

Shaping Our Future

Celebrating Our Past


50
YEAR ANNIVERSARY

Western World Insurance Company

A.M. Best A+ (Superior), Financial Size Category Class IX

Tudor Insurance Company

A.M. Best A+ (Superior), Financial Size Category Class IX

Stratford Insurance Company

A.M. Best A+ (Superior), Financial Size Category Class IX

- General Liability
- Products Liability
- Professional Liability
- Commercial Automobile
- Property

Binding Authority

Brokerage

Programs

www.westernworld.com



Shaping Our **Future**. Celebrating Our **Past**.

On our 50th anniversary we reflect back on the contributions and dedication of our agents, brokers, shareholders, directors, management and staff who have enabled us to reach this important milestone. In looking forward, we will continue in our efforts to be a premier partner to our agents and brokers with new and expanded products, innovative ease-of-use technology, service excellence and a shared sense of purpose.



MESSAGE TO SHAREHOLDERS

2013. For Western World, this wasn't simply another good year; but rather, it was the most recent in an extraordinary half a century of profitable growth.

Western World strengthened its customer support through product expansion, distribution initiatives and industry-leading technology, with strategic clarity and guidance from our board and shareholders. The result: Premium volume exceeded our forecast, increasing 22% to \$280M from \$229M in 2012. Our operating expenses were lower than budget and favorable loss development improved our loss ratio. Moreover, such outstanding results were achieved while maintaining A.M. Best's enviable A+ rating based on our profitable results and long-term performance.

The catalysts for better, but not hard, market conditions are the industry's resolve to offset low interest rates with better loss ratios and an improving economy that is slowly recreating the exposure lost during the financial crisis. Financial capacity remains abundant, positive prior-year reserve releases continue and catastrophe losses are not materially affecting insurance availability or pricing. The surplus lines industry is strong and easily able to absorb the increase in premium that began in 2012 and which is on-track to continue in 2014. We sense a reduction in the rate increase momentum that has been building for the last three years, but we do not foresee a return next year to conditions that will be characterized as a soft-market.

The surplus lines market has always been a challenging environment and our success in 2013, and the preceding 49 years, is a great testament to the value of our franchise, the quality of our team and the loyalty shown to us by our business partners.

BUSINESS CONDITIONS

As we have reported in the past few letters, the commercial insurance market conditions in recent years are unique compared to past industry cycles. This is especially true from the perspective of the surplus lines market, which is experiencing strong premium growth, while at the same time benefiting from modest rate improvement. That trend continued in 2013 and we were very pleased to capitalize on the opportunities that were available to us.

An industry-wide increase in surplus lines premium began in 2012 with a 12% rise over the prior year, and we expect a similar increase to be reported for 2013. This ended a five-year decline during which the industry lost 20% of its volume according to A.M. Best. Western World Group premium began rising in 2010 and has outpaced industry growth each year since. Clearly, we have benefited from a greater demand for the capacity of specialty insurance carriers, but we also believe that the strategic initiatives we undertook in recent years contributed to the improvement of our position with many of our agents and brokers, particularly in our core binding authority business. Contract and Programs have benefited from the convergence of modest rate increases, available new business and our technology value proposition. Along with these positive revenue developments, we lowered the cost of processing our business while maintaining our underwriting integrity.

GROUP RESULTS

On a GAAP basis, our Group after-tax profit increased to \$20.5 million in 2013 compared to an after-tax profit of \$18.9 million in 2012. The increase is primarily a result of the improvement in the combined ratio and an increase in investment income. On a per-share basis, our 2013 profit was \$477 compared to \$437 for the prior year.

Group revenues, which include net earned premiums and investment income, rose 20.9% from \$216 million in 2012 to \$261 million in 2013. This was driven by an increase in both earned premium and investment income for the first time in several years.

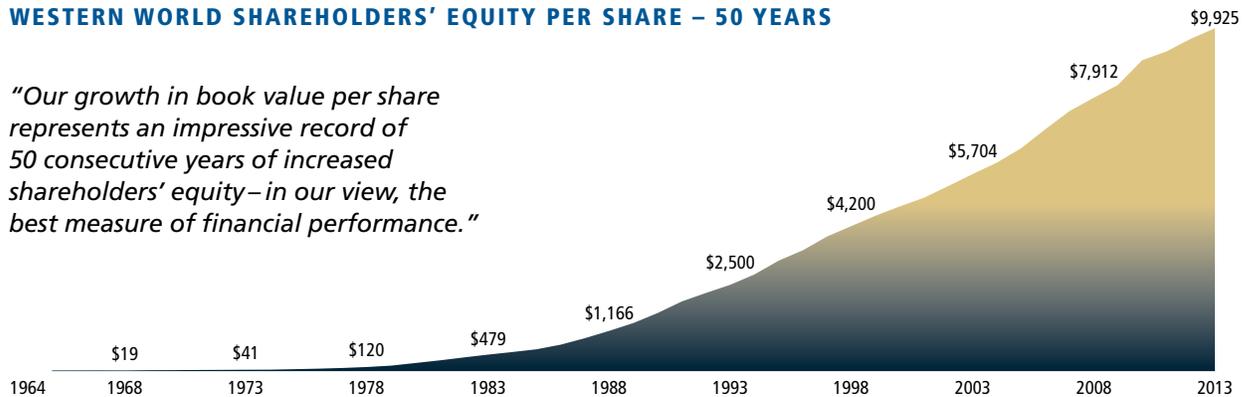
Our investment income, including net capital gains, increased to \$38.0 million in 2013 compared to \$35.9 million in 2012, despite the fact that interest rates have not materially improved since our last report. Realized capital gains of \$2.5 million offset a decline in recurring investment income. The investment portfolio is concentrated in high-grade, short-duration, fixed-income securities and was valued at \$1.121 billion at year-end 2013.

Shareholders' equity rose from \$413 million in 2012 to \$426 million in 2013 and our book value per share rose from \$9,618 to \$9,925. Our growth in book value per share represents an impressive record of 50 consecutive years of increased shareholders' equity—in our view, the best measure of financial performance.

The Group's 2013 combined ratio was 101.8%, a 2.7 percentage point improvement from the prior year. This was driven by better underwriting conditions and continued favorable loss development from prior accident years, reducing the reported loss ratio, and a reduction in the expense ratio related to our growth in premium volume and controlling operating expenses.

WESTERN WORLD SHAREHOLDERS' EQUITY PER SHARE – 50 YEARS

“Our growth in book value per share represents an impressive record of 50 consecutive years of increased shareholders’ equity—in our view, the best measure of financial performance.”



We experienced positive reserve development in 2013 as we have for each year of the last two decades through every phase of the underwriting cycle. Our total reserves continue to be carried at the high end of the actuarial range established by independent actuaries, with reserves for claims not yet reported (IBNR) equal to 76% of the total.

In 2013, consolidated policyholders’ surplus increased by \$10.5 million over the year before and now stands at \$367.7 million compared to \$357.0 million in 2012. Our three insurance companies—Western World, Tudor and Stratford—all carry an A+ (Superior) Rating in Financial Size Category IX as determined by A.M. Best Company.

COMPANY OPERATIONS

Our innovative technology, product expansion and service initiatives in underwriting and claims contributed to premium growth that has outpaced the growth of the surplus lines industry. All underwriting divisions (Contract, Programs and Brokerage) contributed to the Group’s 22% premium increase. To varying degrees, each division exceeded its original forecast, with the greatest premium growth (\$34 million) coming from the Contract Division.

The Contract Division forms the core of the Group’s underwriting activities and has defined the company’s value proposition for most of its 50 year history. Western World was an early industry leader in granting casualty lines binding authority to wholesale general agents.

Contract business grew 24% in 2013 and includes general liability, commercial auto, property and professional liability. The Division benefited from our highly acclaimed Western World Integrated Platform (WWIP), which is continually updated with new functionality and expanded integration capability with the vendor and proprietary systems used by our agents. WWIP allows us to expand agent authority, adjust pricing quickly and add additional coverage, without compromising our underwriting integrity. Our internal data provides compelling evidence that in 2013 agents who took full advantage of the system’s capabilities placed more business with the Division while increasing processing efficiency.

In 2013, the Contract Division and IT substantially expanded the implementation of our commercial auto WWIP system. Our WWIP-Auto system has received high marks from agents, and we expect to make this system available in additional states throughout 2014—largely completing a significant phase of our commercial auto strategic plan.

We are expanding the WWIP concept to all binding authority relationships, including our Program Division.

Western World Programs was created 13 years ago in response to the growing trend of specialization in general agency distribution. It is a logical extension of Western World’s proven expertise in binding authority management. In this time, we have successfully underwritten over \$475 million of premium in this alternative distribution channel, and in 2013, the Program Division increased premium volume by 22% to \$60 million. This is the highest premium volume achieved in a single year since inception of the Division. Organic growth in all programs drove our progress.

It has been a strategic corporate objective to offer all products through each of our three distribution channels. To achieve this we have expanded the coverage available to program administrators. Western World Programs now offers commercial auto in addition to general liability and property coverage. The Program Division expects to further this concept in 2014 by offering professional liability coverage. Our current WWIP and WWIP-Auto systems will support these initiatives.

The Western World Brokerage Division increased premium by 9% in 2013 versus the prior year. The increase was equally derived from the Division’s general liability and professional liability units. During the year, the Division executed a plan to greatly improve service and deepen relationships by thoughtfully evaluating and reducing the number of agents and brokers from which it accepts submissions. The outcome of this initiative will result in a materially more efficient distribution system. As we expected, the Division forfeited affected premium in the short-term. However, the

Western World Insurance Group
MESSAGE TO SHAREHOLDERS

long-term interests of our developing brokerage business model are well served by these actions. The overall growth of the Division is especially impressive in this light.

Although conceived as a binding authority application, WWIP has proven quite adaptable to the Brokerage Division. Brokerage uses WWIP as its in-house rating and quoting system, vastly improving response time and the quality and functionality of our quotes for our brokers and their customers, the retail agents. In 2013, we introduced the “WWIP Indicator” for our professional liability brokers as a very effective rating tool to estimate pricing prior to submitting the risk for full underwriting.

SHAPING OUR FUTURE – CELEBRATING OUR PAST

Elsewhere in this report you will find a nostalgic look at many of the people and events that have shaped the Company through the decades. We are very proud of our accomplishments over the past 50 years and the hundreds (perhaps thousands) of employees who have contributed to our success. They, and our long-standing partnerships with industry-leading agents, brokers and reinsurers, have enabled Western World to be a strong, enduring company that has grown steadily in a highly-competitive and volatile industry. Shareholder value has grown during each of our 50 years. We have been innovative and nimble—surviving dangerous economic times, benefiting from the favorable insurance cycles and maintaining and strengthening our reputation as a company of the highest professional integrity.

While we are proud of our past, our focus is on shaping the future. Following the tradition in recent letters of reporting on our strategic initiatives, we are very pleased to do so again for 2013. Our entire staff contributed to several projects this year that will carry our strong market momentum into the years ahead:

- Our industry-leading WWIP application has undergone many enhancements this year. WWIP today has far richer functionality than the original version and has been extended to all underwriting divisions. WWIP remains the industry leader.
- WWIP-Auto will be expanded significantly in 2014, including Program Division distribution.
- Our redesigned website provides new capabilities and additional services to our agents and brokers and to their customers.
- Furthering our product distribution strategy, the Program Division now offers general liability, property, professional liability and auto coverage. This will significantly improve our value to present and future program administrators.
- The Brokerage Division has entered into a unique agent partnership to develop and market a new D&O product, expanding the possibilities for the distribution of this coverage.

- The Brokerage Division completed an extensive project to streamline the distribution of its products, improve service and develop specific growth plans with each broker.
- The Claims Department and Information Technology are installing a new, state-of-the-art claims processing system that will benefit our staff, agents and policyholders and allow us to greatly improve delivery of a critical service when it is most needed.
- Our newly formed Business Development position led to the introduction of new agents and brokers that have the potential to develop into significant relationships for multiple divisions.

Within the industry, Western World is expanding its presence through ease-of-access to our products, dedicated service and innovative technology. We are very proud of the accomplishments to date and confident we are well positioned for further growth in the years ahead.

Many contribute to the progress and success of Western World—our shareholders, directors, management and staff, as well as our Business Partners. We thank you all for your service and guidance on which we will continue to rely.

A final thought on the occasion of our 50th Anniversary: Western World is a relatively small company yet for 50 years, our size by any measure has never defined the company or our aspirations. Our market presence has always been greater than our scale. We have been defined by the values of our shareholders, the integrity of our leadership, the quality of our staff and our tireless advocacy for the industry we helped pioneer. We have been proud to offer valuable business partnerships to our agents, dependable security to our policyholders and a sound investment to our shareholders. We look to the future with a clear strategy for growth and guidance from our past that will serve the company well in writing the next chapter in its history.

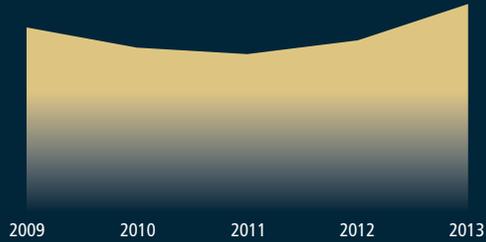


Thomas F. Mulligan
President and Chief Executive Officer
Western World Insurance Group, Inc.

April, 2014

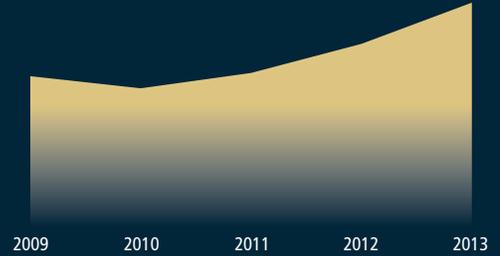
REVENUES (Millions)

\$232 \$207 \$199 \$216 \$261



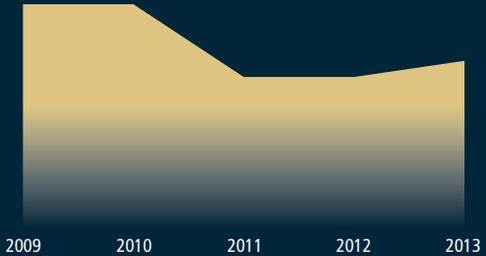
DIRECT PREMIUMS (Millions)

\$189 \$174 \$193 \$229 \$280



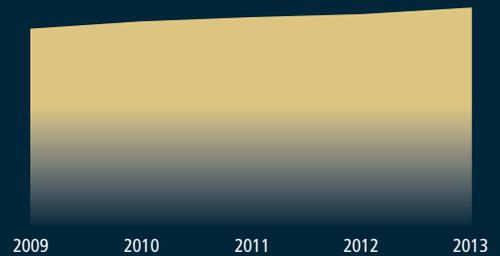
NET EARNINGS (Millions)

\$28 \$28 \$19 \$19 \$21



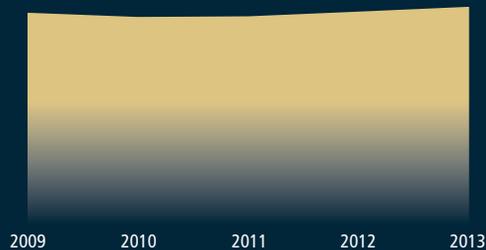
POLICYHOLDERS' SURPLUS (Millions)

\$333 \$345 \$352 \$357 \$368



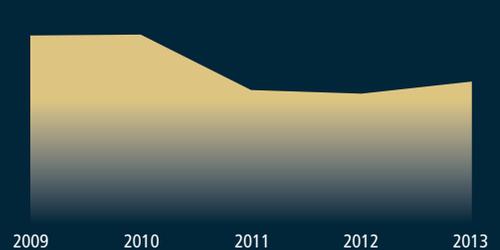
ASSETS (Millions)

\$1,320 \$1,294 \$1,298 \$1,327 \$1,357



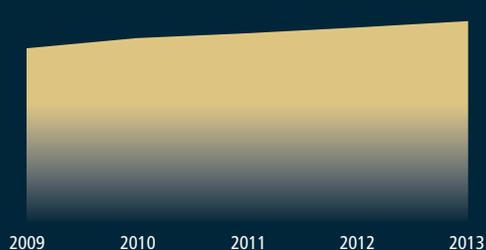
EARNINGS Per Share

\$629 \$632 \$449 \$437 \$477



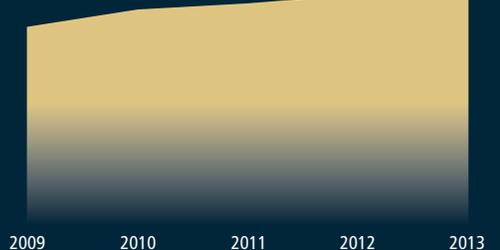
SHAREHOLDERS' EQUITY (Millions)

\$370 \$391 \$401 \$413 \$426



SHAREHOLDERS' EQUITY Per Share

\$8,284 \$8,999 \$9,253 \$9,618 \$9,925



Western World Insurance Group, Inc.
CONSOLIDATED BALANCE SHEET*

ASSETS

	2013	December 31, 2012
Bonds and Short-term Investments (Held to Maturity) — at Amortized Cost (Market Value \$959,970,999 and \$949,591,276)	\$ 942,916,081	\$ 906,900,799
Bonds (Available for Sale) — at Market Value (Amortized Cost \$117,445,279 and \$116,183,365)	120,315,019	121,951,560
Preferred Stocks and Other Invested Assets — at Market Value (Cost \$27,379,112 and \$22,400,249)	26,601,705	20,742,624
Total Investments	1,089,832,805	1,049,594,983
Cash	14,015,800	19,540,405
Uncollected Premiums	34,756,487	28,788,043
Deferred Policy Acquisition Costs	30,420,991	24,135,556
Deferred Federal Income Tax	36,810,211	38,417,724
Reinsurance Balances Recoverable	131,157,015	146,538,821
Other Assets	20,312,201	19,550,889
Total Assets	\$ 1,357,305,510	\$ 1,326,566,421

FINANCIAL HIGHLIGHTS*

	2013	2012	Change
Revenues	\$ 261,347,343	\$ 216,151,342	20.9%
Assets	1,357,305,510	1,326,566,421	2.3%
Shareholders' Equity	425,757,997	413,050,866	3.1%
Net Income	20,507,330	18,882,044	8.6%
Earnings Per Share	477	437	9.2%
Book Value Per Share	9,925	9,618	3.2%
Return on Equity	5.0%	4.7%	

*These GAAP statistics have been condensed from the Group's financial statements as audited by Ernst & Young LLP.

LIABILITIES

	2013	December 31, 2012
Losses and Loss Adjustment Expenses	\$ 745,817,678	\$ 743,800,725
Unearned Premiums	127,108,908	101,522,398
Funds Held Under Reinsurance Treaties	10,322,644	18,725,331
Other Liabilities	48,298,283	49,467,101
Total Liabilities	\$ 931,547,513	\$ 913,515,555

SHAREHOLDERS' EQUITY

Common Stock	\$ 906,920	\$ 906,920
Paid-In Capital	13,231,577	12,722,682
Retained Earnings	411,619,500	399,421,264
Total Shareholders' Equity	\$ 425,757,997	\$ 413,050,866
Total Liabilities and Shareholders' Equity	\$ 1,357,305,510	\$ 1,326,566,421

STATUTORY HIGHLIGHTS**

	2013	2012	2011	2010	2009
Premiums Written	\$ 279,683,101	\$ 228,525,768	\$ 192,523,517	\$ 174,149,966	\$ 189,133,123
Policyholders' Surplus	367,723,548	356,958,794	351,800,661	344,700,694	332,630,632
Assets	1,162,400,485	1,115,827,562	1,089,432,109	1,083,301,787	1,094,144,091
Combined Ratio	101.8%	104.5%	107.4%	103.6%	105.1%
Ratio of Net Premiums Written to Policyholders' Surplus	.7 to 1.0	.5 to 1.0	.5 to 1.0	.5 to 1.0	.5 to 1.0

*These GAAP statistics have been condensed from the Group's financial statements as audited by Ernst & Young LLP.

**These statistics were condensed from the Companies' Statutory Annual Statements as filed with the New Hampshire Insurance Department.

Rated A+ (Superior) Financial Size Category Class IX by A.M. Best Company.

Shaping Our Future





2014 2024 2034 2044

Shaping Our Future



Craft Strategies to Build
on Market Opportunities

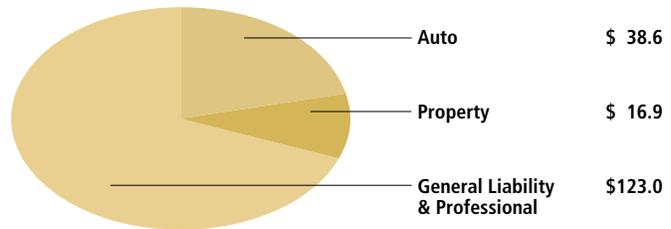
The Contract Division of Western World consists of the casualty and transportation units. The Division, which grew 24% in 2013, offers general liability, professional liability (non-profit directors & officers and miscellaneous errors & omissions), property and commercial auto coverages on small-to-medium size commercial risks. Contract business is distributed through select general agents with binding authority located throughout the United States. The Division includes distinct underwriting units which provide personalized service and technical expertise to specific geographic areas of the country.

The Western World Insurance Group has been a recognized leader in surplus lines binding authority for 50 years. Trust, authority and customized service are the cornerstones of its successful business partnerships. The Contract Division's products and authority can be tailored to specific market opportunities and challenges presented to its agents.

The general and professional liability and property coverages underwritten by the Division are offered on a non-admitted basis in 50 states. In many cases, these coverages can be offered on a package or a monoline basis.

Advancements in technology continued in 2013, with specific emphasis on our Western World Integrated Platform (WWIP). Within this platform is our underwriting guide which enables the agents to underwrite, rate, quote, bind, issue, endorse and renew policies from their centralized, web-based policy issuance systems.

Contract Division Premium Volume \$ Millions



- > General and professional liability and property coverage
- > Commercial auto insurance in 39 states
- > Long-term relationships with select agents
- > Personalized service
- > Technical knowledge of specific geographic regions

Examples of general and professional liability and property classes underwritten include:

- Alcohol/Drug Rehab Centers
- Ambulances, Paramedics and EMTs
- Amusement Devices
- Apartments
- Athletic Events
- Buildings
- Clubs
- Contractors
- Daycare
- Dwellings
- Exercise and Health Studios
- Home Health Care
- Homeowners' and Condominium Associations
- Janitorial
- Nurses' Registries
- Outpatient Counseling Clinics
- Pest Control
- Schools
- Social Workers and Social Service Agencies
- Special Events
- Tanning Salons
- Therapists
- Volunteer Firefighters

Examples of commercial auto liability, physical damage and cargo classes underwritten include:

- Contractors/Artisans
- Daycare Buses
- Dump Trucks
- Flatbeds
- Grain Haulers
- Limousines
- Loggers
- Social Service Agencies
- Taxis
- Truckers
- Wreckers

Improvements we made in WWIP's ease-of-use functionality in 2013 were responsible for record-setting numbers of users, quotes, binders, and policies issued, and more than 85% of our overall premium in 2013 was bound through WWIP.

Additional enhancements are slated for 2014.

The commercial automobile coverages underwritten by the Division are offered on an admitted basis through Stratford Insurance Company and on a non-admitted basis through Western World Insurance Company. Specializing in local and intermediate trucking, public auto and business auto, the Division writes commercial auto in 39 states.

In 2012, we were very pleased to introduce our enhanced Commercial Automobile Underwriting Guide which enabled our agents to underwrite, rate, quote, bind, issue and endorse policies from the Western World Integrated Platform for auto (WWIP-Auto). Our new underwriting guide was introduced in South Carolina in 2012, several states were added in 2013, and several more will be added in 2014.

These ongoing enhancements in technology and online access improved our ease-of-use capabilities

and service to our agents while maintaining underwriting integrity. These initiatives, along with our new and improved products and classes, have kept us a leader within the industry.

Our success in distributing small-to-medium size commercial risks on a binding authority basis results from careful selection of classes, management of our underwriting authority and alignment with the best possible business partners. We will continue to nurture and grow these business relationships by using all the tools available to us in underwriting, marketing, technology, claims and customer service. The Contract Division can provide a completely autonomous product line, or it can work with our Product Management and Development Department and Western World's underwriting divisions to supply select general agents with broader product offerings.

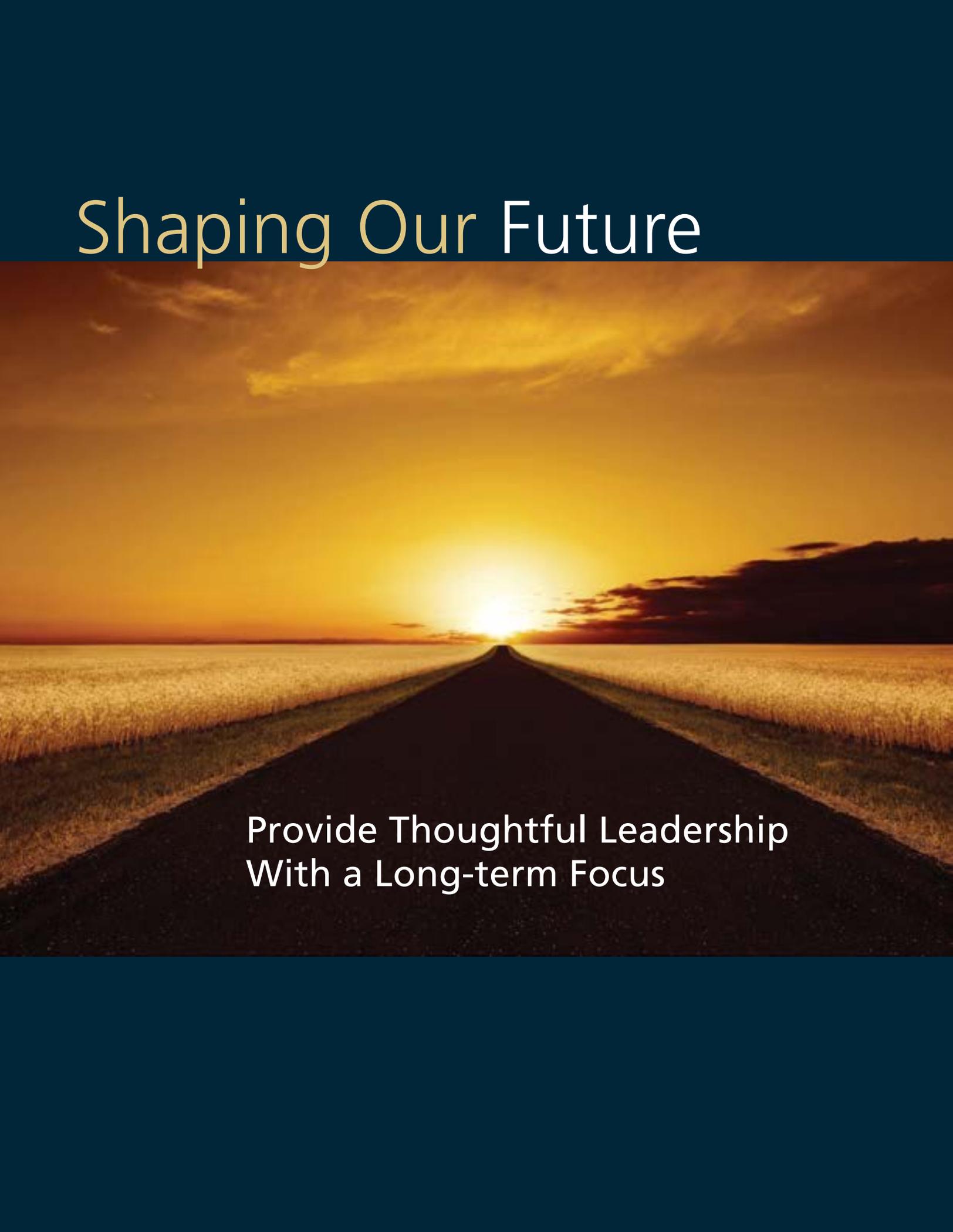
Personalized service, a unique range of products and a loyal distribution system contributed to superior growth in 2013.

Shaping Our Future

Expand Our
Product Offerings
Across All Underwriting
Divisions



Shaping Our Future

A long, straight road stretches into the distance towards a bright sun on the horizon, flanked by golden fields under a dramatic, orange-hued sky. The sun is low on the horizon, creating a strong lens flare and illuminating the clouds and fields with a warm, golden light. The road is dark and appears to be made of asphalt, with a clear center line. The fields on either side are tall and golden, suggesting a late autumn or early winter setting. The overall mood is one of hope, direction, and a long-term perspective.

Provide Thoughtful Leadership
With a Long-term Focus

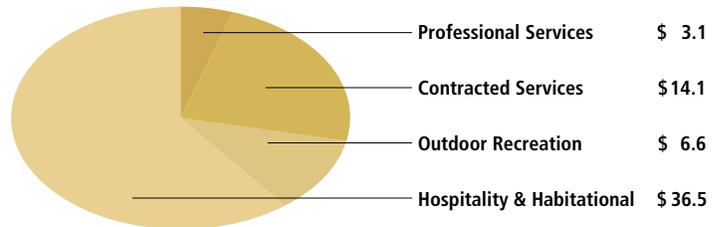
2013 marked another successful year for the Western World Program Division with its written premium volume growing by more than 22% and exceeding the annual forecast projections. The Division entered 2013 with the anticipation that it was positioned to organically build premium volume through increased rates and policy count as a result of the successful addition of several new program relationships realized in 2011 and again in 2012.

The Division is proud to report that over its first 13 years in operation, it has underwritten over \$475M in total written premium and continues to build on its reputation as a reliable partner as evidenced by its selection as one of the top carrier partners in recent trade industry surveys.

The Program Division also met its goal of selectively increasing its capacity to support the diversification of its specialty programs. The Division built on its well established reputation as a provider of superior service and comprehensive customized solutions for a broad range of specialty classes of business.

In recent years, increased capacity, including support from our reinsurance partners, and the addition of new products and coverages has positioned the Program Division to be recognized as a market of choice as it capitalizes on expanding opportunities that are emerging in the rapidly growing program sector.

Program Division Premium Volume \$ Millions



- > Professional, commercial general liability, property and commercial auto plans for affinity group program administrators
- > Specialized coverage solutions tailored to unique exposures
- > Personalized attention by our senior managers
- > Technology solutions and claims handling customized to individual programs

The Western World Program Division's team is proud to have expanded the number of unique and diversified programs successfully underwritten to include:

Hospitality & Habitational

- Apartments
- Bars & Taverns
- Food Services
- Hotels & Inns
- Restaurants
- Vacation Rental Properties

Contracted Services

- Building Contractors
- Equipment Rental Services
- Fire Suppression Contractors
- Janitorial Services
- Landscapers
- Pest Control Services
- Tow Truck Contractors
- Traffic Control Contractors

Outdoor & Recreation

- Challenge Course Operations
- Equine Risk
- Outfitters & Guides
- Sports Camps
- Swimming Pools & Clubs

Professional Services

- Daycare Services
- EMT Services
- Mental Health Practitioners
- Social Service Agencies

The Western World Program Division prides itself on servicing program administrators who value an enduring relationship with a stable insurance company partner. The Division offers unmatched personalized attention and protection to agents who add unique value and expertise to the distribution of specific classes of business.

The clients of the Program Division focus on affinity group marketing. This distribution method often involves trade association ties that may require the development of solutions for unique or newly-emerging liability exposures not readily recognized in the marketplace, including property, automobile and professional liability coverage. The Western World Program Division focuses on understanding the specific requirements of an affinity group in order to provide the underwriting and technical expertise necessary to meet their service needs and exceed their expectations.

The Division seeks customers who have expertise within a specific market sector and an established book of business. These clients receive the attention of our senior management team, access to resources within all areas of the group, exclusivity, protection and binding authority. A high premium volume commitment is not essential to the Program Division's business model.

The Western World Program Division designs tailored solutions for the following types of exposures:

- Professional and commercial general liability, including packaged property, inland marine and automobile coverages;

- Classes of business that are difficult to price and where published rates are not available;
- Unique risks which are newly emerging and typically recognized only in the surplus lines marketplace;
- Clients needing manuscript coverages and tailored solutions.

Significant, industry leading, advances that the Western World Group has made in policy automation benefit our Division customers with select customization and functionality. The Division's web-based policy management and workflow system allows agent partners to more effectively manage their business in real time with streamlined processing and data transfer tools that are often customized for their needs.

The Division also strives to enhance its dedicated claims handling capabilities through the Western World Claims Department, giving agents and policyholders direct access to a claims team that understands the unique characteristics of their business.

Shaping Our Future

Create Greater Flexibility in
Product and Distribution Options



Shaping Our Future

A silhouette of a hand holding the sun over a lake at sunset. The sun is a bright yellow circle in the center of the hand, which is positioned in the lower right quadrant of the frame. The background shows a calm lake reflecting the sunset sky, with a dark shoreline on the left and a dark horizon line. The sky is filled with soft, golden clouds. The overall mood is serene and hopeful.

Deliver a Superior Level of
Service and Dependability

The Western World Brokerage Division offers general liability and professional liability coverage to select brokers and agents. The Brokerage Division grew by 9% in 2013, which was above expectations. Both the professional and general liability underwriting units contributed to the success by exceeding our forecast. The balanced growth was a result of product enhancement and strengthened broker relationships.

The Brokerage Division made a strategic change regarding distribution in 2013. By significantly reducing the number of brokers and agents with access to the Brokerage Division, we were able to strengthen our remaining relationships through improved service and shared commitments for growth.

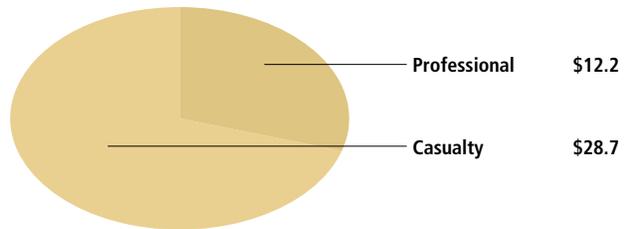
The Brokerage Division underwrites the larger, more complex accounts written within the Western World Insurance Group. The Brokerage Division's professional liability underwriters have unique product expertise that is shared throughout the Group.

The Division provides a disciplined underwriting approach and a diverse array of products backed by the financial strength of the Western World Insurance Group making it a valuable business partner for its brokers.

PROFESSIONAL LIABILITY

The professional unit writes a wide range of D&O and E&O classes. Two new product offerings were added to the professional liability line up in 2013. The Cyber-Liability and Technology suite of E&O coverages keeps us on the cutting edge in the digitally driven business world. Additionally, expanding our D&O offering into "for-profit" private company management liability

Brokerage Division Premium Volume \$ Millions



- > Peace-of-mind professional liability protection
- > Expertise and resources to meet complex general and products liability challenges
- > Premier level of service from dedicated middle-market underwriters
- > Select brokerage channel

- Current professional liability products written by the Brokerage Division include:
- Architects & Engineers Liability
 - Directors & Officers Liability – For-Profit
 - Directors & Officers Liability – Non-Profit
 - Educational Errors & Omissions Liability
 - Information Technology Professional Liability
 - Miscellaneous Professional Liability
 - Public Officials Liability
 - Real Estate Professional Liability

- Examples of general liability classes of business written by the Brokerage Division include:
- Equipment Rental
 - Furniture Manufacturers
 - General Contractors (Commercial Construction & Residential Remodelers)
 - Hotels
 - Lessors Risk
 - Shopping Centers
 - Sporting Goods Manufacturers
 - Supermarkets
 - Toy Manufacturers

allows us to gain a foothold in a new market segment. Western World's proprietary rate, quote, bind, issue platform—WWIP—has greatly improved the efficiency, speed and presentation of quotes and policies to our brokers and their customers.

With the addition of new products and underwriting talent, Brokerage Professional has increased the average premium size of policies written for our core products.

The Brokerage professional liability staff welcomes the opportunity to share their knowledge and expertise. They have participated in industry speaking engagements and educational sessions for brokers and agents.

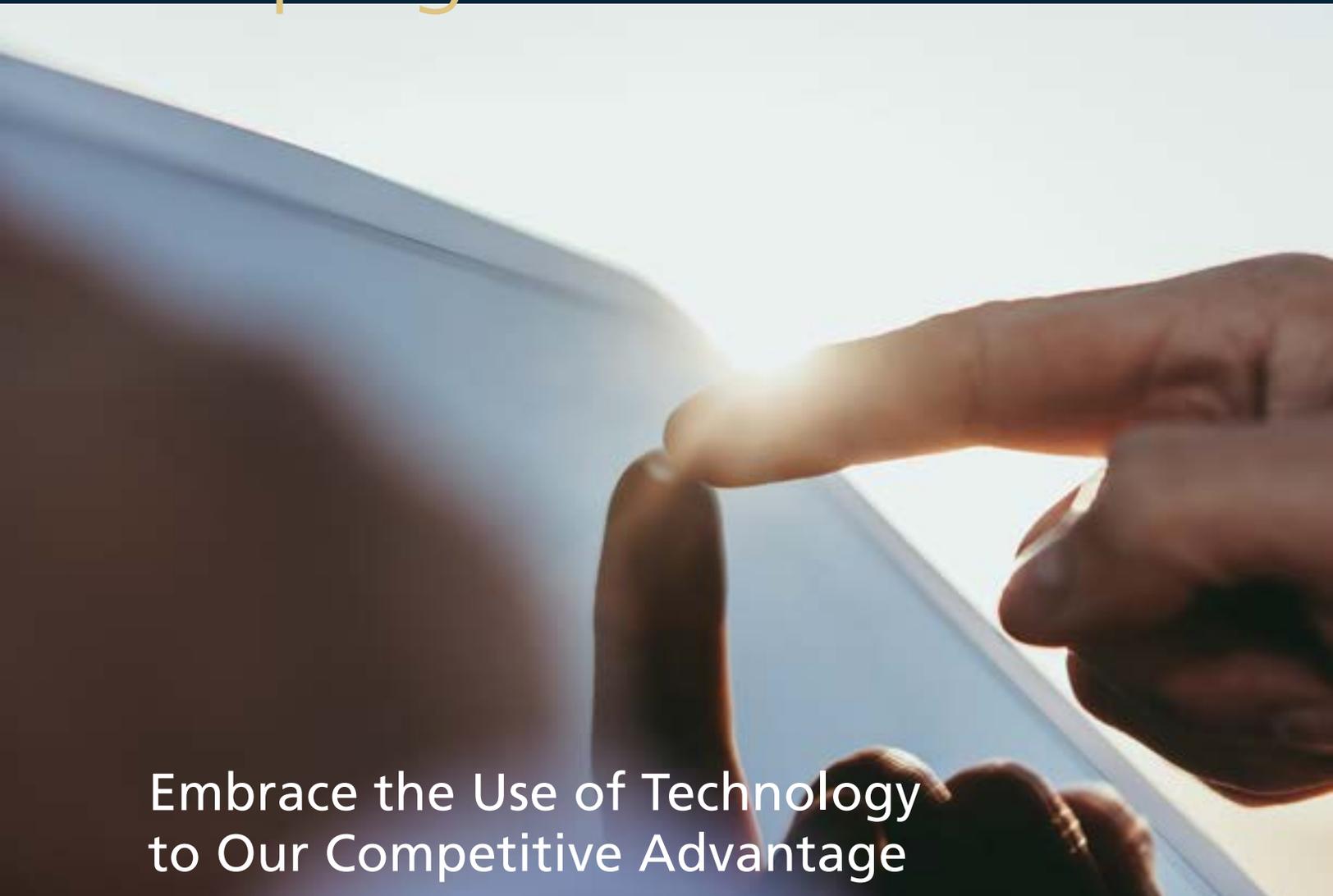
CASUALTY

The casualty unit underwrites larger, more complex general liability and products liability risks distributed through excess and surplus lines brokers. Able to entertain a wide range of general liability classes including manufacturers and contractors, the O,L&T segment is where the unit has experienced the majority of growth. Fueled by strong broker relationships and an increasing average account premium, the casualty unit grew by more than 8% in 2013. Flexible underwriting and superior service, coupled with Western World's responsive claims handling have combined to deliver a strong value proposition to the marketplace. Based on the principles of underwriting integrity, individual risk underwriting and service to its producers, the unit expects to carry this positive momentum into 2014.

Working closely with the Western World Claims Department, the unit offers personalized service to its customers. The casualty unit makes extensive use of deductibles, self-insured retentions and unique forms to handle a wide range of exposures with premiums typically ranging from \$10,000 to \$250,000 per policy.

Our customers benefit from the ease-of-use characteristics built into our services, and Brokerage producers may access loss runs and applications easily from Western World's website. All quotes and binders have links to applicable policy forms and endorsements, allowing brokers and their customers to review these documents effortlessly and efficiently.

Shaping Our Future



Embrace the Use of Technology
to Our Competitive Advantage



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