

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

IN THE MATTER OF:

HBAT BENEFITS TRUST

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TID No.: 18-046

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 HBAT Benefits Trust (“Trust”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of October 31, 2017, the examiner-in-charge filed with the Division, on December 18, 2017, a verified, written report on the examination, and a copy of that report has been sent to the Trust. (The Report on Examination of the Trust is attached hereto and marked as Exhibit A.) The Division received a response regarding the report from the Trust on April 25, 2018. (The written response submitted by the Trust is attached hereto and marked as Exhibit B.)

Pursuant to Tenn. Code Ann. § 56-1-411, the examination report regarding the affairs of the Trust filed with the Division on December 18, 2017, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to abide by the parameters of the Trust Agreement or pursue the appropriate process for amending the Trust in regards to early voting to replace the initial Trustees.
2. The Company is **DIRECTED** to require its officers and directors to comply with Tenn. Code Ann. § 56-3-103 by implementing a policy requiring annual

disclosures of conflicts or potential conflicts of interest.

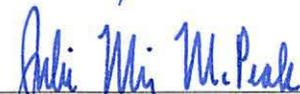
3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-26-204 and Tenn. Comp. R. & Regs. 0780-01-76 by adhering to requirements regarding proper licensing.

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 Trust 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.

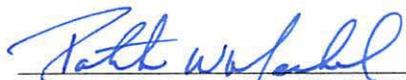
It is so **ORDERED**.

ENTERED this the 11 day of May, 2018.



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

PREPARED FOR ENTRY:



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Assistant General Counsel for Insurance
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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: Lorrie K. Brouse, General Counsel and Deputy Commissioner, Department of Commerce and Insurance; Joy Little, Insurance Examinations Director/Chief Examiner, Department of Commerce and Insurance; and mailed first class, postage prepaid, to HBAT Benefits Trust, 213 Fifth Avenue North, Suite 200, Nashville, Tennessee 37219, on this the 21st day of MAY 2018.


Patrick Merkel