

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attached.

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See attached.

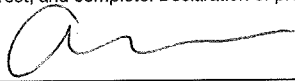
Multiple horizontal lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached.

Multiple horizontal lines for providing other necessary information for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ 

Date ▶ 10/31/19

Print your name ▶ Amanda Young

Title ▶ Vice President Tax and Tax Policy

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				

The Northwestern Mutual Life Insurance Company
FEIN: 39-0509570

Form 8937 Appendix A
Report of Organization Actions Affecting Basis of Securities
Exchange of Outstanding 6.063% Surplus Notes Due 2040 for its 3.625% Surplus Notes Due 2059

The attached Form 8937 and this Appendix A are intended to constitute a public reporting under section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and Treas. Reg. §§ 1.6045B-1(a)(3) and (b)(4) relating to a potential adjustment to the basis of certain notes issued by The Northwestern Mutual Life Insurance Company (“Northwestern Mutual” or the “Company”) as a result of the Exchange Offer (as defined below) on September 20, 2019 (“Settlement Date”). This Appendix A is intended to provide only a general summary of certain federal income tax consequences of the Exchange and is not intended to provide a comprehensive analysis of all potential U.S. federal income tax consequences related to the Exchange. You should consult your tax advisor to determine the tax consequences of the Exchange to you.

Part II, Line 14

On September 12, 2019, Northwestern Mutual commenced an offer to exchange (the “Exchange Offer”) any and all of its outstanding 6.063% Surplus Notes due 2040 (“Outstanding Notes”) held by eligible holders for consideration consisting of its 3.625% Surplus Notes due 2059 (“New 2059 Notes”) and cash in an amount to be determined in the Offering Memorandum (“Exchange”). Pricing for the Exchange Offer occurred in the afternoon of September 19, 2019.

Outstanding Notes	CUSIP Nos.	Outstanding Principal Amount	Fixed Spread
6.063% Surplus Notes due 2040	668131AA3 / US668131AA38 / U66631AA7 / USU66631AA74	\$1,750,000,000	100 Basis Points

The New 2059 Notes offered in the Exchange Offer were a further issuance of the \$600,000,000 aggregate principal amount of the 3.625% Surplus Notes due 2059 (“Original 2059 Notes”). The Original 2059 Notes were priced in the morning of September 12, 2019. The issue price of the Original 2059 Notes was \$994.75 per \$1000 principal amount. Upon the terms and subject to the conditions of the Exchange Offer, eligible holders that validly tendered, and did not withdraw, the Outstanding Notes at or prior to 5:00 p.m., New York City Time, on September 19, 2019 (the “Expiration Time”), received \$1,420.80 of principal amount of the New 2059 Notes for each \$1000 of principal amount of Outstanding Notes tendered and a cash payment representing interest, if any, that accrued from the most recent interest payment date for the Outstanding Note up to but not including the Settlement Date. A payment in cash was made to eligible holders for fractional shares. The New 2059 Notes are fungible with the Original 2059 Notes (except to the extent issued under a different CUSIP number for securities law purposes.)

The Original 2059 Notes and New 2059 Notes have the following CUSIP numbers: 668138AC4 and U66647AB1. The CUSIP number U66647AB1 is a Regulation S security.

Part II, Line 15

Under U.S. federal income tax law, the exchange of New 2059 Notes for Outstanding Notes results in an exchange under Section 1001 of the Code on which taxable gain or loss may be realized if the Exchange constitutes a significant modification of the terms of the Outstanding Notes. We believe, and the rest of this discussion assumes, that the Exchange will constitute a significant modification of the terms of the Outstanding Notes under the applicable Treasury regulations, and as a result, you will realize (but, subject to the recapitalization rules discussed below, not necessarily recognize) gain or loss (if any) for U.S. federal income tax purposes.

Assuming there was a significant modification, the amount of the gain or loss realized by a U.S. Holder would equal the difference (if any) between the amount realized by such holder on the Exchange (other than the cash received in respect of accrued and unpaid interest on the Outstanding Notes, which will be recognized as ordinary income to the extent not previously included in gross income) and the holder's adjusted basis in the Outstanding Notes exchanged. The amount realized by a holder in respect of Outstanding Notes should be equal to the issue price of the New 2059 Notes received by the holder (as described below).

Whether any gain or loss realized on the Exchange is recognized depends on whether the Exchange is a recapitalization within the meaning of Section 368(a)(1)(E) of the Code and the Treasury regulations thereunder, as discussed below.

Recapitalization. Although uncertainty exists, we intend to take the position that the Outstanding Notes and New 2059 Notes qualify as "securities" within the meaning of section 354, and accordingly, the Exchange should be treated as recapitalization for federal income tax purposes.

If the Exchange is not treated as a recapitalization for U.S. federal income tax purposes (because either the Outstanding Notes or the New 2059 Notes are not securities for U.S. federal income tax purposes), a U.S. Holder of Outstanding Notes should recognize any realized gain or loss at the time of the Exchange. The amount realized with respect to the New 2059 Notes should be the issue price of the New 2059 Notes (discussed below).

If the Exchange qualifies as a recapitalization, a U.S. Holder of Outstanding Notes should not recognize any gain or loss realized on the recapitalization (subject to the treatment of accrued but unpaid interest discussed below), except any gain to the extent of money (other than money paid with respect to the accrued but unpaid interest on the notes being exchanged) and other property received in the Exchange. Other property includes the fair market value of the excess of the principal amount of the notes received over the principal amount of the notes being exchanged in the recapitalization. No money was paid as part of the Exchange (other than money paid with respect to accrued but unpaid interest on the Outstanding Notes). However, the Exchange includes the excess of principal amount of the New 2059 Notes over the principal amount of the Outstanding Notes exchanged for the New 2059 Notes. If recapitalization treatment applies, a U.S. Holder's initial tax basis in the New 2059 Notes received in exchange for the Outstanding Notes would be the same as such holder's adjusted basis in the Outstanding Notes immediately before the Exchange, increased by the any amount of gain recognized in the Exchange.

Holders of the Outstanding Notes that participate in the Exchange should consult their tax advisors to determine the tax consequences of the Exchange to them.

Part II, Line 16

The Original 2059 Notes were priced in the morning of September 12, 2019. The issue price of the Original 2059 Notes was \$994.75 per \$1,000 principal amount. The New 2059 Notes were priced in the afternoon of September 12, 2019. The exchange ratio was 1.42080 or \$1,420.80 per \$1,000 principal amount. In the afternoon of September 12, 2019, the New 2059 Notes were valued at \$1005.48 per \$1,000 principal amount. Thus the composition of the total consideration paid was \$1,428.58 given the movement of the reference treasury bond. A U.S. Holder's gain or loss realized on the Exchange is equal to the difference between the issue price and the U.S Holder's adjusted basis in the Outstanding Notes.

U.S. Holders of the Outstanding Notes that participated in the Exchange should consult their tax advisors to determine the tax consequences of the Exchange to them.

Part II, Line 17

Sections 354, 356, 358, 1001, and 1012

Part II, Line 18

The Exchange generally should not result in a loss to a U.S. Holder of the Outstanding Notes to the extent that the Exchange is a tax-free recapitalization.

To the extent that the Exchange is not a tax-free recapitalization, the Exchange may result in a loss to a holder to the extent such U.S. Holder's tax basis in the Outstanding Notes exceeds the issue price of the New 2059 Notes received in the Exchange.

Part II, Line 19

The reportable tax year is 2019 for the Exchange.