

FILED
07-07-2021
CIRCUIT COURT
DANE COUNTY, WI
2019CV001209



St. Marie | Boll
Attorneys at Law

James C. Boll
Daniele St. Marie Thompson

July 6, 2021

VIA E-Filing ONLY

Honorable Steven Ehlke
215 S. Hamilton Street
Madison, Wisconsin 53703

RE: Liquidation of Northwestern National Insurance Company of Milwaukee, WI
("NNIC")
Case No: 2019CV001209

Dear Judge Ehlke:

Please find NNIC's quarterly financial statements as of March 31, 2021, for filing.

Sincerely,

St. Marie Boll, LLC

James C. Boll

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Northwestern National Insurance Company
Statement of Admitted Assets, Liabilities & Policyholders' Surplus
March 31, 2021
ADMITTED ASSETS

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
CASH & INVESTMENTS:		
Cash	2,678,487	2,271,085
Restricted Cash	1,458,104	1,261,422
Escrowed Court Funds	67,020	760,590
Bonds	1,072,724	1,879,043
Total Cash & Investments	<u>\$ 5,276,335</u>	<u>\$ 6,172,140</u>
Accrued Investment Income	12,096	20,294
Reinsurance Recoverable on Paid Losses	-	2,288
TOTAL ADMITTED ASSETS	<u>\$ 5,288,431</u>	<u>\$ 6,194,722</u>
LIABILITIES & POLICYHOLDERS' SURPLUS		
LIABILITIES:		
Distribution Class 1 - Unpaid LAE Reserves	312,049	326,578
Distribution Class 1 - Unpaid Admin Expenses (P&C)	1,180,275	1,417,261
Distribution Class 1 - Unpaid Admin Expenses (Life and Health)	1,976,327	1,976,327
Distribution Class 3 - Unpaid Case Loss Reserves (P&C)	11,292,007	9,312,560
Distribution Class 3 - Unpaid Case Loss Reserves (Life and Health)	4,792,458	4,792,458
Distribution Class 3 - Unpaid GA Paid Losses (P&C)	2,167,643	1,881,591
Distribution Class 3 - Unpaid GA Paid Losses (Life and Health)	1,172,928	1,172,928
Distribution Class 3 - Unpaid Proof of Claims	657,388,741	-
Distribution Class 4 - Unearned Premiums	123,688	123,688
Distribution Class 5 - Other claimant liabilities	5,364,460	5,364,460
Distribution Class 5 - Unpaid Proof of Claims	33,949	-
Funds Held	1,837,722	1,837,699
Other Payables	2,041	2,041
Total Liabilities	<u>\$ 687,644,287</u>	<u>\$ 28,207,591</u>
SURPLUS:		
Policyholders' Surplus (Deficit) - Beginning	(22,012,869)	(4,301,290)
Change in Compass Ins Co	-	3,701,102
NET LOSS	<u>(660,342,987)</u>	<u>(21,412,681)</u>
Total Policyholders' Surplus (Deficit) - Ending	<u>\$ (682,355,856)</u>	<u>\$ (22,012,869)</u>
TOTAL LIABILITIES & POLICYHOLDERS' SURPLUS (DEFICIT)	<u>\$ 5,288,431</u>	<u>\$ 6,194,722</u>

Northwestern National Insurance Company
Statement of Operations
March 31, 2021

	For the Period ended March 31, 2021	December 31, 2020
NET PREMIUMS EARNED:		
Total Gross Premiums	-	-
Total Premium Ceded	-	-
Total Change in Net Unearned Premium	-	-
Total Net Premiums Earned	\$ -	\$ -
NET LOSSES AND ALAE INCURRED:		
Net Losses Paid - P&C	(195,607)	994,070
Net Losses Paid - Life and Health	1,172,928	1,172,928
Change in Unpaid Losses and IBNR - P&C	(2,813,011)	5,908,071
Change in Unpaid Losses and IBNR - Life and Health	4,792,458	4,792,458
Change in Unpaid Proof of Claims	657,422,690	-
Change in Unpaid LAE and LAE IBNR - P&C	(14,529)	(162,580)
Total Net Losses and LAE Incurred	\$ 660,364,929	\$ 12,704,946
OPERATING EXPENSES:		
Salaries and Wages	6,138	35,704
Travel and Meetings	47	5,972
Rent	2,094	35,126
Software and Equipment	-	14,688
Office Costs	12,349	523,005
Legal and Consulting Fees	64,052	557,625
Service Fees	21,760	2,405,242
Distribution Class 5 - Adjustment to other Claimant Liabilities	-	(3,906,786)
Other Expenses (Income)	7,803	(467,501)
Total Operating Expenses	\$ 114,242	\$ (796,924)
UNDERWRITING LOSS	\$ (660,479,171)	\$ (11,908,022)
INVESTMENT & OTHER INCOME:		
Interest Income	8,709	58,284
Realized Gain (Loss) on Investments	127,475	(9,562,944)
Total Investment & Other Income (Loss)	\$ 136,184	\$ (9,504,660)
NET LOSS	\$ (660,342,987)	\$ (21,412,681)

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2019CV001209

STATE OF WISCONSIN

CIRCUIT COURT

DANE COUNTY

In the Matter of the Liquidation
of Northwestern National Insurance Company
of Milwaukee, Wisconsin

Case No. 2019CV001209

Code No. 30703

NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE ("NNIC")
QUARTERLY FINANCIAL STATEMENT AS OF MARCH 31, 2021

Dated: July 6, 2021

St. Marie Boll, LLC,

Attorneys for the Commissioner of
Insurance of the State of Wisconsin,
as Liquidator of NNIC



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**QUARTERLY FINANCIAL STATEMENT OF THE LIQUIDATION OF
NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE
AS OF MARCH 31, 2021.**

Prepared by:

**The Wisconsin Office of the Commissioner of Insurance as the
Court-Appointed Liquidator of Northwestern National Insurance Company of Milwaukee**

Dated: July 6, 2021

Disclaimer: *This Financial Statement prepared by the court-appointed Liquidator of Northwestern National Insurance Company ("NNIC"), updates the Court on the financial status of NNIC as of March 31, 2021.*

This financial report may not be relied upon for any purpose other than to obtain information about the status of the Liquidation Proceedings generally. Nothing contained herein will constitute an admission of any fact or of any liability by any party with regard to any claim or litigation, including, but not limited to, any proceedings involving the Liquidation or any other party, or any proceeding with respect to any legal effects of the Liquidator or the NNIC accounts.

The Liquidator does not make any warranty, express or implied, as to the accuracy or completeness of the information contained herein.