

STATE OF INDIANA)
) SS:
COUNTY OF MARION) COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Hoosier Motor Mutual Insurance Company)
3750 Guion Road)
Indianapolis, Indiana 46222)

Examination of **Hoosier Motor Mutual Insurance Company**

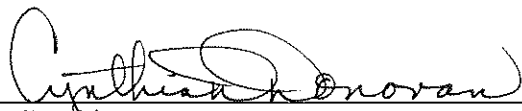
NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Stephen W. Robertson, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of **Hoosier Motor Mutual Insurance Company**, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on March 14, 2013, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of **Hoosier Motor Mutual Insurance Company** shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

May 22, 2013
Date


Cynthia D. Donovan
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 9214 8901 0661 5400 0014 9855 73

STATE OF INDIANA) BEFORE THE INDIANA
) SS:
COUNTY OF MARION) COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Hoosier Motor Mutual Insurance Company)
3750 Guion Road)
Indianapolis, Indiana 46222)

Examination of **Hoosier Motor Mutual Insurance Company**

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the **Hoosier Motor Mutual Insurance Company** (hereinafter "Company") for the time period January 1, 2007 through December 31, 2011.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on February 19, 2013.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on March 14, 2013 and was received by the Company on March 18, 2013.

The Company did not file any objections.


NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS**:

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the **Hoosier Motor Mutual Insurance Company** as of December 31, 2011.
2. That the Examiner's Recommendations are reasonable and necessary in order for the **Hoosier Motor Mutual Insurance Company** to comply with the laws of the State of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed and Sealed this 22nd day of
May, 2013.


Stephen W. Robertson
Insurance Commissioner
Indiana Department of Insurance

STATE OF INDIANA
Department of Insurance
REPORT OF EXAMINATION
OF

HOOSIER MOTOR MUTUAL INSURANCE COMPANY
NAIC COMPANY CODE 27952

As of

December 31, 2011

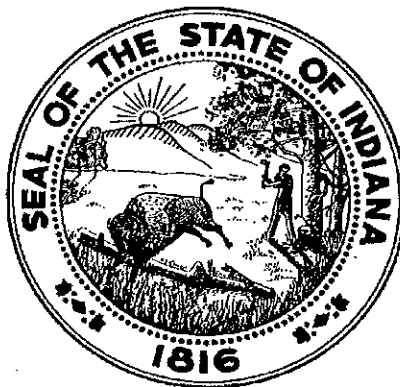


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STATE OF INDIANA

MICHAEL R. PENCE, Governor

IDOI

INDIANA DEPARTMENT OF INSURANCE

311 W. WASHINGTON STREET, SUITE 300
INDIANAPOLIS, INDIANA 46204-2787
TELEPHONE: (317) 232-2385
FAX: (317) 232-5251

Stephen W. Robertson, Commissioner

February 19, 2013

Honorable Stephen W. Robertson
Commissioner
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 3724, an examination has been made of the affairs and financial condition of:

Hoosier Motor Mutual Insurance Company
3750 Guion Road
Indianapolis, IN 46222

an Indiana domestic property and casualty insurance company, hereinafter referred to as the "Company." The examination was conducted at the corporate offices of the Company located in Indianapolis, Indiana.

The Report of Examination, showing the financial status of the Company as of December 31, 2011, is hereby respectfully submitted.

ACCREDITED BY THE
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES
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COMPANY COMPLIANCE
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CONSUMER SERVICES
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In-State 1-800-622-4461

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SECURITIES / COMPANY RECORDS
(317) 232-1991

SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) as of December 31, 2006. The present risk-focused examination was conducted by The Thomas Consulting Group, Inc. (TTCGI) and covered the period from January 1, 2007 through December 31, 2011, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

In conducting the examination, the INDOI, by its representatives, has relied upon the independent audit reports and opinions contained therein rendered by Sherck, Hussey, Johnson & McNaughton, LLC for the examination period. Such reports were prepared on a statutory basis and reconciled to the financial statements contained in the respective Annual Statements.

Anthony L. Alfieri, ACAS, MAAA, of Merlinos & Associates, a consulting actuary appointed by the INDOI, conducted a review of the Company's reserves as of December 31, 2011.

Additionally, TTCGI conducted a review of information systems controls, gained an understanding of the information systems utilized, and concluded that there would be moderate reliance on information systems.

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (Handbook). The Handbook requires that TTCGI plan and perform the examination to evaluate the financial condition, and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. An examination also includes assessing the principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statutory Accounting Principles and Annual Statement instructions, when applicable to domestic state regulations. All accounts and activities of the Company were considered in accordance with the risk-focused examination process.

HISTORY

The Company was incorporated on May 3, 1972, as a mutual fire and casualty insurance company. A certificate of authority, granting the Company authority to conduct business, was received from the INDOI on December 27, 1972. Operations commenced on December 29, 1972.

TERRITORY AND PLAN OF OPERATION

The Company is licensed solely in the State of Indiana and was formed for the purpose of providing insurance coverage, as described within IC 27-1-5-1, Class II, to members of the Hoosier Motor Club (HMC), an Indiana, not-for-pecuniary-profit corporation, and persons related by birth, marriage or otherwise. The Company's operating territory is comprised roughly of 50 counties, which represents approximately one-half of Indiana's population. Members of HMC receive a limited benefit Personal Accident (PA) policy in conjunction with their enrollment in HMC. An optional Medical Expense endorsement is available which will pay the actual cost of many of the medical benefits described within the Personal Accident policy, in addition to the other procedures not otherwise included, up to \$500 for

any one accident. Members are also entitled to purchase optional coverage under the Company's Member Accident Security Plan (MASP), which provides an initial \$10,000 death benefit (increasing to a maximum of \$15,000) and a \$100 per day hospital confinement benefit. The optional MASP rider, which provides a \$5,000 accidental death benefit and a \$50 per day hospital confinement benefit, is also available. In the described cases, the named insured is HMC while its members are deemed certificate holders under the insurance plans.

GROWTH OF COMPANY

The following exhibit depicts the Company's financial results throughout the examination period:

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Total admitted assets	\$12,214,326	\$12,749,482	\$12,820,279	\$12,478,523	\$15,818,976
Total liabilities	1,181,760	1,066,598	1,058,902	915,945	1,746,844
Policyholder surplus	11,032,566	11,682,885	11,761,377	11,562,578	14,072,132
Net income	-467,823	-142,987	-313,256	-707,563	-401,804
Net premiums written	1,254,376	1,214,619	1,145,221	1,127,823	1,330,526

The Company has reported negative net income in each of the years under examination. The negative net income is a result of policyholder dividends paid, in the amount of \$6,211,000, during the years under examination.

MANAGEMENT AND CONTROL

The Company was organized and operates under the mutual plan; therefore the business and assets are considered to be the property of its sole policyholder, HMC.

Member

The Bylaws stipulate that there shall be one class of members (policyholders) of the corporation with all members having the same and equal rights, duties, privileges and liabilities. Currently, the Company has only one member, HMC, its votes are cast by its President.

Directors

The Bylaws stipulate that the business and affairs of the Corporation shall be managed by a Board of Directors. Each Director shall be an Active Member of the HMC so long as the Corporation provides insurance exclusively for the benefit of Members of the HMC. The Board of Directors shall consist of eleven (11) members who shall be elected by the members of the Corporation at the annual meeting, to serve for terms of three (3) years hereinafter provided, except those elected to fill a vacancy, including a vacancy resulting from an increase in the number of Directors, which Directors shall serve the term determined in accordance with these Bylaws, and until their successors shall be elected and qualified.

The following persons were serving as Directors at December 31, 2011:

<u>Name & Residence</u>	<u>Principal Occupation</u>
Michael J. Alley Carmel, Indiana	President Patriot Investments, LLC
Walter L. Brant II Indianapolis, Indiana	President Indiana Oxygen Company
C. Richard Davis Indianapolis, Indiana	Managing Director Oxford Financial Group, Ltd.
Wilbur R. Davis Muncie, Indiana	Chairman & Co-Founder Ontario, Systems, LLC
Terry R. Farias Carmel, Indiana	President & CEO Hoosier Motor Mutual Insurance Company
Phillip C. Genetos Indianapolis, Indiana	Partner Ice Miller
John C. Hart Carmel, Indiana	President & Chairman of the Board The J.C. Hart Co., Inc.
Steven F. Walker Indianapolis, Indiana	President & CEO Walker Information

Officers

Pursuant to the Bylaws, the Officers of the Company shall consist of a Chairman of the Board, a Vice Chairman, a President and Chief Executive Officer, a Senior Vice President Finance, a Secretary, a Treasurer and such other assistants or subordinate officers as the Board of Directors shall deem necessary.

Any two or more offices may be held by the same person, except the duties of President and Secretary shall not be performed by the same individual.

The following are the persons serving as officers at December 31, 2011:

Philip C. Genetos	Chairman of the Board
C. Richard Davis	Vice Chairman of the Board
Terry R. Farias	President and Chief Executive Officer
Terry E. Grimes	Secretary, Treasurer & Senior Vice President Finance
Steven J. Vernick	Senior Vice President Insurance

Corporate Governance

As of December 31, 2011, Directors serving on the committees of the board were as follows:

Audit Committee:

Wilbur R. Davis	Chairman
Walter L. Brant, II	Member
C. Richard Davis	Member

Investment Committee:

Michael J. Alley	Chairman
John C. Hart, Jr.	Member
Wilbur R. Davis	Member

The Company also receives oversight from its other committees that were comprised of Planning & Budget, Real Estate, and Governance. Chairman Philip C. Genetos shall be ex-officio member of each committee.

CONFLICT OF INTEREST

The Company has in place an established conflict of interest policy and procedures for the disclosure of any material interest or affiliation by any director, officer, or key employee, which is likely to conflict with their official duties. From a review of the officers and directors signed statements, there were no conflicts of interest reported by any of the officers or directors.

OATH OF OFFICE

Indiana Code 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly and diligently administer the affairs of the corporation, and will not knowingly violate any of the laws applicable to such corporation. Each Director signed an "Oath of Office" statement when elected and annually thereafter.

CORPORATE RECORDS

Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the period under examination.

Bylaws

The Company amended and restated its Bylaws on November 18, 2009. The amendment relates to a number of current corporate practices. Significant changes to the Bylaws were as follows:

1. Increase the size of the Board from 9 to 11;
2. Revision to age limit for Directors and a provision that a Director cannot be elected to serve if they have already served seven complete terms; and
3. Add a sixth standing committee, Governance, to assist the Board of Directors in its general oversight of Board governance matters.

Minutes

The Board of Directors and the member meeting minutes were reviewed for the period under examination through the fieldwork completion date, and significant actions taken during each meeting were noted.

AFFILIATED COMPANIES

Organizational Structure

The Company is a member of an insurance holding company system as defined within IC 27-1-23 and Regulation of Insurance Holding Company Systems. The Company has common control with the same board of directors and significantly the same management as Hoosier Motor Club (HMC) and HMC Insurance Agency Inc (HMC Agency). **See the "Other Significant Findings" section of this report for further explanation on this exception.**

Agreements

Management Agreement

HMC and the Company have entered into a Service Agreement to provide secretarial and clerical support to the Company to service the group policy, and any endorsement thereof issue to the members of HMC. Effective January 1, 2011, the Company paid HMC \$.36 for each personal accident certificate, each medical endorsement, each MASP certificate and each additional coverage rider issued or renewed

during 2011 in the amount of \$150,922.

Agency Agreement

HMC Agency, Inc. shares common management and employees of HMC, acting as an independent agent for members of HMC, assisting them in obtaining various types of insurance through one or more companies it represents. HMC Agency is the producer for MASP and MASP rider coverage to members of HMC, receiving a 25% commission for such. Commissions expenses paid HMC Agency were \$16,220 in 2011.

FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts by its employees through a fidelity bond and a crime policy. The Company's fidelity insurance and crime policy provides up to \$1,000,000 of coverage after the payment of a deductible which ranges from \$1,000 to \$5,000. The fidelity insurance and crime policy was determined to meet the prescribed minimum coverage as specified by the NAIC.

The Company is a named or additional insured on other customary forms of insurance in-force at December 31, 2011, including, but not limited to, business property and liability coverage, commercial automobile, directors' and officers' liability, and umbrella. The limits on these policies appear to be satisfactory.

STATUTORY DEPOSITS

In accordance with Indiana Insurance Laws, the Company maintains a statutory deposit with the INDOI in the form of a U.S. Treasury Note in the amount of \$100,000.

REINSURANCE

Effective January 1, 2006, the Company entered into a quota share reinsurance treaty with Western United Insurance Company (Western).

Under the terms of the treaty, the Company agrees to accept five percent (5%) of Western's net retained liability of its automobile liability and auto physical damage business. (Business covered is defined as any policy issued by Western through HMC Agency.) In consideration, the Company receives five percent (5%) of the net written premiums, less a ceding commission of thirty-five percent (35%). The premium earned from reinsurance amounted to \$609,701 in 2011.

RESERVES

Alan M. Crow, FCAS, MAAA, Actuary with the firm of Oliver Wyman Actuarial Consulting, Inc., is the Company's Appointed Actuary. Mr. Crow has been appointed by the Board of Directors to render an opinion on the statutory-basis loss reserves of the Company. He rendered an opinion on such reserves for

the years ended December 31, 2011, 2010, 2009 and 2008. Kurt Giesa, FSA, MAAA, Actuary with the firm of Mercer Oliver Wyman Actuarial Consulting, Inc. was the Company's Appointed Actuary for 2007. He rendered an opinion on such reserves as of December 31, 2007.

The scope of the opinion was to examine the actuarial assumptions and methods used in determining loss reserves and related items, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials. In forming the opinion, information prepared by the Company was relied upon. This information was evaluated for reasonableness and consistency. In other respects, the examination included such review of the actuarial assumptions and methods used and such tests of the calculations as considered necessary.

The 2011 opinion stated that the balances of loss and loss adjustment expense reserves 1) are computed in accordance with accepted loss reserving standards and principles, 2) make a reasonable provision for all unpaid loss and loss adjustment expense obligations of the Company under the terms of its policies and agreements, and meet the requirements of the insurance laws of the State of Indiana.

During the examination, it was determined that the material actuarial items in the Annual Statement of the Company are materially correct and fairly stated in accordance with statutory accounting practices prescribed or permitted by the Commissioner of Insurance of the State of Indiana.

ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2007 to 2011, were agreed to the respective Annual Statements. The Annual Statement for the year ended December 31, 2011, was agreed to the year's independent audit report with no exception noted.

The Company's independent auditors issued unqualified opinions on the Company's audited financial statements for each year during the examination period. No material exceptions were noted when agreeing the Company's audited financial statements to the respective Annual Statements. All of the independent audit work papers were made available to the examiners during the examination.

FINANCIAL EXHIBITS

Comparative Exhibit – Statutory Statement of Assets
Comparative Exhibit – Statutory Statement of Liabilities, Surplus and Other Funds
Comparative Exhibit - Statutory Statement of Income
Comparative Exhibit – Statutory Capital and Surplus Account

NOTE: Amounts are shown in whole dollars and columns may not total due to rounding.

HOOSIER MOTOR MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENTS

Assets

	As of December 31, 2011			December 31, Prior Year
	Per Annual Statement	Examination Adjustments	Per Examination	
Assets:				
Bonds	\$ 5,856,146	\$ -	\$ 5,856,146	\$ 6,807,756
Common stocks	2,614,318	-	2,614,318	3,121,959
Properties held for the production of income	1,822,895		1,822,895	1,678,161
Cash, cash equivalents and short-term investments	1,713,629	-	1,713,629	1,000,400
Subtotals, cash and invested assets	<u>\$ 12,006,989</u>	<u>\$ -</u>	<u>\$ 12,006,989</u>	<u>\$ 12,608,275</u>
Investment income due and accrued	65,652	-	65,652	63,325
Uncollected premiums and agents' balances in the course of collection	141,685	-	141,685	77,882
Total Assets	<u><u>\$ 12,214,326</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 12,214,326</u></u>	<u><u>\$ 12,749,482</u></u>

HOOSIER MOTOR MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENTS

Liabilities, Surplus and Other Funds

	As of December 31, 2011			
	Per Annual Statement	Examination Adjustments	Per Examination	December 31, Prior Year
Liabilities:				
Losses	\$ 614,853	\$ -	\$ 614,853	\$ 442,312
Loss adjustment expenses	34,115	-	34,115	28,721
Other expenses	25,371	-	25,371	32,485
Taxes, licenses and fees	94,221	-	94,221	91,032
Net deferred tax liability	-	-	-	69,434
Unearned premiums	400,854	-	400,854	390,267
Aggregate write-ins for liabilities	12,347	-	12,347	12,347
Total Liabilities	\$ 1,181,760	\$ -	\$ 1,181,760	\$ 1,066,598
Aggregate write-ins for special surplus funds	\$ 300,000	\$ -	\$ 300,000	\$ 300,000
Gross paid in and contributed surplus	10,732,566	-	10,732,566	11,382,885
Total capital and surplus	\$ 11,032,566	\$ -	\$ 11,032,566	\$ 11,682,885
Total liabilities, capital and surplus	\$ 12,214,326	\$ -	\$ 12,214,326	\$ 12,749,482

