

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. DIANE KOKEN  
Insurance Commissioner of the  
Commonwealth of Pennsylvania,  
  
Plaintiff,  
  
v.  
  
RELIANCE INSURANCE COMPANY,  
  
Defendant.

DOCKET NO. 269 MD 2001

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COMMONWEALTH COURT  
OF PA (FHLA)  
2005 OCT 12 P 12:04

**ORDER**

This matter having come before the Court on the Petition of M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, in her official capacity as Liquidator of Reliance Insurance Company, for Leave to File Petition Under Seal;

IT IS on this \_\_\_\_ day of \_\_\_\_\_, 2005, hereby ORDERED that the Petition for Leave to File Petition Under Seal is GRANTED and that the Liquidator is permitted to file under seal the Petition attached as Sealed Exhibit A to the Petition for Leave; and

IT IS FURTHER ORDERED that the Prothonotary of the Commonwealth Court of Pennsylvania shall FILE the Petition (attached as Sealed Exhibit A) UNDER SEAL, taking all necessary and appropriate precautions to prevent the public disclosure of the Petition until further Order of this Court.

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JAMES GARDNER COLINS, President Judge

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M. DIANE KOKEN  
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RELIANCE INSURANCE COMPANY,

Defendant.

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**PETITION FOR LEAVE TO FILE  
PETITION UNDER SEAL**

Petitioner M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania ("Commissioner"), in her official capacity as Liquidator of Reliance Insurance Company ("Liquidator"), respectfully requests that this Court grant the Liquidator leave to file a Petition seeking approval of a certain asset transaction (the "Petition"), attached hereto as Sealed Exhibit A, under seal, and enter an Order directing the Prothonotary of the Commonwealth Court to file the Petition under seal.

In support of this Petition, the Liquidator avers the following:

1. On October 3, 2001, this Court entered an Order of Liquidation placing Reliance Insurance Company ("Reliance") in liquidation under the provisions of the Insurance Department Act of 1921 (the "Act"), 40 P.S. § 221.1 et seq., and appointing the Commissioner Liquidator of Reliance, with all of the powers vested in that office under the Act. See Order of Liquidation (filed Oct. 3, 2001).

2. Preserving the confidentiality of the information in the Petition will serve important governmental interests, including maximizing the assets of the estate, enhancing the

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efficiency and economy of liquidation, and facilitating the Commissioner's efforts to discharge her duties as Liquidator while "protect[ing] . . . the interests of insureds, creditors and the public generally . . . ." 40 P.S. § 221.1(c); see 40 P.S. § 221.23.

3. Good cause exists, supporting the Liquidator's request to file the Petition under seal. The Petition contains confidential and sensitive information which, if disclosed to the public at this time, may hamper and prejudice the Liquidator's efforts to maximize the recovery of asset value for the estate, an important objective contemplated in the Order of Liquidation and the Act, particularly her ability to dispose of assets of the Company's estate "at the market value or upon such terms and conditions as are fair and reasonable" to the estate, policyholders and the public. 40 P.S. § 221.23(9).

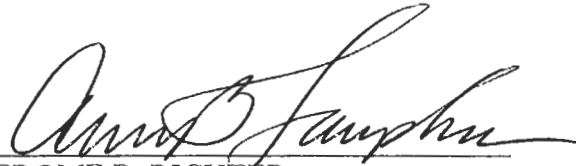
4. Disclosure of this information to the Court is necessary and appropriate to permit the Court and the Commissioner to fulfill their respective duties under the Act with regard to the liquidation of Reliance. Failure to disclose the information contained in the Petition will not cause harm to policyholders, creditors or the public.

5. The Liquidator requests that, in resolving this Petition, the Court review the Petition in camera, grant the Petition and direct the Prothonotary to file the Petition under seal. Should the Court be inclined to deny the Petition, the Liquidator respectfully requests that the Court permit the Liquidator the opportunity to withdraw the Petition and the Petition to avoid any prejudice which may befall the Liquidator, the estate or the Company or may be caused to the policyholders and claimants of Reliance from premature public disclosure of this information.

WHEREFORE, the Liquidator respectfully requests that this Court grant the Petition for Leave to File Emergency Petition Under Seal, enter an Order in the form attached hereto, and grant such additional relief as the Court may deem appropriate.

BLANK ROME LLP

By:



JEROME R. RICHTER  
ANN B. LAUPHEIMER  
ANTHONY VIDOVICH  
One Logan Square  
Philadelphia, PA 19103-6998  
(215) 569-5500

Attorneys for Plaintiff  
M. Diane Koken, Insurance Commissioner  
of the Commonwealth of Pennsylvania, in her  
official capacity as Liquidator of  
Reliance Insurance Company

Dated: October 12, 2005

**CERTIFICATE OF SERVICE**

I, Brian S. Gocial, hereby certify that on or about this day, pursuant to the Court's Order of April 1, 2004, service of the foregoing was made on the attached Master Service List through the transmission of a Notice of Filing and through posting of a true and correct copy in PDF file format on the Reliance Documents website ([www.reliancedocuments.com](http://www.reliancedocuments.com)).

Dated: October 12, 2005

  
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BRIAN S. GOICIAL

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**PETITION FOR LEAVE TO FILE  
PETITION UNDER SEAL**

**SEALED EXHIBIT "A"**

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