

EXHIBIT A



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

REPORT ON EXAMINATION
OF
GOLDEN SECURITY INSURANCE COMPANY
(NAIC # 65463)
(NAIC Group #3498)

CHATTANOOGA, TENNESSEE

AS OF
DECEMBER 31, 2015

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Chattanooga, Tennessee
January 25, 2017

Honorable Julie Mix McPeak
Commissioner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioner:

Pursuant to your instructions and in accordance with the Tennessee Code Annotated ("Tenn. Code Ann.") § 56-1-408, regulations, and resolutions adopted by the National Association of Insurance Commissioners (NAIC), a full-scope financial examination, as of December 31, 2015, has been made of the conditions and affairs of:

GOLDEN SECURITY INSURANCE COMPANY

NAIC # 65463
NAIC Group # 3498
1 Cameron Hill Circle
Chattanooga, Tennessee 37402

hereinafter generally referred to as the "Company" or "GSIC" and a report thereon is submitted as follows:

INTRODUCTION

This examination was arranged by the Tennessee Department of Commerce and Insurance (TDCI or "Department") under rules promulgated by the NAIC. The examination commenced on August 15, 2016, and was conducted by duly authorized representatives of the TDCI and representatives of Noble Consulting Services, Inc. ("Noble"). This examination was called through the NAIC's Financial Examination Electronic Tracking System (FEETS).

SCOPE OF EXAMINATION

The last examination of the Company was made as of December 31, 2014. This examination covers the period January 1, 2015, through December 31, 2015, and includes any material transactions and/or events occurring subsequent to the

examination date that were noted during the course of examination. The Company is part of the BlueCross BlueShield of Tennessee (BCBST) Holding Company Group.

The examination was conducted in accordance with rules and procedures as prescribed by the statutes of the State of Tennessee, and in accordance with the NAIC *Financial Condition Examiners Handbook* ("Handbook"), as deemed appropriate. The examination was planned and performed to evaluate the financial condition of the Company as of December 31, 2015. The examination sought to identify prospective risks by obtaining information about the Company, including its corporate governance, by identifying and assessing inherent risks within the Company, and by evaluating system controls and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with statutory accounting principles and Annual Statement instructions.

During planning, all accounts and balances were considered to determine which key activities and accounts would be examined. The key activities included: Investments; Pricing/Underwriting; Reserving/Claims; Financial Reporting/Capital and Surplus; Reinsurance; Other Assets; General Expense and Other Liabilities; and Related Parties.

The Company's 2015 Annual Statement was compared with or reconciled to the corresponding general ledger account balances.

An examination of the Company's information technology general controls (ITGC) was conducted. The examination included a review of management and organizational controls, logical and physical security controls, system and program development controls, contingency planning controls, service provider controls, operations controls, processing controls, e-commerce controls, and network and internet controls.

BCBST maintains an Internal Audit (IA) Department, which is charged with performing the IA function for all companies within the holding company system. As part of its annual internal audit plan, IA performs Model Audit Rule (MAR) compliance testing. The scope of MAR testing includes the Company's internal controls over financial reporting. The examiners reviewed the processes tested and requested the workpapers for specific processes identified as significant to the key activities and sub-activities being examined. The workpapers were provided and were utilized where appropriate.

The actuarial firm of Lewis & Ellis, Inc. was utilized in the examination review of the Company's loss reserves.

Independent reinsurance and investment specialists were not deemed necessary for this examination. The reinsurance and investment areas were reviewed by examination staff from Noble Consulting Services, Inc.

Ernst and Young (E&Y) was the Company's Certified Public Accountant (CPA) and independent auditor for the Company for all years under examination. The CPA's workpapers were reviewed for the 2015 audit and copies were incorporated into the examination, as deemed appropriate.

The Company provided a Letter of Representation certifying that management has disclosed all significant matters and records.

