

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE**

IN THE MATTER OF:

**McMINN COUNTY FARMERS MUTUAL FIRE
INSURANCE COMPANY**

)
)
)
)
)
)

No.: 08-117

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVES

Pursuant to TENN. CODE ANN. §§ 56-22-101, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (“Division”) has examined certain affairs of McMinn County Farmers Mutual Fire Insurance Company (“Company”), a county mutual insurance company insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December, 2006, the examiner-in-charge filed with the Division, on the 2nd day of June, 2008, a verified, written report on the examination, and a copy of that report has been sent to McMinn County Farmers Mutual Fire Insurance Company. (The Report on Examination of McMinn County Farmers Mutual Fire Insurance Company is attached hereto as Exhibit A). The Division received a written rebuttal to said examination report from the Company on June 18, 2008. (A copy of the Company’s written rebuttal is attached hereto as Exhibit B).

Pursuant to TENN. CODE ANN. § 56-1-411, said examination report regarding the affairs of McMinn County Farmers Mutual Fire Insurance Company filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 2nd day of June, 2008, 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 excluding premiums collected on behalf of other insurance companies from annual statements filed with the Division in accordance with National Association of Insurance Commissioners accounting procedures.
2. The Company is further **DIRECTED** to comply with TENN. CODE ANN. § 56-22-109(a)(4) by report all uncollected premium balances over ninety (90) days past due as non-admitted assets on annual statements filed with the Division in accordance with National Association of Insurance Commissioners accounting procedures.

The adoption of this examination report shall not preclude the Department from imposing sanctions against McMinn County Farmers Mutual Fire 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 24th day of June, 2008.

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

PREPARED FOR ENTRY:



Karen L. Heidel (BPR # 024484)

Staff Attorney

Tennessee Department of Commerce and Insurance

500 James Robertson Parkway


Davy Crockett Tower, Twelfth Floor

Nashville, Tennessee 37243

(615) 741-2199

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, James T. Pearce, Examiner-in-Charge, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to McMinn County Farmers Mutual Fire Insurance Company, at the address of 403 West Madison Avenue, Athens, Tennessee, 37303; on this the 26th day of June, 2008.



Karen L. Heidel
Certifying Attorney