

**FILED**  
**03-24-2023**  
**CIRCUIT COURT**  
**DANE COUNTY, WI**  
**2019CV001209**

STATE OF WISCONSIN : CIRCUIT COURT : DANE COUNTY  
BRANCH 15

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

Case No. 2019-CV-1209

Case Code: 30703

c/o: Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53703

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**NOTICE OF MOTION AND MOTION TO APPROVE COMMUTATION**

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TO: All Interested Parties

**NOTICE**

PLEASE TAKE NOTICE that the Commissioner of Insurance of the State of Wisconsin, Nathan Houdek, as Liquidator of Northwestern National Insurance Company of Milwaukee (“NNIC”), brings this Motion to Approve Commutation for hearing, if necessary, before the Circuit Court for Dane County, the Hon. Stephen E. Ehlke, in the Dane County Courthouse, 215 S. Hamilton Street, Madison, WI 53703-3285, on a date and at a time to be determined by the Court. Objections to this Motion, along with supporting documentation, shall be filed with the Court and served on the Liquidator, by his attorneys, and any other party who has filed an appearance in this action, within 14 days of the filing of this Motion.

**MOTION**

The Liquidator hereby moves the Court, pursuant to Wis. Stat. §645.46 and chapter 645, in general, to enter an Order approving the March 23, 2023 Commutation and Release

Agreement between NNIC and Swiss Reinsurance America Corporation, on behalf of itself and as success to GE Reinsurance Corporation and Underwriters Reinsurance Company; Westport Insurance Corporation, on behalf of itself and formerly known as Employers Reinsurance Corporation and Puritan Insurance Company; Swiss Re Europe S.A., UK Branch, on behalf of itself; Swiss Re Europe S.A., Niederslassung Deutschland on behalf of itself and as successor to Swiss Re Frankona Ruckversicherungs-Aktiengesellschaft; and Swiss Re Europe S.A., filial af Swiss Re Europa S.A., Luxembourg, on behalf of itself and formerly known as Swiss Re Denmark Reinsurance A/S (collectively, “Swiss Re”) (the “Commutation Agreement”). A true and correct copy of the Commutation Agreement is appended to this Motion as Exhibit A. As grounds for this Motion, the Liquidator states as follows:

1. NNIC and Swiss Re entered into various reinsurance agreements whereby Swiss Re committed to reinsure certain risks insured or reinsured by NNIC and NNIC committed to reinsure certain risks reinsured by Swiss Re (the “Reinsurance Agreements”).
2. The parties have entered into the Commutation Agreement applying to any and all Reinsurance Agreements ever entered into between the Parties before the effective date of the Commutation Agreement and which Reinsurance Agreements are now terminated.
3. Pursuant to the Commutation Agreement, Swiss Re has offered to pay, and NNIC has agreed to accept in full satisfaction of both Parties’ past, present and future obligations and liabilities under the Reinsurance Agreements, the sum of \$100,000 (the “Commutation Amount”).
4. The Commutation Agreement provides that the Parties will fully and finally settle and commute their respective past, present, and future obligations and liabilities known and

unknown under the Reinsurance Agreements, regardless of whether the ultimate payments under the Reinsurance Agreements would be more than or less than the Commutation Amount.

5. The Liquidator has reviewed the Commutation Agreement and performed extensive due diligence concerning the proposed commutation. Based on that review, the Liquidator has determined that it would be in the best interest of NNIC policyholders and the public for the Liquidator to enter into the Commutation Agreement.

6. Pursuant to Wis. Stat. § 645.46(6), the Liquidator may “perform any other acts necessary or expedient to collect, preserve, or protect its assets.” Pursuant to Wis. Stat. § 645.46(11)(a), the Liquidator may enter into such contracts as are “necessary to carry out the order to liquidate.” The Liquidator believes that the Commutation Agreement constitutes such an act and is necessary in his efforts to liquidate NNIC.

NOW, THEREFORE, for the reasons stated above and based on the entire record in this action, the Liquidator asks the Court to enter an order approving the March 23, 2023 Commutation and Release Agreement between NNIC and Swiss Re.

Dated at Madison, Wisconsin, this 24<sup>th</sup> day of March 2023.

GODFREY & KAHN, S.C.  
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Respectfully submitted,

GODFREY & KAHN, S.C.

By: Electronically signed by James A. Friedman  
James A. Friedman  
Zachary P. Bemis  
Attorneys for Petitioner Nathan Houdek,  
Commissioner of Insurance of the State  
of Wisconsin