

11 NCAC 11C .0105 RETENTION OF RECORDS OF DOMESTIC INSURANCE COMPANIES

- (a) All records of domestic insurance companies shall be maintained by the company for the years for which a statutory examination has not yet been completed. All books of original entry and corporate records shall be retained by the company or its successor for a period of 25 years after the company ceases to exist.
- (b) Any claim file wherein a minor is involved shall be maintained until that minor has attained the age of majority for third-party liability coverage. All tax and tax related questions or litigation shall be resolved or finally adjudicated before the destruction of any records related thereto.
- (c) All records that are required to be maintained by this Rule shall be either original or duplicate records, as defined in this Rule.
- (d) For the purpose of this Rule, an "original record" is the writing or recording itself or any counterpart intended to have the same effect by a person executing or issuing it. An "original" of a photograph includes the negative or any print therefrom. If data are, in the normal and ordinary course of business, stored in a computer or similar device, any printout or other output readable by sight, shown to reflect the data accurately, is an "original record".
- (e) For the purpose of this Rule, a "duplicate record" is a counterpart produced by the same impression as the original record, or from the same matrix, or by mechanical or electronic re-recording or by chemical reproduction, or by equivalent techniques, such as imaging or image processing, that accurately reproduce the original record.
- (f) If only duplicate records are maintained, the following requirements must be met:
 - (1) The data must be easily accessible to the Department in readable form; and readable, reproduced copies must be obtainable;
 - (2) Before the destruction of any original records, the company in possession of the original records shall:
 - (A) Verify that the records stored consist of all information contained in the original records and that the original records can be reconstructed therefrom in a form acceptable to the Department; and
 - (B) Implement disaster preparedness or disaster recovery procedures that include provisions for the maintenance of duplicate records at another location; and
 - (3) Adequate controls must be established with respect to the transfer and maintenance of data.
- (g) Every foreign insurer licensed in North Carolina shall be in substantial compliance with this Rule.

History Note: Authority G.S. 58-2-40(1); 58-2-50; 58-2-131; 58-2-132; 58-2-133; 58-2-145; 58-2-155; 58-19-35; 58-20-30; 58-22-20(6); 58-23-25; 58-24-135; 58-27-10; 58-39-70; 58-48-65; 58-49-55; 58-62-66; 58-63-20; 58-64-55; 58-65-105; 58-67-100; Eff. February 1, 1976; Readopted Eff. February 28, 1978; Amended Eff. September 1, 1993; March 1, 1993; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 20, 2015.