FOR OFFICE USE ONLY

PROOF OF CLAIM NO. _____
DATE RECEIVED: _____

PROOF OF CLAIM

IN THE MATTER OF

RELIANCE INSURANCE COMPANY (IN LIQUIDATION)

Deadline for filing December 31, 2003

READ ALL MATERIALS CAREFULLY BEFORE COMPLETING THIS FORM - COMPLETE ALL SECTIONS
FILL IN ALL BLANKS - PLEASE PRINT CAREFULLY OR TYPE

Make corrections to Name & Address below.
Claimant Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip Code: _____
Country: _____
Social Security/E.I.N. #: _____ e-mail: _____
Daytime Phone #: (include area code) _____

Name of Insured: _____
Policy Number: _____ Claim Number: (if previously filed) _____
Date of Loss: _____ Agent Number: _____

Claim is for (Check X or specify Below)

1		POLICY HOLDER or THIRD PARTY CLAIM	Claim by insured of Reliance Insurance under a Reliance Insurance Policy for POLICY Benefits or Liability claim against an insured of Reliance Insurance for POLICY BENEFITS.
2		RETURN of UNEARNED PREMIUM or OTHER PREMIUM REFUNDS	Portion of paid premium not earned due to early cancellation of policy or retro or audit adjustment.
3		GENERAL CREDITOR	Attorney fees, Adjuster fees, Vendors, Landlords, Lessors, Consultants, Cedants and Reinsurers.
4		AGENT BALANCES	Agents Earned Commissions.
5		ALL OTHER	Describe

In the space below give a Concise Statement of the Facts giving rise to your claim. Attach additional sheets if required. _____

AMOUNT OF CLAIM: $_____
Is there OTHER INSURANCE that may cover this claim? Yes ( ) No ( )
If YES provide name of insurer(s) and policy numbers(s): _____

Does AN ATTORNEY REPRESENT you? Yes ( ) No ( ) If YES provide attorney's name, address & telephone number: _____

Has a Lawsuit or other LEGAL ACTION been instituted by anyone regarding this claim? Yes ( ) No ( ) If YES provide the following:
Court Where Filed: _____
DATE FILED & DOCKET NUMBER: _____
PLAINTIFF(S): _____
DEFENDANT(S): _____

The undersigned subscribes and affirms as true under the penalties of perjury as follows: that the undersigned has the right and authority to sign and submit this proof of claim; that the undersigned has read the foregoing Proof of Claim and knows the contents thereof; that the said claim against Reliance Insurance Company (Reliance) (In Liquidation) is true to the best of the undersigned's own knowledge except as matters therein stated to be alleged upon information and belief and as to those matters the undersigned believes to be true; that no payment of or on account of the aforesaid claim has been made except as above stated; that there are no offsets or counterclaims thereto; and that the undersigned is not a secured creditor or claimant, or has no security interest except as stated above.

If the foregoing Proof of Claim alleges a claim against a Reliance insured (third party claim), the undersigned hereby releases any and all claims which have been or could be made against such Reliance insured based on or arising out of the facts supporting the above Proof of Claim up to the amount of the applicable policy limit and subject to coverage being accepted by the Liquidator, regardless of whether any compensation is actually paid to the undersigned.

_____ _____
Claimant Signature Date

INSTRUCTIONS FOR COMPLETING PROOF OF CLAIM FORM

This proof of claim form must be completed and returned. **Failure to return the completed form will result in the denial of your claim.** Please fill in all of the applicable blanks. Attach additional sheets as required. In the event you do not know certain information, please write "unknown." You may supplement your claim later when you have more information, provided you do so promptly after you obtain the information. Please print legibly in ink or type. The form may be duplicated. You are advised to keep a completed copy for your records. The following is some specific additional instruction for certain types of claims. For more information on these types of claims, please see the discussion in the enclosed booklet.

1. If your claim is for **POLICY BENEFITS** please complete the front of this form. **If your claim is already filed with Reliance**, you need to complete the proof of claim form, but you do not need to resubmit documentation to support your claim. If additional documentation is required, you will be contacted. **If this is a new claim**, please attach documentation to support the claim.

   If your claim is a contingent claim under an insurance policy, use the space provided for policy benefits and indicate that the claim is contingent. If a policy was renewed, a claim should be filed for each policy number for which you want to file.

2. If your claim is for the **RETURN OF UNEARNED PREMIUM or other premium refunds**, please complete the front of this form. Please attach the appropriate documentation to support your claim.

3. If your claim is that of a **GENERAL CREDITOR,** please attach copies of all outstanding invoices to this form.

4. If your claim is for **AGENT BALANCES,** please attach a complete accounting by policy/contract in support of your claim.

5. If you have **ANY OTHER** type of claim, describe your claim, i.e., stockholder, employee, taxes, license fees, assessments. Please attach copies of information to support your claim.

The right (but not the obligation) to request additional supporting information is retained by the Liquidator. The failure to promptly provide such additional information may result in denial of the claim.

The proof of claim form must be signed by the claimant, and must contain the claimant's current address and zip code. No claim can be considered for payment without a social security number or tax identification number. Where applicable, the name and address as well as the telephone number of the claimant's attorney, if any, must be shown. **YOU MUST FILE A SEPARATE PROOF OF CLAIM FORM FOR EACH CLAIM YOU MAKE. IF YOU HAVE MORE THAN ONE CLAIM, YOU MAY MAKE COPIES OF THE ENCLOSED FORM OR YOU SHOULD CALL (215) 864-4000 FOR ADDITIONAL PROOF OF CLAIM FORMS.**

You must sign the proof of claim form and mail it to:

Proof of Claim Department
Statutory Liquidator of Reliance Insurance Company
P. O. Box 13527
Philadelphia, PA 19101-3527

NOTE: This form must be received no later than 5:00 PM EST on December 31, 2003, subject to the provisions of Article V of the Insurance Department Act pertaining to the filing of claims.

CHANGE OF ADDRESS

You are required by Article V of the Insurance Department Act to notify the Statutory Liquidator of your change of address. If you fail to do so you may jeopardize your chance of recovery from this estate.

INFORMATION REGARDING CLAIMS AGAINST THE ESTATE OF RELIANCE INSURANCE COMPANY

After all claims against this company are evaluated by the Statutory Liquidator and approved by the Court, approved claims will be paid by priority level based on available funds in accordance with 40 P.S. Section 221.19 et seq. The amount of the payment will depend on the assets recovered. The amount to be paid on an individual claim, if any, will not be known until all claims are evaluated and assets are recovered. In any event, payment will not be made for several years.

The Statutory Liquidator's receipt of this proof of claim form does not constitute any waiver or relinquishment by the Statutory Liquidator of any defense, setoff, or counterclaim that may exist against any person, entity or governmental agency, regarding any actions pursued by the Statutory Liquidator of Reliance Insurance Company on behalf of Reliance Insurance Company claimants, policyholders and creditors.

Commonwealth of Pennsylvania

Office of Liquidations, Rehabilitations & Special Funds

Statutory Liquidator
Of
Reliance Insurance Company

PLEASE KEEP THIS MATERIAL
PLEASE READ THIS MATERIAL IN ITS ENTIRETY

FAILURE TO FOLLOW THE CLAIMS SUBMISSION INSTRUCTIONS HEREIN WILL RESULT IN THE DENIAL OF YOUR CLAIM

NOTICE

TO THE POLICYHOLDERS, DEBTORS, PRINCIPALS, OBLIGEES,
CLAIMANTS, CREDITORS AND ALL OTHER PERSONS INTERESTED IN THE
AFFAIRS OF
RELIANCE INSURANCE COMPANY (Reliance)
(IN LIQUIDATION)

NOTICE IS HEREBY GIVEN:

The Commonwealth Court of Pennsylvania ordered Reliance Insurance Company (Reliance) into liquidation on October 3, 2001. M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, was appointed the Statutory Liquidator, and was ordered to take possession of Reliance's property and to liquidate its business. The Commissioner appointed Deputy Commissioner William S. Taylor her agent for the liquidation.

All references to "Reliance" herein shall include the following companies which were previously merged into Reliance Insurance Company with approval of the Commissioner: Reliance National Indemnity Company, Reliance National Insurance Company, United Pacific Insurance Company, Reliance Direct Company, Reliance Surety Company, Reliance Universal Insurance Company, United Pacific Insurance Company of New York and Reliance Insurance Company of Illinois.

This information is important. It is recommended that you read it carefully before contacting the Liquidator's Office with questions. You may also want to consult your attorney or insurance advisors before you proceed.

Certain claims may also be covered by guaranty associations in the state of their residence or in the state of the insured's residence. Guaranty associations and funds were created by state law to provide protection to insureds in the case of a liquidation. The various state laws governing the guaranty associations include eligibility requirements and limits on the amount of coverage available. Insureds who are covered by a Reliance policy may be entitled to the protection of the property and casualty insurance guaranty association, the workers' compensation guaranty fund or the life and health guaranty association in the state where they reside or in the state in which the insured property is situated.

If you have and want to pursue a claim against Reliance, you must file a proof of claim in order to have your claim considered. Detailed instructions for filing a proof of claim are compiled in a separate enclosed document. Proofs of claim must be filed no later than December 31, 2003.

You are a third party claimant if you have a claim against a Reliance insured which may be covered by the insured's insurance policy. You may either file a claim with the Statutory Liquidator or pursue legal action against the insured to recover your claim. If you file a claim with the Liquidator, filing of the claim shall operate as a release of the insured's liability to you on that cause of action in the amount of applicable policy limits. If coverage of the claim is avoided by the Liquidator, this release becomes null and void.

Generally, claims filed after the filing deadline are considered timely filed by the Statutory Liquidator if in the discretion of the Liquidator it is determined that the claim was filed within a reasonable time after discovery of the claim and acceptance of the claim would not interfere with the orderly administration of the estate. Some state guaranty associations have statutory claim filing provisions which will prohibit payment by the guaranty association after a certain period of time has elapsed. In many instances that date is the December 31, 2003 date set by the Liquidator, but in some instances, it is a date before December 31, 2003. This is another reason you should promptly file your claim.

A proof of claim must be filed even if a claim was made against Reliance prior to liquidation, and a separate proof of claim form must be filed for each claim you have. A proof of claim shall include the following: A proof of claim form containing the original signature of the claimant; a description of the claim and any security interest; whether collateral security or personal security is pledged in accordance with the terms of the policy; documentation of any

payments made on the claim; and a statement that the amount is justly owed the claimant. If you require additional proof of claim forms, you may make copies of the one attached, request them from the Statutory Liquidator at the address below, or download them at the Department website: www.insurance.state.pa.us.

It is important to note that although Reliance is insolvent, it has significant assets, including reinsurance that must be collected by the Liquidator. Therefore, it is anticipated that there will be sums of money to distribute to certain claimants in accordance with priorities set by law. It will be many years, however, before these assets are collected and the amount can be determined. Nevertheless, to participate in a distribution you must file a proof of claim. This is particularly important for insureds claiming benefits and losses where there is no guaranty association coverage or where the claim exceeds the limits of guaranty association coverage. It is important that you keep Reliance fully advised of all developments in these cases so that Reliance can use this information to recover funds from reinsurers and thereby increase the distribution to creditors. Claims for losses under policies of insurance have the highest priority for payment other than administrative expenses.

Whenever a claim is based upon an instrument in writing, a copy of the document should be attached to the proof of claim. If the document has been destroyed, a statement of the facts and circumstances of the loss must be filed, under oath, with this claim.

The Order of Liquidation enjoins all persons from instituting or continuing any action at law or in equity or any attachment or execution against Reliance. All persons indebted to or having any property of Reliance in their possession are hereby notified to tender an account of the indebtedness and to pay the same and deliver such property to the Statutory Liquidator.

CHANGE OF ADDRESS NOTIFICATION

YOU ARE REQUIRED BY ARTICLE V OF THE INSURANCE DEPARTMENT ACT TO NOTIFY THE STATUTORY LIQUIDATOR OF YOUR CHANGE OF ADDRESS. IF YOU FAIL TO DO SO YOU MAY JEOPARDIZE RECOVERY FROM THIS ESTATE.

Included with this Notice is material which answers frequently asked questions regarding the liquidation process. Please review this material carefully.

This notice and the information contained herein are in summary form and may not contain all necessary information for your particular situation. You are urged to consult an attorney if you have any questions. All claims are subject to payment only in accordance with applicable law.

General questions about the liquidation procedure should be addressed to the Statutory Liquidator at:

Statutory Liquidator of Reliance Insurance Company
P.O. Box 13527
Philadelphia, PA 19101-3527
(215) 864-4000

Information about the Liquidation of Reliance Insurance Company

The Commonwealth Court of Pennsylvania has declared Reliance Insurance Company (Reliance) insolvent and has ordered the company into liquidation effective October 3, 2001. This booklet will help to answer frequently asked questions about making claims and the liquidation procedure.

The Office of Liquidations, Rehabilitations and Special Funds of the Pennsylvania Insurance Department has been assigned the responsibility of liquidating Reliance, and all questions concerning the liquidation of Reliance should be directed to the Statutory Liquidator for Reliance, P. O. Box 13527, Philadelphia, PA 19101-3527, telephone (215) 864-4000.

1. What happens when a company becomes insolvent and is liquidated?

Liquidation is similar to bankruptcy. When a company is liquidated, the Insurance Department's Office of Liquidations, Rehabilitations and Special Funds gathers the company's assets and determines what liabilities, such as bills and claim payments, it has. The Statutory Liquidator then develops a plan to distribute the company's assets according to law and submits the plan to the Court for approval. The liquidation process is very complex and is expected to take many years.

2. You say Reliance was ordered liquidated. Does this mean my policy is worthless?

No. Although Reliance has been placed into liquidation, the guaranty association in the state where you reside or where the property is situated may be obligated to provide coverage under insurance policies issued by Reliance subject to certain limitations. Any claim or portion thereof which is not covered by a guaranty association becomes a claim against the Reliance estate, and the amount deemed to be an allowed claim will be paid to the extent funds are available, on an equal basis with all other claims in the same category. These claims may be paid in full, in part or not at all, depending on the available assets. These claims will not be paid for many years.

3. Will my policy be canceled because of the liquidation?

A paid Reliance policy will terminate at its normal expiration, upon replacement or November 2, 2001 (30 days from the date of liquidation), whichever was sooner.

4. What is a guaranty association?

A guaranty association is an association of all insurers licensed to write property and casualty or life and health insurance in a state. Subject to statutory eligibility

and claims payment limits, a guaranty association assumes the policyholder obligations of licensed insolvent insurers in that state for residents or property insurance in that state. A guaranty association obtains funds to meet its obligations by assessing the member companies.

5. Since my company has been placed into liquidation, who will pay my claims?

Valid and substantiated claims incurred prior to the termination of the policy will be paid, where covered, by the appropriate guaranty association, subject to policy limits and the limits of the guaranty association. The Statutory Liquidator of Reliance will forward your proof of claim to the appropriate guaranty association. Claims which are not covered by a guaranty association or portions of claims which exceed the statutory obligations of the guaranty association become claims against the estate of the company and will be paid at some time in the future to the extent funds are available.

6. Will my claims be paid in full by the guaranty associations?

All payments are subject to certain statutory limits contained in the various state laws creating the guaranty associations. In no case will payments exceed the applicable policy limits.

7. How long will it take for my claims to be paid by the guaranty association?

When a company is placed into liquidation, the guaranty associations are typically activated to pay claims as soon as the Court orders the liquidation. Claim payments usually begin within 90 days after the liquidation order is issued. However, the waiting period from the time of submission will vary based on the number of claims received, and the time claims are submitted.

If you are a policyholder or third party claimant and you currently have a claim pending with Reliance, you need to complete and return the enclosed proof of claim as soon as possible. While your claim file has already been forwarded to the guaranty association, payments may be delayed by your failure to do so on a timely basis.

8. I have questions about what is and is not covered by the guaranty association? Who can answer these questions for me?

You can address your questions about your property and casualty guaranty association's responsibilities to the guaranty association in the state in which you reside. A list of the property and casualty guaranty associations is enclosed. Some states have separate organizations which handle worker's compensation claims. These are shown by state on the property and casualty listing.

You should address your questions about your accident and health policy to the same entity which has handled your claims in the past. The life and health guaranty associations have contracted with these entities to continue to handle your claims.

9. I believe I have a claim against Reliance but I am not a policyholder or a third party claimant under a Reliance policy. How do I make a claim?

Claims filed against Reliance by general creditors, stockholders, trade creditors, governmental agencies, reinsurers, cedants, agents, employees, former officers and directors and other persons interested in the affairs of Reliance are handled by the Statutory Liquidator. To file a claim for monies owed to you by Reliance, you must file a proof of claim form with the Statutory Liquidator no later than 5:00 p.m. EST on December 31, 2003. If you fail to file a proof of claim form by this date, your claim may not be considered to be timely filed. Failure to file a timely claim may result in denial of your claim or consideration of your claim at a lower priority level.

10. How do I file a claim against Reliance?

If you believe you have a claim against Reliance you must file proof of claim with the Statutory Liquidator using the enclosed proof of claim form. Even if you have a claim already pending with Reliance you must file proof of claim. If your claim is a new claim, you should attach documentation to the proof of claim to document your claim. If your claim has already been submitted to Reliance, you must complete the proof of claim form, but it is not necessary for you to attach additional documentation. Your claim file has been shipped to the appropriate guaranty association. If additional information is needed at a later date, you will be contacted.

If you have more than one claim against Reliance, you may duplicate the proof of claim form to submit each claim separately.

Accident & Health Claims . . . .

All accident and health claimants must complete a proof of claim in order to assure that all claims will be considered for payment. If your claim has already been submitted, you only need to fill out the proof of claim form. If this is a new claim, you must submit documentation to support your claim. You must provide all applicable information requested on the proof of claim form. The proof of claim form should be returned to Reliance (In Liquidation) as directed.

For the most part, the life and health guaranty associations have worked out a seamless transition for the payment of accident and health claims. Claims of residents in some states may not have coverage by their state life and health guaranty association as a result of statutory constraints. Those claimants will have a claim against the Reliance estate and will be paid to the extent funds are available. These claims will not be paid for many years.

Worker's Compensation Claims . . . .

Under an agreement with the various state guaranty associations, and with the authorization of the Commonwealth Court of Pennsylvania, Reliance (In Liquidation) continued the payment of scheduled worker's compensation indemnity payments through November 16, 2001. All active worker's compensation files have been shipped to the state guaranty associations, and future payments will be forthcoming from the appropriate guaranty association as soon as the various guaranty associations can begin making the payments. Certain workers compensation claims may not be covered by a guaranty association or may be handled by a party other than a guaranty association. You should contact your employer for that information.

If you have already submitted your claim to Reliance, you must complete a proof of claim form and return it to the Statutory Liquidator of Reliance in accordance with the instructions included on the form. While it is necessary for you to provide all applicable requested information, it is not necessary for you to provide documentation to support your claim at this time. If additional documentation is required, you will be contacted. If you have a new worker's compensation claim, you must complete and return the proof of claim form and provide documentation to support your claim.

Personal Automobile Claims . . .

If you have already submitted your automobile claim to Reliance, you must complete a proof of claim form and return it to the Statutory Liquidator of Reliance in accordance with the instructions included on the form. While it is necessary for you to provide all applicable requested information, it is not necessary for you to provide documentation to support your claim at this time. If additional documentation is

required, you will be contacted. If you have a new personal automobile claim, you must complete and return the proof of claim form and provide documentation to support your claim.

Other Types of Insurance . . .

If you have a claim which falls into any other category not listed above, you must file a proof of claim form. If your claim has already been submitted to Reliance, you do not need to provide documentation to support your claim. If, however, you are filing a new claim with Reliance (In Liquidation), you must complete the proof of claim form and submit documentation to support your claim. Once a determination is made concerning guaranty association coverage, your file will either be transferred to the appropriate guaranty association or retained at Reliance (In Liquidation) for handling. Claims which have some guaranty association coverage will be forwarded as appropriate. In either case, you will be contacted if additional documentation in required to adjudicate your claim.

Claims under an Excess Policy…

If you were insured by Reliance under an excess policy and a claim under that policy has an incurred value in excess of 75 percent of the self insured retention, you should complete a proof of claim for that loss and return it, along with supporting documentation, to the Statutory Liquidator of Reliance in accordance with the instructions included on the form.

Contingent Claims

Under Pennsylvania law a person may file a claim even if it is a “contingent claim.” A “contingent claim” is one where the liability of the company is not yet determined or is dependent on the outcome of another event. In many of the lines of insurance Reliance wrote, persons may have insurance coverage if an insured loss occurred during the policy period, regardless of when the claim was made against or was discovered by the insured. An insured under these types of “occurrence” policies may have claims made against them or have claims brought to their attention in the future, but the basis for the claim occurred during the policy period. Such claimants are entitled to file a claim at any time during the claim filing period. Some guaranty associations require the filing of a claim before the end of the claim filing period. For maximum protection, an insured should promptly file a proof of claim for a “contingent claim” that seeks to cover any claim that is unknown at this time but may arise under their policy at a later date. If you do so, you should file a separate proof of claim for each policy. When such a claim arises the claimant should immediately inform the Liquidator of the particulars and supplement the proof of claim by providing documentation of the claim. These types of claims are also known as “policyholder protection claims” because a policyholder is claiming for the full protection afforded under the terms of their policy regardless of when they become

aware of such claim. Contingent claims are not limited to only policyholder claims. If you file a contingent claim, complete Item 1 on the proof of claim form, and indicate in the space for Amount of Claim, "unknown."

Claims for the return of unearned premium and other premium refunds . . . .

If you have a claim for the return of unearned premium or other premium refund, you must complete a proof of claim form. If you have documentation to support your claim, you should provide a copy of that documentation with your proof of claim. If you do not have documentation, you should complete the information requested on the proof of claim form and submit it as directed. Your claim will be evaluated based on Reliance records and the support you provide, and if approved, will be paid to the extent funds are available for this purpose.

Claims for agent commissions . . . .

If you were a Reliance agent and have a claim for earned commission, it will be necessary for you to complete a proof of claim form. If you have documentation to support your claim, including your most recent statement, you should provide a copy of that documentation with your proof of claim. If you do not have documentation, you should complete the information requested on the proof of claim form and submit it as directed.

Claims of general creditors . . .

General creditors are persons or organizations, including law firms, trade creditors, etc., who provided services to Reliance prior to the May 29, 2001 Order of Rehabilitation, for which they were not paid, any person or organization who believes they are owed money by Reliance (In Liquidation) regardless of the time period in which these services were incurred, etc. If you believe you have a claim, it will be necessary for you to complete a proof of claim form. If you have documentation to support your claim, you should provide a copy of that documentation with your proof of claim.

Claims of former employees, officers and directors . . . .

If you are a former employee, officer or director of Reliance (In Liquidation) and you believe you have a claim, you must file a proof of claim with Reliance. Use Item 3 on the proof of claim to provide the necessary information about your claim. You should attach documentation to support your claim to the proof of claim and submit it as directed.

General Information about Claims . . . .

Claims which are the responsibility of a guaranty association have been or will be forwarded to them as appropriate. Valid claims that are pursued against the estate which are in excess of guaranty association limits or claims which are not covered by a guaranty association will be handled by Reliance (In Liquidation). Claims which are not covered by a guaranty association in whole or in part become claims against the Reliance estate and will be paid at some time in the future to the extent funds are available to pay. These claims will not be paid for many years.

You are a third party claimant if you have a claim against a Reliance insured which may be covered by the insured's insurance policy. You may either file a claim with the Statutory Liquidator or pursue legal action against the insured to attempt to recover on your claim. If you choose to file a claim with the Liquidator, filing of this claim shall operate as a release of the insured's liability to you on that cause of action in the amount of applicable policy limits. If coverage is avoided by the Liquidator, this release becomes null and void.

The Commonwealth Court of Pennsylvania has established December 31, 2003, 5:00 p.m. EST, as the deadline for filing claims against Reliance (In Liquidation). If you fail to file a proof of claim form by this date, your claim may not be considered to be timely filed. Failure to file a timely claim may result in denial of your claim or consideration of your claim at a lower priority level. Some guaranty associations have an earlier deadline.