule BA - Part 1 - Other Long-Term Invested Assets Owned

**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**N O N E**

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

**N O N E**

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 1**

Showing All Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes			6 Actual Cost	7 Rate Used to Obtain Fair Value	Fair Value		10 Book/ Adjusted Carrying Value	11 Unrealized Valuation Increase/ (Decrease)	Change in Book/Adjusted Carrying Value				Interest				Dates	
		3 C o d e	4 F o r e i g n	5 Bond Char			8 Fair Value	9 Par Value			12 Current Year's (Amor tiz ati on) Accretion	13 Other Than Temp Impair ment Recog nized	14 Current Year's Other Than Temp Impair ment Recog nized	15 Total Foreign Exchange Change in Book/ Adjusted Carrying Value	16 Rate of	17 Effect ive Rate of	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired
912810-DX-3	U S Treasury Bd	SD		1.	1,283,281	131.8670	1,318,672	1,000,000	1,121,024	(21,631)			7.500	4.691	MN	.9,684	.75,000	.01/16/2003	.11/15/2016	
912810-EE-4	U S Treasury Bd	SD		1.	690,078	153.8050	694,948	500,000	624,948	(12,344)			8.500	4.755	FA	.16,053	.42,500	.02/03/2006	.02/15/2020	
912828-EN-6	U S Treasury Nt	SD		1.	76,200	114.9690	91,975	.80,000	.78,223	.405			4.500	.5,140	MN	.465	.3,600	.05/31/2006	.11/15/2015	
912828-KS-8	U S Treasury Nt			1.	24,902	108.0940	27,023	.25,000	.24,940	13			2.625	.2,687	FA	.222	.656	.02/27/2009	.02/29/2016	
912828-MF-4	U S Treasury Inflation Index Nt			1.	12,569,742	119.2160	14,902,061	12,500,000	13,146,469	447,538	(6,531)			1.375	.1,316	JJ	.83,134	.176,503	.01/15/2010	.01/15/2020
01999999	Subtotal - Bonds - U.S. Governments - Issuer Obligations				14,644,203	XXX	17,108,755	14,105,000	14,995,604	447,538	(40,088)			XXX	XXX	XXX	109,558	298,259	XXX	XXX
05999999	Total - U.S. Government Bonds				14,644,203	XXX	17,108,755	14,105,000	14,995,604	447,538	(40,088)			XXX	XXX	XXX	109,558	298,259	XXX	XXX
10999999	Total - All Other Government Bonds					XXX								XXX	XXX	XXX			XXX	XXX
93974A-C9-3	Washington St GO Ref Mtr Vehicle Fuel Ta			1	121,315	106.8370	122,863	115,000	116,155	(730)			5.000	.4,302	JJ		.2,875	.5,750	.10/21/2003	.07/01/2013
93974C-SZ-4	Washington St GO Van Purp Ser R-03-A Pre	SD	1	2FE	201,866	100.0000	190,000	190,000	190,000	(8,778)			5.000	.367	JJ		.4,750	.9,500	.08/24/2010	.01/01/2012
93974C-TE-0	Washington St GO Van Purp Ser R-03-A Unr	SD	1	1FE	328,718	100.0000	310,000	310,000	310,000	(13,851)			5.000	.515	JJ		.7,750	.15,500	.08/24/2010	.01/01/2012
11999999	Subtotal - Bonds - U.S. States, Territories and Possessions - Issuer Obligations				651,899	XXX	622,863	615,000	616,155	(23,359)			XXX	XXX	XXX	15,375	30,750	XXX	XXX	
17999999	Total - U.S. States, Territories and Possessions Bonds				651,899	XXX	622,863	615,000	616,155	(23,359)			XXX	XXX	XXX	15,375	30,750	XXX	XXX	
213183-3Q-7	Cook Cnty IL GO Ref Ser B	SD	1	1FE	556,770	108.1060	540,530	500,000	512,423	(6,283)			5.250	.3,860	MN	.3,354	.26,250	.12/12/2003	.11/15/2013	
263716-HT-0	Dublin Oh City Sch Dist GO Sch Facs Cons	SD	1	1FE	553,195	108.8030	544,015	500,000	511,908	(5,892)			5.000	.3,700	JD		.2,083	.25,000	.01/22/2004	.12/01/2013
366155-MN-6	Garland TX ISD GO Ref		1	1FE	547,645	105.2550	526,275	500,000	506,746	(5,782)			5.000	.3,760	FA	.9,444	.25,000	.12/12/2003	.02/15/2013	
442402-2Z-5	Houston TX ISD GO Ref	SD		1FE	590,825	110.3070	551,535	500,000	524,094	(10,737)			6.000	.3,620	FA	.11,333	.30,000	.01/19/2005	.02/15/2014	
18999999	Subtotal - Bonds - U.S. Political Subdivisions - Issuer Obligations				2,248,435	XXX	2,162,355	2,000,000	2,055,171	(28,694)			XXX	XXX	XXX	26,214	106,250	XXX	XXX	
24999999	Total - U.S. Political Subdivisions Bonds				2,248,435	XXX	2,162,355	2,000,000	2,055,171	(28,694)			XXX	XXX	XXX	26,214	106,250	XXX	XXX	
977123-SY-5	Wisconsin St Trans Rev Ref	SD	1	1FE	559,715	111.0490	555,245	500,000	517,860	(6,693)			5.250	.3,740	JJ	.13,125	.26,250	.01/10/2005	.07/01/2014	
25999999	Subtotal - Bonds - U.S. Special Revenues - Issuer Obligations				559,715	XXX	555,245	500,000	517,860	(6,693)			XXX	XXX	XXX	13,125	.26,250	XXX	XXX	
312913-ZE-9	FHLMC REMIC Ser 1437-HD		2	1	100,715	112.6760	110,634	98,187	99,724	(43)			7.000	.6,294	MON	.573	.6,873	.09/05/2001	.12/01/2022	
26999999	Subtotal - Bonds - U.S. Special Revenues - Residential Mortgage-Backed Securities				100,715	XXX	110,634	98,187	99,724	(43)			XXX	XXX	XXX	573	.6,873	XXX	XXX	
353590-GC-0	Franklin Cnty IN School Rev Ref First Mt		2	1FE	5,307,450	114.7500	5,737,500	5,000,000	5,258,572	(12,360)			5.000	.4,511	JJ	.115,278	.250,000	.09/27/2007	.07/15/2026	
28999999	Subtotal - Bonds - U.S. Special Revenues - Other Loan-Backed and Structured Securities				5,307,450	XXX	5,737,500	5,000,000	5,258,572	(12,360)			XXX	XXX	XXX	573	.250,000			
31999999	Total - U.S. Special Revenues Bonds				5,967,880	XXX	6,403,379	5,598,187	5,876,156	(19,096)			XXX	XXX	XXX	128,976	.283,123	XXX	XXX	
001749-AB-6	American Money Mgmt Corp Ser 2011-9A CI	F	2	1Z	9,530,000	95.3000	9,530,000	10,000,000	9,533,565	3,565			2.903	.3,872	JAJO	.13,709		.11/17/2011	.01/15/2022	
35999999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities				9,530,000	XXX	9,530,000	10,000,000	9,533,565	3,565			XXX	XXX	XXX	13,709		XXX	XXX	
38999999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds				9,530,000	XXX	9,530,000	10,000,000	9,533,565	3,565			XXX	XXX	XXX	13,709		XXX	XXX	
48999999	Total - Hybrid Securities					XXX							XXX	XXX	XXX			XXX	XXX	
55999999	Total - Parent, Subsidiaries and Affiliates Bonds					XXX							XXX	XXX	XXX			XXX	XXX	
77999999	Total - Issuer Obligations				18,104,252	XXX	20,449,218	17,220,000	18,184,790	447,538	(98,834)			XXX	XXX	XXX	164,272	461,509	XXX	XXX
78999999	Total - Residential Mortgage-Backed Securities				100,715	XXX	110,634	98,187	99,724	(43)			XXX	XXX	XXX	573	.6,873	XXX	XXX	
79999999	Total - Commercial Mortgage-Backed Securities					XXX							XXX	XXX	XXX			XXX	XXX	
80999999	Total - Other Loan-Backed and Structured Securities				14,837,450	XXX	15,267,500	15,000,000	14,792,137	(8,795)			XXX	XXX	XXX	128,987	.250,000	XXX	XXX	
83999999	Total Bonds				33,042,417	XXX	35,827,352	32,318,187	33,076,651	447,538	(107,672)			XXX	XXX	XXX	293,832	.718,382	XXX	XXX

Schedule D - Part 2 - Section 1 - Preferred Stocks Owned

**N O N E**

Schedule D - Part 2 - Section 2 - Common Stocks Owned

**N O N E**

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 3**

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
001749-AB-6 .....	American Money Mgmt Corp Ser 2011-9A Cl .....	F.....	11/17/2011 .....	UBS Warburg London .....	9,530,000	10,000,000		
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					9,530,000	10,000,000		
8399997. Total - Bonds - Part 3					9,530,000	10,000,000		
8399998. Total - Bonds - Part 5					9,487,500	10,000,000		3,122
8399999. Total - Bonds					19,017,500	20,000,000		3,122
8999997. Total - Preferred Stocks - Part 3							XXX	
8999998. Total - Preferred Stocks - Part 5							XXX	
8999999. Total - Preferred Stocks							XXX	
9799997. Total - Common Stocks - Part 3							XXX	
9799998. Total - Common Stocks - Part 5							XXX	
9799999. Total - Common Stocks							XXX	
9899999. Total - Preferred and Common Stocks							XXX	
9999999 - Totals						19,017,500	XXX	3,122

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 4**

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1 CUSIP Identifi- cation	2 Description	For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Con- sideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	
										11 Unrealized Valuation Increase/ Decrease	12 Current Year's (Amor- tization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in Book/ Adjusted Carrying Value (11+12-13)	15 Total Foreign Exchange Change in Book/ Adjusted Carrying Value							
912828-MF-4 ...	U S Treasury Inflation Index Nt		09/26/2011 ..	Nomura Securities Int'l Inc ..		2,932,281	2,500,000	2,513,948	2,541,093	(28,366)	(964)		(29,330)		2,511,763		.420,518	.420,518	.42,521	.01/15/2020 ..	
0599999. Subtotal - Bonds - U.S. Governments						2,932,281	2,500,000	2,513,948	2,541,093	(28,366)	(964)		(29,330)		2,511,763		420,518	420,518	42,521	XXX	
341422-R4-7 ...	Florida St Bd Ed Cap Outlay GO Ref Ser A ...		06/01/2011 ..	Call 101.0000 ..		505,000	500,000	542,505	507,370		(2,370)		(2,370)			.505,000				.12,500	.06/01/2011 ..
452150-2W-4 ...	Illinois St G0 First Ser		11/01/2011 ..	Call 100.0000 ..		500,000	500,000	541,500	504,542		(4,542)		(4,542)			.500,000				.26,875	.11/01/2011 ..
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions						1,005,000	1,000,000	1,084,005	1,011,912		(6,912)		(6,912)			1,005,000				.39,375	XXX
312913-ZE-9 ...	FHLMC REMIC Ser 1437-HD .....		12/01/2011 ..	Paydown .....		19,578	19,578	20,082	19,893		(315)		(315)			19,578				.651	.12/01/2022 ..
3199999. Subtotal - Bonds - U.S. Special Revenues						19,578	19,578	20,082	19,893		(315)		(315)			19,578				.651	XXX
8399997. Total - Bonds - Part 4						3,956,859	3,519,578	3,618,035	3,572,898	(28,366)	(8,191)		(36,557)		3,536,341		420,518	420,518	82,547	XXX	
8399998. Total - Bonds - Part 5						9,291,500	10,000,000	9,487,500			47,945		47,945			9,535,445		(243,945)	(243,945)	46,230	XXX
8399999. Total - Bonds						13,248,359	13,519,578	13,105,535	3,572,898	(28,366)	39,754		11,388		13,071,786		176,573	176,573	128,777	XXX	
8999997. Total - Preferred Stocks - Part 4						XXX														XXX	
8999998. Total - Preferred Stocks - Part 5						XXX														XXX	
8999999. Total - Preferred Stocks						XXX														XXX	
9799997. Total - Common Stocks - Part 4						XXX														XXX	
9799998. Total - Common Stocks - Part 5						XXX														XXX	
9799999. Total - Common Stocks						XXX														XXX	
9899999. Total - Preferred and Common Stocks						XXX														XXX	
9999999 - Totals						13,248,359	XXX	13,105,535	3,572,898	(28,366)	39,754		11,388		13,071,786		176,573	176,573	128,777	XXX	

