

Liquidator's Eighteenth Report – September 15, 2005

Summary of Document Disposal Procedures

- Inventory lists will be prepared identifying boxes stored at Iron Mountain (IMAR) and other storage facilities which will be disseminated to Home's staff for review.
- Based upon a review of the inventory lists, identification will be made of those boxes eligible for destruction pursuant to Court Orders, those boxes to be retained, as well as those boxes for which a dedicated review of individual files is needed due to incomplete descriptions of file contents.
- Confirmation will be made that none of the material in the boxes recommended for destruction concerns a proof of claim or involves a pending dispute. This review will be based upon an investigation of proofs of claim filed with Home and USI RE and of pending disputes involving Home and USI RE.
- Those boxes identified for destruction will be subject to an audit to confirm through a random sampling of the boxes that the material in the boxes is eligible for destruction. The random sampling methodology will utilize "categories" defined as those boxes which contain the same major description on the IMAR database. The random sampling approach to be applied is as follows:

<u>No. of Boxes in Category</u>	<u>No. of Boxes to be Sampled</u>
1 - 50	5
51 - 100	10
101 - 250	25
251 - 500	50
501 and greater	10%

If the random sampling confirms that the contents are as described on the inventory lists, no further sampling will be required. If the random sampling for a category finds that:

- (i) One box from the random sampling contains more material than described on the inventory list but that the additional material is eligible destruction, no further sampling is required.
- (ii) More than one box from the random sampling contains more material than described on the inventory list but all the additional material is eligible for

destruction an additional 10% of boxes in that category will be reviewed. If all additional material is eligible for destruction, then no additional sampling is required.

- (iii) One box from the random sampling contains more material than described on the inventory list but that the material is not eligible for destruction, that material will be pulled from the box for refile and an additional 10% of the boxes in that category will be reviewed. If additional boxes have material not eligible for destruction, then all boxes in the category will be reviewed and all material not eligible for destruction will be pulled and refile. If the additional boxes only have material eligible for destruction, then no further sampling is required.
- For boxes which have been identified as requiring a dedicated review, a synopsis of the material in the boxes will be developed, whereupon the document disposal procedures will be applied and recommendations will be made on retention and destruction.
  - Disposal of those boxes recommended for destruction will be completed upon confirmation that the document disposal procedures have been implemented.
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