

DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:)
)
 FARM BUREAU TOWN & COUNTRY) **Market Conduct Investigation No. 352718**
 INSURANCE COMPANY OF MISSOURI)
 (NAIC #26859))

ORDER OF THE DIRECTOR

NOW, on this 13th day of May, 2021, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and Farm Bureau Town & Country Insurance Company of Missouri (NAIC #26859) (hereinafter “Farm Bureau”), relating to the market conduct investigation no. 352718, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ is in the public interest.

IT IS THEREFORE ORDERED that Farm Bureau and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Farm Bureau shall not engage in any of the violations of law and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016, as amended, or to the Code of State Regulations, 2020, as amended.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 13th day of May, 2021.



Chlora Lindley-Myers
Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:

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) **Market Conduct Investigation No. 352718**
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**FARM BUREAU TOWN & COUNTRY
INSURANCE COMPANY OF MISSOURI
(NAIC #26859)**

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Farm Bureau Town & Country Insurance Company of Missouri (NAIC #26859) (hereinafter “Farm Bureau”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter “the Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, Farm Bureau has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of Farm Bureau, investigation #352718; and

WHEREAS, based on the market conduct investigation of Farm Bureau, the Division alleges that:

1. In four instances, Farm Bureau did not maintain adequate documentation in claim files so as to show clearly the inception, handling and disposition of the claims in violation of §374.205.2(2)¹ and 20 CSR 100-8.040(3)(B).

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended or to the Code of State Regulations, 2020, as amended.

WHEREAS, the Division and Farm Bureau have agreed to resolve the issues raised in the market conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Action by Farm Bureau.** Farm Bureau agrees to comply with the statutes and regulations of Missouri and agrees to take the following actions to address the issues noted in the market conduct investigation:

1. Farm Bureau agrees to maintain claim files to clearly show the inception, handling, and disposition of each claim by ensuring that log notes are adequate, complete, and entered in a timely manner, that pertinent events of the claim including copies of any communication (written or oral) related to the handling of the claim and the date the completion invoice is received from the insured are documented and maintained in the claim file.

C. **Compliance.** Farm Bureau agrees to file documentation with the Division, in a format acceptable to the Division, within 20 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation. Such documentation is provided pursuant to §374.190.

D. **Penalties.** The Division agrees that it will not seek penalties against Farm Bureau in connection with market conduct investigation #352718.

E. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Farm Bureau, this Stipulation being part of a compromise settlement to resolve disputed

factual and legal allegations arising out of the above-referenced market conduct investigation.

F. **Waivers.** Farm Bureau, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the above-referenced market conduct investigation.

G. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and Farm Bureau.

H. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge, and warrant that they are authorized to sign this Stipulation, on behalf of the Division and Farm Bureau respectively.

J. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution and delivery of this Stipulation by facsimile or by an electronically transmitted signature shall be fully and legally effective and binding.

K. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director of the Department (hereinafter the "Director") approving this Stipulation.

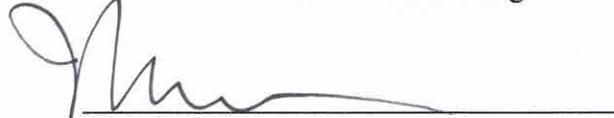
L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 5-4-2021



Stewart Freilich
Chief Market Conduct Examiner and
Senior Counsel
Division of Insurance Market Regulation

DATED: 5/4/2021



Nick Schollmeyer
Senior Director
Farm Bureau Town & Country Insurance
Company of Missouri