

**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.: 18-083

ORDER ADOPTING EXAMINATION REPORT

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, 2016, the examiner-in-charge filed a verified, written report on the examination with the Division on April 9, 2018. A copy of that report was sent to the Company. (The Report on Examination of McMinn County Farmers Mutual Insurance Company is attached hereto and marked as Exhibit A.) The Division received a response regarding the report from the Company dated June 26, 2018. (The written response submitted by the Company is attached hereto and marked as Exhibit B.)

Pursuant to Tenn. Code Ann. § 56-1-411, the examination report regarding the affairs of the Company filed with the Division on April 9, 2018, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-7-1901 by mailing or delivering policy cancellation notices for all cancellations.

2. 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, securities, documents, and any and all papers relating to the property, assets, business, and affairs of the Company.
3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(b)(1) by filing all rating, policy form, and Bylaws amendments affecting policy provisions with the Department.
4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-22-109(a)(4) by filing all amendments to its Bylaws with the Department.
5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-6-106(b) by discontinuing the practice of acting as an insurance producer.
6. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-6-113(b) by discontinuing the practice of accepting commissions on liability policies sold.
7. The Company is **DIRECTED** to discontinue the practice of accepting premium payments for Farmers Mutual of Tennessee's (FMT) liability policies in the same check or online transaction as payment of its premiums.

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

The adoption of this examination report shall not preclude the Department from imposing sanctions against the 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 merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 29 day of June, 2018.



Julie Mix McPeak, 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 has been messenger mailed to: Lorrie K. Brouse, Deputy Commissioner and General Counsel, Department of Commerce and Insurance; and Joy Little, Insurance Examinations Director/Chief Examiner, Department of Commerce and Insurance; and mailed first class, postage prepaid, to McMinn County Farmers Mutual Insurance Company, 403 West Madison Avenue, Post Office Box 321, Athens, Tennessee 37303, on this the 29th day of June 2018.

Patrick Merkel by D&C
Patrick Merkel