

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

IN THE MATTER OF:

DIRECT INSURANCE COMPANY

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TID No.: 19-089

ORDER ADOPTING EXAMINATION REPORT

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 Direct Insurance Company (“Company”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of December 31, 2017, the examiner-in-charge filed a verified, written report on the examination with the Division on April 30, 2019. 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 on June 11, 2019. (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 April 30, 2019, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Reg. 0780-1-46-.02 by maintaining all of its invested assets under a custodial agreement authorized by a resolution of the board of directors or an authorized committee of the board.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 66-29-123 by annually reporting and distributing unclaimed property to the State of Tennessee.
3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-6-117 by mailing a copy of the termination notification to the producer at the producer's last known address within fifteen (15) days.

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 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.

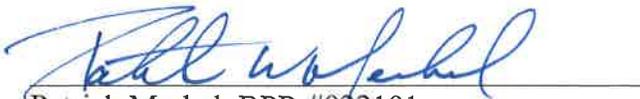
It is so **ORDERED**.

ENTERED this the 24 day of June, 2019.



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

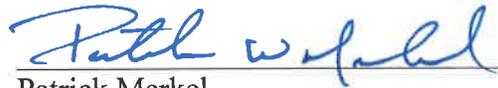
PREPARED FOR ENTRY:



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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 emailed to: Michael Humphreys, Assistant Commissioner for Insurance, Department of Commerce and Insurance at michael.humphreys@tn.gov; and mailed first class, postage prepaid, to Direct Insurance Company, 1281 Murfreesboro Road, Nashville, Tennessee 37217, on this the 27th day of June, 2019.



Patrick Merkel
Supervising Attorney for Insurance and
Assistant General Counsel