

SERFF Tracking Number: SCTT-125833791 State: Arkansas  
 Filing Company: Scottsdale Indemnity Company State Tracking Number: EFT \$100  
 Company Tracking Number: AM AR04180ICR01  
 TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability  
 Product Name: Asset Management Protection  
 Project Name/Number: 4180 Asset Management Protection/AM AR04180ICR01

## Filing at a Glance

Company: Scottsdale Indemnity Company  
 Product Name: Asset Management Protection SERFF Tr Num: SCTT-125833791 State: Arkansas  
 TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: EFT \$100  
 Sub-TOI: 17.1019 Professional Errors & Omissions Liability Co Tr Num: AM AR04180ICR01 State Status: Fees verified and received  
 Filing Type: Rate/Rule Co Status: Reviewer(s): Betty Montesi, Edith Roberts  
 Author: Kristin Abbott Disposition Date: 10/07/2008  
 Date Submitted: 09/25/2008 Disposition Status: Exempt from Review  
 Effective Date Requested (New): On Approval Effective Date (New):  
 Effective Date Requested (Renewal): On Approval Effective Date (Renewal):  
 State Filing Description:

## General Information

Project Name: 4180 Asset Management Protection Status of Filing in Domicile: Pending  
 Project Number: AM AR04180ICR01 Domicile Status Comments:  
 Reference Organization: n/a Reference Number: n/a  
 Reference Title: n/a Advisory Org. Circular: n/a  
 Filing Status Changed: 10/07/2008 Deemer Date:  
 State Status Changed: 10/07/2008  
 Corresponding Filing Tracking Number:  
 Filing Description:  
 Scottsdale Indemnity Company is filing a new Asset Management Protection program. We request an effective date upon your Department's approval.

This is a new program for Scottsdale Indemnity Company and we do not currently write this coverage or have any experience to provide. This program is a professional liability policy for investment companies and their directors,

SERFF Tracking Number: SC TT-125833791 State: Arkansas  
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officers and employees. Please refer to the attached manual pages for further explanation of this product.

Our company forms for this program have been submitted under separate cover as required by your Department.

## Company and Contact

### Filing Contact Information

Kristin Abbott, Filings Analyst II  
 PO Box 4110  
 Scottsdale, AZ 85261  
 abbottk@scottsdaleins.com  
 (800) 423-7675 [Phone]

### Filing Company Information

Scottsdale Indemnity Company  
 PO Box 4110  
 Scottsdale, AZ 85261  
 (800) 423-7675 ext. [Phone]  
 CoCode: 15580  
 Group Code: 140  
 Group Name:  
 FEIN Number: 31-1117969  
 State of Domicile: Ohio  
 Company Type:  
 State ID Number:

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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation: Rate/Rule Filing - \$100.00  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Scottsdale Indemnity Company	\$100.00	09/25/2008	22723602

SERFF Tracking Number: SCTT-125833791 State: Arkansas  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	10/07/2008	10/07/2008

*SERFF Tracking Number:*      *SCTT-125833791*                      *State:*                      *Arkansas*  
*Filing Company:*              *Scottsdale Indemnity Company*                      *State Tracking Number:*              *EFT \$100*  
*Company Tracking Number:*      *AM AR04180ICR01*  
*TOI:*                      *17.1 Other Liability - Claims Made Only*              *Sub-TOI:*                      *17.1019 Professional Errors & Omissions*  
*Liability*  
  
*Product Name:*                      *Asset Management Protection*  
*Project Name/Number:*              *4180 Asset Management Protection/AM AR04180ICR01*

## **Disposition**

Disposition Date: 10/07/2008

Effective Date (New):

Effective Date (Renewal):

Status: Exempt from Review

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: SCTT-125833791 State: Arkansas  
 Filing Company: Scottsdale Indemnity Company State Tracking Number: EFT \$100  
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Accepted for Informational Purposes	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Accepted for Informational Purposes	Yes
Supporting Document	NAIC loss cost data entry document	Accepted for Informational Purposes	Yes
Supporting Document	Cover Letter	Accepted for Informational Purposes	Yes
Rate	Countrywide Manual Pages	Accepted for Informational Purposes	Yes

