

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

In the Matter of:

Municipal Mutual Insurance Company (NAIC # 14656)

Administrative Proceeding No. 23-IC-15645

ORDER ASSESSING CIVIL PENALTIES

The undersigned, Allan L. McVey, is the Insurance Commissioner (“Commissioner”) of the State of West Virginia, Offices of the Insurance Commissioner (“OIC”), and is charged with enforcing Chapter 33 of the *West Virginia Code*. Municipal Mutual Insurance Company (“MMIC”), a West Virginia domiciled insurance company, is licensed to transact business as a Farmers Mutual Fire Insurance Company in the State of West Virginia, pursuant to *West Virginia Code* §§33-22-1 through 33-22-19, under a Certificate of Authority (“COA”) issued by the Insurance Commissioner. MMIC is subject to licensing under Article 3, Chapter 33 of the *West Virginia Code*, related legislative rules and the authority of the Commissioner, as a foreign insurance company.

MMIC failed to file and submit a complete audited annual financial statement prior to the statutory due date, as required by *West Virginia Code* §33-33-3. The aforementioned items were required to be submitted to the OIC no later than June 1, 2023.

MMIC requested an extension of 60 days from the filing date of June 1, 2023, pursuant to *West Virginia Code* §33-33-3(b). The OIC granted the extension with an extended due date of August 1, 2023.

MMIC failed to file the audited financial statement by the extended August 1, 2023, deadline.

West Virginia Code §33-3-11 provides that the Commissioner may, after notice and hearing, refuse to renew, or may revoke or suspend the license of an insurer, if the insurer violates


any provision of Chapter 33 other than those as to which refusal, suspension or revocation is mandatory or fails to comply with any lawful rule, regulation or order of the Commissioner. However, *West Virginia Code* §33-3-11(b) provides that, in lieu of taking action under *West Virginia Code* §33-3-11(a), in any case except where such action is mandatory, the Commissioner may, by order, require the insurer to pay a penalty in a sum not exceeding Ten Thousand Dollars (\$10,000.00).

The Commissioner hereby finds and concludes that MMIC violated *West Virginia Code* §33-3-3 by failing to timely file the required audited financial statement.

It is, therefore, **ORDERED** that a civil penalty in the amount of Three Thousand Dollars (\$3,000.00) be, and it is, hereby, assessed against MMIC, for the aforesaid violations. It is further **ORDERED** that the civil penalty, totaling Three Thousand Dollars (\$3,000.00), shall be paid within 30 days after notice of this Order.

Pursuant to *West Virginia Code* §33-3-11(b), if MMIC fails to pay such penalty within 30 days after notice of this Order, the company's license will be subject to revocation or suspension. Further, pursuant to the *West Virginia Code* §33-2-13, should MMIC feel aggrieved by this Order, it may make a written demand to the Commissioner for hearing in this matter. Such a demand shall specify the grounds to be relied upon as a basis for the relief to be requested at the hearing.

ENTERED this 1ST day of September 2023.


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