

The reason for Amended filing is due to the software issue that wasn't bringing in the relevant data.



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

Scottsdale Insurance Company

NAIC Group Code 0140 0140 NAIC Company Code 41297 Employer's ID Number 31-1024978
(Current) (Prior)

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

Incorporated/Organized 01/04/1982 Commenced Business 07/01/1982

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

Main Administrative Office 8877 N. Gainey Center Drive
(Street and Number)
Scottsdale, AZ, US 85258-2108, 480-365-4000
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

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

Primary Location of Books and Records One West Nationwide Blvd., 1-04-701
(Street and Number)
Columbus, OH, US 43215-2220, 614-249-1545
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.scottsdaleins.com

Statutory Statement Contact Monda S. Caudill, 614-249-1545
(Name) (Area Code) (Telephone Number)
FinRpt@nationwide.com, 866-315-1430
(E-mail Address) (FAX Number)

OFFICERS

President & COO Michael Dean Miller VP & Treasurer Michael Patrick Leach #
VP & Asst Secretary Randall Lee Orr VP & Secretary Robert William Horner III

OTHER

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

DIRECTORS OR TRUSTEES

Michael Patrick Leach # Michael Dean Miller Doreen Katherine Reinke
Gary Lynn Tiepelman Susan Feola Wain

State of Arizona SS:
County of Maricopa

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

Michael Dean Miller
President & COO

Randall Lee Orr
VP & Asst Secretary

Michael Patrick Leach
VP & Treasurer

Subscribed and sworn to before me this _____ day of _____ January, 2013

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE SCOTTSDALE INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2012	2 2011	3 2010	4 2009	5 2008
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)	1,610,700,431	1,592,172,746	1,456,589,457	1,469,903,677	1,514,578,939
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	633,694,585	399,866,047	367,821,234	379,957,817	389,898,193
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	703,794,444	632,159,259	570,290,909	553,752,201	541,245,573
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	50,340,210	59,202,845	49,430,288	41,435,829	61,886,242
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(11)	51	2,874	1,235	5,216
6. Total (Line 35)	2,998,529,659	2,683,400,948	2,444,134,762	2,445,050,759	2,507,614,163
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)	264,457,716	250,785,278	252,019,507	260,611,059	271,449,775
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	144,116,758	138,556,881	139,999,087	144,028,994	151,692,358
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	182,230,526	172,258,722	169,242,486	170,426,334	177,566,094
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	8,103,240	10,830,620	10,311,202	8,621,597	10,190,687
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(11)	51	2,874	1,235	5,216
12. Total (Line 35)	598,908,229	572,431,552	571,575,156	583,689,219	610,904,130
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(42,597,650)	(62,328,299)	(6,194,967)	(23,336,035)	(42,131,828)
14. Net investment gain or (loss) (Line 11)	34,321,803	39,118,800	38,300,554	48,464,951	42,719,736
15. Total other income (Line 15)	5,235,177	6,583,786	6,706,494	5,524,188	7,189,229
16. Dividends to policyholders (Line 17)	323,150	306,958	260,432	210,372	499,257
17. Federal and foreign income taxes incurred (Line 19)	(1,071,772)	(5,347,897)	8,258,205	2,650,239	(2,195,897)
18. Net income (Line 20)	(2,292,048)	(11,584,774)	30,293,444	27,792,493	9,473,777
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,879,518,242	1,747,475,296	1,765,129,712	1,771,529,394	1,700,315,620
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	383,150,590	166,745,426	298,126,940	317,101,535	308,048,522
20.2 Deferred and not yet due (Line 15.2)	92,933,194	89,769,118	80,682,820	85,034,596	88,772,858
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	1,209,319,530	1,068,706,404	1,110,008,302	1,161,360,445	1,181,448,661
22. Losses (Page 3, Line 1)	313,878,539	310,802,977	323,903,492	337,795,727	333,482,687
23. Loss adjustment expenses (Page 3, Line 3)	67,770,398	66,904,127	67,844,578	71,380,783	71,700,549
24. Unearned premiums (Page 3, Line 9)	235,253,350	224,670,185	221,431,823	227,373,527	234,813,618
25. Capital paid up (Page 3, Lines 30 & 31)	6,027,200	6,027,200	6,027,200	6,027,200	6,027,200
26. Surplus as regards policyholders (Page 3, Line 37)	670,198,712	678,768,892	655,121,410	610,168,949	518,866,959
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(101,181,460)	26,098,581	14,394,580	21,707,117	41,103,293
Risk-Based Capital Analysis					
28. Total adjusted capital	670,198,712	678,768,892	655,121,410	610,137,125	518,866,959
29. Authorized control level risk-based capital	93,349,894	89,339,905	68,547,959	68,539,028	66,397,178
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)	75.0	79.3	76.3	83.4	85.3
31. Stocks (Lines 2.1 & 2.2)	19.6	17.8	16.8	15.7	12.4
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.2	0.3	0.3	0.3	0.4
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	5.0	1.3	6.6	0.5	0.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)				XXX	XXX
37. Other invested assets (Line 8)					1.3
38. Receivables for securities (Line 9)			0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.1	1.3	0.0	XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)					
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)	229,514,580	199,775,817	199,088,351	188,966,939	141,083,177
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					15,000,000
48. Total of above Lines 42 to 47	229,514,580	199,775,817	199,088,351	188,966,939	156,083,177
49. Total Investment in Parent included in Lines 42 to 47 above					
50. 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)	34.2	29.4	30.4	31.0	30.1

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE SCOTTSDALE INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	31,822,141	6,356,175	11,824,608	31,851,678	(19,359,010)
52. Dividends to stockholders (Line 35)	(45,000,000)				
53. Change in surplus as regards policyholders for the year (Line 38)	(8,570,180)	23,647,482	44,952,461	91,301,990	(15,170,828)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. 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)	726,025,265	838,480,198	773,449,985	738,140,312	635,046,667
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	334,137,926	202,363,716	178,252,167	183,495,525	214,851,477
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	359,688,933	363,660,026	277,843,180	273,840,959	283,236,534
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	43,535,705	46,768,060	47,046,596	46,460,892	48,251,117
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)			497,504	466,660	559,623
59. Total (Line 35)	1,463,387,829	1,451,272,000	1,277,089,432	1,242,404,348	1,181,945,418
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. 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)	151,501,313	151,338,821	149,629,583	152,556,678	148,452,720
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	84,834,003	86,276,449	78,478,818	81,702,786	84,819,790
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	112,668,580	141,006,327	108,447,435	113,584,064	120,032,063
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	5,896,452	7,961,593	8,459,667	6,804,490	7,709,933
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)			497,504	466,660	559,623
65. Total (Line 35)	354,900,348	386,583,190	345,513,007	355,114,678	361,574,129
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	60.8	65.6	57.4	60.8	63.8
68. Loss expenses incurred (Line 3)	11.1	11.3	10.3	10.6	10.9
69. Other underwriting expenses incurred (Line 4)	35.3	34.0	33.3	32.6	32.2
70. Net underwriting gain (loss) (Line 8)	(7.2)	(11.0)	(1.1)	(3.9)	(6.9)
Other Percentages					
71. 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)	33.8	32.7	32.5	32.1	30.9
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	71.9	76.9	67.8	71.4	74.7
73. 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)	89.4	84.3	87.2	95.7	117.7
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(5,205)	(16,663)	(21,636)	(5,437)	3,285
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(0.8)	(2.5)	(3.5)	(1.0)	0.6
Two Year Loss Development (000 omitted)					
76. 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)	(21,469)	(32,878)	(15,682)	(5,124)	(681)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(3.3)	(5.4)	(3.0)	(1.0)	(0.1)

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: