

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

IN THE MATTER OF:

**WORKERS' COMPENSATION SELF-INSURANCE
GROUP FUND OF THE TENNESSEE ASSOCIATION
OF BUSINESS COMPANY OWNERS' MANAGED
PROGRAM d/b/a TABCOMP TRUST**

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No.: 10-039

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Dept. of Commerce & Insurance
Company Examinations

**ORDER ADOPTING EXAMINATION REPORT WITH
MODIFICATIONS AND DIRECTIVES**

Pursuant to Tenn. Code Ann. §§ 56-1-401, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (the "Division") has examined certain affairs of Workers' Compensation Self-Insurance Group Fund of the Tennessee Association of Business Owners' Company Managed Program d/b/a TABCOMP Trust (hereinafter referred to as "TABCOMP Trust" or 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, 2008, the examiner-in-charge filed with the Division, on the 25th day of May, 2010, a verified, written Report on examination, and a copy of that report has been sent to the Company. (The Report on examination of the Workers' Compensation Self-Insurance Group Fund of the Tennessee Association of Business Owners' Company Managed Program d/b/a "TABCOMP Trust" is attached hereto and marked as Exhibit A). The Division received no written rebuttal to said Report on examination from the Company.

Pursuant to Tenn. Code Ann. § 56-1-411, said Report on examination regarding the affairs of the Workers' Compensation Self-Insurance Group Fund of the Tennessee Association of Business Owners' Company Managed Program d/b/a TABCOMP Trust filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 25th day of May, 2010, is

hereby **ADOPTED** as filed with the following **MODIFICATIONS** and **DIRECTIVES**:

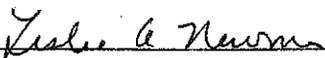
The Report on Examination is hereby **MODIFIED** by deleting the first two paragraphs captioned "Recommendations" on page 26, pertaining to discussions in order to implement the "Termination of Certificate of Authority" pursuant to Tenn. Comp. R. & Regs. 0780-1-54-.23(2).

The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-112 and Tenn. Comp. R. & Reg. § 0780-1-46 by establishing a proper custodial agreement, with a bank that is a member of the federal reserve system, that meets the requirements of Tenn. Code Ann. § 56-3-112 and Tenn. Comp. R. & Reg. § 0780-1-46. Furthermore, all funds held through a custodial agreement that does not meet the requirements of Tenn. Comp. R. & Reg. § 0780-1-46 are to be reported as non-admitted assets on future annual statement filings per Tennessee Regulation 0780-1-46-.03(4).

The adoption of this Report on examination shall not preclude the Department from imposing sanctions against the Company for potential violations of the Tennessee Insurance Law which may be revealed therein, it being the intent of this Order Adopting Report On Examination With Directives is merely to adopt the Report on examination filed by the examiner-in-charge.

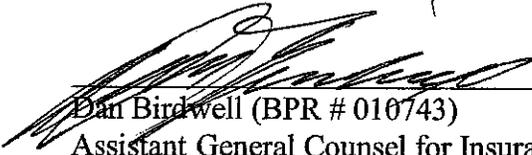
It is so **ORDERED**.

ENTERED this the 8th day of November, 2010.



Leslie A. Newman, Commissioner
Department of Commerce and Insurance
State of Tennessee

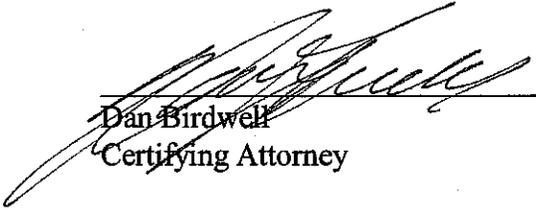
PREPARED FOR ENTRY:



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report With Directives has been messenger mailed to Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance, Horace Gaddis, Insurance Examinations Director, Department of Commerce and Insurance, and Mark Jaquish, Insurance Analysis Director, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to Workers' Compensation Self-Insurance Group Fund of the Tennessee Association of Business Owners' Company Managed Program d/b/a TABCOMP Trust, 618 Church Street, Suite 330, Nashville, TN 37219, on this 10th day of November, 2010.



Dan Birdwell
Certifying Attorney