

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

STATE OF OKLAHOMA, ex rel. JOHN)
D. DOAK, Insurance Commissioner,)
)
Petitioner,)
v.)
)
)
CARTER-SMART FUNERAL HOME)
)
)
Prepaid Funeral Benefits Permit 863317)
)
)
Respondent.)

FILED
JUL 29 2014
INSURANCE COMMISSIONER
OKLAHOMA

Case No. 14-0551-DIS

**CONDITIONAL ADMINISTRATIVE ORDER AND NOTICE OF RIGHT TO
HEARING**

The State of Oklahoma, ex rel., John D. Doak, Insurance Commissioner, alleges and states as follows:

JURSDICTION AND AUTHORITY

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma (“the Insurance Commissioner”) and, as such, is charged with the duty of administering and enforcing the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including the provisions of the Prepaid Funeral Service and Funeral Service Merchandise Act, 36 O.S. §§ 6121-6136.18 (“the Prepaid Act”).

2. The Respondent, Carter-Smart Funeral Home (“Respondent” or “Permit Holder”), is a permitted provider of prepaid funeral benefit contracts in the State of Oklahoma and holds Permit Number 863317 for an establishment in Duncan, Oklahoma.

FINDINGS OF FACT

1. The Insurance Commissioner is charged with the duty of administering and enforcing all provisions of the Prepaid Act, 36 O.S. §§ 6121-6136.18.
2. Respondent is a prepaid funeral benefits Permit Holder in the state of Oklahoma pursuant to 36 O.S. § 6121 and 36 O.S. § 6124, holding Permit Number 863317 for an establishment in Duncan, Oklahoma.
3. Respondent failed to submit its Annual Report by March 17, 2014 (as March 15, 2014, fell on a Saturday), as required by 36 O.S. §6128.
4. The Oklahoma Insurance Department (“the Department”) did not receive Respondent's Annual Report until March 19, 2014 (postmark date).

CONCLUSIONS OF LAW

1. Respondent failed to submit its Annual Report in a timely fashion in violation of 36 O.S. § 6128.
2. The Insurance Commissioner may censure, suspend, or revoke a prepaid funeral permit or impose a fine in the amount of \$100 to \$1,000, or impose a combination of such administrative actions, for violating any provision of the Prepaid Act. *See* 36 O.S. § 6130 (B).
3. Timely filing of the Annual Report and meeting other deadlines under the Prepaid Act is central to the Insurance Commissioner’s regulation of the prepaid funeral benefits trust industry. *See* 36 O.S. §§ 6123, 6125, 6128, 6129, 6129.1 and O.A.C 365:25-9-3(b) (3).

ORDER

IT IS THEREFORE ORDERED that the Respondent **IS CENSURED** for its late filling of its Annual Report.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Conditional Administrative Order **shall become a FINAL ORDER on the 31st day following the receipt of said Order unless Respondent requests a Hearing as set out below.** The **CENSURE** of Respondent Permit Holder takes effect at the time this Conditional Administrative Order becomes a Final Order.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED and Respondent is further notified that Respondent may request a Hearing within thirty (30) days of the receipt of this Conditional Administrative Order, and upon such request, the Oklahoma Insurance Department shall conduct a Hearing before an independent Hearing Examiner. A request for Hearing shall be made in writing to Kelley C. Callahan, Senior Attorney, Oklahoma Insurance Department, Legal Division, 3625 NW 56th Suite 100, Oklahoma City, Oklahoma 73112 and **give an explanation of Respondent's actions described herein and any defenses thereto.**

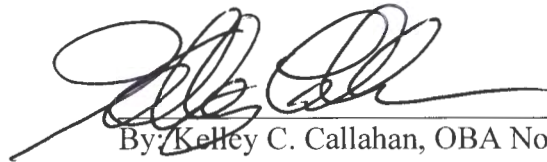
Any such Hearing shall be conducted according to the procedures for contested cases under the Insurance Code and the Oklahoma Administrative Procedures Act, 75 O.S. § 250-323. If the Respondent serves a timely request for Hearing, this Conditional Administrative Order shall act as notice of the matters to be reviewed at 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 29th day of July, 2014.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA



By: _____
Kelley C. Callahan, OBA No. 1429

Senior Attorney
3625 NW 56th Street, Suite 100
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

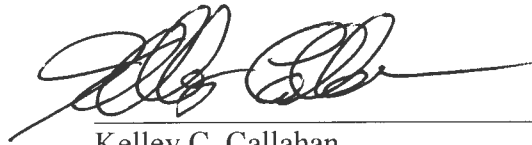
CERTIFICATE OF MAILING

I, Kelley C. Callahan, hereby certify that a true and correct copy of the attached *Conditional Administrative Order and Notice of Right to Hearing* was mailed certified mail, return receipt requested and by regular U.S. mail on the 27th day of July, 2014 to:

Carter- Smart Funeral Home
ATTN: Mr. Ron Smart, FDIC
1316 West Oak Avenue
Duncan, OK 73533

Certified Mail No.
7001 0320 0004 4249 4312

And a Copy Was Delivered to Shanna Johnson, Regulatory Supervisor, Prepaid Accounts, Oklahoma Insurance Department.



Kelley C. Callahan
Senior Attorney

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

OFFICIAL USE

7001 0320 0004 4249 4312

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

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

Carter-Smart Funeral Home
 ATTN: Ron Smart, FDIC
 1316 W. Oak Ave.
 Duncan, OK 73533
 rlg/14-0551-DIS/Cond. Adm. Ord.

PS Form 3800, January 2001



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>Ron Smart</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Ron Smart</i></p> <p>C. Date of Delivery <i>7-30-14</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, print delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Carter-Smart Funeral Home ATTN: Ron Smart, FDIC 1316 W. Oak Ave. Duncan, OK 73533 rlg/14-0551-DIS/Cond. Adm. Ord.</p>	<p>Legal Division</p> <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>7001 0320 0004 4249 4312</p>
<p>PS Form 3811, February 2004</p>	<p>Domestic Return Receipt 102595-02-M</p>

RECEIVED
 OKLAHOMA INSURANCE DEPARTMENT
 - AUG 01 2014