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Dept. Of Commerce & Insurance
Company Examinations

BEFORE THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

IN THE MATTER OF:	)	
	)	**No.: 04-055**
HAULERS INSURANCE COMPANY, INC.	)	

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVES

Pursuant to Tenn. Code Ann. § 56-1-401, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (hereinafter referred to as the "Division") has examined certain affairs of Haulers Insurance Company, Inc. (hereinafter also referred to as the "Company"), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December, 2002, the examiner-in-charge filed with the Division, on the 21st day of May, 2004, a verified, written report on examination, and a copy of that report has been sent to Haulers Insurance Company, Inc. (The Report on Examination of Haulers Insurance Company, Inc., is attached hereto and marked as Exhibit A). The Division received no written rebuttal to said examination report from the Company.

Pursuant to Tenn. Code Ann. § 56-1-411, said examination report regarding the affairs of Haulers Insurance Company, Inc., filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 21st day of May, 2004, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs., ch. 0780-1-46-.04 (1999), by maintaining a custodial agreement that complies with said rule, should the Company choose an authorized method of holding its securities that requires such an agreement.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-103 by taking any and all steps necessary to ensure that no director or officer of the Company accept or be the beneficiary of, directly or remotely, any fee, brokerage, commission, gift, or other consideration for or on account of any loan, deposit, purchase, sale, payment or exchange made by or in behalf of such company, or be pecuniarily interested in any such purchase, sale or loan, either as borrower, principal, coprincipal, agent or beneficiary.

The company shall comply with the directives contained in this order within thirty (30) days of its entry.

The adoption of this examination report shall not preclude the Department from imposing sanctions against Haulers Insurance Company, Inc. for potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report With Directives merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 30th day of June, 2004.

Paula A. Flowers

Paula A. Flowers, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report as Filed has been messenger mailed to Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance, and Don Spann, Chief Examiner, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to Haulers Insurance Company, Inc., 1101 Santa Fe Pike, Columbia, Tennessee 38401, on this the 6th day of July, 2004.

Eric J. Stansell
Certifying Attorney