

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

2003 JUN 22 P 2:21

RECEIVED AND FILED
COMMONWEALTH COURT
OF PA (PHILA)

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 Statutory Liquidator (“Liquidator”) of Reliance Insurance Company, to Supplement the Court’s September 9, 2002 Claims Procedures Order, said Petition is GRANTED. It is further ORDERED that the Court’s September 9, 2002 Claims Procedures Order is supplemented as follows and said Order shall apply to all policyholders, insureds, third party claimants and others (“Claimants”), excluding Guaranty Associations, and their Proofs of Claim (“POCs”) for which Notices of Determination (“NODs”) have not yet been issued by the Liquidator.

A. For All POCs Where Underlying Claim Is Resolved

1. With respect to those POCs for which the underlying claim has been resolved by the date of this Order, the Claimant shall submit to the Liquidator proof of payment (loss and expense) and full and complete supporting documentation for their POC within 120 days of the date of this Order.

B. For All POCs Where Underlying Claim is Not Resolved or No Underlying Claim Has Yet Been Asserted

2. For all POCs where the underlying claim is not resolved as of the date of this Order or where no claim has yet been asserted under the POC filed:

a. The Claimant is required to submit to the Liquidator a full and complete report on the status of the underlying claim with appropriate information and documentation, or advise that no claims have yet been asserted, within 180 days of the date of this Order.

b. Thereafter, the Claimant shall submit to the Liquidator full and complete updated information on the status of the underlying claim with supporting documentation, or advise that no claims have yet been asserted, on at least an annual basis unless otherwise directed by the Liquidator.

c. Once the underlying claim is finally resolved, the Claimant must submit to the Liquidator full and complete updated information, including documentation, within 60 days of final resolution.

3. If during the Liquidator's review process, additional information is necessary to complete the evaluation, the Liquidator will request specific documentation or information in writing, and the Claimant must provide the requested information within 60 days or respond with a specific date by when the information will be provided.

4. If the Claimant's POC includes more than one claim, the above requirements apply to each individual claim represented by the POC.

C. Information Required

5. Appropriate information shall include, but is not limited to, settlement agreements, judgments, and proof of all payments made together with all other documentation that the Liquidator determines is reasonably necessary to evaluate and process the POC and issue

a NOD. For those policies with a deductible provision or a self insured retention, appropriate information and documentation will also include loss runs detailing current information on all open claims within the deductible amount or self-insured retention and the status of their deductible or retained liability. Current information shall include, but not be limited to, the following for all open claims: the policy number and effective date; Reliance claim number; Claimant name; type of loss; accident description; paid to date information for indemnity/bodily injury; medical/property damage; expenses; outstanding loss reserve; and total incurred amounts.

D. Failure to Provide Information

6. In the event that a Claimant fails to provide the information specified in paragraphs 1 through 5 of this Order or any other information reasonably requested by the Liquidator, the Liquidator may: (a) issue demands for information under the authority of this Court for Claimants outside of Pennsylvania, in the form attached hereto as Exhibit A to require the production, as set forth in Section 538(b) of the Act, of any books, papers, records or other documents which she deems necessary to the evaluation and determination of a claim; (b) subordinate the Claimant's claim to priority class (g)(2) for the failure to comply with the requirements for submitting a duly filed claim as required pursuant to 40 P.S. §§221.37 and 221.38(a).

BY THE COURT:

James Gardner Colins, President Judge

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. DIANE KOKEN :
Insurance Commissioner of the :
Commonwealth of Pennsylvania, :
 :
Plaintiff, : DOCKET NO. 269 MD 2001
 :
v. :
 :
RELIANCE INSURANCE COMPANY, :
 :
Defendant. :

**LIQUIDATOR’S PETITION TO SUPPLEMENT
THE COURT’S SEPTEMBER 9, 2002 CLAIMS PROCEDURES ORDER**

Petitioner M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania (the “Commissioner”), in her official capacity as Statutory Liquidator (the “Liquidator”) of Reliance Insurance Company (“Reliance or Estate”), respectfully requests that this Court approve the attached Proposed Order supplementing the Court’s September 9, 2002 Claims Procedures Order. In support of this Petition, the Liquidator avers as follows:

I. BACKGROUND

A. The Liquidation of Reliance and Appointment of the Insurance Commissioner as Liquidator

1. On May 29, 2001, this Court entered an Order of Rehabilitation with respect to Reliance pursuant to Article V of the Pennsylvania Insurance Department Act, 40 P.S. §§221.1 – 221.63 (“the Act”).

2. This Court subsequently terminated the rehabilitation of Reliance and, by Order dated October 3, 2001, declared Reliance to be insolvent and issued an Order of Liquidation pursuant to 40 P.S. §§221.18 and 221.20 (the “Liquidation Order”). The Court appointed Petitioner as Liquidator of Reliance.

3. The Act expressly authorizes the Liquidator to exercise all powers not inconsistent with the provisions of the Act. 40 P.S. §221.23(22). Furthermore, it empowers the Liquidator, without limitation, to “act as may be necessary or expedient for the accomplishment of or in the aid of the purpose of liquidation.” *See* 40 P.S. §221.23(23).

**B. Claim Procedures Under the Act,
the Liquidation Order and the Claims Procedures Order**

4. The Act, the Court’s Liquidation Order and the Court’s September 9, 2002 Order regarding Claims Procedures (“Claims Procedures Order”) specify the procedures, requirements and deadline for the submission of claims by creditors against Reliance.

5. The Act contemplates that all claims against an insurer be submitted through a proof of claim (“POC”) and sets forth the requirements for filing and administering proofs of claim during the liquidation of the insurer. 40 P.S. §§221.37, 221.38 and 221.44.

6. Pursuant to the Act, the Liquidator is required to and did provide notice to policyholders and potential claimants that they should file “their claims together with proper proofs on or before a date the liquidator shall specify in the notice.” See 40 P.S. §221.24.

7. In accordance with the Act, the Liquidator distributed to potential creditors of Reliance a POC form and related information which policyholders and other claimants were required to complete and sign in order to submit a claim against Reliance. Between January 11, 2002 and the end of March, 2002, the Liquidator mailed more than 1.5 million POC forms to policyholders and potential claimants.

8. With the exception of claims for cash surrender values or other investment values in life insurance and annuities, Section 537 of the Act mandates that proof of all claims shall be filed with the Liquidator in the form required by Section 538 of the Act and filed on or before the last day for filing specified in the notice given to potential claimants. 40 P.S. §221.37(a),

221.38(a) and 221.24; Liquidation Order ¶19. *See also* Claims Procedures Order ¶ 1 (“... any and all claims against the Liquidator, her agents and representatives, or in any way affecting or seeking to affect any of the assets of Reliance Insurance Company, ... must be filed with the Liquidator ... no later than December 31, 2003 (the “claim filing deadline”) by means of completed Proof of Claim, together with the proper documents supporting the claim.”).

Therefore, all duly filed claims in the Reliance liquidation proceeding must comply with the requirements of Section 538(a) and be filed on or before December 31, 2003.

9. Section 538(a) of the Act mandates that a duly filed POC shall consist of a statement signed by the claimant that includes all of the following that are applicable: “the particulars of the claim including the consideration given for it;” “the identity and amount of the security on the claim;” “the payments made on the debt, if any;” “that the sum claimed is justly owing and that there is no setoff, counterclaim or defense to the claim;” “any right of priority of payment or other specific right asserted by the claimants;” “a copy of the written instrument which is the foundation of the claim;” “in the case of any third party claim based on a liability policy issued by the insurer, a conditional release of the insured pursuant to Section 540(a);” and “the name and address of the claimant and the attorney who represents him, if any.” 40 P.S. §221.38(a). Section 538(a) further provides that “[n]o claim need be considered or allowed if it does not contain all the foregoing information which may be applicable. *Id.* The liquidator may require that a prescribed form be used, and may require that other information and documents be included.” *Id.*

10. Pursuant to the Act, the Liquidator is required to review the claims duly filed in the liquidation proceeding and make such further investigation as she deems necessary. *See* 40 P.S. §221.45(a). To assist the Liquidator in her review of duly filed claims, the Liquidator “may

request the claimant to present information or evidence supplementary to that required under subsection (a) and may take testimony under oath, require production of affidavits or depositions, or otherwise obtain additional information or evidence.” 40 P.S. §221.38(b).¹ The Claims Procedures Order also directs that “the Liquidator shall review all Proofs of Claim, including supporting documentation, submitted in this case, and the Liquidator is authorized to request additional information where, in her discretion, said information is necessary. . . .” (Claims Procedures Order ¶ 10.) and that the Liquidator “reserves the right to require other information it deems necessary to consider a claim.” (Claims Procedures Order ¶ 7.)

11. Section 539(c) of the Act affords the Liquidator the discretion to allow a claim “even if contingent, if it is filed in accordance with section 537(b).” 40 P.S. §221.39(c). Section 537(b) allows the Liquidator to “permit a claimant making a late filing to share in distributions, . . . as if he were not late . . .” upon a showing of good cause. 40 P.S. §221.37(b). As set forth in the Act, good cause includes “the existence of the claim was not known to the claimant and that he filed his claim as promptly thereafter as reasonably possible after learning of it” and “that a claim was contingent and became absolute, and was filed as soon as reasonably possible after it became absolute.” *See* 40 P.S. 221.37(b)(1) and (5).

12. As set forth in Section 546 of the Act, [u]nder the direction of the Court, the Liquidator is required to “. . . pay distributions in a manner that will assure the proper recognition of priorities and a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims, including third party claims.” 40 P.S. §221.46.

¹ Additionally, Section 523(5), authorizes the Liquidator “t]o hold hearings, to subpoena witnesses, to compel their attendance, to administer oaths, to examine any person under oath, and to compel any person to subscribe to his testimony after it has been correctly reduced to writing, and in connection therewith to require the production of any books, papers, records or other documents which he deems relevant to the inquiry.

C. **Many Claimants Have Failed To Comply With The Filing Requirements Of The Act**

13. Since the commencement of the Reliance liquidation in October 2001 through March 31, 2006, more than 156,000 POCs were submitted to Reliance and more than 82,000 of those POCs were submitted by policyholders or third party claimants that may be in the class (b) priority. Especially within the class (b) claims, there are many claimants that have filed their claims on or before December 31, 2003 but failed to provide the supporting information to have a duly filed claim in this liquidation proceeding as required by Section 538(a).

14. As of March 31, 2006, there were in excess of 42,000 contingent and unliquidated POCs² which include both a) POCs where the claimant has notified Reliance that there may be a claim, but has not yet identified any particular claim and b) POCs where the claimant has identified a specific claim, but the underlying claim has not yet been resolved or proper documentation has not been provided to Reliance.

15. In addition, as of March 31, 2006, there are in excess of 22,000 POCs that are in various stages of the review and evaluation process.

16. To encourage policyholders, insureds, third party claimants and others ("Claimants"), excluding GAs, to provide the information required by the Act, the Liquidator has taken, and continues to take, certain steps to request additional information from the claimant, or other sources, as appropriate. In 2004, several thousand letters, representing over 17,000 POCs, were sent to Claimants requesting information. Again in 2005, the Liquidator contacted several

² Reliance wrote a variety of long tail lines of business, including: (a) workers compensation; (b) medical malpractice; (c) construction defect; (d) errors & omissions; (e) directors & officers liability; (f) environmental (asbestos and pollution); and (g) professional liability. For reasons unrelated to the Reliance receivership, but based rather on the nature of the insurance coverage written by Reliance and the claims under those policies, it will be many years before some of these long-tail underlying claims are finally resolved.

hundred of the largest Claimants with multiple POCs to request data. In both cases, the response was very limited.

17. The results of all of the Liquidator's efforts to contact the Claimants to obtain the required information lead the Liquidator to believe that with respect to a significant number of the contingent and unliquidated POCs, as well as the POCs under review, the claims are either already resolved, or a resolution is likely in the future; yet the Claimant has not submitted current information regarding the status of their claims to the Liquidator despite repeated requests.

18. Similarly, for any claims under policies that contain a deductible provision or a self-insured retention, the Liquidator must have information on all open claims within the deductible amount or self-insured retention in order to evaluate when liability may attach to the Estate.

19. The Liquidator believes that immediate information could be provided regarding a) claims that have already been resolved by settlement or otherwise; b) claims that are in the process of settlement or judicial review; or c) claims that are unresolved but for which the claimant has information relative to potential exposure. Without the information, the Liquidator is not in a position to evaluate the claims, determine coverage, reasonably estimate the liabilities of the Estate and, where appropriate, issue NODs. Further, the lack of information hinders the Liquidator's ability to prepare related reinsurance billings and determine the future potential exposure data to reinsurers.

