



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

**IN THE MATTER OF:**

**AMERICAN CONTINENTAL INSURANCE  
COMPANY**

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**TID No.: 21-082**

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**ORDER ADOPTING EXAMINATION REPORT**

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Pursuant to Tenn. Code Ann. § 56-1-401 *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (“Division”) has examined certain affairs of American Continental Insurance Company (“Company”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of December 31, 2019, the examiner-in-charge filed a verified, written report on the examination with the Division on March 31, 2021. A copy of that report was sent to the Company. (The Report on Examination of the Company is attached hereto and marked as Exhibit A).

The Division received a response regarding the report from the Company dated June 23, 2021. (The written response submitted by the Company is attached hereto and marked as Exhibit B).

Pursuant to Tenn. Code Ann. § 56-1-411, the examination report regarding the affairs of the Company filed with the Division on March 31, 2021, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-53-111(b)(1)(A) by updating its claim forms to include the required fraud warning statement.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-8-104(11) by identifying all TDCI complaints in the complaint register and providing a timely response to all TDCI complaints based on the due dates specified in the TDCI complaint register.
3. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0780-01-24-.07(2)(b), (3), and (4) by providing the existing insurer sufficient notice regarding replacement when an individual intends to replace an existing life insurance policy, maintaining a complete and accurate replacement register, and obtaining from the producer a list of sales materials used during sales presentations.
4. The Company is **DIRECTED** to comply with Tenn. Code Ann. §§ 56-6-101 *et seq.* by following applicable standards, rules, and regulations for termination of producers and regarding notification to the producer, if applicable, and to the state of a producer's termination. The Commissioner should also be notified of the Company's termination of a producer within thirty (30) days following the effective date of termination.
5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-8-105(2) and (3) by ensuring that it pays life insurance claims within thirty (30) days of receiving all required proof of loss documentation; sending an explanation of benefits document to the claimant within thirty (30) days of receiving the claim; documenting its life insurance claims policies and procedures; and updating each of its claims policies and procedures documents to include standards for


acknowledging pertinent communications with respect to claims arising under its policies, as well as standards for prompt investigation and settlement of claims.

The Company shall comply with the Directives contained in this Order within thirty (30) days of its entry and execution.

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

It is so **ORDERED**.

**ENTERED AND EXECUTED** June 30, 2021.

  
Carter Lawrence (Jun 29, 2021 16:17 CDT)

Carter Lawrence, Commissioner  
Department of Commerce and Insurance  
State of Tennessee

**PREPARED FOR ENTRY:**

  
Jenny Taylor (Jun 29, 2021 08:11 CDT)

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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 emailed to Bill Huddleston, Assistant Commissioner for Insurance, Department of Commerce and Insurance at bill.huddleston@tn.gov; and mailed first class, postage prepaid, to American Continental Insurance Company, 1021 Reams Fleming Boulevard, Franklin, Tennessee 37064, on June 30, 2021.

*Jenny Taylor*

Jenny Taylor (Jun 29, 2021 08:11 CDT)

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Jenny Taylor  
Associate General Counsel and  
Supervising Attorney