



WESTFIELD
GROUP

Sharing Knowledge. Building Trust.®

2013 WESTFIELD GROUP ANNUAL REPORT

WESTFIELD INSURANCE

WESTFIELD BANK

WESTFIELD SERVICES



KNOWLEDGE • TRUST • INTEGRITY • RESPECT • STEWARDSHIP



*enabling our
customers'
peace of
mind and
financial
stability*

FROM WESTFIELD GROUP'S LEADER

For more than 166 years, Westfield has been upholding our promise of protection. I am excited about what we accomplished in the past year, and I look forward to our strong future. The annual report highlights both our insurance and banking achievements for 2013, as well as our significant goals for 2014.

Our operating results for the insurance business exceeded the industry's results in 2013 on almost all measures. Our statutory surplus now exceeds \$1.8 billion and our GAAP equity exceeds \$2 billion. Our financial strength is the underpinning of our promise of protection and allows us to invest in our company. You will find various metrics throughout the report.

Part of our success in 2013 was attributed to very benign weather across our footprint. We are very mindful of the volatility associated with the weather. We also had strong investment returns associated with our equity portfolio. And, our reserves remain strong.

This is against the backdrop of a slow economic recovery. Perhaps the most significant part of our continued success is the hard work by our employees and agency partners.

Our multi-year claims initiative remains on track for deployment in 2014. It will enhance the customer claims experience and it will help advance our analytics to understand risk in order to create better products and services.

Westfield continues to invest in our independent agency partners. We are committed to align the resources with agencies to create value in relationships and grow business. Westfield has been a major investor in the Consumer Agent Portal (CAP) as part of our commitment to Trusted Choice®. We also offer our agencies support through a strong combination of services provided by Westfield Bank and Westfield Services.

Westfield Bank had its best year yet. In 2013, the Bank successfully integrated Western Reserve Bank into our organization. Westfield Bank provides diversification to our business portfolio and complements the insurance operations. As a community bank, it provides support to the vitality of Northeast Ohio. Also, the Bank recently announced its intent to acquire Valley Savings Bank. This is a positive addition to the Bank and overall Group. The Bank is committed to growing organically and through targeted acquisitions.

Westfield has a strong heritage and an exciting future. There is an ambitious agenda set for 2014. We will continue to grow profitably while delivering on our customers' expectations. Our employees remain committed to building strong relationships and working smarter. We will continue to invest in our employees, our capabilities, our agency partners and the community.



I hope you find this report useful and that you get excited about the story it tells. Our mission and values guide us as we build our future together. I have no doubt that we will be successful.

Jim Clay

since 1848





SHARING KNOWLEDGE. BUILDING TRUST.

Westfield Group is a customer-focused insurance and banking group of businesses. From its humble beginnings in 1848, the Company was formed by farmers for farmers for the purpose of insuring farmers in small towns against loss or damage by fire. In the 1840s, fires were the difference between hardship and prosperity – for families, for businesses and for entire communities. The great fire of Chicago that burned 3.3 square miles of property would happen in 1871, 23 years after the company was established.

ABOUT WESTFIELD GROUP

WESTFIELD INSURANCE

is a super-regional property and casualty insurance company providing a broad portfolio of commercial and personal insurance products and surety bonds backed by knowledgeable employees and a network of professional independent insurance agencies. The business is among the nation's top 50 largest property and casualty insurance groups. Westfield Insurance has earned the rating of A (Excellent) or better from A.M. Best Company for more than 75 consecutive years.

WESTFIELD BANK

provides relationship-based banking services for businesses and individuals across Northeast Ohio and to Westfield Insurance agency partners. Customers look to Westfield Bank for knowledgeable personal service, local decision making, and the convenience of online banking anytime and anywhere. Customers choose Westfield Bank for the peace of mind that comes from working with bankers who know them and are committed to their success. BauerFinancial awards Westfield its 5-Star (Superior) rating.

WESTFIELD SERVICES

is a specialty insurance agency and services firm based in Columbus, Ohio. A resource to independent insurance agencies, Westfield Services offers customer service center support, access to specialty insurance products, and structured settlement solutions for claims. Westfield Services manages the Westfield Flood program through the National Flood Insurance Program, marketing to more than 500 agencies nationally.

Westfield's founders were very concerned about the livelihood of their fellow community members, but they were also enterprising business people. Their actions created opportunity for their community to grow and prosper. The guarantee against future loss enabled individuals and businesses to acquire assets and make investments that lead to a more prosperous life for themselves, their families and society as a whole. Our founders not only understood this concept but embraced it by seizing the opportunity and taking the personal risk to create the company.

It is on this history and with a similar passion to enable our customers' peace of mind and financial stability that Westfield continues to operate. Westfield has been guided by the same enduring core values throughout its history – Knowledge, Trust, Integrity, Respect and Stewardship.



"We trust Westfield with all of our banking and insurance needs. We've been with Westfield for 30 years and the relationship is very important to us. Our agent and business banker always provide personalized attention and immediate response. And, it makes me feel important that everyone knows my name when I visit the bank."

Curtis Perkins, owner
C. Martin Trucking
Westfield customer

FINANCIAL STRENGTH

Westfield remains a financially stable organization with a rock solid balance sheet. An effective investment philosophy ensures obligations to agents and customers can be met while still significantly increasing surplus.

Investment philosophy highlights:

- Emphasis in investment grade bonds
- 64% of the bonds held in the straight bond portfolio are rated AAA by Moody's
- 45% of fixed income assets are directly issued and backed by the U.S. Treasury and/or federal agencies of the U.S. Government

A.M. Best, a leading independent financial analyst, recognized Westfield Insurance's financial stability as one of its greatest strengths and rated the company 'A' or "Excellent." With more than 75 years of consecutive ratings of "A" or better, A.M. Best confirms Westfield's sound financial condition and places Westfield Insurance among the nation's best carriers.



Genuine care and support for the customer is what has differentiated Westfield for more than 166 years. Customers look to Westfield for information they can trust to make decisions about insurance and banking. The broad portfolio of insurance and banking services is backed by knowledgeable employees and a network of more than 1,000 professional independent insurance agencies.

Westfield independent agents are trusted professionals able to offer advice and answer questions about customers' insurance needs. Throughout Westfield's history, the quality of the independent agent has always been an asset, an advantage and an important benefit to customers. Customers work hard to build their businesses, raise their families and create a quality of life they can enjoy and want to protect. They realize insurance can be complex, and while they research information online, there is no substitute for knowledgeable, personal service that Westfield-appointed agencies deliver.

Westfield has always been a relationship company, guided by core values that help customers protect the things they care about most. This rich heritage enables Westfield to confidently embrace the future in an ever-changing business and customer environment. This, coupled with financial strength and stability, ensures Westfield will keep its promises now and in the future.

Westfield Insurance provides customers with a broad range of insurance products to meet both personal and commercial insurance needs. The company operates in 21 states for commercial property and casualty insurance, 10 states for personal insurance and 48 states for surety. Westfield is among the nation's top 50 largest property and casualty insurance companies, one of the top providers of farm insurance in the country, and one of the largest providers of contract performance bonds in Ohio.



WESTFIELD INSURANCE



Westfield is a participating company in Trusted Choice, providing homeowners insurance, auto insurance and business insurance through a network of independent agents who have committed to the Trusted Choice Pledge of Performance. This endorsement promotes the value of independent agents and sets the standard of quality service that customers expect and deserve.

“Westfield was excellent from start to finish. It made a difficult situation a breeze.”

Westfield customer comment on post-claim survey card

TRUSTED CHOICE® PLEDGE OF PERFORMANCE

Trusted Choice agencies are insurance and financial services firms whose access to multiple companies and commitment to quality service enable us to offer our clients competitive pricing, a broad choice of products and unparalleled advocacy.

As a Trusted Choice agency, we are dedicated to you and are committed to treating you as a person, not a policy. This commitment means we shall:

- Work with you to identify the insurance and financial services that are right for you, your family or your business and use our access to multiple companies to deliver those products.
- Guide you through the claims process for a prompt and fair resolution of your claim.
- Help you solve problems related to your coverage or account. Explain the coverages and options available to you through our agency, at your request.
- Return your phone calls and e-mails promptly and respond to your requests in a timely manner.
- Provide 24/7 services for our customers, offering any or all of the following: emergency phone numbers, Internet account access, e-mail and call center services.
- Use our experience and multiple company relationships to customize your coverage as needed.
- Commit our staff to continuing education so they may be more knowledgeable in serving you.
- Treat you with respect and courtesy.
- Conduct our business in an ethical manner.

We pledge this to you, our clients, and ask that you let us know if we fail to meet our commitment, so we may take corrective action.

Westfield Insurance is a multi-line insurer offering a broad range of insurance products for individuals and businesses. Our products are distributed through independent agents who serve their clients as trusted advisors.

COMMERCIAL INSURANCE

MIDDLE MARKET

Serving mid-size and larger businesses, Westfield's middle market team partners with agents to help customers navigate the complexities of insurance products and mitigate their exposure to risk. Middle market professionals are positioned throughout the country to bring local expertise, deliver exceptional service and to build strong relationships. This customer-focused approach brings together a full complement of trusted advisors. Together, the customer's agent, and a team of Westfield functional experts in underwriting, risk control, claims, billing and premium audit listen and study the customer's operation to customize a risk management plan that meets their needs.

2013 HIGHLIGHTS

- Added \$62 million in new business, representing solid growth year over year.

SMALL BUSINESS

Quality insurance protection is important no matter how small the business. Tailored primarily to privately-held small businesses, Westfield Insurance centralizes both property and liability products to help customers safeguard their buildings and its contents against losses or damages, and shields customers assets from third-party losses. By offering a wide range of optional coverages to small business customers, Westfield's experienced underwriting team leverages technology and automation so agents and customers can receive the responsiveness they need.

2013 HIGHLIGHTS

- Added \$38 million in new business, representing strong year-over-year growth.
- Significant profitability achieved, generating \$40.4 million statutory income gain.

SURETY

Successfully writing surety bonds since 1956, Westfield Insurance bonds a broad range of customers both in size and type. Products offered include: contract bonds, court and judicial bonds, probate bonds, license and permit bonds, public official bonds and miscellaneous indemnity bonds. The experienced team of surety underwriters and dedicated surety claim counsel provide a unique understanding of surety and comprehensive full-service contract and commercial surety solution to customers.

Ranked in the top 20 largest sureties in the U.S. in written surety premium as compiled by the Surety and Fidelity Association of America (SFAA), and being licensed in 48 states, Westfield has achieved an enviable record of profitable operations. This unparalleled performance is an advantage to customers who seek stability in a surety partner and allows Westfield to deliver outstanding products and service to meet the many needs of agents and customers. In addition, customers are confident in working with Westfield because of its financial strength, as the company is T-listed by the U.S. Treasury as an acceptable surety on Federal Bonds (Dept. Circular 570).

2013 HIGHLIGHTS

- Achieved continued underwriting success through a profitably performing risk portfolio - among industry leaders in loss ratio.
- Reenergized the focus on, and significantly expanded, commercial surety offerings and expertise to augment the already highly regarded contract surety business.
- Continued refinement of the WesCom Surety® commercial surety delivery platform.
- Partnered with agencies to understand our mutual customers and support their business plans during the most challenging economic times since the Great Depression.

SPECIALTY INSURANCE

AGRIBUSINESS

Westfield Insurance offers specialized experience, understanding and products for modern agriculture – from small farms to large farm and commercial agribusiness operations. This specialty line is committed to making sure customers have the proper coverage and risk management tools to keep their business protected. Expert knowledge of all segments of the agriculture industry, “from farm to plate” makes Westfield a one-stop agricultural carrier and one of the nation’s top writers of farm and commercial agribusiness.

Specialization in tailored products:

- Farmowners
- Agricultural and food product manufacturers and distributors
- Wineries and vineyards

2013 HIGHLIGHTS

- Achieved 94.7% combined ratio leading to a \$6 million net statutory underwriting gain.
- Westfield announced its newest product – WesAg Select – an agricultural output policy designed to combine commercial property and inland marine coverages in one comprehensive policy.
- Conducted inaugural annual Agribusiness Exchange – a discussion forum for customers from the farm and food production sectors to discuss and learn about food safety issues impacting their business.

TRANSPORTATION

Westfield provides high quality transportation industry insurance and risk and asset protection products that are supported with fair and accurate claims service. The dedicated industry experts in Westfield’s specialty risk division partner with their network of independent specialist agents to help customers steer through this complex industry by providing advice and guidance so their business stays on track.

To build comprehensive programs tailored to customer needs, Westfield transportation specialists take the time to listen to customers to fully understand their operation and customize a risk management and financial objective plan.