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE D - PART 5**

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identifi- cation	2 Description	For- eign	3 Date Acquired	4 Name of Vendor	5 Disposal Date	6 Name of Purchaser	7 Par Value (Bonds) or Number of Shares (Stock)	8 Actual Cost	9 Book/ Adjusted Carrying Value at Disposal	10 Consid- eration	11 Unrealized Valuation Increase/ (Decrease)	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends
												12	13	14	15	16 Total Foreign Exchange Change in Book/ Adjusted Carrying Value					
53225V-AC-3 ...	Lightpoint CLO Ltd Ser 2006-5A CI A1	CLO	02/24/2011	Morgan/JP/Securities - Bonds ...	12/06/2011	Morgan/JP/Securities - Bonds	10,000,000	9,487,500	9,291,500		9,535,445		47,945		47,945			(243,945)	(243,945)	46,230	3,122
38999999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)							10,000,000	9,487,500	9,291,500		9,535,445		47,945		47,945			(243,945)	(243,945)	46,230	3,122
8399998. Total - Bonds							10,000,000	9,487,500	9,291,500		9,535,445		47,945		47,945			(243,945)	(243,945)	46,230	3,122
8999998. Total - Preferred Stocks																					
9799998. Total - Common Stocks																					
9899999. Total - Preferred and Common Stocks																					
9999999 - Totals								9,487,500	9,291,500		9,535,445		47,945		47,945			(243,945)	(243,945)	46,230	3,122

Schedule D-Part 6-Section 1-Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

**N O N E**

Schedule D - Part 6 - Section 2

**N O N E**

## ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

**SCHEDULE DA - PART 1**

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identifi- cation	2 Description	Codes		5 Date Acquired	6 Name of Vendor	7 Maturity Date	8 Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				13 Par Value	14 Actual Cost	Interest						21 Paid for Accrued Interest
		3 Code	4 For- eign					9 Unrealized Valuation Increase/ (Decrease)	10 Current Year's (Amor- tization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Total Foreign Exchange Change in Book/ Adjusted Carrying Value			15 Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	16 Non- Admitted Due and Accrued	17 Rate of Effective Rate of	18 When Paid	19 Amount Received During Year	20	
0599999. Total - U.S. Government Bonds																XXX	XXX	XXX		
1099999. Total - All Other Government Bonds																XXX	XXX	XXX		
1799999. Total - U.S. States, Territories and Possessions Bonds																XXX	XXX	XXX		
2499999. Total - U.S. Political Subdivisions Bonds																XXX	XXX	XXX		
3199999. Total - U.S. Special Revenues Bonds																XXX	XXX	XXX		
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds																XXX	XXX	XXX		
4899999. Total - Hybrid Securities																XXX	XXX	XXX		
5599999. Total - Parent, Subsidiaries and Affiliates Bonds																XXX	XXX	XXX		
7799999. Total - Issuer Obligations																XXX	XXX	XXX		
7899999. Total - Residential Mortgage-Backed Securities																XXX	XXX	XXX		
7999999. Total - Commercial Mortgage-Backed Securities																XXX	XXX	XXX		
8099999. Total - Other Loan-Backed and Structured Securities																XXX	XXX	XXX		
8399999. Total Bonds																XXX	XXX	XXX		
8699999. Total - Parent, Subsidiaries and Affiliates																XXX	XXX	XXX		
.....  Nationwide Cash Mgmt Partn .....	.....  12/30/2011 .....	.....  Various .....	.....  12/31/2012 .....	.....  2,179,208 .....												2,179,208 .....	2,179,208 .....	0.017 .....	0.101 .....	MON .....
9099999. Subtotal - Other Short-Term Invested Assets								2,179,208								XXX	2,179,208			XXX
9199999 - Totals								2,179,208								XXX	2,179,208			XXX
																				12

