

**Reliance Insurance Company (In Liquidation)
Record Retention Guidelines**

These guidelines apply to all records (current and future) of Reliance Insurance Company, including all merged entities named in the Order of Liquidation ("Reliance"). These guidelines apply to both records that are on-site at the offices of Reliance and to those that are in the custody of a records vendor, service provider, third party administrator, program manager or other party. These guidelines do not apply to databases which serve as processing systems for Reliance operations because the information in the processing systems are derived from the underlying records.

I. Records Not In The Custody Of Reliance

A. If Reliance records are retained or maintained by an outside party, that party's responsibility to store and maintain the records must be set forth in a written agreement or documented by affidavit, either of which must provide for retrieval of selected records.

B. If the records have been damaged or destroyed or their location cannot be identified, an affidavit is required which explains the unavailability of the records.

II. Electronic Media

A. Hardcopies of records may be converted to electronic or other durable, paperless media for the purpose of retention.

i. The methodology used to convert the records must be documented through written procedures.

ii. Converted records must be readily accessible and usable for review and other purposes.

iii. The maintenance of records in a non-hardcopy media must be archival in nature, to preclude the alteration of the record after the initial conversion.

B. Utilization of archival media will require implementation of practices to ensure that the integrity of the data is maintained and that the ability to extract the data in a human readable format is present for the entire retention period.

III. Record Retention Periods

A. Reliance records will be retained consistent with the minimum retention requirements established by applicable laws, regulations and authorities, including the Internal Revenue Service.

B. Records not governed by a specific retention period will be retained for a 7-year general record retention period which complies with the statutorily required guidelines for insurance companies in Pennsylvania and exceeds those requirements in New York.

C. Whenever notified by the Legal Department of pending, anticipated, or potential litigation, government investigation or audit, any and all related or relevant Reliance records will be retained until permission is granted to return to the general record retention schedule.

IV. Annual Review And Record Destruction

A. At least annually, the Records Administrator will provide department heads with a list of records that are eligible for destruction in the current year.

B. Each department head is responsible for reviewing the list of records and indicating in writing those records eligible for destruction. Upon receiving the necessary approvals of Reliance management and the Liquidation Team, the Records Administrator will arrange for and document the actual date of record destruction.

C. Materials that are not required to be maintained as set forth above in section III may be discarded or destroyed at any time during the year. Those materials that are not required to be maintained may include the following:

- i. drafts of documents that have been finalized;
- ii. duplicate records, including hardcopies of records stored on electronic media;
- iii. obsolete reference materials;
- iv. outdated materials;
- v. records regarding discontinued operations;
- vi. trade or professional association records;
- vii. training records and materials;
- viii. advertising materials.

Any other records or materials that do not clearly fall into one of the categories above, but appear to be irrelevant, obsolete, or are no longer useful for the administration of the liquidation, may also be discarded or destroyed if appropriately approved by management and properly documented.

V. Method of Destruction

A. Documents containing privileged, confidential or personal information must be destroyed by shredding or incineration. Otherwise, recycling may be selected.

B. Records stored at vendor sites designated for record storage, maintenance, and disposition must be destroyed under the supervision of the vendor with written confirmation from the vendor that the records have been disposed in the manner requested.