

BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER  
OF THE STATE OF WEST VIRGINIA

*In the Matter of:*

**PAN HANDLE FARMERS MUTUAL INSURANCE COMPANY (NAIC #10904)**

ADMINISTRATIVE PROCEEDING NO. 22-IC-02196

ORDER ADOPTING REPORT OF FINANCIAL EXAMINATION

NOW COMES, Allan L. McVey, Insurance Commissioner of the State of West Virginia (hereinafter, “Commissioner”), who, after consideration of the Report of Financial Examination (hereinafter, the “Examination Report”) of Pan Handle Farmers Mutual Insurance Company (hereinafter referred to as “Company” or “PFMIC”), as of December 31, 2020, made the following findings of fact, conclusions of law and order.

FINDINGS OF FACT

1. The Company was incorporated on February 28, 1898, as an assessable mutual company in the State of West Virginia in accordance with *West Virginia Code* §33-22-1 through 19 and began business on February 10, 1898. The Company is authorized to transact business as a farmers’ mutual fire insurance company under the provisions of Article 22 of Chapter 33 of the *West Virginia Code*. The Company writes non-assessable homeowners, mobile homeowners, standard fire, and business owners insurance.

2. An examination of the financial condition and operational affairs of the Company for the five (5) year period beginning January 1, 2016, and ending December 31, 2020, was conducted in accordance with *West Virginia Code* §33-2-9(c) by the Insurance Commissioner.

3. On June 9, 2022, the examiner filed a Report of Financial Examination with the

Insurance Commissioner pursuant to *West Virginia 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.

4. On June 9, 2022, a true and accurate copy of the Report of Financial Examination was mailed to Chris Anderson, CEO of PFMIC. A copy of the Letter dated June 9, 2022, is attached hereto as Exhibit B.

5. Pursuant to *West Virginia Code* §33-2-9(j)(2), the Company, by letter dated June 9, 2022, Exhibit B, was notified and afforded a period of ten (10) days, after receipt of the Report of Financial Examination, to make a submission, rebuttal, or objection concerning any matter contained in the Report.

6. By letter dated June 22, 2022, Chris Anderson, acknowledged that he had reviewed the Report of Financial Examination and did not materially dispute the findings of the examination. A copy of the Company's letter of June 22, 2022, is attached hereto as Exhibit C.

#### CONCLUSIONS OF LAW

1. The Insurance Commissioner 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 organized pursuant to provisions of Article 22, Chapter 33 of the *West Virginia Code*.

3. *West Virginia Code* § 33-2-9(j)(2) provides that no later than sixty (60) days following completion of the examination, the examiner in charge shall file with the Insurance Commissioner a verified, written Report of Financial Examination under oath, and, upon receipt of the verified report, the Insurance Commissioner shall transmit the Report of Financial Examination to the Company with a notice that shall afford the Company a reasonable opportunity, of not more than thirty (30) days, to make a written submission or rebuttal.

4. *West Virginia Code* §33-2-9(j)(3) provides that within thirty (30) days of the end of the period allowed for the receipt of written submissions or rebuttals the Insurance Commissioner shall fully consider and review the Report of Financial Examination, together with any written submissions or rebuttals, and shall enter an ORDER adopting the Report of Financial Examination as filed, or with modifications or corrections, enter an ORDER rejecting the Report of Financial Examination with directions to the examiners to reopen the examination or call for an investigatory hearing.

#### ORDER

It is therefore **ORDERED** as follows:

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

2. A copy of this *Order Adopting Report of Financial Examination* and the Report of Financial Examination shall be mailed to the Company via certified mail, return receipt requested, upon entry by the Insurance Commissioner.

3. The Company shall file with the Insurance Commissioner, within thirty (30) days of the issuance of this 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 *Order Adopting Report of Financial Examination* in accordance with *West Virginia Code* §33-2-9(j)(4).

4. 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. Inasmuch as orders entered by the Insurance Commissioner are subject to judicial review as set forth in *West Virginia Code* §33-2-14, any person aggrieved by any such order may,

within thirty (30) days after the order has been mailed or delivered to the persons entitled to receive the same, file an appeal in and with the Circuit Court of Kanawha County, West Virginia.

Entered this 23<sup>rd</sup> day of June 2022.



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Allan L. McVey  
CPCU, ARM, AAI, AAM, AIS  
Insurance Commissioner