Of added value to customers is Westfield’s response and attention to claims from adjusters experienced in handling transportation losses. These claims specialists are supported by a large network of damage specialists and a dedicated roster of attorneys specializing in the defense of transportation claims throughout the country.

Products for transportation customers include:

- Motor carrier liability and physical damage
- Motor truck cargo
- Warehouse legal liability
- Commercial general liability
- Commercial automobile
- Property
- Crime/fidelity
- Employment practices liability (EPL)
- Umbrella

2013 HIGHLIGHTS

- Added \$15.7 million in new business, representing extraordinary year-over-year growth.
- Achieved 24% growth in direct written premium.
- Attracted additional staff and management to ensure continued service excellence and expertise to support the accelerated growth.

ADDITIONAL AREAS OF SPECIALIZATION IN COMMERCIAL INSURANCE

WORKERS' COMPENSATION

Westfield works with businesses to help them keep their employees safe, their business running and get their injured employees back to work quickly.

Business owners have worked hard to establish and grow their business and to create a safe work environment for employees. Westfield's responsible approach to collaborative planning, and timely deployment of resources is key to innovative solutions and the best workers' compensation outcomes. Importantly, businesses can count on Westfield to strive to help injured employees recover and return to work and normal life as quickly and safely as possible, which improves the bottom line.

The Westfield workers' compensation toolbox is full of programs and expert resources to help businesses take a proactive and effective approach to workers' compensation programs.

The tools and resources at Westfield help businesses navigate through the many intricacies associated with workers' compensation.

WesWorks® is an ideal solution for employers who do not have on-site return-to-work (RTW) positions available or when on-site transitional duty can not be accommodated.

WesWorks enables employers and their injured employees to give back to the community, until the injured employee is able to go back to work at the employer's workplace. This Westfield RTW program provides temporary off-site transitional work placement for injured employees at a local non-profit organization, where the injured employee can safely work and rehabilitate while making a difference in the community.

Westfield coordinates the program referrals, logistics and any other benefits due. The injured employee will return to work as soon as the employer can accommodate medical restrictions or when the injured employee is ready to resume regular job duties.

When it comes to return-to-work, Westfield has a complete program that keeps employees connected and engaged, while minimizing the financial impact to both the employee and the business.

SIGNATURE SERIES®

Westfield Signature Series goes beyond traditional insurance and offers businesses in specific industries comprehensive coverage from a single source. With in-depth knowledge and expertise in many business sectors, customers benefit from specialized coverages and services that reflect the unique needs of their business.

The Signature Series delivers specialized value for:

- Distributors insurance: both general distributors and food distributors
- Health & human services insurance: including medical offices, outpatient care centers, medical diagnostic laboratories
- Hospitality insurance: hotels, restaurants, golf courses
- Manufacturers insurance: manufacturing operations, customized by industry
- Contractors insurance
- Commercial real estate insurance

Westfield's uniquely designed "signature" products protect businesses against specific risks inherent to their industry.

PERSONAL INSURANCE

Through its network of local independent agents, Westfield offers insurance solutions for home, auto and more. Personal insurance products include auto insurance, home owners insurance, umbrella insurance, recreational vehicle (motorcycle, boat, RV) insurance, condo and renters insurance. Customers who prefer the convenience of auto and home insurance in one package or who have more complex protection needs can take advantage of **Wespak®** and **Wespak Estate®**. Wespak Estate is perfect for customers who own high-valued homes and possessions that require special coverage. Additional protection and services such as roadside assistance, identity theft and equipment breakdown coverage gives that extra peace of mind and exceptional experience to Westfield customers.

Every Westfield policy is backed by claims service experience that is committed to accuracy, trustworthiness and transparency. Customers can count on Westfield to pay what they owe and to work hard to help get them back on track as quickly as possible.

2013 HIGHLIGHTS

- Added \$66.4 million in new business, representing solid year-over-year growth.
- More than 85% of overall premium attributed to packaged product resulting in stronger multiline customer relationships.
- Effectively managed accident loss ratio, leading to a \$34.5 million net statutory gain.

WESPAK & WESPAK ESTATE

Westfield's packaged products conveniently bundle home and auto insurance policies into one package. Customers receive extra coverage that normally costs more when added to a regular policy.

Customers only receive one bill for these packages. Several discounts are included based on supplemental coverages, which can be discussed with an agent at the time a policy is established.

"It was almost too easy. Everyone was great to deal with."

Westfield customer comment on post-claim survey card



WHY WESTFIELD

EXPERT ADVICE ON YOUR COVERAGE

Peace of mind is more than taking care of you when you have a claim — it's also knowing you have the right insurance coverage for your business and your family. Westfield is represented exclusively by independent agents who are selected based on their professionalism and commitment to caring and personal service.

CLAIMS SERVICE YOU CAN COUNT ON


Every Westfield Insurance policy, both personal and commercial, is backed by a commitment to prompt, fair and professional claims service. Our commitment to customers is to respond to claims quickly and compensate you for each covered loss. Westfield representatives receive some of the most extensive training in the industry so they are prepared to explain the claim process, answer questions and help you through your most difficult times.

STABILITY YOU CAN TRUST

In business since 1848, Westfield has a long track record of superior service and protection for customers. You need to know that your insurance company is financially stable and will be able to back up the promise on your policy. Westfield is committed to integrity in our financial practices and a solid investment philosophy that has earned us an "A" Excellent rating from A.M. Best, the organization that rates the financial strength of insurers.

PARTNER WITH A COMPANY WHO CARES

Westfield is a company that cares about the communities in which we work and live. Westfield and its employees give back in ways that go beyond day-to-day business activities. Westfield is committed to good corporate citizenship, contributing time and resources to many organizations whose values match its own, especially in efforts that focus on human services, community development, and safety and education.



Westfield is making major investments in claims customer and analytical capabilities through new processes, organizational changes and technology to exceed customers and agents service expectations around speed, accuracy and ease of doing business.

"I certainly do recommend Westfield - sunshine during a cloudy episode."

Westfield customer comment on post-claim survey card

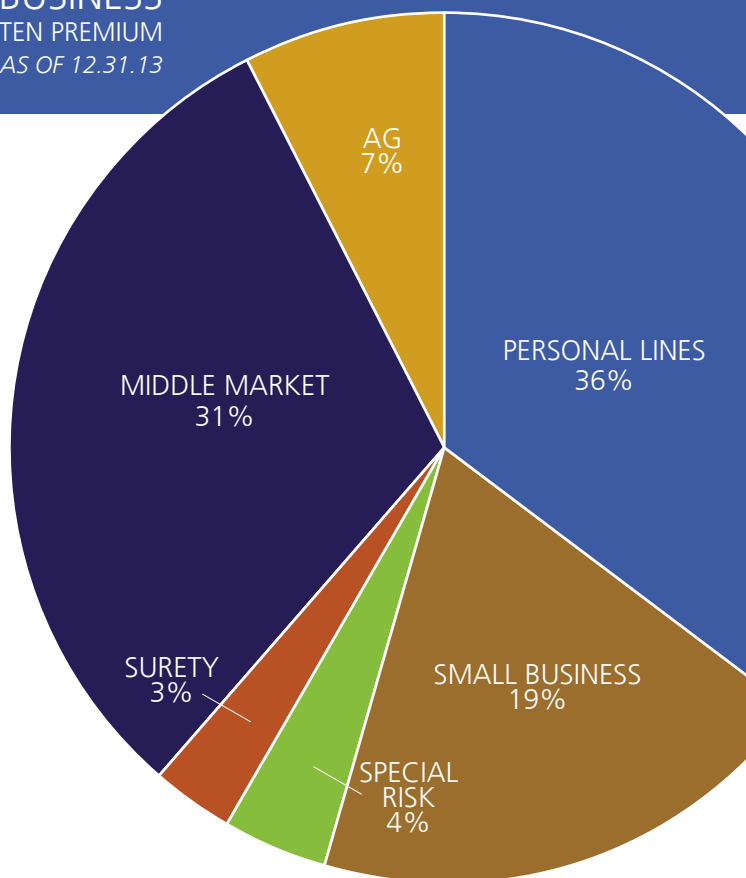
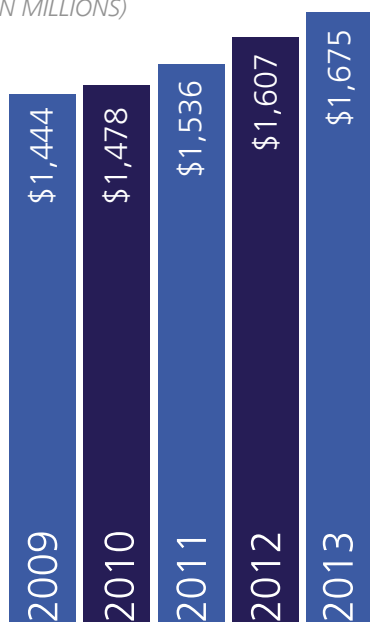
CUSTOMERS INDICATED A

95.6%

CUSTOMER SATISFACTION LEVEL FOR 2013

MIX OF BUSINESS
BASED ON WRITTEN PREMIUM
AS OF 12.31.13

FIVE-YEAR
NET WRITTEN PREMIUM
(IN MILLIONS)



WESTFIELD INSURANCE FINANCIAL HIGHLIGHTS

PREPARED IN ACCORDANCE WITH STATUTORY ACCOUNTING PRINCIPLES

(Dollars in Thousands)
(Unaudited)

	2013	2012	2011	2010	2009
FOR THE YEAR					
Net Written Premium	\$1,675,391	\$1,606,982	\$1,535,537	\$1,477,693	\$1,443,965
Net Operating Gain (Loss)	198,853	132,999	(51,431)	131,729	152,551
Combined Ratio	94.60%	99.18%	111.69%	99.59%	97.71%
Operating Ratio	87.06%	91.09%	102.81%	91.01%	89.43%
Return on Surplus	11.93%	9.21%	-3.75%	10.04%	13.18%
Net Premium Growth Rate	4.26%	4.65%	3.91%	2.34%	-12.02%
AT YEAR END					
Total Admitted Assets	\$4,514,995	\$4,163,422	\$3,915,276	\$3,747,826	\$3,507,036
Net Loss and LAE Reserves	1,492,811	1,480,050	1,515,394	1,387,142	1,294,054
Net Unearned Premium	801,869	764,213	740,564	712,486	709,676
Surplus	1,808,690	1,525,563	1,361,710	1,382,899	1,240,154
Net Writings to Surplus	0.93	1.05	1.13	1.07	1.16
Annual Surplus Growth	18.56%	12.03%	-1.53%	11.51%	15.30%



WESTFIELD BANK

Established in 2001 and licensed to operate in all 50 states, Westfield Bank is a full-service bank specializing in relationship-based loan and deposit services for businesses and individuals. Customers may select from a wide range of products including business and personal checking, loans, cash management, CDs and IRAs/investment savings, primarily in Northeast Ohio. In addition to this footprint, Westfield Bank is uniquely positioned to offer insurance agencies and agents, throughout the country, an alternative for banking and premium financing through its agency banking team.

Recommended by BauerFinancial, an independent rating company, for 44 consecutive quarters, Westfield Bank is one of Northeast Ohio's highest rated banks. The bank will have consolidated assets of almost \$1 billion following the merger with Valley Savings Bank – announced in the first quarter of 2014.

Backed by a longstanding reputation for stability, financial strength and performance, Westfield Bancorp is a subsidiary of Westfield Group and an affiliate of Westfield Insurance.

OUR OFFICES

- Akron
- Brecksville
- Canton
- Medina
- Westfield Center
- Wooster



Member
FDIC

EXCEEDED
\$300
MILLION
IN LOAN
ORIGINATIONS

IN 2013 WESTFIELD
BANK GREW ASSETS BY
\$50 MILLION

“Lenders we had done business with for years seemed uninterested and inaccessible. One exception that stood out was Westfield Bank. They continued to get the ‘hard deals’ done, when other banks simply looked the other way. In the hospitality industry, our success depends upon customer relationships and repeat business. Many banks today have either forgotten this lesson or chosen to ignore it. Westfield is truly one of the exceptions. Also, the move to Westfield Insurance is one for which we have no regrets. They have remained extremely competitive in their premium pricing and their claims representatives are the best I’ve dealt with in thirty years of business.”



Neil and Robin Wenger
American Hospitality Group, Inc.
Westfield customer

BUSINESS BANKING

Growing a business is hard enough. Westfield Bank makes the banking side of business easy. In addition to personal support from a dedicated business banking team, custom products and services are designed to simplify banking and deliver exceptional value for customers - from online banking to cash management services to loans.

A basic philosophy – when we help you grow your business, ours grows as well. Westfield Bank offers custom-designed business packages and the convenient online banking to manage your businesses accounts anywhere, anytime, day or night.

Business owners deserve to work with a bank that takes time to really understand its business and as a result receive a custom-designed business package that is perfect for their needs. Customers can get a variety of loan and deposit products from professional advisors who provide expert advice, quick approvals and innovative products.

LOANS:

- SBA loans
- Ohio GrowNOW program
- Lines of credit
- Real estate loans
- Acquisition financing
- Term loans

DEPOSITS:

- Business checking
- Business savings
- Deposit protection options
- Cash sweep
- Remote check capture
- Online cash management

PERSONAL BANKING

Westfield Bank provides the resources, personal attention and responsiveness larger banks simply can't deliver. It is our goal to help customers find new ways to save time and money. Bringing banking to you through Westfield Bank's online banking suite includes the latest secure technology, account alerts, bill pay and more. This gives customers the freedom to manage their finances when and where it is most convenient for them.

The following types of products are available:

LOANS:

Mortgages
Home equity
Auto
Lines of credit
Credit cards

DEPOSITS:

Personal checking
Personal savings
Personal money market accounts
CDs
IRAs

AGENCY BANKING SERVICES

Beyond Northeast Ohio, Westfield Bank provides custom solutions for insurance agency loans, commercial premium financing, deposit services and perpetuation acquisition strategies. Agencies know and trust Westfield Bank to understand their financials, how to value their assets and how to leverage those assets to grow their agency. Agencies enjoy custom acquisition and perpetuation loans to transition ownership, new producer loans, commercial real estate loans, personal real estate and consumer loans, including home purchases and refinancing.

For commercial premium financing, agencies have access to flexible terms, competitive rates and revenue-sharing opportunities with user friendly, real-time quoting through a web-based system. And to make it simple and easy, agency banking customers have online account access and personalized service from a responsive, dedicated agency banking team.

Agencies can optimize their cash management through Westfield Bank Deposit Services. They can deposit checks electronically right from their own office with Remote Check Capture making it possible to reach beyond the local corner for a banking partner. Westfield agents also enjoy better than market rates on deposit accounts and convenient online cash management tools.



2013 HIGHLIGHTS

- Finalized expansion of Medina facility to centralize back office operations, creating more efficiencies for customers.
- Completed Western Reserve Bank merger, providing hands-on support to customers in transition for their banking products and new online access.
- Enhanced account security implemented. The new feature conceals the beginning digits of customers account numbers for added protection of identity theft.
- Online banking enhancements introduced in third quarter included a new system for Small Business Bill Pay – providing more control, enhanced security and improved capabilities, as well as new features for personal online banking making it even faster and easier for customers to manage their bills.
- Acquisition of new bank building in Akron, providing more convenient access for customers who choose to visit the branch.

WESTFIELD BANCORP FINANCIAL HIGHLIGHTS

PREPARED IN ACCORDANCE WITH U.S. GAAP

(Dollars in Thousands)

(Unaudited)

	2013	2012	2011	2010	2009
FOR THE YEAR					
Revenue	\$38,710	\$29,687	\$28,913	\$27,085	\$26,847
Net Income	7,875	3,582	4,209	2,366	3,302
Return on Average Equity	8.71%	5.83%	8.03%	5.06%	7.76%
Return on Average Assets	0.92%	0.55%	0.68%	0.43%	0.69%
Net Interest Margin	3.65%	3.39%	3.31%	3.44%	3.59%
Efficiency Ratio	66.11%	62.59%	62.42%	64.05%	58.37%
Net Charge-offs to Average Loans	0.13%	0.22%	1.01%	0.09%	0.41%
AT YEAR END					
Total Assets	\$884,700	\$834,356	\$624,149	\$575,057	\$523,217
Loans	616,515	593,485	433,510	378,654	351,492
Investment Securities	209,953	200,046	172,676	157,406	136,740
Deposits	673,696	652,792	462,459	384,664	344,415
Shareholder's Equity	92,187	88,178	56,296	47,273	43,031
Equity to Assets Ratio	10.42%	10.57%	9.02%	8.22%	8.22%
Asset Growth Rate	6.03%	33.68%	8.54%	9.91%	20.85%

"I have been working with Specialty Brokerage Services since 2007 and they are truly a professional organization. Our experience has been exceptional. From start to finish the quotes and policies are done accurately and in a timely manner. With the wide variety of services they provide in both personal lines and in commercial lines the needs of our clients can be met. They are first class and treat everyone with dignity and respect."

Bob Springhetti, Specialty Brokerage Services customer



REVENUE WENT
UP NEARLY
10%

IN 2013
WESTFIELD
SERVICES
INCREASED NET
INCOME BY
29%



WESTFIELD SERVICES

WESTFIELD SERVICES

Westfield Services is a specialty insurance agency and services firm established in 1998 as a part of a diversification strategy under what was Westfield Financial. Now serving more than 900 agencies and more than 24,000 customers, Westfield Services offers a way for agency partners to outsource back office operations and access specialty markets, which allows agencies to maximize efficiencies and grow revenue.

Westfield Services has four divisions:

- Specialty Brokerage Services
- Superior Settlements
- Customer Service Center
- Westfield Flood

Westfield Services Inc. is a specialty insurance agency and services firm headquartered in Columbus, Ohio. Independently operated, Westfield Services is wholly owned by the Westfield Group of Insurance Companies in Westfield Center, Ohio.

SPECIALTY BROKERAGE SERVICES

Specialty Brokerage is a wholesale agency providing independent agencies access to specialty markets both on an admitted and non-admitted basis. Concentrating in unique coverage for both commercial lines and personal lines, Westfield Services broadens the options of products and services an agent can provide to meet the distinct needs of their customers.

The commercial lines division, located in Columbus, Ohio, places a variety of coverages for Westfield agents including professional liability, products liability, employment practices, property, directors and officers, pollution, workers' compensation, excess and more.

The personal lines division, with offices in Columbus, Ohio and Lancaster Pennsylvania, offers access to niche markets. Particular expertise and coverages include affluent personal lines, valuable article coverage, motorcycles, RVs and collector cars. In addition, Westfield Services can also provide solutions for vacant property, rental dwellings, umbrella and even properties with prior claims – just to name a few.

SUPERIOR SETTLEMENTS

A MEMBER OF THE NATIONAL STRUCTURED SETTLEMENTS TRADE ASSOCIATION (NSSTA)

Superior Settlements is a full-service structured settlement brokerage firm providing products and services to property-casualty, workers' compensation and disability carriers, as well as self-insured entities, attorneys and other clients.

In collaboration with carriers and clients, Westfield Services Superior Settlements develop an easy and precise settlement strategy through the use of structured settlement annuities. The unique consultative approach enables the creation of annuity income streams that meet clients' specific future needs, while making the structured settlement process easy to understand. In addition, a variety of products are available to structure payments received for asset sales, dispute settlements and other situations.

Distinctly knowledgeable in structured settlements, customers are confident that Westfield Services Superior Settlement division understands the most important aspect of a claim is a fast, fair and final settlement that meets the needs of all parties.

CUSTOMER SERVICE CENTER

Established in 1999, the Westfield Services Customer Service Center provides complete customer service outsourcing for personal lines and small business. Set-up like a branch of an agency, the service center provides agencies with a way to enhance customer service so they can focus on new business and revenue-generating activities.

Agencies entrust the team of agency-experienced and licensed CSRs to handle routine service calls including customer inquiries, billing issues, and policy changes, as well as claims, cross-selling and annual account reviews. A team of CSRs is assigned to be an extension of the agency providing friendly, personal and professional service to customers.

WESTFIELD FLOOD PROGRAM

Westfield Insurance is a major writer of flood insurance and participates in the National Flood Insurance Program's (NFIP) "Write Your Own" option. Westfield Services manages and markets flood insurance on behalf of Westfield Insurance to make it easy and profitable for agencies to provide customers flood insurance.

The convenient and efficient program makes writing flood insurance easier for Westfield agents and their customers by providing quoting assistance, extensive training, troubleshooting, and large-account support. The experienced flood team at Westfield Services partners with National Flood Services of Kalispell, Montana to provide industry-leading agency automations solutions, policy processing and claims service.

2013 HIGHLIGHTS

- Achieved 99.5% customer satisfaction scores in the Westfield Service Center customer survey card responses.
- Substantial growth in written premium for Westfield Flood program with an emphasis on helping agents and customers navigate the Biggert-Waters Flood Reform Act that brought the most sweeping changes in the history of the NFIP.
- The Superior Settlements team helped 175 injured people and their families protect and preserve nearly \$25 million in settlement benefits through the use of a structured settlement annuity.
- The Specialty Brokerage personal lines division ranked 12th out of 70 peer agencies nationally in writing affluent personal lines accounts with a national specialty carrier.
- In December 2013, Westfield Services Inc. declared a Return of Capital (similar to a dividend) of \$1 million to its ultimate parent, Ohio Farmers Insurance Company. This was the first Return of Capital ever declared by Westfield Services Inc.

WESTFIELD SERVICES FINANCIAL HIGHLIGHTS

PREPARED IN ACCORDANCE WITH U.S. GAAP

(Dollars in Thousands)

(Unaudited)

	2013*	2012	2011	2010	2009
FOR THE YEAR					
Revenue	\$5,031	\$4,598	\$3,812	\$3,657	\$3,726
Net Income	639	495	194	360	447
Return on Average Equity	20.90%	16.41%	7.23%	14.96%	22.29%
Return on Average Assets	14.62%	12.02%	5.06%	9.90%	12.58%
Efficiency Ratio	80.30%	83.26%	91.95%	84.53%	80.84%
AT YEAR END					
Total Assets	\$4,370	\$4,370	\$3,867	\$3,795	\$3,476
Shareholder's Equity	2,862	3,252	2,781	2,587	2,227
Equity to Assets Ratio	65.49%	74.42%	71.92%	68.17%	64.07%
Asset Growth Rate	0.00%	13.01%	1.90%	9.18%	-4.27%

* Includes a \$1,000,000 return of capital completed in December 2013.



WESTFIELD IN THE COMMUNITY

In 2013, Westfield awarded more than \$1 million to community programs focusing on areas that impact safety, community development and education. Employees across operating territories volunteered in communities where they work and live. Collaboration is critical for effective community engagement. Relationships with nonprofit partners is a vital aspect of Westfield's corporate citizenship. Agents and customers are encouraged to join in this very important work.

SAFETY IS NO ACCIDENT

To support home, auto and business safety and accident prevention programs, Westfield supports:

- Fall prevention repairs for low-income seniors
- Defensive driver training and education for teens
- Safety equipment for farming industry
- Research for defensive teen driver safety

DEVELOPING COMMUNITIES FOR SUSTAINED GROWTH

To invigorate the communities in which we live and work, Westfield supports:

- Assistance for low-income homeowners on home stability issues
- Neighborhood revitalization projects
- Training for those re-engineering their skill sets

EDUCATING STUDENTS FOR TOMORROWS WORLD

To build the workforce for tomorrow, Westfield provides an avenue to future employment for teens and adults by supporting programs that:

- Assist low-income individuals on how to prepare for and achieve higher education
- Educate students and adults about careers in insurance

Westfield Bank presented local high school students with a new financial literacy education program by providing graduating seniors access to an interactive, web-based financial learning platform. Through this program, students become certified in hundreds of personal finance topics, while learning to manage finances and prepare for financial independence.

"My daughter, Emily, walked away with a better understanding of the importance of defensive driving and expressed her deep appreciation in what she learned. It is folks like you who have compassion and concern in teaching our children the importance of getting behind the wheel; as a parent, it is by far the scariest concern we have."

Kim Walter, parent of teen who participated in Take Control



2013 HIGHLIGHTS

In partnership with the Westfield Agents Association, launched a \$52,000 scholarship fund to annually support seven students pursuing a degree in insurance/risk management.

*College Now Greater Cleveland • Griffith Foundation for Insurance Education
InVEST • Regional Colleges & Universities*

The first in Ohio and only the sixth in the nation to provide grandparent housing, Westfield is proud to support our long-time partner, Fairfax Renaissance Development Corporation in offering affordable long-term rental housing and a community center. The center is designed for elderly caring for minors with a focus on education, health and wellness.

*Fair housing organizations • Fund for Our Economic Future
Habitat for Humanity • ideastream® • American Red Cross*

Westfield Bank joined the Senior Housing Crime Prevention Foundation Inc. to help protect local seniors by funding the Senior Crimestoppers program for residents at Samaritan Care Center in Medina, Ohio.



WECARESM—WESTFIELD VOLUNTEERS

WeCare represents all employee-facing community investment programs. This overarching employee engagement platform enables Westfield to connect to communities through employee volunteer action.

Through the WeCare Employee Giving Campaign, Westfield employees raised \$119,017 which was matched by the Westfield Insurance Foundation. Funds donated go to support four giving partners who serve as national partners. Employee donations are forwarded to the chapters operating in the community where each employee donor resides.

*Akron-Canton Regional Foodbank • American Cancer Society
American Heart Association • United Way*

2013 HIGHLIGHTS

- More than 800 employees working individually or through their departments and offices adopted a holiday giving project.
- Through corporate sponsored volunteer activities more than 500 employees from the Home Office and service offices:
 - Volunteered 2,772 hours
 - Helped build homes for 13 families
 - Provided 85,614 meals to the hungry
 - Taught 240 students through Junior Achievement
 - Supported 115 teens and their parents in learning advanced driver skills while educating 3,000 teens by speaking about teen driver safety at school assemblies
- Employees dedicating significant time to nonprofits outside of normal business hours were eligible for volunteer grants. Twenty-three recipients who devoted 3,059 hours in 2013 received the award, and as a result, Westfield Insurance Foundation awarded \$10,220 in grants to the deserving nonprofits.

“One of the things that makes the relationship we have with Westfield unique is the foundation of trust it’s built upon; Westfield’s integrity has been evident over the years we’ve been a customer. We were believers in the brand and in the people for a long time and what has become increasingly evident is the greatness of the company emerges from the greatness of the people that give of their time and they are really just great nice professional people. Obviously you’ve built a great culture there.”

Dan Flowers , President & CEO
Akron-Canton Regional Foodbank

SPONSORSHIPS

Insurance is all about helping others, and Westfield takes that philosophy into the community. Through the Company and Westfield Insurance Foundation efforts, we support programs that make a meaningful connection with our agents, customers and employees.

HIGH SCHOOL QUIZ SHOWS

Today's youth are tomorrow's leaders, and support for academic excellence in schools is a rewarding way to make our brand known. Westfield is proud to sponsor these high school academic quiz shows:

- *Academic Challenge*, Cleveland, Ohio
- *Hometown High Q*, Pittsburgh, Pennsylvania
- *Brain Game*, Indianapolis, Indiana
- *Brain Game*, Columbus, Ohio
- *Quizbusters*, Nashville, Tennessee
- *BrainBusters*, Lancaster, Pennsylvania

CAVS STRAIGHT "A" ALL-STARS

In partnership with the Cleveland Cavaliers Corporation, Westfield rewards students for high scholastic achievement through the Straight "A" All-Stars program. Students in grade K-8 who receive straight A's are selected to attend and be recognized at a home NBA game. The highest participating school also receives a contribution from Westfield.



OHIO FARMERS INSURANCE COMPANY BOARD OF DIRECTORS*



James R. Clay
Chair, CEO & Westfield
Group Leader
Westfield Group
Westfield Center, Ohio



Michael J. Bernaski
Independent Consultant
Former Principal
KPMG LLP
Minneapolis, Minnesota



Cheryl L. Carlisle
Retired Audit Partner
Ernst & Young LLP
Cleveland, Ohio



Dr. Fariborz Ghadar
Chaired Professor Smeal
College of Business
Senior Advisor CSIS
Penn State University
University Park, Pennsylvania



Gary D. Hallman
Retired President & Chief
Executive Officer
Medina General Hospital
Medina, Ohio



Susan J. Insley
Retired Executive Vice
President
Cochran Group, Inc.
Columbus, Ohio



Edward J. Largent
Westfield Insurance
Leader, President
Westfield Insurance
Westfield Center, Ohio



Deborah D. Pryce
Senior Public Advisor
SZD Whiteboard
Columbus, Ohio



John L. Watson
Principal
Brower Insurance
Agency, LLC
Dayton, Ohio



Thomas E. Workman
President & Chief
Executive Officer
Life Insurance Council of
New York
New York, New York

*also serve as Westfield Services, Inc. Board of Directors

SPECIAL THANKS TO OUR RETIRED DIRECTORS

R. Cary Blair

Retired Chair & Chief Executive Officer
Westfield Group
Westfield Center, Ohio

James C. Boland

Former President, Chief Executive Officer
Cavaliers Operating Company, LLC
Cleveland, Ohio

David B. Jones

Retired President & Chief Executive Officer
Old Phoenix National Bank
Medina, Ohio

Robert J. Joyce

Retired Chair & Chief Executive Officer
Westfield Group
Westfield Center, Ohio

Richard H. LeSourd, Jr.

Principal
LeSourd and Company
Xenia, Ohio

Roger W. McManus

Retired Chief Operating Officer
Westfield Group
Westfield Center, Ohio

Martin J. Murphy

Retired Vice President
Davis & Young Co., LPA
Cleveland, Ohio

John A. Root

Chairman of the Board
A.I. Root Co.
Medina, Ohio

Donald M. Wilder

Retired Chair & Chief Executive Officer
Westfield Companies
Westfield Center, Ohio

2014 WESTFIELD BANK, FSB BOARD OF DIRECTORS



Jon Park
Chairman and Bank Leader
Westfield Bank
Westfield Center, OH



Paul Carleton
Managing Partner
Carleton McKenna
& Co, Inc
Cleveland, OH



Nancy Heinen
Retired
Vice President,
Marketing
BP, p.l.c.
Cleveland, OH



Gary Clark
Director
Westfield Bank
Westfield Center, OH



James Clay
CEO & Westfield
Group Leader
Westfield Group
Westfield Center, OH



Gary Hallman
Retired
CEO
Medina General
Hospital
Medina, OH



W. Fred Kloots
President & CEO
Leonard Insurance
Services
Canton, OH



John Lanigan, Jr.
Chair, Business Division
Baldwin Wallace
University
Berea, OH



Anthony Manna
Chairman
Signet Enterprises, LLC
Akron, OH



Timothy Phillips
President
Westfield Bank
Westfield Center, OH



Billie Rawot
Retired
Senior Vice President
& Controller
Eaton Corporation
Cleveland, OH



Thomas Waltermire
Chief Executive Officer
Team NEO
Cleveland, OH

WESTFIELD GROUP LEADERS



Jim Clay
CEO & Westfield Group Leader

WESTFIELD INSURANCE



Edward Largent
President &
Westfield Insurance
Leader



Dennis Baus
National Surety
Leader



Stephen Lehecka
Group Actuarial
Leader



Martha Oakes
National Middle
Market & Specialty
Markets Leader



David Peterson
National Personal
Lines & Small
Business Accounts
Leader



Michael Prandi
National Claims
Leader



Elizabeth Riczko
Group Analytics Leader



Craig Welsh
Distribution Leader

ADMINISTRATION



Stuart Rosenberg
Group
Administration
Leader



Kirk Barry
Group General
Services Leader



Mark Farrell
Group
Hospitality
Operations
Leader



Marianne Parkinson
Group Marketing
and Customer
Experience Leader



Christopher Paterakis
Group Human
Resources Leader



Steve Tien
Group
Information
Technology
Leader

CORPORATE LEGAL



Frank Carrino
Secretary & Group
Legal Leader



John Batchelder
Assistant
Secretary
and Manager
Corporate
Compliance



Mark Cluse
Corporate Legal
Leader



Sally Estvanic
Group
Government
Relations Leader



Christy Gardner
Group Internal
Audit Leader



Jani Groza
Group
Community
Investment
Leader

FINANCE



Joseph Kohmann
Treasurer & Group
Finance Leader



Bambi Beshire
Group Finance &
Accounting Leader



Peter Schwanke
Group Risk
Management
Leader



George Wiswesser
Group Investment
Leader

WESTFIELD GROUP LEADERS

WESTFIELD BANK/WESTFIELD SERVICES



Jon Park
Chair
Westfield Bank;
President
Westfield Services, Inc.



Timothy Phillips
President
Westfield Bank



Matthew Berthold
Executive Vice
President, Chief
Financial Officer



Robert Giacomo
Mortgage Market
Leader



Jeffrey Jones
Senior Credit Officer



Cindy Mahl
Controller



Robert Miller
Bank Operations
Leader



Matthew Sprang
Market Leader



Kevin Vonderau
Executive Vice
President, Chief
Lending Officer



Brian Bowerman
Westfield Services
Leader



Patricia Curnutte
Specialty Brokerage
Services Leader



Ann Nelson
Customer Service
Center Leader



Danielle Somogyi
Structured
Settlements Leader



Courtney Guss
Flood Marketing
Leader

OHIO FARMERS INSURANCE COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

Unaudited - Prepared in accordance with U.S. GAAP

DECEMBER 31, 2013, 2012, AND 2011
(IN THOUSANDS)

Assets	<u>2013</u>	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 46,909	44,016	29,436
Investments:			
Securities available for sale, at fair value:			
Fixed maturity securities	2,714,375	2,681,364	2,663,444
Equity securities	1,006,379	916,487	717,578
Other invested assets	143,915	131,061	118,548
Loans, net	608,689	585,755	425,775
Agents' balances and uncollected premiums, net	617,737	573,274	549,590
Reinsurance receivable on paid and unpaid losses	102,650	87,994	117,228
Deferred policy acquisition costs	186,655	174,162	171,940
Other assets	303,386	248,166	235,018
Total assets	<u>\$ 5,730,695</u>	<u>5,442,279</u>	<u>5,028,557</u>
Liabilities and Equity			
Liabilities:			
Unpaid losses and loss adjustment expenses	\$ 1,557,096	1,526,160	1,585,725
Unearned premiums	812,797	773,671	751,504
Deposits	660,766	643,211	456,301
Commissions payable	124,223	100,889	89,424
Accounts payable and other liabilities	220,195	300,554	222,439
Deferred tax liability, net	141,031	122,568	117,199
Other borrowings	131,411	115,321	99,802
Total liabilities	<u>3,647,519</u>	<u>3,582,374</u>	<u>3,322,394</u>
Equity:			
Retained earnings	1,786,804	1,567,439	1,417,307
Accumulated other comprehensive income	296,029	292,085	288,483
Subtotal equity	<u>2,082,833</u>	<u>1,859,524</u>	<u>1,705,790</u>
Noncontrolling interests	343	381	373
Total equity	<u>2,083,176</u>	<u>1,859,905</u>	<u>1,706,163</u>
Total liabilities and equity	<u>\$ 5,730,695</u>	<u>5,442,279</u>	<u>5,028,557</u>

OHIO FARMERS INSURANCE COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited - Prepared in accordance with U.S. GAAP

YEARS ENDED DECEMBER 31, 2013, 2012, AND 2011
(IN THOUSANDS)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues:			
Insurance earned premiums, net	\$ 1,637,735	1,583,333	1,507,459
Interest income on loans	30,663	22,849	22,135
Net investment income	113,752	113,655	123,376
Net realized capital gains	80,767	73,907	19,784
Other	19,013	18,247	10,666
Total revenues	<u>1,881,930</u>	<u>1,811,991</u>	<u>1,683,420</u>
Expenses:			
Losses and loss adjustment expenses	978,706	1,025,618	1,194,607
Other underwriting and operating expenses	599,975	567,447	511,856
Deferral of policy acquisition costs	(411,464)	(386,296)	(357,152)
Amortization of deferred policy acquisition costs	398,971	384,074	354,186
Interest expense	5,631	6,014	7,659
Other	376	—	—
Total expenses	<u>1,572,195</u>	<u>1,596,857</u>	<u>1,711,156</u>
Income (loss) before income taxes	<u>309,735</u>	<u>215,134</u>	<u>(27,736)</u>
Income tax expense (benefit)	<u>90,370</u>	<u>65,002</u>	<u>(20,446)</u>
Income (loss) from continuing operations, net of tax	<u>219,365</u>	<u>150,132</u>	<u>(7,290)</u>
Discontinued operations, net of tax	<u>—</u>	<u>—</u>	<u>200</u>
Net income (loss)	<u>\$ 219,365</u>	<u>150,132</u>	<u>(7,090)</u>

WESTFIELD INSURANCE

One Park Circle
Westfield Center, OH 44251
1.800.243.0210

WESTFIELD BANK

Two Park Circle
Westfield Center, OH 44251
1.800.368.8930

WESTFIELD SERVICES

2000 Polaris Parkway
Columbus, OH 43216
1.800.552.9146



CHECK OUT WESTFIELD'S BLOGS AND TWITTER FEEDS:

The Commercial Line
Risk Factors
Grains of Knowledge

@WestfieldIns
@WorkatWestfield
@WestfieldAg
@WestfieldServes





WESTFIELD
GROUP

Sharing Knowledge. Building Trust.®

KNOWLEDGE • TRUST • INTEGRITY • RESPECT • STEWARDSHIP