PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Scottsdale Insurance Company

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

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. (Street and Number), Columbus , OH, US 43215-2220 (City or Town, State, Country and Zip Code)

Main Administrative Office 8877 N. Gainey Center Drive (Street and Number)

Scottsdale , AZ, US 85258-2108 (City or Town, State, Country and Zip Code), 480-365-4000 (Area Code) (Telephone Number)

Mail Address One West Nationwide Blvd., 1-04-701 (Street and Number or P.O. Box), Columbus , OH, US 43215-2220 (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 (City or Town, State, Country and Zip Code), 614-249-1545 (Area Code) (Telephone Number)

Internet Website Address www.scottsdaleins.com

Statutory Statement Contact Cheryl M. Dennis (Name), 614-249-1545 (Area Code) (Telephone Number)

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

OFFICERS

President & COO	Michael Dean Miller	VP & Treasurer	David Neil Nelson #
VP & Secretary	Robert William Horner III		

OTHER

Pamela Ann Biesecker Sr VP-Head of Taxation	Gary Lynn Tiepelman # Sr VP-Contr & Prog U/Writing	Andrew Dawnly Walker # Sr VP-IT CFO & Ch Proc Off

DIRECTORS OR TRUSTEES

Wesley Kim Austen #	Michael Patrick Leach #	Kenneth Ari Levine
Michael Dean Miller	Gary Lynn Tiepelman	

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.

Michael Dean Miller	Robert William Horner III	David Neil Nelson
President & COO	VP & Secretary	VP & Treasurer

Subscribed and sworn to before me this ______ day of February, 2015

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	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	1,138,564,535		1,138,564,535	1,104,440,208
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	280,866,001		280,866,001	237,058,886
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	1,713,462		1,713,462	2,684,156
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ .... encumbrances)				
4.2 Properties held for the production of income (less $ .... encumbrances)				
4.3 Properties held for sale (less $ .... encumbrances)				
5. Cash ($ (54,594,133) , Schedule E - Part 1), cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ 25,632,488 , Schedule DA)	(28,961,645)		(28,961,645)	(29,394,641)
6. Contract loans (including $ .... premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivable for securities				
10. Securities lending reinvested collateral assets (Schedule DL)	3,285,152	31,690	3,253,462	1,360,730
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,395,467,505	31,690	1,395,435,815	1,316,149,339
13. Title plants less $ .... charged off (for Title insurers only)				
14. Investment income due and accrued	11,945,981		11,945,981	11,264,125
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	473,550,484	23,897,628	449,652,856	453,365,276
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)	117,536,915	304,479	117,232,436	109,821,565
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	138,842,541		138,842,541	128,582,377
16.2 Funds held by or deposited with reinsured companies	181,432		181,432	256,737
16.3 Other amounts receivable under reinsurance contracts	436,703		436,703	13,278,715
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	47,275,010		47,275,010	46,927,393
19. Guaranty funds receivable or on deposit	156,181		156,181	492,175
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	50,203,145	177	50,202,968	45,305,814
24. Health care ($ ....) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	15,462,349	4,183,096	11,279,253	7,882,642
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,251,058,246	28,417,070	2,222,641,176	2,133,326,158
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	2,251,058,246	28,417,070	2,222,641,176	2,133,326,158
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	2,487,636	2,487,636		
2502. Funds held equity pools & associations	6,712,029		6,712,029	6,721,021
2503. Miscellaneous assets	2,854,198		2,854,198	3,158
2598. Summary of remaining write-ins for Line 25 from overflow page	3,408,486	1,695,460	1,713,026	1,158,463
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	15,462,349	4,183,096	11,279,253	7,882,642

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	405,398,649	379,084,069
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	109,225,458	98,515,467
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	88,555,296	87,337,625
4.	Commissions payable, contingent commissions and other similar charges	15,294,553	14,721,993
5.	Other expenses (excluding taxes, licenses and fees)	5,050,842	4,965,165
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,548,534	3,785,387
7.1	Current federal and foreign income taxes (including $ (167,433) on realized capital gains (losses))	1,504,934	9,372,931
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 $ 1,303,727,463 and including warranty reserves of $ 623,857 and accrued accident and health experience rating refunds including $ for medical loss ratio rebate per the Public Health Service Act)	290,494,052	275,005,566
10.	Advance premium	5,446,981	5,363,747
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	505,425	360,325
12.	Ceded reinsurance premiums payable (net of ceding commissions)	480,162,413	474,829,186
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	209,108	222,668
14.	Amounts withheld or retained by company for account of others	13,666,839	14,490,706
15.	Remittances and items not allocated	2,685,714	2,214,889
16.	Provision for reinsurance (including $ certified) (Schedule F, Part 8)	14,865,138	7,782,677
17.	Net adjustments in assets and liabilities due to foreign exchange rates	692	157
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	8,327,142	28,426,025
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending	3,393,906	1,612,490
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ and interest thereon $		
25.	Aggregate write-ins for liabilities	8,453,673	8,870,390
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,457,789,349	1,416,961,463
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	1,457,789,349	1,416,961,463
29.	Aggregate write-ins for special surplus funds		
30.	Common capital stock	6,027,200	6,027,200
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus	173,973,300	143,973,300
35.	Unassigned funds (surplus)	584,851,327	566,364,195
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)	764,851,827	716,364,695
38.	TOTALS (Page 2, Line 28, Col. 3)	2,222,641,176	2,133,326,158
	DETAILS OF WRITE-INS		
2501.	Contingent suits	698,641	1,024,244
2502.	Escrow liability	44,317	255,326
2503.	Loss based assessment		465,364
2598.	Summary of remaining write-ins for Line 25 from overflow page	7,710,715	7,125,456
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	8,453,673	8,870,390
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.			
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)		

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	705,603,889	667,332,731
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	431,430,863	372,540,514
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	70,306,309	69,117,014
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	238,582,770	237,970,638
5.	Aggregate write-ins for underwriting deductions		14,475
6.	Total underwriting deductions (Lines 2 through 5)	740,319,942	679,642,641
7.	Net income of protected cells		
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(34,716,053)	(12,309,910)
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	41,776,093	35,903,328
10.	Net realized capital gains or (losses) less capital gains tax of $ (167,433) (Exhibit of Capital Gains (Losses))	(76,729)	(392,539)
11.	Net investment gain (loss) (Lines 9 + 10)	41,699,364	35,510,789
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $ 76,575 amount charged off $ 2,983,289)	(2,906,714)	(2,948,112)
13.	Finance and service charges not included in premiums	6,356,771	6,669,984
14.	Aggregate write-ins for miscellaneous income	1,746,372	1,086,985
15.	Total other income (Lines 12 through 14)	5,196,429	4,808,857
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	12,179,740	28,009,736
17.	Dividends to policyholders	651,244	475,406
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)	11,528,496	27,534,330
19.	Federal and foreign income taxes incurred	1,609,763	11,339,111
20.	Net income (Line 18 minus Line 19)(to Line 22)	9,918,733	16,195,219
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	716,364,695	670,198,712
22.	Net income (from Line 20)	9,918,733	16,195,219
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $ 1,341,565	16,832,704	9,385,630
25.	Change in net unrealized foreign exchange capital gain (loss)	(544,740)	(457,289)
26.	Change in net deferred income tax	1,689,182	10,038,592
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(2,712,185)	13,213,249
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(7,082,461)	(2,209,418)
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	30,000,000	
	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	385,899	
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	48,487,132	46,165,983
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	764,851,827	716,364,695
	DETAILS OF WRITE-INS		
0501.	Loss based assessment		14,475
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)		14,475
1401.	Contingent suit liability	299,968	(503,887)
1402.	Other income	1,446,404	1,590,872
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	1,746,372	1,086,985
3701.	Change in surplus - miscellaneous	385,899	
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)	385,899	

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	722,956,349	715,480,790
2.	Net investment income	44,446,274	37,228,240
3.	Miscellaneous income	18,113,742	(7,212,981)
4.	Total (Lines 1 through 3)	785,516,365	745,496,049
5.	Benefit and loss related payments	404,795,511	299,833,856
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	305,914,030	283,441,421
8.	Dividends paid to policyholders	506,144	392,683
9.	Federal and foreign income taxes paid (recovered) net of $ (138,648) tax on capital gains (losses)	9,310,327	219,837
10.	Total (Lines 5 through 9)	720,526,012	583,887,798
11.	Net cash from operations (Line 4 minus Line 10)	64,990,353	161,608,252
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	135,839,563	103,750,911
	12.2 Stocks		17,980
	12.3 Mortgage loans	971,078	175,178
	12.4 Real estate		
	12.5 Other invested assets		314,931
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(2,733)	1,620
	12.7 Miscellaneous proceeds		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	136,807,908	104,260,619
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	169,756,087	332,972,201
	13.2 Stocks	30,000,000	
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets	1,785,397	
	13.6 Miscellaneous applications		171,668
	13.7 Total investments acquired (Lines 13.1 to 13.6)	201,541,484	333,143,869
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)	(64,733,576)	(228,883,250)
	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	30,000,000	
	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)	(29,823,781)	(20,245,465)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	176,219	(20,245,465)
	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)	432,996	(87,520,463)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	(29,394,641)	58,125,822
	19.2 End of period (Line 18 plus Line 19.1)	(28,961,645)	(29,394,641)

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	9,008,638	4,440,356	4,669,173	8,779,821
2.	Allied lines	13,600,728	6,112,382	6,477,722	13,235,388
3.	Farmowners multiple peril	16,057,892	6,930,425	7,761,803	15,226,514
4.	Homeowners multiple peril	122,722,118	62,940,996	65,445,253	120,217,861
5.	Commercial multiple peril	96,548,423	43,517,055	46,828,375	93,237,103
6.	Mortgage guaranty				
8.	Ocean marine	264,795	85,505	113,206	237,094
9.	Inland marine	9,158,160	3,942,070	4,265,820	8,834,410
10.	Financial guaranty				
11.1	Medical professional liability - occurrence	376	28,140	367	28,149
11.2	Medical professional liability - claims-made	206,406	56,197	78,359	184,244
12.	Earthquake	1,857,403	917,268	932,173	1,842,498
13.	Group accident and health	8,188,756	8,850	11,420	8,186,186
14.	Credit accident and health (group and individual)				
15.	Other accident and health	43,170	11,837	11,068	43,939
16.	Workers' compensation	18,636,170	7,820,809	8,453,444	18,003,535
17.1	Other liability - occurrence	49,068,650	20,111,149	21,641,436	47,538,363
17.2	Other liability - claims-made	13,873,801	5,433,661	6,209,875	13,097,587
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	3,652,358	1,709,343	1,833,718	3,527,983
18.2	Products liability - claims-made	20,570	5,061	10,902	14,729
19.1, 19.2	Private passenger auto liability	174,872,262	50,071,324	50,999,661	173,943,925
19.3, 19.4	Commercial auto liability	51,342,612	21,725,786	23,223,184	49,845,214
21.	Auto physical damage	130,414,797	38,320,190	40,630,675	128,104,312
22.	Aircraft (all perils)				
23.	Fidelity	131,892	73,971	83,382	122,481
24.	Surety	782,170	249,296	292,808	738,658
26.	Burglary and theft	258,597	94,503	120,248	232,852
27.	Boiler and machinery	(813)	(101,924)	(105,101)	2,364
28.	Credit	6,156	13,100	11,853	7,403
29.	International		798		798
30.	Warranty	383,375	620,694	623,857	380,212
31.	Reinsurance - nonproportional assumed property	(7,087)	(124,620)	(122,782)	(8,925)
32.	Reinsurance - nonproportional assumed liability			809	(809)
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	721,092,375	275,014,222	290,502,708	705,603,889
	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	4,671,578	(2,405)			4,669,173
2.	Allied lines	6,463,029	14,693			6,477,722
3.	Farmowners multiple peril	7,761,803				7,761,803
4.	Homeowners multiple peril	65,430,125	15,128			65,445,253
5.	Commercial multiple peril	46,778,559	49,816			46,828,375
6.	Mortgage guaranty					
8.	Ocean marine	113,206				113,206
9.	Inland marine	4,268,082	(2,262)			4,265,820
10.	Financial guaranty					
11.1	Medical professional liability - occurrence	367				367
11.2	Medical professional liability - claims-made	78,359				78,359
12.	Earthquake	931,157	1,016			932,173
13.	Group accident and health	11,420				11,420
14.	Credit accident and health (group and individual)					
15.	Other accident and health	4,260			6,808	11,068
16.	Workers' compensation	8,443,409	10,035			8,453,444
17.1	Other liability - occurrence	21,334,139	307,297			21,641,436
17.2	Other liability - claims-made	5,961,450	246,577		1,848	6,209,875
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	1,794,262	39,456			1,833,718
18.2	Products liability - claims-made	10,902				10,902
19.1, 19.2	Private passenger auto liability	50,999,583	78			50,999,661
19.3, 19.4	Commercial auto liability	23,093,770	129,414			23,223,184
21.	Auto physical damage	40,610,621	20,054			40,630,675
22.	Aircraft (all perils)					
23.	Fidelity	54,064	29,318			83,382
24.	Surety	217,256	75,552			292,808
26.	Burglary and theft	120,212	36			120,248
27.	Boiler and machinery	(105,103)	2			(105,101)
28.	Credit	3	11,850			11,853
29.	International					
30.	Warranty	(6,990)	630,847			623,857
31.	Reinsurance - nonproportional assumed property	(122,782)				(122,782)
32.	Reinsurance - nonproportional assumed liability	809				809
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	288,917,550	1,576,502		8,656	290,502,708
36.	Accrued retrospective premiums based on experience					(8,656)
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					290,494,052
	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	57,569,602	17,456,568		64,974,268	1,043,264	9,008,638
2.	Allied lines	166,721,873	33,066,966	249,375	181,246,182	5,191,304	13,600,728
3.	Farmowners multiple peril	2,918,633	16,546,313		3,361,895	45,159	16,057,892
4.	Homeowners multiple peril	87,752,812	125,472,943		88,642,627	1,861,010	122,722,118
5.	Commercial multiple peril	354,837,870	249,011,562	3,150,452	504,430,258	6,021,203	96,548,423
6.	Mortgage guaranty						
8.	Ocean marine		7,327,711		6,625,447	437,469	264,795
9.	Inland marine	11,197,908	242,413,356	352,250	244,638,605	166,749	9,158,160
10.	Financial guaranty						
11.1	Medical professional liability - occurrence		6,026		4,105	1,545	376
11.2	Medical professional liability - claims-made	427,729	4,938,840		5,160,163		206,406
12.	Earthquake	13,430,314	2,055,202		13,042,391	585,722	1,857,403
13.	Group accident and health		8,654,075		465,319		8,188,756
14.	Credit accident and health (group and individual)						
15.	Other accident and health		43,170				43,170
16.	Workers' compensation		68,621,036		32,430,503	17,554,363	18,636,170
17.1	Other liability - occurrence	540,791,985	241,625,209		642,048,049	91,300,495	49,068,650
17.2	Other liability - claims-made	243,192,336	242,494,201	5,623,424	344,375,534	133,060,626	13,873,801
17.3	Excess workers' compensation						
18.1	Products liability - occurrence	8,007,853	8,398,674		12,352,359	401,810	3,652,358
18.2	Products liability - claims-made	407,863	204,734		514,268	77,759	20,570
19.1, 19.2	Private passenger auto liability		174,873,712		1,450		174,872,262
19.3, 19.4	Commercial auto liability	57,854,507	379,601,561	4,672	376,109,415	10,008,713	51,342,612
21.	Auto physical damage	11,480,977	249,639,086	16	130,465,561	239,721	130,414,797
22.	Aircraft (all perils)						
23.	Fidelity	11,981	144,715		24,804		131,892
24.	Surety		1,363,678		7,437	574,071	782,170
26.	Burglary and theft	58,858	354,754		138,804	16,211	258,597
27.	Boiler and machinery	2,401,592	3,180,409		89,473	5,493,341	(813)
28.	Credit	(717)	622,730		153,892	461,965	6,156
29.	International						
30.	Warranty	(160)	26,209,592		9,584,390	16,241,667	383,375
31.	Reinsurance - nonproportional assumed property	XXX	(7,087)				(7,087)
32.	Reinsurance - nonproportional assumed liability	XXX					
33.	Reinsurance - nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	1,559,063,816	2,104,319,736	9,380,189	2,660,887,199	290,784,167	721,092,375
	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

	Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 -3)	5 Net Losses Unpaid Current Year (Part 2A , Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	16,367,546	7,458,393	20,151,583	3,674,356	1,361,340	1,250,419	3,785,277	43.1
2.	Allied lines	47,607,792	20,009,468	60,415,882	7,201,378	2,560,618	2,063,957	7,698,039	58.2
3.	Farmowners multiple peril	362,151	9,465,943	373,644	9,454,450	3,672,531	3,072,080	10,054,901	66.0
4.	Homeowners multiple peril	35,389,482	72,737,382	36,316,852	71,810,012	21,292,147	20,737,075	72,365,084	60.2
5.	Commercial multiple peril	143,917,940	130,844,102	223,772,517	50,989,525	70,960,862	66,979,502	54,970,885	59.0
6.	Mortgage guaranty								
8.	Ocean marine	5,600	7,651,608	7,354,778	302,430	435,228	614,156	123,502	52.1
9.	Inland marine	3,788,595	138,614,322	139,024,732	3,378,185	1,571,939	1,625,749	3,324,375	37.6
10.	Financial guaranty								
11.1	Medical professional liability - occurrence		54,358	43,421	10,937	116,922	78,098	49,761	176.8
11.2	Medical professional liability - claims-made		553,344	532,061	21,283	160,224	153,300	28,207	15.3
12.	Earthquake	542,062	23,302	542,062	23,302	27,872	55,730	(4,556)	(0.2)
13.	Group accident and health		5,618,084	73,716	5,544,368	40,743	52,266	5,532,845	67.6
14.	Credit accident and health (group and individual)								
15.	Other accident and health		107,052	33,672	73,380	148,704	137,498	84,586	192.5
16.	Workers' compensation		17,860,004	8,879,571	8,980,433	44,579,060	43,441,376	10,118,117	56.2
17.1	Other liability - occurrence	203,523,641	121,204,641	306,591,394	18,136,888	68,059,347	62,254,601	23,941,634	50.4
17.2	Other liability - claims-made	37,416,799	34,112,345	69,215,422	2,313,722	8,826,497	5,379,673	5,760,546	44.0
17.3	Excess workers' compensation								
18.1	Products liability - occurrence	19,239,571	5,446,052	22,856,377	1,829,246	5,312,981	5,487,478	1,654,749	46.9
18.2	Products liability - claims-made	634,194	25,368	634,195	25,367	48,905	2,438	71,834	487.7
19.1, 19.2	Private passenger auto liability		110,087,168	366	110,086,802	114,190,043	111,837,848	112,438,997	64.6
19.3, 19.4	Commercial auto liability	38,114,636	231,651,989	241,369,553	28,397,072	59,472,849	51,428,592	36,441,329	73.1
21.	Auto physical damage	5,007,827	147,240,683	69,810,884	82,437,626	2,980,786	2,761,118	82,657,294	64.5
22.	Aircraft (all perils)					3		3	
23.	Fidelity		25,157		25,157	16,018	8,682	32,493	26.5
24.	Surety		(1,231)		(1,231)	37,547	268	36,048	4.9
26.	Burglary and theft		(4,202)	(4,423)	221	21,501	12,655	9,067	3.9
27.	Boiler and machinery	562,053	977,168	1,538,669	552	14,280	7,199	7,633	322.9
28.	Credit	567,180	9,457	569,967	6,670	23,920	26,680	3,910	52.8
29.	International								
30.	Warranty	4,000,425	8,082,763	11,727,626	355,562	1,839	42,200	315,201	82.9
31.	Reinsurance - nonproportional assumed property	XXX	32,424		32,424	(563,622)	(473,244)	(57,954)	649.3
32.	Reinsurance - nonproportional assumed liability	XXX	6,165		6,165	27,565	46,675	(12,945)	1,600.1
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	557,047,495	1,069,893,309	1,221,824,521	405,116,283	405,398,649	379,084,069	431,430,863	61.1
	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

	Line of Business	Reported Losses 1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Incurred But Not Reported 5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
1.	Fire	5,806,055	1,842,141	6,579,278	1,068,918	1,662,649	543,547	1,913,774	1,361,340	199,426
2.	Allied lines	26,102,548	5,947,294	30,133,746	1,916,096	8,590,366	1,539,784	9,485,628	2,560,618	437,342
3.	Farmowners multiple peril	82,900	3,152,179	116,900	3,118,179	44,790	930,372	420,810	3,672,531	841,088
4.	Homeowners multiple peril	10,145,420	17,198,364	10,178,456	17,165,328	6,443,301	4,310,300	6,626,782	21,292,147	3,539,668
5.	Commercial multiple peril	99,808,176	108,221,442	160,145,322	47,884,296	91,855,134	78,020,124	146,798,692	70,960,862	26,096,651
6.	Mortgage guaranty									
8.	Ocean marine		8,071,525	7,760,857	310,668	4,926	3,233,633	3,113,999	435,228	157,556
9.	Inland marine	930,468	15,064,655	14,840,793	1,154,330	184,446	17,095,036	16,861,873	1,571,939	159,125
10.	Financial guaranty									
11.1	Medical professional liability - occurrence	(60,000)	463,686	302,244	101,442	(59,593)	15,480	(59,593)	116,922	41,710
11.2	Medical professional liability - claims-made		2,791,030	2,710,606	80,424	45,538	2,029,279	1,995,017	160,224	127,024
12.	Earthquake		146		146	28,638	28,088	29,000	27,872	11,721
13.	Group accident and health						40,743		(a) 40,743	3,715
14.	Credit accident and health (group and individual)									
15.	Other accident and health		170,861	44,719	126,142		22,562		(a) 148,704	7,343
16.	Workers' compensation		52,938,941	19,846,061	33,092,880		20,377,601	8,891,421	44,579,060	4,874,218
17.1	Other liability - occurrence	386,104,852	204,962,244	559,634,428	31,432,668	537,073,079	249,790,633	750,237,033	68,059,347	18,125,294
17.2	Other liability - claims-made	38,434,532	50,579,390	86,495,321	2,518,601	90,933,490	192,195,699	276,821,293	8,826,497	6,667,082
17.3	Excess workers' compensation									
18.1	Products liability - occurrence	23,978,149	8,324,047	29,621,422	2,680,774	44,913,360	10,445,384	52,726,537	5,312,981	4,037,202
18.2	Products liability - claims-made	931,695	339,389	1,222,196	48,888		17		48,905	53,066
19.1, 19.2	Private passenger auto liability		89,763,137	15,000	89,748,137		24,441,906		114,190,043	13,144,795
19.3, 19.4	Commercial auto liability	43,110,389	258,210,669	262,266,735	39,054,323	37,537,737	189,871,392	206,990,603	59,472,849	8,583,005
21.	Auto physical damage	664,480	13,274,622	9,913,281	4,025,821	35,953	(408,965)	672,023	2,980,786	1,324,635
22.	Aircraft (all perils)		3		3				3	
23.	Fidelity		11,603		11,603		4,415		16,018	7,565
24.	Surety		26,249		26,249		29,288	17,990	37,547	72,637
26.	Burglary and theft		16,923	100	16,823		5,269	591	21,501	2,760
27.	Boiler and machinery	13,101	52,508	76,830	(11,221)	49,838	83,637	107,974	14,280	40,941
28.	Credit	16		16		674,865	38,055	689,000	23,920	
29.	International									
30.	Warranty	1	2	3		132,600	864,241	995,002	1,839	(4)
31.	Reinsurance - nonproportional assumed property	XXX	(302,491)		(302,491)	XXX	(261,131)		(563,622)	(269)
32.	Reinsurance - nonproportional assumed liability	XXX	27,565		27,565	XXX			27,565	
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	636,052,782	841,148,124	1,201,904,314	275,296,592	820,151,117	795,286,389	1,485,335,449	405,398,649	88,555,296
	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	173,838,348			173,838,348
	1.2 Reinsurance assumed	156,984,997			156,984,997
	1.3 Reinsurance ceded	303,915,934			303,915,934
	1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	26,907,411			26,907,411
2.	Commission and brokerage:				
	2.1 Direct excluding contingent		321,896,019		321,896,019
	2.2 Reinsurance assumed, excluding contingent		400,576,800		400,576,800
	2.3 Reinsurance ceded, excluding contingent		628,989,349		628,989,349
	2.4 Contingent - direct		46,185,110		46,185,110
	2.5 Contingent - reinsurance assumed		19,289,561		19,289,561
	2.6 Contingent - reinsurance ceded		50,345,281		50,345,281
	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)		108,612,860		108,612,860
3.	Allowances to managers and agents	29,291	770,338		799,629
4.	Advertising	39,446	13,812,649	39	13,852,134
5.	Boards, bureaus and associations	480,624	(229,628)	7,178	258,174
6.	Surveys and underwriting reports	94,816	4,892,645		4,987,461
7.	Audit of assureds' records	261	189,201		189,462
8.	Salary and related items:				
	8.1 Salaries	25,927,498	44,330,779	49,233	70,307,510
	8.2 Payroll taxes	121,035	6,632,991		6,754,026
9.	Employee relations and welfare	5,340,062	2,209,228	11,859	7,561,149
10.	Insurance	5,242	636,101		641,343
11.	Directors' fees		105,896		105,896
12.	Travel and travel items	2,229,399	3,460,477	3,616	5,693,492
13.	Rent and rent items	1,510,454	7,116,229	714	8,627,397
14.	Equipment	1,016,977	2,770,167	1,956	3,789,100
15.	Cost or depreciation of EDP equipment and software	393,918	3,326,723	1	3,720,642
16.	Printing and stationery	296,921	1,849,579	67	2,146,567
17.	Postage, telephone and telegraph, exchange and express	761,614	2,335,711	9,496	3,106,821
18.	Legal and auditing	1,474,860	12,595,100	2,300	14,072,260
19.	Totals (Lines 3 to 18)	39,722,418	106,804,186	86,459	146,613,063
20.	Taxes, licenses and fees:				
	20.1 State and local insurance taxes deducting guaranty association credits of $		11,494,487		11,494,487
	20.2 Insurance department licenses and fees		1,746,685		1,746,685
	20.3 Gross guaranty association assessments		726		726
	20.4 All other (excluding federal and foreign income and real estate)		1,855,125		1,855,125
	20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		15,097,023		15,097,023
21.	Real estate expenses				
22.	Real estate taxes		98,299		98,299
23.	Reimbursements by uninsured plans				
24.	Aggregate write-ins for miscellaneous expenses	3,676,565	7,970,317	834,935	12,481,817
25.	Total expenses incurred	70,306,394	238,582,685	921,394	(a) 309,810,473
26.	Less unpaid expenses - current year	88,555,296	24,737,748		113,293,044
27.	Add unpaid expenses - prior year	87,337,625	22,980,370		110,317,995
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)	69,088,723	236,825,307	921,394	306,835,424
	DETAILS OF WRITE-INS				
2401.	Service fees	(5,822)	687,693		681,871
2402.	Other expenses	3,590,225	6,068,700	833,378	10,492,303
2403.	Outside services and income	92,162	1,200,272	1,557	1,293,991
2498.	Summary of remaining write-ins for Line 24 from overflow page		13,652		13,652
2499.	Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	3,676,565	7,970,317	834,935	12,481,817

(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)	5,669,756		5,710,496
1.1	Bonds exempt from U.S. tax	(a)	11,322,950		11,058,016
1.2	Other bonds (unaffiliated)	(a)	23,450,467		24,338,732
1.3	Bonds of affiliates	(a)			
2.1	Preferred stocks (unaffiliated)	(b)			
2.11	Preferred stocks of affiliates	(b)			
2.2	Common stocks (unaffiliated)				
2.21	Common stocks of affiliates				
3.	Mortgage loans	(c)	129,563		125,058
4.	Real estate	(d)			
5	Contract loans				
6	Cash, cash equivalents and short-term investments	(e)	1,430,858		1,430,860
7	Derivative instruments	(f)			
8.	Other invested assets				
9.	Aggregate write-ins for investment income		64,521		64,521
10.	Total gross investment income		42,068,115		42,727,683
11.	Investment expenses			(g)	921,394
12.	Investment taxes, licenses and fees, excluding federal income taxes			(g)	
13.	Interest expense			(h)	
14.	Depreciation on real estate and other invested assets			(i)	
15.	Aggregate write-ins for deductions from investment income				30,196
16.	Total deductions (Lines 11 through 15)				951,590
17.	Net investment income (Line 10 minus Line 16)				41,776,093
	DETAILS OF WRITE-INS				
0901.	Misc. Income		63,384		63,384
0902.	Securities Lending		1,137		1,137
0903.					
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		64,521		64,521
1501.	Misc. Expense				30,196
1502.					
1503.					
1598.	Summary of remaining write-ins for Line 15 from overflow page				
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)				30,196

(a) Includes $ 2,345,246 accrual of discount less $ 5,696,749 amortization of premium and less $ 991,690 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				4,299,703	
1.1	Bonds exempt from U.S. tax				115	
1.2	Other bonds (unaffiliated)	(241,429)		(241,429)	45,657	(544,740)
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates				13,807,114	
3.	Mortgage loans				385	
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)		(2,733)	(2,733)	21,295	
10.	Total capital gains (losses)	(241,429)	(2,733)	(244,162)	18,174,269	(544,740)
	DETAILS OF WRITE-INS					
0901.	FX on Currency		(2,733)	(2,733)		
0902.	Securities Lending				31,923	
0903.	Misc.				(10,628)	
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		(2,733)	(2,733)	21,295	

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)			
9.	Receivables for securities			
10.	Securities lending reinvested collateral assets (Schedule DL)	31,690	107,102	75,412
11.	Aggregate write-ins for invested assets			
12.	Subtotals, cash and invested assets (Lines 1 to 11)	31,690	107,102	75,412
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	23,897,628	23,531,950	(365,678)
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	304,479	430,220	125,741
	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	177	177	
24.	Health care and other amounts receivable			
25.	Aggregate write-ins for other than invested assets	4,183,096	1,635,436	(2,547,660)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	28,417,070	25,704,885	(2,712,185)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	Total (Lines 26 and 27)	28,417,070	25,704,885	(2,712,185)
	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	2,487,636	196,375	(2,291,261)
2502.	Miscellaneous assets		758,183	758,183
2503.	Other assets nonadmitted	1,678,366	680,878	(997,488)
2598.	Summary of remaining write-ins for Line 25 from overflow page	17,094		(17,094)
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	4,183,096	1,635,436	(2,547,660)

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Scottsdale 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 Department of Insurance 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.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below:

		State of Domicile	2014	2013
NET INCOME				
(1)	Scottsdale Insurance Company state basis (Page 4, Line 20, Columns 1 & 3)	OH	$ 9,918,733	$ 16,195,219
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP	OH	-	-
(3)	State Permitted Practices that increase/(decrease) NAIC SAP	OH	-	-
(4)	NAIC SAP (1-2-3=4)	OH	$ 9,918,733	$ 16,195,219
SURPLUS				
(5)	Scottsdale Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	OH	$ 764,851,827	$716,364,695
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP	OH	-	-
(7)	State Permitted Practices that increase/(decrease) NAIC SAP	OH	-	-
(8)	NAIC SAP (5-6-7=8)	OH	$ 764,851,827	$716,364,695

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

The preparation of statutory 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's parent, Nationwide Mutual Insurance Company (Mutual), files a consolidated federal income tax return, which includes all eligible U.S. subsidiaries and affiliates. In this regard, the included subsidiaries and affiliates pay to Mutual the amount which would have been payable on a separate return basis without regard to the alternative minimum tax. Mutual pays tax due on a consolidated basis.

The Company provides for federal income taxes based on amounts the Company believes it will ultimately 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 which could be significant. 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 income taxes. Under this method, deferred tax assets (DTA), net of any non-admitted portion and statutory valuation allowance, 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, excluding the impact of taxes on unrealized capital gains or losses and nonadmitted deferred taxes, is charged directly to surplus.

*Reinsurance Recoverables***.** The Company cedes insurance to other companies in order to limit potential losses and diversify its exposure. Such agreements do not relieve the Company of its primary obligation to the policyholder in the event the reinsurer is unable to meet the obligations it has assumed. The Company monitors the financial condition of reinsurers on an ongoing basis and reviews its reinsurance agreements regularly in an attempt to minimize its exposure to significant losses from reinsurer insolvencies. 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 losses are estimated in a manner consistent with the claim liability associated with the underlying policy. Such reinsurance recoverables and reserved deductions partially offset claim costs in the Company's statutory statements of operations and are included as an offset to losses and loss expense reserves in the accompanying statutory statements of admitted assets, liabilities and surplus. There were no contracts using deposit accounting as of December 31, 2014 and 2013.

Statutory accounting principles require recognition of a minimum liability for certain unsecured or overdue reinsurance recoverables. These conditional reserves were $14.9 million and $7.8 million as of December 31, 2014 and 2013, respectively.

In addition, the Company uses the following accounting policies:

1. Short-term investments consist of investments with maturities of twelve months or less at acquisition and are stated at amortized cost, which approximates fair value.

2. Bonds, excluding loan-backed and structured securities, are stated at amortized cost except those with a NAIC designation of "3" through "6" which are stated at the lower of amortized cost or fair value. Amortization of premiums and discounts is calculated using the effective yield method.

3. Unaffiliated common stocks are stated at fair value.

4. Redeemable preferred stocks are stated at amortized cost except those with an NAIC designation of "3" through "6" which are stated at the lower of amortized cost or fair value. Perpetual preferred stocks are stated at fair value except those with an NAIC designation of "3" through "6" which are stated at the lower of amortized cost or fair value.

NOTES TO FINANCIAL STATEMENTS

5. Mortgage loans are carried at the unpaid principal balance adjusted for premiums, discounts, less a valuation allowance. The valuation allowance for mortgage loans reflects management's best estimate of probable credit losses.

6. Loan-backed and structured securities (collectively, loan-backed securities) are stated at amortized cost or the lower of amortized cost or fair value in accordance with the provisions of Statement of Statutory Accounting Principles No. 43-Revised and the Purposes and Procedures Manual of the NAIC Securities Valuation Office. The retrospective adjustment method is used to value loan-backed securities where the collection of all contractual cash flows is probable. For all other loan-backed securities, the Company uses the prospective adjustment method.

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

   The admitted investments in all subsidiary, controlled, and affiliated (SCA) entities are valued using an equity method approach. Under this approach, investments in insurance affiliated companies are stated at underlying audited statutory surplus adjusted for unamortized goodwill. Investments in non-insurance affiliated companies that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at audited GAAP equity adjusted to a statutory basis of accounting. Investments in non-insurance affiliated companies that have significant ongoing operations beyond holding assets that are primarily for the direct or indirect benefit or use of the reporting entity or its affiliates are stated at audited GAAP equity. Unaudited affiliated companies of the reporting entity or its affiliates are non-admitted under prescribed SAP accounting practices. Goodwill arising from the acquisition of affiliated companies is amortized over a period of ten years. Investments in affiliated companies are generally included in stocks. Unamortized goodwill at December 31, 2014 and 2013 was $10.4 million and $13.3 million respectively, which was fully admitted based upon adjusted policyholder surplus.

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.

9. Accounting for derivatives

   Not applicable.

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, 2014 and 2013, 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 (IBNR). 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. Not applicable as the Company does not write major medical insurance with prescription drug coverage.

Note 2 - Accounting Changes and Corrections of Errors

A. Accounting Changes and Corrections of Errors

   Adopted Accounting Standards

   On July 1, 2014, the Company adopted revisions to SSAP No. 26, Bonds, Excluding Loan-Backed and Structured Securities, and SSAP No. 43R, Loan-Backed and Structured Securities. The revisions require expanded disclosures around structured notes to assist financial statement users in assessing risk by CUSIP level. The adoption resulted in increased disclosures only and had no impact on the Company's statutory financial statements. Refer to Note 5 K. for the disclosure requirements in accordance with the adopted guidance.

   On January 1, 2013, the Company adopted SSAP No. 103, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. The standard establishes accounting for transfers and servicing of financial assets, including asset securitizations and securitizations of policy acquisition costs, extinguishments of liabilities, repurchase agreements, repurchase financing and reverse repurchase agreements, including dollar repurchase and dollar reverse repurchase agreements. The guidance provides criteria to determine whether a transferor has surrendered control over transferred financial assets. It also forbids offsetting for repurchase and reverse repurchase transactions in accordance with master netting agreements. Provisions of this guidance are being applied prospectively, as is required. There was no impact to the Company's financial statements upon adoption.

NOTES TO FINANCIAL STATEMENTS

On December 31, 2013, the Company adopted revisions to SSAP No. 34, Investment Income Due and Accrued and SSAP No. 37, Mortgage Loans. The revisions expand required disclosures related to mortgage loans to assist financial statement users in assessing an entity's credit risk exposures and evaluating the adequacy of its allowance for credit losses. The adoption resulted in increased disclosures only and had no impact on the Company's financial statements.
On December 31, 2013, the Company adopted revisions to SSAP No. 35R, Guaranty Fund and Other Assessments. The revisions require disclosure of the nature of fees paid to the federal government by health insurers under the Affordable Care Act and an estimate of their financial impact, including the impact on the Company's risk based capital position. The adoption resulted in increased disclosures only and had no impact on the Company's financial statements.

On August 24, 2013, the NAIC adopted, effective immediately, revisions to SSAP No. 64, Offsetting and Netting of Assets and Liabilities, SSAP No. 86, Accounting for Derivative Instruments and Hedging, Income Generation, and Replication (Synthetic Asset) Transactions and SSAP No. 103, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. The Company adopted the revisions on the effective date. The revisions clarify that derivatives, repurchase and reverse repurchase agreements, and securities borrowing and securities lending transactions can be reported net on the balance sheet when a valid right to offset exists. The revisions also add disclosures to illustrate the netting impact. There was no impact on the Company's financial statements.

On October 4, 2013, the NAIC adopted, effectively immediately, revisions to SSAP No. 1, Disclosure of Accounting Policies, Risks & Uncertainties, and Other Disclosures, SSAP No. 15, Debt and Holding Company Obligations, SSAP No. 30, Investments in Common Stock (excluding investments in common stock of subsidiary, controlled, or affiliated entities), and SSAP No. 52, Deposit-Type Contracts. The revisions improve the reporting of FHLB capital stock and develop additional and enhanced disclosures for FHLB transactions. The Company adopted the revisions on the effective date and resulted in increased disclosures only.

Note 3 - Business Combinations and Goodwill

A. Statutory Purchase Method

1. On December 31, 2008, the Company purchased 100% of Atlantic from Traveler's. In September, 2008, Traveler's and Atlantic entered into a transfer and assumption agreement. As a result of the Agreement, Atlantic transferred all of its assets, subject to specific exception of the Retained Assets set forth in the Transfer and Assumption Agreement, and all of its liabilities to and assumed by Travelers as of the date of the sale to the Company. The purchase of Atlantic by the Company included the transfer of investments and premium tax recoverables totaling $8.7 million. On July 28, 2009, the Ohio Department of Insurance signed the order authorizing the redomestication of Atlantic Insurance Company from Texas to Ohio and changing the name to Freedom Specialty Insurance Company.

   In July 2008, the Company entered into an agreement with Veterinary Pet Insurance Company (VPI) to acquire the remaining 35% interest in their outstanding shares. Based in Brea, California, VPI is the oldest and largest health insurance provider for pets in the United States offering insurance plans which reimburse eligible veterinary expenses relating to accidents, illnesses and injuries for dogs, cats, birds and exotic pets. The VPI asset acquisition solidifies the Company's position in the pet insurance market, which is available in all 50 states and the District of Columbia. Policies are underwritten by VPI in California, and in all other states by National Casualty Company.

2. The two transactions above were accounted for as statutory purchases.

3. The cost of the Freedom Specialty acquisition was $16.0 million, resulting in goodwill of $7.3 million. The cost of the VPI acquisition was $29.4 million, resulting in goodwill of $21.5 million.

4. Goodwill amortization for the year ended December 31, 2014 related to the purchases of Freedom Specialty Insurance Company and VPI is $2.1 million and $0.7 million, respectively.

B. Statutory Merger

Not applicable.

C. Impairment Loss

Not applicable.

Note 4 - Discontinued Operations

Not applicable.

Note 5 - Investments

A. Mortgage Loans

1. There were no new commercial loans originated in 2014. No residential mortgages were loaned during 2014.

2. At December 31, 2014, the maximum percentage of any one loan to the value of the security at the time of the loan is 83.1%.

	12/31/2014	12/31/2013
3. Taxes, assessments, and any amounts advanced and not included in the mortgage loan total	$ -	$ -

NOTES TO FINANCIAL STATEMENTS

4. Age Analysis of Mortgage Loans:

	Farm	Residential Insured	Residential All Other	Commercial Insured	Commercial All Other	Mezzanine	Total
a. Current Year							
1. Recorded Investment (All)							
(a) Current	$ -	$ -	$ -	$ -	$ 1,714,715	$ -	$ 1,714,715
(b) 30-59 Days Past Due	-	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Number of Loans	-	-	-	-	-	-	-
(c) Percent Reduced	%	%	%	%	%	%	%
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	$ -	$ -	$ -	$ -	$ 2,685,794	$ -	$ 2,685,794
(b) 30-59 Days Past Due	-	-	-	-	-	-	-
(c) 60-89 Days Past Due	-	-	-	-	-	-	-
(d) 90-179 Days Past Due	-	-	-	-	-	-	-
(e) 180+ Days Past Due	-	-	-	-	-	-	-
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Interest Accrued	-	-	-	-	-	-	-
4. Interest Reduced							
(a) Recorded Investment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b) Number of Loans	-	-	-	-	-	-	-
(c) Percent Reduced	%	%	%	%	%	%	%

5. Investments in Impaired Loans With or Without Allowance for Credit Losses

Not applicable.

6. Investment in Impaired Loans

Not applicable.

7. Allowance for Credit Losses:	12/31/2014	12/31/2013
(a) Balance at beginning of period	$ 1,637	$ 5,023
(b) Additions charged to operations	$ -	$ -
(c) Direct write-downs charged against the allowances	$ (385)	$ (3,385)
(d) Recoveries of amounts previously charged off	$ -	$ -
(e) Balances at end of period	$ 1,253	$ 1,637

8. 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.

NOTES TO FINANCIAL STATEMENTS

B. Troubled Debt Restructuring for Creditors

	12/31/2014	12/31/2013
1. The total recorded investment in restructured loans, as of year end	$ -	$ -
2. The realized capital losses related to these loans	$ -	$ -
3. Total contractual commitments to extend credit to debtors ow ing receivables w hose terms have been modified in troubled debt restructurings	$ -	$ -

4. 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.

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. Not applicable.

3. Not applicable.

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:

1.	Less than 12 Months	$ (169,030)
2.	12 Months or Longer	$ (21,305)

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

1.	Less than 12 Months	$ 14,485,263
2.	12 Months or Longer	$ 10,647,607

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, then the Company will evaluate if the amortized cost basis of the security will be recovered by comparing the present value of the cash flows expected to be received for the given security with the amortized cost basis of the security. If the present value of cash flows is greater than the amortized cost basis of a security then the security is deemed not to be other-than-temporarily impaired.

E. Repurchase Agreements and Securities Lending Transactions

1. For repurchase agreements, the Company policy requires that the reporting entity receive collateral having a fair value of at least 95% of the fair value of the securities transferred.

For reverse repurchase agreements, the Company policy requires that the reporting entity receive as collateral transferred securities having a fair value at least equal to 102% of the purchase price paid by the reporting entity for the securities.

The Company’s securities lending agreement requires a minimum of 102% of the fair value of loaned securities to be held as collateral. Cash collateral received is invested in short-term investments and reported on the Asset page as Securities Lending Reinvested Collateral assets. The offsetting collateral liability is reported in the Payable for Securities Lending line on the Liabilities page.

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

NOTES TO FINANCIAL STATEMENTS

3. Collateral Received

a. Aggregate Amount Cash Collateral Received

1. Repurchase Agreement

(a) Open	$
(b) 30 Days or Less	
(c) 31 to 60 Days	
(d) 61 to 90 Days	
(e) Greater Than 90 Days	
(f) Subtotal	$
(g) Securities Received	
(h) Total Collateral Received	$

2. Securities Lending

(a) Open	$ 3,393,906
(b) 30 Days or Less	
(c) 31 to 60 Days	
(d) 61 to 90 Days	
(e) Greater Than 90 Days	
(f) Subtotal	$ 3,393,906
(g) Securities Received	
(h) Total Collateral Received	$ 3,393,906

3. Dollar Repurchase Agreement

(a) Open	$
(b) 30 Days or Less	
(c) 31 to 60 Days	
(d) 61 to 90 Days	
(e) Greater Than 90 Days	
(f) Subtotal	$
(g) Securities Received	
(h) Total Collateral Received	$

b. The fair value as of the date of each statement of financial position presented of that collateral and of the portion of that collateral that it has sold or repledged: $3,285,152.

c. The reporting entity receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The reporting entity invests the cash collateral (primarily in short-term investments) to earn additional yield.

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

NOTES TO FINANCIAL STATEMENTS

5. Collateral Reinvestment

a. Aggregate Amount Cash Collateral Reinvested

	Amortized Cost	Fair Value
1. Repurchase Agreement		
(a) Open	$	$
(b) 30 Days or Less		
(c) 31 to 60 Days		
(d) 61 to 90 Days		
(e) 91 to 120 Days		
(f) 121 to 180 Days		
(g) 181 to 365 Days		
(h) 1 to 2 years		
(i) 2 to 3 years		
(j) Greater Than 3 years		
(k) Subtotal	$	$
(l) Securities Received		
(m) Total Collateral Reinvested	$	$
2. Securities Lending		
(a) Open	$	$
(b) 30 Days or Less	3,183,147	3,183,147
(c) 31 to 60 Days		
(d) 61 to 90 Days		
(e) 91 to 120 Days		
(f) 121 to 180 Days		
(g) 181 to 365 Days		
(h) 1 to 2 years		
(i) 2 to 3 years		
(j) Greater Than 3 years	108,614	102,005
(k) Subtotal	$ 3,291,761	$ 3,285,152
(l) Securities Received		
(m) Total Collateral Reinvested	$ 3,291,761	$ 3,285,152
3. Dollar Repurchased Agreement		
(a) Open	$	$
(b) 30 Days or Less		
(c) 31 to 60 Days		
(d) 61 to 90 Days		
(e) 91 to 120 Days		
(f) 121 to 180 Days		
(g) 181 to 365 Days		
(h) 1 to 2 years		
(i) 2 to 3 years		
(j) Greater Than 3 years		
(k) Subtotal	$	$
(l) Securities Received		
(m) Total Collateral Reinvested	$	$

b. Since 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.

6. The Company has not accepted collateral that is not permitted by contract or custom to repledge or sell.

7. There are no securities lending transactions that extend beyond one year.

F. Real Estate

Not applicable.

NOTES TO FINANCIAL STATEMENTS

G. Low-Income Housing Tax Credits

Not applicable.

H. Restricted Assets

1. Restricted Assets (Including Pledged)

	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/(Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-	-	0.00%	0.00%
Collateral held under security lending agreements	3,285,152	-	-	-	3,285,152	1,467,832	1,817,320	3,285,152	0.15%	0.15%
Subject to repurchase agreements	-	-	-	-	-	-	-	-	0.00%	0.00%
Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	0.00%	0.00%
Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	0.00%	0.00%
Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	0.00%	0.00%
Placed under option contracts	-	-	-	-	-	-	-	-	0.00%	0.00%
Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	0.00%	0.00%
FHLB capital stock	-	-	-	-	-	-	-	-	0.00%	0.00%
On deposit with states	6,164,549	-	-	-	6,164,549	12,084,758	(5,920,209)	6,164,549	0.27%	0.28%
On deposit with other regulatory bodies	5,535,901	-	-	-	5,535,901	-	5,535,901	5,535,901	0.25%	0.25%
Pledged collateral to FHLB (including assets backing funding	-	-	-	-	-	-	-	-	0.00%	0.00%
Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	0.00%	0.00%
Other restricted assets	3,471,385	-	-	-	3,471,385	1,579,332	1,892,053	3,471,385	0.15%	0.16%
Total Restricted Assets	**18,456,987**	**-**	**-**	**-**	**18,456,987**	**15,131,922**	**3,325,065**	**18,456,987**	**0.82%**	**0.83%**

2. Detail of Asset Pledged as Collateral Not Captured in Other Categories

Not applicable.

3. Detail of Other Restricted Assets

	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Description of Assts	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/(Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Loaned to others under conforming securiteis lending program	3,471,385	-	-	-	3,471,385	1,579,332	1,892,053	3,471,385	0.15%	0.16%
Total	**3,471,385**	**-**	**-**	**-**	**3,471,385**	**1,579,332**	**1,892,053**	**3,471,385**	**0.15%**	**0.16%**

I. Working Capital Finance Investments

Not applicable

J. Offsetting and Netting of Assets and Liabilities

Not applicable.

K. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
391164AF7	$ 5,664,400	$ 5,732,645	$ 5,617,068	NO
71884WAN1	$ 2,309,100	$ 3,710,160	$ 3,229,836	NO
912810FR4	$ 56,388,529	$ 73,943,012	$ 62,879,507	NO
912810PV4	$ 18,207,826	$ 25,661,515	$ 21,082,961	NO
912810PZ5	$ 51,070,484	$ 68,612,058	$ 56,378,363	NO
912828DH0	$ 33,414,091	$ 37,239,675	$ 37,302,737	NO
912828FL9	$ 25,718,033	$ 30,639,128	$ 29,498,939	NO
912828LA6	$ 51,723,116	$ 59,674,424	$ 56,266,573	NO
Total	$ 244,495,579	$ 305,212,615	$ 272,255,986	

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, 2014 was $0.

Note 8 - Derivative Instruments

Not applicable.

Note 9 - Income Taxes

A. The components of the deferred tax asset/(liability) at December 31 are as follows:

	12/31/2014		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	$ 47,441,678	$ 9,720,062	$ 57,161,740
(1b) Statutory valuation allowance adjustment	$ -	$ -	$ -
(1c) Adjusted gross deferred tax assets	$ 47,441,678	$ 9,720,062	$ 57,161,740
(1d) Deferred tax assets nonadmitted	$ -	$ -	$ -
(1e) Subtotal net admitted deferred tax asset	$ 47,441,678	$ 9,720,062	$ 57,161,740
(1f) Deferred tax liabilities	$ 437,368	$ 9,449,362	$ 9,886,730
(1g) Net admitted deferred tax asset/(net deferred tax liability)	$ 47,004,310	$ 270,700	$ 47,275,010

	12/31/2013		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	$ 48,584,925	$ 7,876,236	$ 56,461,161
(1b) Statutory valuation allowance adjustment	$ -	$ -	$ -
(1c) Adjusted gross deferred tax assets	$ 48,584,925	$ 7,876,236	$ 56,461,161
(1d) Deferred tax assets nonadmitted	$ -	$ -	$ -
(1e) Subtotal net admitted deferred tax asset	$ 48,584,925	$ 7,876,236	$ 56,461,161
(1f) Deferred tax liabilities	$ 1,425,836	$ 8,107,932	$ 9,533,768
(1g) Net admitted deferred tax asset/(net deferred tax liability)	$ 47,159,089	$ (231,696)	$ 46,927,393

	Change		
	Ordinary	Capital	Total
(1a) Gross deferred tax assets	$ (1,143,247)	$ 1,843,826	$ 700,579
(1b) Statutory valuation allowance adjustment	$ -	$ -	$ -
(1c) Adjusted gross deferred tax assets	$ (1,143,247)	$ 1,843,826	$ 700,579
(1d) Deferred tax assets nonadmitted	$ -	$ -	$ -
(1e) Subtotal net admitted deferred tax asset	$ (1,143,247)	$ 1,843,826	$ 700,579
(1f) Deferred tax liabilities	$ (988,468)	$ 1,341,430	$ 352,962
(1g) Net admitted deferred tax asset/(net deferred tax liability)	$ (154,779)	$ 502,396	$ 347,617

Admission Calculation Components SSAP No. 101

	12/31/2014		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the less of (2b)1 and (2b)2 below)	$ 43,574,174	$ 3,700,837	$ 47,275,011
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	$ 43,574,174	$ 3,700,837	$ 47,275,011
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	$ 107,636,523
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	$ 3,867,504	$ 6,019,225	$ 9,886,729
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total ((2a) + (2b) + (2c))	$ 47,441,678	$ 9,720,062	$ 57,161,740

	12/31/2013		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the less of (2b)1 and (2b)2 below)	$ 44,319,536	$ 3,284,671	$ 47,604,207
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	$ 44,319,536	$ 3,284,671	$ 47,604,207
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	$ 100,415,595
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	$ 4,265,389	$ 4,591,565	$ 8,856,954
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total ((2a) + (2b) + (2c))	$ 48,584,925	$ 7,876,236	$ 56,461,161

NOTES TO FINANCIAL STATEMENTS

	Change		
	Ordinary	Capital	Total
(2a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
(2b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (2a) above) after application of the threshold limitation (the less of (2b)1 and (2b)2 below)	$ (745,362)	$ 416,166	$ (329,196)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	$ (745,362)	$ 416,166	$ (329,196)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	$ 7,220,928
(2c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	$ (397,885)	$ 1,427,660	$ 1,029,775
(2d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total ((2a) + (2b) + (2c))	$ (1,143,247)	$ 1,843,826	$ 700,579

	12/31/2014	12/31/2013
(3a) Ratio percentage used to determine recovery period and threshold limitation amount	648.347%	641.097%
(3b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (2b)2 above	$ 717,576,817	$ 669,437,302

Impact of Tax Planning Strategies

	12/31/2014		
	Ordinary	Capital	Total
(4a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	$ 47,441,678	$ 9,720,062	$ 57,161,740
(2) Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 47,441,678	$ 9,720,062	$ 57,161,740
(4) Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	7.83%	7.83%

	12/31/2013		
	Ordinary	Capital	Total
(4a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	$ 48,584,925	$ 7,876,236	$ 56,461,161
(2) Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 48,584,925	$ 7,876,236	$ 56,461,161
(4) Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	7.00%	7.00%

	Change		
	Ordinary	Capital	Total
(4a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage			
(1) Adjusted Gross DTAs amount from Note 9A1(c)	$ (1,143,247)	$ 1,843,826	$ 700,579
(2) Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
(3) Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ (1,143,247)	$ 1,843,826	$ 700,579
(4) Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.83%	0.83%

(4b) Does this Company's tax-planning strategies include the use of reinsurance? Yes [ ] No [X]

B. There are no temporary differences for which deferred tax liabilities are not recognized.

NOTES TO FINANCIAL STATEMENTS

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

	12/31/2014	12/31/2013	Change
1. Current Income Tax			
(a) Federal	$ 1,609,763	$ 11,339,111	$ (9,729,348)
(b) Foreign	$ -	$ -	$ -
(c) Subtotal	$ 1,609,763	$ 11,339,111	$ (9,729,348)
(d) Federal income tax on net capital gains	$ (167,433)	$ (142,883)	$ (24,550)
(e) Utilization of capital loss carry-forwards	$ -	$ -	$ -
(f) Other	$ -	$ -	$ -
(g) Federal and foreign income taxes incurred	$ 1,442,330	$ 11,196,228	$ (9,753,898)

2. Deferred Tax Assets	12/31/2014	12/31/2013	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	$ 10,599,806	$ 11,485,388	$ (885,582)
(2) Unearned premium reserve	$ 20,428,009	$ 19,346,074	$ 1,081,935
(3) Policyholder reserves	$ -	$ -	$ -
(4) Investments	$ 11,092	$ 37,486	$ (26,394)
(5) Deferred acquisition costs	$ -	$ -	$ -
(6) Policyholder dividends accrual	$ -	$ -	$ -
(7) Fixed Assets	$ -	$ -	$ -
(8) Compensation benefits accrual	$ 5,355,099	$ 6,034,218	$ (679,119)
(9) Pension accrual	$ 330,993	$ -	$ 330,993
(10) Receivables - nonadmitted	$ 587,490	$ 238,369	$ 349,121
(11) Net operating loss carry-forward	$ 550,172	$ 1,239,425	$ (689,253)
(12) Tax credit carry-forward	$ -	$ -	$ -
(13) Other (including items <5% of total ordinary tax assets)	$ 1,108,280	$ 1,817,205	$ (708,925)
(14) Nonadmitted premiums and agent bal	$ 8,470,737	$ 8,386,760	$ 83,977
(99) Subtotal	$ 47,441,678	$ 48,584,925	$ (1,143,247)
(b) Statutory valuation allowance adjustment	$ -	$ -	$ -
(c) Nonadmitted	$ -	$ -	$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	$ 47,441,678	$ 48,584,925	$ (1,143,247)
(e) Capital:			
(1) Investments	$ 9,720,062	$ 7,876,236	$ 1,843,826
(2) Net capital loss carry-forward	$ -	$ -	$ -
(3) Real estate	$ -	$ -	$ -
(4) Other (including items <5% of total capital tax assets)	$ -	$ -	$ -
(99) Subtotal	$ 9,720,062	$ 7,876,236	$ 1,843,826
(f) Statutory valuation allowance adjustment	$ -	$ -	$ -
(g) Nonadmitted	$ -	$ -	$ -
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	$ 9,720,062	$ 7,876,236	$ 1,843,826
(i) Admitted deferred tax assets (2d + 2h)	$ 57,161,740	$ 56,461,161	$ 700,579

3. Deferred Tax Liabilities

(a) Ordinary:	12/31/2014	12/31/2013	Change
(1) Investments	$ -	$ -	$ -
(2) Fixed assets	$ -	$ -	$ -
(3) Deferred and uncollected premium	$ -	$ -	$ -
(4) Policyholder reserves	$ -	$ -	$ -
(5) Other (including items <5% of total ordinary tax liabilities)	$ 17,657	$ 35,610	$ (17,953)
(6) Compensation and benefits accrual	$ -	$ 348,819	$ (348,819)
(7) Pension accrual	$ -	$ 1,041,407	$ (1,041,407)
(8) Other liabilities	$ 419,711	$ -	$ 419,711
(99) Subtotal	$ 437,368	$ 1,425,836	$ (988,468)
(b) Capital:			
(1) Investments	$ 9,449,362	$ 8,107,932	$ 1,341,430
(2) Real estate	$ -	$ -	$ -
(3) Other (including items <5% of total capital tax liabilities)	$ -	$ -	$ -
(99) Subtotal	$ 9,449,362	$ 8,107,932	$ 1,341,430
(c) Deferred tax liabilities (3a99 + 3b99)	$ 9,886,730	$ 9,533,768	$ 352,962
4. Net deferred tax asset/(liability) (2i - 3c)	$ 47,275,010	$ 46,927,393	$ 347,617

NOTES TO FINANCIAL STATEMENTS

5. The change in deferred income taxes is comprised of the follow ing (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets are reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	12/31/2014	12/31/2013	Change
(a) Adjusted gross deferred tax assets	$ 57,161,740	$ 56,461,161	$ 700,579
(b) Deferred tax liabilities	9,886,730	9,533,768	352,962
(c) Net deferred tax assets (liabilities)	$ 47,275,010	$ 46,927,393	$ 347,617
(d) Tax effect of unrealized gains (losses)			(1,341,565)
(g) Change in deferred income tax			$ 1,689,182

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to pre-tax income. The significant book to tax adjustments causing this difference are as follows:

	12/31/2014	12/31/2013
(a) Current income taxes incurred	$ 1,442,330	$ 11,196,228
(b) Change in deferred income tax	$ (1,689,182)	$ (10,038,592)
(c) Total income tax reported	$ (246,852)	$ 1,157,636
(d) Income before taxes	$ 11,361,062	$ 27,391,448
(e) Federal statutory tax rate	35%	35%
(f) Expected income tax expense (benefit) at 35% statutory rate	$ 3,976,372	$ 9,587,007
(1) Tax-exempt income	$ (3,339,248)	$ (3,762,718)
(2) Dividends received deduction	$ -	$ (37)
(3) Nondeductible expenses	$ 124,041	$ 114,402
(4) Deferred tax benefit on nonadmitted assets	$ (949,266)	$ (4,617,994)
(5) Change in tax reserves	$ 10,084	$ 95,350
(6) Tax credits	$ -	$ -
(7) Other	$ (68,835)	$ (258,374)
(g) Total	$ (246,852)	$ 1,157,636

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

	Amount	Origination	Expiration
Operating loss carryforw ards		2002-2011	2017-2027
Operating loss carryforw ards	$ 204,842	2011	2031
Operating loss carryforw ards	$ 1,367,078	2012	2032
Operating loss carryforw ards	$ -	2013	2033
Operating loss carryforw ards	$ -	2014	2034
Amount of AMT tax credits	$ -	2009	N/A
Amount of AMT tax credits	$ -	2010	N/A
Amount of AMT tax credits	$ -	2011	N/A
Amount of AMT tax credits	$ -	2012	N/A
Amount of AMT tax credits	$ -	2013	N/A
Amount of AMT tax credits	$ -	2014	N/A
Business credits	$ -	2009	2029
Business credits	$ -	2010	2030
Business credits	$ -	2011	2031
Business credits	$ -	2012	2032
Business credits	$ -	2013	2033
Business credits	$ -	2014	2034

2. The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

2014	$ -
2013	$ -

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

NOTES TO FINANCIAL STATEMENTS

F. Consolidated Federal Income Tax Return

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

AGMC Reinsurance, Ltd.
Allied General Agency Company
Allied Group, Inc.
Allied Holding (Delaw are), Inc.
Allied Insurance Company of America
Allied Property and Casualty Insurance Company
Allied Texas Agency, Inc.
AMCO Insurance Company
American Marine Underw riters, Inc.
Crestbrook Insurance Company
Depositors Insurance Company
DVM Insurance Agency, Inc.
Freedom Specialty Insurance Company
Harleysville Group, Inc.
Harleysville Insurance Company
Harleysville Insurance Company of New Jersey
Harleysville Insurance Company of New York
Harleysville Lake States Insurance Company
Harleysville Preferred Insurance Company
Harleysville Worcester Insurance Company
Insurance Intermediaries, Inc.
Lone Star General Agency, Inc.
National Casualty Company
Nationw ide Advantage Mortgage Company
Nationw ide Affinity Insurance Company of America
Nationw ide Agribusiness Insurance Company
Nationw ide Assurance Company
Nationw ide Bank
Nationw ide Cash Management Company
Nationw ide Corporation
Nationw ide Financial General Agency, Inc.
Nationw ide Financial Institution Distribution Agency, Inc.
Nationw ide Financial Services, Inc.
Nationw ide General Insurance Company
Nationw ide Global Holdings, Inc.
Nationw ide Global Ventures, Inc.
Nationw ide Indemnity Company
Nationw ide Insurance Company of America
Nationw ide Insurance Company of Florida
Nationw ide Lloyds
Nationw ide Mutual Insurance Company
Nationw ide Property and Casualty Ins. Company
Nationw ide Retirement Solutions, Inc.
Nationw ide Retirement Solutions, Inc. of Arizona
Nationw ide Retirement Solutions, Inc. of Ohio
Nationw ide Retirement Solutions, Inc. of Texas
Nationw ide Retirement Solutions Insurance Agency, Inc.
Nationw ide Sales Solutions, Inc.
NFS Distributors, Inc.
NWD Asset Management Holdings, Inc.
NWD Investment Management, Inc.
On Your Side Nationw ide Insurance Agency, Inc.
Premier Agency, Inc.
Registered Investment Advisors Services, Inc.
Riverview International Group, Inc.
Scottsdale Indemnity Company
Scottsdale Insurance Company
Scottsdale Surplus Lines Insurance Company
THI Holdings (Delaw are), Inc.
Titan Auto Insurance of New Mexico, Inc.
Titan Indemnity Company
Titan Insurance Company
Titan Insurance Services, Inc.
V.P.I. Services, Inc.
Veterinary Pet Insurance Company
Victoria Automobile Insurance Company
Victoria Fire & Casualty Company
Victoria National Insurance Company
Victoria Select Insurance Company
Victoria Specialty Insurance Company
Western Heritage Insurance Company

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 the other companies in the consolidated return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

A. Nature of Relationships

All outstanding shares of the Company are owned by Mutual, domiciled in the State of Ohio.

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 investments for the respective accounts of the participants. Amounts on deposit with NCMC were $25.6 million and $20.4 million as of December 31, 2014 and 2013, respectively.

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

On May 28, 2014, the Company received a capital contribution of $30 million from Nationwide Mutual Insurance Company. The Company contributed the $30 million to Scottsdale Surplus Lines Insurance Company.

C. Change in Terms of Intercompany Arrangements

See Note 26 for details.

NOTES TO FINANCIAL STATEMENTS

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 $37.3 million and $45.2 million due from parent at December 31, 2014 and 2013, respectively. The Company reported gross amounts of $50.2 million and $45.3 million due from parent and affiliates and $8.3 million and $28.4 million due to parent and affiliates at December 31, 2014 and 2013, 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.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company and various affiliates share a home office, other facilities, equipment, common management and administrative services. 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 SAP. Measures used to determine the allocation among companies includes individual employee estimates of time spent, special cost studies, claim counts, policies in force, direct written premium, paid losses, pro rata share of employees or their salaries 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.

Note 11 - Debt

A. All Other Debt

Not applicable.

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

Not applicable.

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

A. Defined Benefit Plans

Mutual sponsors a defined benefit pension plan and a postretirement health care benefit plan covering substantially all employees of the Company. See Note 12D.

B. Defined Contribution Plans

Mutual sponsors a defined contribution savings plan covering substantially all employees of the Company. See Note LED.

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 $278.9 million and $264.8 million on December 31, 2014 and December 31, 2013, respectively. Total Plan liabilities for non-qualified defined benefit plans were $322.3 million and $274.9 million on December 31, 2014 and December 31, 2013, respectively. Total expense related to the non-qualified benefit plans was $14.3 million and $18.7 million for years ended December 31, 2014 and 2013, 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.

NOTES TO FINANCIAL STATEMENTS

Total liabilities related to the ASCP were $1,150.2 million and $1,121.3 million at December 31, 2014 and 2013, respectively. Total expense recorded for this program was $62.2 million and $83.3 million for the years ended December 31, 2014 and 2013, respectively.

E. Postemployment Benefits and Compensated Absences

Not applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits

Mutual sponsors a postretirement health care benefit plan. See Note 12D.

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

A. Outstanding Shares

The Company has 100,000 shares of $200 par value common stock authorized and 30,136 issued and outstanding.

B. Dividend Rate of Preferred Stock

Not applicable.

C. Dividend Restrictions

The payment of dividends by the Company is limited by state insurance laws. For example, Ohio Insurance Code requires Ohio-domiciled insurance companies to seek prior regulatory approval to pay a dividend or distribution of cash or other property if the fair market value thereof, together with that of other dividends or distributions made in the preceding twelve months, exceeds the greater of (i) 10% of the insurer's surplus as regards policyholders as of the thirty-first day of December next preceding or (ii) the net income of the insurer for the twelve month period ending the thirty-first day of December next preceding. Additionally, the Ohio Insurance Code requires insurers to seek prior regulatory approval for any dividend paid from surplus that is other than earned. Subject to applicable regulatory approval(s), dividends are paid as determined by the Company's board of directors.

D. Dividends Paid

No dividends were paid by the Company during 2014.

On April 25, 2013, the Company paid an ordinary dividend of $45 million to its parent, Mutual.

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 $133.2 million less applicable deferred taxes of $9.5 million for a net unrealized capital gain of $123.7 million.

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

Note 14 – Contingencies

A. Contingent Commitments

At December 31, 2014, the Company has unfunded commitments of $0 related to its investments in limited partnerships and limited liability companies.

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 were written. In the case of loss-based assessments, the assessments should be accrued at the time the losses are incurred.

As of December 31, 2014 and 2013, the Company accrued a liability for guaranty fund and other assessments of $470 thousand and $498 thousand and a related premium tax benefit asset of $20 thousand and $128 thousand, respectively. These represent management's best estimates 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.

NOTES TO FINANCIAL STATEMENTS

(1) Description		(2) Amount
a.	Assets recognized from paid and accrued premium tax offsets and policy holder surcharges prior year-end	$ 128,191
b.	Decreases current year:	
	Premium tax offsets applied	$ 7,708
c.	Decreases current year:	
	Change in accrued premium tax offsets	$ 100,534
d.	Assets recognized from paid and accrued premium tax offsets and policy holder surcharges current year-end	$ 19,949

C. Gain Contingencies

Not applicable.

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

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

Claims related ECO and bad faith losses paid during the reporting period: $5.6 million

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0 - 25 claims	(b) 26 - 50 claims	(c) 51 - 100 claims	(d) 101- 500 claims	(e) More than 500 claims
X				

(f) Per Claim [X] Per Claimant [ ]

E. Product Warranties

Not applicable.

F. Joint and Several Liabilities

Not applicable

G. Other Contingencies

Various lawsuits arise against the Company in the normal course of the Company's business. Contingent liabilities arising from litigation and other matters were $2.1 million and $2.6 million as of December 31, 2014 and 2013, 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

Not applicable.

B. Financial Instruments with Concentrations of Credit Risk

Not applicable.

C. Exposure to Credit-Related Losses

Not applicable.

D. Collateral Policy

Not applicable.

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

A. Transfers of Receivables Reported as Sales

Not applicable.

NOTES TO FINANCIAL STATEMENTS

B. Transfers and Servicing of Financial Assets

1. 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 $3.3 million, at December 31, 2014. The Company does not hold any non-cash collateral for loaned securities as of December 31, 2014.

   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.

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

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 transfers of financial assets accounted for as a secured borrowing.

6. There were no transfers of receivables with recourse.

7. As part of the Company’s securities lending program, a reverse repurchase agreement was entered into on December 31, 2014 that matures on January 2, 2015. The underlying assets were US Government securities with a market value of $15 million at December 31, 2014.

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.

The Company categorizes its financial assets and liabilities 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 Company categorizes financial assets and liabilities as follows:

Level 1. Unadjusted quoted prices accessible in active markets for identical assets or liabilities at the measurement date and mutual funds where the value per share (unit) is determined and published daily and is the basis for current transactions.

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. Primary inputs to this valuation technique may include comparative trades, bid/asks, interest rate movements, U.S. Treasury rates, U.S. LIBOR, prime rates, cash flows, maturity dates, call ability, estimated prepayments and/or underlying collateral values.

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. Primary inputs to this valuation technique include broker quotes and comparative trades.

NOTES TO FINANCIAL STATEMENTS

The Company reviews its fair value hierarchy classifications for financial assets and liabilities quarterly. Changes in observability of significant valuation inputs identified during these reviews may trigger reclassifications. Reclassifications are reported as transfers at the beginning of the period in which the change occurs.
To determine the fair value of bonds and stocks for which market quotations are available, independent pricing services are most often utilized. For these bonds and stocks, the Company obtains the pricing services' methodologies, inputs and assumptions and classifies the investments accordingly in the fair value hierarchy.

A corporate pricing matrix or an internally developed pricing model is used in valuing certain bonds. The corporate pricing matrix is developed using private spreads for bonds with varying weighted average lives and credit quality ratings. The weighted average life and credit quality rating of a particular 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 bond. The estimated market yield and other relevant factors are then used to estimate the fair value of the particular bond.

Non-binding broker quotes are also utilized to determine the fair value of certain bonds when quotes are not available from independent pricing services, corporate pricing matrix or internal pricing models. These bonds are classified accordingly in the fair value hierarchy 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. Inputs used in the development of prices are not provided to the Company by the brokers as the brokers often do not provide the necessary transparency into their quotes and methodologies. Broker quotes are subject to validation of price movements that require approval from the Company's management. Management uses its knowledge of the investment and current market conditions to determine if the price is indicative of the investment's fair value.

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 cases where observable inputs are not available, the Company will utilize non-binding broker quotes to determine fair value and these instruments are classified accordingly in the fair value hierarchy.

The following table summarizes financial assets and liabilities measured at fair value as of December 31, 2014:

Fair Value Measurements as of December 31, 2014

	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
U.S. Government bonds	-	-	-	-
States, Territories and Possessions	-	-	-	-
Political subdivisions	-	-	-	-
Special revenues	-	-	-	-
Hybrid Securities	-	-	-	-
Credit tenant loans	-	-	-	-
Industrial & Misc.	-	-	-	-
Total Bonds	-	-	-	-
Sec Lending	-	102,005	-	102,005
Preferred Stocks	-	-	-	-
Common Stocks	-	-	-	-
Loans held for sale	-	-	-	-
Separate Account Assets	-	-	-	-
Derivative Assets	-	-	-	-
Total Assets at Fair Value	-	102,005	-	102,005
Liabilities at Fair Value				
Derivatives Liabilities	-	-	-	-
Total Liabilities at Fair Value	-	-	-	-

The following table summarizes aggregate carrying value and fair value, by level, for all financial assets and liabilities, excluding assets and liabilities reported at fair value, as of December 31, 2014:

FV less SSAP 100	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Assets						
Bonds	$ 1,212,185,419	$ 1,138,564,535	$ 309,443,657	$ 902,425,852	$ 315,910	$ -
Stocks	280,866,001	280,866,001	-	-	280,866,001	
Mortgage loans	1,841,237	1,713,462	-	-	1,841,237	
Short-term investments	25,632,488	25,632,488	-	25,632,488	-	
Derivative assets	-	-	-	-	-	
Policy loans	-	-	-	-	-	
Securities lending collateral assets1	3,183,147	3,183,147	-	3,183,147	-	
Total Assets	$ 1,523,708,292	$ 1,449,959,633	$ 309,443,657	$ 931,241,487	$ 283,023,148	$ -
Liabilities						
Derivative liabilities	$ -	$ -	$ -	$ -	$ -	
Total Liabilities	$ -	$ -	$ -	$ -	$ -	

1 - Includes non admitted assets

Note 21 - Other Items

A. Extraordinary Items

Not applicable.

B. Troubled Debt Restructuring for Debtors

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures and Unusual Items

Not applicable.

D. Uncollectible Premiums Receivable

Not applicable.

E. State Transferable and Non-Transferable Tax Credits

Not applicable.

F. Subprime Mortgage Related Risk Exposure

1. The Company evaluates many characteristics when classifying collateral as subprime, including the 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.

2. The Company has no direct exposure through investments in subprime mortgage loans.

3. Direct exposure through other investments:

	Actual Cost	Book/Adjusted Carrying Value (excluding	Fair Value	Other Than Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	5,160,092	5,278,002	5,144,648	121,686
b. Commercial mortgage backed securities				
c. Collateralized debt obligations				
d. Structured securities				
e. Equity investments in SCAs*				
f. Other Assets				
g. Total	5,160,092	5,278,002	5,144,648	121,686

4. The Company has no exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

G. Offsetting and Netting of Assets and Liabilities

No assets or liabilities are offset and reported net in accordance with a valid right to offset per SSAP No. 64, Offsetting and Netting of Assets and Liabilities.

H. Joint and Several Liabilities

Not applicable.

Note 22 - Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through February 16, 2015 for the statutory statement issued on February 19, 2015.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through February 16, 2015 for the statutory statement issued on February 19, 2015.

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has unsecured aggregate reinsurance recoverable for paid and unpaid losses, loss adjustment expenses, and unearned premiums from an individual reinsurer that exceeds 3% of policyholders' surplus. The amount is shown below by reinsurer.

NAIC Group	Reinsurer	FEIN #	Unsecured Reinsurance (000's)
0140	Nationwide Mutual Insurance Company	31-4177100	$ 4,224,241
0140	Veterinary Pet Insurance	95-3750113	$ 121,619
	Alterra Reinsurance USA	06-1481194	$ 56,816
	Endurance Reinsurance Corp of America	35-2293075	$ 33,503
	Everest Reinsurance Company	22-2005057	$ 39,046
	Munich Reinsurance Americ	13-4924125	$ 58,096
	Toa Reinsurance Company	13-2918573	$ 33,371
	Transatlantic Reinsurance	13-5616275	$ 87,219
	Odyssey Reinsurance Company	47-0698507	$ 24,113
	Hannover Rueckversicherun	AA-1340125	$ 28,815
	Platinum Underwriters Reins	52-1952955	$ 23,558
	Swiss Reinsurance America	13-1675535	$ 23,777

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.

NOTES TO FINANCIAL STATEMENTS

C. Reinsurance Assumed and Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2014.

(000's)	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	$902,467	$179,602	$1,138,471	$259,812	($236,004)	($80,210)
b. All Others	2,543	1,156	165,256	46,465	($162,713)	($45,309)
c. Totals	$905,011	$180,758	$1,303,727	$306,277	($398,717)	($125,519)
d. Direct Unearned Premium Reserve			$689,211			

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, 2014 are as follows:

($000's) Description	Direct	Assumed	Ceded	Net
a. Contingent Commissions	$102,359	$21,536	$113,295	$10,600
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commissions	0	0	0	0
d. Totals	$102,359	$21,536	$113,295	$10,600

3. The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

The Company has written off in the current year reinsurance balances due from the companies listed below, in the amount of $31 thousand, which is reflected as:

a.	Losses Incurred	($5,879)
b.	Loss adjustment expenses Incurred	$36,539
c.	Premiums earned	$0
d.	Other	$0

e.	Company	Amount
	Beacon Insurance Company	$1,586
	Folksam International	$8,016
	Hearland Group Syndicate	$2,994
	Lumbermens Mutual Casualty Co	($9,874)
	Mutual Fire & Inland Marine	$6,982
	NEM Reinsurance Co	$8,981
	Paladin Re Bermuda	$8,981
	Sovereign Marine & General	$2,994
		$30,660

E. Commutation of Ceded Reinsurance

The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

1.	Losses Incurred	($5,720,969)
2.	Loss adjustment expenses Incurred	($1,450,287)
3.	Premiums earned	$589,726
4.	Other	$0

5.	Company	Amount
	American Centennial Ins	$10,178
	Atlantic Mutual Insurance Co	($132)
	Candon Syndicate	$2,994
	Converium Reinsurance North America	($309,032)
	CX Reinsurance Company	($110,891)
	Dominion Insurance Co	$2,994
	Dorinco Reinsurance Co	($117)
	Excalibur Insurance Co	$303,625
	First National Indemnity	$2,800
	First New York Syndicate	$2,241
	Fremont Indemnity	($79)
	Global Re Corp of America	$435,296
	Imperial Casualty	$256,937
	Maiden Lane Syndicate	$655
	Municipal General Ins Co	($95,648)
	Reliance Insurance Company	$167,428
	Rosemont Reinsurance Limited	($14,324)
	San Francisco Re Co	($9,999)
	South Place Syndicate	$656
	St Paul Fire & Marine Insurance Co	($6,787,605)
	Sw iss Reinsurance America Corp	($149,912)
	Trenw ick America Reinsurance Corp	($289,595)
		($6,581,530)

NOTES TO FINANCIAL STATEMENTS

F. Retroactive Reinsurance

There was no retroactive reinsurance affected during 2014.

G. Reinsurance Accounted for as a Deposit

There were no reinsurance agreements that were accounted for as deposits during 2014.

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.

I. Certified Reinsurer Downgrades or Status Subject to Revocation

Not applicable.

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 $2 thousand or 0.0009% 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)	2014 Calendar Year Losses and LAE Incurred			2014 Loss Year	Shortage	Loss & DCC Shortage	Impact of AO on Total Shortage
Line of Business	Losses Incurred	LAE Incurred	Totals	Losses and LAE Incurred	(Redundancy)	(Redundancy)	(Redundancy)
Homeowners / Farmowners	$82,420	$10,428	$92,848	$93,132	($284)	($397)	$113
Commercial Multiple Peril	$54,962	$11,291	$66,253	$65,807	$446	$319	$127
Workers' Compensation	$10,127	$1,900	$12,027	$13,820	($1,793)	($1,784)	($9)
Other Liability	$29,702	$9,286	$38,988	$37,068	$1,920	$1,375	$545
Product Liability	$1,727	$577	$2,304	$2,362	($58)	($66)	$8
Auto	$231,538	$34,680	$266,218	$259,851	$6,367	$4,877	$1,490
All Others	$20,955	$2,144	$23,100	$23,338	($238)	($312)	$74
Totals	**$431,431**	**$70,306**	**$501,737**	**$495,377**	**$6,360**	**$4,012**	**$2,348**

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years increased by $6.4 million (1.4% of prior year reserves) during 2014, as shown in the chart above. The shortage was primarily driven through the personal and commercial auto lines of business with higher than expected claim emergence levels. The offsetting favorable impacts are primarily due to claims process improvements, increased adequacy of case reserve levels and claim emergence coming in favorable to expectations.

Note 26 - Intercompany Pooling Arrangements

Mutual is the lead company in the Nationwide Pool. Each pool member company contributes 100% of its underwriting results to the Nationwide Pool though the reinsurance pooling agreement. Mutual's pooling percentage was 83% as of December 2014 and 2013. In addition, the Nationwide Mutual Fire Insurance Company's pooling percentage was 12% as of December 2014 and 2013.

As of December 31, 2014 and 2013, the companies in the Nationwide Pool assuming a proportionate share of the pool are:

	NAIC #	2014 Pool	2013 Pool
Nationwide Mutual Insurance Company	23787	83.0%	83.0%
Nationwide Mutual Fire Insurance Company	23779	12.0%	12.0%
Scottsdale Insurance Company	41297	4.0%	4.0%
Farmland Mutual Insurance Company	13838	1.0%	1.0%

As of December 31, 2014, the following companies became zero percent participants in the Nationwide Pool: Harleysville Preferred Insurance Company (NAIC #35696), Harleysville Insurance Company of New Jersey (NAIC #42900), Harleysville Worcester Insurance Company (NAIC #26182), Harleysville Insurance Company of New York (NAIC #10674), Harleysville Lake States Insurance Company (NAIC #14516), and Harleysville Insurance Company (NAIC #23582). The remaining assets and liabilities were transferred to the Company.

NOTES TO FINANCIAL STATEMENTS

All of the other companies in the Nationwide Pool have a 0% retrocession. The zero percent participants in the Nationwide Pool are: Nationwide General Insurance Company (NAIC # 23760), Nationwide Property and 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 and Casualty Insurance Company (NAIC # 42579), Depositors Insurance Company (NAIC # 42587), Nationwide Agribusiness Insurance Company (NAIC # 28223), Victoria Fire & Casualty 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 agreements.

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

Amounts due to/from the lead entity and pool participants as of December 31, 2014:

Name of Insurer	Amounts Receivable	Amounts Payable
Nationwide Mutual Insurance Company (Lead Insurer)	$ 146,826,719	$ 312,494,618
Nationwide Mutual Fire Insurance Company	$ 21,604,346	$ 12,575,010
Scottsdale Insurance Company	$ 37,382,360	$ 7,928
Farmland Mutual Insurance Company	$ 99,536,093	$ 48,767,612
Nationwide General Insurance Company	$ 6,642,950	$ 383
Nationwide Property & Casualty Insurance Company	$ 14,221,651	$ 12,546,405
Nationwide Affinity Insurance Company of America	$ 10,123,511	$ 13,526,834
Crestbrook Insurance Company	$ 64	$ 4,373,199
Allied Insurance Company of America	$ 1,024	$ 2,107
AMCO Insurance Company	$ 245,293,971	$ 158,270,429
Allied Property & Casualty Insurance Company	$ 19,702,258	$ 18,878,146
Depositors Insurance Company	$ 20,925,049	$ 14,915,021
Nationwide Agribusiness Insurance Company	$ 53,596,809	$ 72,191,110
Victoria Fire & Casualty Company	$ 697,267	$ 18,243,643
Victoria Automobile Insurance Company	$ 1,089,202	$ 1,406,762
Victoria Specialty Insurance Company	$ 2,100,887	$ 2,206,080
Victoria Select Insurance Company	$ 3,032,241	$ 3,203,150
Victoria National Insurance Company	$ 100	$ 953
Harleysville Worcester Insurance Company	$ 2,689,875	$ 4,893
Harleysville Insurance Company of New Jersey	$ 1,397,748	$ 286,169
Harleysville Preferred Insurance Company	$ 155,028	$ 480,326
Harleysville Lake States Insurance Company	$ 15,743	$ 1,167,370
Harleysville Insurance Company	$ 11,148,205	$ 2,437
Harleysville Insurance Company of New York	$ 2,243,768	$ 1,451

The following companies are covered under a separate 100% quota share reinsurance agreement with the Company as of and for the years ended December 31, 2014 and 2013: Nationwide Assurance Company, Titan Insurance Company, Titan Indemnity Company, Nationwide Lloyds, Nationwide Insurance Company of America, National Casualty Company, and Colonial County Mutual Insurance Company. The Company then cedes this business into the Nationwide Pool.

The following companies are covered under a separate 100% quota share reinsurance agreement with Scottsdale Insurance Company as of and for the years ended December 31, 2014 and 2013: Scottsdale Surplus Lines Insurance Company, Western Heritage Insurance Company, Scottsdale Indemnity Company and Freedom Specialty Insurance Company. Scottsdale Insurance Company then cedes 100% of this business to the Company.

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, 2014 and 2013 is $5.8 million and $6.6 million, respectively.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
$5.8 million	$0

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 2014.

Note 28 - Health Care Receivables

A. Pharmaceutical Rebate Receivables

Not applicable.

B. Risk Sharing Receivables

Not applicable.

Note 29 - Participating Policies

Not applicable.

Note 30 - Premium Deficiency Reserves

The Company's liability for premium deficiency reserves as of December 31, 2014 is as follows:

1. Liability carried for premium deficiency reserves	$0.00
2. Date of the most recent evaluation of this liability	January 8, 2015
3. Was anticipated investment income utilized in the calculation?	Yes

NOTES TO FINANCIAL STATEMENTS

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 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.

A. Tabular Discounts

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

2. 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 2.50% to 10.25%).

3. The December 31, 2014 liabilities include $17 thousand of such discounted reserves.

4. The table below represents the amount of tabular discount as of December 31, 2014.

Schedule P Lines of Business	Tabular Discount Included in Schedule P, Part 1*	
	1 Case	2 IBNR
1. Homeowners/Farmowners		
2. Private Passenger Auto Liability/Medical		
3. Commercial Auto/Truck Liability/Medical		
4. Workers' Compensation		
5. Commercial Multiple Peril		
6. Medical Professional Liability - occurrence		
7. Medical Professional Liability - claims-made		
8. Special Liability		
9. Other Liability - occurrence		
10. Other Liability - claims-made		
11. Special Property		
12. Auto Physical Damage		
13. Fidelity, Surety		
14. Other (including Credit, Accident & Health)	16,942	
15. International		
16. Reinsurance Nonproportional Assumed Property		
17. Reinsurance Nonproportional Assumed Liability		
18. Reinsurance Nonproportional Assumed Financial Lines		
19. Products Liability - occurrence		
20. Products Liability - claims-made		
21. Financial Guaranty/Mortgage Guaranty		
22. Warranty		
23. Total	$ 16,942	$ -

* Must exclude medical loss reserves and all loss adjustment expense reserves.

B. Non-Tabular Discounts

The Company does not have any non-tabular discount.

C. Changes in Discount Assumptions

None.

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.

NOTES TO FINANCIAL STATEMENTS

This schedule includes all loss segments that now reside in the Company. The Company's asbestos and environmental related losses for 2009 through 2013 have been restated for the pooling changes in Note 26 and are as follows:

		2010	2011	2012	2013	2014
(1)	**Asbestos Claims - Direct**					
	Beginning Reserves:	1,966,897	1,983,412	1,745,221	1,615,973	1,821,676
	Incurred Loss and Loss Adj. Expense:	269,423	15,237	100,810	552,683	543,446
	Calendar Year Payments:	252,908	253,428	230,058	346,980	259,467
	Ending Reserve:	1,983,412	1,745,221	1,615,973	1,821,676	2,105,655

		2010	2011	2012	2013	2014
(2)	**Asbestos Claims - Assumed**					
	Beginning Reserves:	4,952,576	4,977,480	4,958,555	4,842,665	4,000,086
	Incurred Loss and Loss Adj. Expense:	40,000	4,615	(160,493)	187,376	(120,000)
	Calendar Year Payments:	15,096	23,540	(44,603)	1,029,955	421,348
	Ending Reserve:	4,977,480	4,958,555	4,842,665	4,000,086	3,458,738

		2010	2011	2012	2013	2014
(3)	**Asbestos Claims - Net**					
	Beginning Reserves:	566,563	588,751	493,492	780,674	416,794
	Incurred Loss and Loss Adj. Expense:	75,910	(73,118)	143,681	(90,296)	35,820
	Calendar Year Payments:	53,722	22,141	(143,501)	273,583	-
	Ending Reserve:	588,751	493,492	780,674	416,794	452,614

B.		Bulk and IBNR Losses and LAE	
	(1)	Direct	1,639,552
	(2)	Assumed	3,085,130
	(3)	Net of Ceded Reinsurance	299,745
C.		Case, Bulk and IBNR LAE	
	(1)	Direct	1,052,400
	(2)	Assumed	14,082
	(3)	Net of Ceded Reinsurance	110,764

D. See A above

		2010	2011	2012	2013	2014
(1)	**Environmental Claims - Direct**					
	Beginning Reserves:	1,490,808	1,470,721	1,488,913	1,794,126	1,753,434
	Incurred Loss & Loss Adj. Expense:	95,190	151,230	51,864	69,796	(356,863)
	Calendar Year Payments:	115,277	133,038	(253,349)	110,488	69,254
	Ending Reserve:	1,470,721	1,488,913	1,794,126	1,753,434	1,327,317

		2010	2011	2012	2013	2014
(2)	**Environmental Claims - Assumed**					
	Beginning Reserves:	2,526,898	1,915,502	1,556,978	1,300,236	1,029,955
	Incurred Loss and Loss Adj. Expense:	(600,000)	(360,120)	(277,301)	(82,905)	(240,000)
	Calendar Year Payments:	11,396	(1,596)	(20,559)	187,376	111,906
	Ending Reserve:	1,915,502	1,556,978	1,300,236	1,029,955	678,048

		2010	2011	2012	2013	2014
(3)	**Environmental Claims - Net**					
	Beginning Reserves:	1,342,187	1,325,827	1,372,675	1,698,327	1,656,570
	Incurred Loss and Loss Adj. Expense:	95,087	176,675	54,417	67,434	(356,863)
	Calendar Year Payments:	111,447	129,827	(271,235)	109,190	65,979
	Ending Reserve:	1,325,827	1,372,675	1,698,327	1,656,570	1,233,728

E.		Bulk and IBNR Losses and LAE	
	(1)	Direct	991,262
	(2)	Assumed	511,826
	(3)	Net of Ceded Reinsurance	928,720
F.		Case, Bulk and IBNR LAE	
	(1)	Direct	347,492
	(2)	Assumed	9,017
	(3)	Net of Ceded Reinsurance	293,114

Note 34 - Subscriber Savings Accounts

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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 [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2

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. 12/31/2011

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). 03/13/2013

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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 FDIC	6 SEC
Nationwide Bank	Columbus, OH	NO	YES	NO	NO
Nationwide Mutual Insurance Company	Columbus, OH	YES	NO	NO	NO
Nationwide Mutual Fire Insurance Company	Columbus, OH	YES	NO	NO	NO
Nationwide Corporation	Columbus, OH	YES	NO	NO	NO
Nationwide Financial Services, Inc.	Columbus, OH	YES	NO	NO	NO
Nationwide Investment Services Corp	Columbus, OH	NO	NO	NO	YES
Nationwide Investment Advisors, LLC	Columbus, OH	NO	NO	NO	YES
Nationwide Securities, LLC	Dublin, OH	NO	NO	NO	YES
Nationwide Fund Advisors	King of Prussia, PA	NO	NO	NO	YES
Nationwide Fund Distributors, LLC	King of Prussia, PA	NO	NO	NO	YES
Nationwide Asset Management, LLC	Columbus, OH	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?
G. Chris Nyce, FCAS, MAAA, KPMG LLP, Three Radnor Corporate Center, Suite 105,100 Matsonford Road, Radnor, PA 19087-4568, Principal

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 where the issuing or confirming bank is not on the SVO Bank List? 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: $ 37,272,467

INVESTMENT

24.01 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 24.03) Yes [ ] No [X]

24.02 If no, give full and complete information relating thereto
Held on Deposit with States and On Deposit with Other Regulatory Bodies

24.03 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 collateral 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, 2014, Nationwide had loaned $3,316,841 to approved counterparties and received collateral amounts of $3,393,906.

24.04 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 [ ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 3,285,152

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 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 [ ]

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

24.09 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

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 3,285,152
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 3,285,152
24.103 Total payable for securities lending reported on the liability page. $ 3,393,906

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 24.03). 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 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $ 6,164,549
25.29 On deposit with other regulatory bodies $ 5,535,901
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) 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 [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
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, BNY Trust of Canada, 320 Bay St., 11th Floor, Toronto, ON M5H 4A6

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, OH 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	1,138,564,544	1,212,185,423	73,620,879
30.2 Preferred stocks			
30.3 Totals	1,138,564,544	1,212,185,423	73,620,879

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		7,238,375
2.2	Premium Denominator	705,603,889	667,332,731
2.3	Premium Ratio (2.1/2.2)	0.000	0.011
2.4	Reserve Numerator	216,185	214,855
2.5	Reserve Denominator	893,673,455	839,942,727
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 [ ]
4.2 Does the reporting entity issue non-assessable policies? Yes [ ] 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 eastern 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.
N/A

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 [X] No [ ]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions: 2

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 [X] 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 [X] No [ ]

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

12.61 Letters of credit $ 10,226,195

12.62 Collateral and other funds $ 828,519

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 960,000

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. 4

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-cedant 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 [X] No [ ]
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	3,945,807	132,601	(160)	4,078,104	762,331
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 2014	2 2013	3 2012	4 2011	5 2010
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)	1,977,074,362	1,844,242,501	1,610,700,431	1,592,172,746	1,456,589,457
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	806,047,105	754,086,564	633,694,585	399,866,047	367,821,234
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	852,600,297	796,878,068	703,794,444	632,159,259	570,290,909
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	37,049,064	35,562,729	50,340,210	59,202,845	49,430,288
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(7,087)	(9,935)	(11)	51	2,874
6. Total (Line 35)	3,672,763,741	3,430,759,927	2,998,529,659	2,683,400,948	2,444,134,762
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)	311,673,205	306,955,650	264,457,716	250,785,278	252,019,507
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	164,298,323	159,618,088	144,116,758	138,556,881	139,999,087
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	235,592,415	232,348,855	182,230,526	172,258,722	169,242,486
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	9,535,519	8,174,237	8,103,240	10,830,620	10,311,202
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	(7,087)	(9,935)	(11)	51	2,874
12. Total (Line 35)	721,092,375	707,086,895	598,908,229	572,431,552	571,575,156
Statement of Income (Page 4)					
13 Net underwriting gain (loss) (Line 8)	(34,716,053)	(12,309,910)	(42,597,650)	(62,328,299)	(6,194,967)
14. Net investment gain or (loss) (Line 11)	41,699,364	35,510,789	34,321,803	39,118,800	38,300,554
15. Total other income (Line 15)	5,196,429	4,808,857	5,235,177	6,583,786	6,706,494
16. Dividends to policyholders (Line 17)	651,244	475,406	323,150	306,958	260,432
17. Federal and foreign income taxes incurred (Line 19)	1,609,763	11,339,111	(1,071,772)	(5,347,897)	8,258,205
18. Net income (Line 20)	9,918,733	16,195,219	(2,292,048)	(11,584,774)	30,293,444
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	2,222,641,176	2,133,326,158	1,879,518,242	1,747,475,296	1,765,129,712
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	449,652,856	453,365,276	383,150,590	166,745,426	298,126,940
20.2 Deferred and not yet due (Line 15.2)	117,232,436	109,821,565	92,933,194	89,769,118	80,682,820
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	1,457,789,349	1,416,961,463	1,209,319,530	1,068,706,404	1,110,008,302
22. Losses (Page 3, Line 1)	405,398,649	379,084,069	313,878,539	310,802,977	323,903,492
23. Loss adjustment expenses (Page 3, Line 3)	88,555,296	87,337,625	67,770,398	66,904,127	67,844,578
24. Unearned premiums (Page 3, Line 9)	290,494,052	275,005,566	235,253,350	224,670,185	221,431,823
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)	764,851,827	716,364,695	670,198,712	678,768,892	655,121,410
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	64,990,353	161,608,252	(101,181,460)	26,098,581	14,394,580
Risk-Based Capital Analysis					
28. Total adjusted capital	764,851,827	716,364,695	670,198,712	678,768,892	655,121,410
29. Authorized control level risk-based capital	110,677,878	104,418,478	93,349,894	89,339,905	68,547,959
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)	81.6	83.9	75.0	79.3	76.3
31. Stocks (Lines 2.1 & 2.2)	20.1	18.0	19.6	17.8	16.8
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.1	0.2	0.2	0.3	0.3
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	(2.1)	(2.2)	5.0	1.3	6.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					0.0
39. Securities lending reinvested collateral assets (Line 10)	0.2	0.1	0.1	1.3	0.0
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)	280,866,002	237,058,885	229,514,580	199,775,817	199,088,351
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					
48. Total of above Lines 42 to 47	280,866,002	237,058,885	229,514,580	199,775,817	199,088,351
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)	36.7	33.1	34.2	29.4	30.4

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2014	2 2013	3 2012	4 2011	5 2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	16,832,704	9,385,630	31,822,141	6,356,175	11,824,608
52. Dividends to stockholders (Line 35)			(45,000,000)		
53. Change in surplus as regards policyholders for the year (Line 38)	48,487,132	46,165,983	(8,570,180)	23,647,482	44,952,461
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)	819,924,110	697,405,356	726,025,265	838,480,198	773,449,985
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	386,655,788	382,620,225	334,137,926	202,363,716	178,252,167
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	401,913,430	364,352,591	359,688,933	363,660,026	277,843,180
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	18,408,887	25,255,105	43,535,705	46,768,060	47,046,596
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	38,589	407,575			497,504
59. Total (Line 35)	1,626,940,804	1,470,040,852	1,463,387,829	1,451,272,000	1,277,089,432
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)	169,801,750	126,596,843	151,501,313	151,338,821	149,629,583
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	96,715,068	87,547,348	84,834,003	86,276,449	78,478,818
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	132,556,970	87,440,457	112,668,580	141,006,327	108,447,435
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	6,003,906	5,342,760	5,896,452	7,961,593	8,459,667
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	38,589	407,575			497,504
65. Total (Line 35)	405,116,283	307,334,983	354,900,348	386,583,190	345,513,007
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)	61.1	55.8	60.8	65.6	57.4
68. Loss expenses incurred (Line 3)	10.0	10.4	11.1	11.3	10.3
69. Other underwriting expenses incurred (Line 4)	33.8	35.7	35.3	34.0	33.3
70. Net underwriting gain (loss) (Line 8)	(4.9)	(1.8)	(7.2)	(11.0)	(1.1)
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)	32.4	33.0	33.8	32.7	32.5
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	71.1	66.2	71.9	76.9	67.8
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)	94.3	98.7	89.4	84.3	87.2
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)	4,012	(6,346)	(7,483)	(16,663)	(21,636)
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)	0.6	(0.9)	(1.1)	(2.5)	(3.5)
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)	(5,888)	(11,851)	(24,928)	(32,878)	(15,682)
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)	(0.9)	(1.7)	(3.8)	(5.4)	(3.0)

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			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
	Direct and Assumed	Ceded	Net (1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	4,203	2,134	1,094	556	459	213	89	2,854	XXX
2. 2005	675,866	47,810	628,056	376,581	51,382	21,777	2,723	49,734	1,683	17,654	392,305	XXX
3. 2006	735,156	73,621	661,535	368,155	35,339	21,132	2,316	65,360	3,106	18,737	413,886	XXX
4. 2007	746,187	78,147	668,040	390,589	42,286	21,119	1,862	36,851	1,896	23,153	402,516	XXX
5. 2008	760,300	101,256	659,044	451,380	50,975	20,778	1,715	55,349	3,821	20,274	470,996	XXX
6. 2009	738,920	100,983	637,937	415,072	50,758	19,499	1,889	50,558	4,536	19,632	427,946	XXX
7. 2010	718,433	97,090	621,343	397,062	42,043	17,650	1,611	50,475	4,668	20,426	416,865	XXX
8. 2011	681,015	65,734	615,281	430,543	34,542	17,753	1,998	50,989	1,922	22,111	460,823	XXX
9. 2012	705,173	71,150	634,023	394,368	48,323	11,886	1,015	49,410	2,702	22,354	403,624	XXX
10. 2013	742,935	75,603	667,333	324,796	24,983	6,607	622	44,960	1,693	21,461	349,065	XXX
11. 2014	782,795	77,192	705,604	266,992	17,935	2,248	99	38,473	1,352	14,383	288,327	XXX
12. Totals	XXX	XXX	XXX	3,819,741	400,700	161,544	16,405	492,618	27,591	200,272	4,029,207	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded	Salvage and Subrog-ation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstand-ing Direct and Assumed
1. Prior	53,034	33,131	15,422	8,268	1,198	697	4,555	1,507	1,006	7	464	31,605	XXX
2. 2005	4,576	2,685	1,059	239	220	46	767	49	182	22	85	3,762	XXX
3. 2006	5,203	3,598	1,575	452	305	44	932	74	245	7	104	4,084	XXX
4. 2007	6,321	1,286	1,952	626	249	25	1,248	68	239	21	168	7,983	XXX
5. 2008	6,937	1,673	2,309	618	357	93	1,761	53	430	32	213	9,326	XXX
6. 2009	9,783	2,091	3,610	1,357	479	74	2,222	131	519	33	362	12,927	XXX
7. 2010	12,822	2,081	5,153	1,975	649	124	3,319	206	734	55	477	18,237	XXX
8. 2011	29,621	5,195	8,303	3,361	1,575	405	6,089	423	1,223	129	955	37,298	XXX
9. 2012	40,554	4,323	17,620	6,905	2,005	398	10,295	857	1,893	179	1,647	59,704	XXX
10. 2013	63,573	4,987	30,611	6,399	2,337	496	15,710	1,292	3,188	267	2,980	101,978	XXX
11. 2014	111,340	7,419	85,667	12,979	1,671	357	23,163	2,286	8,816	564	11,295	207,050	XXX
12. Totals	343,763	68,467	173,280	43,178	11,045	2,759	70,059	6,948	18,475	1,316	18,750	493,954	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	27,058	4,547
2. 2005	454,896	58,829	396,067	67.3	123.0	63.1			4.0	2,711	1,051
3. 2006	462,906	44,936	417,970	63.0	61.0	63.2			4.0	2,728	1,356
4. 2007	458,568	48,070	410,499	61.5	61.5	61.4			4.0	6,361	1,622
5. 2008	539,301	58,979	480,322	70.9	58.2	72.9			4.0	6,956	2,370
6. 2009	501,742	60,869	440,873	67.9	60.3	69.1			4.0	9,945	2,982
7. 2010	487,864	52,762	435,102	67.9	54.3	70.0			4.0	13,920	4,317
8. 2011	546,095	47,974	498,121	80.2	73.0	81.0			4.0	29,368	7,930
9. 2012	528,031	64,702	463,329	74.9	90.9	73.1			4.0	46,946	12,758
10. 2013	491,781	40,738	451,043	66.2	53.9	67.6			4.0	82,797	19,181
11. 2014	538,369	42,992	495,377	68.8	55.7	70.2			4.0	176,608	30,442
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	405,399	88,555

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 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	DEVELOPMENT 11 One Year	12 Two Year
1. Prior	236,190	226,816	227,996	228,280	227,659	227,511	226,850	224,922	223,926	221,626	(2,301)	(3,297)
2. 2005	361,581	353,326	352,834	352,424	350,381	349,356	348,397	348,278	348,095	347,858	(237)	(420)
3. 2006	XXX	366,955	363,172	362,867	360,452	357,880	356,415	355,679	355,483	355,478	(5)	(201)
4. 2007	XXX	XXX	385,885	388,116	383,136	379,576	377,131	376,753	375,865	375,325	(540)	(1,428)
5. 2008	XXX	XXX	XXX	435,730	438,752	433,733	429,620	429,352	428,705	428,396	(309)	(956)
6. 2009	XXX	XXX	XXX	XXX	411,912	400,421	396,470	395,066	394,096	394,365	270	(701)
7. 2010	XXX	XXX	XXX	XXX	XXX	397,264	392,628	390,763	388,853	388,616	(237)	(2,147)
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	445,237	444,451	445,872	447,959	2,087	3,509
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	415,154	413,175	414,906	1,731	(247)
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	401,301	404,855	3,554	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	450,004	XXX	XXX
										12. Totals	4,012	(5,888)

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 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
1. Prior	000	70,688	118,023	143,279	161,812	172,056	180,361	184,641	188,397	191,005	XXX	XXX
2. 2005	190,063	263,135	296,519	317,880	330,454	337,186	340,106	342,181	343,404	344,254	XXX	XXX
3. 2006	XXX	194,024	271,105	304,216	324,891	337,584	344,286	347,593	350,130	351,632	XXX	XXX
4. 2007	XXX	XXX	206,774	287,125	318,865	340,940	354,036	361,702	365,389	367,561	XXX	XXX
5. 2008	XXX	XXX	XXX	246,681	337,390	371,477	394,921	408,548	415,612	419,468	XXX	XXX
6. 2009	XXX	XXX	XXX	XXX	225,599	306,470	341,059	363,092	374,999	381,924	XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX	224,922	305,410	337,967	359,013	371,058	XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	267,992	352,750	387,772	411,756	XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	234,489	320,241	356,916	XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	220,971	305,798	XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	251,205	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 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014
1. Prior	95,731	64,964	46,905	36,556	30,016	26,507	20,213	17,332	14,556	10,213
2. 2005	90,169	42,558	25,044	14,600	9,347	6,209	4,130	2,967	2,216	1,540
3. 2006	XXX	94,554	45,580	26,557	15,524	9,079	5,735	3,829	2,812	1,981
4. 2007	XXX	XXX	93,846	45,161	27,344	15,577	8,894	5,719	3,789	2,505
5. 2008	XXX	XXX	XXX	95,353	46,866	26,115	13,623	8,135	5,246	3,399
6. 2009	XXX	XXX	XXX	XXX	95,167	40,126	21,417	12,006	7,281	4,344
7. 2010	XXX	XXX	XXX	XXX	XXX	86,427	36,103	20,104	10,953	6,292
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	84,787	36,170	20,096	10,608
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	89,709	37,850	20,152
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	87,062	38,630
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	93,564

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

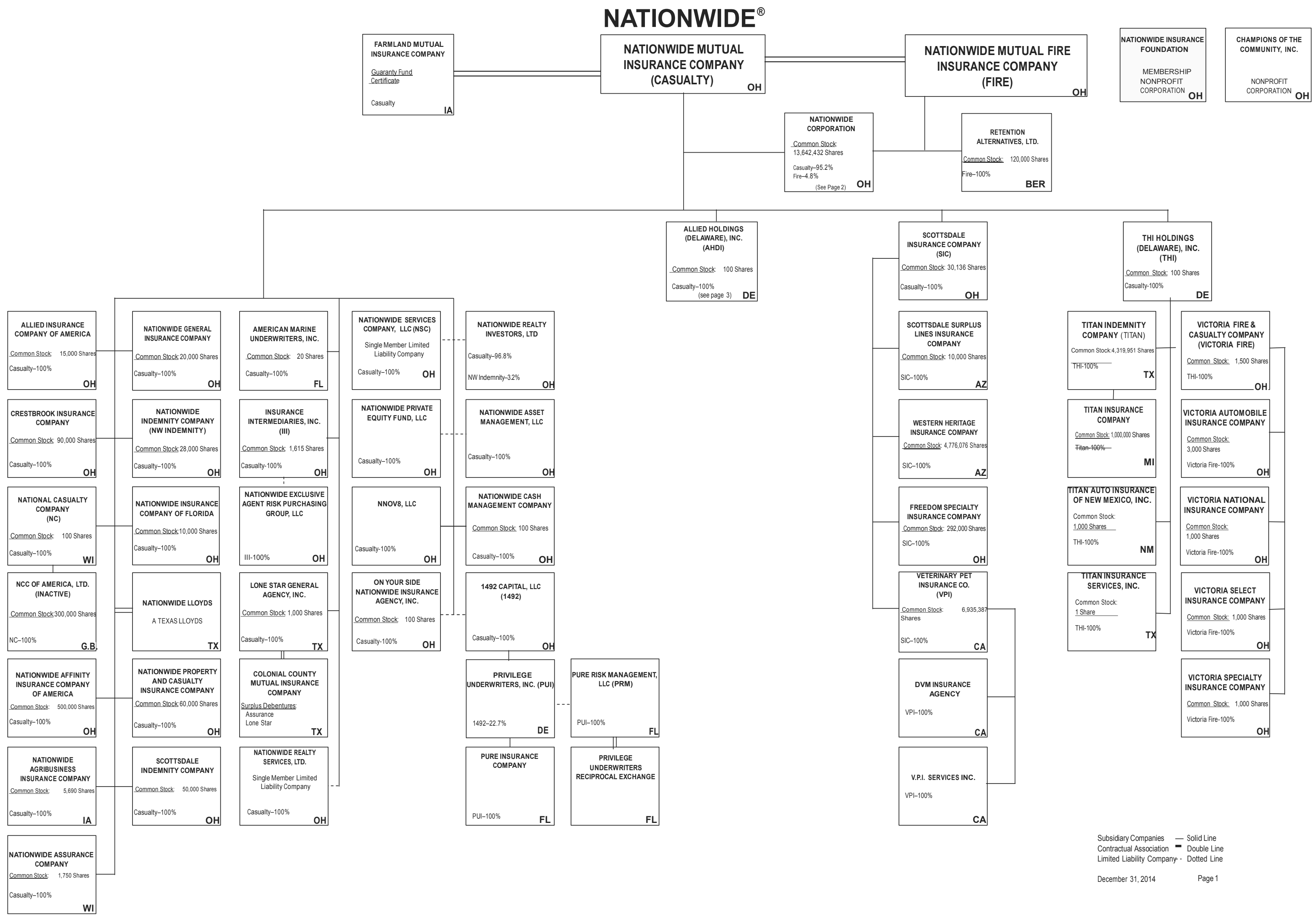
States, Etc.		1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken: 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct 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	E	26,987,109	27,218,286		11,657,844	10,189,756	12,150,997		
2. Alaska	AK	E	4,142,968	3,961,925		278,853	381,398	2,560,376		
3. Arizona	AZ	L	12,056,536	12,697,257		5,006,926	6,484,353	7,777,648	1,540	56,611
4. Arkansas	AR	E	8,234,308	8,417,806		5,804,242	5,522,406	5,161,799		
5. California	CA	E	259,086,352	251,114,466		86,205,567	103,559,879	245,010,340	(215)	
6. Colorado	CO	E	21,324,524	19,094,199		12,353,084	16,751,331	19,626,555		
7. Connecticut	CT	E	10,968,969	9,868,800		3,552,801	5,420,590	12,859,388		
8. Delaware	DE	L	724,461	868,112		481,758	713,903	1,452,401		
9. District of Columbia	DC	E	10,967,254	10,607,025		4,008,577	6,439,182	5,110,047		5,601,781
10. Florida	FL	E	186,701,273	183,624,752		56,157,589	72,324,989	138,592,965		
11. Georgia	GA	E	37,165,281	37,035,516		25,007,694	24,846,666	31,471,974		
12. Hawaii	HI	E	11,415,920	11,322,903		1,706,387	2,519,888	9,671,571		
13. Idaho	ID	E	4,087,631	3,860,483		980,270	1,496,512	2,503,809		
14. Illinois	IL	E	32,375,234	31,092,890		12,819,003	217,309	35,896,653	45	
15. Indiana	IN	E	24,572,723	22,788,545		7,185,058	13,033,273	19,068,741	275	
16. Iowa	IA	E	9,119,468	8,948,421		5,130,847	5,401,899	8,969,899		
17. Kansas	KS	E	9,488,210	9,253,437		3,574,254	7,202,941	7,698,871		
18. Kentucky	KY	E	6,514,797	6,152,282		2,853,247	1,394,951	6,022,514		
19. Louisiana	LA	E	92,478,851	93,712,803		28,446,916	31,194,666	62,817,923		
20. Maine	ME	E	2,100,396	2,026,256		1,681,392	1,010,030	1,742,739		
21. Maryland	MD	E	12,776,677	12,477,522		3,754,781	4,447,850	14,282,854		
22. Massachusetts	MA	E	24,434,050	24,664,462		9,042,664	11,989,952	32,148,694		17,011
23. Michigan	MI	E	11,476,238	10,361,825		3,201,919	3,866,944	11,765,836		
24. Minnesota	MN	E	16,324,600	11,478,896		1,340,813	3,060,285	11,383,183		
25. Mississippi	MS	E	17,375,901	18,025,308		8,202,085	6,412,546	8,074,684	100	
26. Missouri	MO	E	19,662,974	24,604,983		3,998,395	9,581,728	16,614,155		
27. Montana	MT	E	7,217,792	6,723,384		2,032,000	4,478,049	5,830,313		
28. Nebraska	NE	E	6,647,482	6,221,520		3,506,717	3,602,356	3,968,439		
29. Nevada	NV	E	8,299,016	8,542,770		2,392,711	1,743,932	8,625,553		
30. New Hampshire	NH	E	1,291,299	1,610,795		289,258	343,627	2,353,025		
31. New Jersey	NJ	E	64,752,723	67,673,599		34,068,846	48,578,246	85,204,720		
32. New Mexico	NM	E	8,088,959	7,462,627		2,851,164	2,051,385	5,111,807		
33. New York	NY	E	218,631,595	206,292,878		58,181,052	135,623,917	315,831,497		31,152
34. North Carolina	NC	E	29,945,291	29,891,797		4,450,113	4,959,414	12,930,803		
35. North Dakota	ND	E	2,598,196	2,492,730		628,851	640,175	1,020,221		
36. Ohio	OH	L	4,773,279	4,741,832		2,068,364	2,963,857	6,847,569	540	11,348
37. Oklahoma	OK	E	19,774,402	19,320,404		9,365,351	11,895,197	11,628,669	90	
38. Oregon	OR	E	12,402,818	12,162,405		5,073,641	4,621,994	10,624,053		
39. Pennsylvania	PA	E	25,572,406	24,788,040		7,939,634	12,844,516	54,824,239		
40. Rhode Island	RI	E	3,285,166	3,059,427		1,673,085	1,022,900	4,324,696		
41. South Carolina	SC	E	26,242,155	26,407,225		9,071,540	13,454,059	18,126,974		
42. South Dakota	SD	E	1,430,246	1,355,715		921,483	585,503	1,260,129		
43. Tennessee	TN	E	14,472,655	14,792,878		9,524,021	9,325,038	16,507,610		
44. Texas	TX	E	163,817,083	158,849,169		75,442,270	80,573,269	104,051,118	90	36,168
45. Utah	UT	E	6,246,385	6,345,073		1,601,012	1,201,126	5,080,194		
46. Vermont	VT	E	1,744,774	1,865,399		526,488	298,914	1,388,162		
47. Virginia	VA	E	20,878,597	20,357,575		8,991,670	5,040,042	15,971,045		
48. Washington	WA	E	22,030,560	20,775,365		6,771,970	8,651,424	21,681,222		
49. West Virginia	WV	E	6,484,739	6,389,325		2,416,138	3,287,658	4,594,121		
50. Wisconsin	WI	E	6,794,137	6,501,696		2,614,227	2,104,550	6,553,478		
51. Wyoming	WY	E	2,651,636	2,552,159		215,424	317,662	1,085,424		
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	E	252,879	195,664		(2,500)	77,983	84,050		
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CAN	N								
58. Aggregate other alien	OT	XXX	174,842	210,997			72,881	258,148		
59. Totals		(a) 3	1,559,063,817	1,522,861,608		557,047,495	715,824,901	1,456,203,898	2,465	5,754,071
DETAILS OF WRITE-INS										
58001. BMU Bermuda		XXX		110,635			38,905	134,346		
58002. ENG England		XXX	174,842	100,362			33,976	123,802		
58003.		XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	174,842	210,997			72,881	258,148		

(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.

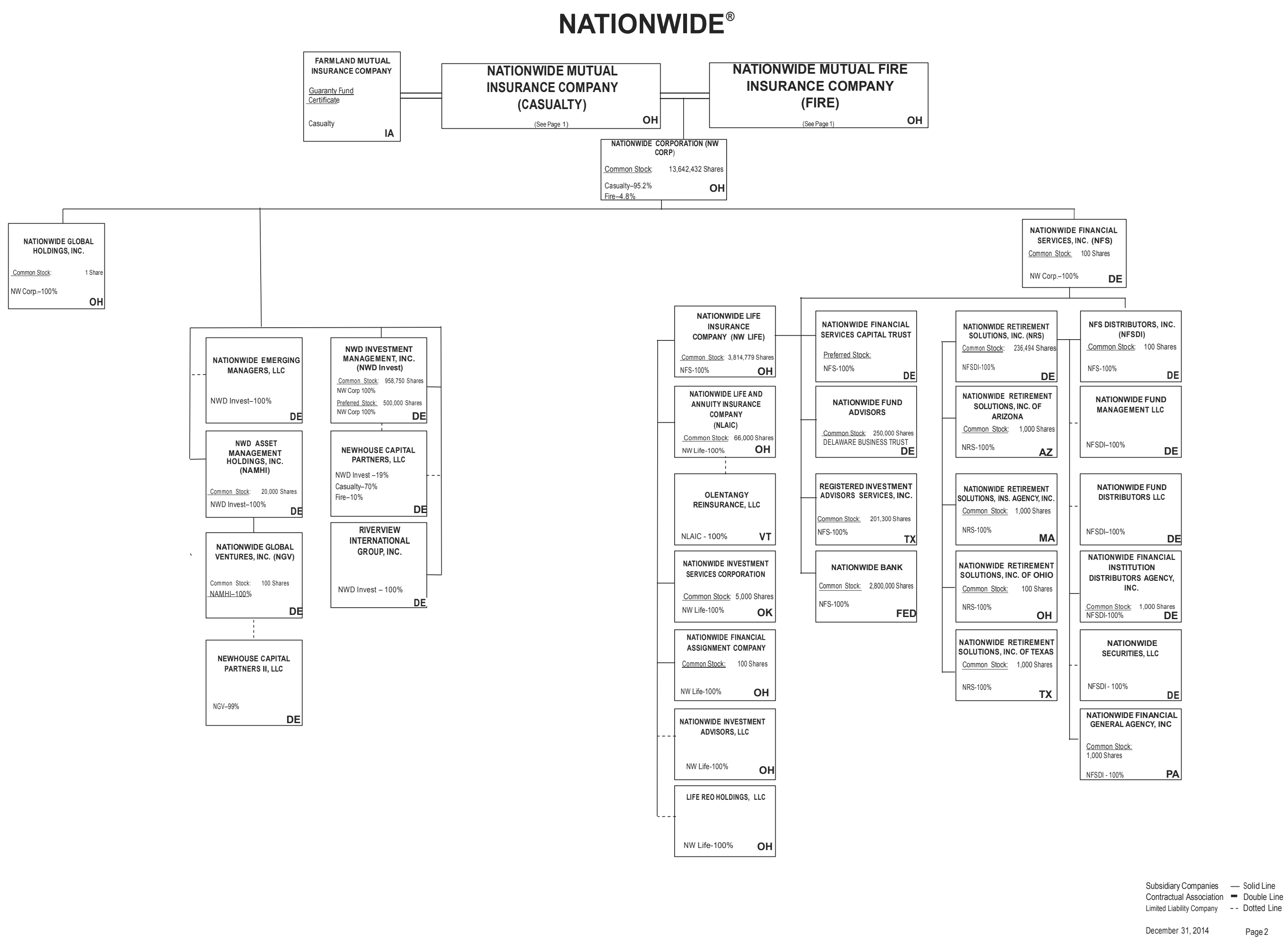
Explanation of basis of allocation of premiums by states, etc.

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.

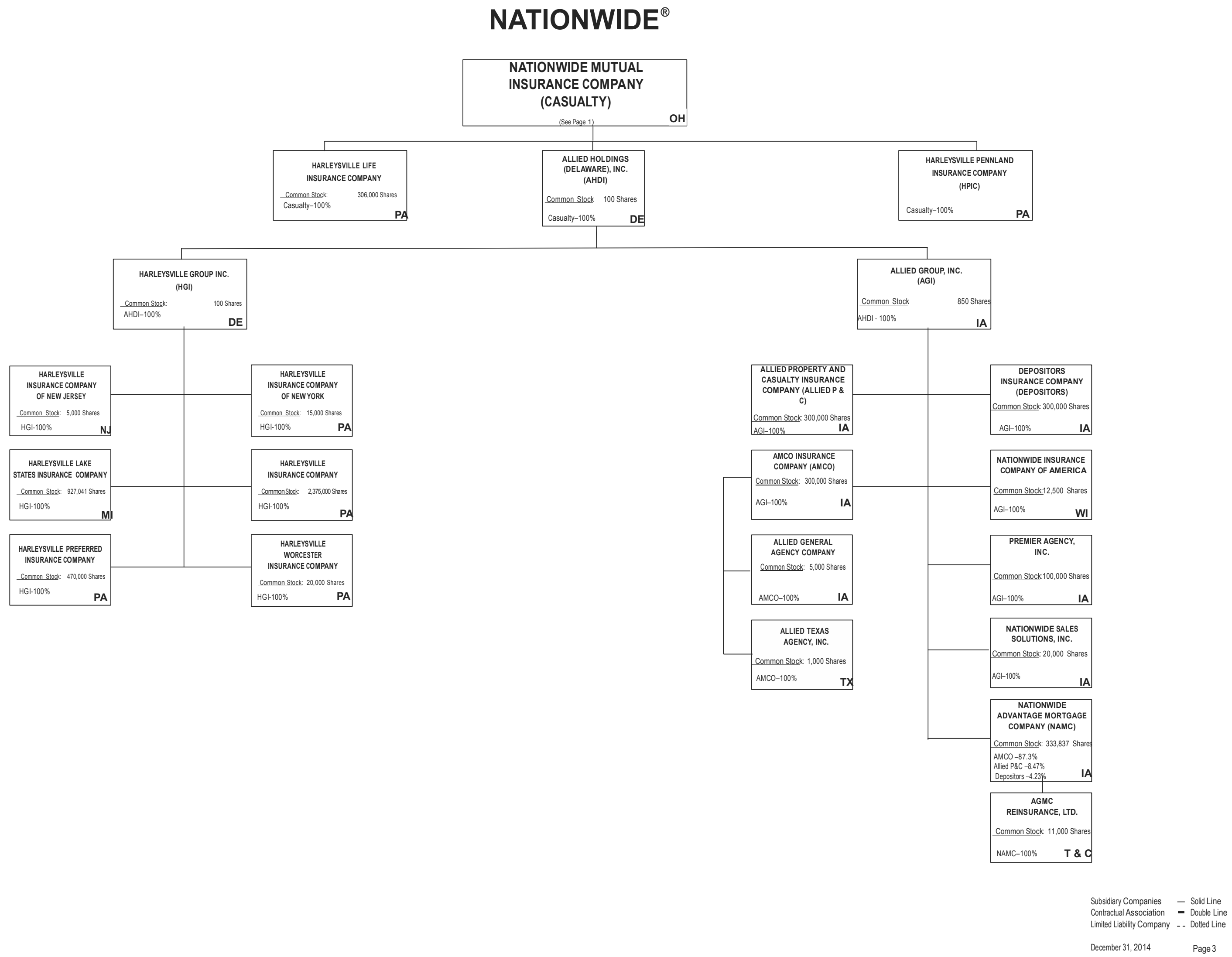
(a) Insert the number of L responses except for Canada and Other Alien.



(Casualty/Fire subsidiaries)



(Nationwide Corp. subsidiaries)



(ALLIED/Harleysville subsidiaries)

NATIONWIDE INSURANCE COMPANIES

NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	Federal ID Number	Name of Company
0140	Nationwide	10127	OH	27-0114983	Allied Insurance Company of America
0140	Nationwide	42579	IA	42-1201931	Allied Property and Casualty Insurance Company
0140	Nationwide	19100	IA	42-6054959	AMCO 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	22209	OH	75-6013587	Freedom Specialty Insurance Company
0140	Nationwide	23582	PA	41-0417250	Harleysville Insurance Company
0140	Nationwide	42900	NJ	23-2253669	Harleysville Insurance Company of New Jersey
0140	Nationwide	10674	PA	23-2864924	Harleysville Insurance Company of New York
0140	Nationwide	14516	MI	38-3198542	Harleysville Lake States Insurance Company
0140	Nationwide	64327	PA	23-1580983	Harleysville Life Insurance Company
0140	Nationwide	35696	PA	23-2384978	Harleysville Preferred Insurance Company
0140	Nationwide	26182	PA	04-1989660	Harleysville Worcester 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	13999	VT	27-1712056	Olentangy Reinsurance, LLC
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	OH	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
4664	PURE	12873	FL	20-8287105	Privilege Underwriters Reciprocal Exchange
4664	PURE	13204	FL	26-3109178	PURE Insurance Company

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
2504. Other assets nonadmitted	1,678,366	1,678,366		
2505. Recoupment receivable	1,207,491		1,207,491	1,154,671
2506. Deductible receivables	129,055	17,094	111,961	
2507. Third party administrator receivable	393,574		393,574	3,792
2597. Summary of remaining write-ins for Line 25 from overflow page	3,408,486	1,695,460	1,713,026	1,158,463

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Miscellaneous liabilities	656,986	145,648
2505. Reserve for state escheat payment	6,318,967	6,376,178
2506. State surcharge/recoupment payable	734,762	603,630
2597. Summary of remaining write-ins for Line 25 from overflow page	7,710,715	7,125,456

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		13,652		13,652
2497. Summary of remaining write-ins for Line 24 from overflow page		13,652		13,652

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. Deductible receivables	17,094		(17,094)
2597. Summary of remaining write-ins for Line 25 from overflow page	17,094		(17,094)

ALPHABETICAL INDEX

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