

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

**IN THE MATTER OF:**

**MCMINN COUNTY FARMERS MUTUAL  
INSURANCE COMPANY**

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**TID No.: 22-045**

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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 McMinn County Farmers Mutual Insurance Company (“Company”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of December 31, 2020, the examiner-in-charge filed a verified, written report on the examination with the Division on March 11, 2022. 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 Company informally responded to the examination in rebuttal of certain matters contained in the examination report as permitted by Tenn. Code Ann. § 56-1-411(d)(1).

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

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-1-411(b)(1) by providing free and convenient access to all books, records, documents, and any and all papers relating to the property, assets, business, and affairs of the Company.

2. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109 and the Annual Statement Instructions for Tennessee County Mutual Insurers (“Instructions”) to

ensure accurate annual statements.

3. The Company is **DIRECTED** to comply with NAIC SSAP – No. 40R by having an appraisal performed on its real estate at least every five (5) years.

4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-405(1), by correctly admitting its real estate investments in accordance with law which limits the Company from having more than ten percent (10%) of its admitted assets in real estate investments.

5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109 by filing its annual and quarterly filings in a timely manner

6. 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.


7. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-8-104(10) by ensuring that its claims' documentation is adequately documented.

8. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-103(a) by ensuring that no director or officer of the Company accept, or be the beneficiary of, either directly or remotely, any gift, or other consideration for or on account of any purchase, sale, payment, or exchange made by or in behalf of the company, or be pecuniarily interested in the purchase, sale, or loan, either as borrower, principal, coprincipal, agent, or beneficiary.

The adoption of this examination report shall not preclude the Department from imposing sanctions against the Company for potential violations of Tennessee insurance law which may be revealed in the examination report, it being the intent of this Order merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

**ENTERED AND EXECUTED** June 20, 2022.

  
Carter Lawrence (Jun 20, 2022 14:56 MDT)

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Carter Lawrence, Commissioner  
Department of Commerce and Insurance  
State of Tennessee

**PREPARED FOR ENTRY:**

  
Jenny Taylor (Jun 16, 2022 09:55 CDT)

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Jenny Taylor, BPR #027264  
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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 Bill Huddleston, Assistant Commissioner for Insurance, Department of Commerce and Insurance at bill.huddleston@tn.gov; and mailed first class, postage prepaid, to McMinn County Farmers Mutual Insurance Company, 403 West Madison Avenue, Athens, Tennessee 37303 on June 21, 2022.

*Jenny Taylor*

Jenny Taylor (Jun 16, 2022 09:55 CDT)

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Jenny Taylor  
Associate General Counsel and  
Supervising Attorney