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Dept. of Commerce & Insurance
Company Examinations

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE**

IN THE MATTER OF:

HAMBLÉN MUTUAL INSURANCE COMPANY

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No.: 12-011

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVE

Pursuant to TENN. CODE ANN. §§ 56-22-101, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance ("Division") has examined certain affairs of Hamblen Mutual Insurance Company ("Company"), a county mutual insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December 2009, the examiner-in-charge filed with the Division, on the 2nd day of August 2011, a verified, written report on the examination, and a copy of that report has been sent to Hamblen Mutual Insurance Company. (The Report on Examination of Hamblen Mutual Insurance Company is attached hereto 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 Hamblen Mutual Insurance Company filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 2nd day of August 2011 is hereby **ADOPTED** as filed with the following **DIRECTIVE**:

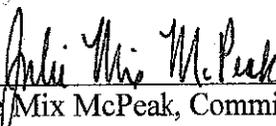
1. The Company is **DIRECTED** to implement corrective action for the purpose of complying with SSAP No. 16, Section 2, which provides that non-operating system software are non-admitted assets, and Section 3, which provides that EDP equipment and software shall be depreciated for a period not to exceed three

years.

The adoption of this examination report shall not preclude the Department from imposing sanctions against Hamblen Mutual Insurance Company 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 Directive merely to adopt the examination report filed by the examiner-in-charge.

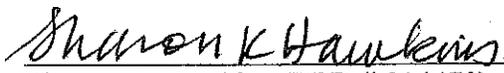
It is so **ORDERED**.

ENTERED this the 30th day of May, 2012.



Julie Mix McPeak, Commissioner
Department of Commerce and Insurance
State of Tennessee

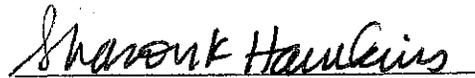
PREPARED FOR ENTRY:



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report has been messenger mailed to: Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance; Mark Jaquish, Insurance Analysis Director, Department of Commerce and Insurance; and mailed first class, postage prepaid, to Hamblen Mutual Insurance Company, 110 North Cumberland Street, Morristown, Tennessee 37814 on this the 31st day of May, 2012.



Sharon K. Hawkins
Certifying Attorney