

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

COMMONWEALTH OF VIRGINIA *ex rel.*
STATE CORPORATION COMMISSION,

Applicant,

v.

SOUTHERN TITLE INSURANCE
CORPORATION

Respondent.

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Case No. INS-2011-00239

**APPLICATION FOR FINAL ORDER APPROVING AND RATIFYING
RECORD RETENTION SCHEDULE**

TO THE HONORABLE JUDGES OF THE COMMISSION:

Jacqueline K. Cunningham, as Deputy Receiver of Southern Title Insurance Corporation (“Southern Title”), in receivership in Commission Case No. INS-2011-00239, respectfully submits this request pursuant to paragraph 5(j) of the Circuit Court of the City of Richmond’s December 20, 2011, Final Order Appointing Receiver for Rehabilitation or Liquidation (“Receivership Order”), for entry of a final order approving and ratifying the attached schedule for the retention and destruction of the records of Southern Title. See Exhibit A (“Record Retention Schedule”). In furtherance of this application, the Deputy Receiver would show the Commission the following:

1. The Receivership Order appointed the State Corporation Commission of the Commonwealth of Virginia (“Commission”) as Receiver of Southern Title. On December 20, 2011, the Commission appointed Jacqueline K. Cunningham, the Commissioner of Insurance of the Commonwealth of Virginia as Deputy Receiver.

2. Pursuant to authority granted in the Receivership Order, the Deputy Receiver’s First Directive appointed Donald C. Beatty, Senior Counsel in the Commission’s office of General

Counsel, as Special Deputy Receiver of Southern Title. Pursuant to the Deputy Receiver's Fourth Directive, John O. Cox, Associate General Counsel for the Commission, replaced Mr. Beatty as Special Deputy Receiver of Southern Title, effective December 1, 2015.

3. The Receivership Order authorized and directed the Receiver, Deputy Receiver and Special Deputy Receiver to administer the business and affairs of Southern Title, and to do all acts necessary or appropriate for the rehabilitation or liquidation of Southern Title.

4. Paragraph 5(j) of the Receivership Order authorizes the Receiver, Deputy Receiver, and the Special Deputy Receiver to:

remove any or all records and other property of Southern Title to the offices of the Receiver, Deputy Receiver or Special Deputy Receiver or to such other place as may be convenient for the purposes of efficient and orderly execution of the receivership, and to dispose of or destroy, in the usual and ordinary course, of such records and property as they deem or determine to be unnecessary for the receivership.

5. The Deputy Receiver believes that the Record Retention Schedule provides, in furtherance of the efficient and orderly wind down of the receivership, for the destruction in the usual and ordinary course of such records as are unnecessary to the receivership, subject to any requirement to retain for a longer period any records relevant to pending or anticipated litigation.

6. The Record Retention Schedule does not address the disposition of records associated with policies issued in the state of Texas as all such records are to be transferred to First National Title Insurance Company in accordance with the assumption agreement approved by the Commission in Case No. INS-2016-00248.

WHEREFORE, PREMISES CONSIDERED, the Deputy Receiver respectfully requests that the Commission enter a final order approving and ratifying the Record Retention Schedule.

Respectfully submitted,

Jacqueline K. Cunningham, Commissioner of Insurance, State
Corporation Commission, Bureau of Insurance, as Deputy
Receiver of Southern Title Insurance Corporation

By: /s/ Joseph N. West
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CERTIFICATE OF SERVICE

The undersigned attorney hereby certifies that on September 5, 2017, a true and correct copy of the foregoing document was filed electronically with the Clerk of the Commission:

Mr. Joel Peck
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/s/ Joseph N. West
Joseph N. West

EXHIBIT A
Southern Title Insurance Corporation, in Receivership
Record Retention Schedule

The retention periods provided in Tables I and II below will be extended to the extent required for matters involving threatened or pending litigation. In the absence of any pending or threatened litigation, this record retention schedule should be followed for the retention, and destruction, of all records of Southern Title Insurance Corporation ("STIC").

TABLE I

Classification of Records	Retention Period
Accounting records (accounting journals and ledgers, budgets, inventories, invoices and billing information, payroll records, expense reports and analyses, etc.)	Retain until the earlier of 7 years from date of creation or 1 year after the close of receivership
Bank statements, reconciliations, and cancelled checks	Retain until the earlier of 7 years from date of creation, or 1 year after the close of receivership
Claim materials	Retain until earlier of 5 years after close of claim, or 1 year after close of receivership
Actuarial reports on loss reserves, audit reports, and employee benefit plan records	Retain until the earlier of 7 years from date of creation, or 1 year after the close of receivership
STIC records (bylaws, minutes, annual and quarterly reports, financial statements, stock records, company governance documents, property records, licenses, legal correspondence, etc.)	Retain until 1 year after the close of receivership
Terminated contracts, notes, leases, company business insurance policies, reinsurance treaties	Retain until earlier of 5 years after termination, or 1 year after the close of receivership
Correspondence - general	5 years after creation
STIC insurance policies, agency closing files, underwriting and plant records	Retain in accordance with State requirements specified in Table II below, but no longer than 1 year after the close of receivership

Human resources, personnel data and records (employment applications, performance evaluations, wage and benefits information, etc.)	Retain until earlier of 7 years after termination of employment, or 1 year after the close of receivership
Tax records (federal and state income tax returns, payroll tax returns, property tax returns, supporting documentation, etc.)	Retain until the earlier of 7 years from date of creation, or 1 year after the close of receivership

TABLE II

State	Retention Period for STIC insurance policies, agency closing files, underwriting and plant records
Alabama	Retain until the earlier of 5 years after policy issuance, or 1 year after the close of receivership
Arkansas	Retain until the earlier of 7 years after policy issuance, or 1 year after the close of receivership
Colorado	Retain until the earlier of 7 years after policy issuance, or 1 year after the close of receivership
Delaware	Retain until the earlier of 3 years after policy issuance, or 1 year after the close of receivership
Florida	Retain until the earlier of 7 years after policy issuance, or 1 year after the close of receivership
Georgia	Retain until the earlier of 5 years after policy issuance, or 1 year after the close of receivership
Louisiana	Retain until 1 year after the close of receivership
Maryland	Retain until the earlier of 3 years after policy issuance, or 1 year after the close of receivership
Mississippi	Retain until 1 year after the close of receivership
Nevada	Retain until 1 year after the close of receivership
New Jersey	Retain until the earlier of 15 years after policy issuance, or 1 year after the close of receivership
New Mexico	Retain until the earlier of 15 years after policy issuance, or 1 year after the close of receivership
North Carolina	Retain until the earlier of 5 years after policy issuance, or 1 year after the close of receivership

Ohio	Retain until the earlier of 10 years after policy issuance, or 1 year after the close of receivership
Pennsylvania	Retain until the earlier of 20 years after policy issuance, or 1 year after the close of receivership
South Carolina	Retain until the earlier of 5 years after policy issuance, or 1 year after the close of receivership
Tennessee	Retain until 1 year after the close of receivership
Texas	Retain until the earlier of 15 years after policy issuance, or 1 year after the close of receivership
Virginia	Retain until the earlier of 3 years after policy issuance, or 1 year after the close of receivership
Washington, D.C.	Retain until the earlier of 3 years after policy issuance, or 1 year after the close of receivership
West Virginia	Retain until the earlier of 5 years after policy issuance, or 1 year after the close of receivership