HOOSIER MOTOR MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENTS

Statement of Income

As of December 31, 2011

	<u>Per Annual Statement</u>	<u>Exam Adjustments</u>	<u>Per Examination</u>	<u>December 31, Prior Year</u>
Premiums earned	\$ 1,243,789	\$ -	\$ 1,243,789	\$ 1,182,441
Deductions				
Losses incurred	502,077	-	502,077	510,517
Loss expense incurred	54,863	-	54,863	50,064
Other underwriting expenses incurred	478,706		478,706	460,242
Total underwriting deductions	\$ 1,035,647	\$ -	\$ 1,035,647	\$ 1,020,822
Net underwriting gain	\$ 208,142	\$ -	\$ 208,142	\$ 161,619
		-		
Net investment income earned	\$ 390,928	\$ -	\$ 390,928	\$ 348,952
Net realized capital gains	71,107	-	71,107	492,442
Net investment gain	\$ 462,035	\$ -	\$ 462,035	\$ 841,394
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	\$ 670,177		\$ 670,177	\$ 1,003,013
Dividend to policyholder	1,138,000		1,138,000	1,146,000
Net income (loss), after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	\$ (467,823)		\$ (467,823)	\$ (142,987)
Net Income	\$ (467,823)	\$ -	\$ (467,823)	\$ (142,987)

HOOSIER MOTOR MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENTS

Capital and Surplus Account

	<u>As of December 31, 2011</u>			
	<u>Per Annual Statement</u>	<u>Examination Adjustments</u>	<u>Per Examination</u>	<u>December 31, Prior Year</u>
Capital and Surplus Account:				
Surplus as regards policyholders, December 31 prior year	\$ 11,682,885	\$ -	\$ 11,682,885	\$ 11,761,377
Net income	\$ (467,823)	\$ -	\$ (467,823)	\$ (142,987)
Change in unrealized capital gains	(149,772)	-	(149,772)	68,965
Change in deferred income tax	5,191	-	5,191	26,143
Change in nonadmitted assets and related items	(37,915)	-	(37,915)	(30,613)
Change in surplus as regards policyholders for the year	\$ (650,319)	\$ -	\$ (650,319)	\$ (78,492)
Surplus as regards policyholders, December 31 current year	\$ 11,032,566	\$ -	\$ 11,032,566	\$ 11,682,885

COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to surplus as of December 31, 2011, based on the results of this examination.

OTHER SIGNIFICANT FINDINGS

1. Holding Company Registration Statement:

Finding:

The Company is a member of an insurance holding company system as defined within IC 27-1-23 Regulation of Insurance Holding Company Systems. The Company has common control with the same board of directors and significantly the same management as Hoosier Motor Club (HMC) and HMC Insurance Agency Inc.

Recommendation:

In the future, it is recommended that the Company complete an Annual Holding Company Registration Statement "Form B" filing with INDOI in accordance with IC 27-1-23. It is also recommended that the Company complete a "Form D" filing for all agreements between affiliates (insurers and non-insurers) that are currently in place. Also, the Company is advised that affiliated agreements require prior approval by the INDOI.

SUBSEQUENT EVENTS

As of December 31, 2011, the Company was reinsuring five percent (5%) of the new private passenger automobile insurance produced by HMC Agency and underwritten by Western, an Indiana domiciled subsidiary of California State Automobile Association. Effective January 1, 2012, the Company elected to reduce the assumed percentage of business from Western to zero percent (0%).

MANAGEMENT REPRESENTATION

In support of contingencies and accuracy of information provided during the course of the examination, the Examiners obtained a management representation letter in the standard NAIC format. This letter was executed by key financial personnel of the Company and provided to the Examiners.

AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-In-Charge appointed by the Indiana Department of Insurance and that he, in coordination with staff assistance from The Thomas Consulting Group, Inc., hereinafter collectively referred to as the "Examiners" performed an examination of the **Hoosier Motor Mutual Insurance Company** as of **December 31, 2011**.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

The examination was performed in accordance with those procedures required by the 2011 NAIC Financial Condition Examiner's Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standard and no audit opinion is expressed on the financial statements contained in this report.

The attached report of examination is a true and complete report of condition of the **Hoosier Motor Mutual Insurance Company** as of **December 31, 2011**, as determined by the undersigned.

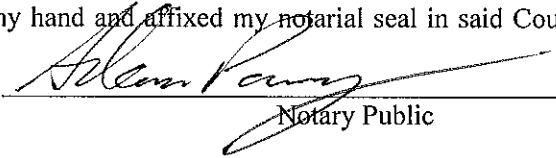


David Daulton, CFE
The Thomas Consulting Group, Inc.

State of:
County of:

On this 13th day of MARCH, 2013, before me personally appeared, David Daulton, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.
My commission expires Dec 6th 2013


Notary Public