

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF
BRADFORD FUNERAL HOME**

AID ORDER NO. 2013- 124

CONSENT ORDER OF REVOCATION

On this day, Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”), and Bradford Funeral Home, (“Respondent”) reached an agreement concerning the prepaid funeral benefit organization permit issued to Respondent by the Arkansas Insurance Department (“Department”). The Commissioner was represented by Nina Samuel Carter, Associate Counsel. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law as set forth below. From the facts and law before the Commissioner, he finds as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner’s acceptance and has no force or effect until such acceptance is evidenced by the entry of the Commissioner.
2. This Consent Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause.
3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts or omissions not specifically addressed in this Consent Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.
4. Having the right to consultation with legal counsel, the Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner. This Consent Order is in the public interest, is in the best interests of the parties hereto, and represents a

compromise and settlement of the controversy between the parties and is for settlement purposes only. By its signature affixed below, the Respondent affirmatively states that it has freely agreed to the entry of this Consent Order, that it has been advised that it may consult legal counsel in this matter and have had the opportunity to consult with legal counsel should it have desired to do so, that it waives its right to a hearing on the matters underlying this Consent Order, and that no threats or promises of any kind have been made by the Commissioner, the Department, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

FINDINGS OF FACT

5. Respondent Bradford Funeral Home's prepaid funeral benefit permit was placed on emergency suspension on September 5, 2013, pursuant to A.I.D. Order No. 2013-087.

6. Respondent is a funeral home located at 5230 US Highway 367 N., Bradford AR 72020, and was licensed under a permit issued to it by the Department to sell prepaid funeral benefit contracts. Elizabeth C. Lemons ("Lemons") is the Manager, Owner, and Funeral Director at Bradford Funeral Home and is licensed by the Department as a resident funeral expense insurance limited lines producer, License Number 285950, with the last address of record at the Department being 4894 Highway 367 W., Bradford, Arkansas 72020.

7. Respondent is also regulated by the Arkansas State Board of Embalmers and Funeral Directors ("Board"). On August 23, 2013, the Board issued an Order which suspended the establishment license for Respondent Bradford Funeral Home of Kensett, AR for one year, suspended the establishment license for Respondent Bradford Funeral Home of Bradford, AR for one year, and suspended the Funeral Director's License issued to Christine Lemons for one year. The Order also provided for civil penalties to be paid within 90 days of receipt of the Order. The failure to pay the civil penalties ordered on each separate license will result in revocation of that license.

8. According to information presented to the Commissioner by the Department's Prepaid Funeral Benefits Division, there exists circumstances in which contract holders of Respondent may die and that Respondent is no longer in legal operation to perform or service such contracts.

CONCLUSIONS OF LAW

9. Ark. Code Ann. §§ 23-61-101, *et seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Commissioner of Insurance (hereinafter referred to as the "Commissioner"). The Department is the lawful agency through which the Commissioner administers the Arkansas Insurance Code, and is authorized to bring this action for the protection of Arkansas consumers.

10. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-40-107(a), 23-40-108, and 23-61-103.

11. Under Ark. Code Ann. § 23-40-109, a prepaid funeral benefits permit may be obtained from the Commissioner after filing proof of ownership of an establishment which is in the business of providing the funeral goods or services to be contracted for and proof that the establishment is duly authorized and licensed to do such business in the State of Arkansas. Respondent no longer qualifies to hold a prepaid funeral benefits permit as it is no longer a duly authorized and licensed funeral goods and services establishment.

12. Under Ark. Code Ann. § 23-40-110(c), each organization which has discontinued the sale of prepaid funeral benefits, but which still has outstanding contracts must maintain an active permit until all those contracts have been performed or otherwise fully discharged. Respondent still has outstanding contracts, but is no longer qualified to maintain an active prepaid funeral benefits permit.

13. Ms. Lemons, as owner of Respondent Funeral Home, acknowledges and admits that Respondent is no longer able to meet the requirements necessary to qualify for a prepaid funeral benefit permit and engage in the business of prepaid funeral benefit contracts in this State.

14. The Commissioner hereby concludes that the facts set forth in the Findings of Fact, above, provide grounds for the issuance of this Order.

15. The Respondent admits to the reasonableness and fairness of the Findings of Fact and Conclusions of Law contained herein, and hereby desires to enter into this Consent Order for purposes of avoiding additional administrative action by the Department.

ORDER

NOW THEREFORE, on the basis of the foregoing and the waiver of the Respondent of its rights to a hearing and appeal under the Arkansas Uniform Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201, *et seq.*, and the admission by the Respondent of the jurisdiction of the Commissioner, the Commissioner finds that the Respondent has consented to the entry of this Order and that the following Order is appropriate and in the public interest.

IT IS HEREBY ORDERED that:

A. Respondent's Arkansas Prepaid Funeral Benefits License is hereby voluntarily surrendered for immediate revocation by the Department

B. Respondent is prohibited from selling any new prepaid funeral benefit contracts or servicing any existing prepaid funeral benefit contracts in this state.

C. Respondent and owner Lemons shall be given thirty (30) days from the date this Order is executed by the Commissioner and Respondent to arrange for the sale of Respondent's book of outstanding prepaid funeral benefits contracts to a properly licensed and established prepaid funeral organization. The change in ownership or control of Respondent's book of business must be made with the Department's prior approval and in compliance with the provisions of the Arkansas Prepaid Funeral Benefits Law and Ark. Code Ann. § 23-40-113.

D. If a time of more than thirty (30) days from the date of this Order has elapsed and Respondent's book of business has not been sold in accordance with the statutory requirements, including getting the Commissioner's approval, the Department shall be charged with the duty to assign, transfer, and release Respondent's business to a licensed prepaid funeral organization willing to service Respondent's contracts in a reasonable and fair manner.

E. In the event of the death of a Bradford Funeral Home prepaid funeral benefits contract holder during the time between the date of this Order and a sale of the book of business within thirty (30 days), the Department shall assign and transfer Respondent's prepaid funeral benefits contracts to a licensed prepaid funeral home organization in a reasonable and fair manner.

F. The Department reserves the right to amend and/or supplement the facts contained in this Order to include additional violations of state law, with notice to Respondent.

IT IS SO ORDERED, DIRECTED, AND AGREED TO AS OF THE 20th DAY OF NOVEMBER, 2013.

December



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS

BRADFORD FUNERAL HOME
By: [Signature]

Its: _____
[Signature]