

Northwestern National Insurance Company
Statement of Operations
March 31, 2020

| | 2020 Year-to- Date | 2019 Year-to- Date |
|--|-------------------------------|-------------------------------|
| NET PREMIUMS EARNED: | | |
| Total Gross Premiums | - | 113,276 |
| Total Premium Ceded | - | - |
| Total Change in Net Unearned Premium | - | 1,832 |
| Total Net Premiums Earned | \$ - | \$ 115,108 |
| NET LOSSES AND LAE INCURRED: | | |
| Net Losses Paid (Recovered) | (50,433) | 995,209 |
| Change in Unpaid Losses and IBNR | (114,209) | (4,824,651) |
| Net LAE Paid | - | 230,476 |
| Change in Unpaid LAE and LAE IBNR | (97,362) | (2,026,611) |
| Total Net Losses and LAE Incurred | \$ (262,005) | \$ (5,625,577) |
| OPERATING EXPENSES: | | |
| Payroll and Insurance | 8,327 | 58,839 |
| Travel and Meetings | 5,404 | 9,856 |
| Rent | 23,481 | 80,907 |
| Software and Equipment | - | 17,190 |
| Office Costs | 269,359 | 159,555 |
| Legal/Consulting/Audit Fees | 309,303 | 387,506 |
| Claims System Fees | - | 129,921 |
| Records Management | - | 44,677 |
| Service Fees | 811,760 | 845,858 |
| Distribution Class 5 - Other claimants | (3,906,786) | 9,220,629 |
| Investment Funds seized by the State | - | 2,529,942 |
| Change in Premium Deficiency Reserve | - | (3,815,260) |
| Other Expenses (Income) | (37,225) | 27,166 |
| Total Operating Expenses | \$ (2,516,376) | \$ 9,696,786 |
| UNDERWRITING GAIN (LOSS) | \$ 2,778,381 | \$ (3,956,100) |
| INVESTMENT & OTHER INCOME: | | |
| Interest and Dividend Income | 23,360 | 187,535 |
| Realized Gain (Loss) on Investments | - | (328,915) |
| Total Investment & Other Income | \$ 23,360 | \$ (141,381) |
| NET INCOME (LOSS) | \$ 2,801,741 | \$ (4,097,481) |