20. Moreover, information on unresolved claims will materially assist in the actuarial review that is a necessary first step for determining the feasibility of a potential distribution by increasing the degree of certainty regarding the range of ultimate Estate liabilities, and future reinsurance recoverable amounts.

21. The Liquidator, the Court, the claimants and the public share a common interest in efficiently and economically resolving all claims and distributing the assets of Reliance as expeditiously as possible. The Liquidator is evaluating the feasibility and timing of an interim distribution to claimants other than Guaranty Associations (“GAs”)³, and believes that the potential of such a distribution will be an additional step by the Liquidator toward encouraging all claimants wishing to participate to be forthcoming in providing the necessary information required by the Act to document and support their claims.

22. To evaluate the feasibility and amount of such an interim distribution, however, the Liquidator requires an actuarial analysis of post-liquidation data. This analysis will be based on data from the GAs, and current POC and NOD data, as well as Reliance pre-liquidation reserves. Among several complicating factors in completing this review is the large number of claims where the Liquidator has not been provided information or supporting documentation concerning the claims. As a result, the primary conclusions expected from the study are conservative estimates of priority class (b) exposures with high confidence range levels. These actuarial conclusions will be used to support a proposal to the Court for an interim partial distribution that will “assure the proper recognition of priorities and a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims.”⁴

³ Under 40 P.S. § 221.36, the Liquidator may distribute funds to the Guaranty Associations (“GAs”) in the form of “early access” to assist the GAs in their efforts to fund covered claims and reimburse them for payments made. These distributions are subject to refunding agreements, whereby the GAs agree to refund amounts to the extent required to ensure pro rata distribution to all claimants at the same priority levels. Through this early access mechanism, Reliance has distributed over \$1 billion in cash advances by means of three separate distributions to GAs to assist them in fulfilling their obligation to pay certain covered claims.

⁴ Based on the facts currently available, the Liquidator believes that in early 2007, the Liquidator will be in a position to recommend an interim distribution to all Class (b) claimants whose claim was not paid by a GA and whose claim has been allowed in amount and priority by the Liquidator and approved by the Court for distribution.

23. However, distribution to claimants, other than early access to GAs who are statutorily and contractually obligated to refund overpayments, is difficult to accomplish without the information required in Section 538(a) which will provide a reasonable degree of certainty regarding the range of ultimate Estate liabilities, and provide a reasonable degree of certainty regarding future reinsurance recoverable amounts.

24. Therefore, to efficiently and economically administer this liquidation proceeding to its ultimate resolution and final distribution, the Liquidator believes that it is in the best interests of the estate, its policyholders, creditors and the public to seek the Court's assistance to supplement the Liquidator's efforts to require Claimants⁵ to comply with the filing requirements for a duly filed claim as set forth in the Act. The Liquidator respectfully requests the Court's assistance in eliciting the information as required by the Act from Claimants as proposed below.

II. PROPOSED SUPPLEMENT TO SEPTEMBER 9, 2002 CLAIM PROCEDURES ORDER

25. To encourage claimants to comply with 40 P.S. §221.38(a) and provide complete information on underlying claims, the Liquidator proposes and respectfully requests that the Court issue a supplement to its Claims Procedures Order that shall apply to all Claimants and their POCs for which NODs have not yet been issued by the Liquidator as follows.

A. For All POCs Where Underlying Claim Is Resolved

26. With respect to those POCs for which the underlying claim has been resolved by the date of the Order implementing this Petition, the Claimant shall submit to the Liquidator proof of payment (loss and expense) and full and complete supporting documentation for their POC within 120 days of the date of the Order.

B. For All POCs Where Underlying Claim is Not Resolved or No Underlying Claim Has Yet Been Asserted

27. For all POCs where the underlying claim is not resolved as of the date of the Order implementing this Petition or where no claims have yet been asserted under the POC filed:

a. The Claimant is required to submit to the Liquidator a full and complete report on the status of the underlying claim with appropriate information and documentation, or advise that no claims have yet been asserted, within 180 days of the date of the Order.

b. Thereafter, the Claimant shall submit to the Liquidator full and complete updated information on the status of the underlying claim with supporting documentation, or advise that no claims have yet been asserted, on at least an annual basis unless otherwise directed by the Liquidator.

c. Once the underlying claim is finally resolved, the Claimant must submit to the Liquidator full and complete updated information, including documentation, within 60 days of final resolution.

28. If during the Liquidator's review process, additional information is necessary to complete the evaluation, the Liquidator will request specific documentation or information in writing, and the Claimant must provide the requested information within 60 days or respond with a specific date by when the information will be provided.

29. If the Claimant's POC includes more than one claim, the above requirements apply to each individual claim represented by the POC.

C. Information Required

30. Appropriate information shall include, but is not limited to, settlement agreements, judgments, and proof of all payments made together with all other documentation

⁵ Because the Liquidator is in constant contact with the GAs and regularly receives data transmissions and

that the Liquidator determines is reasonably necessary to evaluate and process the POC and issue a NOD. For those policies with a deductible provision or a self insured retention, appropriate information and documentation will also include loss runs detailing current information on all open claims within the deductible amount or self-insured retention and the status of their deductible or retained liability. Current information shall include, but not be limited to, the following for all open claims: the policy number and effective date; Reliance claim number; Claimant name; type of loss; accident description; paid to date information for indemnity/bodily injury; medical/property damage; expenses; outstanding loss reserve; and total incurred amounts.

D. Failure to Provide Information

31. In the event that a Claimant fails to provide the information specified in paragraphs 26 through 30 of this Petition or any other information reasonably requested by the Liquidator, the Liquidator may: (a) issue demands for information under the authority of the Court for Claimants outside of Pennsylvania, in the form attached hereto as Exhibit A, to require the production, as set forth in Section 538(b) of the Act, of any books, papers, records or other documents which she deems necessary to the evaluation and determination of a claim; (b) subordinate the Claimant's claim to priority class (g)(2) for the failure to comply with the requirements for submitting a duly filed claim as required pursuant to 40 P.S. §§221.37 and 221.38(a).

III. BEST INTERESTS OF THE ESTATE

32. The proposed supplement to the Court's September 9, 2002 Claims Procedures Order, if approved, will result in substantial benefits to the Reliance estate. The proposed supplement will assist the Liquidator in obtaining the information required for the Liquidator's

quarterly reports from them, the GAs are not included in this request.

expeditious determination of claims and help ensure that the Liquidator receives the necessary information as required in the Act.

33. Additionally, the information will assist in the Liquidator's efforts to provide an interim partial distribution of the Reliance assets as soon as possible and efficiently and economically administer the liquidation proceeding toward its ultimate closure and the final distribution of all Estate assets.

34. In furtherance of the Liquidator's fiduciary and statutory obligations, the proposal maintains consistency with the statutory goals of liquidation and assures the proper recognition of priorities while achieving a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims against the Estate.

35. Accordingly, the Liquidator respectfully requests that this Court enter an Order in the form attached hereto approving the proposed supplement to the Court's Claims Procedures Order.

36. The Liquidator shall cause a Notice of this Petition to be published in USA Today, The Wall Street Journal (national edition), the Philadelphia Inquirer, Pittsburgh Post Gazette and the Harrisburg Patriot News, once in each publication within fifteen (15) days of the filing of this Petition. The form of Publication Notice shall be:

**NOTICE OF THE PETITION BY THE LIQUIDATOR OF
RELIANCE INSURANCE COMPANY FOR COURT
APPROVED SUPPLEMENTAL CLAIMS RESOLUTION
PROCEDURES, INCLUDING DEADLINES FOR
SUBMITTING FULL AND COMPLETE CLAIMS
INFORMATION**

Reliance Insurance Company ("Reliance") was placed in Liquidation by Order of the Commonwealth Court of Pennsylvania dated October 3, 2001 (the "Liquidation Order"), in accordance with the provisions of Article V of the Insurance Department Act of 1921, May 17, P.L. 789, *as amended*, 40 P.S. Section 221.1 *et seq.* The Liquidation Order appointed M. Diane Koken,

Insurance Commissioner of the Commonwealth of Pennsylvania as statutory liquidator of Reliance.

On September 9, 2002, the Court issued its Order Regarding Claims Procedures, which set a deadline for the filing of Proofs of Claims of December 31, 2003 and set forth certain other claims Procedures.

On June 22, 2006, the Liquidator filed a Petition with the Court seeking an Order which supplements the Order Regarding Claims Procedures principally by requiring that Claimants provide complete information regarding claims to the Liquidator, setting forth certain time limits for submission of information and specifying the consequences for failure to provide information within the prescribed time limits.

You may obtain a free copy of the June 22, 2006 Petition by writing to Proof of Claim Department, Statutory Liquidator of Reliance Insurance Company, P.O. Box 13527, Philadelphia, Pennsylvania, 19101-3527, by calling 215-864-4000 or you may download a copy of the Petition from the website at www.reliancedocuments.com.


All requests for copies must include a legible mailing address.

If you object to the Petition, you must file an Objection with the Commonwealth Court of Pennsylvania on or before 45 days from the date of the filing of this Petition at the following address:

Commonwealth Court of Pennsylvania
Filing Office
Suite 990
The Widener Building
One South Penn Square
Philadelphia, PA 19107

WHEREFORE, the Liquidator respectfully requests that this Court grant this Petition and Order the relief requested herein.

BLANK ROME LLP

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


Dated: June 22, 2006

VERIFICATION

I, David Brietling, have been retained by M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, and am responsible for the on-site insurance and financial operations of Reliance Insurance Company (in Liquidation) as Chief Liquidation Officer. I am also responsible for coordinating the activities of the Pennsylvania Insurance Department's Reliance liquidation team. I am authorized by the Commissioner to make this verification on behalf of the Liquidator of Reliance Insurance Company. I hereby verify that the facts set forth in the foregoing Petition are true and correct to the best of my knowledge, information and belief.

I understand that this Verification is made subject to the penalties of 18 P.S. § 4904 relating to unsworn falsification to authorities.

Date: June 21, 2006



David S. Brietling
Chief Liquidation Officer

4. "And" or "or" shall be construed disjunctively or conjunctively as necessary in order to bring within the scope of the document request all responses which might otherwise be construed to be outside its scope.

5. If any document is not produced under claim of privilege or otherwise, identify each such document by specifying (i) its date; (ii) its author; (iii) its addressee; (iv) each recipient of it; (v) each person to whom a copy was furnished; (vi) its subject matter or some other means of describing it and (vii) the basis of your claim with respect to it.

6. The following requests shall be deemed continuing in name, such as to require supplemental response(s) if you obtain further information between the time of responding to this subpoena which indicates that your previous response was in anyway incomplete or inaccurate when made.

7. Time period, unless otherwise specified, this subpoena requests information from [Date] to the present.

DEFINITIONS

1. "Document(s)" is used in its broadest sense and means the original and any non-identical copy, regardless of origin or location, which is within the scope of Rule 4009.1 of the Pennsylvania Rules of Civil Procedure. Typical categories of materials included within the term "document" are: books, pamphlets, periodicals, memoranda (including those of telephone and oral conversations), letters, reports, notes, telegrams, statements, records, diaries, minutes, bulletins, circulars, brochures, studies, instructions, working papers, charts, work assignments, drawings, prints, flow sheets, graphs, invention disclosures, photographs, microfilm, drafts, advertisements, catalogs, papers, indices, tapes, discs, e-mails, data sheet or data processing material, or any handwritten, recorded, transcribed, punched, taped, filmed, video-taped or graphic matter, however produced or reproduced. "Document(s)" also includes cards, magnetic tapes or other electronic information storage articles for use in a computer or which can be extracted or assembled with the use of computer or computer accessories.

2. "Person" or "persons" means any individual partnership, corporation, company, association, government agency (whether federal, state, local or any agency of the government of a foreign country) or any other entity.

[Insert other definitions]

REQUESTS FOR PRODUCTION

[Insert document requests]

SANCTIONS FOR FAILURE TO COMPLY

Failure to comply with this subpoena may result in the subordination of your claim in the Reliance liquidation to priority class (g)(2) for the failure to comply with the requirements for submitting a duly filed claim as required pursuant to 40 P.S. §§221.37 and 221.38(a).

WITNESS my hand and seal this ___th day of _____, 200_.

JOSEPH DIMEMMO
Deputy Insurance Commissioner

CERTIFICATE OF SERVICE

I, Sheila E. Branyan, hereby certify that on or about this day, pursuant to the Court's Order of April 1, 2004, service of the foregoing Petition of the Liquidator to Supplement the Court's September 9, 2002 Claims Procedures Order 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).

Dated: June 22, 2006


Sheila E. Branyan

Master Service List

M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania

v.

Reliance Insurance Company

No. 269 M.D. 2001 (Commonwealth Court of Pennsylvania)

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