



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

REPORT ON EXAMINATION
OF
FARMERS MUTUAL INSURANCE COMPANY OF
GREENE COUNTY, TENNESSEE
GREENEVILLE, TENNESSEE

AS OF
DECEMBER 31, 2021

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Greeneville, Tennessee
May 11, 2023

Honorable Carter Lawrence
Commissioner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioner:

In accordance with your instructions and pursuant to Tennessee Code Annotated (“Tenn. Code Ann.”) § 56-22-115, a full-scope financial examination and market conduct review, as of December 31, 2021, has been made of the condition and affairs of:

FARMERS MUTUAL INSURANCE COMPANY OF GREENE COUNTY, TENNESSEE
NAIC # 15981
921 W. Main St.
Greeneville, Tennessee 37743

hereinafter referred to as the “Company” and a report thereon is submitted as follows:

INTRODUCTION

This examination was arranged by the Tennessee Department of Commerce and Insurance (TDCI or “Department”). The examination was conducted by duly authorized representatives of the Department.

SCOPE OF EXAMINATION

The last examination of the Company was made as of December 31, 2016. This examination covers the period from January 1, 2017, through December 31, 2021, and includes any material transactions and/or events occurring subsequent to the examination date and noted during the course of the examination.

The examination was conducted in accordance with rules and procedures as prescribed by the statutes of the State of Tennessee, and in accordance with practices and procedures promulgated by the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook* (“Handbook”), as deemed appropriate. The examination sought to evaluate the overall financial statement presentation and

management's compliance with statutory accounting principles and the *Annual Statement Instructions for Tennessee County Mutual Insurers* ("Instructions"), using substantive procedures, where applicable. The examination also included an assessment of prospective risks faced by the Company, based on information obtained during the course of the examination.

The examination reviewed the Company's business policies and practices, management and corporate matters, and reviewed and evaluated assets, liabilities, income, and disbursements. In addition, our examination included tests to provide reasonable assurance that the Company was in compliance with applicable laws, rules, and regulations. In planning and conducting our examination, we considered the concepts of materiality and risk, and our examination efforts were directed accordingly.

A separate market conduct review was performed concurrently with the financial examination. See the "Market Conduct Activities" section of this report.

The Company provided a Letter of Representation certifying that management has disclosed all significant matters and records.

COMPLIANCE WITH PREVIOUS EXAMINATION FINDINGS

The examination included a review to determine the current status of the comments and recommendations noted in the previous report on examination, as of December 31, 2016. A summary of the Commissioner's directives and the corrective actions taken by the Company are discussed below:

Comments

1. It was noted that the Company's fidelity coverage during the period under examination did not meet the minimum amount suggested in the NAIC Handbook.

Corrective Action

The Company complied with this comment by adjusting its coverage as suggested in the NAIC Handbook guidance.

Recommendations

1. It was found that the Company held an annuity contract as an investment. Pursuant to Tenn. Code Ann. §§ 56-3-401 through 56-3-407, the annuity is not a permitted investment. It was recommended that the Company divest from the annuity and invest the funds in one of the approved investment types listed in Tenn. Code Ann. §§ 56-3-401 through 56-3-407.

Corrective Action

The Company complied with this recommendation by divesting from the annuity.

2. The Company received a commission on every Farmers Mutual of Tennessee (FMT) liability policy that was sold through the Company. This was a violation of Tenn. Code Ann. § 56-6-113(b), which states “A person shall not accept a commission, service fee, brokerage or other valuable consideration for selling, soliciting or negotiating a contract of insurance in this state, if that person is required to be licensed under this part and is not so licensed.” It was recommended that the Company discontinue the practice of accepting commissions on FMT’s liability policies.

Corrective Action

The Company has complied with this recommendation. Effective November 8, 2019, the Company entered into an Other Products Contract with FMT and is no longer listed as a producer on FMT’s liability policies. The agreement states that the Company, through its licensed property and casualty agents, will market the Company’s products, as well as FMT’s products.

COMPANY HISTORY

The Company was incorporated on September 24, 1896, under the Tennessee Business Corporate Act as a non-profit mutual benefit corporation and organized as a county mutual fire insurance company, pursuant to Tenn. Code Ann. § 56-22-101, *et seq.* The Company was formed to provide insurance coverage to its members, who consist of owners, trustees, legal guardians, and other legal representatives of the owners and holders of property insured by the Company. The Company commenced business on September 19, 1896.

MANAGEMENT AND CONTROL

MANAGEMENT

Directors

Management of the Company is vested in a Board of Directors (“Board”). The annual meeting of the members shall be held in February of each year to elect directors of the Company and for the transaction of such other business as may be properly brought before the meeting. Each member is entitled to one (1) vote at any membership meeting. Special meetings of the members of the Company may be held at the call of the President with five (5) days’ notice.

In accordance with the Bylaws, the Board shall consist of nine (9), but not less than seven (7) members. Up to three (3) directors are elected at each annual members' meeting, for a term of three (3) years.

The following persons were duly elected and serving as directors on the Company's Board, as of December 31, 2021:

<u>Director</u>	<u>Address</u>
Johnny C. Ottinger	Greeneville, TN
Alford Taylor	Mosheim, TN
Curtis Holland	Greeneville, TN
David Myers	Mosheim, TN
Brenda Sexton	Greeneville, TN
Donald Swanay	Chuckey, TN
Tim Wisecarver	Mohawk, TN

Officers

The Bylaws of the Company instruct the Board to elect the Company's officers immediately following the members' annual meeting. At that meeting, the Board shall elect a President, Vice President, and Secretary/Treasurer. Each officer shall serve a term of one (1) year.

The following individuals were duly elected by the Board and were serving as officers of the Company, as of December 31, 2021:

<u>Name</u>	<u>Title</u>
Johnny C. Ottinger	President
Alford Taylor	Vice President
Curtis Holland	Secretary/Treasurer

COMMITTEES

The Board appointed the following committees to provide oversight for the affairs of the Company as follows:

Executive Committee

The Executive Committee typically meets once a week. The Executive Committee routinely makes decisions regarding the normal operations of the Company. The Executive Committee approves all bills that need to be paid and reviews statutory annual statement filings that are sent to the Department.

Advisory Committee

The Company's Advisory Committee meets to review questionable claims on an as-needed basis.

Audit Committee

The Audit Committee meets once a year to review the statutory annual statement filings that are sent to the Department.

Investment Committee

The Investment Committee meets on an as-needed basis.

Building Committee

The Company's Building Committee meets when the Company buys or sells its home office building or when there is a structural issue with the building that needs to be addressed.

CONTROL

The Company is equally owned by its members. The Company has never issued any shares of capital stock or established guaranteed capital.

CONFLICTS OF INTEREST AND PECUNIARY INTERESTS

During the examination, a review was performed of the Company's compliance with Tenn. Code Ann. § 56-3-103, which prohibits Company directors, officers, and employees from having a pecuniary interest in any funds of the Company. While the review found no director, officer, or employee of the Company as having a pecuniary interest in the funds of the Company, it was noted that the Company did not require annual disclosures of possible conflicts of interest. Maintaining a conflict of interest disclosure form and requiring annual disclosures of possible conflicts of interest helps document the Company's compliance with Tenn. Code Ann. § 56-3-103. See "Compliance with Previous Examination Findings" and the "Comments and Recommendations" sections of this report.

CORPORATE RECORDS

The minutes of the meetings of the Company's members and Board were reviewed for the period under examination. During the review of the meeting minutes, it was noted that the Company did not keep minutes of committee meetings. This is not in compliance with Tenn. Code Ann. § 48-66-101(a), which requires that the Company keep as permanent records, minutes of all meetings of its members, and a record of all actions taken by the members or directors without a meeting, and a record of all actions taken by committees. See the "Comments and Recommendations" section in this report.

Charter

The Charter recites the general and specific powers of the Company in detail. The Charter, as currently stated, was reviewed and found to have been duly issued and properly recorded. There were no amendments to the Charter during the period of examination.

Bylaws

The Bylaws may be altered or amended at any annual or special meeting of the members. The Company made three (3) amendments to its Bylaws on February 16, 2019. These amendments specified that the Office Manager does not have to be a member of the Board; sales agents and claims adjusters are prohibited from serving on the Board; and the President's term was set to a maximum of six (6) years in succession unless an extension is allowed by the Board.

SERVICE AGREEMENTS

The Company had the following significant service agreements during the period under examination.

Policy Management Services

Automated Insurance Management Systems (AIMS) of Richmond, Virginia provides policy management and premium accounting software and support services to the Company.

Claims Adjustment Services

Charles Baxter provides claims adjustment services on an as-needed basis.

TERRITORY AND PLAN OF OPERATION

TERRITORY

The Department issued the Company's current Certificate of Authority (COA) authorizing the transaction of property insurance business pursuant to Tenn. Code Ann. § 56-22-106(f)(1) on February 6, 2012. The COA is valid until suspended or revoked and allows the Company to transact business operations in Greene County and counties contiguous to Greene County. The Company, as of December 31, 2021, wrote policies in Cocke, Greene, Hamblen, Hawkins, Sullivan, Unicoi, and Washington counties in the State of Tennessee, pursuant to Tenn. Code Ann. § 56-22-106(f)(1).

PLAN OF OPERATION

The Company underwrites property coverage on dwellings, churches, barns, and other buildings, along with their contents, tools and equipment, and farming tools and equipment, against loss by fire, wind, lightning, and extended coverage. Liability coverage, provided by FMT, is also available to the members of the Company if they elect to purchase this additional protection through the Company.

The Company's agents perform a visual inspection, photograph the property, and determine its value prior to the issuance of a policy. The Company's President, Secretary/Treasurer, and District Director approve or reject all policy applications prepared by the agents. The policy is bound upon the President's, Secretary/Treasurer's, and insured's signatures of the completed application and collection of the initial billed premium. The policy is issued upon the signature of the President and Secretary/Treasurer and then mailed to the member.

Policyholders can pay premiums annually, semi-annually, or quarterly, and premiums are first due on the policy anniversary date.

GROWTH OF COMPANY

The following exhibit depicts certain aspects of the growth and financial history of the Company for the period subject to this examination, according to its annual statements filed with the Department:

<u>Year</u>	<u>Gross Premiums Written</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Policyholders' Surplus</u>	<u>Net Income</u>
2021	\$642,029	\$3,385,506	\$418,187	\$2,967,319	\$86,085
2020	\$681,244	\$3,320,555	\$422,746	\$2,897,809	\$358,902
2019	\$737,991	\$2,726,700	\$383,894	\$2,342,806	\$340,424
2018	\$696,304	\$2,447,146	\$442,875	\$2,004,272	\$125,646
2017	\$674,114	\$2,230,397	\$365,929	\$1,864,468	\$392,054

LOSS EXPERIENCE

The following comparative data reflects the loss experience of the Company for the period under examination, as reported by the Company in its annual statements filed with the Department:

<u>Year</u>	<u>Net Premiums Earned</u>	<u>Net Incurred Losses & LAE</u>	<u>Loss Ratio</u>	<u>Other Expenses</u>	<u>Expense Ratio</u>	<u>Combined Ratio</u>
2021	\$542,931	\$281,322	51.82%	\$204,944	37.75%	89.56%
2020	\$585,194	\$70,160	11.99%	\$194,866	33.30%	45.29%
2019	\$636,874	\$142,265	22.34%	\$207,493	32.58%	54.92%
2018	\$583,393	\$319,622	54.79%	\$224,800	38.53%	93.32%
2017	\$598,909	\$103,625	17.30%	\$239,723	40.03%	57.33%

REINSURANCE

Specific and Aggregate Excess of Loss Reinsurance

In accordance with Tenn. Code Ann. §§ 56-22-110 and 56-22-106(d), the Company has maintained Specific and Aggregate Excess of Loss coverage through FMT for the purpose of limiting its exposure on larger risks. Under the terms of the agreement, the Company retains the first \$50,000 of each risk, per occurrence, and reinsures up to \$1,500,000 through a series of three (3) layers of coverage.

The agreement was found to contain such language as recommended by the NAIC and as required for reinsurance credit pursuant to Tenn. Code Ann. § 56-2-207(a)(2). This agreement appears to effectuate proper transfer of risk in accordance with Statement of Statutory Accounting Principles (SSAP) No. 62 and NAIC guidelines. The agreement was found to meet the requirements set forth in Tenn. Code Ann. § 56-22-110.

ACCOUNTS AND RECORDS

During the examination, accounts were verified by various tests and procedures deemed necessary to confirm values for assets and liabilities appearing in the Company's financial statements. General ledger balances were reconciled with the financial statements and were reviewed for completeness of disclosure and conformity to NAIC Accounting Practices and Procedures, as required by Tennessee Compilation of Rules and Regulations ("Tenn. Comp. R. & Regs.") 0780-01-78-.04(1).

During the review of the Company's 2021 Annual Statement, there were numerous issues of non-compliance with the Instructions and Tenn. Code Ann. § 56-22-109 identified. See the "Comments and Recommendations" section in this report.

During the review of the Company's investments, it was noted that the Company had common stock mutual fund investments held by Edward Jones. These mutual funds meet the definition of a security as defined by Tenn. Comp. R. & Regs. 0780-01-46-.01(7) and Uniform Commercial Code Section 8-102(a)(15) and Uniform Commercial Code Section 8-103. However, it was noted that the Company's investments held by Edward Jones were held without a written custodial agreement pursuant to Tenn. Comp. R. & Regs. 0780-01-46-.02. See the "Comments and Recommendation" section later in this report.

In accordance with Tenn. Code Ann. § 56-46-110(c), the Company was exempt from filing a Risk-Based Capital Report.

The Company is not required to have audited financial statements per Tenn. Comp. R. & Regs. 0780-01-78-.04(3), as written premiums are less than \$1,000,000.

The Company was exempt from Tenn. Comp. R. & Regs. 0780-01-78-.04(4), which requires the filing of an actuarial opinion by a qualified actuary with the Commissioner on or before March 1 every year.

The Company's books and records are located in Greeneville, Tennessee.

MARKET CONDUCT ACTIVITIES

In conjunction with this examination, a limited market conduct review was made of the Company, as of December 31, 2021. The following items were addressed:

Operations and Management Standards

Company antifraud initiatives were reviewed to determine if the initiatives are reasonably designed to prevent, detect, or mitigate fraudulent insurance acts as required by Tenn. Code Ann. § 56-53-111(b)(1)(A). Tenn. Code Ann. § 56-53-111(b)(1)(A) requires that all applications for insurance and all claim forms contain a statement that clearly states in substance the following or words to the effect: "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the Company." During the review, it was noted that the Company's applications and claims forms had the required fraud warning statement.

Additionally, the Company's procedures and policies relating to privacy were reviewed to determine compliance with Tenn. Code Ann § 56-8-104(19). No issues were noted.

Underwriting and Rating Standards

During the examination of the Company's underwriting procedures and policy administration, a sample of policies in-force were reviewed for compliance with Tenn. Code Ann. § 56-8-104(7) and Tenn. Comp. R. & Regs. 0780-01-34. No issues were noted.

A sample of canceled and non-renewed policies was reviewed for timely notification and compliance with Tenn. Code Ann. § 56-8-104(7) and Tenn. Comp. R. & Regs. 0780-01-34. No issues were noted.

A sample of the policy forms that were used by the Company during the period of examination was reviewed. All forms and rates were noted as having been filed with the Department prior to use, in accordance with Tenn. Code Ann. § 56-5-105.

Producer Licensing Standards

Tenn. Code Ann. § 56-6-115 requires the Company to sell its products and services through producers who are properly licensed and appointed by the Company. The Company's producer's state-issued license and appointment information was reviewed during the examination for compliance with Tenn. Code Ann. § 56-6-115. No issues were noted.

Marketing and Sales Standards

The Company's products are communicated to potential members via its website, social media, local newspaper, radio, and yellow pages advertisements. Also, the Company's reputation and products are communicated to potential members by the Board and the Company's agents via word of mouth.

Policyholder Services Standards

The Company's timeliness of policy issuance, premium billing, response to policyholder requests, provision of adequate disclosures, and compliance with applicable statutes and rules were examined. The company was found to be in compliance with the relevant market conduct standards.

Claims Handling Standards

Random samples of claims were reviewed for unfair claims practices defined by Tenn. Code Ann. § 56-8-105. Testing included timeliness of contact and resolution, adequacy of claims documentation, and claims handling procedures.

During the review of the Company's claims handling procedures, it was noted that its claims handling procedures do not meet the requirements of Tenn. Code Ann. § 56-8-105, specifically parts three (3), four (4), and eleven (11). See the "Comments and Recommendation" section later in this report.

Complaint Handling Standards

The Company's complaint handling practices were reviewed for compliance with Tenn. Code Ann. § 56-8-104(11), which requires the Company to maintain a complete record of all the complaints it receives. This record shall indicate the total number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of each complaint, and the time to process each complaint. During the review of the Company's complaint handling procedures and register, it was noted that the Company's complaint register does not track the resolution date. See the "Comments and Recommendations" section in this report.

SUBSEQUENT EVENTS

During the examination, a review of subsequent events was performed. No events were noted that required additional disclosure in this examination. Management stated in its Letter of Representation that they were unaware of any events subsequent to December 31, 2021, that could have a material effect on the Company's financial condition.

FINANCIAL STATEMENTS

There follows a statement of assets, liabilities, and a statement of income, as of December 31, 2021, together with a reconciliation of policyholders' surplus for the period under review, as reported by the Company in its 2021 Annual Statement:

	<u>ASSETS</u>		
	<u>Assets</u>	<u>Non-Admitted Assets</u>	<u>Net Admitted Assets</u>
Common stocks	\$1,167,446		\$1,167,446
Properties occupied by the Company	276,819		276,819
Cash and cash equivalents	1,678,397		1,678,397
Premium receivables and agents' balances	252,301		252,301
Interest, dividends, and real estate income due and accrued	1,923		1,923
Electronic data processing equipment and software	<u>8,620</u>	<u>\$0</u>	<u>8,620</u>
Total Admitted Assets	<u>\$3,385,506</u>	<u>\$0</u>	<u>\$3,385,506</u>

LIABILITIES AND POLICYHOLDERS' SURPLUS

Gross losses and claims reported, unpaid	\$2,245
Unearned premiums	277,742
Advance premiums	129,530
Accounts payable and accrued expenses payable	3,792
Taxes, licenses, and fees (excluding federal income taxes)	3,914
Amounts withheld or retained by company for account of others	<u>964</u>
 Total Liabilities	 418,187
 Policyholders' Surplus	 <u>2,967,319</u>
 Total Liabilities and Policyholders' Surplus	 <u>\$3,385,506</u>

STATEMENT OF INCOME

UNDERWRITING INCOME

Net premiums and assessments earned \$542,931

DEDUCTIONS

Net Losses incurred 270,822

Loss expenses incurred including claims adjustment
expenses 10,500

Commissions and brokerage 18,444

Salaries and related items 89,855

Director fees 13,505

Advertising and subscriptions 14,080

Board, bureaus, and association dues 5,323

Employee relations and welfare 2,780

Insurance and fidelity bonds 3,962

Cost or Depreciation of EDP equipment and software 1,797

Printing and stationery 10,562

Postage, telephone, and telegraph 5,534

Legal and auditing fees 4,810

Taxes, licenses, and fees 18,251

Real estate expenses and repairs 5,793

Real estate taxes 3,426

Aggregate write-ins for underwriting expenses 6,822

Total underwriting expenses incurred 204,944

Total underwriting deductions 486,266

Net underwriting gain (loss) 56,665

INVESTMENT INCOME

Net investment income earned 19,190

Net investment gain (loss) 19,190

OTHER INCOME

Aggregate write-ins for miscellaneous income 13,002

Total other income 13,002

Net income after dividends to policyholders and before
federal income taxes 88,857

Federal income taxes incurred 2,772

Net Income **\$86,085**

POLICYHOLDERS' SURPLUS ACCOUNT

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Policyholders' Surplus December 31, previous year	<u>\$2,897,809</u>	<u>\$2,342,806</u>	<u>\$2,004,272</u>	<u>\$1,864,468</u>	<u>\$1,478,676</u>
Net income or (loss)	86,085	358,902	340,424	125,646	392,054
Change in net unrealized capital gains or (losses)	(16,575)	4,887	1,546	0	0
Change in non-admitted assets from prior year	<u>0</u>	<u>191,214</u>	<u>(3,436)</u>	<u>14,158</u>	<u>(6,262)</u>
Net change in capital and surplus for the year	<u>69,510</u>	<u>555,003</u>	<u>338,534</u>	<u>139,804</u>	<u>385,792</u>
Policyholders' Surplus December 31, current year	<u>\$2,967,319</u>	<u>\$2,897,809</u>	<u>\$2,342,806</u>	<u>\$2,004,272</u>	<u>\$1,864,468</u>

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

Total Policyholders' Surplus

\$2,967,319

Total policyholders' surplus, as established by this examination, is the same as what was reported by the Company in its 2021 Annual Statement. There were no changes made to any asset or liability item as a result of the examination performed as of December 31, 2021.

COMMENTS AND RECOMMENDATIONS

Comments

1. As noted in the "Management and Control" section of this report, the Company does not require conflict of interest disclosure forms to be completed by directors, officers, or employees.

As a good business practice and to evidence compliance with Tenn. Code Ann. § 56-3-103, it is suggested that the Company require annual disclosures of conflicts or potential conflicts of interest.

Recommendations

1. As noted in the "Management and Control" section of this report, the Company could not provide all of its Committee meeting minutes for the examination period. This is not in compliance with Tenn. Code Ann. § 48-66-101(a).

It is recommended that the Company comply with Tenn. Code Ann. § 48-66-101(a).

2. As noted in the "Accounts and Records" section of this report, there were numerous issues of non-compliance with the *Annual Statement Instructions for Tennessee County Mutual Insurers* ("Instructions") and Tenn. Code Ann. § 56-22-109 identified in the Company's 2021 Annual Statement.

It is recommended that the Company comply with the Instructions and Tenn. Code Ann. § 56-22-109.

3. As noted in the “Accounts and Records” section of this report, the Company had common stock mutual fund investments held by Edward Jones without a written custodial agreement, as required pursuant to Tenn. Comp. R. & Regs. 0780-01-46-.02.

It is recommended that the Company comply with Tenn. Comp. R. & Regs. 0780-01-46-.02.

4. As noted in the “Market Conduct” section of this report, the Company’s claims handling procedures do not meet the requirements of Tenn. Code Ann. § 56-8-105, specifically parts three (3), four (4), and eleven (11).

It is recommended that the Company comply with Tenn. Code Ann. § 56-8-105.

5. As noted in the “Compliance with Previous Examination Findings” and “Market Conduct” section of this report, the Company’s record of complaints did not meet the requirements of Tenn. Code Ann. § 56-8-104(11).

It is recommended that the Company comply with Tenn. Code Ann. § 56-8-104(11).

CONCLUSION

Rules and procedures as prescribed by the statutes of the State of Tennessee and guidance from the NAIC Handbook, as deemed appropriate, have been followed in connection with the verification and valuation of assets and the determination of liabilities of Farmers Mutual Insurance Company of Greene County, Tennessee.

In such manner, it was found that as of December 31, 2021, the Company had admitted assets of \$3,385,506, and liabilities, exclusive of policyholders' surplus, of \$418,187. Thus, there existed for the additional protection of the policyholders, the amount of \$2,967,319 in the form of policyholders' surplus. Tenn. Code Ann. § 56-22-105(c) requires an insurer of this Company's type to maintain a minimum surplus of \$200,000. For this examination, as of December 31, 2021, the Company maintains surplus sufficient to satisfy that requirement.

The courteous cooperation of the officers and employees of the Company, extended during the course of the examination, is hereby acknowledged.

In addition to the undersigned, Dustin Rice, Examiner, and Jay Uselton, CFE, Supervising Examiner, from the State of Tennessee, participated in the work of this examination.

Respectfully submitted,



James Pearce
Examiner-in-Charge
Tennessee Department of Commerce and Insurance

AFFIDAVIT

The undersigned deposes and says that he has duly executed the attached examination report of Farmers Mutual Insurance Company of Greene County, Tennessee, located in Greeneville, Tennessee, dated May 11, 2023, and made as of December 31, 2021, on behalf of the Tennessee Department of Commerce and Insurance. Deponent further says he is familiar with such instrument and the contents thereof, and the facts therein set forth are true to the best of his knowledge, information, and belief.

James Pearce

James Pearce
Examiner-in-Charge
State of Tennessee

State Tennessee

County Davidson

Subscribed to and sworn before me

this 9th day of June, 2023

Linda Merriweather

(NOTARY)

My Commission Expires: March 15, 2025



EXHIBIT B

**GREENE COUNTY FARMERS
MUTUAL
INSURANCE CO.**

JUNE 15, 2023

E. Joy Little
Director of Financial Examinations/Chief Examiner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-1135

**RE: Report of Examination – Farmers Mutual Insurance Company of Greene
County, Tennessee**

Dear Ms. Little:

We hereby acknowledge receipt of the final Report of Examination for Farmers Mutual Insurance Company of Greene County, Tennessee, made as of December 31, 2021.

By signing below, we indicate acceptance of the report, as transmitted, and without rebuttal.

Sincerely,



Johnny Ottinger
President