

**PROCEEDINGS BEFORE ANDREW PAULEY  
ACTING INSURANCE COMMISSIONER  
OF THE STATE OF WEST VIRGINIA**

**IN RE: PAN-HANDLE FARMERS MUTUAL  
INSURANCE COMPANY OF WEST VIRGINIA**

**Administrative Proceeding No.: 17-AP-FINCON-02003**

**AGREED ORDER ADOPTING REPORT OF FINANCIAL  
EXAMINATION AND DIRECTING ACTION**

COMES NOW Andrew Pauley, Acting Insurance Commissioner of the State of West Virginia, and issues this Agreed Order which adopts the Report of Financial Examination as of December 31, 2015, of Pan-Handle Farmers Mutual Insurance Company of West Virginia (hereinafter sometimes referred to as "Company") based upon the following findings, to wit:

**JURISDICTION**

1. Andrew Pauley is the Acting Insurance Commissioner of the State of West Virginia (hereinafter the "Insurance Commissioner") and is charged with the duty of administering and enforcing the provisions of Chapter 33 of the West Virginia Code of 1931, as amended.

2. The Company is authorized by the Insurance Commissioner to transact the business of insurance as Pan-Handle Farmers Mutual Insurance Company of West Virginia under the provisions of Chapter 33, Article 22 of the West Virginia Code. The Company was incorporated on February 28, 1898. The Company writes non-assessable homeowners, mobile homeowners, standard fire, and business owners.

**FINDINGS OF FACT**

1. An examination of the financial condition and operational affairs of the Company for period beginning January 1, 2012 and ending December 31, 2015, was conducted in accordance with West Virginia Code §33-2-9(c) by the Insurance Commissioner.

2. On January 13, 2017, the examiner filed a Report of Financial Examination with the Insurance Commissioner pursuant to W.Va. Code § 33-2-9(j)(2). A copy of the Report of Financial Examination is attached hereto as Exhibit A and incorporated herein as if set forth in full.

3. On or about March 13, 2017, a true and accurate copy of the Report of Financial Examination was forwarded to the Company.

4. Pursuant to W.Va. Code § 33-2-9(j)(2), the Company was notified and afforded a period of thirty (30) days after receipt of the Report of Financial Examination within which to make a submission, rebuttal, or objection concerning any matter contained in the report.

5. By letter dated March 20, 2017, the Company indicated that it had reviewed the Report of Financial Examination and concurred with the findings set forth therein. A copy of the Company's letter of March 20, 2017, is attached hereto as Exhibit B.

### **CONCLUSIONS OF LAW**

W.Va. Code § 33-2-9(j)(3)(A) provides that following a review of the Report of Financial Examination, the examination work papers and any written submission, rebuttal or objection, the Insurance Commissioner shall enter an ORDER adopting the Report of Financial Examination as filed or with modifications or corrections.

### **ORDER**

Accordingly, it is therefore AGREED by the Parties and ORDERED as follows:

1. That the Report of Financial Examination of the Company, attached hereto as Exhibit A, is ADOPTED and APPROVED by the Insurance Commissioner.

2. That a copy of this Agreed Order Adopting Report of Financial Examination and Directing Action and the Report of Financial Examination shall be mailed to the Company, via certified mail, return receipt, upon entry by the Insurance Commissioner.

3. That the Company shall file with the Insurance Commissioner, within thirty (30)

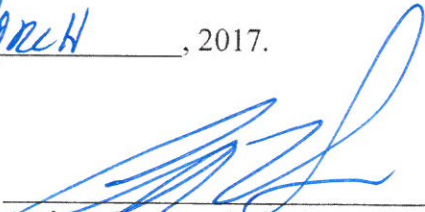
days of the issuance of this Agreed Order, affidavits executed by each of its directors stating under oath that they have received a copy of the Report of Financial Examination and a copy of this Agreed Order Adopting Report of Financial Examination and Directing Action in accordance with W.Va. Code § 33-2-9(j)(4).

4. That the Company take whatever actions are required to comply with the recommendations set forth in the Report of Financial Examination, if any, and shall demonstrate compliance to the satisfaction of the Insurance Commissioner, if necessary.

5. That the Company waives any right to any notice, administrative hearing or appeal therefrom for the actions taken by the Insurance Commissioner herein this Agreed Order Adopting Report of Financial Examination and Directing Action. The Company reserves its rights to notice, administrative hearing or appeal for any future enforcement actions taken by the Commissioner that might result from this Agreed Order, if any.

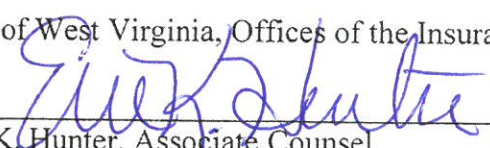
6. That this matter be dismissed from the administrative docket of the Insurance Commissioner.

Entered this 30<sup>th</sup> day of MARCH, 2017.

  
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Andrew Pauley, Acting Insurance Commissioner  
State of West Virginia

THE PARTIES DO SO AGREE:

State of West Virginia, Offices of the Insurance Commissioner

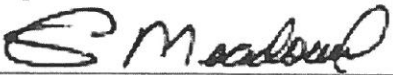
By:   
Erin K. Hunter, Associate Counsel

3/30/17  
Date

Pan-Handle Farmers Mutual Insurance Company of West Virginia

By: Art Meadows

[Print Name]

Signed: 

Its: President/CEO

Date: March 30, 2017