

RELIANCE INSURANCE COMPANY (IN LIQUIDATION)
SPECIAL PURPOSE STATEMENTS OF ASSETS AND LIABILITIES - UNAUDITED
(In Millions)

ASSETS	June 30, 2019	December 31, 2018
Short duration investments	\$ 519.4	\$ 894.2
Investments held for secured creditors	2.4	2.1
Investments held for uncovered claimants	17.6	17.3
Invested assets excluding affiliates	539.4	913.6
Investments in affiliates	56.1	56.1
Total invested assets	595.5	969.7
Reinsurance receivable and recoverables	0.3	0.8
Early access advances to guaranty associations	69.0	823.3
Other assets	12.5	16.5
Total Assets	<u>677.3</u>	<u>1,810.3</u>
 LIABILITIES		
Secured Creditors - Funds held	23.3	32.5
Class (a) liabilities		
Liquidator expenses incurred since liquidation	1,337.5	1,327.1
Liquidator expenses paid since liquidation	<u>(1,337.5)</u>	<u>(1,327.1)</u>
Liquidator expenses - unpaid	-	-
Guaranty association expenses	393.5	393.2
Guaranty association expenses - paid	<u>(391.4)</u>	<u>(381.0)</u>
Guaranty association expenses - unpaid	2.1	12.2
Other class (a) liabilities	<u>5.6</u>	<u>121.0</u>
Total class (a) liabilities	7.7	133.2
Class (b) liabilities (estimated settlement value)		
Unsettled claims		
Guaranty association paid losses	43.4	845.3
Reserves for guaranty association losses	17.2	198.1
All other estimated reserves	<u>22.8</u>	<u>102.7</u>
Total unsettled claims	83.4	1,146.1
Notices of determination		
Guaranty association	3,753.8	2,766.3
All other	<u>1,279.6</u>	<u>1,217.1</u>
Total notices of determination	5,033.4	3,983.4
Gross class (b) liabilities	5,116.8	5,129.5
Asset distribution payments	<u>(4,532.6)</u>	<u>(3,520.3)</u>
Net class (b) liabilities	584.2	1,609.2
Class (c) liabilities	3.1	-
Class (d) liabilities	-	-
Class (e) liabilities		
Notices of determination issued	149.5	149.4
Losses and reserves on assumed business	726.1	724.5
Other class (e) liabilities	<u>1.7</u>	<u>1.5</u>
Total class (e) liabilities	877.3	875.4
Class (f) liabilities	-	-
Class (g) liabilities - Notices of determination issued	32.8	33.0
Class (h) liabilities	-	-
Class (i) liabilities	-	-
Total liabilities	<u>1,528.4</u>	<u>2,683.3</u>
Net deficit	<u>(\$851.1)</u>	<u>(\$873.0)</u>

The special purpose statement of assets and liabilities of Reliance Insurance Company (in Liquidation) is prepared on a unique financial reporting basis, in that, the statement does not fully reflect the effect of the company's liquidation. The liquidation process will result in the realization of amounts on transfer or disposition of assets and in the satisfaction of liabilities at amounts substantially different than those reflected in the accompanying statement of assets and liabilities. The statement does not include any adjustment that might result from the outcome of the uncertainties related to the liquidation, future administration expenses, and various potential exposures, recoveries or benefits. The special purpose statement of assets and liabilities is not intended to be in conformity with, and will vary significantly from generally accepted accounting principles and statutory accounting practices for a property and casualty insurance company as prescribed by the NAIC.

See accompanying notes.