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

IN THE MATTER OF: )
) No.: 12-011
HAMBLEN MUTUAL INSURANCE COMPANY )

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVE

Pursuant to TENN. CODE ANN. §§ 56-22-101, et seq., the Insurance Division of the State
of Tennessee Department of Commerce and Insurance ("Division") has examined certain affairs
of Hamblen Mutual Insurance Company ("Company"), a county mutual insurance company
domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day
of December 2009, the examiner-in-charge filed with the Division, on the 2nd day of August
2011, a verified, written report on the examination, and a copy of that report has been sent to
Hamblen Mutual Insurance Company. (The Report on Examination of Hamblen Mutual
Insurance Company is attached hereto as Exhibit A). The Division received no written rebuttal to
said examination report from the Company.

Pursuant to TENN. CODE ANN. § 56-1-411, said examination report regarding the affairs
of Hamblen Mutual Insurance Company filed with the Insurance Division of the State of
Tennessee Department of Commerce and Insurance on the 2nd day of August 2011 is hereby
ADOPTED as filed with the following DIRECTIVE:

1. The Company is DIRECTED to implement corrective action for the purpose of
complying with SSAP No. 16, Section 2, which provides that non-operating
system software are non-admitted assets, and Section 3, which provides that EDP
equipment and software shall be depreciated for a period not to exceed three
years.

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

It is so ORDERED.

ENTERED this the 30th day of January, 2012.

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

PREPARED FOR ENTRY:

Sharon K. Hawkins (BPR # 014470)
Assistant General Counsel
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Tower, Second Floor
Nashville, Tennessee 37243
(615) 253-4701
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: Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance; Mark Jaquish, Insurance Analysis Director, Department of Commerce and Insurance; and mailed first class, postage prepaid, to Hamblen Mutual Insurance Company, 110 North Cumberland Street, Morristown, Tennessee 37814 on this the 31st day of May, 2012.

Sharon K. Hawkins
Certifying Attorney