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

**N O N E**

Schedule DB - Part A - Section 2 - Options, Caps, Floors, Collars, Swaps and Forwards Terminated

**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 B - Section 2 - Futures Contracts Terminated

**N O N E**

Schedule DB - Part B - Section 2B - 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 - Reinvested Collateral Assets Owned

**N O N E**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**N O N E**

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY  
**SCHEDULE E - PART 1 - CASH**

**TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR**

**TOTALS OF DEFICIT/BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR**

1. January	1,364	4. April	.751	7. July	(752,773)	10. October	(932,853)
2. February	(2,041,301)	5. May	381,417	8. August	1,130,589	11. November	57,290
3. March	5,493	6. June	1,076	9. September	(516,125)	12. December	9,966

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY

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

Show Investments Owned December 31 of Current Year

# **NONE**

E26

**ANNUAL STATEMENT FOR THE YEAR 2011 OF THE SCOTTSDALE INDEMNITY COMPANY**  
**SCHEDULE E - PART 3 - SPECIAL DEPOSITS**

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama .....	AL					
2. Alaska .....	AK					
3. Arizona .....	AZ					
4. Arkansas .....	AR	B For protection of state's ph's			249,979	307,609
5. California .....	CA					
6. Colorado .....	CO					
7. Connecticut .....	CT					
8. Delaware .....	DE					
9. District of Columbia .....	DC					
10. Florida .....	FL					
11. Georgia .....	GA	B For protection of state's ph's			31,446	33,092
12. Hawaii .....	HI					
13. Idaho .....	ID					
14. Illinois .....	JL					
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	B For protection of state's ph's			249,979	307,609
30. New Hampshire .....	NH					
31. New Jersey .....	NJ					
32. New Mexico .....	NM	B For protection of state's ph's			336,307	395,602
33. New York .....	NY					
34. North Carolina .....	NC	B For protection of state's ph's			336,307	395,602
35. North Dakota .....	ND					
36. Ohio .....	OH	B For protection of all ph's	2,810,169		3,033,677	
37. Oklahoma .....	OK					
38. Oregon .....	OR	B Workers compensation			283,011	297,829
39. Pennsylvania .....	PA					
40. Rhode Island .....	RI					
41. South Carolina .....	SC					
42. South Dakota .....	SD					
43. Tennessee .....	TN					
44. Texas .....	TX	B For protection of state's ph's			78,614	82,730
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. Northern Mariana Islands .....	MP					
57. Canada .....	CN					
58. Aggregate Alien and Other .....	OT	XXX	XXX			
59. Subtotal .....		XXX	XXX	2,810,169	3,033,677	1,565,643
<b>DETAILS OF WRITE-INS</b>						
5801. ....						
5802. ....						
5803. ....						
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	XXX			
5899. Totals (Lines 5801 thru 5803 plus 5898)(Line 58 above)		XXX	XXX			

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