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

IN THE MATTER OF:	)	
	)	
FARMERS MUTUAL FIRE INSURANCE COMPANY OF GREENE COUNTY, TENNESSEE	)	**No.: 13-081**
	)	

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVES

Pursuant to Tenn. Code Ann. § 56-1-401 *et seq.*, and 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 Farmers Mutual Fire Insurance Company of Greene County, Tennessee ("Company"), an insurance company domiciled in the state of Tennessee. As a result of an examination conducted as of the 31st day of December 2011, the examiner-in-charge filed with the Division, on the 3rd day of June 2013, a verified, written report on the examination, and a copy of that report has been sent to the Company. (The Report on Examination of Farmers Mutual Fire Insurance Company of Greene County, Tennessee is attached hereto and marked as Exhibit A.) The Division received a response regarding the report from the Company on June 14, 2013. (The written response submitted by the Company is attached hereto and marked as Exhibit B.)

Pursuant to Tenn. Code Ann. § 56-22-115, said examination report regarding the affairs of Farmers Mutual Fire Insurance Company of Greene County, Tennessee filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 3rd day of June 2013 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 uncollected installment premium balances that are

less than 90 days past due as an asset in accordance with the National Association of Insurance Commissioners ("NAIC") Statements of Statutory Accounting Principles ("SSAP") Number ("No.") 4.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for premium receivables over 90 days past due as non-admitted assets, net of unearned premium, in accordance with the NAIC SSAP No. 6.
3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for written, earned and unearned premium for each policy in accordance with NAIC SSAP No. 53.
4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for ceded reinsurance premiums payables in accordance with NAIC SSAP No. 62.
5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for federal income taxes payable in accordance with NAIC SSAP No. 101.
6. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by accounting for premium held by the Company on behalf of other insurance companies in accordance with NAIC SSAP No. 67.

The company shall comply with the Directives contained in this Order within 30 days of its entry.

The adoption of this examination report shall not preclude the Department from imposing sanctions against Farmers Mutual Fire Insurance Company of Greene County, Tennessee for

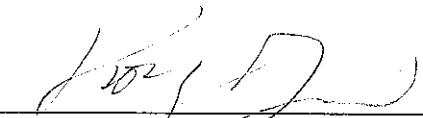
potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 1st day of July, 2013.

Julie Mix McPeak, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:



Tony Greer (BPR #023657)
Chief Counsel for Insurance and TennCare Oversight
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Tower, 8th Floor
Nashville, Tennessee 37243
(615) 253-7847

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report has been messenger mailed to: Chlora Lindley-Myers, Deputy Commissioner, Department of Commerce and Insurance; James York, Insurance Examinations Director, Department of Commerce and Insurance; Mark Jaquish, Insurance Analysis Director, Department of Commerce and Insurance; and mailed first class, postage prepaid, to Farmers Mutual Fire Insurance Company of Greene County, Tennessee, 110 South Main Street,

Greeneville, Tennessee 37743, on this the 2nd day of July 2013.

Tony Greer