

2. The Respondents, DeArman's-Clagg Funeral Home (863324), DeArman's Wynnewood Funeral Home (863005) and Pickard Funeral Home of Stratford (863203) ("the Permit Holders") are permitted providers of Prepaid Funeral Benefit Contracts in the State of Oklahoma under the Permit Numbers indicated.

3. Because a single owner operates the various permitted establishments named as Respondents herein, one prepaid funeral trust is maintained and allowed by custom and practice of the Oklahoma Insurance Department ("the Department").

4. The Insurance Commissioner may censure a Permit Holder, suspend or revoke a prepaid funeral benefits permit or impose a fine in the amount of from \$100 to \$1,000 -- or impose a combination of such disciplinary actions -- if a Permit Holder violates any provision of the Prepaid Funeral Benefits Act. See 36 O.S. § 6130 (B).

FINDINGS OF FACT

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Prepaid Funeral Benefits Act: 36 O.S. §§ 6121-6136.18.

2. Respondents are permitted providers of Prepaid Funeral Benefit Contracts in the state of Oklahoma pursuant to 36 O.S. § 6121 and 36 O.S. § 6124, holding Permit Numbers 863324, 863005 and 863203, respectively.

3. While reviewing the Annual Report filings due from Permit Holders in calendar year 2013, the Oklahoma Insurance Department ("the Department") noted it did not receive the Permit Holder's Annual Report by the March 15, 2013 due date as required by 36 O.S. § 6128. The Department uses the postmark date to determine whether a Permit

Holder's Annual Report is timely. The Permit Holder's Annual Report had a postmark date of March 19, 2013.

3 The regulatory process can be conducted efficiently only if Permit Holders file their Annual Reports and other regulatory filings in a timely manner.

4 By filing the Annual Report late, the Permit Holders demonstrated a lack of understanding of the requirements and duties associated with the privilege of operating under a prepaid funeral benefits Permit. The Annual Report is among the most important documents Permit Holders file from a regulatory standpoint. This violation also delays the Department's staff from maintaining an orderly schedule of review of Permit Holder Annual Reports and delays the detection of possible regulatory problems.

CONCLUSIONS OF LAW

1. The Permit Holders failed to comply with the procedures and processes for filing Annual Reports, thus violating 36 O.S. § 6128. Such action constitutes a breach of each establishment's obligations under the law.

2. The Insurance Commissioner may censure a Permit Holder, suspend or revoke a Prepaid Funeral Permit or impose a fine in the amount of from \$100 to \$1,000 -- or impose a combination of such disciplinary actions -- if a Permit Holder violates any provision of the Prepaid Funeral Benefits Act. See 36 O.S. § 6130 (B).

CONDITIONAL ORDER

IT IS THEREFORE ORDERED that each Respondent Permit Holder be formally censured.

IT IS FURTHER ORDERED that each Permit Holder may request a Hearing within thirty (30) days of receipt of this Order and Notice to determine if any reasons exist that

should preclude the censure described herein. Any request for Hearing must be in writing, addressed to Kelley C. Callahan, Senior Attorney, Oklahoma Insurance Department, Five Corporate Plaza, 3625 N.W. 56th, Suite 100, Oklahoma City, OK 73112, **and give an explanation of Respondent's actions alleged herein and any defenses thereto.** **If any Respondent does not request a hearing within the 30 days allotted, this Order shall become a FINAL ORDER on the 31st day following the receipt of the Order, and the censure ordered herein shall become applicable.** Any such hearing shall be conducted according to the procedures for contested individual cases under the Oklahoma Insurance Code and the Administrative Procedures Act, 75 O.S. §§ 250-327. The allegations contained herein shall be the subject matter for the Hearing, and such allegations may be amended as additional information is discovered. The Insurance Commissioner or his appointed Hearing Examiner reserves the right to impose additional or different administrative discipline at a Hearing, if warranted.

WITNESS My Hand and Official Seal this 23rd day of September, 2013.





