

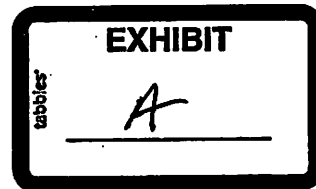
STATE OF WISCONSIN CIRCUIT COURT DANE COUNTY

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

Case no:

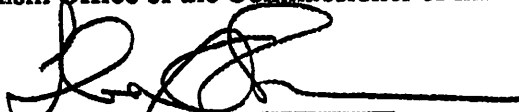
AFFIDAVIT OF SERVICE

STATE OF WISCONSIN
DANE COUNTY



Thomas Hodson, being sworn, states:

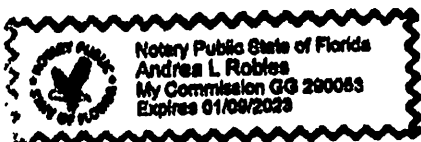
1. I am the Director and General Counsel of SOBC DARG Group (GC) which owns and operates Northwestern National Insurance Company of Milwaukee, WI (NNIC).
2. In my capacity as GC, NNIC accepts service of the Liquidation Petition filed on behalf of the Wisconsin Office of the Commissioner of Insurance (OCI).
3. NNIC waived any objection to personal or subject matter jurisdiction or venue regarding the Petition filed by the Wisconsin Office of the Commissioner of Insurance.


Thomas Hodson

Signed and sworn to before me
on: April 30th 2019

By: Andrea Robles

Print Name: Andrea Robles
Notary Public, State of Florida
My commission 1/9/2023



STATE OF WISCONSIN

CIRCUIT COURT

DANE COUNTY

In the Matter of the Rehabilitation of:

Northwestern National Insurance Company of
Milwaukee, Wisconsin.

Case No.

06CV3585

ORDER FOR REHABILITATION

EXHIBIT

B

Based on the Verified Petition of Jorge Gomez, the Commissioner of Insurance of the State of Wisconsin (the "Commissioner"), the written consent dated April 28, 2004 of the Northwestern National Insurance Company of Milwaukee, Wisconsin ("NNIC") Board of Directors granting the Office of the Commissioner of Insurance ("OCI") the authority, at its sole discretion, to place NNIC in rehabilitation, the provisions of Wis. Stat. §§ 645.31 to 645.35, and all other applicable laws, and having found that sufficient grounds exist,

NOW, THEREFORE, IT IS HEREBY ORDERED AND ADJUDGED THAT:

1. The Verified Petition filed by the Commissioner is granted.
2. NNIC is hereby placed in rehabilitation pursuant to Wis. Stat. § 645.32. This Court shall be the Rehabilitation Court for all matters relating to NNIC.
3. The Commissioner, Jorge Gomez, and his successors in office, are hereby appointed Rehabilitator of NNIC. The recording of this Order with any register of deeds in the state imparts the same notice as a deed, bill of sale, or other evidence of title recorded with that register of deeds.
4. The Rehabilitator shall have the full powers and authority granted pursuant to Wis. Stat. §§ 645.33 to 645.35 and all other applicable laws, as are reasonable and necessary to fulfill his duties and responsibilities under this Order.

5. The Rehabilitator shall appoint Roger A. Peterson as Special Deputy Rehabilitator for the purposes of carrying out the rehabilitation, and he shall have all of the powers of the Rehabilitator under Wis. Stat. §§ 645.33 to 645.35 and all other applicable laws, as are reasonable and necessary to fulfill his duties and responsibilities under this Order. The Special Deputy Rehabilitator may appoint one or more Assistant Special Deputy Rehabilitators to perform such duties as shall be assigned to or required of them, from time to time, by the Rehabilitator, the Special Deputy Rehabilitator, or this Court.

6. Pursuant to Wis. Stat. § 645.33(2), the Rehabilitator is hereby authorized to re-delegate the authority and right to operate NNIC during the pendency of these rehabilitation proceedings to NNIC's officers, directors, managers, and employees and to rescind such delegation at any time at his discretion or at the discretion of the Special Deputy Rehabilitator. Furthermore, NNIC may, at the discretion of this Court, retain title to and possession of all of its assets, books, records, and business generally.

7. The Special Deputy Rehabilitator is hereby authorized to negotiate and conclude a contract providing for reasonable compensation and expenses for legal counsel provided by Godfrey & Kahn to represent the Rehabilitator in these proceedings and any other matter arising out of the rehabilitation of NNIC and to make current payments for services. The contract shall terminate on November 30, 2006, unless continuation is approved by this Court.

8. The Special Deputy Rehabilitator is hereby authorized to negotiate and conclude a contract providing for reasonable compensation and expenses for legal counsel provided by Barger & Wolen LLP to represent the Rehabilitator in an arbitration proceeding with the Commissioner of Insurance of the State of Texas regarding the respective liabilities and legal obligations of NNIC and Highlands Insurance Company as successor-in-interest to Northwestern

National Casualty Company as to certain agreements and certain books of business, and any other matter arising out of the arbitration and to make current payments for services. The contract shall terminate on September 30, 2007, unless continuation is approved by this Court.

9. The Special Deputy Rehabilitator is hereby authorized to negotiate and conclude contracts providing for reasonable compensation and expenses for such experts and contractors as are deemed necessary to effectuate the rehabilitation of NNIC. Any such contracts shall be filed for review by this Court.

10. The Court hereby adopts and incorporates herein, as part of this Order, the Rehabilitation Plan filed by the Commissioner with the Verified Petition. The Rehabilitation Plan shall be effective as of the date of entry of this Order (the "effective date"). The Rehabilitator shall have all of the powers and duties set forth in the Rehabilitation Plan.

11. All persons and entities are enjoined and restrained from commencing or prosecuting any actions, claims, lawsuits, administrative or other proceedings against NNIC or the Commissioner as Rehabilitator of NNIC, except as set forth in paragraph 13 below.

12. All persons and entities are enjoined and restrained from obtaining preferences, judgments, attachments, or other liens or making any levy against NNIC's assets or any part thereof.

13. All parties to actions, lawsuits, administrative or other proceedings in which NNIC is or is alleged to be obligated to defend a party pursuant to an insurance policy, bond, contract, or otherwise, or in which NNIC is named as a party pursuant to Wis. Stat. § 803.04(2), are enjoined and restrained from commencing or prosecuting those actions, lawsuits, and proceedings for a period of 180 days from the date of entry of this Order.

14. Pursuant to Wis. Stat. § 645.07 and this Order, any person or entity violating the terms of this Order shall be subject to the sanctions contained in Wis. Stat. § 601.64.

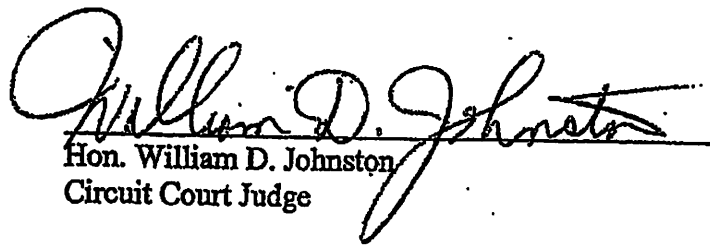
15. This Order shall not be deemed an order of liquidation for purposes of Wis. Stat. § 646.31, which would activate the provisions of the Wisconsin Insurance Security Fund, Wis. Stat. chapter 646, or the provisions of similar acts of any other state.

16. The Rehabilitator may, at any time, petition this Court for such other or further relief as he deems appropriate.

17. Exclusive jurisdiction over NNIC shall remain with this Court in all matters relating to this rehabilitation.

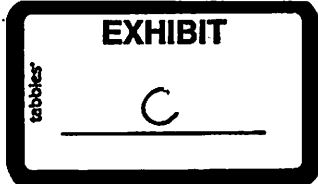
Dated at Darlington, Wisconsin, this 8th day of March, 2007.

BY THE COURT:


Hon. William D. Johnston
Circuit Court Judge

Prepared by:
GODFREY & KAHN, S.C.
780 North Water Street
Milwaukee, WI 53202-3590
Tel: (414) 273-3500
Fax: (414) 273-5198
Attorneys for the Commissioner of Insurance

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STATE OF WISCONSIN : CIRCUIT COURT : DANE COUNTY

In the Matter of the Rehabilitation of:

Northwestern National Insurance Company of Milwaukee, Wisconsin.

Case No. 06 CV 3585
Case Code 30703
Unclassified

COPY

FINAL ORDER AND DISCHARGE

BASED ON THE PETITION TO TERMINATE REHABILITATION dated January 19, 2012, filed by Theodore K. Nickel, Commissioner of Insurance of the State of Wisconsin and Rehabilitator of Northwestern National Insurance Company of Milwaukee, Wisconsin ("NNIC"), and Steven J. Junior, Special Deputy Rehabilitator of NNIC (collectively, the "Rehabilitator"), by their attorneys, Godfrey & Kahn, S.C., and upon the entire record of this rehabilitation proceeding (the "Rehabilitation"), the Court makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Pursuant to a Stipulation and Order dated May 13, 2004, in Office of the Commissioner of Insurance ("OCI") Case No. 04-C29007, NNIC established an optional segregated account (the "Segregated Account"), pursuant to Wis. Stat. § 611.24(2), for purposes of satisfying its obligations to its direct policyholders and certain other obligations.
2. On March 12, 2007, this Court ordered NNIC into rehabilitation, pursuant to Wis. Stat. § 645.32.
3. The Court adopted and incorporated as part of its Order a Rehabilitation Plan filed by the Commissioner.

4. Pursuant to Paragraph 4.4 of the Rehabilitation Plan and Wis. Stat. § 645.33(2), the Rehabilitator re-delegated the authority and right to operate NNIC during the pendency of the Rehabilitation to NNIC's officers, directors, managers, and employees (collectively, the "Delegees").

5. The Rehabilitation Plan sets forth a number of tasks for the Rehabilitator or the Delegees to perform in order successfully to rehabilitate NNIC. With the exception of some very minor adjustments to the process, which the Rehabilitator has made in an effort to reduce the expense and administrative burden, the Rehabilitator or the Delegees have performed each of those tasks.

6. Pursuant to Paragraph 11.2 of the Rehabilitation Plan and Wis. Stat. § 645.35(2), "[t]he Rehabilitator may at any time petition the Rehabilitation Court for an order terminating the rehabilitation of NNIC if rehabilitation has been accomplished and the grounds for rehabilitation identified in Part 1 above no longer exist."

7. The Rehabilitation of NNIC has been accomplished. Furthermore, the grounds for rehabilitation identified in Part 1 of the Rehabilitation Plan no longer exist.

IT IS THEREFORE ORDERED AND ADJUDGED AS FOLLOWS:

- A. All actions of the Rehabilitator and his Delegees taken in connection with the Rehabilitation of NNIC are approved.
- B. The Rehabilitation of NNIC is terminated;
- C. The possession of NNIC's property and the control of its business are restored to NNIC.
- D. NNIC is authorized to continue satisfying its remaining obligations to its reinsureds and other obligations, as set forth in Section VI of the Rehabilitation Plan, through the

General Account in lieu of establishing a separate trust account for the benefit of the reinsureds of NNIC, pursuant to Paragraph 6.4 of the Rehabilitation Plan.

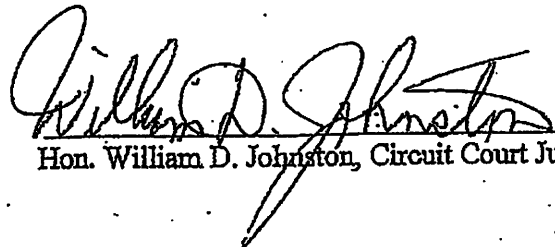
E. NNIC is authorized to continue satisfying its obligations to its direct insureds and other remaining obligations through the Segregated Account.

F. The present and former Rehabilitators, the present and former Special Deputy Rehabilitators, and all of their employees, agents, lawyers, accountants, and other advisors and consultants who assisted with the conduct of the Rehabilitation are discharged and released from any and all duties, obligations, liabilities, actions, causes of action, demands, claims, damages, judgments, levies, and executions, which relate in any way to or arise out of the Rehabilitation of NNIC.

G. NNIC shall pay the Rehabilitator's legal fees and expenses related to terminating the rehabilitation and any necessary follow up.

Dated: January 20, 2012.

BY THE COURT:


Hon. William D. Johnston, Circuit Court Judge

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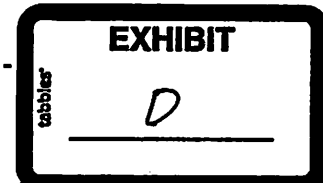
In the Matter of the Acquisition of Control
of Northwestern National Insurance Company of
Milwaukee, Wisconsin by
SOBC Gamma Holding Company Limited

FINAL DECISION

Case No. 16-C41150

Petitioners.

FINAL DECISION



I adopt the Hearing Examiner's Proposed Decision, including the findings of fact and conclusions of law, which is attached to this Final Decision and which was served on the Petitioners with an opportunity for submitting written objections.

Based upon these findings of fact and conclusions of law, I order that:

(21) The Petitioners' request for approval of the plan for the acquisition of control is approved. It is further ordered that:

- a) The Intercompany Services Agreement, submitted as Appendix 6 to the Form A and referenced in Section (4) of the Proposed Findings of Fact is not disapproved.
- b) The transactions described in the Form D filing dated April 13, 2016 and referenced in Section (5) of the Proposed Findings of Fact is not disapproved.
- c) The Domestic Insurer shall consent to an order issued by the Office of the Commissioner of Insurance under s. 601.41, Wis. Stat., which shall be in a form substantially similar to Exhibit H in the record of this proceeding.
- d) The participation of the Domestic Insurer in any and all agreements with AK Steel Corporation and AK Steel Corporation's direct and indirect subsidiaries and affiliates, other than agreements entered into in connection with the Plan, shall be terminated and discharged effective upon the closing of the acquisition of control of the Domestic Insurer by Petitioner.
- e) The Domestic Insurer shall file the Intercompany Services Agreement by and between SOBC Services Company Limited and the Domestic Insurer, which shall be in a form substantially similar to Appendix 6 to the Form A, as amended by subsequent filings in this proceeding, with the Office of the Commissioner of Insurance within ten (10) days following its execution.

NOTICE OF APPEAL INFORMATION

(Notice of rights for rehearing and judicial review,
the times allowed for each, and the identification
of the party to be named as respondent)

NORTHWESTERN NATIONAL INS CO OF
MILWAUKEE WI
16-C41150 Closed: Nov 30, 2016
Ex: Forsberg, Kristin
Atty: Wicka, Richard

The following notice is served on you as part of the Final Decision:

1. Rehearing.

Any person aggrieved by this Final Decision may petition for a rehearing within 20 days after the service of this Final Decision, as provided in s. 227.49, Wis. Stat. A petition for rehearing is not a prerequisite for appeal directly to circuit court through a petition for judicial review.

A petition for rehearing must be filed with the Commissioner at the address below.

2. Judicial Review.

Any person aggrieved by this Final Decision has a right to petition for judicial review of this Final Decision as provided in s. 227.53, Wis. Stat. The petition must be filed in circuit court within 30 days after service of this Final Decision if there has been no petition for rehearing, or within 30 days after service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition by operation of law of any petition for rehearing.

A petition for judicial review must be served on, and name as the Respondent:

Commissioner of Insurance, Respondent
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873

A copy of the relevant statutory provisions is attached.

Dated at Madison, Wisconsin, this 31st day of May, 2016.

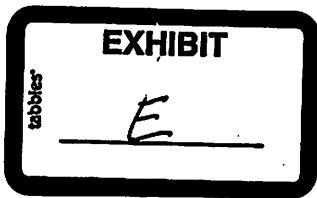


Theodore K. Nickel
Commissioner of Insurance

WISCONSIN STATUTES

At all times material, the relevant parts of s. 227.49, Wis. Stat., read as follows:

227.49 PETITIONS FOR REHEARING IN CONTESTED CASES



OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

STATE OF WISCONSIN

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

STIPULATION
AND ORDER

Case No. 19-C43026

Respondent.

WHEREAS, Northwestern National Insurance Company of Milwaukee, Wisconsin, 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069 ("Respondent"), is subject to the jurisdiction and control of the Office of the Commissioner of Insurance (the "OCI") in the State of Wisconsin; and

WHEREAS, by a stipulation and order dated May 13, 2004, the OCI and the Respondent agreed that, pursuant to a restructuring plan, the Respondent established the Northwestern National Insurance Company of Milwaukee, Wisconsin Segregated Account (the "Segregated Account") from which it would satisfy its obligations to its direct policyholders and certain other obligations, while all other obligations of the Respondent, including reinsurance obligations, were to be satisfied from the General Account of Northwestern National Insurance Company of Milwaukee, Wisconsin (the "General Account"); and

WHEREAS, the Respondent was placed into rehabilitation effective March 12, 2007 by order of the Dane County Circuit Court principally to effectuate a global commutation of all obligations to reinsureds and retrocessionnaires and fix the amount of obligation applicable to each such reinsured and retrocessionnaire; and

WHEREAS, upon accomplishment of the objectives of rehabilitation, the Respondent was released from rehabilitation effective January 20, 2012 by order of the Dane County Circuit Court and the possession of the Respondent's property and control of its business were restored to the Respondent; and

WHEREAS, OCI is in the process of drafting and filing of a Petition for liquidation; and

WHEREAS, in view of the imminent liquidation of the Respondent, there is no longer any legal or regulatory rationale for maintaining both a General Account and a Segregated Account.

WHEREAS, the OCI intends to protect the interests of policyholders, creditors, and the general public, as the Petition for Liquidation is being prepared and the Respondent endeavors to cooperate with the OCI in that intention.

NOW, THEREFORE, the Respondent and the OCI do agree and stipulate to the following terms and conditions:

- (1) Effective with the date of this Stipulation and Order, the Segregated Account shall merge with and into the General Account (the "Merger"). The OCI will communicate with the National Association of Insurance Commissioners (the "NAIC") concerning the Merger, including ending the Segregated Account's use of NAIC Company Code 11977, which has been used by the NAIC to track the financial statement and other regulatory filings made by the Segregated Account.
- (2) Neither the Merger nor this Stipulation and Order shall be construed to alter the application of s. 645.68, Wis. Stat., concerning the order of distribution in the liquidation of the Respondent. For the avoidance of any doubt, the claims of the reinsureds and retrocessionnaires of the Respondent are in the Residual Classification described by s. 645.68 (5), Wis. Stat.
- (3) Any assets in the General Account at the time of the Merger shall be held and accounted for pursuant to s. 645.67, Wis. Stat., as security for the claims that had been allocated to the

General Account immediately prior to the Merger, which are principally if not exclusively those of reinsureds and retrocessionnaires,

- (4) The Respondent agrees that this Stipulation is made without reservation and constitutes a waiver of valuable rights including a hearing, confrontation and cross-examination of witnesses, production of evidence, making a motion for costs, and judicial review. The OCI may enforce this Stipulation and Order. In addition, if the Respondent is involved in a future administrative or disciplinary action, this Stipulation may be considered. The Respondent acknowledges that the OCI may make additional orders or subsequently modify or supersede this order by making a subsequent order. However, this Stipulation applies only to this Order as originally issued and the Respondent reserves its rights to contest any other new orders of the OCI or any modifications to this Order.

March 22, 2019

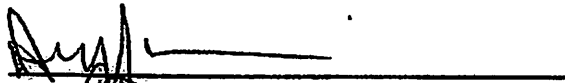
Date



Thomas F. X. Hodson
Director, General Counsel, and Secretary
Northwestern National Insurance Company
of Milwaukee, Wisconsin

3/22/2019

Date



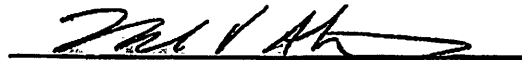
Amy J. Malm, Director
Bureau of Financial Analysis and Examinations
Office of the Commissioner of Insurance

ORDER

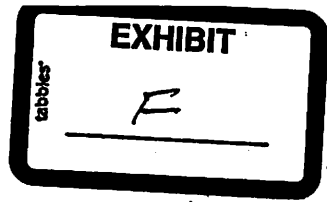
NOW, THEREFORE, based upon consideration of the Stipulation in this matter, I hereby order that:

- (5) The Respondent shall comply with its agreements as recited in this Stipulation.
- (6) This Order shall be effective immediately and continue until modified or terminated by the OCI, with written notice to the Respondent.

Dated at Madison, Wisconsin, this 22ND day of MARCH, 2019.



Mark V. Afable
Commissioner of Insurance



OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

STATE OF WISCONSIN

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

STIPULATION
AND ORDER

Case No. 19-C43019

Respondent.

WHEREAS, Northwestern National Insurance Company of Milwaukee, Wisconsin, 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069 ("Respondent"), is subject to the jurisdiction and control of the Office of the Commissioner of Insurance (the "OCI") in the State of Wisconsin; and

WHEREAS, the Respondent is in hazardous financial condition, having reported, as of December 31, 2018, assets of \$17,304,756, liabilities of \$17,718,741, and policyholders' surplus of \$(413,985); and

WHEREAS, the Board of Directors of the Respondent recommended to the OCI that the Respondent enter voluntary liquidation in a unanimous written consent resolution dated February 7, 2019; and

WHEREAS, OCI is in the process of drafting and filing of the Petition for liquidation; and

WHEREAS, the OCI intends to protect the interests of policyholders, creditors, and the general public, as the Petition for Liquidation is being prepared and the Respondent endeavors to cooperate with the OCI in that intention.

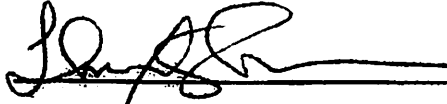
NOW, THEREFORE, the Respondent and the OCI do agree and stipulate to the following terms and conditions:

- (1) Respondent agrees that it shall not make payment on any claim other than a worker's compensation or an accident and health claim without the prior written consent of the OCI for each such claim other than worker's compensation or an accident and health claim.
- (2) Respondent agrees to invest full and complete custody and control of all of its assets with the OCI.
- (3) Respondent shall promptly comply with instructions of the OCI concerning the wire transfer of cash to accounts at a financial institution designated by the OCI, with signatories designated by the OCI. Respondent shall execute, seal and deliver in the name and on behalf of the Respondent any and all documents, agreements and instruments to effectuate the designation of signatories designated by the OCI.
- (4) Respondent shall execute, seal and deliver in the name and on behalf of the Respondent any and all documents, agreements and instruments to effectuate transfer of its investments, other than those on deposit with various states, to a custodian designated by the OCI and to designate individuals selected by the OCI to direct the purchase, sale, or other disposition of such investments upon transfer of such investments to the custodian designated by the OCI.
- (5) This Stipulation and Order does not terminate or supersede Stipulation and Order No. 17-C41673.
- (6) The Respondents agree that this Stipulation is made without reservation and constitutes a waiver of valuable rights including a hearing, confrontation and cross-examination of witnesses, production of evidence, making a motion for costs, and judicial review. The OCI may enforce this Stipulation and Order. In addition, if one or more of the Respondents is involved in a future administrative or disciplinary action, this Stipulation may be considered. The Respondents

acknowledge that the OCI may make additional orders or subsequently modify or supersede this order by making a subsequent order. However, this Stipulation applies only to this Order as originally issued and the Respondents reserve their rights to contest any other new orders of the Commissioner or any modifications to this Order.

March 14, 2019

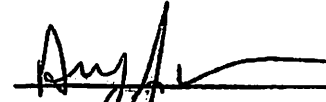
Date



Thomas F. X. Hodson
Director, General Counsel, and Secretary
Northwestern National Insurance Company
of Milwaukee, Wisconsin

3/14/2019

Date



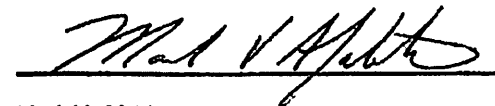
Amy J. Mann, Director
Bureau of Financial Analysis and Examinations
Office of the Commissioner of Insurance

ORDER

NOW, THEREFORE, based upon consideration of the Stipulation in this matter, I hereby order that:

- (7) The Respondent shall comply with its agreements as recited in this Stipulation.
- (8) This Order shall be effective immediately and continue until modified or terminated by the OCI, with written notice to the Respondent.

Dated at Madison, Wisconsin, this 14th day of March, 2019.



Mark V. Afable
Commissioner of Insurance

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN**

EXHIBIT
G

ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	(Cols. 1 - 2)	Admitted Assets
1. Bonds (Schedule D)	0		0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ _____ encumbrances)				
4.2 Properties held for the production of income (less \$ _____ encumbrances)				
4.3 Properties held for sale (less \$ _____ encumbrances)				
5. Cash (\$ _____, Schedule E-Part 1), cash equivalents (\$ _____, Schedule E-Part 2) and short-term investments (\$ _____, Schedule DA)	43,191		43,191	29,729
6. Contract loans (including \$ _____ premium notes)			0	0
7. Derivatives (Schedule DB)	0		0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	43,191	0	43,191	29,729
13. Title plants less \$ _____ charged off (for Title insurers only)				
14. Investment income due and accrued			0	0
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ _____ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$ _____) and contracts subject to redetermination (\$ _____)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$ _____)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	2,598		2,598	4,565
24. Health care (\$ _____) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	45,787	0	45,787	34,294
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
27.1				
27.2				
27.3				
27.4				
27.5				
27.6				
27.7				
27.8				
27.9				
27.0				
28. Total (Lines 26 and 27)	17,258,969		17,258,969	20,575,238
29. Total (Lines 26 and 27)	17,304,758	0	17,304,758	20,609,532
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1199. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1199) (Line 11 above)	0	0	0	0
2501. Accounts Receivable			0	0
2502.			0	0
2503.			0	0
2599. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2599) (Line 25 above)	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN**

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	0	0
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 8)	0	0
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	0	0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	200	200
7.1 Current federal and foreign income taxes (including \$ _____ on realized capital gains (losses))	200	200
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ _____ and interest thereon \$ _____	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ _____ and including warranty reserves of \$ _____ and accrued accident and health experience rating refunds including \$ _____ for medical loss ratio rebate per the Public Health Service Act)	0	0
10. Advance premium	0	0
11. Dividends declared and unpaid:	0	0
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (including \$ _____ certified) (Schedule F, Part 3, Column 78)	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ _____ and interest thereon \$ _____	0	0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	17,718,341	18,686,214
27. Protected cell liabilities	17,718,741	18,686,614
28. Total liabilities (Lines 26 and 27)	0	0
29. Aggregate write-ins for special surplus funds	17,718,741	18,686,614
30. Common capital stock	(413,885)	1,912,918
31. Preferred capital stock	4,010,000	4,010,000
32. Aggregate write-ins for other-than-special surplus funds	5,000,000	5,000,000
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	0	0
35. Unassigned funds (surplus)	438,810,833	438,810,833
36. Less treasury stock, at cost:	(442,820,933)	(442,820,933)
36.1 _____ shares common (value included in Line 30 \$ _____)	0	0
36.2 _____ 1,000 shares preferred (value included in Line 31 \$ _____ 5,000,000)	5,000,000	5,000,000
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 38)	(413,885)	1,912,918
38. Totals (Page 2, Line 28, Col. 3)	17,304,756	20,009,532
DETAILS OF WRITE-INS		
2501. Present value offset to loss and loss expense reserves	0	0
2502. Total Liabilities of Segregated Account	17,672,854	18,682,320
2503. Global Comutation - Contingent Liability	45,387	33,894
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	17,718,341	18,686,214
2801. Surplus of Segregated Account	(413,885)	1,912,918
2802.	0	0
2803.	0	0
2898. Summary of remaining write-ins for Line 29 from overflow page	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 29 above)	(413,885)	1,912,918
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**ANNUAL STATEMENT FOR THE YEAR 2018 OF THE NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN**

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	0	0
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	0	0
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	0	0
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	0	0
5. Aggregate write-ins for underwriting deductions	2,040	200
6. Total underwriting deductions (Lines 2 through 5)	(2,040)	440
7. Net income of protected cells	0	640
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	0	(840)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	640
10. Net realized capital gains (losses) less capital gains tax of \$ _____ (Exhibit of Capital Gains (Losses))	0	0
11. Net investment gain (loss) (Lines 9 + 10)	0	640
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ _____ amount charged off \$ _____)		0
13. Finance and service charges not included in premiums		0
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	0	0
17. Dividends to policyholders	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	0	0
19. Federal and foreign income taxes incurred	0	0
20. Net income (Line 18 minus Line 19) (to Line 22)	0	0
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,912,918	1,855,683
22. Net income (from Line 20)	0	0
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ _____	0	0
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	0	0
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	0	0
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(2,326,903)	57,235
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(2,326,903)	57,235
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	(413,985)	1,912,918
DETAILS OF WRITE-INS		
0501. Global Comutation		
0502.	(2,040)	440
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Change in present value of discounted reserves	(2,040)	440
1402. Recoverable balances charged off		
1403. Liquidation Dividends		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0
3701. Change in Surplus of Segregated Account		
3702. Change in Non-Admitted of Segregated Account	(2,326,903)	57,235
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(2,326,903)	57,235

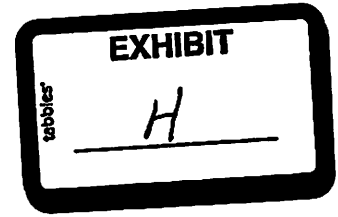
ANNUAL STATEMENT FOR THE YEAR 2018 OF THE NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

CASH FLOW

	1 Current Year	2 Prior Year
1. Premiums collected net of reinsurance.	0	0
2. Miscellaneous income	0	0
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	0	0
5. Benefit and loss related payments	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	0	0
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	0
10. Total (Lines 4 through 9)	0	0
11. Net cash from operations (Line 4 minus Line 10)	0	200
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous acquisitions	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	0
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7)	0	0
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.6 plus Line 16.5)	13,461	(254,529)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 16 and 17)	13,461	(254,529)
18.1 Beginning of year	29,729	283,617
18.2 End of year (Line 18 plus Line 18.1)	43,190	29,729

UNANIMOUS WRITTEN CONSENT
OF
THE BOARD OF DIRECTORS
OF

NORTHWESTERN NATIONAL INSURANCE COMPANY OF
MILWAUKEE, WI



FEBRUARY 7, 2019

In accordance with the Certificate of Incorporation and Bylaws of Northwestern National Insurance Company of Milwaukee, WI (the "Company"), the undersigned, constituting all of the directors of the Company (the "Board") hereby take the following actions and adopt the following resolutions by unanimous written consent without a meeting:

WHEREAS, the Company has been in run-off status for over 30 years;

WHEREAS, when the Company was acquired by SOBC Holding Company, its capital and surplus was only slightly above the minimum required by law and regulation in the State of Wisconsin;

WHEREAS, despite the best efforts of the Company in executing a Business Plan approved by, and in full cooperation with, the Wisconsin Office of the Insurance Commissioner ("OCI"), the surplus of the Company continues to deteriorate and is well below the minimum required by the law and regulation in the State of Wisconsin; and

WHEREAS, the Board has done a thorough review of claims, expenses and financial condition of the Company and now believe that it is in the best interest of the Company and its current and future claimants to recommend to the OCI that the Company enter voluntary liquidation, giving the OCI powers to take certain measures that are not available to the Company or its Board, including, but not limited to, controlling or limiting certain expenses, mitigate the effect of certain claims, canceling or non-renewing certain remaining policies, directing payments under certain reinsurance arrangements, and reducing or eliminating certain state deposits.

NOW THEREFORE, the Board takes the following action by unanimous written consent:

1. Move for Voluntary Liquidation

RESOLVED, that the Board shall recommend to the OCI that the Company be placed in voluntary liquidation as soon as practicable.

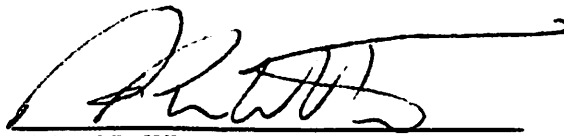
2. General

RESOLVED, that the officers of the Company be and hereby are, acting together or singly, empowered and directed (i) to execute, seal and deliver in the name of and on behalf of the

Company any and all documents, agreements and instruments to effectuate any of the foregoing resolution, all with such changes therein as any of such officers may deem necessary or desirable, and (ii) to take such action (including, without limitation, the filing of any and all applications and the payment of any and all filing fees and expenses), or to cause the Company or any other person to take such action as may in the judgment of the officer so acting be necessary or desirable in connection with, or in furtherance of, any of the foregoing resolution, and the execution and delivery of any such document, agreement or instrument or the taking of any such action shall be conclusive evidence of such officer's authority hereunder to so act.

This Written Consent shall be filed in the Minute Book of the Company and shall be effective as of the date set forth below.

Date: February 7, 2019



Richard P. Whatton



Stephanie C. Mocatta

Brian Johnston

Thomas F. X. Hodson

Company any and all documents, agreements and instruments to effectuate any of the foregoing resolution, all with such changes therein as any of such officers may deem necessary or desirable, and (ii) to take such action (including, without limitation, the filing of any and all applications and the payment of any and all filing fees and expenses), or to cause the Company or any other person to take such action as may in the judgment of the officer so acting be necessary or desirable in connection with, or in furtherance of, any of the foregoing resolution, and the execution and delivery of any such document, agreement or instrument or the taking of any such action shall be conclusive evidence of such officer's authority hereunder to so act.

This Written Consent shall be filed in the Minute Book of the Company and shall be effective as of the date set forth below.


Date: February 7, 2019

Richard P. Whatton

Stephanie C. Mocatta



Brian Johnston



Thomas F. X. Hodson

NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

LEGAL NOTICE

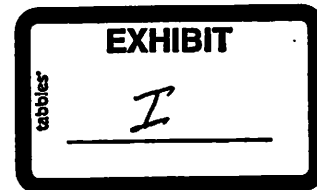
NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN ORDERED LIQUIDATED ON DATE

Northwestern National Insurance Company of Milwaukee, Wisconsin (Northwestern National), a Wisconsin domiciled property and casualty company, with its main administrative office at 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069, and its statutory home office at 33 East Main Street, Suite 900, Madison, Wisconsin 53703, was ordered to be liquidated by the Dane County Circuit Court, State of Wisconsin, on DATE. The Court appointed Wisconsin Commissioner of Insurance, Mark V. Afbale, and his successors in office, and Amy J. Malm as Special Deputy Liquidator.

Under § 645.43, Wis. Stat., all insurance policies issued by Northwestern National will be terminated on the earliest of the following dates:

- (a) 15 days from the date of entry of the liquidation order; or
- (b) The normal date for the expiration of coverage; or
- (c) Until Northwestern National has replaced the insurance coverage with equivalent insurance in another insurer; or
- (d) Until the Liquidator has effected a transfer of the policy obligation pursuant to § 645.46(8), which ever time is less.

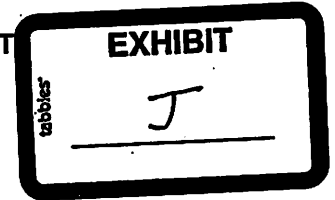
The Liquidation Order established a claims filing deadline of DATE for all potential claimants against Northwestern National and its insureds. Claimants are required to file any claims on the approved proof of claim form, which may be obtained by writing the Special Deputy Liquidator, c/o Northwestern National Insurance Company of Milwaukee, Wisconsin, 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069. Persons with questions may also write to the Special Deputy Liquidator at the above address.



NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

NOTICE OF LIQUIDATION OF NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

TO: ADMINISTRATORS OF AFFECTED LIFE & HEALTH INSURANCE GUARANTY
ASSOCIATIONS
MANAGERS OF AFFECTED GUARANTY FUNDS



LIQUIDATION ORDER

Northwestern National Insurance Company of Milwaukee, Wisconsin (Northwestern National), a property and casualty insurer domiciled in Wisconsin that maintains its main administrative office at 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069 and its statutory home office at 33 East Main Street, Suite 900, Madison, Wisconsin 53703, was placed in liquidation on DATE by order of Dane County Circuit Court, state of Wisconsin.

PREVIOUS REGULATORY ACTION

On March 8, 2007, Northwestern National was placed into rehabilitation by order of the court establishing a general and segregated account. On January 20, 2012 Northwestern National exited rehabilitation by order of the court. On March 22, 2019 by stipulation and order executed by the Commissioner, Northwestern National merged the segregated and general accounts.

LICENSED STATES

At the time of its liquidation, Northwestern National was licensed to do business in the following states: California, Connecticut, Delaware, Minnesota, New Hampshire, New Jersey, Pennsylvania, Texas, and Wisconsin. However, when the company actively wrote insurance business and until it was placed in run-off in January 1986, it was licensed to do business in all U.S. states, the District of Columbia, and Puerto Rico.

LIQUIDATION

The Court appointed Wisconsin Commissioner of Insurance, Mark V. Afable, and his successors in office or any of their delegates as Liquidator, and Amy J. Malm, as Special Deputy Liquidator for Northwestern National.

LOCATION OF OPERATIONS

Amy J. Malm
Special Deputy Liquidator
Northwestern National Insurance Company of Milwaukee, Wisconsin
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873
Telephone: (608) 261-8562
E-Mail: ocinnicliquidation@wisconsin.gov

PRINCIPAL LINES OF INSURANCE

Prior to being placed in run-off in 1986, Northwestern National conducted a full range of commercial and personal lines of business, including commercial multiple peril, homeowners, worker's compensation, other liability, ocean marine, inland marine, accident and health, farm owners, medical malpractice, and auto liability and physical damage. At present, claims consist principally of accident and health, worker's compensation, and environmental and asbestos liability.

POLICY CANCELLATION

Under the Liquidation Order and consistent with Wisconsin Statute § 645.43, all in-force insurance policies issued by Northwestern National Insurance Company of Milwaukee, Wisconsin, other than guaranteed renewable A&H policies that will be continued by the guaranty associations, will be terminated at the earliest of the following dates:

- (a) DATE;
- (b) The normal date for the expiration of coverage; or
- (c) The date the person insured replaces the coverage with equivalent coverage in another insurer.

The Liquidator understands that some states' Guaranty funds' laws may provide that coverage extends for 30 days or more after insolvency. The Liquidator recognizes that this extends Guaranty fund coverage beyond the coverage provided under policies based on the Wisconsin liquidation law. It is important that insureds be advised that Northwestern National's obligations to policyholders under policies continued by the Guaranty Associations terminates no later than the date of the Liquidation Order and that any additional continued coverage by a Guaranty fund is subject to the guaranty fund limits, restrictions and exclusions under the applicable Guaranty Association law. Further, policyholders should be informed that they are not eligible to submit a claim in the liquidation estate for any claims for that paid by a Guaranty Association.

PROOF OF CLAIM FILING DEADLINE

The Proof of Claim filing deadline has been established as DATE. A Guaranty Association Proof of Claim form is enclosed or can be accessed on the Wisconsin Office of Commissioner website and must be filed by the bar date for claims of DATE. The Proof of Claim may be for an unstated amount, since the loss values are unknown. Subsequent quarterly reporting to establish the amount of a Guaranty Association's claim will be expected.

STAY OF ALL ACTIONS AND PROCEEDINGS AGAINST NORTHWESTERN NATIONAL AND ITS INSURED

The Liquidation Order **did not stay all pending actions** and proceedings commenced against Northwestern National and its insureds.

It is the Liquidator's understanding that most, if not all, pending actions and proceedings against Northwestern National and its insureds involve excess coverage.

The Liquidator urges each P&C Guaranty Association to provide notice to defense counsel on covered claims regarding the defense of such claims going forward. The P&C Guaranty Associations may wish to consider seeking a stay in their jurisdiction for any claims they believe would be appropriate for a stay.

Sincerely,

Amy J. Malm, Special Deputy Liquidator
Northwestern National Insurance Company
of Milwaukee, Wisconsin

NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

Date

Re: Notice of Liquidation of Northwestern National Insurance Company of Milwaukee, Wisconsin and Termination of Coverage

Dear Policyholders and Claimants:

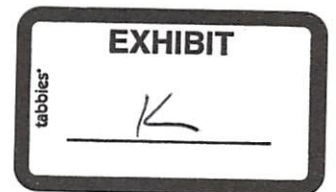
Northwestern National Insurance Company of Milwaukee, Wisconsin (Northwestern National), a Wisconsin domiciled company, was ordered to be liquidated by the Dane County Circuit Court, State of Wisconsin, on **Date**. Northwestern National has not issued a new policy since 1986 and has been operating with existing policies since 1986. The Office of the Commissioner of Insurance petitioned for the liquidation of Northwestern National only after all other alternatives were thoroughly explored.

The Court appointed Wisconsin Commissioner of Insurance, Mark V. Afable, and his successors in office or any of their delegees, as Liquidator, and Amy J. Malm as Special Deputy Liquidator for Northwestern National.

The liquidation of Northwestern National impacts your insurance coverage under a policy issued by the company. Wisconsin's Office of the Commissioner of Insurance (OCI) is making every effort to minimize the financial loss and inconvenience you may experience due to the liquidation.

You are strongly urged to **read this letter carefully** and follow the procedures outlined. This letter will give you information on the treatment of your policy or claim in the liquidation. If you have any questions, please address them in writing to the Special Deputy Liquidator at the address below or email ocinnicliquidation@wisconsin.gov. Please do not call.

Special Deputy Liquidator for
Northwestern National Insurance Company of Milwaukee, Wisconsin
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873



NOTICE TO POLICYHOLDERS OF IN-FORCE ACCIDENT AND HEALTH POLICIES

Policy Termination: Pursuant to § 645.43 (1), Wis. Stat., all insurance policies issued by Northwestern National Insurance Company of Milwaukee, Wisconsin that are not continued under the state laws of Insurance Guaranty Associations will be terminated based on the court order at the earliest of the following dates:

- (a) **DATE**
- (b) The normal date for the expiration of coverage; or
- (c) The date the insured has replaced the insurance coverage with equivalent insurance in another insurer; or
- (d) The date the Liquidator has effected a transfer of the policy obligation pursuant to § 645.46(8), which ever time is less.

If your policy is not continued by your state's Insurance Guaranty Association, we urge you to immediately seek replacement coverage effective no later than **DATE**.

Policyholders of in-force Accident and Health policies who are residents of New York, Kentucky or a foreign country: Based on representations of the New York and Kentucky Guaranty Associations to OCI, the Insurance Guaranty Association in your state does not provide continuation coverage for you. Your policy will be terminated in accordance with § 645.43 (1), Wis. Stat., on (DATE), 15 days after the date of the Liquidation Order. The Liquidator (for New York and foreign residents) or the Kentucky P&C Insurance Guaranty Association (for Kentucky residents) will pay your claims incurred prior to the date of policy termination. New York and foreign residents should continue submitting medical expenses covered by your policy as you currently submit them until the termination date of your policy. Kentucky residents should submit their medical expenses to the Kentucky P&C Insurance Guaranty Association.

All other Policyholders of Accident and Health in-force policies: The Accident and Health policies for all policyholders who are not residents of New York, Kentucky or a foreign country will be continued by the Life & Health Insurance Guaranty Association in each such policyholder's state of residence subject to the limitations and restrictions in each state's Life & Health Guaranty Association law.. If you wish to keep your policy in force, you should continue to pay your policy premiums timely. You will be receiving a notice from your guaranty association, on or about the date of this letter, providing important information about the coverage of your policy. In addition, you can find contact information for the Life & Health Insurance Guaranty Association in your state through the National Organization of Life and Health Insurance Guaranty Associations' website, www.nolhga.com.

NOTICE TO INSUREDS AND CLAIMANTS UNDER POLICIES OTHER THAN ACCIDENT AND HEALTH

Filing Proof of Claim: All claimants and potential claimants who wish to share in the distribution of Northwestern National's assets are required to file a Proof of Claim under §645.62, Wis. Stat., with the Special Deputy Liquidator, c/o Northwestern National Insurance Company of Milwaukee, Wisconsin, 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069. The Proof of Claim must be postmarked on or before DATE.

Claims must be filed on a Proof of Claim form and according to instructions which may be obtained by writing to the above address. If you fail to file a Proof of Claim as prescribed by statute by DATE, your claim will not be considered for payment. If someone makes a claim against you for liability which is covered by a Northwestern National policy, you should file a Proof of Claim with the Special Deputy Liquidator on your own behalf, regardless of whether the person making the claim against you files a claim.

You do not need to file a Proof of Claim if you have already filed a claim with Northwestern National or have given notice to the company of a suit in accordance with the policy terms.

You do not need to file a claim for return of unearned premium. Claims for unearned premium will be determined based on Northwestern National's records.

P&C Insurance Guaranty Association Coverage: The Insurance Guaranty Association of your state may provide coverage of claims under policies issued by insurance companies in liquidation, subject to certain deductibles, limits, restrictions and exclusions. Your state's Insurance Guaranty Association will determine the allowable amount and the extent of policy coverage for any eligible claim against Northwestern National.

The Insurance Guaranty Association will be responsible for the administration of all property and casualty claims under policies covered by them, including direction of defense counsel. Your defense counsel may contact Northwestern National at the above address in an urgent situation; otherwise, defense counsel will receive instructions directly from the applicable Insurance Guaranty Association at a later time.

Northwestern National Insurance Company of Milwaukee, Wisconsin
Notice to Policyholders and Claimants of Liquidation and Termination of Coverage
May 1, 2019
Page 3 of 3

You may find contact information for the Insurance Guaranty Association in your state through the National Conference on Insurance Guaranty Funds' website, www.ncigf.org.

Sincerely,

Amy J. Malm, Special Deputy Liquidator
Northwestern National Insurance Company
of Milwaukee, Wisconsin

NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

NOTICE OF LIQUIDATION OF NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

TO: REINSURERS OF NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE

LIQUIDATION ORDER

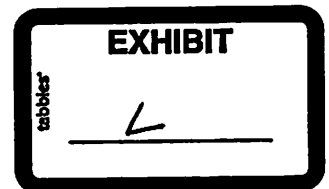
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LIQUIDATION

The Court appointed Wisconsin Commissioner of Insurance, Mark V. Afable, and his successors in office or as Liquidator, and Amy J. Malm, as Special Deputy Liquidator for Northwestern National.

LOCATION OF OPERATIONS

Amy J. Malm
Special Deputy Liquidator
Northwestern National Insurance Company of Milwaukee, Wisconsin
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873
Telephone: (608) 261-8562
E-Mail: ocinnicliquidation@wisconsin.gov



PRINCIPAL LINES OF INSURANCE

Prior to its entering run-off in 1986, Northwestern National conducted a full range of commercial and personal lines of business, including commercial multiple peril, homeowners, worker's compensation, other liability, ocean marine, inland marine, accident and health, farm owners, medical malpractice, and auto liability and physical damage, among other lines of business. At present, claims consist principally of accident and health, worker's compensation, and environmental and asbestos liability.

POLICY CANCELLATION

Under the Liquidation Order, all insurance policies issued by Northwestern National Insurance Company of Milwaukee, Wisconsin will be terminated at the earliest of the following dates:

- (a) DATE
- (b) The normal date for the expiration of coverage; or
- (c) Until Northwestern National has replaced the insurance coverage with equivalent insurance in another insurer; or
- (d) Until the Liquidator has effected a transfer of the policy obligation pursuant to § 645.46(8), whichever time is less.
- (e) The only policies affected by the termination provided by the Liquidation Order were guaranteed renewable accident and health insurance policies. All other policies terminated in accordance with their stated expiration date.

Reinsurers

Notice of Liquidation of Northwestern National Insurance Company of Milwaukee, Wisconsin

May 1, 2019

Page 2 of 2

REINSURANCE COVERAGE

As a reinsurer of Northwestern National, your liability to Northwestern National is not reduced as a result of the liquidation order. You are required under the Liquidation Order to make claim payments directly to the estate of Northwestern National pursuant to Wisconsin Statute § 645.58 (1).

Sincerely,

Amy J. Malm
Special Deputy Liquidator
Northwestern National Insurance Company
of Milwaukee, Wisconsin

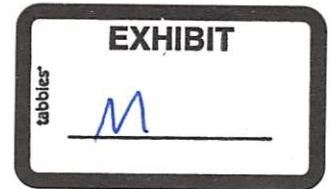
**NOTICE OF LIQUIDATION
OF NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE,
WISCONSIN**

**TO: CAPTIVE REINSURERS OF NORTHWESTERN NATIONAL INSURANCE
COMPANY OF MILWAUKEE**

NOTICE

YOU HAVE TO MAKE AN ELECTION IN 15 DAYS

LIQUIDATION ORDER



Northwestern National Insurance Company of Milwaukee, Wisconsin (Northwestern National), a property and casualty insurer domiciled in Wisconsin that maintains its main administrative office at 8200 Beckett Park Drive, Suite 201, West Chester, Ohio 45069, and its statutory home office at 33 East Main Street, Suite 900, Madison, Wisconsin 53703, was placed in liquidation on **DATE** by order of Dane County Circuit Court, State of Wisconsin.

LIQUIDATION

The Court appointed Wisconsin Commissioner of Insurance, Mark V. Afable, and his successors in office or as Liquidator, and Amy J. Malm, as Special Deputy Liquidator for Northwestern National.

LOCATION OF OPERATIONS

Amy J. Malm
Special Deputy Liquidator
Northwestern National Insurance Company of Milwaukee, Wisconsin
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873
Telephone: (608) 261-8562
E-Mail: ocinnicliquidation@wisconsin.gov

PRINCIPAL LINES OF INSURANCE

Prior to its entering run-off in 1986, Northwestern National conducted a full range of commercial and personal lines of business, including commercial multiple peril, homeowners, worker's compensation, other liability, ocean marine, inland marine, accident and health, farm owners, medical malpractice, and auto liability and physical damage, among other lines of business. At present, claims consist principally of accident and health, worker's compensation, and environmental and asbestos liability.

POLICY CANCELLATION

Under the Liquidation Order, all insurance policies issued by Northwestern National Insurance Company of Milwaukee, Wisconsin will be terminated at the earliest of the following dates:

- (a) DATE
- (b) The normal date for the expiration of coverage; or
- (c) Until Northwestern National has replaced the insurance coverage with equivalent insurance in another insurer; or
- (d) Until the Liquidator has effected a transfer of the policy obligation pursuant to § 645.46(8), whichever time is less.
- (e) The only policies affected by the termination provided by the Liquidation Order were guaranteed renewable accident and health insurance policies. All other policies terminated in accordance with their stated expiration date.

REINSURANCE COVERAGE

1. As a captive reinsurer of Northwestern National, your liability to Northwestern National is not reduced as a result of the Liquidation Order. You are required under the Liquidation Order and pursuant to Wisconsin Statute § 645.58 (1), to take one of the following actions and to inform the Liquidator of the action chosen no later than fifteen (15) days of the Liquidation Order:

- (a) The captive reinsurer shall send complete copies of all open claim files to NNIC for all such claims no later than 15 days after the date of the Liquidation Order. In addition, the captive reinsurer shall include a report to the Liquidator with each payment made sufficient to provide the Liquidator with the information necessary to pay the claim and update the claims file, or
- (b) Enter into a written agreement with the Liquidator to fully and finally assume the obligations under the captive reinsurance arrangements and to administer the claims and make payments directly to the insured or claimant, as applicable.

If the captive reinsurer chooses to return the claims, they are required to continue payments for 30 days to allow an orderly transition.

Attached is an agreement in which the captive reinsurer agrees to assume the direct policy obligations of Northwestern National. If a captive reinsurer would like to assume the obligations of the Northwestern National policy, please execute the agreement attached to this notice and return it to the Liquidator at the address above within ten (10) days of this letter.

Sincerely,

Amy J. Malm, Special Deputy Liquidator
Northwestern National Insurance Company
of Milwaukee, Wisconsin

CAPTIVE REINSURER of NORTHWESTERN NATIONAL INSURANCE COMPANY INSURER ASSUMPTION AGREEMENT

This Captive Reinsurer Assumption Agreement ("Agreement") is entered into and effective this ____ day of _____ 2019, by and between the Wisconsin Office of the Commissioner of Insurance and Mark Afable as appointed Liquidator ("Liquidator") of Northwestern National Insurance Company ("Northwestern National"), and _____ ("Captive Reinsurer").

RECITALS

A. Northwestern National and Captive Reinsurer entered into an agreement under which Northwestern National issued insurance policies which were then wholly reinsured by Captive Reinsurer under a captive reinsurance arrangement in which the insured entities were members and participated.

B. Under the captive reinsurance arrangement, the Captive Reinsurer administered and paid the claims under the policies issued by Northwestern National and maintained the claims files for such policies.

C. Mark Afable, the Wisconsin Commissioner of Insurance ("Commissioner") filed a Petition seeking a finding of insolvency and an Order of Liquidation against Northwestern National on May ___, 2019 pursuant to Wis. Stat. § 645.41 naming the Commissioner the Liquidator of Northwestern National and giving the Commissioner the authority over all of Northwestern National's assets, including reinsurance.

D. The parties wish to enter into this Agreement to transfer all obligations under the policies listed in Paragraph 1 below to the Captive Reinsurer and to fully and finally release Northwestern National from any past, present and future obligations of any kind under such policies.

NOW, THEREFORE, in consideration of the mutual promises made in this Agreement, the parties hereby agree as follows:

AGREEMENT

1. This Agreement will apply to the following policies issued by Northwestern National and reinsured by the Captive Reinsurer under a captive reinsurance arrangement entered into with Northwestern National and the insured entities:

{list all policies to which Agreement applies}

The policies listed in this Paragraph 1 are hereinafter referred to as the "Reinsured Policies."

2. The Liquidator on behalf of Northwestern National and the Captive Reinsurer agree that as of the effective date of this Agreement, the Captive Reinsurer will assume all obligations of Northwestern National under the Reinsured Policies as direct policy obligations of the Captive

Reinsurer. On the effective date of this Agreement, pursuant to Wis. Stat. § 645.58:

(a) The Captive Reinsurer shall assume all obligations under the Reinsured Policies as direct obligations of the Captive Reinsurer and the Captive Reinsurer shall become solely responsible for making direct payments to the policyholder or claimant for all claims under the Reinsured Policies;

(b) Such claim payments by the Captive Reinsurer shall fully and finally extinguish the liability of Northwestern National; and

(c) The Captive Reinsurer shall not be responsible to Northwestern National for payment under its reinsurance agreements with Northwestern National covering the Reinsured Policies that have been directly assumed by the Captive Reinsurer to the extent such claims have been paid by the Captive Reinsurer in accordance with this Agreement.

3. The Captive Reinsurer shall be responsible for the administration of the claims under the Reinsured Policies, including investigating, adjusting and litigating any claim for coverage. Northwestern National shall not be responsible for the administration or for the cost of administering claims under the Reinsured Policies, including without limitation, any allocated or unallocated loss adjustment expenses.

4. Any legal action, whether civil or administrative, and any damages, liability, payments, penalties or costs, either through settlement or final verdict, that arise out of or are connected to the failure of the Captive Reinsurer to fulfill its obligations under this Agreement with respect to the Reinsured Policies will be the sole responsibility of the Captive Reinsurer, and the Captive Reinsurer agrees to fully indemnify Northwestern National for any such damages, liability, payments, penalties or costs, including reasonable legal fees.

5. If the Captive Reinsurer fails to make a payment to a policyholder or claimant and such failure results in a claim against the estate of Northwestern National, the Captive Reinsurer will be responsible to reimburse Northwestern National for the full amount of any such payment and the Liquidator shall impose a penalty for nonpayment against the Captive Reinsurer of ten percent (10.0%) of the amount of the unpaid claim.

6. If the Captive Reinsurer becomes insolvent or enters rehabilitation under an Order issued by a Court of competent jurisdiction, the Captive Reinsurer shall send such Order to the Liquidator, attention Amy Malm, at the address below as soon as possible but in no event later than five days after the effective date of the Order:

**Amy Malm
Special Deputy Liquidator for
Northwestern National Insurance Company of Milwaukee, Wisconsin
Office of the Commissioner of Insurance
P. O. Box 7873
Madison, Wisconsin 53707-7873**

7. In the event that any provision of this Agreement shall be held to be invalid or unenforceable for any reason whatsoever, such invalidity or unenforceability shall not affect any other provisions of this Agreement and the remaining covenants, restrictions and provisions hereof shall remain in full force and effect.

8. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, personal representatives, successors and permitted assigns, subject, however, to the limitations on assignment contained herein.

9. Except as otherwise specified in this Agreement, the Captive Reinsurer may not assign this Agreement, or any of its rights or obligations whether by operation of law or otherwise without the prior written consent of the Liquidator, which the Liquidator may grant or withhold in his sole discretion. Any other assignment or purported assignment by the Captive Reinsurer shall be null and void.

10. This Agreement constitutes the entire agreement between the parties and supersedes any and all other agreements, wither oral or written, between the parties with respect to the subject matter of this Agreement. The provisions of the Agreement may be waived, altered, amended or repealed, in whole or in part, only by the written consent of both parties to this Agreement. The failure of either party to this Agreement at any time or times to require the performance of any provision of this Agreement will in no manner affect the right to enforce the same and no waiver by any party to this Agreement of any provision or breach of any provision of this Agreement in any one or more instances will be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision or breach of this Agreement.

11. A party to this Agreement shall be entitled to recover actual and reasonable attorneys' fees and expenses incurred by such party in connection with any successful action brought against the other party to enforce the terms of this Agreement.

12. Any dispute regarding this Agreement shall be filed in Circuit Court in Dane County, Wisconsin, and will be governed by Wisconsin Law.

13. This Agreement may be executed and delivered by original signature, facsimile, or other image capturing technology (including by electronic signature), and in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same document.

14. This Agreement shall be effective on the date noted in the Preamble hereto.

(signature page follows)

Wisconsin Office of the Commissioner of Insurance

By: _____
Mark Afable, Commissioner of Insurance
State of Wisconsin

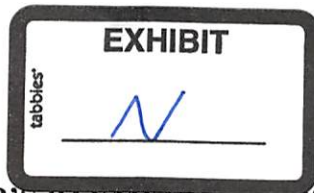
Captive Reinsurer

By: _____

Print Name: _____

Address: _____

Contact Person and Contact Information:



**AGREEMENT FOR RECEIVER’S PAYMENT OF POST-LIQUIDATION WORKERS’
COMPENSATION INDEMNITY, MEDICAL AND PHARMACY BENEFIT CLAIMS
ON BEHALF OF STATE GUARANTY ASSOCIATIONS**

This Agreement for Receiver’s Payment of Post-Liquidation Workers’ Compensation Indemnity, Medical and Pharmacy Benefit Claims on Behalf of State Guaranty Associations (“Agreement”) is entered into as of the ___ day of April, 2019 by and between _____ in his capacity as Receiver of Insurance Company of Milwaukee (“Northwestern National”), in liquidation, and the signatory State Guaranty Associations. The parties hereto may be referred to singly as a “Party” and collectively as the “Parties.”

I. Recitals

WHEREAS, on _____, 2019, Northwestern National was found to be insolvent and ordered into liquidation by the [COURT], Case No. _____;

WHEREAS, in its Judgment, Decree and Final Order of Liquidation the Court appointed [LIQUIDATOR], [TITLE] as the Receiver and Liquidator of Northwestern National, and further approved the Commissioner’s appointment of _____ as Receiver of Northwestern National;

WHEREAS, as a result of the liquidation of Northwestern National, the State Guaranty Associations became obligated under and authorized by the provisions of their respective enabling statutes to pay certain claims arising out of policies of insurance written or assumed by Northwestern National (“Covered Claims”);

WHEREAS, among the policy claims to be transferred to the State Guaranty Associations are workers’ compensation indemnity (including annuity payments pursuant to an Executive Life Insurance Company settlement), 24-hour care medical, and pharmacy benefit claims that may be Covered Claims;

WHEREAS, the Receiver and the State Guaranty Associations agree that it is of critical importance that payments on the Covered Claims continue to be made timely and without interruption while responsibility for future payment of such Covered Claims is transferred from the Receiver to each such State Guaranty Association that may be statutorily obligated to pay such Covered Claims; and

WHEREAS, the Receiver, utilizing assets of Northwestern National's estate, will fund payments on the Covered Claims for injured workers who are eligible for workers' compensation indemnity (including annuity payments pursuant to an Executive Life Insurance Company settlement), 24-hour care medical, and pharmacy benefits under policies of insurance issued or assumed by Northwestern National and will identify and account for all such Covered Claims paid pursuant to this Agreement;

NOW, THEREFORE, the Parties agree as follows:

II. Advance Funding of Certain Claims

1. The Receiver may pay, on behalf of the State Guaranty Associations, weekly workers' compensation indemnity (including annuity payments pursuant to an Executive Life Insurance Company settlement), 24-hour care medical, and pharmacy benefits for no more than eight (8) weeks on Covered Claims as defined in the enabling statutes of the signatory State Guaranty Associations arising out of insurance policies issued by Northwestern National that are payable after the date on which the company was ordered into liquidation.
2. The Receiver will provide State Guaranty Associations with a report, which will include the name of the claimant, policy number and amount of payment, and documentation supporting the Receiver's payment of Covered Claims. If the applicable State Guaranty Association does not object to the Receiver's payment within ten (10) business days of

receipt of the Receiver's report, the Receiver will consider the claim a Covered Claim and make payment.

3. If a State Guaranty Association's enabling statute excludes the claims of high net worth insureds from its definition of Covered Claim, such State Guaranty Association agrees to work with the Receiver to identify the Northwestern National insureds who are subject to such exclusions so that such insured's claims are not paid either by the Receiver or the applicable State Guaranty Association, but rather are paid by the high net worth insured.

III. Reconciliation Process

4. The Receiver shall maintain accurate records of all Covered Claims paid on behalf of the State Guaranty Associations. Such records shall contain sufficient detail to permit the State Guaranty Associations to verify the nature, amount, date of payment, identity of the claimant, policy number, claim number, and period covered by the payment. As soon as reasonably practicable, but no later than thirty (30) days after the payments are made in accordance with Paragraph 1, the Receiver shall send to each State Guaranty Association a spreadsheet listing all payments made under this Agreement and containing the above identified information.
5. Within thirty (30) days of its receipt of the spreadsheet, the State Guaranty Association on whose behalf the payment by the Receiver was made shall reimburse the Receiver for all payments made by the Receiver in compliance with this Agreement. Such reimbursements shall be deemed approved as a policyholder level claim against the estate of Northwestern National. Nothing herein shall affect any rights of any State Guaranty Association under statutory net worth recoupment provisions or otherwise.

6. The Receiver shall promptly reimburse the applicable State Guaranty Association for any claims paid by the Receiver that are not Covered Claims, as defined in Paragraph 2 above by issuing such State Guaranty Association a check for the amount of the unauthorized payment and recording that payment as a recovery to the claim file. Any such payment will be reimbursed out of the Northwestern National estate.
7. Each Party shall provide the other with a report on all payments and subsequent adjustments in a form mutually agreed upon by the Parties.
8. The Receiver shall provide each State Guaranty Association with reasonable access, during normal business hours, to the books, records, and files pertaining to payments made on behalf of such State Guaranty Association under this Agreement, and will respond affirmatively and in good faith to all reasonable requests from the State Guaranty Associations for such information.
9. The Receiver shall promptly send to each State Guaranty Association the claim files, including policies, for all open workers' compensation claims for which such State Guaranty Association is responsible.
10. The pre-payments made under this Agreement shall not be included in the UDS G-Record by the Receiver and shall be reported by the State Guaranty Associations in the C-Records transmitted to the Receiver.
11. In the event of any dispute arising under this Agreement, the Parties agree to first attempt to resolve such dispute through negotiation. If the Parties are unable to resolve the dispute through negotiation, they agree to submit the matter to the [LIQUIDATION COURT], Case No. _____. In such instances, the State Guaranty Association involved in the dispute shall submit to the jurisdiction of the Court solely for the purpose of resolving the

dispute and does not thereby submit itself to the jurisdiction of the Court for any other purpose. Moreover, the Parties agree that any dispute on the issue of whether a payment was authorized under this Agreement or whether the claim was a Covered Claim shall be determined by applying the enabling statute of the applicable State Guaranty Association.

IV. General Provisions

12. This Agreement represents the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements with respect thereto.

13. This Agreement may be amended and any provision herein may be waived by either Party, but only in writing signed by the Party against whom such amendment or waiver is sought to be enforced.

14. This Agreement may be executed in one or more counterparts all of which together constitute one and the same instrument and shall become effective as to the Receiver and the State Guaranty Association when signed by the Party and delivered to the other Party by mail, fax, or email. This Agreement may be executed using electronic signatures. Electronic signature shall have the same force and effect as manual signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date indicated below:

Wisconsin Office of the Commissioner of Insurance

By: _____

Printed Name: _____

Title: _____

Date: _____

Address: _____

“Signatory Guaranty Association”

By: _____

Printed Name: _____

Title: _____

Date: _____

Address: _____

STATE OF WISCONSIN CIRCUIT COURT DANE COUNTY

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

Case no:

AFFIDAVIT

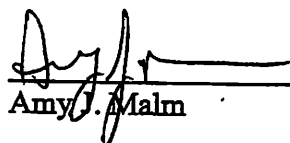
STATE OF WISCONSIN
DANE COUNTY



Amy J. Malm being sworn, states:

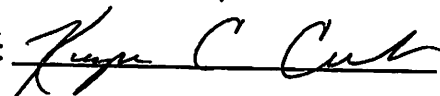
1. I am the Director of the Bureau of Financial Analysis and Examination at the Wisconsin Office of the Commissioner of Insurance (OCI) and make this sworn statement in this capacity.
2. My responsibilities as the Director of the Bureau of Financial Analysis and Examination of OCI include the oversight of the financial condition of Wisconsin domiciled insurance companies.
3. Northwestern National Insurance Company of Milwaukee, Wisconsin (NNIC) is a Wisconsin domiciled Insurance Company that OCI has regulatory authority over.
4. I have reviewed the financial statements of NNIC and based on this review I have concluded as follows:
 - a. NNIC's quarterly statutory financial statements since December 31, 2016, have reported policyholder surplus of less than the statutory required minimum of \$2,000,000, and there is no foreseeable prospect of NNIC restoring its policyholder surplus to a level to meet the statutory minimum requirement of \$2,000,000.
 - b. NNIC does not satisfy the requirements that would be applicable if it were seeking initial authorization to do an insurance business in this State.
 - c. NNIC is in such a financial condition that further transactions of business would be hazardous, financially or otherwise, to its policyholders, its creditors, or the public.

- d. During the last twelve (12) months, NNIC has systematically attempted to compromise with certain creditors on the ground that it is financially unable to pay its claims in full. Such continued compromises on any material unanticipated claims will be necessary and is expected to continue, and thus this practice can reasonably be anticipated to become systemic.
 - e. In my capacity as Director of the Bureaus of Financial Analysis and Examination of OCI I have determined that attempts to rehabilitate NNIC would substantially increase the risk of loss to its policyholders, its creditors, and the public, and would be futile, and that rehabilitation would serve no useful purpose.
5. I believe as of December 31, 2018 NNIC is insolvent.



Amy J. Malm

Signed and sworn to before me
on: APRIL 30, 2019

By: 

Print Name: KARYN C. CULVER
Notary Public, State of Wisconsin
My commission 01-21-2022

