

DEPARTMENT OF INSURANCE
COMPANY SERVICES GROUP
FINANCIAL EVALUATION DIVISION
COMPANY ADMISSIONS SECTION

Records Retention and Disposition Schedule

The Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

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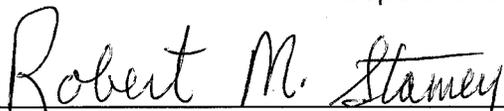
do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule. **Public records including machine readable records not listed in this schedule are not authorized to be destroyed.** The

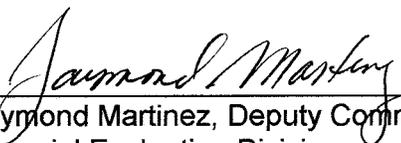
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agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

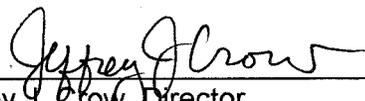
APPROVAL RECOMMENDED


Judy Gray, Chief Records Officer
Department of Insurance


Robert Stamey, Company Admissions Officer
Company Admissions Section


Raymond Martinez, Deputy Commissioner
Financial Evaluation Division


W. Alex Spencer, Senior Deputy Commissioner
Company Services Group


Jeffrey J. Crow, Director
Division of Archives and History

APPROVED


James E. Long, Commissioner
Department of Insurance


Betty Ray McCain, Secretary
Department of Cultural Resources

ABOUT THIS RECORDS DISPOSITION SCHEDULE

This records disposition schedule lists the records maintained in your office as reported to the Division of Archives and History on the date indicated. It lists all records, whether they are to be destroyed in your office or transferred to the State Records Center, and provides a brief description of each group (following the identification number) and instructions for their legal disposition (following the words "DISPOSITION INSTRUCTIONS"). Records should never be arbitrarily destroyed on the basis of personal opinion but only on the basis of a firm schedule. The disposition instructions contained herein provide that schedule and the legal procedures for records management activities in your agency.

Authority for this schedule, and the disposition instructions therein, is contained in Chapters 121 and 132 of the General Statutes of North Carolina. Compliance with the disposition instructions listed herein will help ensure conformity with these laws and that records of continuing value are retained and those no longer of value are destroyed. Procedures to be followed in applying this schedule are explained in the N.C. Administrative Code, Title 7, Chapter 4, Section 500. Errors and omissions do not invalidate this schedule or render it obsolete. All provisions of this schedule remain in effect until it is officially superseded.

Supervisors or other responsible office personnel, acting through their Records Officers, are requested to notify the Records Services Branch whenever corrections, additions, or deletions in the records schedule should be made. Records Services Branch personnel will then amend this schedule in order to ensure that it remains complete and accurate and is in compliance with federal and state laws and regulations.

The Records Services Branch will provide, upon request, the following assistance to agencies in the maintenance and operation of records schedules: amendment or update of existing schedules; supply and delivery of boxes, tape and labels for records scheduled to be transferred to the State Records Center; pickup of records to be transferred; reference service on records stored in the State Records Center; and advice and technical assistance in solving records management problems. There is no charge for these services.

This schedule was prepared by Frank Holt.

For any questions, please contact:

Laura L. Bost, Records Management Analyst

Records Services Branch

Archives and Records Section, Division of Archives and History

215 North Blount Street

733-3540 (fax 715-3627)

lbost@ncsl.dcr.state.nc.us

ELECTRONIC MAIL AS A PUBLIC RECORD IN NORTH CAROLINA
Guidelines for Its Retention, Disposition, and Destruction

Department of Cultural Resources
Division of Archives and History

The Division of Archives and History assumes that every state agency or other political unit in the state of North Carolina sends and receives electronic mail ("e-mail") or will shortly have the capability of doing so. E-mail (unless it is personal in nature) contains information of value concerning, or evidence of, the administration, management, operations, activities, and business of an office. Like paper records---such as the memoranda, correspondence, reports, and the hundreds of other types of records received traditionally, for example, through interoffice or U.S. mail or other avenues---e-mail has administrative, legal, reference, and/or archival values. *The content of electronic mail is a public record* (according to G.S. 121.8 and 132.1) *and may not be disposed of, erased, or destroyed without specific guidance from the Department of Cultural Resources.* This regulation, along with a current records retention and disposition schedule, is intended to provide for that guidance.

Accordingly, agencies and their offices which use e-mail should normally retain or destroy e-mail by following the provisions of a current, valid records retention and disposition schedule listing the records maintained by a particular office, filing e-mail (whether in paper or electronic format) within existing records series on their schedules and handling it according to the disposition instructions assigned to each such records series. Because of the characteristics of the medium, however, electronic mail also possesses a dual identity. E-mail is also used to transmit and receive messages which may have reference or administrative value but which are simultaneously of an ephemeral, temporary, or transient nature. As such, e-mail of this kind functions in some ways like telephone calls or telephone messages. Such messages remain public records but may be treated as having a reference or administrative value which ends when the user no longer needs the information such a record contains. E-mail of ephemeral or rapidly diminishing value may be erased or destroyed when the user has determined that its reference value has ended.

Agencies and offices need, however, to pay particular attention to the sometimes complex requirements for the retention of e-mail for longer periods of time, *i.e.* e-mail of more than transient value. E-mail in this category may be retained in electronic or paper form (the latter may in some cases be the only means of providing for archival retention, for example through microfilming of paper copies), but must be retained for as long as the period specified in a valid records schedule. If retained in paper form, the copies must retain transmission and receipt data. If electronic mail is retained in electronic form, office administrators need to insure that their electronic environment (client server, mainframe computer in or outside their agency, or office personal computer) assures the retention of e-mail for the required period of time. Office administrators may need to contact relevant personnel at SIPS (State Information Processing Services), at their own agency computer systems unit, or any other personnel who operate computer units or systems immediately or remotely, to insure that such systems process e-mail in accordance with records retention schedules and provide for backups, disaster recovery, physical and electronic security, and the general integrity of the system, its components, and the records it generates and maintains. Office administrators may also need to assure that office filing systems adequately provide for the proper classification of electronic files (including e-mail) in the same manner as currently provided for paper-based files.

Office administrators, department or unit heads, and all other state employees who use e-mail should regularly and consistently retain or delete e-mail in accord with the records series and disposition instructions, and other instructions, provided above. Retention of e-mail or any other records, whether in electronic or paper format, for longer than provided in a valid records retention and disposition schedule leads to inefficiency and waste and may subject the affected unit to legal vulnerabilities.

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ITEM 11784. INSURANCE COMPANIES NOT APPROVED FOR ADMISSION CORRESPONDENCE FILE.

Section correspondence with insurance companies whose applications for licensure were not approved.

DISPOSITION INSTRUCTIONS: Destroy in office 10 years after date of last correspondence with applicant.

ITEM 11804. PENDING APPLICATIONS FOR ADMISSION OF INSURANCE COMPANIES FILE.

Records concerning insurance companies' pending applications for admission. File includes annual and quarterly financial statements, docket records, reports on examination, correspondence concerning admission, and other related records. Companies names and addresses, National Association of State Insurance Commissioners (NASIC) identification numbers, federal employer identification numbers, lines of business authorized, and other related data are entered in Financial Compliance Section, Licensed Companies Database (Electronic) File (Item 38870) immediately upon recommendation of company for initial license.

DISPOSITION INSTRUCTIONS: Transfer correspondence concerning unsuccessful applicant companies to Insurance Companies Not Approved for Admission Correspondence File (Item 11784) when application is withdrawn or rejected. Return remaining records concerning unsuccessful applicant companies to company or destroy in office immediately when application is withdrawn or rejected. Transfer docket records to Financial Compliance Section, Active Company Docket File (Item 11824) immediately after application is approved. Transfer remaining records concerning successful applicant to Financial Compliance Section immediately after application is approved. Destroy in office financial statements for periods more than 3 years old. Destroy in office biographical affidavits and holding company registration statements when application is approved.

ITEM 11805. ADMISSIONS SECTION GENERAL CORRESPONDENCE FILE.

Correspondence concerning meetings, travel, general insurance questions, and other related matters.

DISPOSITION INSTRUCTIONS: Destroy in office after 5 years.

ITEM 11806. RISK RETENTION GROUP APPLICATIONS FILE.

Applications for registration of risk retention groups. File includes registration forms, operational procedures regarding each group, financial statements regarding each group, and other related records.

DISPOSITION INSTRUCTIONS: Destroy in office financial statements more than 3 years old. Transfer all remaining records concerning successful applicants to Continuing Care Section immediately when registration is approved. Destroy in office all remaining records concerning unapproved applicants 5 years after date of last correspondence with applicant.

ITEM 11807. INSURANCE LEGISLATION FILE.

Reference copies of North Carolina House and Senate bills concerning insurance subjects.

DISPOSITION INSTRUCTIONS: Destroy in office after 2 years.

ITEM 11808. COMPANY ADMISSIONS CHRONOLOGICAL CORRESPONDENCE (REFERENCE) FILE.

Reference copies of outgoing correspondence from the Company Admissions Section.

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years.

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ITEM 11811. SURPLUS LINES INSURANCE COMPANIES APPLICATIONS FILE.

Records concerning insurance companies applying to be eligible for the placement of surplus lines insurance in North Carolina. File includes annual and quarterly financial statements, examination reports, correspondence, and other related records.

DISPOSITION INSTRUCTIONS: Transfer all records concerning eligible surplus lines insurance companies to Financial Compliance Section, Surplus Lines Insurers (Active) Correspondence and Analysis File (Item 38878) immediately when eligibility is approved. Transfer all records concerning ineligible surplus lines insurance companies to Surplus Lines Insurance Companies Inquiries File (11812) immediately when eligibility is not approved.

ITEM 11812. SURPLUS LINES INSURANCE COMPANY INQUIRIES FILE.

Records concerning insurance companies which have either inquired or applied for eligibility for the placement of surplus lines insurance, but were not listed as an eligible surplus lines insurer. File includes financial statements and related correspondence.

DISPOSITION INSTRUCTIONS: Destroy in office financial statements after 2 years. Destroy in office correspondence 5 years after date of last correspondence with the company.

ITEM 11833. PURCHASING GROUP APPLICATIONS FILE.

Applications for registration as a purchasing group under the Risk Retention Act. File includes registration forms, operational records regarding each group, and other related records.

DISPOSITION INSTRUCTIONS: Transfer records concerning successful applicants to the Financial Compliance Section, Purchasing Groups (Active) Correspondence File (Item 38874) when registration is approved. Destroy in office records concerning unsuccessful applicants 2 years after date of last correspondence with applicant.

ITEM 38727. ACCREDITED REINSURER APPLICATIONS FILE.

Applications for accredited reinsurer status in North Carolina. File includes annual statements for two years, examination reports, Certified Public Accountant (CPA) reports, applications, correspondence regarding the application process, and other related records.

DISPOSITION INSTRUCTIONS: Transfer all records concerning successful applicants to the Financial Compliance Section, Authorized Reinsurers (Active) Correspondence and Analysis File (Item 38863) when accredited status is approved. Destroy in office financial statements of unsuccessful applicants 2 years after date of last correspondence with applicant. Destroy in office correspondence of unsuccessful applicants 5 years after date of last correspondence with applicant.

ITEM 38925. SURPLUS LINES INSURANCE COMPANIES CORRESPONDENCE FILE.

Reference copies of correspondence concerning insurance companies listed as eligible surplus lines insurers.

DISPOSITION INSTRUCTIONS: Transfer to Surplus Lines Insurance Company Inquiries File (Item 11812) immediately after company is no longer listed as an eligible surplus lines insurer.