PAUL WILKENING
Chief Deputy Insurance Commissioner
Oklahoma Insurance Department

CERTIFICATE OF MAILING

I, Kelley C. Callahan, hereby certify that a true and correct copy of the attached Notice of Right to Hearing with Conditional Order of Disciplinary Action was mailed certified mail, return receipt requested on the 25th day of September, 2013 to:

DeArman's-Clagg Funeral Home (#863324)
Joe DeArman, FDIC
P.O. Box 59
Sulphur, OK 73086

Certified Mail No.
7001 0320 0003 9967 5253

DeArman's Wynnewood Funeral Home (#863005)
Joe DeArman, FDIC
103 East Cherokee
Wynnewood, OK 73098


Certified Mail No.
7001 0320 0003 9967 5246

Pickard Funeral Home of Stratford, Inc (#863203)
Thomas Pickard, FDIC
P.O. Box 280
Stratford, OK 74872

Certified Mail No.
7001 0320 0003 9967 5239

Oklahoma Funeral Board
ATTN: Chris Ferguson, Deputy Director
4545 North Lincoln, Suite 175
Oklahoma City, OK 73105

Certified Mail No.
7001 0320 0003 9967 5222



KELLEY C. CALLAHAN
Senior Attorney

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0003 9967 5246

OFFICIAL USE	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	
Sent To	DeArman's Wynnewood Funeral Home (#863005)
Street, Apt. No., or PO Box No.	ATTN: Joe DeArman, FDIC 103 East Cherokee Wynnewood, OK 73098 rlg/13-0835-DIS/Cond. Ord.
City, State, ZIP+4	



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Glynn Johnson</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) GLYNN JOHNSON</p> <p>C. Date of Delivery 10-2-13</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to: OKLAHOMA INSURANCE DEPARTMENT</p> <p align="center">OCT 04 2013</p> <p align="center">Legal Division</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> DeArman's Wynnewood Funeral Home (#863005) ATTN: Joe DeArman, FDIC 103 East Cherokee Wynnewood, OK 73098 rlg/13-0835-DIS/Cond. Ord. </div>	<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p align="center">7001 0320 0003 9967 5246</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0003 9967 5253

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	

Sent To: DeArman's-Clagg Funeral Home (#863324)
 ATTN: Joe DeArman, FDIC
 P.O. Box 59
 Sulphur, OK 73086
 rlg/13-0835-DIS/Cond. Ord.

Street, Apt. No.; or PO Box No.
 City, State, ZIP+4

PS Form 3800, January 2004



SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature X <i>Bill Clagg</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Bill Clagg</i></p> <p>C. Date of Delivery 9-26-13</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>1. Article Addressed to:</p> <p>OKLAHOMA INSURANCE DEPARTMENT</p> <p>SEP 30 2013</p> <p>Legal Division</p> <div style="border: 1px solid black; padding: 5px;"> DeArman's-Clagg Funeral Home (#863324) ATTN: Joe DeArman, FDIC P.O. Box 59 Sulphur, OK 73086 rlg/13-0835-DIS/Cond. Ord. </div>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>2. Article Number (Transfer from service label)</p>		<p>7001 0320 0003 9967 5253</p>	

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0003 9967 5239

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$



Sent To: Pickard Funeral Home of Stratford, Inc (#863203)
 ATTN: Thomas Pickard, FDIC
 P.O. Box 280
 Stratford, OK 74872
 rlg/13-0835-DIS/Cond. Ord.

Street, Apt. No.;
 or PO Box No.
 City, State, ZIP+4

PS Form 3800, January 2004

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Pickard Funeral Home of Stratford, Inc (#863203)
 ATTN: Thomas Pickard, FDIC
 P.O. Box 280
 Stratford, OK 74872
 rlg/13-0835-DIS/Cond. Ord.

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) **Tom Pickard**

C. Date of Delivery **SEP 26 2013**

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

RECEIVED
 SEP 30 2013
 OKLAHOMA INSURANCE
 Legal Division

2. Article Number (Transfer from service label) **7001 0320 0003 9967 5239**

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0003 9967 5222

OFFICIAL RECEIPT	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Sent To	
Oklahoma Funeral Board	
ATTN: Chris Ferguson, Deputy Director	
4545 North Lincoln, Suite 175	
Oklahoma City, OK 73105	
rig/13-0835-DIS/Cond. Ord.	
PS Form 3800, January 2004	



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<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes YES, enter delivery address below: <input checked="" type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> Oklahoma Funeral Board ATTN: Chris Ferguson, Deputy Director 4545 North Lincoln, Suite 175 Oklahoma City, OK 73105 rig/13-0835-DIS/Cond. Ord. </div>	<p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT SEP 30 2013 SEP 26 2013</p>
<p>2. Article Number (Transfer from service label)</p> <p style="text-align: center;">7001 0320 0003 9967 5222</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>	