

ANNUAL STATEMENT  
RECEIVED

MAR 03 2014

For the Year Ended

December 31 , 2013

BY \_\_\_\_\_

OF THE CONDITION AND AFFAIRS OF THE

WASHINGTON MUTUAL INSURANCE ASSOCIATION

ORGANIZED UNDER THE LAWS OF THE STATE OF OHIO

Made to the

INSURANCE COMMISSIONER OF THE STATE OF OHIO

Pursuant to the Laws thereof

NAIC Company Code

10255

Home Office

3873 CLEVELAND ROAD  
Street and Number

WOOSTER 44691  
City Zip Code

OH

Mail Address

3873 CLEVELAND ROAD  
Street and Number

WOOSTER 44691  
City Zip Code

OH

Main Administrative Office

(330) 345-8100  
Telephone Number

Organized

SEPTEMBER 18, 1878

Commenced Business

OCTOBER 22, 1878

Annual Statement Contact Person

TOD JAMES CARMONY

Telephone Number

(330) 345-8100

Contact Person Email Address

tod\_carmony@wayneinsgroup.com

OFFICERS

President

TOD JAMES CARMONY

Vice President

DAVID EDWARD TSCHANTZ

Secretary

MORRIS STUTZMAN

Treasurer

DAVID EDWARD TSCHANTZ

DIRECTORS

(ALL DIRECTORS MUST BE SHOWN)

SCOTT LEE PREISING  
GREGORY TODD BUEHLER

TOD JAMES CARMONY  
ELIZABETH F MCCOY

DAVID EDWARD TSCHANTZ  
DONALD A RAMSEYER

MORRIS STUTZMAN

State of Ohio

County of

WAYNE

TOD JAMES CARMONY

President and

MORRIS STUTZMAN

Secretary of the

WASHINGTON MUTUAL INSURANCE ASSOCIATION

, being duly sworn each for himself/herself deposes and says, that they are the above described officers of said reporting entity, and that on the reporting period stated above all 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, with the schedules and explanations herein contained, annexed or referred to, is a full and correct 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, according to the best of their information, knowledge and belief, respectively.

Subscribed and sworn to before me, this 26th

day of February 20 14

Notary Public



KIMBERLY A. MAST  
NOTARY PUBLIC, STATE OF OHIO  
My Commission Expires  
Oct. 30, 2015

President  
Secretary

Signature of Person Preparing Statement

**ANNUAL STATEMENT FOR THE YEAR**  
**WASHINGTON MUTUAL INSURANCE ASSOCIATION**

2013

**ASSETS**

		Assets Current Year	Nonadmitted Assets Current Year	Net Admitted Assets Current Year	Net Admitted Assets Prior Year
1	Bonds (Schedule D - Part 1)	1,603,781.75	0.00	1,603,781.75	1,213,096.00
2	Preferred stocks, common stocks and mutual funds (Schedule D - Part 2)	8,853.38	1,602.08	7,251.30	6,759.30
3	Real estate (less liens, encumbrances) (Schedule A)	0.00	0.00	0.00	
4	Cash (Schedule E)	756,316.82	0.00	756,316.82	735,311.64
5	Short-term investments		0.00	0.00	
6	Aggregate write-ins for invested assets	156,657.50	0.00	156,657.50	
7	Subtotals, cash and invested assets	2,525,609.45	1,602.08	2,524,007.37	1,955,166.94
8	Investment income due and accrued	11,748.31	0.00	11,748.31	8,675.15
9.1	Assessments or premiums in the course of collection (including agents balances)	536,487.99	0.00	536,487.99	468,731.63
9.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,450,599.08	0.00	1,450,599.08	1,312,005.15
9.3	Earned but unbilled premiums (post assessment)		0.00	0.00	
10.1	Amounts recoverable from reinsurers	41,522.61	0.00	41,522.61	
10.2	Funds held by or deposited with reinsured companies		0.00	0.00	
11.1	Current federal income tax recoverable and interest thereon	0.00	0.00	0.00	6,400.00
11.2	Net deferred tax asset		0.00	0.00	41,615.00
12	Electronic data processing equipment and software	8,760.85	0.00	8,760.85	11,882.47
13	Furniture and equipment		0.00	0.00	
14	Receivables from parent, subsidiaries and affiliates		0.00	0.00	
15	Aggregate write-ins for other than invested assets	21,066.99	21,066.99	0.00	0.00
16	Total Assets	4,595,795.28	22,669.07	4,573,126.21	3,804,476.34
	Details of Write-Ins for Assets:				
1501	AGENT LOAN	21,066.99	21,066.99	0.00	
1502				0.00	
1503				0.00	
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00	0.00
1599	Total aggregate write-ins	21,066.99	21,066.99	0.00	0.00

ANNUAL STATEMENT FOR THE YEAR  
WASHINGTON MUTUAL INSURANCE ASSOCIATION

2013

LIABILITIES, SURPLUS AND OTHER FUNDS

		Current Year	Prior Year
1	Unpaid Losses (Underwriting Exhibit - Part 2A)	0.00	
2	Unpaid loss adjustment expenses (Underwriting Exhibit - Part 2A)	0.00	
3	Commissions due and payable to agents	550,717.62	393,297.49
4	Other expenses (excluding taxes, licenses and fees)	83,011.45	77,763.92
5	Taxes, licenses and fees (excluding federal income taxes)		
6	Current federal income taxes (including \$0 on realized capital gains (losses))		
7	Net deferred tax liability		
8	Borrowed money and interest thereon		
9	Unearned assessment/premium reserve		
10	Advance premium	57,367.82	44,224.36
11	Ceded reinsurance premiums payable	2,928,962.48	2,579,153.92
12	Funds held by company under reinsurance treaties		
13	Amounts withheld or retained by company for account of others		
14	Provision for unauthorized reinsurance		
15	Payable to parent, subsidiaries and affiliates	441,298.72	187,310.11
16	Aggregate write-ins for liabilities	0.00	0.00
17	Total liabilities	4,061,358.09	3,281,749.80
18	Surplus as regards policyholders	511,768.12	522,726.54
19	Total liabilities and surplus	4,573,126.21	3,804,476.34
	Details of Write-Ins for Liabilities:		
1601			
1602			
1603			
1698	Summary or remaining write-ins from overflow page	0.00	0.00
1699	Total aggregate write-ins	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR**  
**WASHINGTON MUTUAL INSURANCE ASSOCIATION**  
**STATEMENT OF INCOME**

**2013**

		Current Year	Prior Year
	<b>UNDERWRITING INCOME</b>		
1.1	Gross Assessments/Premiums earned	7,604,484.89	6,662,824.84
1.2	Less: Return Assessments/Premiums earned		
1.3	Direct Assessments/Premiums earned	7,604,484.89	6,662,824.84
1.4	Deduct premiums for reinsurance ceded (Reinsurance Schedule)	7,604,484.89	6,662,824.84
1.5	Add premiums received for reinsurance assumed (Reinsurance Schedule)	0.00	
1.6	Net Assessments/Premiums earned	0.00	0.00
	<b>DEDUCTIONS</b>		
2	Losses incurred (Underwriting Exhibit - Part 2)	0.00	
3	Loss expenses incurred (Expense Exhibit)	0.00	
4	Other underwriting expenses incurred (Expense Exhibit)	332,737.94	341,218.81
5	Aggregate write-ins for underwriting deductions	0.00	0.00
6	Total underwriting deductions	332,737.94	341,218.81
7	Net underwriting gain (loss)	-332,737.94	-341,218.81
	<b>INVESTMENT INCOME</b>		
8	Net investment income earned	56,126.34	55,141.84
9	Net realized capital gains (losses) less capital gains tax		-1,093.60
10	Net investment gain (loss)	56,126.34	54,048.24
	<b>OTHER INCOME</b>		
11	Net gain (loss) from agents' or premium balances charged off		
12	Finance and service charges not included in premiums	114,569.82	104,489.57
13	Aggregate write-ins for miscellaneous income	164,006.52	176,087.38
14	Total other income	278,576.34	280,576.95
15	Net income, after capital gains tax and before federal income taxes	1,964.74	-6,593.62
16	Federal income taxes incurred		0.00
17	Net income	1,964.74	-6,593.62
	<b>SURPLUS ACCOUNT</b>		
18	Surplus as regards policyholders, December 31 prior year	522,726.54	537,696.50
19	Net income	1,964.74	-6,593.62
20	Change in net unrealized capital gains or (losses) less capital gains tax	491.32	121.78
21	Change in net deferred income tax	-110,585.00	-6,226.00
22	Change in nonadmitted assets (Exhibit of Nonadmitted Assets)	97,170.52	-2,272.12
23	Change in provision for reinsurance		
24	Aggregate write-ins for gains and losses in surplus	0.00	0.00
25	Change in surplus as regards policyholders for the year	-10,958.42	-14,969.96
26	Surplus as regards policyholders, December 31 current year	511,768.12	522,726.54
	<b>DETAILS OF WRITE-INS</b>		
0501			
0502			
0503			
0599	Total Aggregate write-ins for underwriting deductions	0.00	0.00
1301	<b>MANAGEMENT FEES</b>	17,632.89	4,476.99
1302	<b>SUPPLEMENTAL PREMIUM COMMISSIONS</b>	146,373.63	171,610.39
1303			
1304			
1399	Total Aggregate write-ins for miscellaneous income	164,006.52	176,087.38
2401			
2402			
2499	Total Aggregate write-ins for gains and losses in surplus	0.00	0.00

**ANNUAL STATEMENT FOR THE YEAR**  
**WASHINGTON MUTUAL INSURANCE ASSOCIATION**

**2013**

**CASH FLOW STATEMENT**

		Current Year	Prior Year
<b>Cash from Operations</b>			
1	Premiums/Assessments collected net of reinsurance	156,601.73	253,516.98
2	Net investment income	56,010.16	57,314.79
3	Miscellaneous income	278,576.34	280,576.95
4	Total	491,188.23	591,408.72
5	Benefit and loss related payments	41,522.61	-44,481.09
6	Commissions, expenses paid and aggregate write-ins for deductions	118,954.76	216,878.70
7	Federal and foreign income taxes paid (recovered)	-6,400.00	
8	Total	154,077.37	172,397.61
9	Net cash from operations	337,110.86	419,011.11
<b>Cash from Investments</b>			
10	Proceeds from investments sold, matured or repaid:		
10.1	Bonds	100,000.00	533,754.00
10.2	Stocks		
10.3	Real estate		
10.4	Net gains (losses) on cash, cash equivalents and short- term investments		
10.5	Miscellaneous proceeds		
10.6	Total investment proceeds	100,000.00	533,754.00
11	Cost of investments acquired (long-term only):		
11.1	Bonds	493,134.90	759,665.00
11.2	Stocks		
11.3	Real estate		
11.4	Miscellaneous applications		
11.5	Total investments acquired	493,134.90	759,665.00
11.6	Net cash from investments	-393,134.90	-225,911.00
<b>Cash from Financing and Miscellaneous Sources</b>			
12.1	Borrowed funds (cash provided/applied)		
12.2	Other cash provided (applied)	77,029.22	25,614.78
13	Net cash from financing and miscellaneous sources	77,029.22	25,614.78
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
14	Net change in cash, cash equivalents and short-term investments	21,005.18	218,714.89
15.1	Beginning of year (cash, cash equivalents and short-term investments)	735,311.64	516,596.75
15.2	End of year (cash, cash equivalents and short-term investments)	756,316.82	735,311.64

**ANNUAL STATEMENT FOR THE YEAR  
WASHINGTON MUTUAL INSURANCE ASSOCIATION**

**2013**

**EXPENSE EXHIBIT**

		Current Year
	<b>Claim Adjusting:</b>	
1.1	Direct	115,240.51
1.2	Reinsurance assumed	
1.3	Reinsurance ceded excluding contingent (commission and brokerage)	115,240.51
1.4	Net claim adjusting	0.00
	<b>Commission and Brokerage:</b>	
2.1	Direct commission and brokerage	1,357,507.83
2.2	Reinsurance assumed excluding contingent	
2.3	Reinsurance ceded excluding contingent (commission and brokerage)	2,128,807.94
2.4	Contingent - direct (commission and brokerage)	210,715.01
2.5	Contingent - reinsurance assumed (commission and brokerage)	
2.6	Contingent - reinsurance ceded (commission and brokerage)	
2.7	Policy and membership fees (commission and brokerage)	
2.8	Net commission and brokerage	(560,585.10)
3	Allowances to managers and agents	21,876.80
4	Advertising	15,320.55
5	Boards, bureaus and associations	40,623.58
6	Surveys and underwriting reports	100,844.92
7	Audit of assureds' records	
	<b>Salary and related items:</b>	
8.1	Salaries	
8.2	Payroll taxes	
9	Employee relations and welfare	
10	Insurance	29,067.45
11	Directors' fees	19,000.00
12	Travel and travel items	9,497.34
13	Rent and rent items	7,282.46
14	Equipment	4,977.08
15	Cost or depreciation of EDP equipment and software	6,791.45
16	Printing and stationery	30,940.10
17	Postage, telephone, exchange and express	31,459.34
18	Legal and auditing	
19	Loss adjustment expenses	
18	Investment expenses	
19	Totals	317,681.07
	<b>Taxes, licenses and fees:</b>	
20.1	State and local insurance taxes	0.00
20.2	Insurance department licenses and fees	14,625.60
20.3	All other (excluding federal income and real estate)	300.00
20.4	Total taxes, licenses and fees	14,925.60
21	Real estate expenses	3,336.43
22	Real estate taxes	
23	Aggregate write-ins for miscellaneous expenses	557,379.94
24	<b>Total expenses incurred (a)</b>	332,737.94
25	Less unpaid expenses - current year	633,729.07
26	Add unpaid expenses - prior year	471,061.41
27	Total expenses paid	170,070.28
	<b>Details of Write-Ins:</b>	
2301	MINE SUBSIDENCE	5,068.43
2302	UTILITIES	6,211.52
2303	MISCELLANEOUS	5,640.47
2304	CLERICAL AND MANAGEMENT SERVICES	540,459.52
2305		
2399	Total Write-ins	557,379.94

(a) Includes management fees of \$0 to affiliates and \$0 to non-affiliates

ANNUAL STATEMENT FOR THE YEAR2013

WASHINGTON MUTUAL INSURANCE ASSOCIATION

INSURANCE IN FORCE

		Amount (dollars)	Number
1	In force December 31 of previous year (to equal prior year's statement)	1,658,203,007	9,204
2	Written during the year	435,023,498	1,572
3	Total	2,093,226,505	10,776
4	Deduct those expired and cancelled	236,176,590	1,376
5	In force December 31 of current year	1,857,049,915	9,400
6	Deduct amount reinsured	0	XXX
7	Net amount in force	1,857,049,915	XXX

UNDERWRITING EXHIBIT - PART 2  
LOSSES INCURRED

1	2	3	4	5	6
Lines of Business	Direct Losses Incurred	Losses Incurred on Reinsurance Assumed	Deduct: Reinsurance Recovered on Incurred Losses	Deduct: Salvage and Subrogation Converted To Cash	* Net Losses Incurred Columns 2 and 3 minus Columns 4 and 5
PROPERTY	3,920,979.91		3,920,979.91		-
					-
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 3,920,979.91	\$ -	\$ 3,920,979.91	\$ -	\$ -

\* Total should equal Line 2, Page 4, Current Year.

UNDERWRITING EXHIBIT - PART 2A  
UNPAID LOSSES and LOSS ADJUSTMENT EXPENSES

1	2	3	4	5	6
Lines of Business	Direct Unpaid Losses	Unpaid Losses on Reinsurance Assumed	Deduct: Reinsurance Recoverable on Unpaid Losses	** Unpaid Loss Adjustment Expenses	*** Net Unpaid Losses Columns 2 and 3 minus Column 4
PROPERTY	804,926.47		804,926.47		-
					-
					-
					-
					-
					-
					-
OVERFLOW AMOUNTS					-
Totals	\$ 804,926.47	\$ -	\$ 804,926.47	\$ -	\$ -

\*\* Total should equal Line 2, Page 3, Current Year.

\*\*\* Total should equal Line 1, Page 3, Current Year.



**ANNUAL STATEMENT FOR THE YEAR  
WASHINGTON MUTUAL INSURANCE ASSOCIATION**

**2013**

**EXHIBIT OF NONADMITTED ASSETS**

		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets
1	Bonds			0.00
2	Preferred and common stocks and mutual funds	1,602.08	1,602.76	0.68
3	Real estate (less liens, encumbrances)			0.00
4	Cash			0.00
5	Short-term investments			0.00
6	Aggregate write-ins for invested assets			0.00
7	Subtotals, cash and invested assets	1,602.08	1,602.76	0.68
8	Investment income due and accrued			0.00
9.1	Assessments or premiums in the course of collection (including agents balances)			0.00
9.2	Premium receivable for advance pay			0.00
9.3	Earned but unbilled premiums (post assessment)			0.00
10.1	Amounts recoverable from reinsurers			0.00
10.2	Funds held by or deposited with reinsured companies			0.00
11.1	Current federal income tax recoverable and interest thereon			0.00
11.2	Net deferred tax asset		68,970.00	68,970.00
12	Electronic data processing equipment and software			0.00
13	Furniture and equipment		3,669.83	3,669.83
14	Receivables from parent, subsidiaries and affiliates			0.00
15	Aggregate write-ins for other than invested assets	21,066.99	45,597.00	24,530.01
16	Total Assets	22,669.07	119,839.59	97,170.52
	Details of Write-Ins for Assets:			
1501	AGENT LOAN	21,066.99	45,597.00	24,530.01
1502		0.00	0.00	0.00
1503		0.00	0.00	0.00
1598	Summary or remaining write-ins from overflow page	0.00	0.00	0.00
1599	Total aggregate write-ins	21,066.99	45,597.00	24,530.01

## SCHEDULE A

Showing All Real Estate OWNED December 31 of Current Year

1	2	3	4	5	6	7	8	9	10
Description of Property	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7) *	Gross Income Current Year (Real Estate)	Gross Expenses Current Year (Real Estate)
NONE							-		
							-		
							-		
							-		
							-		
OVERFLOW AMOUNTS							-		
Totals	XXX	XXX	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*Total to agree with Page 2, Line 3, Current Year.

## FURNITURE, FIXTURES and AUTOMOBILES

Showing All Furniture, Fixtures and Automobiles OWNED December 31 of Current Year

1	2	3	4	5	6	7	8
Description	Date Acquired	Name of Vendor	Actual Cost	Current Year Acquisitions or Permanent Improvements	Accumulated Depreciation	Amount of Encumbrances	Book Value End of Current Year (Col. 4+5-6-7)
OFFICE FURNITURE ETC	VARIOUS	VARIOUS	103,960.61		103,960.61		-
RCC COMPUTER SYSTEM	9/25/2008	RCC	63,719.00		63,719.00		-
COMPUTER	2/8/2009	CDW	1,482.00		1,283.99		198.01
PRINTER	2/6/2008		539.00		539.00		-
5 DELL COMPUTERS	11/9/2009	DELL	5,096.01		4,765.79		330.22
DISATER RECOVERY EQUIP	8/29/2012		11,487.37		3,254.75		8,232.62
							-
							-
							-
							-
							-
							-
							-
OVERFLOW AMOUNTS							-
Totals	XXX	XXX	\$ 186,283.99	\$ -	\$ 177,523.14	\$ -	\$ 8,760.85

Showing all **BONDS** Owned on December 31 of Current Year

\* Annual Statement Value







REINSURANCE SCHEDULE

Reinsurance Ceded and Reinsurance Assumed

1	2	3	4	5	6	7	8
Reinsurer or Reinsured	Ceded or Assumed	Location of Company	Total Amount Reinsured	Total Premiums Ceded *	Total Premiums Assumed **	Largest Risk Ceded or Assumed	Remarks
WAYNE MUTUAL	CEDED	Wooster, OH		7,604,484.89			
OVERFLOW AMOUNTS							
Totals	XXX	XXX	\$ -	\$ 7,604,484.89	\$ -	XXX	XXX

Total to agree with Page 4, Line 1.4, Current Year.  
\*Total to agree with Page 4, Line 1.5, Current Year.

COMPENSATION SCHEDULE

Show all salaries, commissions, claim adjustment expenses, directors fees and expenses, and travel items paid in the current year for the top 5 officers/employees and all directors, travel or car allowances, if paid, are to be included.

1	2	3	4	5	6	7	8	9
Name of Payee	Title	Salaries	Commissions	Claim Adjustment Expenses	Directors Fees & Expenses	Travel & Travel Items	All Other	Total
Officers/Employees:								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
Directors:								\$ 3,500.00
SCOTT PREISING					3,500.00			\$ 4,000.00
GREGORY BUEHLER					4,000.00			\$ 3,500.00
ELIZABETH MCCOY					3,500.00			\$ 4,000.00
MORRIS STUTZMAN					4,000.00			\$ 4,000.00
DONALD RAMSEYER					4,000.00			\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
Totals	XXXX	\$ -	\$ -	\$ -	\$ 19,000.00	\$ -	\$ -	\$ 19,000.00

GENERAL INTERROGATORIES

(Answer all questions and attach additional sheets if necessary.)

1. Company's retention:

Fire\$0Wind\$0Other\$0

1a. Retention before reinsurance applies for:

Catastrophe Reinsurance\$0Aggregate excess of loss\$0

2. What is the largest risk assumed and retained:

\$0

3. What kind of perils are being covered?

ALL PHYSICAL DAMAGE PERILS TO PROPERTY INCLUDING THEFT

4. Have the by-laws been amended during the current year?

NOIf so, were such amendments filed with the Ohio Department of Insurance?

5. In what counties does the Company operate:

N/ASTATE OF OHIO

6. Name of Principal Officer and amount of bond.

TOD J CARMONY \$500,000

7. Are all of the persons who handle funds of the Company bonded?

YesXNo

State the name and amount of each bond on each, except person named in Item 6 above.\$500,000 CINCINNATI INSURANCE

8. Does the Company have an annual audit conducted by an independent CPA?

NO

9. State the number of members holding policies in the Company.

9400

10. Was an annual report of the Company made available to each policyholder?

YESIf so, did such report agree

11. State as of what date the latest examination of the Company was made by the Ohio Department of Insurance.

YES

12. How many assessments were made during the year?

NONEDate of last assessmentN/A

13. Did the assessment provide for all losses, expenses and all other liabilities prior to the date of assessment?

N/A

14. Rate of policy fee

NONE

15. State the amount of borrowed money since date of last assessment

NONEinterest thereonNONE

16. Does any person, firm, corporation or association have any claim, contingent or otherwise, against this Company which is NOT included in the liabilities on page 2 of this statement?

YesNoX

If yes, give the amount, terms for payment and reasons why such were not recorded as a liability on page 2 of this statement.

## 2013

Showing All Balances (according to Company's Records) Carried in Each Bank or Savings and Loan

**All Columns Must Be Completed for Each Deposit, CD, Checking Account, etc.**

[illegible]

\*Total to agree with Page 2, Line 4, Current Year.



ORGANIZATIONAL CHART

LIST ALL ENTITIES THAT ARE MEMBERS OF AN INSURANCE COMPANY HOLDING SYSTEM AS  
DEFINED IN ORC 3901.32

Schedule Y – Part 1 Organizational Chart  
Wayne Mutual / Washington Mutual (Group Code #4678)

