

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF
THE REPORT OF EXAMINATION
OF FARMERS PROTECTIVE MUTUAL
INSURANCE COMPANY, INC.**

A.I.D. NO. 2020- 40

ADOPTION ORDER

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2018, of Farmers Protective Mutual Insurance Company, Inc. (“Company”) of Rogers, Arkansas, NAIC Number 14247, is taken under consideration by Alan McClain, 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 Company is an Arkansas-domiciled Farmers’ Mutual Aid Association, NAIC Number 14247.
2. 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, 2018.
3. Said examination was commenced by the Department on November 8, 2019, and completed on March 27, 2020.
4. The verified Report was filed with the Department on May 5, 2020. It was then mailed to the Company via certified mail on May 6, 2020. The Company received

the Report on May 8, 2020, according to the tracking service available through the United States Postal Service.

5. The Company has failed to provide ten (10) days' notice of cancellation for nonpayment of premium by an insured.

6. The Company submitted correspondence dated May 20, 2020, accepting the Report as written and is waiving the remainder of the thirty (30) day review period.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact, the Commissioner makes the following 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.

3. The Company's failure to provide ten (10) days' notice of cancellation for nonpayment of premium by an insured is a violation of Ark. Code Ann. § 23-66-206(9).

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 Company shall provide at least ten (10) days' notice to its insureds of any cancellation due to nonpayment of premium;

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

3. That the Department shall forward a copy of this Adoption Order and the adopted 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 and this Adoption Order;

4. That the Company must provide ten (10) days' notice of cancellation for nonpayment of premium in accordance with Ark. Code Ann. § 23-66-206(9).

5. That within twenty (20) days of receipt of this Adoption Order and the adopted 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 Report; and

6. That the adopted 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 9th day of June, 2020.


ALAN McCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS