

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA

**FILED**

**JUN 08 2021**

STATE OF OKLAHOMA, ex rel. GLEN  
MULREADY, Insurance Commissioner,

**INSURANCE COMMISSIONER  
OKLAHOMA**

Petitioner,

v.

Case No. 21-0204-DIS

CARRIAGE FUNERAL HOLDINGS, INC.,  
a pre-paid funeral benefit permit holder in the  
State of Oklahoma,

Respondent.

**CONDITIONAL ADMINISTRATIVE ORDER  
AND NOTICE OF RIGHT TO BE HEARD**

**COMES NOW** the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner,  
by and through his attorney, Teresa L. Green, and alleges and states as follows:

**JURISDICTION**

1. Glen Mulready is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, *36 O.S. §§ 101 et seq.*, including Prepaid Funeral Services and Funeral Service Merchandise Act, *36 O.S. §§ 6121 et seq.*

2. Carriage Funeral Holdings, Inc. ("Respondent") is a pre-paid funeral benefit permit holder in the State of Oklahoma, permit number 863216. Its mailing address of record is 3040 Post Oak Blvd., Ste. 300, Houston, TX 77056.

3. The Insurance Commissioner may censure, suspend or revoke, and/or may fine any permit holder who violates any provision of the Prepaid Funeral Services and Funeral Service Merchandise Act a civil penalty of not less than \$100.00 and not more than \$1,000.00. *See 36 O.S. § 6130(B).*

### **FINDINGS OF FACT**

4. On or about March 15, 2021, the Oklahoma Insurance Department (“OID”) performed an examination on Respondent.
5. The examiner found the following:
  - a. An active guaranteed trust account in the amount of \$13,931.50 allowed the Respondent to withhold \$1,393.51 in retainage from the principal collected, pursuant to *36 O.S. § 6125(A)(1)*. The principal collected was \$8,955.90; therefore, after the retainage is withheld, the amount to be deposited should be \$7,562.75. However, Respondent deposited \$7,285.59.
  - b. The Respondent incorrectly included on the PF-1-d an urn valued at \$100.00 and an alternative container valued at \$295.00 as an outer enclosure.
  - c. Respondent did not provide access to records to determine whether funds were deposited within ten (10) days after the collection of the funds.
6. Pursuant to *36 O.S. § 6125(A)(1)*, a funeral home may retain from the first funds collected, the first ten percent (10%) of the purchase price of guaranteed contracts.
7. Pursuant to *36 O.S. § 6128* and *OAC 365:25-9-3*, funeral homes with a prepaid permit must file an annual statement which includes the PF-1-d relating to outer enclosures.
8. Pursuant to *36 O.S. § 7122(6)*, outer enclosure is defined as a grave liner, grave box, or grave vault.
9. Pursuant to *36 O.S. § 6125(A)(3)*, fund shall be deposited within ten (10) days after the collection of the funds.

10. Pursuant to 36 O.S. § 6129, funeral homes shall maintain such records as the Insurance Commissioner may require to enable the Insurance Commissioner to determine whether the funeral home is complying with the provisions of 36 O.S. §§ 6121–6136.

### **CONCLUSIONS OF LAW**

11. Respondent violated 36 O.S. § 6125(A)(1) by retaining more than 10% of the purchase price of a guaranteed contract when Respondent deposited only \$7,285.59 and not depositing \$7,562.75.

12. Respondent violated 36 O.S. § 6128 and OAC 365:25-9-3 by including an urn and alternative outer container in the outer enclosure section of the annual statement when outer enclosure is defined to include grave liner, grave box, or grave vault.

13. Respondent violated 36 O.S. § 6129 by not maintaining records necessary for the OID to determine whether the Respondent is in compliance with 36 O.S. § 6125(A)(3).

### **ORDER**

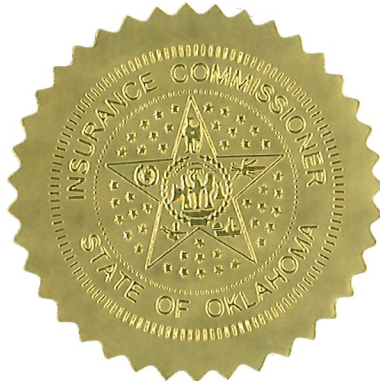
IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that Respondent is **fin**ed in the amount of **SIX HUNDRED DOLLARS (\$600.00)** for the violations of 36 O.S. §§ 6125(A)(1), 6128, and 6129 as well as OAC 365:25-9-3. The fine is to be paid within thirty (30) days of receipt of this Order.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Findings of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above will become a Final Order on the thirty-first (31<sup>st</sup>) day following the date of mailing of this Order. A request for hearing should be in writing addressed to Teresa L. Green, Oklahoma Insurance Department, Legal Division, 400 N.E.

50<sup>th</sup> St., Oklahoma City, OK 73105. A request for hearing must state the grounds for the request to set aside or modify this Order.

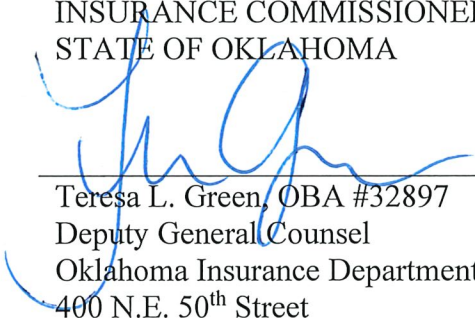
Any such hearing will be conducted according to the procedures for contested cases under the Insurance Code and 75 O.S. § 250 *et seq.* If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, then this Conditional Order will act as notice of the matters to be reviewed at the hearing, and the Findings of Fact, Conclusions of Law, and penalties imposed in this Conditional Order will be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 8th day of June, 2021.



GLEN MULREADY

INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

  
\_\_\_\_\_  
Teresa L. Green, OBA #32897  
Deputy General Counsel  
Oklahoma Insurance Department  
400 N.E. 50<sup>th</sup> Street  
Oklahoma City, OK 73105  
Telephone: (405) 521-6654  
Facsimile: (405) 522-0125

**CERTIFICATE OF MAILING**

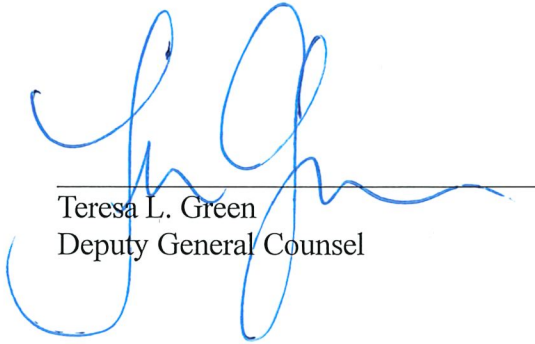
I, Teresa L. Green, hereby certify that a true and correct copy of the above and foregoing *Conditional Administrative Order and Notice of Right to be Heard* was sent by certified mail with postage prepaid and return receipt requested on this 8th day of June, 2021, to:

Carriage Funeral Holdings, Inc.  
3040 Post Oak Blvd., Ste. 300  
Houston, TX 77056

**Certified Mail No.**  
**7020 2450 0000 1483 2688**

and a copy was delivered to:

RIS Division  
Financial Division



\_\_\_\_\_  
Teresa L. Green  
Deputy General Counsel



7020 2450 0000 1483 2688

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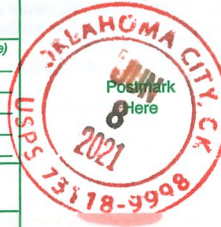
Carriage Funeral Holdings, Inc.

3040 Post Oak Blvd., Suite 300

Houston, TX 77056

SMS/21-0204-DIS (TLG)/Cond Ord.

See Reverse for Instructions



**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- 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:

Carriage Funeral Holdings, Inc.  
 3040 Post Oak Blvd., Suite 300  
 Houston, TX 77056  
 SMS/21-0204-DIS (TLG)/Cond Ord.



9590 9402 6215 0265 2872 08

2. Article Number (Transfer from service label)

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PS Form 3811, July 2020 PSN 7530-02-000-9053

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A. Signature

X

☐ Agent

☐ Addressee

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CJ9

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6/12/21

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☐ Collect on Delivery Restricted Delivery

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☐ Registered Mail™  
☐ Registered Mail Restricted Delivery  
☐ Signature Confirmation™  
☐ Signature Confirmation Restricted Delivery

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