STATE OF INDIANA	)	BEFORE THE INDIANA
	) SS:	
COUNTY OF MARION	)	COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Mutual Fire Insurance Company of French Township)
422 North 300 East)
Decatur, Indiana 46733)

Examination of: **Mutual Fire Insurance Company of French Township**

NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Holly W. Lambert, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Mutual Fire Insurance Company of French Township, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on May 4, 2026, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of Mutual Fire Insurance Company of French Township shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

6/8/2026
Date

Roy Eft
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 7004 1160 0000 3835 5526

STATE OF INDIANA	)	BEFORE THE INDIANA
	) SS:	
COUNTY OF MARION	)	COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Mutual Fire Insurance Company of French Township)
422 North 300 East)
Decatur, Indiana 46733)

Examination of: **Mutual Fire Insurance Company of French Township**

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Mutual Fire Insurance Company of French Township (hereinafter "Company") for the time period January 1, 2019 through December 31, 2023.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on February 23, 2026.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on May 4, 2026 and was received by the Company on May 14, 2026.

The Company did not file any objections.

NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS:**

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the Mutual Fire Insurance Company of French Township as of December 31, 2023.
2. That the Examiner's Recommendations are reasonable and necessary in order for the Mutual Fire Insurance Company of French Township to comply with the laws of the State of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.

2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.

3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 8th day of June, 2026.

Holly W. Lambert
Insurance Commissioner
Indiana Department of Insurance

ABOUT AFFIRMATIONS

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

STATE OF INDIANA

Department of Insurance

REPORT OF EXAMINATION

OF

MUTUAL FIRE INSURANCE COMPANY OF FRENCH TOWNSHIP

NAIC CO. CODE 92318

As of

December 31, 2023

TABLE OF CONTENTS

STATE OF INDIANA

MIKE BRAUN, GOVERNOR

Indiana Department of Insurance
Holly W. Lambert, Commissioner
311 W. Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: 317-232-3520
Fax: 317-232-5251
Website: in.gov/idoi

February 23, 2026

Holly W. Lambert, Commissioner
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4213, an examination has been made of the affairs and financial condition of:

Mutual Fire Insurance Company of French Township
422 North 300 East
Decatur, Indiana 46733

Mutual Fire Insurance Company of French Township (the Company) is an Indiana domiciled, farm mutual insurance company.

MarksNelson Advisory, LLC, formerly Ingardus, conducted the examination remotely with the cooperation of the Company.

The Report of Examination, reflecting the status of the Company as of December 31, 2023, is respectfully submitted.

SCOPE OF EXAMINATION

Representatives of the Indiana Department of Insurance (the Department) last examined Mutual Fire Insurance Company of French Township (the Company) for the period ending December 31, 2018. MarksNelson Advisory, LLC, formerly Ingardus, conducted the present risk-focused examination for the period from January 1, 2019 through December 31, 2023. The examination included all material transactions and events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. The examination included assessing the principles used and significant estimates made by management. Additionally, the examination evaluated the overall financial statement presentation, management's compliance with Statutory Accounting Principles, and Annual Statement instructions, when applicable to domestic state regulations.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but were separately communicated to the Department and/or the management of the Company.

HISTORY

The Company was organized in 1882 and elected to operate under the laws applicable to farm mutual insurance companies.

The purpose of the Company, as stipulated within its Constitution and Bylaws, is to safeguard its members, as far as possible, against loss by fire, wind, lightning or other casualty and to distribute on the mutual insurance plan, such losses as may occur in spite of reasonable precautions.

SURPLUS

As of December 31, 2023, the Company had surplus of $2,643,728 and 727 policyholders, who are the owners of the Company.

TERRITORY AND PLAN OF OPERATION

The Company provides coverage for dwellings, personal and farm property, equipment, mobile homes, churches and businesses. The Company conducts business in the Indiana counties of Adams, Allen, Blackford, DeKalb, Grant, Hamilton, Howard, Huntington, Jay, Jennings, Kosciusko, LaGrange, Marion, Miami, Noble, Putnam, Steuben, Union, Wabash, Wells and Whitley.

GROWTH OF THE COMPANY

The following exhibit summarizes the financial results of the Company during the examination period. All amounts were adjusted, per the examination. See the Comments on the Financial Statements section of this Report of Examination.

Year	Admitted Assets	Liabilities	Surplus
2023	$3,269,871	$ 626,143	$ 2,643,728
2022	2,965,607	480,354	2,485,253
2021	3,388,702	523,929	2,864,773
2020	3,175,622	471,623	2,703,999
2019	2,944,228	463,147	2,481,081

MANAGEMENT AND CONTROL

Directors

The business of the Company is managed by a Board of Directors (Board) with a minimum of five (5) but not to exceed nine (9) directors. Each director serves a term of five (5) years. The directors are elected at the annual meeting of the Company's members. The following is a listing of persons serving as directors as of December 31, 2023:

Name	City
Rod Bollenbacher	Geneva, Indiana
Melvin Burkhart	Decatur, Indiana
Brent Kaehr	Decatur, Indiana
Kerry Kaufmann	Decatur, Indiana
Jeff Lehman	Monroe, Indiana
Max Reinhard	Berne, Indiana
Arlene Stump	Decatur, Indiana

Officers

The officers of this Company are a President, a Vice President, and a Secretary/Treasurer. The following is a listing of the persons serving as officers of the Company as of December 31, 2023:

Name	Office
Max Reinhard	President
Jeff Lehman	Vice President
Arlene Stump	Secretary/Treasurer

CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2023.

OATH OF OFFICE

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the company and will not knowingly violate any of the laws applicable to such company. It was determined that all directors listed in the Management and Control section of this Report of Examination subscribed to an oath as of December 31, 2023.

CORPORATE RECORDS

Constitution & Bylaws

The Constitution and Bylaws were amended in February 2021.

Minutes

The Board minutes and the minutes from the annual meeting of the members were reviewed for the period under examination, through the fieldwork date. No significant issues or events were noted.

AFFILIATED COMPANIES

The Company does not have any affiliated companies.

FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts through the purchase of a fidelity crime bond issued by CUMIS Insurance Society. The bond has a policy aggregate limit of liability of $100,000. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force at December 31, 2023, including but not limited to professional liability and director's and officer's insurance.

STATUTORY DEPOSITS

As a farm mutual insurer, the Company is not required to maintain a statutory deposit with the state of Indiana.

REINSURANCE

During the examination period, the Company purchased reinsurance from Grinnell Mutual Reinsurance Company (Grinnell) as follows:

- *Property per Risk Excess of Loss Reinsurance* – The Company's retention was $100,000 of the Ultimate Net Loss incurred by the Company for each risk. The coverage limit was 100% above the retention subject to limitations.

- *Property Aggregate Excess of Loss Reinsurance*– The Company's retention was $550,000 of the Ultimate Net Loss incurred, net of all other reinsurance recoveries. The coverage limit was 100% of unlimited losses above the retention.

ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2022 and 2023, were agreed to the respective Annual Statements.

MUTUAL FIRE INSURANCE COMPANY OF FRENCH TOWNSHIP
Assets, Liabilities and Surplus
As of December 31, 2023

	Per Annual Statement	Examination Adjustments*	Per Examination
ASSETS			
Bonds	$ -	$ 231,654	$ 231,654
Stocks	2,204,685	(266,391)	1,938,294
Bank balances:			
Subject to check	69,482	-	69,482
On interest	746,171	11,363	757,534
Agent balances	352	-	352
Accrued interest	6,604	-	6,604
Annuities	290,900	(24,949)	265,951
Total Assets	$ 3,318,194	$ (48,323)	$ 3,269,871
LIABILITIES AND SURPLUS			
Liabilities			
Net unpaid claims	$ 99,474	$ -	$ 99,474
Ceded reinsurance balances payable	23,539	-	23,539
Taxes payable	1,126	-	1,126
Other unpaid expenses	861	-	861
Premiums paid in advance	34,125	-	34,125
Unearned premium reserve	467,018	-	467,018
Total Liabilities	626,143	-	626,143
Surplus	2,692,051	(48,323)	2,643,728
Total Liabilities and Surplus	$ 3,318,194	$ (48,323)	$ 3,269,871

* The Company understated cash on interest by $1,142, overstated stocks by $24,516, annuities by $24,949 and surplus by $48,323. The Company also incorrectly categorized bonds, stocks and bank balances on interest. See the Comments on the Financial Statements section of this Report of Examination.

MUTUAL FIRE INSURANCE COMPANY OF FRENCH TOWNSHIP
Income Statement and Change in Surplus
For the year ended December 31, 2023

	Per Annual Statement	Examination Adjustments**	Per Examination
INCOME			
Net premiums:			
Direct premiums written	$ 944,765	$ -	$ 944,765
Less: Reinsurance premiums ceded	(281,497)	-	(281,497)
Total net premiums	663,268	-	663,268
Income from investments	63,383	(49,464)	13,919
Other income	9,590	-	9,590
Total income	736,241	(49,464)	686,777
DISBURSEMENTS			
Net losses paid:			
Direct losses	396,158	-	396,158
Less: Reinsurance recovered	(152,136)	-	(152,136)
Net losses paid	244,022	-	244,022
Operating expenses	301,555	-	301,555
Non-operating expenses	55	-	55
Total disbursements	545,632	-	545,632
CHANGE IN SURPLUS			
Net income	190,609	(49,464)	141,145
Change in accrued assets and liabilities	195,626	1,142	196,768
Change in unrealized gains (losses)	(179,437)	-	(179,437)
Surplus, beginning of period	2,485,253	-	2,485,253
Surplus, end of period	$ 2,692,051	$ (48,323)	$ 2,643,728

** The Company overstated surplus by $48,323. See the Comments on the Financial Statements section of this Report of Examination.

COMMENTS ON THE FINANCIAL STATEMENTS

The Company misclassified and misstated some of its investments as of December 31, 2023. The investments were reported at cost rather than fair market value, included bonds owned by the Company and included nominal amounts of cash. Adjustments were made to 1) decrease investments and increase bank balances by $10,221 for the misclassified cash, 2) decrease investments and increase bonds by $231,654 for the misclassified bonds and 3) decrease investments, income from investments and surplus by $24,516 for the cost to fair market value adjustment in this Report of Examination.

The Company misstated its bank balances by not recording amounts included within its investment accounts and incorrectly recording two of its certificates of deposit. An adjustment was made to increase both assets and surplus by $1,142 for 2023 to correct this error in this Report of Examination.

The Company reported its annuities incorrectly. Statutory accounting indicates an annuity should be recorded at the value that the Company would expect to receive, i.e. cash surrender value. An adjustment was made to decrease annuities and surplus by $24,949 to correct the error in this Report of Examination.

OTHER SIGNIFICANT ISSUES

There were no significant issues of note during the examination period.

SUBSEQUENT EVENTS

There were no events subsequent to the examination date and prior to the completion of fieldwork that were considered material events requiring disclosure in this Report of Examination.

AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that she, in coordination with assistance from MarksNelson Advisory, LLC, formerly Ingardus, (MarksNelson), hereinafter collectively referred to as the "Examiners", performed an examination of the Mutual Fire Insurance Company of French Township, as of December 31, 2023.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination by the Indiana Department of Insurance. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of condition of Mutual Fire Insurance Company of French Township as of December 31, 2023, as determined by the undersigned.

Michael Kilkenny

Michael Kilkenny, J.D., CFE (Fraud), MCM
MarksNelson Advisors, LLC

Under the Supervision of:

Jerry Ehlers, CPA, CFE (Financial), AES
Examiner-in-Charge
Indiana Department of Insurance

On this 8th day of June, 2026, before me personally appeared, Michael Kilkenny and Jerry Ehlers, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My commission expires: 12/20/2030 Amanda Lane Shipman

Notary Public

SEAL
AMANDA LANE SHIPMAN
Notary Public, State of Indiana
County
Commission Number NP0745631
My Commission Expires
December 20, 2030