

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: :
: No. 1 REL 2001
Reliance Insurance Company :
In Liquidation :

In Re: Application for Approval of Administrative Expenses Paid by the Liquidator for the Period January 1, 2015 through December 31, 2015

MEMORANDUM and ORDER

Presently before the Court is the Application of the Statutory Liquidator of Reliance Insurance Company (Liquidator)¹ for Approval of Administrative Expenses Paid by the Liquidator for the Period January 1, 2015 through December 31, 2015 (Application). In her Application, the Liquidator represents that the incurred expenses relate to “efforts by the Liquidator to recover, preserve and maximize the assets of the Estate for the benefit of all Reliance policyholders and claimants.” Application, ¶ 8. The Liquidator further avers that: “The administrative expenses have been incurred in the process of, *inter alia*, reviewing and determining the ultimate liabilities of the Estate, fulfilling the public policies and purposes of the Act and the liquidation process, and investigating and holding accountable those third parties responsible for the insolvency of Reliance.” *Id.* The Application details expense categories and totals. According to the Liquidator, the incurred expenses are “proper, necessary and reasonable in

¹ The Liquidator is Teresa D. Miller, Insurance Commissioner of the Commonwealth of Pennsylvania.

order to conserve, conduct, liquidate, dispose of or otherwise deal with the business and property of Reliance, as authorized by 40 P.S. § 221.23.” *Id.*, ¶ 9.


Considering the Liquidator’s broad authority to administer the Reliance Estate in order to protect the interests of its insureds, creditors and the general public and to “pay compensation to persons appointed and to defray all expenses of taking possession of, conserving, conducting, liquidating, disposing of or otherwise dealing with the business and property of the [Reliance Estate,]² as well as her representations set forth above, the Court hereby **GRANTS** the Application this **16th** day of **August, 2016**, as follows:

The administrative expenses incurred, authorized and paid by the Liquidator as set forth in the Application, as well as in Exhibit C to the Application (excluding Guaranty Association expenses), for the period January 1, 2015 through December 31, 2015 are approved as class (a) claims, which were necessary, reasonable and incurred in the best interest of the Estate.

Certified from the Record

AUG 16 2016

And Order Exit



BONNIE BRIGANCE LEADBETTER,
Senior Judge

² See Section 523(4) of Article V of the Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, 40 P.S. § 221.34(4); Section 523 was added by the Act of December 14, 1977, P.L. 280.