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FINANCE
ARKANSAS INSURANCE DEPARTMENT

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

IN THE MATTER OF
ANTHONY FUNERAL HOME, INC.

A.I.D. NO. 2005-054

CONSENT ORDER

On this day Julie Bowman Benafield, Arkansas Insurance Commissioner ("Commissioner"), and Anthony Funeral Home, INC. ("Respondent") reached an agreement concerning deficiency amounts of Respondent, determined by the Arkansas Insurance Department ("Department"). The Commissioner is represented by Booth Rand, Associate Counsel. The Respondent voluntarily and intelligently waived its right to a hearing and consented to the entry of this Consent Order. The parties agree as follows:

FINDINGS OF FACT

1. Respondent is licensed by the Department to sell and maintain prepaid funeral contracts in this state under Ark. Code Ann. §23-40-109. Respondent's address is 135 South 16th Street, P.O. Box 999, West Memphis, AR 72303. Respondent, Solon L. Anthony ("Anthony"), is president and owner of Respondent.
2. In its sales of prepaid funeral contracts, Respondent is required by law to deposit cash funds, collected on the contracts, into a bank account governed by an approved trust agreement, within twenty (20) days from its receipt of the funds under Ark. Code Ann. §23-40-114. A funeral home which collects money from its contract holders and does not deposit the funds into its trust account is subject to having its license to sell prepaid contracts, revoked or suspended under Ark. Code Ann. §23-40-111(b)(2)(G), subjects itself to fines under Ark. Code Ann. §23-40-111(b)(3)(A), or insolvency action by the Department, and criminal penalties under §23-40-106.

3. On or about April 21, 2005, the Department conducted an examination of Respondent under Ark. Code Ann. §23-40-120 to determine its compliance with regulations as of February 28, 2005. The examination discovered that during the examination period, Respondent had a deficiency or "shortage" in its trust account of approximately \$11,541.88 in violation of Ark. Code Ann. §23-40-114.

4. Respondent agrees that it has a shortage of \$11,541.88 in its trust account to cover or maintain outstanding contracts of Respondent as of February 28, 2005. In lieu of having the license of the funeral home immediately revoked and the funeral home placed into receivership under Ark. Code Ann. §23-40-123, Respondent agrees to make timely payments into the trust account to eliminate the shortage discovered during the examination.

5. Respondent agrees to timely pay into its trust account the following amounts in the 2005 to 2006 year, under the following schedule: on November 1, 2005, \$2,000, on December 1, \$2,000, on January 1, \$2,000, on February 1, \$2,000, on March 1, \$2,000, April 1, \$1,541.88. For each payment or deposit made into the account under the above schedule, Respondent shall, within three (3) days of such deposit or transfer, provide written evidence of the transfer to the Department's Prepaid Funeral Division, in the form of a bank receipt, or in any other manner required by the Department. If Respondent fails to make a scheduled payment in the above manner, OR fails to provide the Department with evidence that a payment has been made under the above schedule, Respondent agrees and consents to having the prepaid funeral contracts license of Respondent be immediately revoked, without advance written notice, and Respondent knowingly waives any administrative hearing on the matter of its compliance with this Order. The Respondent understands that the Department's receipt of a late payment or late receipt of confirmation of payment from Respondent does not

waive the Department's right to revoke Respondent's license or to place Respondent into receivership under this Order. Should Respondent violate the terms of this Consent Order, Respondent consents to having the prepaid funeral business of Respondent be immediately placed into delinquency proceedings under Ark. Code Ann. §23-40-123(a)(1).

6. Respondent has been made fully aware of his rights to a hearing, and has knowingly and voluntarily waived said rights.

7. Anthony represents that he has full authority to execute this Order for and on behalf of Respondent.

CONCLUSIONS OF LAW

That the Commissioner has jurisdiction over the parties and over the subject matter herein.

That Respondent, has been made fully aware of its rights to a hearing and consents to the entry of this Consent Order.

DATED THIS 23rd DAY OF September, 2005.

ANTHONY FUNERAL HOME, INC.

Solon L. Anthony
SOLON ANTHONY

Owner
TITLE

Julie B. Bowman
JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS