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PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Nationwide Mutual Fire Insurance Company

NAIC Group Code 0140 (Current) 0140 (Prior) NAIC Company Code 23779 Employer's ID Number 31-4177110

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

Country of Domicile United States of America

Incorporated/Organized 12/27/1933 Commenced Business 04/15/1934

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

Main Administrative Office One West Nationwide Blvd. (Street and Number)

Columbus , OH 43215-2220 (City or Town, State and Zip Code), 614-249-7111 (Area Code) (Telephone Number)

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

Primary Location of Books and Records One West Nationwide Blvd., 1-04-701 (Street and Number)

Columbus , OH 43215-2220 (City or Town, State and Zip Code), 614-249-1545 (Area Code) (Telephone Number)

Internet Website Address www.nationwide.com

Statutory Statement Contact Arlene E. Swanson (Name), 614-249-1545 (Area Code) (Telephone Number)

FinRpt@nationwide.com (E-mail Address), 866-315-1430 (FAX Number)

OFFICERS

President & COO, NW Ins	Mark Angelo Pizzi	Sr VP & Treasurer	David Patrick LaPaul
VP - Corp Gov & Secretary	Robert William Horner III		

OTHER

David Gerard Arango # Div Pres - Titan Ins	Anne Louise Arvia # Sr VP-NW Retirement Plans	Wesley Kim Austen President & COO - Allied
Paul Douglas Ballew # Sr VP-Chief Economist	David Alan Bano # Sr VP-Chief Claims Off	James David Benson Sr VP - Controller
Mark Allen Berven Sr VP	Pamela Ann Biesecker Sr VP-Head of Taxation	William Joseph Burke # Sr VP - NF Brand Marketing
Roger Alan Craig Sr VP-Div General Cnsl	Robert James Dickson # Sr VP-IT Strat Initiatives	Thomas Williams Dietrich # Sr VP- Dpty Gen Counsel
Gary Anthony Douglas Sr VP	Steven Michael English # Sr VP	Timothy Gerard Frommeyer Sr VP
Martha Lovette Frye Sr VP-P&C Cust Serv/Sales Sol	Mark Anthony Gaetano # Sr VP-CIO Ent. Apps	Peter Anthony Golato Sr VP-Indiv Prot Bus Head
Judith Lynn Greenstein Sr VP- Pres - NW Bank	Daniel Gerard Greteman # Sr VP - CIO ACS	Susan Jean Gueli Sr VP - CIO NF Systems
Melissa Doss Gutierrez # Sr VP - PCIO Sales Support	Harry Hansen Hallowell Sr VP - Chief Invest Off	Jennifer Marie Hanley # Sr VP - NI Brand Marketing
Patricia Ruth Hatler Exec VP & Chief Legal & Gov Off	Gordon Elliot Hecker # Sr VP - Corporate Marketing	Eric Shawn Henderson # Sr VP - Ind Inv Bus Head
Terri Lynn Hill # Exec VP	Lawrence Allen Hilsheimer Pres/COO-NW Dir/Cust Sol	Matthew Eric Jauchius Exec VP-Chief Mktg & Strat Off
Michael Craig Keller Exec VP - Chief Info Officer	Gale Verdell King # Exec VP- Chief Admin Off	James Russell Korcykoski Sr VP - CIO Nationwide Ins
Michael Patrick Leach Sr VP - CFO - P&C	Michael Allen Lex Sr VP-Pres, NW Nat Partners	Katherine Marie Liebel # Sr VP - Corporate Strategy
Michael William Mahaffey Sr VP, Chief Risk Officer	Robert Phillips McIsaac # Sr VP- Bus Trans Off	Michael Dean Miller Exec VP
Kai Vincent Monahan Sr VP - Internal Audit	Gregory Stephen Moran # Sr VP - CIO IT Infra	Sandra Lee Neely # Sr VP-Dpty Genl Cnsl
Robert Joseph Puccio Sr VP-Assoc Services	Stephen Scott Rasmussen CEO	Sandra Lynn Rich # Sr VP - Chief Compliance Off
Jeff Millard Rommel # Sr VP - Field Operations IC	Amy Taylor Shore # Sr VP - Field Operations EC	Mark Raymond Thresher Exec VP - CFO
Guruprasad Chitrapura Vasudeva # Sr VP - Ent CTO	Kirt Alan Walker President & COO - Nationwide Fin	

DIRECTORS OR TRUSTEES

Lewis Jackson Alphin	James Bernard Bachmann	Arthur Irving Bell
Timothy Joseph Corcoran	Yvonne Montgomery Curl	Kenneth Dale Davis
Keith William Eckel	Fred Charles Finney	Daniel Thomas Kelley
Mary Diane Koken	Lydia Micheaux Marshall	Terry Wayne McClure
Barry James Nalebuff	Brent Rinner Porteus #	Stephen Scott Rasmussen
Jeffrey Wade Zellers		

State of Ohio
County of Franklin SS:

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

Mark Angelo Pizzi	Robert William Horner, III	David Patrick LaPaul
President & COO, Nationwide Ins	VP - Corp Governance & Secretary	Sr 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

ASSETS

		Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	3,113,911,498		3,113,911,498	3,125,363,737
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	292,040		292,040	289,190
	2.2 Common stocks	197,649,056		197,649,056	202,299,378
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	46,858,377		46,858,377	49,642,612
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ .... encumbrances)	4,794,469		4,794,469	5,278,646
	4.2 Properties held for the production of income (less $ .... encumbrances)	9,148,836		9,148,836	9,331,018
	4.3 Properties held for sale (less $ .... encumbrances)				
5.	Cash ($ 245,426 , Schedule E - Part 1), cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ 59,126,147 , Schedule DA)	59,371,573		59,371,573	92,981,751
6.	Contract loans (including $ .... premium notes)				
7.	Derivatives (Schedule DB)				655,600
8.	Other invested assets (Schedule BA)	136,874,708	176,655	136,698,053	120,719,183
9.	Receivable for securities				67,373
10.	Securities lending reinvested collateral assets (Schedule DL)	10,882,428	3,232,980	7,649,448	95,166,097
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	3,579,782,985	3,409,635	3,576,373,350	3,701,794,585
13.	Title plants less $ .... charged off (for Title insurers only)				
14.	Investment income due and accrued	39,289,418		39,289,418	38,147,283
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	226,823,873	8,783,116	218,040,757	190,154,608
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)	510,180,300	1,138,551	509,041,749	227,976,293
	15.3 Accrued retrospective premiums				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	81,070,405		81,070,405	82,321,178
	16.2 Funds held by or deposited with reinsured companies	617		617	698
	16.3 Other amounts receivable under reinsurance contracts				5,599,245
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	17,179,114		17,179,114	18,801,237
18.2	Net deferred tax asset	82,491,703		82,491,703	66,522,951
19.	Guaranty funds receivable or on deposit	2,922,585		2,922,585	4,599,195
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				44
23.	Receivables from parent, subsidiaries and affiliates	6,924,336	7,864	6,916,472	3,537,195
24.	Health care ($ ....) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets	44,511,264	24,436,624	20,074,640	17,446,165
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	4,591,176,600	37,775,790	4,553,400,810	4,356,900,677
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	4,591,176,600	37,775,790	4,553,400,810	4,356,900,677
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501.	Deposits and prepaid assets	22,743,481	22,743,481		
2502.	Miscellaneous assets	21,334,328	1,259,688	20,074,640	17,446,165
2503.	Other assets nonadmitted	433,455	433,455		
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	44,511,264	24,436,624	20,074,640	17,446,165

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	878,018,415	915,027,372
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	96,187,706	91,160,604
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	189,004,168	191,660,939
4.	Commissions payable, contingent commissions and other similar charges	42,007,191	35,258,975
5.	Other expenses (excluding taxes, licenses and fees)	10,753,096	9,484,431
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	8,423,900	12,524,764
7.1	Current federal and foreign income taxes (including $ .... on realized capital gains (losses))		
7.2	Net deferred tax liability		
8.	Borrowed money $ .... and interest thereon $		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ 759,616,334 and including warranty reserves of $ 5,076,472 and accrued accident and health experience rating refunds including $ .... for medical loss ratio rebate per the Public Health Service Act)	634,693,274	625,544,900
10.	Advance premium	12,939,884	13,600,676
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	709,247	594,894
12.	Ceded reinsurance premiums payable (net of ceding commissions)	91,790,177	120,654,042
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	374,141	333,529
15.	Remittances and items not allocated		673,851
16.	Provision for reinsurance (Schedule F, Part 7)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	313,090,310	12,093,603
20.	Derivatives	(7)	68,413
21.	Payable for securities	52,590	235,504
22.	Payable for securities lending	14,473,134	97,538,777
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ .... and interest thereon $		
25.	Aggregate write-ins for liabilities	17,729,264	4,488,878
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	2,310,246,490	2,130,944,152
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	2,310,246,490	2,130,944,152
29.	Aggregate write-ins for special surplus funds		
30.	Common capital stock		
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	14,496,370	8,376,854
33.	Surplus notes		
34.	Gross paid in and contributed surplus		
35.	Unassigned funds (surplus)	2,228,657,950	2,217,579,671
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) (Page 4, Line 39)	2,243,154,320	2,225,956,525
38.	TOTALS (Page 2, Line 28, Col. 3)	4,553,400,810	4,356,900,677
	DETAILS OF WRITE-INS		
2501.	Contingent suit liability	1,124,143	1,424,049
2502.	Loss based assessment payable	1,212,255	1,197,331
2503.	Equities and deposits in pools and associations	381,359	384,271
2598.	Summary of remaining write-ins for Line 25 from overflow page	15,011,507	1,483,227
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	17,729,264	4,488,878
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)		
3201.	SSAP 10 DTA	14,496,370	8,376,854
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	14,496,370	8,376,854

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	1,607,957,271	1,631,497,062
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	1,055,088,537	936,828,651
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	182,177,943	168,803,385
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	546,955,325	543,394,064
5.	Aggregate write-ins for underwriting deductions	14,925	(38,086)
6.	Total underwriting deductions (Lines 2 through 5)	1,784,236,730	1,648,988,014
7.	Net income of protected cells		
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(176,279,459)	(17,490,952)
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	137,710,635	137,226,488
10.	Net realized capital gains or (losses) less capital gains tax of $ 3,157,556 (Exhibit of Capital Gains (Losses))	670,006	10,730,979
11.	Net investment gain (loss) (Lines 9 + 10)	138,380,641	147,957,467
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $ 199,210 amount charged off $ 7,274,414)	(7,075,204)	(8,285,687)
13.	Finance and service charges not included in premiums	19,533,645	21,153,509
14.	Aggregate write-ins for miscellaneous income	6,140,750	6,078,026
15.	Total other income (Lines 12 through 14)	18,599,191	18,945,848
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(19,299,627)	149,412,363
17.	Dividends to policyholders	867,156	735,719
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)	(20,166,783)	148,676,644
19.	Federal and foreign income taxes incurred	(11,526,825)	22,881,338
20.	Net income (Line 18 minus Line 19)(to Line 22)	(8,639,958)	125,795,306
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	2,225,956,525	2,091,642,734
22.	Net income (from Line 20)	(8,639,958)	125,795,306
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $ 1,546,615	6,069,129	19,302,816
25.	Change in net unrealized foreign exchange capital gain (loss)		(132,090)
26.	Change in net deferred income tax	17,515,367	(10,544,937)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(3,866,259)	6,330,636
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
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 (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	6,119,516	(6,437,940)
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	17,197,795	134,313,791
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	2,243,154,320	2,225,956,525
	DETAILS OF WRITE-INS		
0501.	Loss based assessment payable	14,925	(38,086)
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page		
0599.	Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)	14,925	(38,086)
1401.	Change in contingent suit liability	299,905	3,080,704
1402.	Other miscellaneous income	5,840,845	2,997,322
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	6,140,750	6,078,026
3701.	SSAP 10 DTA	6,119,516	(6,437,940)
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page		
3799.	Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	6,119,516	(6,437,940)

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	1,279,372,783	1,601,139,411
2.	Net investment income	147,155,453	146,855,832
3.	Miscellaneous income	31,979,458	17,952,122
4.	Total (Lines 1 through 3)	1,458,507,694	1,765,947,365
5.	Benefit and loss related payments	1,085,819,620	958,717,390
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	725,545,975	727,863,580
8.	Dividends paid to policyholders	752,803	883,327
9.	Federal and foreign income taxes paid (recovered) net of $ tax on capital gains (losses)	(9,991,392)	20,019,563
10.	Total (Lines 5 through 9)	1,802,127,006	1,707,483,860
11.	Net cash from operations (Line 4 minus Line 10)	(343,619,312)	58,463,505
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	521,974,206	534,353,010
	12.2 Stocks		9,000,000
	12.3 Mortgage loans	10,799,484	13,317,723
	12.4 Real estate		
	12.5 Other invested assets		203,751
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(8,711)	(810)
	12.7 Miscellaneous proceeds	80,024,931	272,731
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	612,789,910	557,146,405
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	498,208,640	603,021,063
	13.2 Stocks	878,590	
	13.3 Mortgage loans	8,000,000	
	13.4 Real estate		45,151
	13.5 Other invested assets	19,565,456	97,321,794
	13.6 Miscellaneous applications		12,413,449
	13.7 Total investments acquired (Lines 13.1 to 13.6)	526,652,686	712,801,457
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	86,137,224	(155,655,052)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders		
	16.6 Other cash provided (applied)	223,871,910	122,848,947
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	223,871,910	122,848,947
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(33,610,177)	25,657,400
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	92,981,751	67,324,351
	19.2 End of period (Line 18 plus Line 19.1)	59,371,573	92,981,751

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	19,599,002	9,761,583	10,158,082	19,202,503
2.	Allied lines	24,270,818	11,297,277	12,402,071	23,166,024
3.	Farmowners multiple peril	31,167,319	13,677,676	15,282,161	29,562,834
4.	Homeowners multiple peril	293,198,366	161,837,064	157,972,556	297,062,874
5.	Commercial multiple peril	159,519,427	74,402,010	78,669,074	155,252,363
6.	Mortgage guaranty				
8.	Ocean marine	2,713,429	1,275,104	1,224,823	2,763,710
9.	Inland marine	17,752,792	8,329,719	8,778,905	17,303,606
10.	Financial guaranty				
11.1	Medical professional liability - occurrence	139,925	65,686	34,799	170,812
11.2	Medical professional liability - claims-made	146,299	7,612	65,324	88,587
12.	Earthquake	5,164,784	2,781,468	2,535,352	5,410,900
13.	Group accident and health	24,002,775	33,524	30,059	24,006,240
14.	Credit accident and health (group and individual)				
15.	Other accident and health	177,223	26,134	36,077	167,280
16.	Workers' compensation	26,714,508	11,632,438	12,665,734	25,681,212
17.1	Other liability - occurrence	96,986,447	44,111,489	45,671,015	95,426,921
17.2	Other liability - claims-made	23,116,208	8,313,461	10,491,671	20,937,998
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	8,392,673	4,318,885	4,384,703	8,326,855
18.2	Products liability - claims-made	28,295	25,701	19,555	34,441
19.1, 19.2	Private passenger auto liability	465,880,974	135,620,381	132,976,731	468,524,624
19.3, 19.4	Commercial auto liability	87,063,086	36,452,481	39,776,504	83,739,063
21.	Auto physical damage	324,113,642	95,515,914	95,613,720	324,015,836
22.	Aircraft (all perils)				
23.	Fidelity	173,296	132,585	138,221	167,660
24.	Surety	1,658,710	664,474	657,084	1,666,100
26.	Burglary and theft	522,151	217,666	243,399	496,418
27.	Boiler and machinery	32,342	(224,942)	(262,169)	69,569
28.	Credit	30,105	101,309	77,765	53,649
29.	International	(21)	2,269	2,248	
30.	Warranty	4,554,413	5,181,142	5,076,472	4,659,083
31.	Reinsurance - nonproportional assumed property	(454)	(7,489)	(5,179)	(2,764)
32.	Reinsurance - nonproportional assumed liability	598		(2,275)	2,873
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	1,617,119,132	625,552,621	634,714,482	1,607,957,271
	DETAILS OF WRITE-INS				
3401.					
3402.					
3403.					
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	10,124,479	33,603			10,158,082
2.	Allied lines	12,347,046	55,025			12,402,071
3.	Farmowners multiple peril	15,282,161				15,282,161
4.	Homeowners multiple peril	156,295,034	1,677,522			157,972,556
5.	Commercial multiple peril	78,447,345	221,729			78,669,074
6.	Mortgage guaranty					
8.	Ocean marine	1,184,311	40,512			1,224,823
9.	Inland marine	8,699,497	79,408			8,778,905
10.	Financial guaranty					
11.1	Medical professional liability - occurrence	34,799				34,799
11.2	Medical professional liability - claims-made	65,324				65,324
12.	Earthquake	2,519,482	15,870			2,535,352
13.	Group accident and health	30,059				30,059
14.	Credit accident and health (group and individual)					
15.	Other accident and health	20,082			15,995	36,077
16.	Workers' compensation	12,664,519	1,215			12,665,734
17.1	Other liability - occurrence	42,538,377	3,132,638			45,671,015
17.2	Other liability - claims-made	10,486,458			5,213	10,491,671
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	4,164,880	219,823			4,384,703
18.2	Products liability - claims-made	19,555				19,555
19.1, 19.2	Private passenger auto liability	132,974,590	2,141			132,976,731
19.3, 19.4	Commercial auto liability	39,234,489	542,015			39,776,504
21.	Auto physical damage	95,589,274	24,446			95,613,720
22.	Aircraft (all perils)					
23.	Fidelity	58,620	79,601			138,221
24.	Surety	493,307	163,777			657,084
26.	Burglary and theft	239,505	3,894			243,399
27.	Boiler and machinery	(262,231)	62			(262,169)
28.	Credit	5	77,760			77,765
29.	International	2,248				2,248
30.	Warranty	(80,465)	5,156,937			5,076,472
31.	Reinsurance - nonproportional assumed property	(5,179)				(5,179)
32.	Reinsurance - nonproportional assumed liability	(2,275)				(2,275)
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	623,165,296	11,527,978		21,208	634,714,482
36.	Accrued retrospective premiums based on experience					(21,208)
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					634,693,274
	DETAILS OF WRITE-INS					
3401.						
3402.						
3403.						
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

(a) State here basis of computation used in each case See Notes to Financial Statement #1C

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

		1	Reinsurance Assumed		Reinsurance Ceded		6
			2	3	4	5	Net Premiums Written
	Line of Business	Direct Business (a)	From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	Cols. 1+2+3-4-5
1.	Fire	50,322,277	19,599,002		50,322,277		19,599,002
2.	Allied lines	156,061,457	24,270,818		37,912,756	118,148,701	24,270,818
3.	Farmowners multiple peril	10,212	31,167,319		10,212		31,167,319
4.	Homeowners multiple peril	881,856,859	293,198,365	15	881,797,674	59,199	293,198,366
5.	Commercial multiple peril	84,172,281	159,519,427		84,164,128	8,153	159,519,427
6.	Mortgage guaranty						
8.	Ocean marine		2,713,429				2,713,429
9.	Inland marine	27,712,936	17,752,792		27,712,936		17,752,792
10.	Financial guaranty						
11.1	Medical professional liability - occurrence	306	139,925		306		139,925
11.2	Medical professional liability - claims-made		146,299				146,299
12.	Earthquake	8,446,193	5,164,784		8,446,193		5,164,784
13.	Group accident and health		24,002,775				24,002,775
14.	Credit accident and health (group and individual)						
15.	Other accident and health	2,521	177,223		2,521		177,223
16.	Workers' compensation	9,292,280	26,714,508		9,292,280		26,714,508
17.1	Other liability - occurrence	44,392,523	96,986,447		44,390,886	1,637	96,986,447
17.2	Other liability - claims-made		23,116,208				23,116,208
17.3	Excess workers' compensation						
18.1	Products liability - occurrence	1,319,613	8,392,673		1,319,613		8,392,673
18.2	Products liability - claims-made		28,295				28,295
19.1, 19.2	Private passenger auto liability	223,153,413	465,880,974		217,825,867	5,327,546	465,880,974
19.3, 19.4	Commercial auto liability	22,670,332	87,063,086	674	22,671,006		87,063,086
21.	Auto physical damage	153,458,525	324,113,642	67	153,458,592		324,113,642
22.	Aircraft (all perils)						
23.	Fidelity	7,189	173,296		7,189		173,296
24.	Surety		1,658,710				1,658,710
26.	Burglary and theft	95,045	522,151		95,045		522,151
27.	Boiler and machinery	1,790,660	32,342		82,752	1,707,908	32,342
28.	Credit		30,105				30,105
29.	International		(21)				(21)
30.	Warranty		4,554,413				4,554,413
31.	Reinsurance - nonproportional assumed property	XXX	(454)				(454)
32.	Reinsurance - nonproportional assumed liability	XXX	598				598
33.	Reinsurance - nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	1,664,764,622	1,617,119,131	756	1,539,512,233	125,253,144	1,617,119,132
	DETAILS OF WRITE-INS						
3401.							
3402.							
3403.							
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [ ] No [X]

If yes: 1. The amount of such installment premiums $

2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis $

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
	Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 -3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	25,253,726	7,547,973	25,253,726	7,547,973	2,227,101	2,399,605	7,375,469	38.4
2.	Allied lines	104,020,755	20,978,883	104,020,755	20,978,883	3,796,685	3,720,619	21,054,949	90.9
3.	Farmowners multiple peril	(1,563)	20,394,531	(1,563)	20,394,531	8,902,010	8,308,799	20,987,742	71.0
4.	Homeowners multiple peril	792,032,938	266,003,698	792,032,938	266,003,698	64,629,293	71,213,013	259,419,978	87.3
5.	Commercial multiple peril	65,556,948	110,330,042	65,556,948	110,330,042	115,466,729	125,464,758	100,332,013	64.6
6.	Mortgage guaranty								
8.	Ocean marine		1,611,831		1,611,831	2,369,362	2,536,906	1,444,287	52.3
9.	Inland marine	10,489,067	7,462,845	10,489,067	7,462,845	1,619,549	1,613,877	7,468,517	43.2
10.	Financial guaranty								
11.1	Medical professional liability - occurrence		29,581		29,581	214,261	259,850	(16,008)	(9.4)
11.2	Medical professional liability - claims-made		16,510		16,510	351,253	388,222	(20,459)	(23.1)
12.	Earthquake	36,546	6,843	36,546	6,843	61,069	127,188	(59,276)	(1.1)
13.	Group accident and health		17,874,374		17,874,374	66,004	85,563	17,854,815	74.4
14.	Credit accident and health (group and individual)								
15.	Other accident and health		143,898		143,898	482,691	459,155	167,434	100.1
16.	Workers' compensation	5,897,760	14,951,381	5,897,760	14,951,381	70,876,575	67,511,050	18,316,906	71.3
17.1	Other liability - occurrence	12,349,104	44,342,485	12,349,104	44,342,485	154,939,622	169,797,778	29,484,329	30.9
17.2	Other liability - claims-made		4,675,809		4,675,809	10,975,999	10,370,022	5,281,786	25.2
17.3	Excess workers' compensation								
18.1	Products liability - occurrence	(11,648)	4,480,730	(11,648)	4,480,730	17,556,961	14,331,956	7,705,735	92.5
18.2	Products liability - claims-made		113,577		113,577	30,069	149,636	(5,990)	(17.4)
19.1, 19.2	Private passenger auto liability	213,908,459	304,953,626	213,908,459	304,953,626	323,815,885	333,626,818	295,142,693	63.0
19.3, 19.4	Commercial auto liability	19,965,709	53,968,844	19,966,098	53,968,455	93,448,253	99,024,925	48,391,783	57.8
21.	Auto physical damage	90,814,440	207,580,919	90,814,474	207,580,885	5,522,502	7,203,113	205,900,274	63.5
22.	Aircraft (all perils)						(52)	52	
23.	Fidelity		667		667	(819)	(1,439)	1,287	0.8
24.	Surety		139,853		139,853	(21,401)	13,531	104,921	6.3
26.	Burglary and theft	57	153,539	57	153,539	98,902	90,950	161,491	32.5
27.	Boiler and machinery	800,856	2,771	800,856	2,771	124,865	105,094	22,542	32.4
28.	Credit		43,810		43,810	224,870	213,570	55,110	102.7
29.	International						92,095	(92,095)	
30.	Warranty		4,288,897		4,288,897	240,125	233,232	4,295,790	92.2
31.	Reinsurance - nonproportional assumed property	XXX					(4,312,462)	4,312,462	(156,022.5)
32.	Reinsurance - nonproportional assumed liability	XXX							
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	1,341,113,154	1,092,097,917	1,341,113,577	1,092,097,494	878,018,415	915,027,372	1,055,088,537	65.6
	DETAILS OF WRITE-INS								
3401.									
3402.									
3403.									
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
	Line of Business	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	5,561,397	1,693,701	5,561,397	1,693,701	1,244,486	533,400	1,244,486	2,227,101	411,075
2.	Allied lines	35,572,827	2,818,173	35,572,827	2,818,173	7,720,626	978,512	7,720,626	3,796,685	887,557
3.	Farmowners multiple peril	50,000	7,579,742	50,000	7,579,742	109,753	1,322,268	109,753	8,902,010	1,860,270
4.	Homeowners multiple peril	164,414,136	53,735,458	164,414,136	53,735,458	24,396,767	10,893,835	24,396,767	64,629,293	10,582,261
5.	Commercial multiple peril	68,010,357	85,474,155	68,010,357	85,474,155	24,343,732	29,992,574	24,343,732	115,466,729	43,219,731
6.	Mortgage guaranty									
8.	Ocean marine		1,399,144		1,399,144		970,218		2,369,362	653,377
9.	Inland marine	1,810,650	1,035,554	1,810,650	1,035,554	752,296	583,995	752,296	1,619,549	229,715
10.	Financial guaranty									
11.1	Medical professional liability - occurrence		153,399		153,399	10,572	60,862	10,572	214,261	111,908
11.2	Medical professional liability - claims-made		291,087		291,087		60,166		351,253	51,852
12.	Earthquake	98,595	13,713	98,595	13,713	223,877	47,356	223,877	61,069	26,486
13.	Group accident and health						66,004		(a) 66,004	2,056
14.	Credit accident and health (group and individual)									
15.	Other accident and health		419,415		419,415	3,936	63,276	3,936	(a) 482,691	22,193
16.	Workers' compensation	50,708,130	51,671,489	50,708,130	51,671,489	20,771,154	19,205,086	20,771,154	70,876,575	4,708,680
17.1	Other liability - occurrence	30,241,092	66,101,664	30,241,092	66,101,664	26,097,566	88,837,958	26,097,566	154,939,622	46,247,843
17.2	Other liability - claims-made	51,152	4,747,007	51,152	4,747,007	25,986	6,228,992	25,986	10,975,999	9,641,349
17.3	Excess workers' compensation									
18.1	Products liability - occurrence	796,535	8,810,379	796,535	8,810,379	1,714,559	8,746,582	1,714,559	17,556,961	13,219,394
18.2	Products liability - claims-made		29,380		29,380	5,736	689	5,736	30,069	3,664
19.1, 19.2	Private passenger auto liability	432,079,570	253,506,505	432,079,570	253,506,505	227,392,885	70,309,380	227,392,885	323,815,885	40,301,940
19.3, 19.4	Commercial auto liability	15,499,896	65,631,950	15,501,206	65,630,640	8,463,740	27,817,769	8,463,896	93,448,253	13,407,474
21.	Auto physical damage	329,371	1,450,069	329,369	1,450,071	2,719,715	4,072,431	2,719,715	5,522,502	3,084,823
22.	Aircraft (all perils)									
23.	Fidelity		2,757		2,757		(3,576)		(819)	15,896
24.	Surety		28,342		28,342		(49,743)		(21,401)	207,951
26.	Burglary and theft	(17)	96,157	(17)	96,157	21	2,745	21	98,902	9,032
27.	Boiler and machinery	186,181	(21,041)	186,181	(21,041)	141,680	145,906	141,680	124,865	95,510
28.	Credit		113		113		224,757		224,870	2,029
29.	International									
30.	Warranty						240,125		240,125	102
31.	Reinsurance - nonproportional assumed property	XXX				XXX				
32.	Reinsurance - nonproportional assumed liability	XXX				XXX				
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	805,409,872	606,668,312	805,411,180	606,667,004	346,139,087	271,351,567	346,139,243	878,018,415	189,004,168
	DETAILS OF WRITE-INS									
3401.										
3402.										
3403.										
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)									

(a) Including $ .... for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

		1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1.	Claim adjustment services:				
	1.1 Direct	37,775,744			37,775,744
	1.2 Reinsurance assumed	62,066,565			62,066,565
	1.3 Reinsurance ceded	37,775,844			37,775,844
	1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	62,066,465			62,066,465
2.	Commission and brokerage:				
	2.1 Direct excluding contingent		187,963,327		187,963,327
	2.2 Reinsurance assumed, excluding contingent		207,342,081		207,342,081
	2.3 Reinsurance ceded, excluding contingent		187,956,054		187,956,054
	2.4 Contingent - direct		40,680,720		40,680,720
	2.5 Contingent - reinsurance assumed		31,093,756		31,093,756
	2.6 Contingent - reinsurance ceded		40,680,720		40,680,720
	2.7 Policy and membership fees				
	2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		238,443,110		238,443,110
3.	Allowances to managers and agents	67,465	3,698,287		3,765,752
4.	Advertising	90,740	29,664,640	485	29,755,865
5.	Boards, bureaus and associations	409,758	2,605,240	22	3,015,020
6.	Surveys and underwriting reports	233,041	10,832,408		11,065,449
7.	Audit of assureds' records	842	391,808		392,650
8.	Salary and related items:				
	8.1 Salaries	62,602,718	104,633,531	2,544,932	169,781,181
	8.2 Payroll taxes	142,933	15,212,441		15,355,374
9.	Employee relations and welfare	14,146,965	7,450,266	415,780	22,013,011
10.	Insurance	7,237	2,575,462		2,582,699
11.	Directors' fees	(34)	264,102	12,528	276,596
12.	Travel and travel items	5,928,836	8,576,195	64,319	14,569,350
13.	Rent and rent items	4,396,100	18,218,380	144,123	22,758,603
14.	Equipment	2,443,870	2,921,725	274,308	5,639,903
15.	Cost or depreciation of EDP equipment and software	424,567	9,484,238	21,432	9,930,237
16.	Printing and stationery	759,583	7,013,559	1,459	7,774,601
17.	Postage, telephone and telegraph, exchange and express	2,286,214	7,106,813	4,567	9,397,594
18.	Legal and auditing	2,428,763	26,124,413	64,585	28,617,761
19.	Totals (Lines 3 to 18)	96,369,598	256,773,508	3,548,540	356,691,646
20.	Taxes, licenses and fees:				
	20.1 State and local insurance taxes deducting guaranty association credits of $		30,822,355		30,822,355
	20.2 Insurance department licenses and fees		2,091,840		2,091,840
	20.3 Gross guaranty association assessments		(1,379,112)		(1,379,112)
	20.4 All other (excluding federal and foreign income and real estate)		4,633,102		4,633,102
	20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		36,168,185		36,168,185
21.	Real estate expenses			(100,771)	(100,771)
22.	Real estate taxes		120,851	175,018	295,869
23.	Reimbursements by uninsured plans				
24.	Aggregate write-ins for miscellaneous expenses	23,742,028	15,449,523	40,212	39,231,763
25.	Total expenses incurred	182,178,091	546,955,177	3,662,999	(a) 732,796,267
26.	Less unpaid expenses - current year	189,004,168	58,261,602		247,265,770
27.	Add unpaid expenses - prior year	191,660,939	52,668,974		244,329,913
28.	Amounts receivable relating to uninsured plans, prior year				
29.	Amounts receivable relating to uninsured plans, current year				
30.	TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	184,834,862	541,362,549	3,662,999	729,860,410
	DETAILS OF WRITE-INS				
2401.	Service fees		1,794,768		1,794,768
2402.	Other expenses	22,957,119	6,825,706	38,462	29,821,287
2403.	Outside services and income	784,909	6,352,375	1,750	7,139,034
2498.	Summary of remaining write-ins for Line 24 from overflow page		476,674		476,674
2499.	Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	23,742,028	15,449,523	40,212	39,231,763

(a) Includes management fees of $ .... to affiliates and $ .... to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

			1 Collected During Year		2 Earned During Year
1.	U.S. Government bonds	(a)	12,814,973		12,740,467
1.1	Bonds exempt from U.S. tax	(a)	64,650,037		64,128,878
1.2	Other bonds (unaffiliated)	(a)	60,030,298		61,780,352
1.3	Bonds of affiliates	(a)			
2.1	Preferred stocks (unaffiliated)	(b)	26,495		26,495
2.11	Preferred stocks of affiliates	(b)			
2.2	Common stocks (unaffiliated)				
2.21	Common stocks of affiliates				
3.	Mortgage loans	(c)	3,297,485		3,314,593
4.	Real estate	(d)	805,780		805,780
5	Contract loans				
6	Cash, cash equivalents and short-term investments	(e)	42,655		42,655
7	Derivative instruments	(f)	(135,128)		(133,711)
8.	Other invested assets		(991,127)		(991,127)
9.	Aggregate write-ins for investment income		49,632		49,632
10.	Total gross investment income		140,591,100		141,764,014
11.	Investment expenses			(g)	2,821,620
12.	Investment taxes, licenses and fees, excluding federal income taxes			(g)	175,018
13.	Interest expense			(h)	9,635
14.	Depreciation on real estate and other invested assets			(i)	666,361
15.	Aggregate write-ins for deductions from investment income				380,745
16.	Total deductions (Lines 11 through 15)				4,053,379
17.	Net investment income (Line 10 minus Line 16)				137,710,635
	DETAILS OF WRITE-INS				
0901.	Securities lending		49,632		49,632
0902.					
0903.					
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		49,632		49,632
1501.	Mortgage loan service fees				27,680
1502.	Miscellaneous expense				353,065
1503.					
1598.	Summary of remaining write-ins for Line 15 from overflow page				
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)				380,745

(a) Includes $ 3,900,217 accrual of discount less $ 13,465,194 amortization of premium and less $ 2,458,571 paid for accrued interest on purchases.

(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.

(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(d) Includes $ .... for company's occupancy of its own buildings; and excludes $ .... interest on encumbrances.

(e) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(f) Includes $ .... accrual of discount less $ .... amortization of premium.

(g) Includes $ .... investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.

(i) Includes $ .... depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	4,097,660		4,097,660	16,153,714	
1.1	Bonds exempt from U.S. tax	(295,196)		(295,196)	(1,878,101)	
1.2	Other bonds (unaffiliated)	1,389,748	1,725,259	3,115,007	333,876	655,600
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)				2,850	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)				(106,260)	
2.21	Common stocks of affiliates				(5,422,652)	
3.	Mortgage loans				15,250	
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments	118,963	(2,895,909)	(2,776,946)	(484,253)	(655,600)
8.	Other invested assets				(34,145)	
9.	Aggregate write-ins for capital gains (losses)		(312,962)	(312,962)	(964,533)	
10.	Total capital gains (losses)	5,311,175	(1,483,612)	3,827,563	7,615,746	
	DETAILS OF WRITE-INS					
0901.	FX realized on currency		(8,711)	(8,711)		
0902.	Securities lending		(304,251)	(304,251)	(964,533)	
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		(312,962)	(312,962)	(964,533)	

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
	2.1 Preferred stocks			
	2.2 Common stocks			
3.	Mortgage loans on real estate (Schedule B):			
	3.1 First liens			
	3.2 Other than first liens			
4.	Real estate (Schedule A):			
	4.1 Properties occupied by the company			
	4.2 Properties held for the production of income			
	4.3 Properties held for sale			
5.	Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6.	Contract loans			
7.	Derivatives (Schedule DB)			
8.	Other invested assets (Schedule BA)	176,655	303,795	127,140
9.	Receivables for securities		150,954	150,954
10.	Securities lending reinvested collateral assets (Schedule DL)	3,232,980		(3,232,980)
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)	3,409,635	454,749	(2,954,886)
13.	Title plants (for Title insurers only)			
14.	Investment income due and accrued			
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	8,783,116	10,019,983	1,236,867
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,138,551	613,355	(525,196)
	15.3 Accrued retrospective premiums			
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers			
	16.2 Funds held by or deposited with reinsured companies			
	16.3 Other amounts receivable under reinsurance contracts			
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			
19.	Guaranty funds receivable or on deposit			
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			
23.	Receivables from parent, subsidiaries and affiliates	7,864	7,662	(202)
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets	24,436,624	28,901,569	4,464,945
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	37,775,790	39,997,318	2,221,528
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	37,775,790	39,997,318	2,221,528
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501.	Deposits & prepaid assets	22,743,481	27,906,249	5,162,768
2502.	Other assets nonadmitted	433,455	995,320	561,865
2503.	Miscellaneous assets	1,259,688		(1,259,688)
2598.	Summary of remaining write-ins for Line 25 from overflow page			
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	24,436,624	28,901,569	4,464,945

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Nationwide Mutual Fire Insurance Company (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio.

The Ohio Insurance Department recognizes only statutory accounting practices (SAP) prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, as well as, determining its solvency under the Ohio Insurance law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

B. Use of Estimates in the Preparation of the Financial Statements

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

C. Accounting Policies

Federal Income Taxes. The Company files its own consolidated returns with its subsidiary, Retention Alternatives, Ltd. The Company provides for federal income taxes based on amounts the Company believes it ultimately will owe. Inherent in the provision for federal income taxes are estimates regarding the deductibility of certain items and the realization of certain tax credits. In the event the ultimate deductibility of certain items or the realization of certain tax credits differs from estimates, the Company may be required to change the provision for federal income taxes recorded in the financial statements significantly. Management has used best estimates to establish reserves based on current facts and circumstances regarding tax exposure items where the ultimate deductibility is open to interpretation.

In accordance with guidance specified in the NAIC SAP, the Company utilizes the asset and liability method of accounting for taxes. Under this method, deferred tax assets, net of any non-admitted portion, and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The change in deferred taxes is charged directly to surplus.

*Reinsurance Recoverables***.** In the normal course of business, the Company reinsures, or cedes, a portion of its insurance risks with other companies in order to reduce net liability on individual risks, to provide protection against the potential impact of large losses, and to obtain greater diversification of risks. The ceding of risk, however, does not discharge the Company from its primary obligation to the policyholder. Reinsurance recoverables include amounts billed to reinsurers on losses paid. Estimates of amounts expected to be recovered from reinsurers that have not yet been paid on unpaid losses are estimated in a manner consistent with the claim liability associated with the underlying policy and are recorded as reductions in total loss and loss adjustment expense (LAE) reserves. Such reinsurance recoverables and reserve reductions partially offset claim costs in the Company's statutory statements of operations and are included as an offset to losses and LAE's in the accompanying statutory statements of admitted assets, liabilities and surplus. The Company regularly evaluates and monitors the financial condition of its reinsurers under voluntary reinsurance arrangements to minimize its exposure to significant losses from reinsurer insolvencies. There are no contracts using deposit accounting.

Statutory accounting principles require recognition of a minimum liability for certain unsecured or overdue reinsurance recoverables (100% for unsecured unauthorized reinsurance and up to 20% recoverables from certain reinsurers more than 90 days overdue on their payments). As of December 31, 2011 and 2010, the Company had no provision related to conditional reinsurance recoverables.

In addition, the Company uses the following accounting policies:

1. Short-term investments are carried at amortized cost, which approximates fair value. Short-term investment transactions are recorded on trade date. Interest income is recognized when earned.

2. Bonds, excluding loan-backed and structured securities, are stated at amortized cost except those with a NAIC designation of "3" or below which are stated at the lower of amortized cost or fair value. Bond transactions are recorded on trade date, with the exception of private placement bonds, which are recorded on settlement date. Amortization of purchase premiums and discounts is calculated using the effective yield method. Realized gains and losses are determined on a specific identification basis. For bonds for which active market quotations are available, the Company generally uses independent pricing services to assist in determining the fair value.

   Management regularly reviews its bond portfolio to evaluate the necessity of recording impairment losses for other-than-temporary declines in fair value. Many criteria may be considered in this review process including, but not limited to, the timing and amount of cash flows, the ability of the issuer to meet its obligations, financial prospects of the issuer, quality of any underlying collateral, current relevant economic conditions that may impact issuers, severity of the decline in fair value, the Company's intent to sell or the intent and ability to hold the security until its value recovers. For bonds (excluding loan-backed and structured securities) determined to be other-than-temporarily impaired, the cost basis is written down to fair value and the amount of the write-down is recorded as a realized loss.

3. Common stocks, other than investments in stocks of subsidiaries and affiliates (see Note C. 7 below), are stated at fair value. Common stock transactions are recorded on trade date. Realized gains and losses are determined on a specific identification basis. Dividends are recognized when declared. For marketable stocks for which active market quotations are available, the Company generally uses independent pricing services to assist in determining the fair value.

4. Preferred stocks redeemable at par and rated investment grade are stated at amortized cost. Perpetual preferred stocks rated investment grade are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value. Preferred stock transactions are recorded on trade date. Realized gains and losses are determined on a specific identification basis. Interest income is recognized when earned while dividends are recognized when declared. Preferred stocks not carried at fair value, which are in an unrealized loss position, are evaluated for impairment based on the timing of any anticipated recovery in value and the length of time in a loss position. For declines in value considered to be other-than-temporary, a realized loss to fair value is recorded. For marketable preferred stocks, for which active market quotations are available, the Company generally uses independent pricing services to assist in determining the fair value.

NOTES TO FINANCIAL STATEMENTS

5. Mortgage loans are carried at the unpaid principal balance adjusted for premiums, discounts and certain deferred loan origination and commitment fees, less a valuation allowance. The valuation allowance for mortgage loans reflects management's best estimate of probable credit losses. Management's periodic evaluation of the adequacy of the valuation allowance for losses is based on past loan loss experience, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the estimated value of the underlying collateral, current economic conditions, composition of the loan portfolio and other relevant factors. The Company maintains a valuation allowance for estimated credit losses on mortgage loans which is comprised of specific and non-specific reserves.

   Specific reserves for impaired mortgage loans established based on a review by portfolio managers. Mortgage loans are considered impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement. When management determines that a loan is impaired, a provision for loss is established equal to either the difference between the carrying value and the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent.

   The non-specific reserve is established for probable losses inherent in the mortgage loan portfolio as of the balance sheet date but not yet specifically identified. The non-specific reserve is based on past loan loss experience, inherent risks in the portfolio, current economic conditions, composition of the loan portfolio and other relevant factors.

   Changes in the non-specific reserve are recorded directly in surplus, while changes in the specific reserves are recorded in realized losses.

6. Loan-backed and structured securities (collectively, loan-backed securities) are stated at amortized cost except those with an initial NAIC designation of "3" or below which are stated at the lower of amortized cost or fair value. Amortization of purchase premiums and discounts is calculated using the effective yield method. The Company periodically updates its estimates of cash flows, including new prepayment assumptions, for loan-backed securities. The retrospective adjustment method is used to value loan-backed securities where the collection of all contractual cash flows is probable. For loan-backed securities where the collection of all contractual cash flows is not probable, the Company, (a) recognizes the accretable yield over the life of the loan backed security as determined at the acquisition or transaction date, (b) continues to estimate cash flows expected to be collected at least quarterly, and (c) recognizes an other-than-temporary impairment loss if the loan-backed security is impaired (i.e., the fair value is less than the amortized cost basis) and there is a decrease in the cash flows expected to be collected. If the Company intends to sell an impaired loan-backed security or does not have the intent and ability to retain the impaired loan-backed security for a period of time sufficient to recover the amortized cost basis, an other-than-temporary impairment has occurred. In these situations, the other-than-temporary impairment loss recognized is the difference between the amortized cost basis and fair value. If the Company does not expect to recover the entire amortized cost basis when compared to the present value of cash flows expected to be collected, it cannot assert that it has the ability to recover the loan-backed security's amortized cost basis even though it has no intention to sell and has the intent and ability to retain the loan-backed security. Therefore an other-than-temporary impairment has occurred and a realized loss is recognized for the non-interest related decline, which is calculated as the difference between the loan-backed security's amortized cost basis and the present value of cash flows expected to be collected.

   For situations where an other-than-temporary impairment is recognized, the previous amortized cost basis less the other-than-temporary impairment recognized as a realized loss becomes the new cost basis.

   Loan-backed security transactions are recorded on the trade date. Realized gains and losses are determined on a specific identification basis. For loan-backed securities for which active market quotations are available, the Company generally uses independent pricing services to assist in determining the fair value.

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

   With the exception of Nationwide Corporation, 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 value 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 state 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 December 31, 2011 and 2010 was $62.1 million and $71.0 million, respectively, which was fully admitted based upon adjusted policyholder surplus.

   Nationwide Corporation is an unaudited, downstream, non-insurance holding company consisting of Nationwide Financial Services, Inc. (NFS), NWD Management Research Trust, Nationwide Global Holdings, and Nationwide Better Health. In accordance with the "look through" provisions of SSAP No. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88,* valuation of the admitted investment in Nationwide Corporation is based on the individual audited SCA entities owned by Nationwide Corporation, which is currently NFS. Additionally, all non-affiliated liabilities, commitments, contingencies, guarantees or obligations of Nationwide Corporation are reflected in its carrying value. The unaudited assets of Nationwide Corporation and the unaudited SCA entities of Nationwide Corporation, both of which are immaterial, are non-admitted.

8. Other invested assets consist primarily of investments in partnerships, limited liability companies and joint ventures. Underlying investments primarily include hedge funds, private equity funds and low income housing tax credits. Except for investments in low income housing tax credit partnerships, interests are reported using the equity method of accounting. Changes in carrying value as a result of the equity method are reflected as net unrealized capital gains and losses as a direct adjustment to surplus. Realized gains and losses are generally recognized through income at the time of disposal or when operating distributions are received. Partnership interests in low income housing tax credits are carried at amortized cost with amortization charged to investment income over the period in which the tax benefits, primarily credits, are utilized. Management reviews the portfolio for the need to record impairments based on the expected ability to recover unrealized losses and the intent to hold the investment until recovery. The reviews include evaluating the current and expected earnings of the individual investments. Other-than-temporary impairment losses are recorded on other invested assets when indicators of impairment are present and are charged to net realized gains and losses.

9. Accounting for derivatives

   The Company uses derivative instruments to manage risks associated with interest rates, equity markets, foreign currency and credit. These derivative instruments primarily include interest rate swaps, futures contracts, credit default swaps, currency contracts and other traditional swap agreements.

NOTES TO FINANCIAL STATEMENTS

Derivative instruments used in hedging transactions considered to be effective hedges are valued and reported in a manner consistent with the hedged items (i.e., hedge accounting). Derivative instruments are used in hedging transactions that do not meet or no longer meet the criteria of an effective hedge are accounted for at fair value and the changes in the fair value are recorded in surplus as unrealized gains or unrealized losses. Derivative instrument cash flows and payment accruals are recorded as realized gains and losses or in net investment income.

10. Insurance premiums are generally earned ratably over the policy term. The liability for unearned premiums represents the portion of premiums written relating to the unexpired terms of coverage. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed. Premiums in course of collection represent agent balances and uncollected premiums from policyholders for current policies in force and policy premiums assumed from others, including amounts placed with affiliates. As of December 31, 2011 and 2010, the Company had no liabilities related to premium deficiency reserves. The Company includes anticipated investment income when calculating its premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums.

11. The Company establishes losses and loss expense reserves for reported claims and claims incurred but not yet reported. Estimating the liability for losses and loss expense reserves involves significant judgment and multiple assumptions. Management considers the Company's experience with similar claims, historical trends, economic factors and judicial, legislative and regulatory changes in establishing reserves. The Company's losses and loss expense reserves are recorded net of reinsurance and amounts expected to be received from salvage (the amount recovered from property after the Company pays for a total loss) and subrogation (the right to recover payments from third parties).

    Assumptions and estimates for losses and loss expense reserves are updated as new information becomes available. Due to the inherent uncertainty in estimating losses and loss expense reserves, the actual cost of settling claims may differ materially from recorded amounts. Changes in losses and loss expense reserve estimates are included in results of operations in the period the estimates are revised.

12. The Company has a written capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. The Company has not modified its capitalization policy from the prior period.

13. The Company does not write major medical insurance with prescription drug coverage.

Note 2 - Accounting Changes and Corrections of Errors

A. Accounting Changes

Adopted Accounting Standards

On December 31, 2011, the Company adopted revisions to SSAP No. 5, *Liabilities, Contingencies and Impairments of Assets* (SSAP No. 5R) which require insurance entities to recognize, at inception of a guarantee, a liability for the obligations it has undertaken in issuing the guarantee, even if the likelihood of having to make payments under the guarantee is remote. The revised guidance does not require liability recognition for guarantees made to or on behalf of direct or indirect wholly-owned insurance and non-insurance subsidiaries or for guarantees considered unlimited. The Company also adopted additional revisions related to disclosure requirements of SSAP No. 25, *Accounting for and Disclosures about Transactions with Affiliated and Other Related Parties* to correspond with SSAP No. 5R. The guidance is effective for all guarantees issued or outstanding as of December 31, 2011, and disclosure of all guarantees must be reported annually. Refer to Note 14 for the required disclosures and financial impact of this guidance.

On January 1, 2011, the Company adopted changes to the definition of loan-backed and structured securities within SSAP No. 43R, *Loan-backed and Structured Securities*. These changes required certain securities to be reclassified into the loan-backed and structured securities classification and resulted in an immaterial impact to the Company upon adoption. Refer to Note 5 for required disclosures and financial impact.

On December 31, 2009, the Company adopted temporary guidance in SSAP No. 10R, *Income Taxes Revised – A Temporary Replacement of SSAP No. 10*, that requires additional disclosures related to tax planning strategies and provides an election for a qualifying life insurance company to increase within its deferred tax asset admissibility calculation the reversal period from one to three years and its limitation from 10% of statutory capital and surplus to 15%. This guidance is effective for interim and annual reporting periods through December 31, 2011, and will be replaced with the adoption of SSAP No. 101, *Income Taxes*. Refer to Note 9 for the required disclosures and financial impact.

Pending Accounting Standards

On January 1, 2012, the Company adopted a new standard, SSAP No. 101, *Income Taxes*, which supersedes SSAP No. 10R, *Income Taxes Revised – A Temporary Replacement of SSAP No. 10.* The standard applies a 'more likely than not' threshold for the recognition of federal and foreign tax loss contingencies and establishes a new framework for determining the admissibility of deferred tax assets (DTA). The framework sets a three year limit on loss carryback provisions, introduces guardrails for determining the realization period and percentage of capital and surplus companies may use to determine DTA admissibility, and establishes parameters around offsetting DTAs against deferred tax liabilities (DTL) as it relates to the admissibility of a DTA. The standard also adopts new disclosure requirements related to tax planning strategies, the amounts and components used to determine admissible DTA amounts, and information about reasonably possible increases in the total liability for any federal or foreign income tax loss contingencies within twelve months of the reporting date. The Company is currently in the process of determining the impact of adoption of this standard.

Correction of Error

Not applicable.

Note 3 - Business Combinations and Goodwill

A. Statutory Purchase Method

1. On January 1, 2009, the Company, along with Nationwide Mutual Insurance Company (Mutual) and Nationwide Corporation, an affiliated company, acquired the remaining 33.5% interest in the Nationwide Financial Services, Inc. (NFS). Upon the closing of the transaction on January 1, 2009, NFS became a wholly owned, privately held subsidiary of Nationwide Corporation through a merger of NFS and NWM Merger Sub, Inc., a wholly owned subsidiary of Nationwide Corporation. On that date, all 100 of NWM Merger Sub's issued and outstanding common stock became the issued and outstanding common stock of NFS and all such shares are held by Nationwide Corporation. On the date of acquisition, statutory surplus decreased $2.9 billion as a result of the change in valuation methodology under prescribed statutory accounting practices.

2. The transaction above was accounted for as a statutory purchase.

NOTES TO FINANCIAL STATEMENTS

3. The Company, along with Mutual and Nationwide Corporation, an affiliated company, acquired the remaining interest in NFS outstanding publicly held Class A common stock in exchange for cash consideration of $2.4 billion through its subsidiary Nationwide Corporation. The acquisition resulted in goodwill of $88.7 million.

4. Goodwill amortization for the year ended December 31, 2011 related to the purchases of NFS was $186.3 million.

B. Statutory Merger

Not applicable.

C. Impairment Loss

Not applicable.

Note 4 - Discontinued Operations

Not applicable.

Note 5 - Investments

A. Mortgage Loans

1. The maximum and minimum lending rates for commercial mortgage loans originated in 2011 were 6.5%. No residential mortgages were loaned during 2011.

2. During 2011 the Company did not reduce interest rates on any outstanding loans.

3. At December 31, 2011, the maximum percentage of any one loan to the value of collateral at the time of the loan is 80.0%.

4. The Company did not hold mortgages with interest 180 days or more past due.

5. There were no taxes, assessments or any amounts advanced and not included in the mortgage loan.

6. - 10. There were no impaired mortgage loans.

11. Allowance for Credit Losses

	12/31/2011	12/31/2010
a. Balance at beginning of period	$ 425,202	$ 285,430
b. Additions charged to operations	$ 0	$ 139,772
c. Direct write-downs charged against the allowances	$ 0	$ 0
d. Recoveries of amounts previously charged off	$ (15,250)	$ 0
e. Balance at end of period	$ 409,952	$ 425,202

12. The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest received on non-accrual status mortgage loans on real estate is included in net investment income in the period received.

B. Troubled Debt Restructuring for Creditors

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

1. Prepayment assumptions are generally obtained using a model provided by a third-party vendor.

2. The following table summarizes by quarter other-than-temporary impairments for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain as cited in the table:

	(1) Amortized Cost Basis Before Other-than-Temporary Impairment	(2) Other-than-Temporary Impairment Recognized in Loss	(3) Fair Value 1 - 2
OTTI recognized 1st Quarter			
a. Intent to Sell	$ -	$ -	$ -
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ -	$ -	$ -
c. Total 1st Quarter	$ -	$ -	$ -
OTTI recognized 2nd Quarter			
d. Intent to Sell	$ -	$ -	$ -
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ -	$ -	$ -
f. Total 2nd Quarter	$ -	$ -	$ -

NOTES TO FINANCIAL STATEMENTS

OTTI recognized 3rd Quarter

g.	Intent to Sell	$ -	$ -	$ -
h.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ -	$ -	$ -
i.	Total 3rd Quarter	$ -	$ -	$ -

OTTI recognized 4th Quarter

j.	Intent to Sell	$ -	$ -	$ -
k.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ -	$ -	$ -
l.	Total 4th Quarter	$ -	$ -	$ -
m.	Annual Aggregate Total		$ -	

3. The following table summarizes other-than-temporary impairments for loan-backed securities held at the end of the quarter based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities:

(1) CUSIP	(2) Amortized Cost Before Current Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized Other-Than-Temporary Impairment	(5) Amortized Cost After Other-Than-Temporary Impairment	(6) Fair Value at time of OTTI	(7) Date of Financial Statement Where Reported
12668BEJ8	$ 13,074,326	$ 12,853,456	$ 220,870	$ 12,853,456	$ 10,323,122	Q4'11
74040YAF9	$ 775,931	$ 608,960	$ 166,971	$ 608,960	$ 13,133	Q4'11
86363GAJ3	$ 2,709,536	$ 2,627,788	$ 81,748	$ 2,627,788	$ 2,056,382	Q2 '11
74040YAF9	$ 855,237	$ 736,907	$ 118,330	$ 736,907	$ 33,897	Q1 '11
74040YAF9	$ 1,325,713	$ 802,412	$ 523,301	$ 802,412	$ 321,913	Q1 '10
39538WCZ9	$ 1,872,442	$ 1,158,073	$ 714,369	$ 1,158,073	$ 907,059	Q4 '09
44984RAF5	$ 2,755,866	$ 2,273,205	$ 482,661	$ 2,273,205	$ 1,894,500	Q4 '09
74040YAF9	$ 1,698,548	$ 1,313,070	$ 385,478	$ 1,313,070	$ 390,674	Q4 '09
86363GAJ3	$ 3,786,928	$ 3,525,759	$ 261,169	$ 3,525,759	$ 2,359,016	Q4 '09
12668BEJ8	$ 14,603,302	$ 13,640,662	$ 962,640	$ 13,640,662	$ 11,159,280	Q3 '09
362341Q69	$ 6,766,845	$ 6,439,680	$ 327,165	$ 6,439,680	$ 5,147,445	Q3 '09
44984RAF5	$ 2,970,000	$ 2,755,866	$ 214,134	$ 2,755,866	$ 1,846,226	Q3 '09
74040YAF9	$ 359,269	$ 1,683,463	$ (1,324,194)	$ 1,683,463	$ 576,513	Q3 '09
144527AB4	$ 5,584,500	$ 8,997,278	$ (3,412,778)	$ 8,997,278	$ 4,287,329	Q3 '09
Total			$ (278,137)			

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	$ (274,175)
2. 12 Months or Longer	$ (22,573,118)

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	$ 76,555,259
2. 12 Months or Longer	$ 54,740,164

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, and 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 less than the amortized cost basis of a security then the security is deemed other-than-temporarily impaired.

E. Repurchase Agreements and Securities Lending Transactions

1. Repurchase Agreements:

For repurchase agreements, Company policy requires a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in aggregate write-ins for liabilities. There were no open repurchase agreements as of year end.

Securities Lending:

The Company's securities lending agreement requires a minimum of 102% of the fair value of loaned securities to be held as collateral.

NOTES TO FINANCIAL STATEMENTS

2. No assets were pledged as collateral as of year-end.

3. The Company has not accepted collateral that is permitted by contract or custom to sell or repledge as of year-end.

   a. The Company's securities lending agreement allows the borrower to terminate a loan upon demand. The Company's obligation for cash collateral received was $14,473,134 at December 31, 2011 and is carried as a "Payable for securities lending" on the balance sheet. The Company does not hold any non-cash collateral for loaned securities as of December 31, 2011.

   b. Cash collateral received is reinvested by the agent bank in accordance with the Company's authorized investment policy and included as assets of the Company (Schedule DL). The fair value of reinvested cash collateral is $10,882,428 at December 31, 2011.

   c. Cash collateral provided by approved borrowers is reinvested by the Company's agent bank during the term of the loan and returned to the borrower upon a loan's termination.

4. The Company did not have any securities lending activities with an affiliated agent.

5. a. The amortized cost and fair value of reinvested cash collateral is $13,996,094 and $10,882,428, respectively, as of December 31, 2011.

	Amortized Cost	Fair Value
Under 30 day	$ 8,788,415	$ 8,788,415
60-day		
90-day		
120-day		
180-day		
<1Year		
1-2 Years	4,092,698	1,570,690
2-3 Years		
>3 Years	1,114,982	523,324
	$ 13,996,094	$ 10,882,428

   b. In accordance with the securities lending investment policy, reinvestments of cash collateral cannot exceed 3 years in maturity. Because the borrower or the Company may terminate a securities lending transaction at any time, to the extent loans are terminated in advance of reinvestment collateral maturities, the Company would repay its securities lending payable obligation from operating cash flows or the proceeds of sales from its investment portfolio, which includes significant liquid securities.

F. Real Estate

Not applicable.

G. Low-Income Housing Tax Credits

1. The number of remaining years of unexpired tax credits and required holding period for the Company's LIHTC investments:

Low-Income Housing Tax Credits	Remaining years	Holding Period
CCEP Series I Funding,LLC	6	2019
Hudson Housing Tax Credit Fund LII LLC	10	2026
Key Tax Credit Investment Members No. 33, LLC	4	2015
Nationwide Affordable Housing Fund 46	12	2027
Nationwide State Tax Credit I LLC	3	2014
NHT XII NW Tax Credit Fund, LLC	3	2019
Ohio Equity Fund II LLC	11	2027
SunAmerica Affordable Housing Partners 138, LLC	5	2017
WNC Institutional Tax Credit Fund 36	12	2027

2. The Company's investments in LIHTC are made up of several property investments which are subject to periodic reviews by HUD (if applicable) and state housing agencies. The Company receives updates from property managers as to the status of any regulatory review and investigates further as needed.

3. LIHTC investments exceeding 10 percent of the total admitted assets

   Not Applicable.

4. Analysis is done for LIHTC investments to determine if an impairment exists by comparing the book value of the investment with the present value of future tax benefits. The investment is written down if the book value is higher than the present value and the write-down is accounted for as a realized loss. For 2011, there were no impairments on a Statutory basis.

5. In 2011, there were no write-downs due to forfeiture or ineligibility.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable.

B. Write-downs for Impairments

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 7 - Investment Income

A. Accrued Investment Income

The Company nonadmits investment income due and accrued if amounts are over 90 days past due with the exception of mortgage loans in default which are nonadmitted if amounts are over 180 days past due.

B. Amounts Nonadmitted

The total amount of investment income nonadmitted at December 31, 2011 is $52,622.

Note 8 - Derivative Instruments

The Company is exposed to certain risks relating to its ongoing business operations which are managed using derivative instruments. The primary risks managed by using derivative instruments are foreign currency exchange and interest rate. The Company uses cross currency swaps and interest rate futures to hedge these risks.

The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. Potential losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions, and collateral agreements.

The cash requirements of a derivative will vary by contract. In a cross currency swap, notional amounts are typically exchanged in the respective contracted currencies at both settlement date and at expiration. Interest payments are also exchanged in the contracted currencies, timing and amounts. For exchange-traded futures contracts, the broker for the various types of contracts that the Company may employ establishes margin requirements. The margin account is settled daily for changes in contracts outstanding and movements in market values of open contracts. The Company uses cash to cover the margin account requirements.

Foreign currency risk management: As part of its regular investing activities, the Company may purchase foreign currency denominated investments. These investments and the associated income expose the Company to volatility associated with movements in foreign exchange rates. In an effort to mitigate this risk, the Company uses cross-currency swaps. As foreign exchange rates change, the increase or decrease in the cash flows of the derivative instrument generally offset the changes in the functional-currency equivalent cash flows of the hedged item.

Interest rate risk management: The Company uses interest rate future contracts to reduce and/or alter interest rate exposure arising from mismatches between assets and liabilities. Interest rate futures are based off an underlying security that changes in value as interest rates change. As the value of the underlying referenced security changes, the promise to deliver or cash settle in the future at a fixed price through the futures contract also change to offset interest rate risk the Company faces.

Derivative instruments cash flows and payment accruals are recorded in net investment income.

Fair value of derivative instruments is determined using various valuation techniques relying predominately on observable market inputs. These inputs include interest rate swap curves, credit spreads, interest rates, counterparty credit risk, equity volatility and equity index levels. In some cases, the Company will utilize non-binding broker quotes to determine fair value.

Derivative instruments used in hedging transactions considered to be effective hedges are valued and reported in a manner consistent with the hedged items (i.e., hedge accounting). Derivative instruments used in hedging transactions that do not meet or no longer meet the criteria of an effective hedge are accounted for at fair value with changes in fair value recorded in surplus as unrealized gains or losses.

No gain or loss recognized in derivative instruments' unrealized gains or losses during the year were excluded from the assessment of hedge effectiveness. There is also no net gain or loss recognized during the year resulting from derivatives that no longer qualify for hedge accounting. In addition, no amounts of gains or losses were classified in unrealized gains/losses related to cash flow hedges that have been discontinued because it was no longer probable that the original forecasted transaction would occur as anticipated.

The Company is not currently engaged in written covered options used for income generation or derivatives accounted for as cash flow hedges of a forecasted transaction, other than the payment of variable interest on existing financial instruments.

Note 9 - Income Taxes

A. The net deferred tax asset/(liability) at December 31 and the change from the prior year are comprised of the following components:

	12/31/2011 Ordinary	12/31/2011 Capital	12/31/2011 Total	12/31/2010 Ordinary	12/31/2010 Capital	12/31/2010 Total	Change Ordinary	Change Capital	Change Total
(1a) Gross deferred tax assets	114,641,430	13,898,538	128,539,968	93,543,597	10,776,673	104,320,270	21,097,833	3,121,865	24,219,698
(1b) Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
(1c) Adjusted gross deferred tax assets	114,641,430	13,898,538	128,539,968	93,543,597	10,776,673	104,320,270	21,097,833	3,121,865	24,219,698
(2) Total deferred tax liabilities	5,079,403	40,968,862	46,048,265	429,287	37,368,032	37,797,319	4,650,116	3,600,830	8,250,946
(3) Net deferred tax asset (liability)	109,562,027	(27,070,324)	82,491,703	93,114,310	(26,591,359)	66,522,951	16,447,717	(478,965)	15,968,752
(4) Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(5) Net admitted deferred tax asset (liability)	$ 109,562,027	$ (27,070,324)	$ 82,491,703	$ 93,114,310	$ (26,591,359)	$ 66,522,951	$ 16,447,717	$ (478,965)	$ 15,968,752

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

	12/31/2011 Ordinary	12/31/2011 Capital	12/31/2011 Total	12/31/2010 Ordinary	12/31/2010 Capital	12/31/2010 Total	Change Ordinary	Change Capital	Change Total
(6) Net deferred tax asset (liability)	109,562,027	(27,070,324)	82,491,703	93,114,310	(26,591,359)	66,522,951	16,447,717	(478,965)	15,968,752
(7) Tax-effect of unrealized gains and losses	403,233	(40,819,403)	(40,416,170)	(840,694)	(38,028,861)	(38,869,555)	1,243,927	(2,790,542)	(1,546,615)
(8) Prior period adjustment	-	-	-	-	-	-	-	-	-
(9) Net tax effect without unrealized gains and losses and prior period adjustment	$ 109,158,794	$ 13,749,079	$ 122,907,873	$ 93,955,004	$ 11,437,502	$ 105,392,506	$ 15,203,790	$ 2,311,577	$ 17,515,367
(10) Change in deferred income tax									$ 17,515,367

(11) The Company has elected to admit deferred tax assets pursuant to SSAP No. 10R, paragraph 10e for the reporting period 2011 and 2010.

(12) Admission Calculation Components - SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:

	12/31/2011 Ordinary	12/31/2011 Capital	12/31/2011 Total	12/31/2010 Ordinary	12/31/2010 Capital	12/31/2010 Total	Change Ordinary	Change Capital	Change Total
SSAP No. 10R, Paragraph 10.a.	22,754,917	-	22,754,917	37,288,552	1,951,539	39,240,091	(14,533,635)	(1,951,539)	(16,485,174)
SSAP No. 10R, Paragraph 10.b.	43,291,607	1,948,809	45,240,416	18,906,006	-	18,906,006	24,385,601	1,948,809	26,334,410
(the lesser of paragraph 10.b.i. and 10.b.ii. below)									
SSAP No. 10R, Paragraph 10.b.i.	43,291,607	1,948,809	45,240,416	18,906,006	-	18,906,006	24,385,601	1,948,809	26,334,410
SSAP No. 10R, Paragraph 10.b.ii.			213,730,750			215,890,727			(2,159,977)
Paragraph 10.c	34,098,536	11,949,729	46,048,265	28,972,185	8,825,134	37,797,319	5,126,351	3,124,595	8,250,946
Total	$ 100,145,060	$ 13,898,538	$ 114,043,598	$ 85,166,743	$ 10,776,673	$ 95,943,416	$ 14,978,317	$ 3,121,865	$ 18,100,182

Admission Calculation Components - SSAP No. 10R, Paragraph 10.e.-:

	12/31/2011 Ordinary	12/31/2011 Capital	12/31/2011 Total	12/31/2010 Ordinary	12/31/2010 Capital	12/31/2010 Total	Change Ordinary	Change Capital	Change Total
SSAP No. 10R, Paragraph 10e.i.	22,754,917	-	22,754,917	37,288,552	1,951,539	39,240,091	(14,533,635)	(1,951,539)	(16,485,174)
SSAP No. 10R, Paragraph 10.e.ii.	62,999,783	5,846,426	68,846,209	35,695,441	3,903,077	39,598,518	27,304,342	1,943,349	29,247,691
(the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below)									
SSAP No. 10R, Paragraph 10.e.ii.a.	62,999,783	5,846,426	68,846,209	35,695,441	3,903,077	39,598,518	27,304,342	1,943,349	29,247,691
SSAP No. 10R, Paragraph 10.e.ii.b.			320,596,124			323,836,091			(3,239,967)
Paragraph 10.e.iii.	28,886,730	8,052,112	36,938,842	20,559,604	4,922,057	25,481,661	8,327,126	3,130,055	11,457,181
Total	$ 114,641,430	$ 13,898,538	$ 128,539,968	$ 93,543,597	$ 10,776,673	$ 104,320,270	$ 21,097,833	$ 3,121,865	$ 24,219,698

NOTES TO FINANCIAL STATEMENTS

	12/31/2011	12/31/2010	Change
Used in SSAP No. 10R, Paragraph 10.d.			
Total Adjusted Capital	$ 2,228,657,950	$ 2,217,579,671	$ 11,078,279
Authorized Control Level	$ 155,969,289	$ 155,567,973	$ 401,316

(13)

	12/31/2011			12/31/2010			Change		
	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent
Impact of Tax Planning Strategies									
Adjusted Gross DTAs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net Admitted Adjusted Gross DTA	0.00%	7.09%	7.09%	7.97%	8.80%	16.77%	-7.97%	-1.71%	-9.68%

(14) Risk Based Capital Summary	12/31/2011 Ordinary	12/31/2011 Capital	12/31/2011 Total	12/31/2010 Ordinary	12/31/2010 Capital	12/31/2010 Total	Change Ordinary	Change Capital	Change Total
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:									
Admitted DTAs	100,145,060	13,898,538	$ 114,043,598	85,166,743	10,776,673	$ 95,943,416	14,978,317	3,121,865	$ 18,100,182
Admitted assets			$ 4,538,904,440			$ 4,348,523,823			$ 190,380,617
Adjusted Statutory surplus			$ 2,228,657,950			$ 2,217,579,671			$ 11,078,279
Total adjusted capital from DTAs			$ 2,228,657,950			$ 2,217,579,671			$ 11,078,279
Increases due to SSAP No. 10R, Paragraph 10e.:									
Admitted DTAs	14,496,370	-	$ 14,496,370	8,376,854	-	$ 8,376,854	6,119,516	-	$ 6,119,516
Admitted assets	14,496,370	-	$ 14,496,370	8,376,854	-	$ 8,376,854	6,119,516	-	$ 6,119,516
Statutory surplus	14,496,370	-	$ 14,496,370	8,376,854	-	$ 8,376,854	6,119,516	-	$ 6,119,516

B. Unrecognized deferred tax liabilities

(1) There are no temporary differences for which deferred tax liabilities are not recognized.

C. Current income tax incurred consist of the following major components:

	12/31/2011	12/31/2010	Change
(1) Federal	(11,526,825)	22,881,338	(34,408,163)
(2) Foreign Tax	-	-	-
Subtotal	$ (11,526,825)	$ 22,881,338	$ (34,408,163)
(3) Federal income tax on net capital gains	3,157,556	(5,064,341)	8,221,897
(4) Utilization of capital loss carry-forwards	-	-	-
(5) Other	-	-	-
(6) Federal and foreign income taxes incurred	$ (8,369,269)	$ 17,816,997	$ (26,186,266)

Deferred income tax assets and liabilities consist of the following major components:

		12/31/2011	12/31/2010	Change
Deferred Tax Assets				
a) Ordinary				
1)	Discounting of unpaid losses	27,603,612	31,515,910	(3,912,298)
2)	Unearned premium reserve	44,659,123	44,009,560	649,563
3)	Policyholder reserves	-	-	-
4)	Investments	1,582,253	998,469	583,784
5)	Deferred acquisition costs	-	-	-
6)	Policyholder dividends accrual	-	-	-
7)	Fixed assets	-	-	-
8)	Compensation and benefits accrual	11,257,280	7,280,492	3,976,788
9)	Pension accrual	-	25,918	(25,918)
10)	Receivables - nonadmitted	21,401	52,834	(31,433)
11)	Net operating loss carry-forward	-	-	-
12)	Tax credit carry-forward	21,789,113	3,839,775	17,949,338
13)	Non-admitted miscellaneous	-	-	-
14)	Other liabilities	-	-	-
15)	Intangibles	-	-	-
16)	Non-admitted premiums and agent bal	3,461,478	3,721,669	(260,191)
17)	Other	4,267,170	2,098,970	2,168,200
	Subtotal	$ 114,641,430	$ 93,543,597	$ 21,097,833
b) Statutory valuation allowance adjustment		$ -	$ -	$ -
c) Nonadmitted		$ -	$ -	$ -
d) Admitted ordinary deferred tax assets		$ 114,641,430	$ 93,543,597	$ 21,097,833
e) Capital				
1)	Investments	13,898,538	10,776,673	3,121,865
2)	Net capital loss carry-forward	-	-	-
3)	Real estate	-	-	-
4)	Other	-	-	-
	Subtotal	$ 13,898,538	$ 10,776,673	$ 3,121,865
f) Statutory valuation allowance adjustment		$ -	$ -	$ -
g) Nonadmitted		$ -	$ -	$ -
h) Admitted capital deferred tax assets		$ 13,898,538	$ 10,776,673	$ 3,121,865
i) Admitted deferred tax assets		$ 128,539,968	$ 104,320,270	$ 24,219,698
Deferred Tax Liabilities				
a) Ordinary				
1)	Investments	8	238,784	(238,776)
2)	Fixed assets	57,408	130,996	(73,588)
3)	Deferred and uncollected premiums	-	-	-
4)	Policyholder reserves	-	-	-
5)	Pension accrual	1,735,930	-	1,735,930
6)	Guaranty assessments	329,812	59,507	270,305
7)	Unearned surcharge income	-	-	-
8)	Prepaid expenses	-	-	-
9)	Surplus note interest accrual	-	-	-
10)	Section 338 gain	-	-	-
11)	Unrealized miscellaneous	-	-	-
12)	Compensation and benefits accrual	2,956,245	-	2,956,245
13)	Other	-	-	-
	Subtotal	$ 5,079,403	$ 429,287	$ 4,650,116
b) Capital				
1)	Investments	40,968,862	37,368,032	3,600,830
2)	Real estate	-	-	-
3)	Other	-	-	-
	Subtotal	$ 40,968,862	$ 37,368,032	$ 3,600,830
c) Deferred tax liabilities		$ 46,048,265	$ 37,797,319	$ 8,250,946
Net deferred tax assets/liabilities		$ 82,491,703	$ 66,522,951	$ 15,968,752

The Company's gross deferred tax assets based on the weight of available evidence are more likely than not to be realized (a likelihood of more than 50 percent)

D. The income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before tax as follows:

	12/31/2011	12/31/2010
(1) Current income taxes incurred	(8,369,269)	17,816,997
(2) Change in deferred income tax (without tax on unrealized gains and losses)	(17,515,367)	10,544,937
(3) Total income tax reported	$ (25,884,636)	$ 28,361,934
(4) Income before taxes	$ (17,009,226)	$ 143,612,303
	35%	35%
(5) Expected income tax expense (benefit) at 35% statutory rate	$ (5,953,229)	$ 50,264,306
(6) Increase (decrease) in actual tax reported resulting from:		
a. Dividends received deduction	(6,491)	(637,831)
b. Nondeductible expenses for meals, penalties, and lobbying	321,597	298,623
c. Tax-exempt income	(19,112,329)	(20,651,597)
d. Deferred tax benefit on nonadmitted assets	788,641	(37,556)
e. Change in Statutory valuation allowance adjustment	-	-
f. Change in tax reserves	(135,072)	(222,694)
g. Intangibles	-	-
h. Tax credits	(2,827,206)	(66,219)
i. Other	1,039,453	(585,098)
(7) Total income tax reported	$ (25,884,636)	$ 28,361,934

E. Operating loss carryforward

(1) As of December 31, operating loss or tax credit carryforwards are available as follows:

	Amount	Origination	Expiration
Operating loss carryforwards	-	-	
Amount of AMT tax credits	9,570,953	2009	N/A
	12,189,635	2010	N/A
Business credits	28,525	2010	2030

(2) The amount of Federal income taxes incurred that are available for recoupment in the event of future net loses are:

2011	$ -
2010	$ 13,365,324

NOTES TO FINANCIAL STATEMENTS

F. Consolidated federal income tax return

1. The Company's federal income tax return is consolidated with the following entities:

   Retention Alternatives, Ltd.

2. The method of allocation among the companies is subject to the resolution approved by the Board of Directors. Allocation is based upon separate return or sub-group aggregated separate return calculations with the company being reimbursed for the actual Federal income tax benefit of its net operating losses which are actually used to reduce the taxable income of other companies in the consolidated return.

3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

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

A. Nature of Relationships

The Company is a mutual entity and, as such, is not directly or indirectly owned or controlled by any other company, corporation, and group of companies, partnership or individual. The Company is operated by and solely in the interest of its policyholders.

Bonds and stocks, if any, owned, acquired or disposed of in any year by the Company in any subsidiary or affiliate are set forth in Schedule D of either this statement or those of prior years. Intercompany relationships and specific holdings are detailed in the Nationwide Corporate Organizational Chart, which appears as Schedule Y of this statement.

The Company is a party to various reinsurance agreements including a pooling agreement with several affiliated companies. See Note 26.

The Company and various affiliates have entered into agreements with Nationwide Cash Management Company (NCMC) a subsidiary of the Company, under which NCMC acts as a common agent in handling the purchases and sales of short-term securities for the respective accounts of the participants. Amounts on deposit with NCMC were $59.1 million and $92.8 million as of December 31, 2011 and 2010, respectively, and are included in short-term investments on the accompanying statutory statements of admitted assets, liabilities, capital and surplus.

B. Detail of Transactions Greater than ½ % of Admitted Assets

Not applicable.

C. Change in Terms of Intercompany Arrangements

Effective January 1, 2011, Mutual changed the reinsurance arrangements under which several affiliated companies cede all their direct and assumed business to the pool. See Note 26 for details.

D. Amounts Due to or from Related Parties

Affiliate receivables and payables are the result of cost sharing and intercompany service agreements between the Company and its parent and affiliates in which settlement has not yet occurred. Affiliate receivables are presented gross of affiliate payables when the Company has the right to offset. The Company reported $312.8 million due from parent and $11.9 million due to parent at December 31, 2011 and 2010, respectively. The Company reported gross amounts of $6.9 million and $3.5 million due from parent and affiliates and $313.1 million and $12.1 million due to parent and affiliates at December 31, 2011 and 2010, respectively. These arrangements are subject to written agreements which require that intercompany balances be settled within 30 days.

E. Guarantees or Undertakings for Related Parties

The Company has no guarantees or contingent commitments to affiliates other than indicated in Note 14 A.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company shares its home office, other facilities, equipment, and common management and administrative services with its subsidiaries and affiliates. Pursuant to a cost sharing agreement between the companies, the amounts associated with these services are subject to allocation based on standard allocation techniques and procedures acceptable under general cost accounting techniques and procedures in conformity with the NAIC's statutory accounting practices and procedures. Measures used to determine the allocation among companies includes individual employee estimates of time spent, special cost studies, the number of full-time employees, and other methods agreed to by the participating companies. The Company does not believe amounts recognized under the intercompany agreement are materially different than what would have been recognized had the Company operated on a stand-alone basis.

G. Nature of Relationships that Could Affect Operations

Not applicable.

H. Amount Deducted for Investment in Upstream Company

Not applicable.

I. Detail of Investment in Affiliates Greater than 10% of Admitted Assets

Not applicable.

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

Not applicable.

K. Investment in a foreign insurance subsidiary

Not applicable.

L. Downstream Holding Company

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 11 - Debt

A. All Other Debt

Not applicable.

B. Funding Agreements with Federal Home Loan Bank (FHLB)

Not applicable.

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

A. Defined Benefit Plans

The Company participates in a qualified defined benefit pension plan and a nonqualified defined benefit supplemental executive retirement plan sponsored by the Company. The qualified plan covers all employees of participating companies who have completed at least one year of service. Plan assets are invested in a third party trust and in group annuity contracts issued by NLIC. All participants are eligible for benefits based on an account balance feature. Participants hired prior to 2002 who are least 21 years of age are eligible for benefits based on the highest average annual salary of a specified number of consecutive years of the last ten years of service, if such benefits are of greater value than the account balance feature. The Company funds pension costs accrued for direct employees plus an allocation of pension costs accrued for employees of affiliates whose work benefits the Company. The nonqualified plan covers certain executives with at least one year of service.

On November 10, 2009, the Company announced changes to the NRP. Effective January 1, 2010, the Company-paid early retirement enhancement, which is part of the final average pay formula, will be eliminated. Currently this enhancement provides an additional benefit for associates retiring between ages 55 and 65. In addition, pay credits under the account balance formula will stop. These changes affect associates eligible to receive the benefit based on the greater of the final average pay formula or the account balance formula. Affected associates' benefits cannot be less than the NRP benefit they have already received.

Pension costs charged to operations by the Company were $7.3 million and $6.3 million for the years ended December 31, 2011 and 2010, respectively. The Company recorded a prepaid pension asset of $18.4 million and $27.4 million for the years ended December 31, 2011 and 2010, respectively.

The Pension Plan as a whole reported a pension benefit obligation for non-vested employees of $6.0 million and $8.9 million for the years ended December 31, 2011 and 2010, respectively.

The Company sponsors life and health care defined benefit plans for qualifying retirees. Postretirement life and health care benefits are contributory and generally available to full time employees, hired prior to June 1, 2000, who have attained age 55 and have accumulated 15 years of service with the Company after reaching age 40. The employee subsidy for the postretirement death benefit was capped beginning in 2007. Postretirement health care benefit contributions are adjusted annually and contain cost-sharing features such as deductibles and coinsurance. In addition, there are caps on the Company's portion of the per-participant cost of the postretirement health care benefits. The Company does not receive a Medicare Part D subsidy from the government. The Company's policy is to fund the cost of health care benefits in amounts determined at the discretion of management. Plan assets are invested in a group annuity contract issued by NLIC and a third party trust.

Effective January 1, 2010, all non-highly compensated employees (NHCE) as defined by IRC 414 will become eligible to receive an annual health care credit up to a maximum of $1,000 per year, not to exceed a maximum lifetime benefit of $25,000. The contribution will be a match of 33% of the NHCE's otherwise unmatched savings account or 401(a) contributions. No contributions will be made by the Company if the employee does not make eligible contributions.

The Company's net periodic postretirement benefit costs (NPPBC) were $1.3 million and $1.4 million for the years ended December 31, 2011 and 2010, respectively. The Company recorded a prepaid postretirement asset of $4.3 million and $3.8 million asset for the years ended December 31, 2011 and 2010, respectively.

The Postretirement Plan's benefit obligation for non-vested employees was $107.7 million and $92.5 million for the years ended December 31, 2011 and 2010, respectively.

The following table summarizes benefit obligations, the fair value of plan assets, funded status and net periodic benefit cost of the pension plan and postretirement benefit plans as a whole at December 31, 2011 and 2010:

	Pension Benefits		Postretirement Benefits	
	2011	2010	2011	2010
1. Change in benefit obligation:				
a. Benefit obligation at beginning of year [1]	$3,467,531,752	$3,114,222,167	$182,423,752	$203,065,361
b. Service cost	118,815,384	108,489,513	12,149,034	12,815,714
c. Interest cost	183,334,210	180,126,612	8,945,683	9,108,577
d. Contribution by plan participants	0	0	0	0
e. Actuarial (gain) loss	695,679,768	233,348,094	16,971,883	(27,248,328)
f. Foreign currency exchange rate changes	0	0	0	0
g. Benefits paid	(174,895,709)	(168,654,634)	(16,852,262)	(15,317,572)
h. Plan amendments [1]	0	0	0	0
i. Plan curtailment	0	0	0	0
j. Acquisition	0	0	0	0
k. Benefit obligation at end of year	$4,290,465,405	$3,467,531,752	$203,638,090	$182,423,752

NOTES TO FINANCIAL STATEMENTS

2. Change in plan assets				
a. Fair value of plan assets at beginning of year	$3,592,854,590	$3,440,968,388	$156,288,728	$146,224,179
b. Actual return on plan assets	491,181,502	306,681,818	6,196,802	10,064,549
c. Foreign currency exchange rate changes	0	0	0	0
d. Employer contribution	17,671,386	13,859,018	16,852,262	15,317,573
e. Plan participant's contributions	0	0	5,183,175	0
f. Benefits paid	(174,895,709)	(168,654,634)	(22,035,437)	(15,317,572)
g. Plan curtailment	0	0	0	0
h. Fair value of plan assets at end of year	$3,926,811,769	$3,592,854,590	$162,485,530	$156,288,728
3. Funded status	$(363,653,636)	$125,322,838	$(41,152,560)	$(26,135,024)
a. Unamortized prior service cost	(142,763,703)	(159,226,852)	(7,591,982)	(9,258,029)
b. Unrecognized net (gain) or loss	574,034,585	151,006,924	59,054,183	39,698,635
c. Remaining net obligation or (net asset) at initial date of application	(27,793,626)	(2,748,415)	0	0
d. Prepaid assets or (accrued liabilities)	$39,823,620	$114,354,495	$10,309,641	$4,305,582
e. Intangible asset	0	0	N/A	N/A
4. Accumulated benefit obligation for vested employees and partially vested employees to the extent vested	$3,797,507,482	$3,093,646,043	N/A	N/A
5. Benefit obligation for non-vested employees				
a. Projected benefit obligation	$6,004,702	$8,853,933	$107,740,462	$92,474,142
b. Accumulated benefit obligation	3,086,304	16,555,613	N/A	N/A
6. Components of net periodic benefit cost				
a. Service cost	$118,815,384	$108,489,513	$12,149,034	$12,815,714
b. Interest cost	183,334,210	180,126,612	8,945,683	9,108,577
c. Expected return on plan assets	(218,960,167)	(204,470,254)	(9,766,851)	(9,139,011)
d. Amortization of incremental asset	0	(7,829,496)	0	0
e. Amount of recognized (gains) and losses	430,772	0	1,186,384	907,018
f. Amount of prior service cost recognized	(16,463,149)	(16,463,149)	(1,666,047)	(1,666,047)
g. Amount of recognized (gain) or loss due to a settlement or curtailment	0	0	0	0
h. Total net periodic benefit cost	$67,157,050	$59,853,226	$10,848,203	$12,026,251

The Prior Service Cost Base established December 31, 2007 and 2006 reflects the enactment of the Pension Protection Act of 2006 on August 17, 2006. The Act provides for EGTRRA Permanence, the permanent increase in the covered pension compensation for qualified pension plans, and the three year cliff vesting for pension plans with hybrid formula features. The Act has no impact on the projected benefit obligation for the years ended December 31, 2011 and 2010.

7. A minimum pension liability is required when the actuarial present value of accumulated benefits exceeds plan assets and accrued pension liabilities. The Company recorded a minimum pension liability of $27.8 million and $2.8 million as of December 31, 2011 and 2010, respectively.

8. The following table is the basis of measurement for plan liabilities and is relevant for items 1-4 above:

	Pension Benefits		Postretirement Benefits	
	2011	2010	2011	2010
Weighted-average assumptions as of December 31,				
a. Weighted average discount rate	4.35%	5.50%	4.05%	5.15%
b. Rate of increase in future compensation levels	Age Graded	Age Graded	Age Graded	Age Graded
c. Assumed health care cost trend rate:				
Initial rate	-	-	8.25%	8.50%
Ultimate	-	-	5.00%	5.00%
Declining period	-	-	14 Years	15 Years

The following table is the basis of measurement for net periodic pension and post retirement costs and is relevant for item 5 above:

	Pension Benefits		Postretirement Benefits	
	2011	2010	2011	2010
a. Weighted average discount rate	5.50%	5.95%	5.15%	5.70%
b. Rate of increase in future compensation levels	Age Graded	Age Graded	Age Graded	Age Graded
c. Expected long-term rate of return on plan assets	6.25%	6.25%	6.25%	6.25%

The Aged Graded rate of increase in future compensation levels was developed in 2009 based on actual experience from 2003 through 2008. The rates range from 11% to 4% based on age of the employee.

In determining the discount rate assumptions, the Company matches projected benefit payments to published market yields as of December 31.

NOTES TO FINANCIAL STATEMENTS

The expected long-term rate of return on plan assets assumption is the long-term rate the Company expects to be earned based on the plans' investment strategies. The Company employs a prospective building block approach in determining its assumptions, which may vary by plan and may change when the target investment portfolio changes. In this approach, historical and expected future returns of multiple asset classes were analyzed to develop an expected rate of return, considering expected risk free rates of return and risk premiums. The Company uses the internal Capital Market Expectations (CME) report that is based upon the strategic asset allocation of the plan assets. The long-term rate of return on plan assets that is derived from the CME will be compared to external benchmarks to ensure it is reasonable and then will be rounded to the nearest quarter percent. Given the prospective nature of this calculation, short-term fluctuations in the market do not impact the expected risk premiums and the expected rate of return on plan assets.

9. Nationwide uses December 31 as the measurement date.

10. The following table shows the assumed health care cost trend rates for postretirement benefits other than pension:

	2011	2010
Initial rate	8.50%	8.75%
Ultimate rate	5.00%	5.00%
Declining rate	14 years	15 years

11. As a result of the 2004 postretirement health plan change, the effect of a one percentage point change in the trend assumption on the accumulated postretirement benefit obligation (APBO) as a whole was not material as of December 31, 2011 and 2010 due to the plan caps.

12. The following table shows the asset allocation for the pension plan at the end of 2011 and 2010 by asset category:

13.	Target Allocation Percentage	Percentage of plan assets 2011	2010
Asset Category:			
Equity securities	19%	6%	19%
Debt securities	76%	81%	74%
Other	5%	13%	7%
Total	100%	100%	100%

The pension plans employ a total return investment approach whereby a mix of equities and fixed income investments are used to maximize the long-term return of plan assets for a prudent level of risk. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and corporate financial condition. Plan language requires investment of a portion of assets in a group annuity contract backed by fixed investments with an interest rate guarantee to match liabilities for specific classes of retirees. On a periodic basis, the portfolio is analyzed to establish the optimal mix of assets given current market conditions and risk tolerance. Derivatives may be utilized for management of market risk exposures when they provide a more efficient alternative to cash market transactions.

The following table shows the asset allocation for the postretirement benefit plan at the end of 2011 and 2010 by asset category:

	Target Allocation Percentage	Percentage of plan assets 2011	2010
Asset Category:			
Equity securities	40%	37%	56%
Debt securities	60%	63%	44%
Other	0%	0%	0%
Total	100%	100%	100%

The postretirement benefit plan employs a total return investment approach whereby a mix of equities and fixed income investments are used to maximize the long-term return of plan assets for a prudent level of risk. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and corporate financial condition. Plan investments for retiree life insurance benefits include a retiree life insurance contract issued by NLIC. Plan investments for retiree medical liabilities include both a group annuity contract issued by NLIC, backed by fixed investments with an interest rate guarantee, and a third-party trust. The investment mix is measured and monitored on an ongoing basis through regular investment reviews, annual liability measurements, and periodic asset/liability studies.

13. The following table shows benefits expected to be paid in each of the next five fiscal years and in the aggregate for the five fiscal years thereafter:

	Pension Benefits	Postretirement Benefits
2012	$ 186,903,871	$ 17,414,409
2013	189,405,599	17,870,018
2014	193,396,094	18,378,124
2015	196,880,412	18,956,610
2016	202,696,853	19,316,473
2017-2021	1,139,473,687	98,458,718

14. The Company expects to contribute $14.2 million to the non-qualified pension plan and $17.4 million to the postretirement benefit plan in 2012. The Company does not have a required minimum funding contribution for the NRP and as of this date, has not determined the amount of any contribution.

15. Plan assets are invested in a trust with Bank of New York as the custodian and trustee and a group annuity contract issued by Nationwide Life Insurance Company.

16. Not applicable.

17. Not applicable.

18. Not applicable.

19. Not applicable.

NOTES TO FINANCIAL STATEMENTS

B. Defined Contribution Plans

The Company, together with other affiliated companies, participates in a defined contribution retirement savings plan (401(k) and PPP) covering substantially all employees. Employees make salary deferral contributions of up to 80%. Salary deferrals of up to 6% are subject to a 50% company match. The Company match is funded on a biweekly basis and the expense of such contributions are allocated to the Company based on employee contributions. For the Plan as a whole, the expense was $57.7 million and $57.6 million for 2011 and 2010, respectively. Individuals are subject to a dollar limit on salary deferrals per IRS Section 402(g) ($16,500 in 2011 and 2010, respectively). Other limits also apply.

C. Multiemployer Plans

Not applicable.

D. Consolidated/Holding Company Plans

The Company, together with other affiliated companies, participates in non-qualified deferred compensation and defined benefit arrangements for certain employees and agents. Expenses are allocated to the Company based on individual participants. Total Plan liabilities for non-qualified deferred compensation plans were $246.3 million and $250.1 million on December 31, 2011 and December 31, 2010, respectively. Total Plan liabilities for non-qualified defined benefit plans were $270.9 million and $248.8 million on December 31, 2011 and December 31, 2010, respectively. Total expense related to the non-qualified benefit plans was $17.3 million and $17.1 million for years ended December 31, 2011 and 2010, respectively.

The ASCP is a non-qualified, unfunded deferred compensation program available to eligible agents. The designated agents covered by the ASCP are not employees of the Company, but they are independent contractors exclusively representing the Company in the sale of insurance and related products. Accordingly, the Company believes it is appropriate to apply the concepts of SSAP No. 89, *Accounting for Pensions, A Replacement of SSAP No. 8*, by analogy to the ASCP.

Total liabilities related to the ASCP were $1,134.9 million and $1,316.9 million at December 31, 2011 and 2010, respectively. Total expense recorded for this program was $109.3 million and $122.9 million for the years ended December 31, 2011 and 2010, respectively.

E. Postemployment Benefits and Compensated Absences

Not applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits

In 2004 the postretirement medical plan was amended to reflect the provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act), which was signed into law on December 8, 2003. The amendment integrates prescription drug benefits with the coverage provisions provided in the Act. The impact of the amendment is reflected in the accumulated postretirement benefit obligations beginning December 31, 2004. The one time expense impact of the Act was a $2.0 million decrease for 2005.

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

A. Outstanding Shares

Not applicable.

B. Dividend Rate of Preferred Stock

Not applicable.

C. Dividend Restrictions

The maximum amount of dividends which can be paid to shareholders by a State of Ohio domiciled insurance company without prior approval of the Director of Insurance is limited to, together with that of other dividends or distributions made within the preceding 12 months, the greater of either 10% of surplus as regards policyholders as of the preceding December 31, or the net income of the previous calendar year. Additionally, any dividend or distribution paid from other than earned surplus shall require prior approval of the Director of Insurance. Subject to applicable regulatory approval(s), dividends are paid as determined by the insurer’s board of directors.

D. Dividends Paid

No dividends were paid by the Company during 2011 and 2010.

E. Profits Available for Ordinary Dividends

Within the limitations of (C) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to shareholders.

F. Restrictions on Surplus

There is no restriction on the use of the Company’s unassigned surplus and such surplus is held for the benefit of the shareholder.

G. Advances to Surplus Not Repaid

Not applicable.

H. Stock Held by Company for Special Purposes

Not applicable.

I. Changes in Special Surplus Funds

Not applicable.

J. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is $39,458,129 less applicable deferred taxes of $40,416,170, for a net unrealized capital loss of $958,041.

NOTES TO FINANCIAL STATEMENTS

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

Note 14 – Contingencies

A. Contingent Commitments

At December 31, 2011, the Company has unfunded commitments of $24.6 million related to its investments in limited partnerships and limited liability companies and $0 related to commercial mortgage loans.

As indicated in Note 10E, the Company has made no guarantees on behalf of affiliates or on indebtedness of others.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums are written. In the case of loss-based assessments, the assessments should be accrued at the time the losses are incurred.

As of December 31, 2011 and 2010, the Company accrued a liability for guaranty fund and other assessments of $2.9 million and $4.2 million and a related premium tax benefit asset of $1.5 million and $2.1 million, respectively. These represent management's best estimate based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

(1) Description	(2) Amount
Assets recognized from paid and accrued premium tax offsets and policy holder surcharges prior year-end	$ 2,135,664
Decreases current year:	
Premium tax offsets applied	$ 379,960
Change in accrued premium tax offsets	$ 288,911
Assets recognized from paid and accrued premium tax offsets and policy holder surcharges current year-end	$ 1,466,793

C. Gain Contingencies

Not applicable.

D. Claims Related Extra Contractual Obligations and bad Faith Losses Stemming From Lawsuits

Not applicable.

E. Product Warranties

Not applicable.

F. All Other Contingencies

Various lawsuits arise against the Company in the normal course of the Company's business. Contingent liabilities arising from litigation were reserved for $6.8 million and $7.1 million at December 31, 2011 and 2010, respectively.

Note 15 – Leases

A. Lessee Leasing Arrangements

Not applicable.

B. Lessor Leasing Arrangements

Not applicable.

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

A. Financial Instruments with Off-Balance Sheet Risk.

The table below summarizes the face amount of the Company's financial instruments with off balance sheet risk.

	Assets		Liabilities	
Description	2011 Notional	2010 Notional	2011 Notional	2010 Notional
a. Swaps	-	3,778,000	-	-
b. Futures	600,000	-	-	-
c. Options	-	-	-	-
Totals	**$ 600,000**	**$ 3,778,000**	**$ -**	**$ -**

B. Financial Instruments with Concentrations of Credit Risk

Notional amounts of derivative financial instruments significantly exceed the credit risk associated with these instruments and represent contractual balances on which calculations of amounts to be exchanged are based. Credit exposure is limited to the sum of the aggregate fair value of positions that have become favorable to the Company, including accrued interest receivable due from counterparties, net of collateral received.

NOTES TO FINANCIAL STATEMENTS

C. Exposure to Credit-Related Losses

Potential credit losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions, collateral agreements and other contract provisions.

D. Collateral Policy

Collateral requirements for over-the-counter derivative instruments are controlled by the International Swap Dealers Association and Credit Support Annex documents that are negotiated with each counterparty. Generally, these documents outline each party's rights and obligations for receiving and posting collateral. The documents address such issues as calculating collateral due/owed, delivery and return of collateral, uses and substitution for collateral, distributions and interest rights and remedies for both parties, credit thresholds and eligible collateral (typically cash, debt obligations issued by the United States Treasury, or obligations issued by government agencies). The Company monitors their collateral position on a daily basis, adjusting positions as necessary, and in accordance with the terms of these agreements. For exchange-traded future and option contracts, the broker for the various types of contracts that the Company may employ establishes margin requirements. The margin account is settled daily for changes in contracts outstanding and movements in market values of open contracts. The Company uses cash to cover the margin account requirements.

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

A. Transfers of Receivables Reported as Sales

Not applicable.

B. Transfers and Servicing of Financial Assets

1. There were no assets or liabilities obtained in transfers of financials assets where it was not practicable to estimate their fair value.

2. The Company has entered into a securities lending agreement with an agent bank whereby eligible securities may be loaned to third parties, primarily major brokerage firms. These transactions are used to generate additional income on the securities portfolio. Loaned securities continue to be reported as invested assets and the Company is entitled to receive any payments of interest or dividends paid on loaned securities. The agreement requires a minimum of 102% of the fair value of loaned securities to be held as collateral. Cash collateral received from borrowers is reflected as a "Payable for securities lending" on the "Statement of Liabilities, Surplus and Other Funds" while non-cash collateral is recorded off-balance sheet. Cash collateral received is reinvested by the agent bank in accordance with the Company's authorized investment policy and included in "Securities lending reinvested collateral assets" in the "Statement of Assets". If the fair value of the reinvested collateral assets is less than the fair value of the securities loaned, the shortfall is non-admitted. Because the borrower or the Company may terminate a securities lending transaction at any time, if loans are terminated in advance of the reinvested collateral asset maturities, the Company would repay its securities lending obligation from operating cash flows or the proceeds of sales from its investment portfolio, which includes significant liquid securities.

   The fair value of loaned securities was $14,115,409, at December 31, 2011. The Company does not hold any non-cash collateral for loaned securities as of December 31, 2011.

   Reinvested collateral assets reported on Schedule DL are excluded from other statutory schedules and disclosures.

   See Note 5 E. for additional information concerning securities lending

3. No servicing assets or liabilities were recognized during the period.

4. There were no assets securitized during the period.

5. There were no retained interests since there were no securitized financial assets.

6. There were no transfers of receivables with recourse.

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

A. Administrative Services Only (ASO) Plans

Not applicable.

B. Administrative Services Contract (ASC) Plans

Not applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable.

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

Not applicable.

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.

NOTES TO FINANCIAL STATEMENTS

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.

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 and liabilities measured and reported at fair value as of December 31, 2011:

	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
U.S. Government bonds	-	-	-	-
States, Territories and Possessions	-	-	-	-
Political subdivisions	-	-	-	-
Special revenues	-	6,688,734	-	6,688,734
Hybrid Securities	-	-	-	-
Credit tenant loans	-	-	-	-
Industrial & Misc.	-	107,287,708	10,019,508	117,307,216
Total Bonds	**$ -**	**$ 113,976,442**	**$ 10,019,508**	**$ 123,995,950**
Sec Lending	-	2,094,013	-	2,094,013
Preferred Stocks	-	-	292,040	292,040
Common Stocks	-	-	789,003	789,003
Loans held for sale	-	-	-	-
Separate Account Assets	-	-	-	-
Derivative Assets	-	-	-	-
Total Assets at Fair Value	**$ -**	**$ 116,070,455**	**$ 11,100,552**	**$ 127,171,007**
Liabilities at Fair Value				
Derivatives Liabilities	482,813	-	-	482,813
Total Liabilities at Fair Value	**$ 482,813**	**$ -**	**$ -**	**$ 482,813**

NOTES TO FINANCIAL STATEMENTS

Assets and liabilities for which the Company used significant unobservable inputs (Level 3) to determine fair value measurements for the twelve months ended December 31, 2011:

	Balance as of 12/31/2010	Net Investment Gain/Loss In Earnings	Net Investment Gain/Loss Unrealized in Surplus	Activity During the Period Purchases, issuances, sales, and settlements	Transfers Into Level 3	Transfers Out of Level 3	Balance as of 12/31/2011
Assets at Fair Value							
U.S. Government bonds	-	-	-	-	-	-	-
States, Territories and Possessions	-	-	-	-	-	-	-
Political subdivisions	-	-	-	-	-	-	-
Special revenues	-	-	-	-	-	-	-
Hybrid Securities	-	-	-	-	-	-	-
Credit tenant loans	-	-	-	-	-	-	-
Industrial and miscellaneous	9,011,496	(285,301)	1,180,652	(1,435,296)	2,142,857	(594,900)	10,019,508
Total Bonds	**$ 9,011,496**	**$ (285,301)**	**$ 1,180,652**	**$ (1,435,296)**	**$ 2,142,857**	**$ (594,900)**	**$ 10,019,508**
Sec Lending	-	-	-	-	-	-	-
Preferred Stocks	289,190	-	2,850	-	-	-	292,040
Common Stocks	16,673	-	(106,260)	878,590	-	-	789,003
Loans held for sale	-	-	-	-	-	-	-
Separate Account Assets	-	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-	-
Total Assets at Fair Value	**$ 9,317,360**	**$ (285,301)**	**$ 1,077,242**	**$ (556,707)**	**$ 2,142,857**	**$ (594,900)**	**$ 11,100,552**
Liabilities at Fair Value							
Derivatives Liabilities	-	-	-	-	-	-	-
Total Liabilities at Fair Value	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Assets and liabilities for which the Company used significant unobservable inputs (Level 3) to determine fair value measurements for the three months ended December 31, 2011:

	Balance as of 09/30/2011	Net Investment Gain/Loss In Earnings	Net Investment Gain/Loss Unrealized in Surplus	Activity During the Period Purchases, issuances, sales, and settlements	Transfers Into Level 3	Transfers Out of Level 3	Balance as of 12/31/2011
Assets at Fair Value							
U.S. Government bonds	-	-	-	-	-	-	-
States, Territories and Possessions	-	-	-	-	-	-	-
Political subdivisions	-	-	-	-	-	-	-
Special revenues	-	-	-	-	-	-	-
Hybrid Securities	-	-	-	-	-	-	-
Credit tenant loans	-	-	-	-	-	-	-
Industrial and miscellaneous	11,061,826	(166,971)	100,032	(385,879)	-	(589,500)	10,019,508
Total Bonds	**$ 11,061,826**	**$ (166,971)**	**$ 100,032**	**$ (385,879)**	**$ -**	**$ (589,500)**	**$ 10,019,508**
Sec Lending	-	-	-	-	-	-	-
Preferred Stocks	291,440	-	600	-	-	-	292,040
Common Stocks	662,207	-	427,692	(300,896)	-	-	789,003
Loans held for sale	-	-	-	-	-	-	-
Separate Account Assets	-	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-	-
Total Assets at Fair Value	**$ 12,015,473**	**$ (166,971)**	**$ 528,324**	**$ (686,775)**	**$ -**	**$ (589,500)**	**$ 11,100,552**
Liabilities at Fair Value							
Derivatives Liabilities	-	-	-	-	-	-	-
Total Liabilities at Fair Value	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Transfers: Level 3

Assets and liabilities are included in this roll forward table because their fair value categorizations are deemed to be Level 3 at December 31, 2011, September 30, 2011 and/or December 31, 2010 and (1) they are items consistently reported at fair value (e.g., common stocks, certain derivatives, certain separate account assets), or (2) they are items that are reported at fair value due to the application of “lower of amortized cost or fair value” rules applicable to securities with lower NAIC ratings designations. Transfers out of Level 3 were due to pricing increases on bonds previously carried at fair value now carried at amortized cost under the application of “lower of amortized cost or fair value” rules. Transfers into Level 3 were due to pricing decreases on bonds previously carried at amortized cost now carried at fair value under the application of “lower of amortized cost or fair value” rules.

Note 21 - Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring for Debtors

Not applicable.

C. Other Disclosures

Not applicable.

D. Uncollectible Premiums Receivable

Not applicable.

E. Business Interruption Insurance Recoveries

Not applicable.

NOTES TO FINANCIAL STATEMENTS

F. State Transferable and Non-Transferable Tax Credits

1.

Description of State Transferable Tax Credits	State	Carrying Value	Unused Amount
CCEP Series I Funding,LLC	GA	$ 911,914	$ 1,095,252
Nationwide State Tax Credit I LLC	GA, NC	$ 1,063,702	$ 1,034,996
NHT XII NW Tax Credit Fund, LLC	GA	$ 426,232	$ 407,724
South Carolina State Tax Credit Partners LLC	SC	$ 624,293	$ 596,624
The Old Cotton Factory Investor, LLC	SC	$ 41,371	$ 40,300
Total		$ 3,067,512.00	$ 3,174,896.00

2. The Company estimated the utilization of the remaining transferable state tax credits by projecting future premium taking into account policy growth and rate changes, projecting future tax liability based on projected premium, tax rates and tax credits, and comparing projected future tax liability to the availability of remaining transferable state tax credits.

3. Impairment Loss – No impairments were recognized.

G. Subprime Mortgage Related Risk Exposure

In general, recent market activity has negatively impacted the valuation of securities containing sub-prime collateral, which are classifications of investments in which the Company invests. The Company evaluates many characteristics when classifying collateral as sub-prime, including credit quality of the borrower as defined by Fair Isaac Credit Organization (FICO) scores, as well as other factors, such as loan-to-value ratios and type of real estate.

As of December 31, 2011, all of the Company's exposure to investments containing sub-prime collateral is isolated to the mortgage-backed and asset-backed securities. When making investments in mortgage-backed or asset-backed securities, the Company evaluates the quality of the underlying collateral, the structure of the transaction (which dictates how losses in the underlying collateral will be distributed) and prepayment risks.

The following table identifies the general asset categories exposure to securities containing sub-prime collateral. This table also identifies the end of period unrealized gain/loss or other than temporary impairments.

	For the period ended December 31, 2011				
	Actual Cost	Book Adjusted Carry Value	Fair Value	Unrealized Gains/ (Losses)	Impairments
Mortgage loans	-	-	-	-	-
Residential mortgage backed securities	11,276,596	6,851,924	6,789,688	(62,236)	-
Commercial mortgage backed securities	-	-	-	-	-
Collateralized debt obligations	-	-	-	-	-
Structured securities	1,471,598	1,469,822	1,445,229	(24,593)	-
Equity investments	-	-	-	-	-
Other invested assets	-	-	-	-	-
Total subprime exposure	$ 12,748,194	$ 8,321,746	$ 8,234,917	$ (86,829)	$ -
Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guarantee	$ -	$ -	$ -	$ -	$ -

Note 22 - Events Subsequent

Subsequent events have been considered through February 10, 2012 for these statutory financial statements which are to be issued February 21, 2012. There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company does not have an unsecured aggregate recoverable for paid and unpaid losses, loss adjustment expenses and unearned premiums from any individual reinsurer, authorized or unauthorized, that exceeds 3% of policyholders' surplus.

B. Reinsurance Recoverable in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus from an individual reinsurer or exceed 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2011.

(000's)	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	$634,693	$94,879	$692,480	$8,692	($57,787)	$86,188
b. All Others	0	0	67,136	15,875	($67,136)	($15,875)
c. Totals	**$634,693**	**$94,879**	**$759,616**	**$24,566**	**($124,923)**	**$70,313**
d. Direct Unearned Premium Reserve			$759,616			

NOTES TO FINANCIAL STATEMENTS

2. Certain agency agreements and ceded reinsurance contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2011 are as follows:

($000's) Description	Direct	Assumed	Ceded	Net
a. Contingent Commissions	$13,039	$26,368	$13,039	$26,368
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commissions	0	0	0	0
d. Totals	**$13,039**	**$26,368**	**$13,039**	**$26,368**

D. Uncollectible Reinsurance

No reinsurance recoverables were written off during 2011.

E. Commutation of Ceded Reinsurance

The Company did not enter into any commutation during 2011.

F. Retroactive Reinsurance

There was no retroactive reinsurance affected during 2011.

G. Reinsurance Accounted for as a Deposit

There were no reinsurance agreements that were accounted for as deposits during 2011.

H. There was no transfer of any property and casualty run-off agreements requiring approval of regulators and qualifying under SSAP No. 62R, Property and Casualty Reinsurance, to receive property & casualty run-off accounting treatment.

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Method Used to Estimate

The Company sells accident and health policies for which the premiums vary based on loss experience. Future premium adjustments for these retrospective policies are estimated and accrued. The Company estimates these accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss development with that anticipated in the policy contracts to arrive at the best estimates of return or additional premiums.

B. Method Used to Record

The Company records retrospective premium accruals as earned by adjusting unearned premiums. These amounts are not recorded as premiums written until they are billed to the policyholders. Return premiums are recorded as liabilities and additional premiums are recorded as assets.

C. Amount and Percent of Net Retrospective Premiums

Net premiums written for the current year on retrospective accident and health policies were $82,705 or 0.4% of accident and health premiums written.

D. Medical Loss Ratio Rebates

Not applicable.

E. Calculation of Nonadmitted Accrued Retrospective Premiums

Not applicable.

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

(000's)	2011 Calendar Year Losses and LAE Incurred			2011 Loss Year	Shortage	Loss & DCC Shortage	Impact of AO on Total
Line of Business	Losses Incurred	LAE Incurred	Totals	Losses and LAE Incurred	(Redundancy)	(Redundancy)	Shortage (Redundancy)
Homeowners / Farmowners	$280,354	$33,821	$314,175	$325,678	($11,503)	($10,974)	($529)
Commercial Multiple Peril	100,332	20,439	120,771	131,147	(10,376)	(10,972)	596
Workers' Compensation	18,317	2,548	20,865	20,836	29	89	(60)
Other Liability	34,820	20,975	55,795	73,879	(18,084)	(20,225)	2,141
Product Liability	7,700	3,183	10,883	6,785	4,098	4,033	65
Auto	549,435	95,434	644,869	655,464	(10,595)	(13,343)	2,748
All Others	64,131	5,778	69,909	65,137	4,773	4,320	453
Totals	**$1,055,089**	**$182,178**	**$1,237,266**	**$1,278,926**	**($41,659)**	**($47,072)**	**$5,413**

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years decreased by $41.7 million (3.8% of prior year reserves) during 2011, as shown in the chart above. The redundancy was primarily associated with the homeowners/farmowners, commercial multiple peril and other liability lines of business. The favorable impacts are primarily due to improvements in underwriting/mix of business, claims process improvements, favorable development on weather/CAT claims, and the increased adequacy of case reserve levels.

NOTES TO FINANCIAL STATEMENTS

Note 26 - Intercompany Pooling Arrangements

Effective January 1, 2011 the following companies became participants in a pooling reinsurance agreement with Mutual (NAIC # 23787) whereby Mutual retains 83.7% of the pool results: Nationwide Mutual Fire Insurance Company (NAIC # 23779), Scottsdale Insurance Company (NAIC # 41297), Farmland Mutual Insurance Company (NAIC # 13838), Nationwide General Insurance Company (NAIC # 23760), Nationwide Property & Casualty Insurance Company (NAIC # 37877), Nationwide Affinity Insurance Company of America (NAIC # 26093), Crestbrook Insurance Company (NAIC # 18961), Allied Insurance Company of America (NAIC # 10127), AMCO Insurance Company (NAIC # 19100), Allied Property & Casualty Insurance Company (NAIC # 42579), Depositors Insurance Company (NAIC # 42587), Nationwide Agribusiness Insurance Company (NAIC # 28223), Victoria Fire & Casualty Insurance Company (NAIC # 42889), Victoria Automobile Insurance Company (NAIC # 10644), Victoria Specialty Insurance Company (NAIC # 10777), Victoria Select Insurance Company (NAIC # 10105), and Victoria National Insurance Company (NAIC # 10778).

All lines of business are subject to the pooling agreement.

There are no discrepancies related to the pooled business between the assumed and ceded reinsurance schedules of the pool participants.

The following companies are covered under a 100% quota share reinsurance agreement with Mutual: Nationwide Assurance Company, Titan Insurance Company, Titan Indemnity Company, Nationwide Lloyds Insurance Company, Nationwide Insurance Company of America, National Casualty Company, and Colonial County Mutual Insurance Company. Mutual then cedes this business into the Nationwide Pool.

Scottsdale Surplus Lines Insurance Company, Western Heritage Insurance Company, Scottsdale Indemnity Company and Freedom Specialty Insurance Company are covered under a 100% quota share reinsurance agreement with Scottsdale Insurance Company. Scottsdale Insurance Company then cedes this business to Mutual.

Mutual is the lead company in the Nationwide Pool. The companies receiving business from the Nationwide Pool are:

	NAIC #	POOL
Nationwide Mutual Insurance Company (Lead Insurer)	23787	83.7%
Nationwide Mutual Fire Insurance Company	23779	11.3%
Scottsdale Insurance Company	41297	4.0%
Farmland Mutual Insurance Company	13838	1.0%

Amounts due to/from the lead entity and pool participants as of December 31, 2011:

Name of Insurer	Amounts Receivable	Amounts Payable
Nationwide Mutual Insurance Company (Lead Insurer)	905,336,376	31,254,615
Nationwide Mutual Fire Insurance Company	6,905,610	313,043,439
Scottsdale Insurance Company	28,343,668	-
Farmland Mutual Insurance Company	36,457,203	15,973,668
Nationwide General Insurance Company	297	118,678,238
Nationwide Property & Casualty Insurance Company	5,419,953	265,047,950
Nationwide Affinity Insurance Company of America	2,259,935	147,848,288
Crestbrook Insurance Company	62,589	27,853
Allied Insurance Company of America	-	3,164
AMCO Insurance Company	9,141,273	128,654,533
Allied Property & Casualty Insurance Company	1,054,719	7,806,700
Depositors Insurance Company	527,922	1,168,163
Nationwide Agribusiness Insurance Company	60,588,552	1,821,314
Victoria Fire & Casualty Insurance Company	5,220,175	21,549,997
Victoria Automobile Insurance Company	640,653	824,508
Victoria Specialty Insurance Company	1,427,466	3,668,438
Victoria Select Insurance Company	1,188,464	2,365,167
Victoria National Insurance Company	1,979	360

Note 27 - Structured Settlements

A. Reserves Released due to Purchases of Annuities

The Company has settled certain losses with structured settlement agreements whereby the Company has purchased an annuity with the claimant as the payee. Certain of these annuities are without qualified assignments. The Company is contingently liable under the settlement agreements without qualified assignments if the annuity-issuing company is unable to meet the payment obligations to the Company's claimant under the settlement agreement. The amortized value of the annuities under such agreements for direct losses as of December 31, 2011 and 2010 is $17.0 million and $18.3 million, respectively.

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

There were no annuity insurers with balances due greater than 1% of policyholders' surplus in 2011.

Note 28 - Health Care Receivables

A. Pharmaceutical Rebate Receivables

Not applicable.

B. Risk Sharing Receivables

Not applicable.

Note 29 - Participating Policies

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 30 - Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of December 31, 2011 and determined there was no premium deficiency. This evaluation was completed on January 9, 2012. The Company does anticipate investment income when evaluating the need for premium deficiency reserves.

Note 31 - High Deductibles

Not applicable.

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

The Company discounts the liabilities for unpaid losses and loss expenses for long-term accident and health claims. The Company does not discount incurred but not reported (IBNR). Different companies service our long-term accident and health unpaid disability claims and supply the reserves and tabular discount; thus, different methodologies have been utilized. The Company does not have any non-tabular discount.

A. Tabular Discounts

1. 1987 Commissioner's Group Disability Table (CGDT)

3. For the 1987 CGDT, rate used was the maximum interest rate permitted by law in the valuation of a single premium immediate annuity issued on the same date as the claim incurral date, reduced by one hundred basis points (rates used vary from 4.00% to 10.25%).

3. The December 31, 2011 liabilities include $410,074 of such discounted reserves.

4. The amount of tabular interest discount for Other (including Credit, Accident and Health) is $70,278.

B. Non-Tabular Discounts

Not applicable.

C. Changes in Discount Assumptions

Not applicable.

Note 33 - Asbestos/Environmental Reserves

A. The Company has exposure to asbestos and environmental claims through either the direct issuance of general liability policies or through reinsurance assumptions. The Company estimates the full impact of its asbestos and environmental exposure by establishing case reserves when sufficient information has been developed to indicate the involvement of a specific insurance policy. In addition, incurred but not reported reserves have been established to cover additional exposures on both known and unasserted claims, primarily utilizing historical information.

This schedule includes all loss segments that now reside in the Company. The Company's asbestos and environmental related losses for each of the five most recent calendar years were as follows:

(1) **Asbestos Claims - Direct**	2007	2008	2009	2010	2011
Beginning Reserves:	5,724,502	5,457,462	5,175,073	4,871,400	4,916,525
Incurred Loss and Loss Adj. Expense:	263,262	100,944	175,395	720,229	206,167
Calendar Year Payments:	530,303	383,333	479,070	675,104	688,620
Ending Reserve:	5,457,462	5,175,073	4,871,400	4,916,525	4,434,073

(2) **Asbestos Claims - Assumed**

(3) **Asbestos Claims - Net**	2007	2008	2009	2010	2011
Beginning Reserves:	1,119,025	980,524	981,369	979,023	1,040,172
Incurred Loss and Loss Adj. Expense:	(44,722)	42,112	27,749	173,553	(43,438)
Calendar Year Payments:	93,779	41,267	30,095	112,404	35,234
Ending Reserve:	980,524	981,369	979,023	1,040,172	961,500

B. Bulk and IBNR Losses and LAE

(1)	Direct	3,343,196
(2)	Assumed	None
(3)	Net of Ceded Reinsurance	791,045

C. Case, Bulk and IBNR LAE

(1)	Direct	2,362,435
(2)	Assumed	None
(3)	Net of Ceded Reinsurance	403,975

D. See A above

NOTES TO FINANCIAL STATEMENTS

(1)	**Environmental Claims - Direct**	2007	2008	2009	2010	2011
	Beginning Reserves:	4,026,948	3,632,714	3,429,177	3,261,323	3,177,932
	Incurred Loss & Loss Adj. Expense:	344,036	104,642	80,924	123,046	(18,433)
	Calendar Year Payments:	738,269	308,179	248,778	206,437	227,892
	Ending Reserve:	3,632,714	3,429,177	3,261,323	3,177,932	2,931,607

(2) **Environmental Claims - Assumed**

(3)	**Environmental Claims - Net**	2007	2008	2009	2010	2011
	Beginning Reserves:	3,251,326	2,907,897	2,757,720	2,841,462	2,768,603
	Incurred Loss and Loss Adj. Expense:	343,988	103,705	299,870	122,759	53,451
	Calendar Year Payments:	687,417	253,882	216,128	195,618	218,821
	Ending Reserve:	2,907,897	2,757,720	2,841,462	2,768,603	2,603,233

E.	Bulk and IBNR Losses and LAE	
(1)	Direct	2,374,021
(2)	Assumed	None
(3)	Net of Ceded Reinsurance	2,090,500
F.	Case, Bulk and IBNR LAE	
(1)	Direct	1,126,174
(2)	Assumed	None
(3)	Net of Ceded Reinsurance	948,070

Note 34 - Subscriber Savings Accounts

Not applicable.

Note 35 - Multiple Peril Crop Insurance

Not applicable.

Note 36 – Financial Guaranty Insurance

A. and B. Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State Regulating? OH

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 [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011

3.2 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

3.3 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

3.4 By what department or departments?
OH

3.5 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 [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

5.2 If yes, provide the name of 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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

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

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No [ ]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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 Mutual Insurance Company	Columbus, OH	YES	NO	NO	NO	NO
Nationwide Mutual Fire Insurance Company	Columbus, OH	YES	NO	NO	NO	NO
Nationwide Financial Services, Inc.	Columbus, OH	YES	NO	NO	NO	NO
Nationwide Corporation	Columbus, OH	YES	NO	NO	NO	NO
Nationwide Bank	Columbus, OH	NO	YES	NO	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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, 191 W. Nationwide Blvd., Suite 500 Columbus, OH 43215

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Leslie R. Marlo, FCAS, MAAA, KPMG LLP, 100 Matsonford Road, Radnor, PA-19087, Managing Director

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

12.2 If, yes provide explanation:

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

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

14.11 If the response to 14.1 is No, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers $
20.12 To stockholders not officers $
20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
20.21 To directors or other officers $
20.22 To stockholders not officers $
20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
21.21 Rented from others $
21.22 Borrowed from others $
21.23 Leased from others $
21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:
22.21 Amount paid as losses or risk adjustment $
22.22 Amount paid as expenses $
22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

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

INVESTMENT

24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes [ ] No [X]

24.2 If no, give full and complete information relating thereto
Held on deposit with states.

24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
Nationwide utilizes a third party to administer its Securities Lending program. Securities are loaned to approved counterparties, who in turn post cash collatteral to Nationwide. The amount of cash collateral received is calculated as a percentage of the market value of the security being lent. The cash is subsequently reinvested based upon a Nationwide approved Investment Policy. The collateral received by Nationwide and the corresponding payable to the counterparties are recorded on balance sheet. Additionally, Nationwide participates in a Cash Release Program. Nationwide can borrow a limited amount of cash from the program subject to the underwriting of the plan administrator. Nationwide pays 1 month LIBOR on the borrowings, a majority of which comes back to Nationwide as earnings on the securities lending program. As of December 31, 2011, Nationwide had loaned $14,115,409 to approved counterparties and received collateral amounts of $14,473,134.

24.4 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] N/A [ ]

24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. $ 10,882,428

24.6 If answer to 24.4 is no, report amount of collateral for other programs. $

24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] N/A [ ]

24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] N/A [ ]

24.9 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3). Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	$
25.22	Subject to reverse repurchase agreements	$
25.23	Subject to dollar repurchase agreements	$
25.24	Subject to reverse dollar repurchase agreements	$
25.25	Pledged as collateral	$
25.26	Placed under option agreements	$
25.27	Letter stock or other securities restricted as to sale	$
25.28	On deposit with state or other regulatory body	$ 7,322,218
25.29	Other	$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No [ ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [ ] N/A [ ]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. $

28. 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 [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	1 Wall Street, New York, NY 10286

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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 Number(s)	2 Name	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, Ohio 43215-2220

GENERAL INTERROGATORIES

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [ ] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	3,113,911,497	3,465,004,796	351,093,299
30.2 Preferred stocks	292,040	292,040	
30.3 Totals	3,114,203,537	3,465,296,836	351,093,299

30.4 Describe the sources or methods utilized in determining the fair values:

For fixed maturity and marketable equity securities for which market quotations generally are available, Nationwide generally uses independent pricing services to assist in determining the fair value measurement. For certain fixed maturity securities not priced by independent services (generally private placement securities without quoted market prices), an internally developed pricing model or "corporate pricing matrix" is most often used. The corporate pricing matrix is developed by obtaining private spreads versus the U.S. Treasury yield for corporate securities with varying weighted average lives and bond ratings. The weighted average life and bond rating of a particular fixed maturity security to be priced using the corporate matrix are important inputs into the model and are used to determine a corresponding spread that is added to the U.S. Treasury yield to create an estimated market yield for that bond. The estimated market yield and other relevant factors are then used to estimate the fair value of the particular fixed maturity security. Nationwide also utilized broker quotes to assist in pricing securities or to validate modeled prices.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

Nationwide relies on broker valuations only when an approved third party vendor evaluation is not available. Any exceptions are approved by Risk Management and the Middle Office and reviewed by the Investments Pricing Committee. The brokers used to value securities are deemed to be main market makers for each individual security and therefore have in depth knowledge of the particular issue.

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
All payments are made by Nationwide Mutual Insurance Company and are reported in its Annual Statement.	

34.1 Amount of payments for legal expenses, if any? $

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
All payments are made by Nationwide Mutual Insurance Company and are reported in its Annual Statement.	

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
All payments are made by Nationwide Mutual Insurance Company and are reported in its Annual Statement.	

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U. S. business only. $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. $

1.6 Individual policies:

Most current three years:
1.61 Total premium earned $
1.62 Total incurred claims $
1.63 Number of covered lives

All years prior to most current three years
1.64 Total premium earned $
1.65 Total incurred claims $
1.66 Number of covered lives

1.7 Group policies:

Most current three years:
1.71 Total premium earned $
1.72 Total incurred claims $
1.73 Number of covered lives

All years prior to most current three years
1.74 Total premium earned $
1.75 Total incurred claims $
1.76 Number of covered lives

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator		
2.2	Premium Denominator	1,607,957,271	1,631,497,062
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	623,085	624,889
2.5	Reserve Denominator	1,797,903,563	1,823,393,815
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [X]

3.2 If yes, state the amount of calendar year premiums written on:

3.21 Participating policies $
3.22 Non-participating policies $

4. For mutual reporting Entities and Reciprocal Exchanges Only:
4.1 Does the reporting entity issue assessable policies? Yes [ ] No [X]
4.2 Does the reporting entity issue non-assessable policies? Yes [X] No [ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $

5. For Reciprocal Exchanges Only:
5.1 Does the Exchange appoint local agents? Yes [ ] No [ ]
5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]

5.5 If yes, give full information

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company's net exposure arises from its participation in the Nationwide Mutual Insurance Company Pool. Exposure of the Pooled Companies to a Workers' Compensation catastrophe is protected by a Liability Excess of Loss (Clash) treaty providing $90M limit excess of $10M per occurrence retention and containing a $10M per claimant limit.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The Company's net exposure arises from its participation in the Nationwide Mutual Insurance Company Pool. Catastrophic risk to the Pool arises primarily from windstorm events in the southeastern United States affecting personal and commercial lines. The Company's property exposures are aggregated with the other Nationwide companies and modeled using Applied Insurance Research (AIR) CLASIC/2.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company's net property-catastrophe exposures, if any, are mitigated through managed coastal growth, purchase of excess of loss reinsurance, policy provisions such as higher deductibles, and enforcement of underwriting guidelines related to building construction, etc.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.

7.1 Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)? Yes [ ] No [X]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions:

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ]

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

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No [X]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or, Yes [ ] No [X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [X]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [ ] No [X]

11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses $

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $

12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds $

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [ ] No [X] N/A [ ]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From %

12.42 To %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves , including unpaid losses under loss deductible features of commercial policies? Yes [ ] No [X]

12.6 If yes, state the amount thereof at December 31 of the current year:

12.61 Letters of credit $

12.62 Collateral and other funds $

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 2,700,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [X]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 3

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No [ ]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Companies that are not part of the Nationwide Mutual Insurance Company Pooling and Quota Share Arrangements receive a fair and equitable allocation of ceded premium and loss. The terms of the Nationwide Pooling and Quota Share Agreements govern the allocation and recording of ceded premium and loss for the participating companies.

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [X]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [ ] No [X]

14.5 If the answer to 14.4 is no, please explain:
Written agreements are in place for all multi-cedent reinsurance treaties that cover any company that does not participate in the Nationwide Mutual Insurance Company Pooling and Quota Share Arrangements.

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No [X]

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home					
16.12 Products					
16.13 Automobile					
16.14 Other*					

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? Yes [ ] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5 $

17.12 Unfunded portion of Interrogatory 17.11 $

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $

17.14 Case reserves portion of Interrogatory 17.11 $

17.15 Incurred but not reported portion of Interrogatory 17.11 $

17.16 Unearned premium portion of Interrogatory 17.11 $

17.17 Contingent commission portion of Interrogatory 17.11 $

Provide the following information for all other amounts included in Schedule F - P art 3 and excluded from Schedule F - Part 5, not included above.

17.18 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5 $

17.19 Unfunded portion of Interrogatory 17.18 $

17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 $

17.21 Case reserves portion of Interrogatory 17.18 $

17.22 Incurred but not reported portion of Interrogatory 17.18 $

17.23 Unearned premium portion of Interrogatory 17.18 $

17.24 Contingent commission portion of Interrogatory 17.18 $

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

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

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

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

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

		1 2011	2 2010	3 2009	4 2008	5 2007
	Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,009,297,556	1,059,820,261	1,213,048,481	1,459,883,101	1,617,682,606
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	787,519,689	820,855,826	926,114,182	1,052,576,317	1,102,708,946
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,454,460,909	1,557,746,036	1,667,564,604	1,761,126,939	1,856,366,740
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	30,606,211	29,153,754	24,389,866	28,830,606	35,117,387
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	144	8,119	3,487	14,737	17,172
6.	Total (Line 35)	3,281,884,509	3,467,583,996	3,831,120,620	4,302,431,700	4,611,892,852
	Net Premiums Written (Page 8, Part 1B, Col. 6)					
7.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	708,468,415	711,955,107	736,226,241	766,845,609	786,414,321
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	391,423,189	395,497,423	406,881,911	428,530,914	425,249,660
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	486,630,883	478,110,025	481,454,390	501,624,209	509,708,422
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	30,596,501	29,129,144	24,356,015	28,788,696	35,038,365
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	144	8,119	3,487	14,737	17,172
12.	Total (Line 35)	1,617,119,132	1,614,699,818	1,648,922,044	1,725,804,165	1,756,427,939
	Statement of Income (Page 4)					
13	Net underwriting gain (loss) (Line 8)	(176,279,459)	(17,490,952)	(65,924,181)	(118,982,181)	24,791,248
14.	Net investment gain or (loss) (Line 11)	138,380,641	147,957,467	119,189,434	230,458,442	204,548,850
15.	Total other income (Line 15)	18,599,191	18,945,848	15,605,835	20,309,575	19,756,371
16.	Dividends to policyholders (Line 17)	867,156	735,719	594,301	1,410,405	1,051,626
17.	Federal and foreign income taxes incurred (Line 19)	(11,526,825)	22,881,338	(1,161,537)	5,486,876	50,692,882
18.	Net income (Line 20)	(8,639,958)	125,795,306	69,438,324	124,888,555	197,351,961
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	4,553,400,810	4,356,900,677	4,231,228,197	4,318,670,361	4,330,933,799
20.	Premiums and considerations (Page 2, Col. 3)					
	20.1 In course of collection (Line 15.1)	218,040,757	190,154,608	190,124,437	197,580,117	185,110,416
	20.2 Deferred and not yet due (Line 15.2)	509,041,749	227,976,293	240,270,062	250,867,807	286,172,770
	20.3 Accrued retrospective premiums (Line 15.3)					
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	2,310,246,490	2,130,944,152	2,139,585,463	2,209,284,123	2,270,313,388
22.	Losses (Page 3, Line 1)	878,018,415	915,027,372	954,272,961	942,088,623	864,262,616
23.	Loss adjustment expenses (Page 3, Line 3)	189,004,168	191,660,939	201,660,417	202,563,747	197,304,487
24.	Unearned premiums (Page 3, Line 9)	634,693,274	625,544,900	642,330,206	663,348,467	659,656,554
25.	Capital paid up (Page 3, Lines 30 & 31)					
26.	Surplus as regards policyholders (Page 3, Line 37)	2,243,154,320	2,225,956,525	2,091,642,734	2,109,386,238	2,060,620,411
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	(343,619,312)	58,463,505	130,509,406	153,348,813	37,700,978
	Risk-Based Capital Analysis					
28.	Total adjusted capital	2,243,154,320	2,225,956,525	2,091,552,831	2,109,386,238	2,060,620,411
29.	Authorized control level risk-based capital	155,969,289	155,567,973	162,104,010	162,078,771	179,086,996
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30.	Bonds (Line 1)	87.1	84.4	85.9	76.2	80.4
31.	Stocks (Lines 2.1 & 2.2)	5.5	5.5	6.4	6.4	10.5
32.	Mortgage loans on real estate (Lines 3.1 and 3.2)	1.3	1.3	1.8	2.3	2.3
33.	Real estate (Lines 4.1, 4.2 & 4.3)	0.4	0.4	0.4	0.4	0.4
34.	Cash, cash equivalents and short-term investments (Line 5)	1.7	2.5	1.9	6.8	3.7
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)		0.0	XXX	XXX	XXX
37.	Other invested assets (Line 8)	3.8	3.3	3.3	7.9	2.7
38.	Receivables for securities (Line 9)		0.0	0.2	0.0	0.0
39.	Securities lending reinvested collateral assets (Line 10)	0.2	2.6	XXX	XXX	XXX
40.	Aggregate write-ins for invested assets (Line 11)			0.0	0.0	0.0
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43.	Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44.	Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	196,860,054	202,282,706	190,469,420	169,959,714	147,014,061
45.	Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated			176,655	173,747,744	75,205,117
48.	Total of above Lines 42 to 47	196,860,054	202,282,706	190,646,075	343,707,458	222,219,178
49.	Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	8.8	9.1	9.1	16.3	10.8

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2011	2 2010	3 2009	4 2008	5 2007
	Capital and Surplus Accounts (Page 4)					
50.	Net unrealized capital gains (losses) (Line 24)	6,069,129	19,302,816	(99,131,915)	(84,585,429)	(59,669,837)
51.	Dividends to stockholders (Line 35)					
52.	Change in surplus as regards policyholders for the year (Line 38)	17,197,795	134,313,791	(17,743,504)	48,765,826	148,150,068
	Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
53.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	679,641,927	711,232,533	828,069,954	897,021,218	955,548,349
54.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	474,345,593	441,135,272	500,068,379	545,871,974	536,851,775
55.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,256,732,052	1,005,423,887	1,090,715,717	1,105,374,734	955,342,784
56.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	22,491,499	23,898,589	19,222,693	21,780,559	27,769,988
57.	Nonproportional reinsurance lines (Lines 31, 32 & 33)		1,405,449	1,318,315	1,580,936	868,688
58.	Total (Line 35)	2,433,211,071	2,183,095,730	2,439,395,058	2,571,629,421	2,476,381,584
	Net Losses Paid (Page 9, Part 2, Col. 4)					
59.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	427,532,154	422,703,572	430,972,612	419,378,927	407,102,462
60.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	243,730,968	221,702,656	230,810,373	239,615,901	223,474,301
61.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	398,342,873	306,363,999	320,874,985	339,090,582	251,612,618
62.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	22,491,499	23,898,561	19,222,686	21,780,559	27,758,238
63.	Nonproportional reinsurance lines (Lines 31, 32 & 33)		1,405,449	1,318,315	1,580,936	868,688
64.	Total (Line 35)	1,092,097,494	976,074,237	1,003,198,971	1,021,446,905	910,816,307
	Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
65.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66.	Losses incurred (Line 2)	65.6	57.4	60.8	63.8	53.9
67.	Loss expenses incurred (Line 3)	11.3	10.3	10.6	10.9	10.6
68.	Other underwriting expenses incurred (Line 4)	34.0	33.3	32.6	32.2	34.1
69.	Net underwriting gain (loss) (Line 8)	(11.0)	(1.1)	(3.9)	(6.9)	1.4
	Other Percentages					
70.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	32.7	32.5	32.1	30.9	32.8
71.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	76.9	67.8	71.4	74.7	64.5
72.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	72.1	72.5	78.8	81.8	85.2
	One Year Loss Development (000 omitted)					
73.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(47,072)	(61,130)	(15,363)	9,288	(5,551)
74.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100.0)	(2.1)	(2.9)	(0.7)	0.5	(0.3)
	Two Year Loss Development (000 omitted)					
75.	Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(92,889)	(44,312)	(14,477)	(1,910)	(44,760)
76.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0)	(4.4)	(2.1)	(0.7)	(0.1)	(2.7)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned: 1 Direct and Assumed	Premiums Earned: 2 Ceded	Premiums Earned: 3 Net (1 - 2)	Loss Payments: 4 Direct and Assumed	Loss Payments: 5 Ceded	Defense and Cost Containment Payments: 6 Direct and Assumed	Defense and Cost Containment Payments: 7 Ceded	Adjusting and Other Payments: 8 Direct and Assumed	Adjusting and Other Payments: 9 Ceded	10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
1. Prior	XXX	XXX	XXX	14,162	3,682	2,207	1,012	493	168	407	12,000	XXX
2. 2002	1,369,701	123,921	1,245,780	806,185	50,330	47,035	6,976	102,480	1,137	41,518	897,258	XXX
3. 2003	1,522,072	66,479	1,455,593	834,817	59,427	43,930	4,092	111,975	596	43,717	926,606	XXX
4. 2004	1,626,044	94,410	1,531,634	872,878	75,475	43,097	4,524	118,670	441	44,200	954,205	XXX
5. 2005	1,716,726	80,403	1,636,323	950,687	100,441	49,436	4,981	129,288	2,450	46,704	1,021,539	XXX
6. 2006	1,873,558	141,686	1,731,872	926,876	59,701	46,625	4,279	169,931	3,037	48,822	1,076,415	XXX
7. 2007	1,875,908	127,127	1,748,781	953,846	59,957	43,029	2,933	91,666	1,217	58,166	1,024,434	XXX
8. 2008	1,888,016	165,904	1,722,112	1,078,899	65,522	37,159	2,230	136,962	2,193	52,083	1,183,075	XXX
9. 2009	1,819,368	149,447	1,669,921	940,640	57,792	25,878	2,012	122,396	3,276	49,185	1,025,834	XXX
10. 2010	1,783,744	152,247	1,631,497	851,131	51,984	14,790	1,046	120,465	4,071	49,049	929,285	XXX
11. 2011	1,774,928	166,970	1,607,957	754,351	45,329	6,034	346	111,537	3,321	36,076	822,926	XXX
12. Totals	XXX	XXX	XXX	8,984,471	629,639	359,222	34,431	1,215,863	21,907	469,927	9,873,580	XXX

	Losses Unpaid - Case Basis: 13 Direct and Assumed	Losses Unpaid - Case Basis: 14 Ceded	Losses Unpaid - Bulk + IBNR: 15 Direct and Assumed	Losses Unpaid - Bulk + IBNR: 16 Ceded	Defense and Cost Containment Unpaid - Case Basis: 17 Direct and Assumed	Defense and Cost Containment Unpaid - Case Basis: 18 Ceded	Defense and Cost Containment Unpaid - Bulk + IBNR: 19 Direct and Assumed	Defense and Cost Containment Unpaid - Bulk + IBNR: 20 Ceded	Adjusting and Other Unpaid: 21 Direct and Assumed	Adjusting and Other Unpaid: 22 Ceded	23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
1. Prior	93,151	48,130	31,772	20,357	3,662	2,185	7,533	3,059	752	45	844	63,094	XXX
2. 2002	8,278	5,440	1,484	373	332	95	1,073	185	185	30	140	5,229	XXX
3. 2003	6,042	2,830	2,627	1,282	489	53	1,497	128	242	15	260	6,589	XXX
4. 2004	15,138	9,519	4,088	2,235	1,009	522	1,852	211	369	21	312	9,948	XXX
5. 2005	12,986	4,501	5,815	2,457	1,154	344	3,509	159	707	17	535	16,694	XXX
6. 2006	17,515	4,591	8,574	3,302	1,437	182	5,491	322	850	44	808	25,425	XXX
7. 2007	38,893	6,322	11,937	3,940	2,277	336	9,340	618	1,069	102	1,335	52,197	XXX
8. 2008	54,535	6,318	18,667	5,263	3,365	655	14,349	672	3,613	169	2,137	81,451	XXX
9. 2009	87,767	6,684	32,410	8,427	4,635	821	22,978	1,343	3,223	337	4,044	133,401	XXX
10. 2010	137,075	9,941	60,465	12,210	5,234	1,072	34,738	2,703	6,047	638	6,945	216,995	XXX
11. 2011	256,854	17,290	187,139	33,779	4,205	1,086	46,389	4,267	19,253	1,418	23,922	456,000	XXX
12. Totals	728,233	121,566	364,977	93,625	27,798	7,353	148,750	13,665	36,310	2,836	41,281	1,067,023	XXX

	Total Losses and Loss Expenses Incurred: 26 Direct and Assumed	27 Ceded	28 Net	Loss and Loss Expense Percentage (Incurred /Premiums Earned): 29 Direct and Assumed	30 Ceded	31 Net	Nontabular Discount: 32 Loss	33 Loss Expense	34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount: 35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	56,436	6,658
2. 2002	967,053	64,567	902,487	70.6	52.1	72.4			11.3	3,949	1,280
3. 2003	1,001,618	68,423	933,195	65.8	102.9	64.1			11.3	4,557	2,033
4. 2004	1,057,101	92,947	964,153	65.0	98.5	62.9			11.3	7,472	2,477
5. 2005	1,153,582	115,349	1,038,233	67.2	143.5	63.4			11.3	11,843	4,851
6. 2006	1,177,298	75,458	1,101,840	62.8	53.3	63.6			11.3	18,195	7,230
7. 2007	1,152,057	75,425	1,076,632	61.4	59.3	61.6			11.3	40,568	11,629
8. 2008	1,347,549	83,022	1,264,527	71.4	50.0	73.4			11.3	61,621	19,830
9. 2009	1,239,926	80,691	1,159,235	68.2	54.0	69.4			11.3	105,066	28,335
10. 2010	1,229,945	83,665	1,146,280	69.0	55.0	70.3			11.3	175,389	41,606
11. 2011	1,385,761	106,835	1,278,926	78.1	64.0	79.5			11.3	392,924	63,076
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	878,018	189,004

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	DEVELOPMENT 11 One Year	12 Two Year
1. Prior	443,623	460,434	475,797	491,066	484,191	489,118	497,517	501,405	504,719	505,696	977	4,290
2. 2002	806,299	800,317	806,828	807,373	804,174	802,554	801,661	800,923	799,800	800,989	1,189	65
3. 2003	XXX	856,172	833,247	831,891	825,566	823,664	823,165	822,192	822,217	821,591	(627)	(601)
4. 2004	XXX	XXX	873,957	865,868	855,865	856,154	851,805	848,455	846,473	845,576	(897)	(2,879)
5. 2005	XXX	XXX	XXX	937,350	916,893	917,299	917,895	914,103	912,434	910,711	(1,722)	(3,391)
6. 2006	XXX	XXX	XXX	XXX	955,008	947,358	947,745	942,883	937,513	934,142	(3,371)	(8,741)
7. 2007	XXX	XXX	XXX	XXX	XXX	1,007,904	1,013,551	999,612	990,839	985,215	(5,624)	(14,397)
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	1,141,652	1,150,054	1,136,685	1,126,315	(10,370)	(23,739)
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,080,727	1,048,545	1,037,230	(11,315)	(43,497)
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,039,791	1,024,477	(15,314)	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,152,875	XXX	XXX
										12. Totals	(47,072)	(92,889)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
1. Prior	000	175,812	276,544	335,353	366,641	393,149	404,166	421,695	431,575	443,250	XXX	XXX
2. 2002	470,591	627,966	699,998	742,637	767,691	780,642	787,466	791,972	794,188	795,914	XXX	XXX
3. 2003	XXX	484,828	652,391	717,730	762,838	788,368	801,666	808,230	812,665	815,227	XXX	XXX
4. 2004	XXX	XXX	487,559	667,218	738,072	785,702	810,789	824,952	832,264	835,976	XXX	XXX
5. 2005	XXX	XXX	XXX	511,501	703,707	788,762	840,911	871,544	887,906	894,701	XXX	XXX
6. 2006	XXX	XXX	XXX	XXX	523,869	728,849	812,296	863,622	893,888	909,521	XXX	XXX
7. 2007	XXX	XXX	XXX	XXX	XXX	556,417	767,856	848,654	902,476	933,985	XXX	XXX
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	664,934	903,525	989,827	1,048,307	XXX	XXX
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	607,772	818,671	906,714	XXX	XXX
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	604,256	812,891	XXX	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	714,710	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011
1. Prior	171,020	97,066	66,161	48,983	38,837	32,457	30,104	26,564	26,198	15,889
2. 2002	174,400	71,600	40,633	24,015	14,204	9,519	5,968	4,011	2,162	2,000
3. 2003	XXX	198,809	76,643	43,078	24,670	14,426	9,614	6,183	4,098	2,714
4. 2004	XXX	XXX	195,591	83,237	47,318	24,872	14,295	9,356	6,027	3,495
5. 2005	XXX	XXX	XXX	212,371	93,591	52,367	29,560	18,267	11,236	6,708
6. 2006	XXX	XXX	XXX	XXX	224,672	101,641	57,010	31,801	17,556	10,441
7. 2007	XXX	XXX	XXX	XXX	XXX	226,396	103,541	59,325	31,896	16,719
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	230,060	107,659	56,341	27,080
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	232,013	91,553	45,619
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	207,809	80,290
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	195,482

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

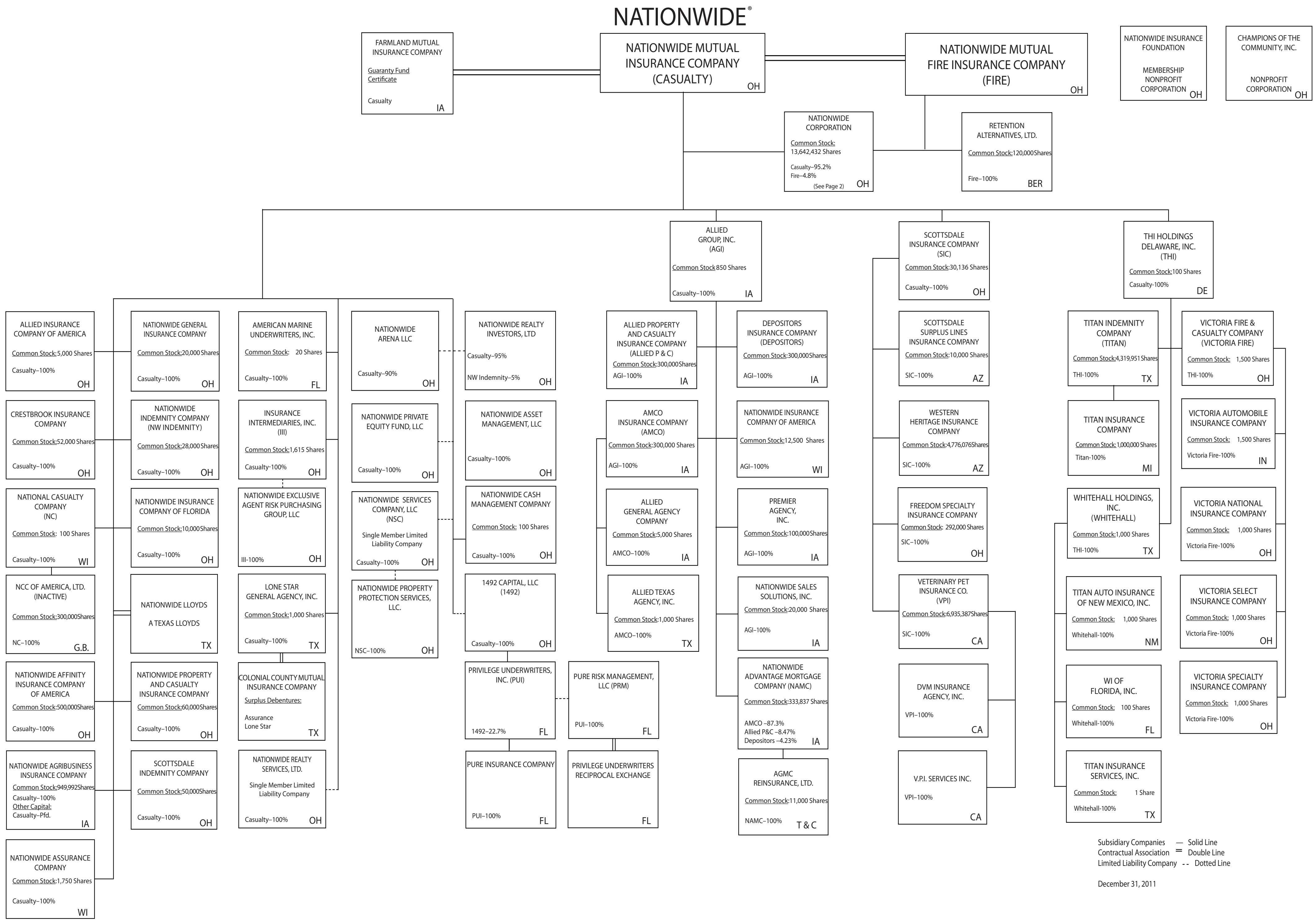
	States, Etc.		1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken 2 Direct Premiums Written	 3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
1.	Alabama	AL	L	67,901,229	70,387,744		73,447,460	76,394,027	27,676,403	648,053	
2.	Alaska	AK	L				28,927	2,731	197,546		
3.	Arizona	AZ	L	2,507,954	2,787,385		7,300,280	(4,098,990)	556,309	11,742	
4.	Arkansas	AR	L	27,302,624	27,575,159		33,740,152	34,429,008	6,923,554	145,789	
5.	California	CA	L	11,976,356	12,458,975		3,400,173	3,237,903	3,668,551	58,662	
6.	Colorado	CO	L	158,811	143,405		160,247	166,920	905,900	4	
7.	Connecticut	CT	L	29,869,341	30,228,501		31,343,737	33,725,081	15,991,831	267,959	
8.	Delaware	DE	L	27,011,362	28,231,530	19,859	16,467,842	14,317,124	10,842,423	233,921	
9.	District of Columbia	DC	L	8,932,190	9,043,377		4,558,580	3,896,556	1,895,771	62,719	
10.	Florida	FL	L	48,149,330	56,562,370		42,009,250	24,481,140	60,290,009	23,058	
11.	Georgia	GA	L	98,309,556	102,341,268		64,391,590	59,310,969	30,321,934	972,085	
12.	Hawaii	HI	L					(273)	(1,635)		
13.	Idaho	ID	L	45,447	41,145		6,180	2,034	10,463		
14.	Illinois	IL	L	20,682,892	21,674,632	155,452	14,670,069	12,979,527	6,106,129	120,816	
15.	Indiana	IN	L	20,174,481	20,302,131		15,223,264	15,360,497	3,298,651	156,976	
16.	Iowa	IA	L	806,780	757,757		273,266	128,531	350,270		
17.	Kansas	KS	L	443,292	425,874		14,190	(55,797)	137,743		
18.	Kentucky	KY	L	30,335,824	30,859,545		22,898,814	22,577,397	12,752,795	140,962	
19.	Louisiana	LA	L				6,815	(2,847)	234,688		
20.	Maine	ME	L	4,200,764	4,454,016		2,024,222	2,096,199	1,292,610	57,455	
21.	Maryland	MD	L	140,455,640	147,301,007	205,669	92,204,463	92,433,953	53,348,345	754,875	
22.	Massachusetts	MA	L					(9,597)	63,376		
23.	Michigan	MI	L	58,885,928	60,876,004		42,175,608	18,666,097	505,757,297	597,606	
24.	Minnesota	MN	L	157,302	134,447		224,393	338,147	2,247,565		
25.	Mississippi	MS	L	36,875,066	39,129,133		20,239,442	18,065,865	8,320,881	151,028	
26.	Missouri	MO	L	213,745	187,510		593,945	768,407	845,321	23	
27.	Montana	MT	L	33,556	28,229		79,489	45,941	79,777		
28.	Nebraska	NE	L	426,520	402,188		180,507	205,483	179,428		
29.	Nevada	NV	L	53,619	69,007		6,255	(15,473)	84,470	76	
30.	New Hampshire	NH	L	4,500,142	4,840,624		3,205,096	2,679,597	2,510,701	39,512	
31.	New Jersey	NJ	L	2,020	5,534		21,062	(28,247)	611,757		
32.	New Mexico	NM	L					(15,912)	7,751		
33.	New York	NY	L	118,479,095	121,811,408		83,866,448	69,459,640	73,902,451	1,040,209	
34.	North Carolina	NC	L	207,522,045	214,901,713		218,249,497	227,970,342	68,176,166	1,382,855	
35.	North Dakota	ND	L	118,447	92,210		433,888	1,030,319	625,186		
36.	Ohio	OH	L	126,328,038	124,164,021		109,383,860	89,418,076	49,183,688	1,614,225	
37.	Oklahoma	OK	L	1,242,357	1,161,885		1,070,142	938,501	378,662	5,080	
38.	Oregon	OR	L	4,501,202	4,802,701		1,240,126	964,884	578,031	20,110	
39.	Pennsylvania	PA	L	180,289,391	187,788,643	57,331	152,082,536	152,434,323	81,203,606	1,825,930	
40.	Rhode Island	RI	L	18,224,124	18,829,989		10,622,434	9,805,713	5,078,528	172,361	
41.	South Carolina	SC	L	127,984,163	135,484,329		100,774,369	97,286,433	38,542,188	1,926,901	
42.	South Dakota	SD	L	264,200	264,539		453,899	565,354	126,442		
43.	Tennessee	TN	L	33,878,371	35,981,699		53,940,595	53,030,530	14,593,188	248,557	
44.	Texas	TX	L	27,385,671	28,119,871		11,187,272	610,990	13,258,695	30	
45.	Utah	UT	L	70,374	65,192		199,150	107,370	25,468		
46.	Vermont	VT	L	6,896,428	7,334,321		5,077,081	4,740,915	2,389,208	142,868	
47.	Virginia	VA	L	122,505,355	126,892,106		71,412,752	65,411,275	35,248,707	859,174	
48.	Washington	WA	L	6,204,198	6,554,530		2,330,702	2,079,557	1,461,838	25,010	
49.	West Virginia	WV	L	42,236,533	46,809,821		27,837,829	24,058,200	9,227,768	412,908	
50.	Wisconsin	WI	L	89,742	92,963		52,529	49,385	40,604		
51.	Wyoming	WY	L	133,116	114,651		2,726	2,632	(84)		
52.	American Samoa	AS	N								
53.	Guam	GU	N								
54.	Puerto Rico	PR	N								
55.	U.S. Virgin Islands	VI	L					(1)	3		
56.	Northern Mariana Islands	MP	N								
57.	Canada	CN	N								
58.	Aggregate other alien	OT	XXX								
59.	Totals		(a) 52	1,664,764,621	1,732,515,089	438,311	1,341,113,153	1,232,046,436	1,151,548,957	14,119,535	
	DETAILS OF WRITE-INS										
5801.			XXX								
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								

(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.

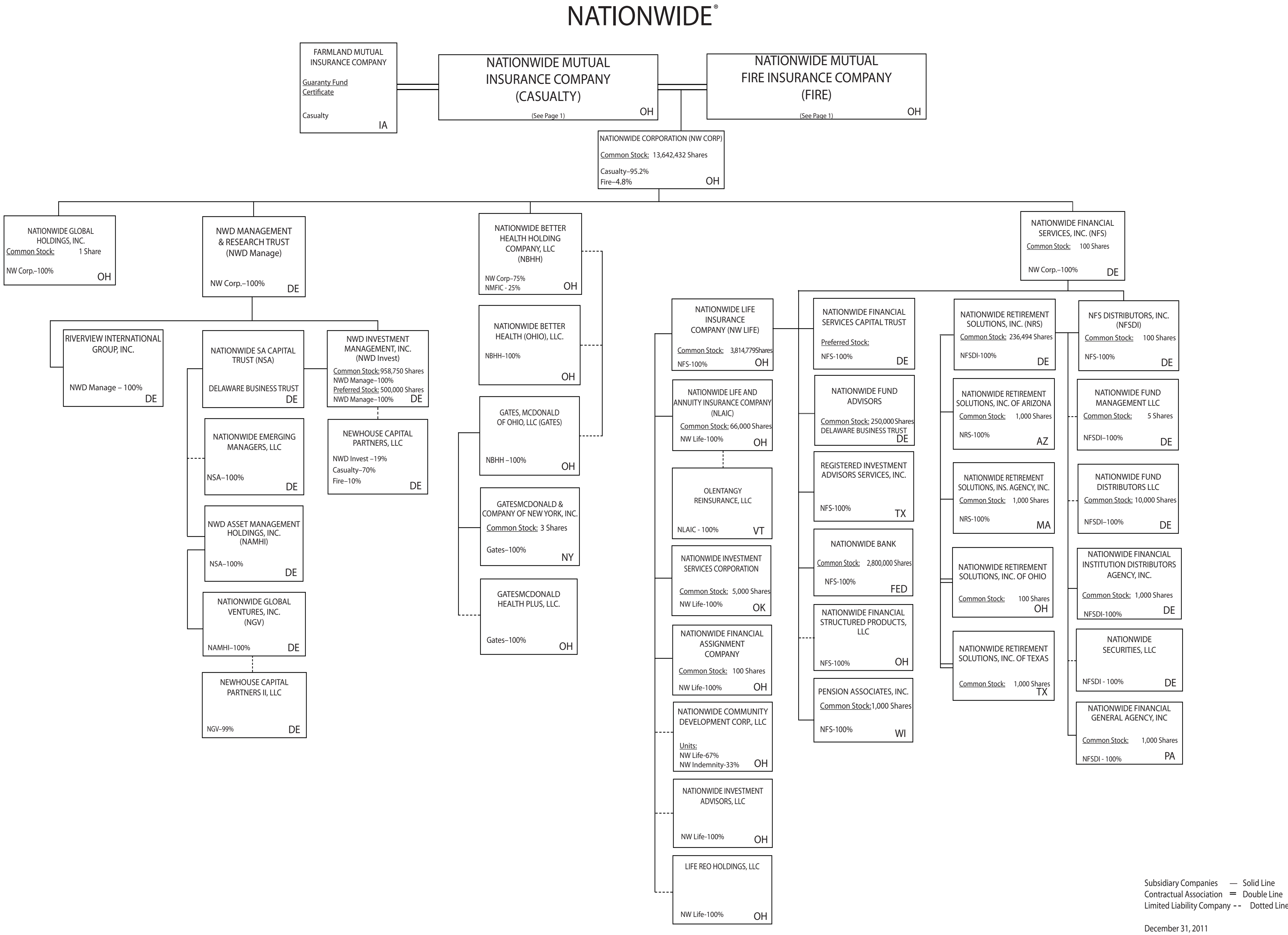
Explanation of basis of allocation of premiums by states, etc.

Premiums are allocated to those states where the insured risks are located: principle garage for automobile, physical address for homeowners, commercial multiple peril and other liability and main place of work for workers' compensation. Allocation of premiums for individual and group health insurance is based on the situs of the contract.

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



December 31, 2011


NATIONWIDE®
FARMLAND MUTUAL INSURANCE COMPANY Guaranty Fund Certificate Casualty IA
NATIONWIDE MUTUAL INSURANCE COMPANY (CASUALTY) (See Page 1) OH
NATIONWIDE MUTUAL FIRE INSURANCE COMPANY (FIRE) (See Page 1) OH
NATIONWIDE CORPORATION (NW CORP) Common Stock: 13,642,432 Shares Casualty–95.2% Fire–4.8% OH
NATIONWIDE GLOBAL HOLDINGS, INC. Common Stock: 1 Share NW Corp.–100% OH
NWD MANAGEMENT & RESEARCH TRUST (NWD Manage) NW Corp.–100% DE
NATIONWIDE BETTER HEALTH HOLDING COMPANY, LLC (NBHH) NW Corp–75% NMFIC - 25% OH
NATIONWIDE FINANCIAL SERVICES, INC. (NFS) Common Stock: 100 Shares NW Corp.–100% DE
RIVERVIEW INTERNATIONAL GROUP, INC. NWD Manage – 100% DE
NATIONWIDE SA CAPITAL TRUST (NSA) DELAWARE BUSINESS TRUST DE
NWD INVESTMENT MANAGEMENT, INC. (NWD Invest) Common Stock: 958,750 Shares NWD Manage–100% Preferred Stock: 500,000 Shares NWD Manage–100% DE
NATIONWIDE EMERGING MANAGERS, LLC NSA–100% DE
NEWHOUSE CAPITAL PARTNERS, LLC NWD Invest –19% Casualty–70% Fire–10% DE
NWD ASSET MANAGEMENT HOLDINGS, INC. (NAMHI) NSA–100% DE
NATIONWIDE GLOBAL VENTURES, INC. (NGV) NAMHI–100% DE
NEWHOUSE CAPITAL PARTNERS II, LLC NGV–99% DE
NATIONWIDE BETTER HEALTH (OHIO), LLC. NBHH–100% OH
GATES, MCDONALD OF OHIO, LLC (GATES) NBHH –100% OH
GATESMCDONALD & COMPANY OF NEW YORK, INC. Common Stock: 3 Shares Gates–100% NY
GATESMCDONALD HEALTH PLUS, LLC. Gates–100% OH
NATIONWIDE LIFE INSURANCE COMPANY (NW LIFE) Common Stock: 3,814,779Shares NFS-100% OH
NATIONWIDE LIFE AND ANNUITY INSURANCE COMPANY (NLAIC) Common Stock: 66,000 Shares NW Life-100% OH
OLENTANGY REINSURANCE, LLC NLAIC - 100% VT
NATIONWIDE INVESTMENT SERVICES CORPORATION Common Stock: 5,000 Shares NW Life-100% OK
NATIONWIDE FINANCIAL ASSIGNMENT COMPANY Common Stock: 100 Shares NW Life-100% OH
NATIONWIDE COMMUNITY DEVELOPMENT CORP., LLC Units: NW Life-67% NW Indemnity-33% OH
NATIONWIDE INVESTMENT ADVISORS, LLC NW Life-100% OH
LIFE REO HOLDINGS, LLC NW Life-100% OH
NATIONWIDE FINANCIAL SERVICES CAPITAL TRUST Preferred Stock: NFS-100% DE
NATIONWIDE FUND ADVISORS Common Stock: 250,000 Shares DELAWARE BUSINESS TRUST DE
REGISTERED INVESTMENT ADVISORS SERVICES, INC. NFS-100% TX
NATIONWIDE BANK Common Stock: 2,800,000 Shares NFS-100% FED
NATIONWIDE FINANCIAL STRUCTURED PRODUCTS, LLC NFS-100% OH
PENSION ASSOCIATES, INC. Common Stock:1,000 Shares NFS-100% WI
NATIONWIDE RETIREMENT SOLUTIONS, INC. (NRS) Common Stock: 236,494 Shares NFSDI-100% DE
NATIONWIDE RETIREMENT SOLUTIONS, INC. OF ARIZONA Common Stock: 1,000 Shares NRS-100% AZ
NATIONWIDE RETIREMENT SOLUTIONS, INS. AGENCY, INC. Common Stock: 1,000 Shares NRS-100% MA
NATIONWIDE RETIREMENT SOLUTIONS, INC. OF OHIO Common Stock: 100 Shares OH
NATIONWIDE RETIREMENT SOLUTIONS, INC. OF TEXAS Common Stock: 1,000 Shares TX
NFS DISTRIBUTORS, INC. (NFSDI) Common Stock: 100 Shares NFS-100% DE
NATIONWIDE FUND MANAGEMENT LLC Common Stock: 5 Shares NFSDI–100% DE
NATIONWIDE FUND DISTRIBUTORS LLC Common Stock: 10,000 Shares NFSDI–100% DE
NATIONWIDE FINANCIAL INSTITUTION DISTRIBUTORS AGENCY, INC. Common Stock: 1,000 Shares NFSDI-100% DE
NATIONWIDE SECURITIES, LLC NFSDI - 100% DE
NATIONWIDE FINANCIAL GENERAL AGENCY, INC Common Stock: 1,000 Shares NFSDI - 100% PA
Subsidiary Companies — Solid Line
Contractual Association = Double Line
Limited Liability Company -- Dotted Line
December 31, 2011

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	Allied Insurance Company of America
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

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

		1 Current Year	2 Prior Year
2504.	State surcharge/recoupment payable	253,920	1,395,121
2505.	Escrow liability	1,211,711	25,000
2506.	Miscellaneous liability	5,764,935	63,106
2507.	Pooling expense payable	7,780,941	
2597.	Summary of remaining write-ins for Line 25 from overflow page	15,011,507	1,483,227

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

		1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404.	LAD buyout expense		476,674		476,674
2497.	Summary of remaining write-ins for Line 24 from overflow page		476,674		476,674

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

ANNUAL STATEMENT BLANK (Continued)