

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

**IN THE MATTER OF
CHANGE OF OWNERSHIP OF
SMITH MORTUARY, INC.**

RESPONDENT

AID NO. 2022- 13^o

ORDER

Now on this day the matter of Change of Ownership of Smith Mortuary, Inc. is taken under consideration by Alan McClain, Insurance Commissioner (“Commissioner”), with the Arkansas Insurance Department (the “Department”) appearing through Associate Counsel, Amanda Gibson. From the facts, matters and other items before him, the Commissioner finds as follows:

FINDINGS PRESENTED

1. The Commissioner has jurisdiction over the sale and licensing of prepaid funeral benefit contracts and prepaid funeral benefit organizations in this State under Ark. Code Ann. §23-40-107(a).
2. SM Operating Co., Inc. d/b/a Smith Mortuary, Inc. (referred to herein as “Seller”), was licensed by the Department to administer prepaid funeral benefit contracts in this State. The Seller desires to transfer ownership of its prepaid funeral benefits contracts to Brotherton Brothers Funeral Homes, Inc. (“Purchaser”).
3. The Purchaser will administer the block of prepaid funeral benefits contracts under its existing entity, Brotherton Brothers Funeral Home, Inc. The entity of SM Operating Co., Inc. d/b/a Smith Mortuary, Inc. no longer exists.

4. Pursuant to Ark. Code Ann. § 23-40-113(c), the Commissioner is required to approve a transfer or change of ownership of prepaid funeral benefits contracts.

5. The Department has received, reviewed and approved the proposed change of ownership, which includes an Asset Purchase Agreement executed by Seller and Purchaser. Based upon the Seller's detailed list of outstanding and unfulfilled prepaid contracts, as of August 20, 2021, the number of contracts to be transferred and assumed by the Purchaser is 260, and totals \$1,215,072.24.

6. Pursuant to Ark. Code Ann. § 23-40-113(c), the Commissioner hereby finds:

(1) That the organization set forth in the application holds a valid, current permit pursuant to the provisions of the Arkansas Prepaid Funeral Benefits Law;

(2) That the accounting required is complete and accurate; and

(3) That all additional information and documents have been filed with and approved by the Department. The Purchaser has also tendered the requisite filing fees. Pursuant to Ark. Code Ann. § 23-40-113(d), the Commissioner waives any additional requirements not necessary or appropriate in the public interest or for the protection of contract purchasers.

WHEREFORE, IT IS HEREBY ORDERED:

That the above-described change of ownership between Purchaser and Seller has been approved pursuant to Ark. Code Ann. § 23-40-113(c).

IT IS SO ORDERED this 1/28/22 day of January, 2022.



ALAN MCCLAIN
INSURANCE COMMISSIONER
ARKANSAS INSURANCE DEPARTMENT