*SERFF Tracking Number:*      *SCTT-125833791*                      *State:*                      *Arkansas*  
*Filing Company:*              *Scottsdale Indemnity Company*                      *State Tracking Number:*              *EFT \$100*  
*Company Tracking Number:*      *AM AR04180ICR01*  
*TOI:*                      *17.1 Other Liability - Claims Made Only*              *Sub-TOI:*                      *17.1019 Professional Errors & Omissions*  
*Product Name:*                      *Asset Management Protection*  
*Project Name/Number:*              *4180 Asset Management Protection/AM AR04180ICR01*

## **Rate Information**

Rate data does NOT apply to filing.

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## Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Accepted for Informational Purposes	Countrywide Manual Pages	I-AM-R-CW-NR (6-08)	New	I-AM-R-CW-NR 6-08.pdf

**SCOTTSDALE INDEMNITY COMPANY  
ASSET SHIELD  
ASSET MANAGEMENT PROTECTION POLICY  
COUNTRYWIDE RATING PLAN**

**GENERAL RULES:**

Select the base premium from the chart.

**1 YEAR PREMIUM BASE FOR \$1,000,000 LIMIT OF LIABILITY**

**A. BASE PREMIUM:**

Assets Under Management (000's)	Base Premium	Assets Under Management (000's)	Base Premium
\$ 25,000	\$ 6,300	\$ 1,725,000	\$ 28,350
\$ 75,000	\$ 7,650	\$ 1,775,000	\$ 28,600
\$ 125,000	\$ 9,000	\$ 1,825,000	\$ 28,850
\$ 175,000	\$ 10,260	\$ 1,875,000	\$ 29,050
\$ 225,000	\$ 11,475	\$ 1,925,000	\$ 29,250
\$ 275,000	\$ 12,645	\$ 1,975,000	\$ 29,450
\$ 325,000	\$ 13,770	\$ 2,025,000	\$ 29,650
\$ 375,000	\$ 14,670	\$ 2,075,000	\$ 29,800
\$ 425,000	\$ 15,480	\$ 2,125,000	\$ 29,950
\$ 475,000	\$ 16,200	\$ 2,175,000	\$ 30,100
\$ 525,000	\$ 16,830	\$ 2,225,000	\$ 30,250
\$ 575,000	\$ 17,370	\$ 2,275,000	\$ 30,350
\$ 625,000	\$ 17,865	\$ 2,325,000	\$ 30,450
\$ 675,000	\$ 18,315	\$ 2,375,000	\$ 30,550
\$ 725,000	\$ 18,765	\$ 2,425,000	\$ 30,650
\$ 775,000	\$ 19,215	\$ 2,475,000	\$ 30,750
\$ 825,000	\$ 19,665	\$ 2,525,000	\$ 30,850
\$ 875,000	\$ 20,070	\$ 2,575,000	\$ 30,950
\$ 925,000	\$ 20,475	\$ 2,625,000	\$ 31,050
\$ 975,000	\$ 20,880	\$ 2,675,000	\$ 31,150
\$ 1,025,000	\$ 23,650	\$ 2,725,000	\$ 31,250
\$ 1,075,000	\$ 24,050	\$ 2,775,000	\$ 31,350
\$ 1,125,000	\$ 24,450	\$ 2,825,000	\$ 31,450
\$ 1,175,000	\$ 24,850	\$ 2,875,000	\$ 31,550
\$ 1,225,000	\$ 25,250	\$ 2,925,000	\$ 31,650
\$ 1,275,000	\$ 25,600	\$ 2,975,000	\$ 31,750
\$ 1,325,000	\$ 25,950	\$ 3,025,000	\$ 31,850
\$ 1,375,000	\$ 26,300		
\$ 1,425,000	\$ 26,650		
\$ 1,475,000	\$ 26,950		
\$ 1,525,000	\$ 27,250		
\$ 1,575,000	\$ 27,550		
\$ 1,625,000	\$ 27,850		
\$ 1,675,000	\$ 28,100		

Each additional \$50M in Assets under Management will increase the base rate by \$100.

