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

IN THE MATTER OF:	)	
	)	
	)	**No.: 08-112**
BLOUNT COUNTY MUTUAL FIRE INSURANCE COMPANY	)	
	)	

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 Blount County 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 Blount County Mutual Fire Insurance Company. (The Report on Examination of Blount County Mutual Fire Insurance Company is attached hereto as Exhibit A). The Division received no written rebuttal to said examination report from the Company.

Pursuant to TENN. CODE ANN. § 56-1-411, said examination report regarding the affairs of Blount County 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 office furniture and equipment from its admitted assets on annual statements filed with the Division in accordance with the National Association of Insurance Commissioners accounting standards.

2. The Company is further **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 Department in accordance with National Association of Insurance Commissioners accounting procedures.

3. The Company is **DIRECTED** to comply with TENN. CODE ANN. § 56-22-109(b)(1) by setting premiums in accordance with rates filed and approved by the Division, and by filing future rate changes at least thirty (30) days before the proposed effective date, pursuant to Tenn. Code Ann. § 56-5-305.

The adoption of this examination report shall not preclude the Department from imposing sanctions against Blount County 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:

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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 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 Blount County Mutual Fire Insurance Company, at the address of 319 Sanderson Street, Alcoa, Tennessee 37701; on this the 26th day of June, 2008.

Karen L. Heidel
Certifying Attorney