COMPLIANCE WITH PREVIOUS EXAMINATION FINDINGS

The examination included a review to determine the current status of the comments and recommendations included in the previous report on examination, dated May 20, 2016, which covered the period from January 1, 2010, through December 31, 2014. The previous full-scope examination report as of December 31, 2014, recommended the Company amend its custodial agreements to be in compliance with Tenn. Comp. R. & Regs. 0780-01-46-.02. The Company amended and restated its custody agreement as of September 29, 2016.

COMPANY HISTORY

The Company is a wholly-owned subsidiary of Southern Diversified Business Services, Inc. (SDBS), which in turn is a wholly-owned subsidiary of BCBST. The Company was incorporated in the State of Tennessee for a perpetual period under the name of Golden Shield Insurance Company (GSIC) on December 14, 1982, pursuant to the provisions of the Tennessee General Corporation Act. The Company's original Charter authorized the corporation to issue a maximum of one million (1,000,000) shares with a par value of \$1.00 per share.

On December 13, 1983, GSIC amended its Charter with the Tennessee Secretary of State (SOS) in order to change its name to Golden Security Life Insurance Company (GSLIC). On July 16, 1986, GSLIC filed an amendment with the SOS deleting and replacing paragraph 4 of the Charter, defining the purpose of the business as both a life and health insurance business. On June 30, 1997, GSLIC filed an amendment with the SOS amending paragraph 6 of its Charter and increasing the corporation's authority to issue a maximum of two million (2,000,000) shares with a par value of \$1.00 per share.

On December 21, 2000, GSLIC filed an amendment to change the principal location of the business to 801 Pine Street, Chattanooga, Tennessee 37402. On July 15, 2003, GSLIC filed an amendment to its Charter in order to change the Company's name to Golden Security Insurance Company. An amendment to change the principal location of the business from 801 Pine Street, Chattanooga, Tennessee, 37402 to 1 Cameron Hill Circle, Chattanooga, Tennessee, 37402 was filed with the SOS on December 17, 2009, without prerequisite approval from the TDCI. The amendment to change the principal location of the business was approved by the TDCI on April 27, 2011, and the Articles of Correction were filed accordingly with the SOS on July 20, 2011.

The Company's books and records are located at its main office in Chattanooga, Tennessee.

MANAGEMENT AND CONTROL

MANAGEMENT

Directors

The Company's Bylaws state that the business and affairs of the Company shall be conducted subject to the general direction and oversight of the Board of Directors ("Board"), except as may be otherwise provided by applicable laws, the Charter, or the Bylaws. The Company's Bylaws require that an annual meeting of the shareholders be held to elect directors and to conduct other proper business. The meeting may be held within or outside the State of Tennessee, as shall be designated by the Board.

Each director shall hold office for a term of one (1) year, until his/her successor is elected and qualified or until his/her earlier death, disability, resignation, or removal. The Company's Bylaws state that the number of directors shall consist of not less than three (3) nor more than eleven (11) directors. Individuals do not need to be Tennessee residents or shareholders of the Company to serve as a director.

A majority of the directors constitutes a quorum. The Bylaws allow any action that may be taken at a meeting of the Board to be taken without a meeting if all of the directors consent, in writing, to taking that action without a meeting. The written consent shall be filed with the minutes of the Company. Any or all of the directors may participate in meetings by means of video conference, telephone conference, or similar communication equipment.

At December 31, 2015, the following persons were serving as directors of the Board:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Jason D. Hickey	Lookout Mountain, Tennessee	Chairperson, President, and Chief Executive Officer, BCBST
John F. Giblin	Chattanooga, Tennessee	Chief Financial Officer, BCBST
Scott C. Pierce	Chattanooga, Tennessee	Chief Operating Officer, BCBST

Officers

The Bylaws provide that the officers of the corporation shall consist of a President, Secretary, Treasurer, and such other offices as are elected by the Board. A Managing Director may be appointed, but the Managing Director and President positions may not be held by one (1) person. Likewise, the President and Secretary may not be one (1) person.

The following persons were duly elected by the Board and were serving as officers of the Company, as of December 31, 2015:

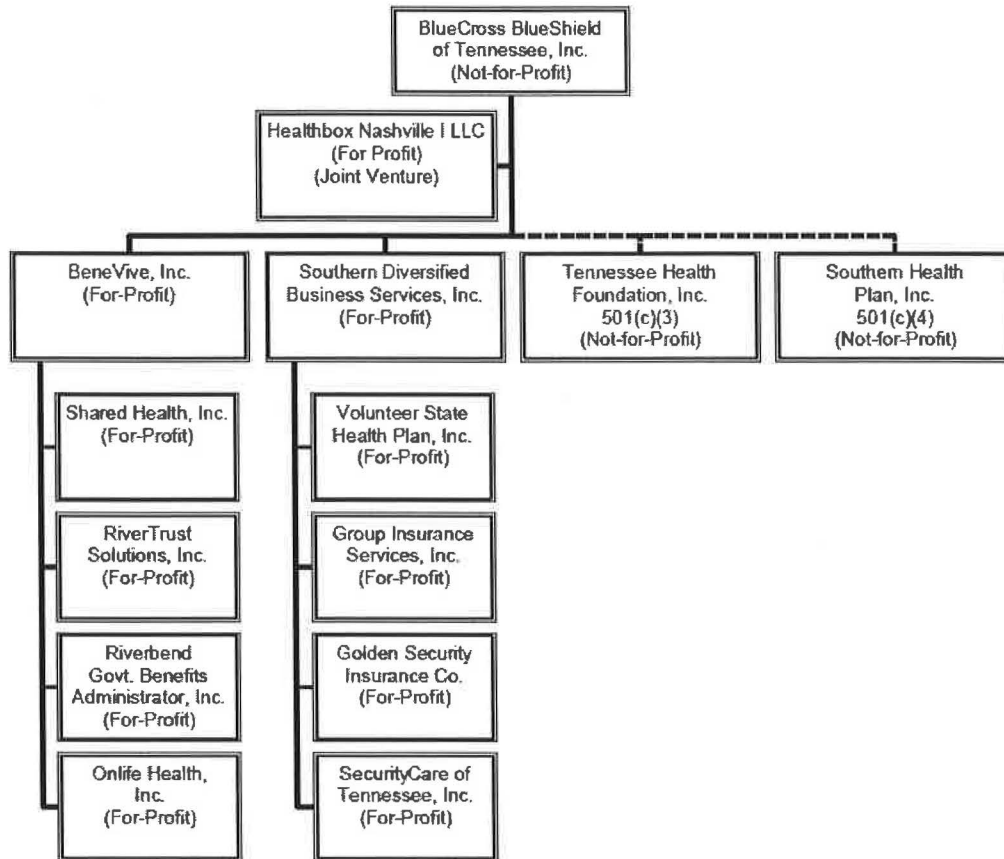
<u>Name</u>	<u>Title</u>
George Henry Smith	President and Chief Executive Officer
Toliver Ralph Woodard, Jr.	Treasurer
James Kertz Rochat	Assistant Treasurer
Shelia Dian Clemons	Secretary
Katharine Anne Laurance	Assistant Secretary

The Board may create from time to time, standing or special Committees, as it shall deem necessary or appropriate. There were no appointed Committees, as of December 31, 2015.

CONTROL

The Company is a member of an insurance holding company system as defined by Tenn. Code Ann. § 56-11-101(b)(7), and as such, is subject to the Insurance Holding Company System Act of 1986, set forth in Tenn. Code Ann. §§ 56-11-101, *et seq.* All outstanding shares of the Company are owned by the holding company, SDBS, a Tennessee for-profit corporation. The ultimate parent company is BCBST, which is domiciled in Tennessee.

Abbreviated Organizational Chart



CONFLICTS OF INTEREST AND PECUNIARY INTERESTS

The Company is required to comply with Tenn. Code Ann. § 56-3-103 prohibiting officers and directors of insurance companies from having a pecuniary interest in the investment or disposition of funds of a domestic insurance company. BCBST and all its subsidiaries have adopted an Enterprise Compliance Program which requires compliance with all laws and regulations applicable to its business at all governmental levels. The policy requires all directors and employees to conduct business of the Company on the highest ethical level and be free from conflicting interests and relationships. The policy further requires that all directors and management employees annually report all information required to be reported herein and such other information as may be relevant to determine the existence or likely development of a significant conflict of interest.

The annual conflict of interest disclosure statements filed by the Company's directors, officers, and responsible employees for the examination period were reviewed. No conflicts were noted.

DIVIDENDS

During the period of examination, the Company paid no dividends.

CORPORATE RECORDS

The minutes of meetings of the Company's shareholders, Board, and BCBST committees (which serve the Company in lieu of separate, stand-alone committees) were reviewed for the period under examination. They were complete as to necessary detail and appear to adequately reflect the acts of the respective bodies. The review of the minutes indicates that all investment transactions were approved by the Board.

Charter

The Charter in effect as of December 31, 2015, is the Company's Amended Charter, which was filed with the SOS TN on April 27, 2011. The Charter states the Corporation is for-profit, organized to conduct business as a life and health insurer under the laws of the State of Tennessee. The Company had no amendments to its Charter during the period of examination.

Bylaws

The Bylaws in effect as of December 31, 2015, are the Company's Amended and Restated Bylaws, which were adopted by the Board on May 1, 2012. The Company had no amendments to its Bylaws during the period of examination.

The Bylaws are such as generally found in corporations of this type and contain no unusual provisions. They provide for the regulation of the business and for the conduct of the affairs of the Company, the Board, and its shareholders.

AGREEMENTS WITH PARENT, SUBSIDIARIES, AND AFFILIATES

The Company had many agreements with affiliated companies in effect as of December 31, 2015. The following are summaries of two (2) significant agreements:

Service Agreements

Effective January 1, 2012, the Company updated and restated an existing Administrative Services Agreement (ASA), signed August 29, 2005. The agreement and

amendment reflect all current business of the Company where administrative services are to be performed by BCBST, provide more detail on how costs under the agreement are allocated, and include language to allow properly collateralized short-term receivables from BCBST to be included as admitted assets.

Tax Allocation Agreement

Effective October 17, 2014, BCBST and its subsidiaries amended and restated an existing Tax Allocation Agreement signed December 31, 2005. Under the agreement, BCBST will make payments on the consolidated tax liability for each taxable period, including the payment of estimated tax installments, and the Company will pay its share of each payment within ninety (90) days of receiving notice. The Company's portion of the tax liability is an amount equal to the tax liability of the group multiplied by a fraction, the numerator being the Company's separate tax return liability, and denominator the sum of the separate return tax liabilities of all members within the BCBST Group.

The Company paid BCBST \$5,152,566 and \$3,930,931 for services performed under the ASA and Tax Allocation Agreement in 2015 and 2014, respectively, net of payments from BCBST.

FIDELITY BOND AND OTHER INSURANCE

The Company is listed as a named insured on a financial institution bond carried by its parent, BCBST. Other insurance policies were reviewed and the Company is listed as a named insured on the following insurance coverages maintained by BCBST, as of December 31, 2015:

Fidelity Bond
Commercial Property
Cyber Liability
Automobile

Fiduciary
Directors and Officers Liability
Employment Practices Liability
Umbrella Liability

The Company's fidelity coverage exceeds the minimum amount suggested in the NAIC Handbook. The bonds and policy coverages were inspected and appear to be in force as of the date of this examination. All of the above policies were issued by companies licensed to transact business in the State of Tennessee or by authorized surplus lines insurers.

EMPLOYEE BENEFITS AND PENSION PLANS

The Company has no employees. All business functions are performed by BCBST under service agreements discussed under the caption, "Agreements with Parent, Subsidiaries, and Affiliates".

TERRITORY AND PLAN OF OPERATION

TERRITORY

The Company is a stock for-profit life and health insurer licensed to transact business in the State of Tennessee. The Company is also licensed as a foreign insurer in Arkansas, Mississippi, and Texas. In addition, the Company maintains general business licenses in Indiana, Georgia, and South Carolina. The Certificate of Authority granted by Tennessee was reviewed and found to be in force at December 31, 2015.

Premium tax records were reviewed for Tennessee, and no exceptions were noted.

SCHEDULE T – PREMIUMS

<u>State</u>	<u>Licensed (Yes or No)</u>	<u>Accident & Health</u>	<u>Medicare Title XVIII</u>	<u>Federal Employees Health Benefits Plan Premiums</u>	<u>Total Premiums</u>
TN	Yes	\$53,346,137	\$0	\$0	\$53,346,137

PLAN OF OPERATION

The Company is licensed to provide health, term life, disability, and other insurance coverage, but principally writes policies for specific and aggregate medical stop-loss coverage to BCBST self-funded group health plans.

GROWTH OF COMPANY

The following exhibit depicts certain aspects of the growth and financial history of the Company for the period subject to this examination, according to its Annual Statement as filed with the TDCI:

<u>Year</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Capital and Surplus</u>	<u>Net Premium Income</u>
2015	\$34,173,627	\$11,268,437	\$22,905,190	\$51,273,886

LOSS EXPERIENCE

As developed from applicable amounts included in the Company's Annual Statement filed with the TDCI, the ratio of losses incurred to earned premiums for the period subject to this examination were as follows:

<u>Year</u>	<u>Medical Losses Incurred</u>	<u>Earned Premiums</u>	<u>Loss Ratio</u>
2015	\$33,690,351	\$ 51,273,886	65.71%

REINSURANCE AGREEMENTS

During 2014, the Company had two (2) active reinsurance agreements: a specific and aggregate medical stop-loss quota share reinsurance contract and an excess medical reinsurance agreement. Effective January 1, 2014, an amendment was made to the specific and aggregate medical stop-loss quota share reinsurance contract whereby the reinsurers' pro rata share on all new policies and subsequent renewals decreased from forty percent (40%) to twenty-five percent (25%), and the pro rata share remaining with the Company increased from sixty percent (60%) to seventy-five percent (75%) on all new policies and subsequent renewals written in 2014. Effective January 1, 2015, the Company elected not to renew any of its reinsurance contracts.

These agreements resulted in a reduction to the Company's unpaid claims liability of \$202,338 and \$1,443,058 as of December 31, 2015, and 2014, respectively.

LITIGATION AND CONTINGENT LIABILITIES

During the period of examination, and as of December 31, 2015, the Company reported no litigation or contingent liabilities that would be material to the Company's financial condition or results of operations.

STATUTORY DEPOSITS

In compliance with statutory and other requirements, the Company maintained deposits with the jurisdictions or custodians named below, as of December 31, 2015.

The following is a deposit with the state where special deposits are for the benefit of all policyholders, claimants, and creditors of the Company:

<u>Jurisdiction</u>	<u>Description of Security</u>	<u>Book/Adjusted Carrying Value</u>	<u>Fair Value</u>	<u>Par Value</u>
Tennessee Department of Commerce and Insurance	US TREASURY NOTE Maturity Date 06/30/2017 CUSIP #: 912828TB6 Rate 0.750%	\$274,558	\$274,142	\$275,000

The deposit with the jurisdiction or custodian above was verified by direct correspondence with the custodian of such deposit.

ACCOUNTS AND RECORDS

Tenn. Comp. R. & Regs. 0780-01-65-.08(4), states that no partner or other person responsible for rendering a report by a certified public accounting firm may act in that capacity for more than five (5) consecutive years. The Company is audited annually by E&Y, and is in compliance with this regulation.

During the course of the examination, certain balances were tested and amounts were traced from the Company's trial balance to the Annual Statement. Minor differences were noted in the Company's financial statements attributable to rounding. All of the Company's investment securities were confirmed with the custodian of such securities as of the date of this examination. The Annual Statement for the period under examination was reviewed for completeness and adequacy of disclosure. The

Company's risk-based capital filing was reviewed. These test checks and reviews revealed no material discrepancies.

The Company's books and records are located in Chattanooga, Tennessee.

SUBSEQUENT EVENTS

No subsequent events were noted.

FINANCIAL STATEMENTS

There follows a statement of assets, liabilities, capital and surplus, and a statement of revenue and expenses as of December 31, 2015, together with a reconciliation of capital and surplus for the period under review, as reported by the Company in its 2015 Annual Statement.

	<u>ASSETS</u>		
	<u>Assets</u>	<u>Non-Admitted Assets</u>	<u>Net Admitted Assets</u>
Bonds	\$19,066,562		\$19,066,562
Stocks			
Common stocks	2,001,765		2,001,765
Cash, cash equivalents and short-term investments	<u>10,092,062</u>		<u>10,092,062</u>
Subtotals, cash and invested assets	<u>31,160,389</u>		<u>31,160,389</u>
Investment income due or accrued	11,897		11,897
Premiums and considerations:			
Uncollected premiums and agents balances in the course of collection	78,791		78,791
Amounts recoverable from reinsurers	1,616,417		1,616,417
Net deferred tax asset	544,660	\$32,675	511,985
Receivables from parent and affiliates	794,148		794,148
Aggregate write-ins for other assets	<u>560,000</u>	<u>560,000</u>	<u>0</u>
Total assets excluding separate accounts	<u>34,766,302</u>	<u>592,675</u>	<u>34,173,627</u>
Totals	<u>\$34,766,302</u>	<u>\$592,675</u>	<u>\$34,173,627</u>

LIABILITIES, CAPITAL, AND SURPLUS

	<u>Covered</u>	<u>Uncovered</u>	<u>Total</u>
Claims unpaid	\$4,314,942		\$4,314,942
Unpaid claims adjustment expenses	159,545		159,545
Aggregate health claim reserves	5,066,494		5,066,494
General expenses due or accrued	1,719,344		1,719,344
Funds held under reinsurance treaties	<u>8,112</u>		<u>8,112</u>
Total Liabilities	11,268,437		11,268,437
Common capital stock			\$1,500,000
Gross paid in and contributed surplus			10,180,000
Unassigned funds (surplus)			<u>11,225,190</u>
Total Capital and Surplus			<u>22,905,190</u>
Total Liabilities, Capital, and Surplus			<u>\$34,173,627</u>

STATEMENT OF REVENUE AND EXPENSES

Member months			<u>3,002,220</u>
Net premium income		<u>\$51,273,886</u>	
Total Revenues			\$51,273,886
Hospital and Medical:			
Hospital/medical benefits:		34,388,611	
Less:			
Net reinsurance recoveries		<u>698,260</u>	
Total hospital and medical benefits		33,690,351	
Claims adjustment expenses		549,605	
General administrative expenses		<u>8,631,033</u>	
Total underwriting deductions			<u>42,870,989</u>
Net underwriting gain (loss)			8,402,897
Net investment income earned		336,854	
Net realized capital gains (losses)		<u>(13,605)</u>	
Net investment gains			<u>323,249</u>
Net income or loss after capital gains tax and before federal income taxes			8,726,146
Federal and foreign income taxes incurred			<u>3,152,309</u>
Net Income			<u>\$5,573,837</u>

CAPITAL AND SURPLUS ACCOUNT

	<u>2015</u>	<u>2014</u>
Capital and Surplus		
December 31, previous year	<u>\$10,496,319</u>	<u>\$7,864,266</u>
Net income or (loss)	5,573,837	4,162,417
Change in net unrealized capital gains (losses)	(33,133)	(27,959)
Change in net deferred income tax	(28,597)	549,771
Change in non-admitted assets	1,459,501	(2,052,176)
Surplus adjustment: Paid in	6,000,000	0
Aggregate write-ins for gains and losses in surplus	<u>(562,737)</u>	<u>0</u>
Net change in capital and surplus	<u>12,408,871</u>	<u>2,632,053</u>
Capital and Surplus		
December 31, current year	<u>\$22,905,190</u>	<u>\$10,496,319</u>

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

Capital and Surplus \$22,905,190

Total capital and surplus, as established by this examination, is the same as what was reported by the Company in its December 31, 2015 Annual Statement. There were no changes made to any asset or liability items as a result of our examination performed as of December 31, 2015.

Tenn. Code Ann. §§ 56-2-114(a) and 56-2-115 require an insurer of this Company's type to maintain a minimum capital and surplus of \$1,000,000 each. Therefore, the Company as of December 31, 2015, for this examination maintains capital and surplus in excess of the amounts required.

COMMENTS AND RECOMMENDATIONS

The following list presents a summary of comments and recommendations noted in this report:

Comments

There were no comments noted during the completion of this examination.

Recommendations

There were no recommendations noted during the completion of this examination.

CONCLUSION

The customary insurance examination practices and procedures as promulgated by the National Association of Insurance Commissioners have been followed in connection with the verification and valuation of assets and the determination of liabilities of Golden Security Insurance Company.

In such manner, it was found that as of December 31, 2015, the Company had admitted assets of \$34,173,627 and liabilities, exclusive of capital and surplus, of \$11,268,437. Thus, there existed for the additional protection of the shareholders, the amount of \$22,905,190 in the form of common capital stock, gross paid in and contributed surplus, and unassigned funds.

The courteous cooperation of the officers of the Company and employees of BCBST, extended during the course of the examination, is hereby acknowledged.

In addition to the undersigned, Jim Hattaway CFE, CIA, CIE, AMCM, ARC; Vicky Hugo AES, CFE, CISA, CPA; Natalie Cunningham; Kris Sampson; and Victoria Chi, CISA, CISM, CRISC, CGEIT, CRMA, of the contracting firm Noble Consulting Services, Inc., Indianapolis, Indiana; and Mike Mayberry, FSA, MAAA from the actuarial firm Lewis & Ellis, Inc., Richardson, Texas participated in the work of this examination.

Respectfully submitted,



Daniel P. McBay, CFE, CPA
Examiner-in-Charge
Noble Consulting Services, Inc.
Representing the State of Tennessee



Bryant Cummings, CFE, MCM
Assistant Chief Examiner
Tennessee Department of Commerce and Insurance

AFFIDAVIT

The undersigned deposes and says that he has duly executed the attached examination report of Golden Security Insurance Company located in Chattanooga, Tennessee, dated January 25, 2017, and made as of December 31, 2015, on behalf of the Tennessee Department of Commerce and Insurance. Deponent further says he is familiar with such instrument and the contents thereof, and the facts therein set forth are true to the best of his knowledge, information and belief.

Daniel P. McBay

Daniel P. McBay, CFE, CPA
Examiner-in-Charge
Noble Consulting Services, Inc.
Representing the State of Tennessee

State North Carolina

County Guilford

Subscribed to and sworn before me

this 1 day of June, 2017

Deonte L. Turrentine
(NOTARY)



My Commission Expires: 12/11/2021

AFFIDAVIT

The undersigned deposes and says that he has duly executed the attached examination report of Golden Security Insurance Company located in Chattanooga, Tennessee, dated January 25, 2017, and made as of December 31, 2015, on behalf of the Tennessee Department of Commerce and Insurance. Deponent further says he is familiar with such instrument and the contents thereof, and the facts therein set forth are true to the best of his knowledge, information and belief.



Bryant Cummings, CFE, MCM
Assistant Chief Examiner
Tennessee Department of Commerce
and Insurance

State Tennessee

County Davidson

Subscribed to and sworn before me

this 2nd day of June, 2017



(NOTARY)

My Commission Expires: 6/19/18



EXHIBIT B



of Tennessee

1 Cameron Hill Circle
Chattanooga TN 37402
bcbs1.com

June 9, 2017

E. Joy Little
Director of Financial Examinations/Chief Examiner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-1135

RE: Report of Examination – Golden Security Insurance Company

Dear Ms. Little:

We hereby acknowledge receipt of the final Report of Examination for **Golden Security Insurance Company**. By signing below, we indicate acceptance of the report, as transmitted, and without rebuttal.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Giblin".

John Giblin
Executive Vice President & Chief Financial Officer