

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

**IN THE MATTER OF
HARDY FUNERAL HOME**

AID NO. 2009- 062

REVOCATION ORDER

On June 2, 2009, a hearing was held at the Arkansas Insurance Department ("Department") before Jay Morgan, Deputy Commissioner and Hearing Officer duly designated by Jay Bradford, Arkansas Insurance Commissioner, over the matter regarding the Prepaid Funeral Benefits Permit for Hardy Funeral Home issued to Charles Hardy, Sr. ("Respondent"). The Arkansas Insurance Department ("Department") was represented by Nina Samuel Carter, Associate Counsel. From the facts, evidence, and law before the Commissioner, it is found as follows:

FINDINGS OF FACT

1. That the Commissioner has jurisdiction over the Hardy Funeral Home and the subject matter involved herein.
2. Respondent, Charles Hardy, Sr., is president and owner of Hardy Funeral Home of 2408 Dr. Martin Luther King Drive, Little Rock, AR 72206.
3. Hardy Funeral Home ("Hardy") is licensed in the State of Arkansas to sell and maintain prepaid funeral benefits under Ark. Code Ann. § 23-40-109.
4. That Respondent entered into a cash-funded prepaid contract on April 28, 2007, in the amount of \$950.00, which was paid in full. The contract was executed on a non-approved sales contract. Hardy is required to use approved forms for sales contracts for prepaid funeral benefits pursuant to Ark. Code Ann. § 23-40-112(a). In addition, Hardy failed to report this contract on their 2007 Annual Report.

5. That Hardy's 2007 Annual Report was filed on May 1, 2008. Hardy has also not filed the 2008 Annual Report. Hardy is required to file an annual report and an annual report fee with the Commissioner on or before March 15 of each year pursuant to Ark. Code Ann. § 23-40-119.

6. That Hardy's application for renewal of its 2008/2009 Prepaid Funeral Benefits Permit was not completely filed until November 3, 2008. Hardy is required to file its application for renewal prior to June 1st of each year pursuant to Ark. Code Ann. § 23-40-110(c).

7. That Hardy issued check number 1079, dated August 26, 2008, in the amount of \$400.00 to the Department for regulatory fees due on their 2007 Annual Report and prepaid funeral benefits license. The Department was notified on November 20, 2008, that the remittance check was being returned because the account was closed.

8. Respondent requested the June 2, 2009 hearing date after receiving notice that the Department would not renew the Permit for Hardy Funeral Home for the permit year 2009-2010. Respondent did not actually show up for this hearing, but instead sent his son, Charles Hardy, Jr.

9. The Arkansas Prepaid Funeral Benefits Law, codified at Ark. Code Ann. § 23-40-111, requires that prior to the issuance of a renewal permit, the applicant must be deemed by the Commissioner to be competent, trustworthy, and financially responsible to engage in the sale of prepaid funeral contracts in this state. In order to remain licensed, those qualifications must continue. In light of the foregoing findings of fact and the admitted evidence that Respondent did not timely make filings, pay regulatory fees,

renew permits, and other violations of the law, Respondent does not meet the statutory prerequisites and qualifications to hold a prepaid benefits permit in the state of Arkansas.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact and the evidence before him, the Hearing Officer concludes as follows:

10. The Hearing Officer has the authority to render a decision in this matter pursuant to the Administrative Procedure Act, Ark. Code Ann. §§ 25-15-201, *et seq.* and the delegation of authority from the Commissioner.

11. The testimony and supporting documentation entered into evidence at the hearing is sufficient to make a finding that the Respondent cannot be deemed “competent, trustworthy, and financially responsible, and of good personal and business reputation” to engage in the sale of prepaid funeral contracts as required by the Insurance Code, and no longer meets the qualifications for holding a prepaid funeral benefits permit by the Department.

RECOMMENDATION OF HEARING OFFICER

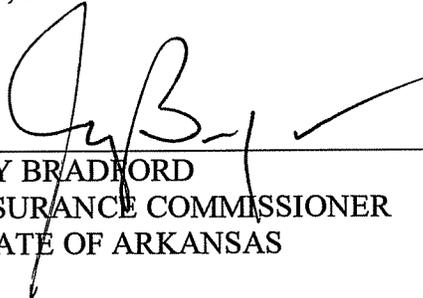
Upon consideration of the evidence of record, the Hearing Officer recommends that the foregoing Findings and Conclusions of Law be approved and adopted and that the refusal to renew the prepaid funeral benefits permit for Respondent Charles Hardy, Sr. is hereby upheld.


Jay Morgan
Deputy Commissioner and Hearing Officer

CERTIFICATION

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above and foregoing matter was conducted by Jay Morgan, Deputy Commissioner and Hearing Officer, by and under my authority and supervision. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendation in full, as set forth herein.

IT IS SO ORDERED THIS 1st ^{July} day of June, 2009.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS