



WESTERN HERITAGE INSURANCE COMPANY

Dollars in 000							
	2015	2016	2017		2015	2016	2017
Total Assets	141,906	142,568	132,565	RBC Ratio (%)	30,733.9	28,090.6	34,910.2
Total Liabilities	32,241	30,356	17,064	2yr Res Development	0	0	0
Policyholder Surplus	109,665	112,212	115,502	2yr Dev / Surplus (IRIS #12)	0.0%	0.0%	0.0%
Cash & Invested Assets	108,446	119,744	116,101	Affiliated Common Stck	0	0	0
Cash & Invested Assets/ Total Asset	76.4%	84.0%	87.6%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	-1,306	1,077	-6,231	Net Reins Recoverable	338,837	277,044	205,763
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	309.0%	246.9%	178.1%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A+ / A+	A+ / A+	A+ / A+
GPW to PHS (IRIS #1)	157.0%	64.4%	6.0%				
NPW to PHS (IRIS #2)	0.0%	0.0%	0.0%				

Income/Loss Trends (\$000)		Combined Ratio (%) Trends	

Premium Trends (\$000)		2017 Investment Portfolio	

2017 Top 5 Geographies (DPW - \$000)		2017 Top 5 Lines of Business (DPW/Total DPW)	
<ul style="list-style-type: none"> AZ - \$1,073 FL - \$917 TX - \$849 CA - \$627 CO - \$323 All Other - \$3,083 	<ul style="list-style-type: none"> Comm'l Auto Liab - 56.8% Auto Phys - 27.3% Comm'l Multi Pri - 4.7% Allied Lines - 4.1% Oth Liab (Occurrence) - 2.9% All Other - 4.2% 		

Total NY State DPW	\$-0,057	Total All Lines	\$6,873
Total US ex Terr DPW	\$6,873		

Western Heritage Insurance Company was incorporated in the State of Arizona in September 1986. Financial control has been under Nationwide Mutual Insurance Company since 1999. The company has been eligible to write surplus lines business in New York since June 6, 2001. As of December 31, 2017, Western Heritage was licensed in Arizona and operated on a non-admitted basis in forty-nine states and the District of Columbia.

The company maintains a 100% quota share agreement with its immediate parent, Scottsdale Insurance Company. Scottsdale then cedes 100% of this business to the Nationwide Mutual Insurance Company pool. Since Western Heritage does not retain its underwriting risk, the risk of financial impairment is largely limited to credit risk exposure to its 100% reinsurer as well as risk from its investment portfolio. As a result of the quota share agreement, no values are reported for net premiums written, net premiums earned, underwriting income, and the various combined ratio trends.

#DIV/0 error messages occur in instances where the denominator of the ratio are zero (i.e. zero premium or reserves due to a 100% quota share).

ULTIMATE PARENT – Nationwide Mutual Insurance Company

Corporate Profile		Highlights (\$000)	2016	2017
Address:	Nationwide Mutual Group One Nationwide Plaza Columbus, OH 43215	Total Assets	37,185,213	35,425,425
Website:	www.nationwide.com	Total Liabilities	24,494,875	23,232,092
Ticker Symbol:	N/A	Shareholders' Equity	12,690,388	12,193,333
2017 Form 10-K:	N/A	Net Income	-314,581	-370,826
		Debt	2,191,611	2,192,136
		Debt / Equity	17.3%	18.0%
		Dividends Paid	10,919	9,061
		Dividends / Net Income	-3.5%	-2.4%

Top 5 Unaffiliated Reinsurers for Western Heritage Insurance Co. by Gross Recoverables

Dollars in 000

Rank	Reinsurer	Gross Recoverables	Assumed Premium (As-Reported by Reinsurer)	Premiums Ceded (As-Reported By Cedant)
1	Hartford Steam Boiler Inspection and Insurance Company	-1	NA	-1
2	General Reinsurance Corporation	-154	111	-8
3	-	-	-	-
4	-	-	-	-
5	-	-	-	-

Nationwide Mutual Insurance Company (“NMIC”) is a mutual holding company. Together with its affiliates and subsidiaries (collectively referred to as the Nationwide Group), NMIC is engaged in two core businesses: Property/Casualty Insurance and Life & Retirement Savings. The company was founded in 1925 and is based in Columbus, Ohio.

Important Information Regarding Financial Summaries

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use “due care” in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference “ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS”.

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.