

**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.*