BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF
THE REPORT OF EXAMINATION
OF WASHINGTON COUNTY
FARMERS MUTUAL FIRE
INSURANCE COMPANY

A.I.D. NO. 2011- 026

ADOPTION ORDER

Now on this day the matter of the Report of Examination ("Report") as of December 31, 2009 of Washington County Farmers Mutual Fire Insurance Company, Inc. ("Company") of Fayetteville, Arkansas, Farmers' Mutual Aid Association No. A0023, is taken under consideration by Jay Bradford, Insurance Commissioner for the State of Arkansas ("Commissioner"), as presented by Associate Counsel, Amanda Capps Rose, and the Finance Division of the Arkansas Insurance Department ("Department"). From the facts, matters and other things before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the Company and the subject matter involved herein.

2. The Company is an Arkansas-domiciled Farmers' Mutual Aid Association, FMAA No. A0023.

3. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, the Commissioner authorized and directed the Department to conduct a regular examination of the affairs, transactions, accounts, records, and assets of the Company as of December 31, 2009.

4. Said examination was commenced by the Department on September 6, 2010 and completed on December 31, 2010.

5. The verified Report of Examination was filed with the Department on February 28, 2011. It was then mailed to the Company via certified mail on March 1, 2011. The Company received the Report on March 4, 2011, according to the tracking service available through the United States Postal Service.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact, the Commissioner makes the following Conclusions of Law:

1. The Commissioner and the Department have jurisdiction over the parties and the subject matter contained herein.

2. This Adoption Order has been properly entered in accordance with the Arkansas Insurance Code and Department Rules.

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-61-205 and other provisions of the Arkansas Insurance Code, the Commissioner hereby orders:

1. That the Examination Report, as filed with the Department, is hereby adopted;

2. That the Department shall forward a copy of this Adoption Order and the adopted Examination Report, as filed, to the Company via certified mail. The mailing to the Company shall include specimen affidavit forms for the Company's Board of Directors to use in acknowledgement of receipt of the adopted Report of Examination and this Adoption Order;

3. That within twenty (20) days of receipt of this Adoption Order and the adopted Examination Report, the Company shall file with the Department affidavits

executed by each one of its directors, stating under oath or affirmation that each has received a copy of this Adoption Order and the adopted Examination Report; and

4. That the adopted Examination Report shall be open for public inspection upon the expiration of thirty (30) days from the Company's receipt of this Adoption Order.

IT IS SO ORDERED this 11th day of April, 2011.

JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS