BEFORE THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

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APR 13 2006
Dept. Of Commerce & Insurance
Company Examinations

IN THE MATTER OF:	)	
	)	No.: 06-011
PLATEAU INSURANCE COMPANY	)	

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVES

Pursuant to Tenn. Code Ann. §§ 56-1-401, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (hereinafter referred to as the "Division") has examined certain affairs of Plateau Insurance Company (hereinafter also referred to as the "Company"), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December, 2004, the examiner-in-charge filed with the Division, on the 15th day of February, 2006, a verified, written report on examination, and a copy of that report has been sent to Plateau Insurance Company. (The Report on Examination of Plateau Insurance Company is attached hereto and marked as Exhibit A). The Division received written rebuttal to said examination report from the Company on February 27, 2006. (A copy of the Company's written rebuttal is attached hereto and marked as Exhibit B.)

Pursuant to Tenn. Code Ann. § 56-1-411, said examination report regarding the affairs of Plateau Insurance Company, filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 15th day of February, 2006, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-103 by taking any and all steps necessary to ensure that no director or officer of the Company accept or be the beneficiary of, directly or remotely, any fee, brokerage, commission, gift, or other consideration for or on account of any loan, deposit, purchase, sale,

payment or exchange made by or in behalf of such company, or be pecuniarily interested in any such purchase, sale or loan, either as borrower, principal, coprincipal, agent or beneficiary.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-11-206(a)(2) by notifying the Commissioner in writing of its intention to enter into any transactions listed under Tenn. Code Ann. § 56-11-206(a)(2)(C) at least thirty (30) days prior to doing so, so as to allow the Commissioner to review such transactions and determine whether or not to disapprove them.

3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-1-501(b) by completing its annual statement in accordance with the annual statement instructions established by the Commissioner. This compliance includes, but is not limited to, properly stating the effective dates of contracts and agreements.

4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-112 and Tenn. Comp. R. & Regs., ch. 0780-1-46-.04 (1999) by maintaining a custodial agreement that complies with said rule, should the Company choose an authorized method of holding its securities that requires such an agreement.

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 Plateau 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 Report With Directives merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 10th day of April, 2006.

Paula A. Flowers

Paula A. Flowers, 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 messenger mailed to Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance, and Don Spann, Chief Examiner, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to Plateau Casualty Insurance Company, 2701 North Main Street, Crossville, Tennessee 38555, on this the 13 day of April, 2006.

Tony Greer
Certifying Attorney