**SCOTTSDALE INDEMNITY COMPANY  
ASSET SHIELD  
ASSET MANAGEMENT PROTECTION POLICY  
COUNTRYWIDE RATING PLAN**

**B. INCREASED LIMIT FACTORS:**

<u>Limit of Liability</u>	<u>Factor</u>
\$100,000/\$100,000	0.400
\$100,000/\$250,000	0.500
\$250,000/\$250,000	0.550
\$250,000/\$500,000	0.700
\$500,000/\$500,000	0.780
\$500,000/\$1,000,000	0.920
\$1,000,000/\$1,000,000	1.000
\$1,000,000/\$2,000,000	1.450
\$2,000,000/\$2,000,000	1.620
\$3,000,000	2.100
\$4,000,000	2.510
\$5,000,000	2.860
\$6,000,000	3.180
\$7,000,000	3.460
\$8,000,000	3.730
\$9,000,000	3.980
\$10,000,000	4.220
\$15,000,000	5.230
\$20,000,000	6.070
\$25,000,000	6.790

**Interpolate between Factors to calculate Increased Limit Factor**

**C. RETENTIONS:**

The minimum retention required is \$25,000. Credit given for Retention is based on Table I

**TABLE I**

<b>Retention</b>	<b>Credit</b>
\$ 25,000	0.00%
\$ 50,000	5.00%
\$ 75,000	10.00%
\$ 100,000	15.00%
\$ 250,000	17.50%
\$ 500,000	25.00%
\$ 1,000,000	35.00%

**Interpolate between Factors to calculate Increased Limit Factor**

**D. PREMIUM MODIFIERS:**

**1. Advising Activities**

**A. Non-Discretionary**

If the Advising Activities are Non-Discretionary an additional credit will be given based on the Percentage of Assets Under Management.

**SCOTTSDALE INDEMNITY COMPANY  
ASSET SHIELD  
ASSET MANAGEMENT PROTECTION POLICY  
COUNTRYWIDE RATING PLAN**

**TABLE**

<u>Percentage of Assets Under Management</u>	<u>Credit</u>
None	0.00%
Up to 10%	5.00%
11% - 25%	15.00%
26% - 50%	25.00%
51% - 75%	35.00%
Greater than 75%	50.00%

**B. Specialty Investments**

If the Advising Activities are a Specialty Investment, a credit or debit will be added based on type of investment

**TABLE**

	<u>Credit or Debit</u>
Money Market/Cash	-30%
Inv Grade Fixed Income	-10%
Small Cap, Micro Cap stock or Debt	20%
Foreign or Emerging Markets Stock of Debt	20%
High Yield, Distressed, or Non Investment Grade Debt	20%
Real Estate / Real Estate Securities	20%
Commodities / Futures	25%
Private Placements, Unregistered Securities	25%
Short sales, Margin, Options	25%
Oil & Gas / Cattle Trusts	30%
Limited Partnerships / Hedge Funds	40%

**2. Advisory Clients**

**A. Taft Hartley Clients and/or Pension Plan Clients**

If the Advisory Clients are Taft Hartley Clients and/or Pension Plan clients an additional debit will be given based on Percentage of Assets Under Management. The debit is shown in Table:

**TABLE**

<u>Percentage of Assets Under Management</u>	<u>Debit</u>
None	0.00%
Up to 10%	5.00%
11% - 25%	15.00%
26% - 50%	25.00%
51% - 100%	35.00%

**3. Mutual Fund Modifier**

**If Insured is a Mutual fund then the following modifier will apply.**

Assets Under Management is less than or equal to \$225M	1.50
Assets Under Management is greater than \$225M but less than or equal to \$975M	1.30
Assets Under Management is greater than \$975M	1.25

**SCOTTSDALE INDEMNITY COMPANY  
ASSET SHIELD  
ASSET MANAGEMENT PROTECTION POLICY  
COUNTRYWIDE RATING PLAN**

<b>4. Code of Ethics Policy</b>		
	Yes	0.95
	No	1.00

**E. INDIVIDUAL RISK MODIFIERS:**

<b>1. Performance</b>		
	Excellent	.75
	Good	1.0
	Poor	1.25
<b>2. Management Quality</b>		
	Excellent	.75
	Good	1.0
	Poor	1.25
<b>3. Governmental Sanctions</b>		
	None	1.00
	Nominal	1.25
	Extensive	1.75
<b>4. Risk Management</b>		
	Excellent	.75
	Good	1.0
	Poor	1.25
<b>5. Litigation History</b>		
	None	.75
	Nominal	1.0
	Extensive	1.50
<b>6. Branch Offices</b>		
	No	1.00
	Yes	1.25
<b>7. Time in Business</b>		
	Less than Three Years	1.15
	Three to Five Years	1.00
	Six Years plus	.85
<b>8. Service Provider Coverage</b>		
	No	1.00
	Yes	1.25

\*\*Maximum total Debit/Credit allowances for Individual Risk Modification differ by state. Please refer to the following State Modification Limits table:

Maximum Available Debits/Credits (%)	State(s)
+/-25	CA, CO, DE, DC, FL, KS, LA, MI, MO, NJ, ND, NV, OH, OR, PR, SD, UT, WA
+/-40	AK, AR, ME, MD, MS, MT, NH, RI, TX, WV
+/-50	AZ, NC, TN, VA
dr = 40%; cr = 50%	GA

**SCOTTSDALE INDEMNITY COMPANY  
ASSET SHIELD  
ASSET MANAGEMENT PROTECTION POLICY  
COUNTRYWIDE RATING PLAN**

**F. RATING OF OPTIONAL ENDORSEMENTS:**

Restrictive Endorsement	0.75
Expansive Endorsement	1.25
Terrorism Exclusion	0.975

**G. MULTI-YEAR POLICIES:**

Two-Year prepaid extended aggregate: 1.75 x annual premium  
 Three-Year prepaid extended aggregate: 2.5 x annual premium

**H. RUN-OFF POLICIES:**

When a change in control occurs and our contract allows for the purchase of a discovery period, if the insured desires an extended period, the following guidelines shall apply:

3 Year Policy: 1.5 x annual premium  
 4 Year Policy: 1.75 x annual premium  
 5 Year Policy: 1.85 x annual premium  
 6 Year Policy: 2.0 x annual premium

**I. DISCOVERY PERIOD:**

1 Year Policy: 1.50 x annual premium  
 2 Year Policy: 2.0 x annual premium  
 3 Year Policy: 2.5 x annual premium  
 4 Year Policy: 3.0 x annual premium  
 5 Year Policy: 4.0 x annual premium  
 6 Year Policy: 5.0 x annual premium

**J. EXPENSE REDUCTION/VARIATION FACTORS:**

The Table of Commission Expense Reduction factors is used in determining the appropriate Expense Reduction/Variation Factor when commission is reduced from the commission percentage otherwise payable to the producer.

*If the Reduction in Commission amount falls between the values shown, interpolate between Factors to calculate the Expense Reduction/Variation Factor.*

**K. CALCULATION OF FINAL PREMIUM**

BASE PREMIUM \* INCREASED LIMIT FACTOR \* (1 – CREDIT FOR RETENTION) \* PREMIUM MODIFIERS \* OPTIONAL ENDORSEMENTS FACTOR \* MULTI-YEAR POLICY FACTOR \* RUN-OFF POLICY FACTOR \* DISCOVERY PERIOD FACTOR \* EXPENSE REDUCTION FACTOR

SERFF Tracking Number: SCTT-125833791 State: Arkansas  
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 Product Name: Asset Management Protection  
 Project Name/Number: 4180 Asset Management Protection/AM AR04180ICR01

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty **Review Status:** Accepted for Informational Purposes 10/07/2008

**Comments:**  
**Attachment:**  
 AM AR4180icrpctd.pdf

**Bypassed -Name:** NAIC Loss Cost Filing Document for OTHER than Workers' Comp **Review Status:** Accepted for Informational Purposes 10/07/2008

**Bypass Reason:** Not applicable to this filing.  
**Comments:**

**Bypassed -Name:** NAIC loss cost data entry document **Review Status:** Accepted for Informational Purposes 10/07/2008

**Bypass Reason:** Not applicable to this filing.  
**Comments:**

**Satisfied -Name:** Cover Letter **Review Status:** Accepted for Informational Purposes 10/07/2008

**Comments:**  
**Attachment:**  
 AM AR04180icrcvrltr.pdf

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
Nationwide	140

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
National Casualty Company	WI	11991	38-0865250	

<b>5. Company Tracking Number</b>	AM AR04180ICR01
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Kristin Abbott PO Box 4110 Scottsdale, AZ 85261-4110	Filings Analyst II	800 423-7675 x3140	480-368-5820	abbottk@scottsdaleins.com

<b>7.</b> Signature of authorized filer	
<b>8.</b> Please print name of authorized filer	Kristin Abbott

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	17.1 Other Liability – Claims Made Only
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	17.1019 – Professional Errors & Omissions Liability
<b>11. State Specific Product code(s)(if applicable)[See State Specific Requirements]</b>	
<b>12. Company Program Title (Marketing title)</b>	Asset Management Protection
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New:    Upon Approval    Renewal:    Upon Approval
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization (if applicable)</b>	
<b>17. Reference Organization # &amp; Title</b>	
<b>18. Company's Date of Filing</b>	September 25, 2008

<b>19. Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved
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PC TD-1 pg 1 of 2

## Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	AM AR04180ICR01
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<b>21. Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Scottsdale Indemnity Company is filing a new Asset Management Protection program. We request an effective date upon your Department's approval.

This is a new program for Scottsdale Indemnity Company and we do not currently write this coverage or have any experience to provide. This program is a professional liability policy for investment companies and their directors, officers and employees. Please refer to the attached manual pages for further explanation of this product.

Our company forms for this program have been submitted under separate cover as required by your Department.

<b>22. Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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**Check #: EFT**  
**Amount: \$100.00**

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

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# Scottsdale Indemnity Company

September 25, 2008

The Honorable Julia Benafield Bowman  
Commissioner  
Arkansas Department of Insurance  
1200 W. Third Street  
Little Rock AR 77201-1904

**Re:       Scottsdale Indemnity Company**  
**NAIC #140-15580**  
**FEIN # 31-1117969**  
**Asset Management Protection**  
**Initial Rate/Rule Filing**  
**Company File No.: AM AR04180ICR01**

Dear Commissioner:

Scottsdale Indemnity Company is filing a new Asset Management Protection program. We request an effective date upon your Department's approval.

This is a new program for Scottsdale Indemnity Company and we do not currently write this coverage or have any experience to provide. This program is a professional liability policy for investment companies and their directors, officers and employees. Please refer to the attached manual pages for further explanation of this product.

Our company forms for this program have been submitted under separate cover as required by your Department.

We hope you will be in a position to grant favorable consideration to this submission. If you need any further information, please feel free to contact me on the toll free number or e-mail address listed below.

Sincerely,



Kristin Abbott  
State Filings Analyst II  
abbottk@scottsdaleins.com  
(800) 423-7675 x3140  
Encl.

P.O. Box 4110    Scottsdale, AZ 85261-4110    8877 N. Gainey Center Dr.    Scottsdale, AZ 85258  
(480) 365-3003    1-800-423-7675 x3140



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