



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, 2020

TABLE OF CONTENTS

Introduction	1
Scope of Examination	1
Compliance with Previous Examination Findings	2
Company History	3
Management and Control	3
Management	3
Control	6
Organizational Chart	8
Corporate Records	9
Agreements with Parent, Subsidiaries, and Affiliates	9
Territory and Plan of Operation	10
Growth of Company	11
Loss Experience	11
Accounts and Records	11
Subsequent Events	12
Financial Statements	13
Assets	13
Liabilities, Capital, and Surplus	14
Statement of Revenue and Expenses	15
Capital and Surplus Account	16
Analysis of Changes in Financial Statements	17
Comments and Recommendations	17
Conclusion	18
Affidavit	19
Affidavit	20

Chattanooga, Tennessee
April 19, 2022

Honorable Carter Lawrence
Commissioner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioner:

In accordance with your instructions and pursuant to Tennessee Code Annotated (“Tenn. Code Ann.”) § 56-1-408, a full-scope financial examination, as of December 31, 2020, 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 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”). The examination was conducted by duly authorized representatives of the Department. This examination was called through the National Association of Insurance Commissioners (NAIC) Financial Examination Electronic Tracking System (FEETS).

SCOPE OF EXAMINATION

The last examination of the Company was made as of December 31, 2015. This examination covers the period January 1, 2016, through December 31, 2020, and includes any material transactions and/or events occurring subsequent to the examination date, which 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 practices and procedures promulgated by the NAIC in the *Financial Condition Examiners Handbook* (“Handbook”), as deemed appropriate. 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.

All significant risks were considered when planning which key activities and accounts would be examined. The key activities included: Investments; Premium/Underwriting; Reserves/Claims; Related Party; and Capital and Surplus.

The Company’s 2020 annual statement was compared with or reconciled to the corresponding general ledger account balances.

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.

Independent information technology specialist services, provided by Lewis & Ellis, Inc. were utilized in the examination review of the Company’s information technology general controls (ITGC).

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

The Company’s Certified Public Accountant (CPA) workpapers were reviewed for the 2020 audit and incorporated into the examination, as deemed appropriate.

COMPLIANCE WITH PREVIOUS EXAMINATION FINDINGS

There were no comments or recommendations noted in the prior examination report as of December 31, 2015.

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 (“Golden Shield”) 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 the par value of \$1.00 per share.

On December 13, 1983, Golden Shield 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 (GSIC). 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.

MANAGEMENT AND CONTROL

MANAGEMENT

Shareholders

Notice of meetings shall be given in writing and delivered personally or by mail, telegram, facsimile, email, or similar means to each director. Such notices shall be given no less than ten (10) and no more than sixty (60) days prior to the meeting. The notice shall specify the date, time, and place of said meeting, and, in the case of a special meeting, the general nature of the business to be transacted. The annual meeting of the shareholders is held each year prior to the last day of April, for the purpose of electing directors and to conduct other business.

Special meetings of the shareholders may be called at any time by the Board of Directors ("Board"), the President, or at the written request of shareholders owning ten percent (10%) or more of the issued and outstanding capital stock of GSIC, that are entitled to vote at that special meeting. Any shareholders requesting a special meeting shall submit in writing to the Corporate Secretary the purposes of the proposed meeting.

A majority of the shareholders of record at any annual or special meeting, either in person or by proxy, constitutes a quorum for the transaction of business at such meeting.

Each shareholder of record entitled to vote, shall be entitled to one (1) vote for each share of stock held by that shareholder, upon each matter presented for action at that meeting.

Any action that may be taken at a meeting of the shareholders may be taken without a meeting, if all of the shareholders entitled to vote on the action consent, in writing, to taking that action without a meeting.

Role of the BlueCross BlueShield of Tennessee, Inc. Board

GSIC exists as part of the BCBST enterprise, which is comprised of BCBST and all its wholly-owned subsidiaries and affiliates (collectively, referred to as the "Enterprise"). As part of the Enterprise, the Board of BCBST and its standing committees have the oversight of the Enterprise, including GSIC.

Board of Directors

Except as otherwise provided by the Company's Bylaws, all corporate powers not expressly reserved by the shareholders shall be exercised by or under the authority of the Board. The business and affairs of GSIC is conducted subject to the general direction and oversight of the Board, except as may be otherwise provided by applicable law, the Company's Charter or Bylaws, or the BCBST Board.

The Company's Board does not have the power or authority to: (a) elect, appoint, or remove directors; (b) set the compensation of directors; (c) approve a plan of merger, consolidation, conversion, or dissolution; (d) approve a sale, pledge, or assignment of all or substantially all of GSIC's assets; or (e) take actions which would not be permitted by applicable law. Such powers are reserved for action by the shareholders.

The Company's Bylaws state that the number of directors shall consist of not less than three (3) and no more than eleven (11) directors. Directors do not need to be Tennessee residents or shareholders of the Company to serve on the Board. Each director is elected by the shareholders. The BCBST Governance and Nominating Committee has the duty to recruit and nominate new directors to fill vacancies.

Each director shall hold his or her respective office for a term of one (1) year or until his or her earlier removal, resignation, retirement, or death. All directors shall have a mandatory retirement age of seventy-five (75). Upon reaching the age of seventy-five (75), a director may hold his or her respective office until the close of the annual meeting of the Board.

The Board shall meet no less than two (2) times annually, with one (1) such meeting being the annual Board meeting. Meetings of the Board are held at such place in or outside of the State of Tennessee as may be established by the Board or the Chairperson of the Board and stated in the notice of meeting. Notice of meetings shall be given in writing and delivered personally or by mail, telegram, facsimile, email, or similar means to each director. The notice shall specify the date, time, and place of said meeting, and, in the case of a special meeting, general nature of the business to be transacted.

The annual Board meeting is held following the annual shareholders' meeting or as soon as reasonably possible thereafter. No less than two (2) days' notice of the annual Board meeting is given to the directors.

Special meetings of the Board may be called at any time by the Chairperson, the President, or any two (2) or more directors acting jointly, by providing notice to all directors of said meeting.

Any or all of the directors may participate in meetings by means of video conference, telephone conference, or similar communication equipment.

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.

Directors who are not also corporate or administrative officers of GSIC may be compensated. The BCBST Compensation Committee shall consider what constitutes appropriate compensation and make a recommendation to the shareholders as to the amount and dates upon which directors shall be paid. In addition, the directors of the Company may receive payment for particular services actually rendered, such as legal counsel, medical service, accounting, or other required services, upon specific approval of the Board; provided, however, that no contract for equipment or supplies may be entered into between the Company and one (1) or more directors unless such contract is approved in accordance with the Company's Code of Conduct and applicable law.

The following persons were serving as directors of the Board, as of December 31, 2020:

<u>Name</u>	<u>Principal Occupation</u>
Jason David Hickey M.D.	President & CEO, BCBST
Scott Christian Pierce	Chief Operating Officer, BCBST
John Francis Giblin	Chief Financial Officer, BCBST

Officers

The Bylaws provide that the officers of the corporation shall consist of a President, a Corporate Secretary, a Treasurer, and such other Corporate Officers as are elected by the Board. Any two (2) or more offices may be held by the same person, except the office of President and Corporate Secretary. The Corporate Secretary and Treasurer may be one (1) person. In addition, the Board may appoint one (1) or more assistant officers. Each Corporate Officer shall be elected by the Board at the annual Board meeting and shall hold office for one (1) year or until his or her earlier removal, resignation, retirement, or death. Vacancies may be filled at any time by appointment by the Board.

The following persons were serving as officers of the Company, as of December 31, 2020:

<u>Name</u>	<u>Title</u>
George Henry Smith	President & CEO
Erbon Dennis Culver	Treasurer
Jill Anne Langston	Corporate Secretary
Mandy Holland Savage	Assistant Treasurer
Kristy Leanne White	Assistant Secretary

Committees

In addition to the BCBST Board Committees, which have oversight of GSIC, the Board may create standing or special committees as the Board deems necessary, appropriate or convenient, and as is consistent with the Company's Bylaws.

The powers and responsibilities of each GSIC Board Committee is any or all of the powers of the Board that are delegated by the Board to such committees, and is consistent with the Company's Charter, Bylaws, and the shareholders through resolution, or applicable law.

As of December 31, 2020, the Company did not have any appointed Committees.

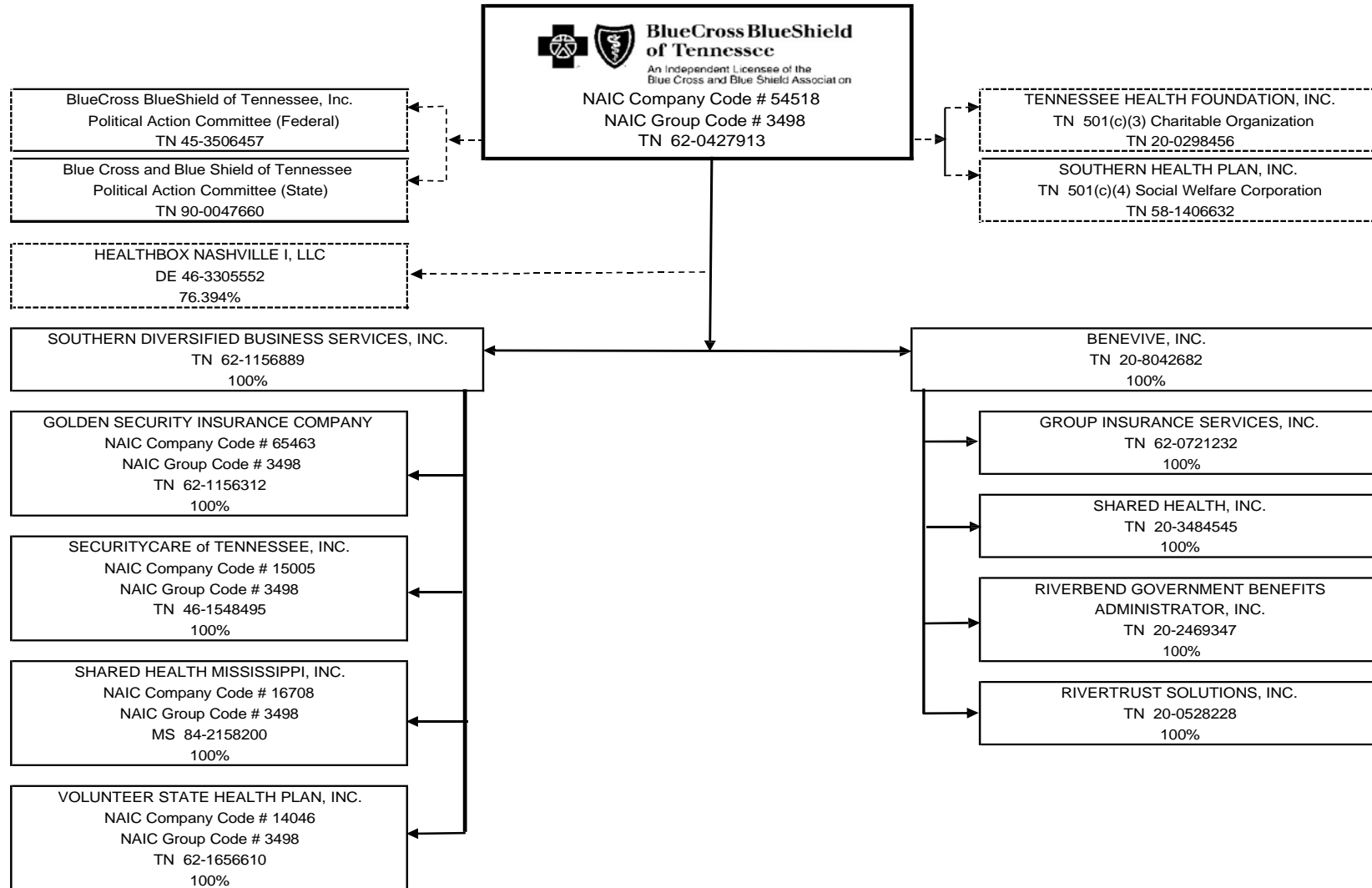
CONTROL

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.

ORGANIZATIONAL CHART

The following organizational chart shows all the insurance companies and their respective domiciliary states within the BCBST Holding Company Group:



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 in accordance with Tenn. Code Ann. § 56-3-408(b)(1).

Charter

The Charter in effect as of December 31, 2020, is the Company's Amended Charter, which was filed with the SOS 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, 2020, are the Company's Amended and Restated Bylaws, which were adopted by the Board on September 28, 2017. The Company went through a revision process which amended and restated each section of its Bylaws. There were no other changes to the Bylaws during the period of examination.

The Bylaws are such as generally found in corporations of this type and contain no unusual provisions. The Bylaws 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 the following significant agreements with its affiliated companies in effect, as of December 31, 2020:

Management and Service Agreement

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.

The Agreement was determined to satisfy the requirements of Tenn. Code Ann. § 56-11-106(a)(1) regarding transactions within a holding company system.

Tax Allocation Agreement

Effective January 27, 2020, 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 each subsidiary will pay its share of each payment within ninety (90) days of receiving notice. Each entity'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 the denominator being the sum of the separate return tax liabilities of all members within the BCBST Group.

The Agreement was determined to satisfy the requirements of Tenn. Code Ann. § 56-11-106(a)(1) regarding transactions within a holding company system.

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 and Mississippi. The Certificate of Authority granted by Tennessee was reviewed and found to be in force on December 31, 2020.

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

Schedule T - Premiums

<u>State</u>	<u>Licensed (Yes or No)</u>	<u>Accident & Health</u>	<u>Total Premiums</u>
TN	Yes	\$68,131,864	\$68,131,864

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 the examination, according to its annual statements 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>
2020	\$69,921,732	\$15,732,235	\$54,189,497	\$68,131,864
2019	\$60,499,790	\$15,461,912	\$45,037,878	\$73,134,305
2018	\$49,189,767	\$15,902,488	\$33,287,279	\$67,885,684
2017	\$43,058,845	\$11,203,034	\$31,855,811	\$59,951,096
2016	\$43,029,237	\$14,697,255	\$28,331,982	\$56,554,373

LOSS EXPERIENCE

As developed from applicable amounts included in the Company's annual statements, the ratios of losses incurred to direct premiums earned, for the period subject to the examination were as follows:

<u>Year</u>	<u>Medical Losses Incurred</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>
2020	\$49,783,708	\$68,131,864	73.1%
2019	\$55,082,934	\$73,134,305	75.3%
2018	\$54,715,830	\$67,885,684	80.6%
2017	\$45,366,234	\$59,951,096	75.7%
2016	\$39,352,624	\$56,554,373	69.6%

ACCOUNTS AND RECORDS

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. All annual statements for the period under examination were reviewed for completeness and adequacy of disclosure. The Company's risk-based capital filings were reviewed. These test checks and reviews revealed no material discrepancies.

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

SUBSEQUENT EVENTS

During the examination, a review of subsequent events was performed. Management stated in its Letter of Representation that they were not aware of any events subsequent to December 31, 2020, that could have a material effect on the Company's financial condition. Our review confirmed the Company's disclosures in its 2020 Annual Statement and in its Letter of Representation.

On April 15, 2021, Riverbend Risk Solutions, Inc. (RRS) formed as a pure, single-parent captive insurance company, directly owned by SDBS. RRS will provide coverage for Managed Care Errors & Omissions Liability, Directors' & Officers' Liability, and Anti-Trust Liability to the ultimate parent, BCBST, and its subsidiaries. These risks were insured by the commercial market through May 1, 2021. Effective January 1, 2021, RRS entered into a Quota Share Reinsurance Agreement for Specific and/or Aggregate Medical Stop Loss Coverage where the Company will cede, and RRS will automatically accept as reinsurance a ten percent (10.0%) share of the risk.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the TDCI and present the financial condition of the Company for the period ending December 31, 2020. *(Note: Immaterial differences in totals are due to rounding)*

	<u>Assets</u>	<u>Non-Admitted Assets</u>	<u>Net Admitted Assets</u>
Bonds	\$54,030,366	\$416,976	\$53,613,390
Stocks			
Preferred Stocks	719,344		719,344
Common Stocks	7,855,787	151,252	7,704,535
Cash, cash equivalents and short-term investments	7,495,759		7,495,759
Investment income due or accrued	268,562		268,562
Premiums and considerations:			
Uncollected premiums and agents' balances in the course of collection	76,000		76,000
Net deferred tax asset	<u>44,143</u>	<u> </u>	<u>44,143</u>
Totals	<u>\$70,489,960</u>	<u>\$568,228</u>	<u>\$69,921,732</u>

LIABILITIES, CAPITAL, AND SURPLUS

Claims unpaid	\$4,833,795
Unpaid claims adjustment expenses	115,750
Aggregate health claim reserves	5,107,059
General expenses due or accrued	2,199,044
Amounts due to parent, subsidiaries, and affiliates	2,400,094
Payable for securities	<u>1,076,493</u>
 Total Liabilities	 15,732,235
 Common capital stock	 1,500,000
Gross paid in and contributed surplus	14,180,000
Unassigned funds (surplus)	<u>38,509,497</u>
 Total Capital and Surplus	 <u>54,189,497</u>
 Total Liabilities, Capital, and Surplus	 <u>\$69,921,732</u>

STATEMENT OF REVENUE AND EXPENSES

Member Months		<u>2,545,948</u>
Net premium income	<u>\$68,131,864</u>	
Total Revenues		<u>\$68,131,864</u>
Hospital and Medical		
Hospital/medical benefits	<u>49,783,708</u>	
Total Hospital and Medical	<u>49,783,708</u>	
Claims adjustment expenses, including cost containment expenses	415,780	
General administrative expenses	<u>9,095,402</u>	
Total Underwriting Deductions		<u>59,294,890</u>
Net underwriting gain or (loss)		8,836,974
Net investment income earned	1,527,307	
Net realized capital gains (losses) less capital gains tax	<u>560,815</u>	
Net investment gains (losses)		<u>2,088,122</u>
Net income or (loss) after capital gains tax and before all other federal income taxes		10,925,096
Federal and foreign income taxes incurred		<u>(2,272,405)</u>
Net Income (Loss)		<u>\$8,652,691</u>

CAPITAL AND SURPLUS ACCOUNT

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Capital and surplus, December 31, previous year	<u>\$45,037,878</u>	<u>\$33,287,279</u>	<u>\$31,855,811</u>	<u>\$28,331,982</u>	<u>\$22,905,190</u>
Net income or (loss)	8,652,691	6,160,464	2,022,265	3,368,211	5,196,171
Change in net unrealized capital gains or (losses) less capital gains tax	963,705	1,657,446	(671,120)	(16,083)	29,490
Change in net deferred income tax	103,543	17,065	200,751	(135,067)	(84,776)
Change in non-admitted assets	(568,228)	120,428	(120,428)	306,768	285,907
Surplus adjustments:					
Paid in	0	4,000,000	0	0	0
Aggregate write-ins for gains and losses in surplus	<u>(92)</u>	<u>(204,804)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in capital and surplus	<u>9,151,619</u>	<u>11,750,599</u>	<u>1,431,468</u>	<u>3,523,829</u>	<u>5,426,792</u>
Capital and surplus, December 31, current year	<u>\$54,189,497</u>	<u>\$45,037,878</u>	<u>\$33,287,279</u>	<u>\$31,855,811</u>	<u>\$28,331,982</u>

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

Total Capital and Surplus

\$54,189,497

Total capital and surplus, as established by this examination, is the same as reported by the Company in its 2020 Annual Statement. There were no changes made to any asset or liability items as a result of our examination performed as of December 31, 2020.

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 the examination.

Recommendations

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

CONCLUSION

Rules and procedures as prescribed by the statutes of the State of Tennessee and guidance from the NAIC Handbook, as deemed appropriate, 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, 2020, the Company had admitted assets of \$69,921,732 and liabilities, exclusive of capital and surplus, of \$15,732,235. Thus, there existed for the protection of the policyholders, the amount of \$54,189,497 in the form of common capital stock, gross paid in and contributed surplus and unassigned funds. Tenn. Code Ann. §§ 56-2-114 and 56-2-115 require an insurer of this Company's type to maintain a minimum capital of \$1,000,000 and a minimum surplus of \$1,000,000. For this examination, as of December 31, 2020, the Company maintains capital and surplus sufficient to satisfy those requirements.

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

In addition to the undersigned, Dustin Rice; Jody Fox; Rhonda Bowling-Black, CFE, ARe, MCM; Insurance Examiners from the State of Tennessee; Jessica Lynch, CFE, MCM; Lindsey Pittman, CFE, CISA, AES, CPA, MCM, and Mike Mayberry, FSA, MAAA, of the firm Lewis & Ellis, Inc., participated in the work of this examination.

Respectfully submitted,



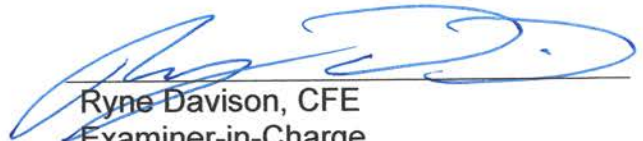
Ryne Davison, CFE
Examiner-in-Charge
Lewis & Ellis, Inc.
Representing the State of Tennessee



A. Jay Uselton, CFE
Department Designee
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 April 19, 2022, and made as of December 31, 2020, 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.



Ryne Davison, CFE
Examiner-in-Charge
Lewis & Ellis, Inc.
Representing the State of Tennessee

State Alabama

County Baldwin

Subscribed to and sworn before me

this 10 day of June, 2022



(NOTARY)

My Commission Expires: 8-7-2023



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 April 19, 2022, and made as of December 31, 2020, 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.



A. Jay Uselton, CFE
Department Designee
State of Tennessee

State Tennessee

County Davidson

Subscribed to and sworn before me

this 13th day of June, 2022

Linda Merriweather
(NOTARY)

My Commission Expires: March 15, 2025



EXHIBIT B



June 16, 2022

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**, made as of December 31, 2020.

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