

**FILED**  
**09-09-2021**  
**CIRCUIT COURT**  
**DANE COUNTY, WI**  
**2019CV001209**



**St. Marie | Boll**

Attorneys at Law

James C. Boll  
Daniele St. Marie Thompson

September 9, 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 June 30, 2021, for filing.

Sincerely,

St. Marie Boll, LLC

James C. Boll

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STATE OF WISCONSIN

CIRCUIT COURT

DANE COUNTY

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

Case No. 2019CV001209

Code No. 30703

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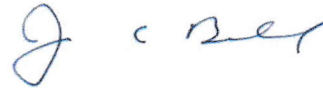
NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE ("NNIC")  
QUARTERLY FINANCIAL STATEMENT AS OF JUNE 30, 2021

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Dated: September 9, 2021

St. Marie Boll, LLC,

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



James C. Boll  
State Bar No. 1018168  
10 E. Doty Street, Suite 617  
Madison, WI 53703  
(608) 467-8784

**QUARTERLY FINANCIAL STATEMENT OF THE LIQUIDATION OF  
NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE  
AS OF JUNE 30, 2021.**

Prepared by:

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

**Dated: September 9, 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 June 30, 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.*

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**DANE COUNTY, WI**  
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**Northwestern National Insurance Company**  
**Statement of Admitted Assets, Liabilities & Policyholders' Surplus**  
**June 30, 2021**

**ADMITTED ASSETS**

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
<b>CASH &amp; INVESTMENTS:</b>		
Cash	2,702,284	2,271,085
Restricted Cash	1,461,267	1,261,422
Escrowed Court Funds	-	760,590
Bonds	1,074,031	1,879,043
<b>Total Cash &amp; Investments</b>	<b>\$ 5,237,581</b>	<b>\$ 6,172,140</b>
Accrued Investment Income	9,143	20,294
Reinsurance Recoverable on Paid Losses	-	2,288
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 5,246,724</b>	<b>\$ 6,194,722</b>
<b>LIABILITIES &amp; POLICYHOLDERS' SURPLUS</b>		
<b>LIABILITIES:</b>		
Distribution Class 1- Unpaid LAE Reserves	300,712	326,578
Distribution Class 1 - Unpaid Admin Expenses (P&C)	1,224,738	1,417,261
Distribution Class 1 - Unpaid Admin Expenses (Life and Health)	2,078,756	1,976,327
Distribution Class 3 - Unpaid Case Loss Reserves (P&C)	10,818,217	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)	2,437,524	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
<b>Total Liabilities</b>	<b>\$ 687,575,934</b>	<b>\$ 28,207,591</b>
<b>SURPLUS:</b>		
Policyholders' Surplus (Deficit) - Beginning	(22,012,869)	(4,301,290)
Change in Compass Ins Co	-	3,701,102
<b>NET LOSS</b>	<b>(660,316,340)</b>	<b>(21,412,681)</b>
<b>Total Policyholders' Surplus (Deficit) - Ending</b>	<b>\$ (682,329,209)</b>	<b>\$ (22,012,869)</b>
<b>TOTAL LIABILITIES &amp; POLICYHOLDERS' SURPLUS (DEFICIT)</b>	<b>\$ 5,246,724</b>	<b>\$ 6,194,722</b>

## Northwestern National Insurance Company

### Statement of Operations June 30, 2021

	<b>For the Period ended June 30, 2021</b>	<b>December 31, 2020</b>
<b>NET PREMIUMS EARNED:</b>		
Total Gross Premiums	-	-
Total Premium Ceded	-	-
Total Change in Net Unearned Premium	-	-
Total Net Premiums Earned	\$ -	\$ -
<b>NET LOSSES AND ALAE INCURRED:</b>		
Net Losses Paid - P&C	74,224	994,070
Net Losses Paid - Life and Health	1,172,928	1,172,928
Change in Unpaid Losses and IBNR - P&C	(3,286,801)	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	(25,866)	(162,580)
Total Net Losses and LAE Incurred	\$ 660,149,633	\$ 12,704,946
<b>OPERATING EXPENSES:</b>		
Salaries and Wages	10,567	35,704
Travel and Meetings	94	5,972
Rent	4,235	35,126
Software and Equipment	-	14,688
Office Costs	23,356	523,005
Legal and Consulting Fees	116,000	557,625
Service Fees	141,225	2,405,242
Distribution Class 5 - Adjustment to other Claimant Liabilities	-	(3,906,786)
Other Expenses (Income)	8,909	(467,501)
Total Operating Expenses	\$ 304,387	\$ (796,924)
<b>UNDERWRITING LOSS</b>	<b>\$ (660,454,019)</b>	<b>\$ (11,908,022)</b>
<b>INVESTMENT &amp; OTHER INCOME:</b>		
Interest Income	10,204	58,284
Realized Gain (Loss) on Investments	127,475	(9,562,944)
Total Investment & Other Income (Loss)	\$ 137,679	\$ (9,504,660)
<b>NET LOSS</b>	<b>\$ (660,316,340)</b>	<b>\$ (21,412,681)</b>