

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

<b>IN THE MATTER OF:</b>	)	
	)	
<b>FARMERS UNION MUTUAL FIRE</b>	)	<b>TID No.: 20-113</b>
<b>INSURANCE COMPANY OF</b>	)	
<b>BRADLEY COUNTY</b>	)	
	)	

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**ORDER ADOPTING EXAMINATION REPORT**

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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 Farmers Union Mutual Fire Insurance Company of Bradley County (“Company”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of December 31, 2018, the examiner-in-charge filed a verified, written report on the examination with the Division on March 12, 2020. A copy of that report was sent to the Company. (The Report on Examination of the Company is attached hereto and marked as Exhibit A).

The Division received a response regarding the report from the Company dated June 25, 2020. (The written response submitted by the Company is attached hereto and marked as Exhibit B).

Pursuant to Tenn. Code Ann. § 56-1-411, the examination report regarding the affairs of the Company filed with the Division on March 12, 2020, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for prepaid reinsurance premiums in accordance with the instructions.
2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-408(b)(1) by ensuring all investment activities are reviewed and approved by the Board.

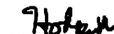
3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by correctly accounting for open and unpaid claims, as required by the instructions prescribed by the Commissioner.
4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by correctly reporting its previous year's policyholders' surplus, as required by the instructions prescribed by the Commissioner.
5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-8-104(10) by ensuring that all documentation is maintained, and all forms and records are fully completed.

The company shall comply with the Directives contained in this Order within thirty (30) days of its entry and execution.

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

It is so **ORDERED**.

**ENTERED AND EXECUTED** June 29, 2020.

  
Hodgen Mainda / Jun 29, 2020 13:02 CDT

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Hodgen Mainda, Commissioner  
Department of Commerce and Insurance  
State of Tennessee

**PREPARED FOR ENTRY:**

*Nikita Hampton*

Nikita Hampton | Jun 26, 2020 08:25 CDT |

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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 emailed to: Rachel Jade-Rice, Assistant Commissioner for Insurance, Department of Commerce and Insurance at rachel.jrade-rice@tn.gov; and mailed first class, postage prepaid, to Farmers Union Mutual Fire Insurance Company of Bradley County, 915 25<sup>th</sup> Street NW, Cleveland, Tennessee 37311, on July 2, 2020.

*Nikita Hampton*

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Nikita Hampton  
Associate General Counsel