

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

**IN THE MATTER OF
BRADFORD FUNERAL HOME**

AID ORDER NO. 2013- 087

EMERGENCY SUSPENSION ORDER

On this day, the matter of Bradford Funeral Home (“Respondent”) comes before Jay Bradford, the Insurance Commissioner for the State of Arkansas (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Associate Counsel, Nina Carter. From the facts, matters, and other evidence before the Commissioner, the Commissioner does hereby find and conclude as follows:

FINDINGS

1. Respondent Bradford Funeral Home is licensed by the Department as a prepaid funeral benefit organization under Ark. Code Ann. § 23-40-111. Elizabeth C. Lemons is the Manager, Owner, and Funeral Director at Bradford Funeral Home and is licensed by the Department as a resident funeral expense insurance limited lines producer, License Number 285950, with the last address of record at the Department being 4894 Highway 367 W., Bradford, Arkansas 72020.

2. Respondent is also regulated by the Arkansas State Board of Embalmers and Funeral Directors (“Board”). On August 23, 2013, the Board issued an Order which suspended the establishment license for Respondent Bradford Funeral Home of Kensett, AR for one year, suspended the establishment license for Respondent Bradford Funeral Home of Bradford, AR for one year, and suspended the Funeral Director’s License issued to Christine Lemons for one year. The Order also provided for civil penalties to be paid within 90 days of receipt of the Order. The failure to pay the civil penalties ordered on each separate license will result in revocation of that license.

3. According to information presented to the Commissioner by the Department's Prepaid Funeral Benefits Division, there exists circumstances in which contract holders of Respondent may die and that Respondent is no longer in legal operation to perform or service such contracts.

4. Ark. Code Ann. §§ 23-61-101, *et seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Commissioner of Insurance (hereinafter referred to as the "Commissioner"). The Department is the lawful agency through which the Commissioner administers the Arkansas Insurance Code, and is authorized to bring this action for the protection of Arkansas consumers.

5. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-40-107(a), 23-40-108, and 23-61-103.

6. The Commissioner has the authority to issue a summary suspension of any prepaid funeral benefits license issued by him if the public health, safety, or welfare imperatively requires emergency action, pending a hearing, pursuant to Ark. Code Ann. §§ 23-40-111(b)(4) and 25-15-211(c).

7. Under Ark. Code Ann. § 23-40-109, a prepaid funeral benefits permit may be obtained from the Commissioner after filing proof of ownership of an establishment which is in the business of providing the funeral goods or services to be contracted for and proof that the establishment is duly authorized and licensed to do such business in the State of Arkansas. Respondent no longer qualifies to hold a prepaid funeral benefits permit as it is no longer a duly authorized and licensed funeral goods and services establishment.

8. Under Ark. Code Ann. § 23-40-110(c), each organization which has discontinued the sale of prepaid funeral benefits, but which still has outstanding contracts must maintain an

active permit until all those contracts have been performed or otherwise fully discharged. Respondent still has outstanding contracts, but is no longer qualified to maintain an active prepaid funeral benefits permit.

9. Based on the inability for Respondent to service the outstanding prepaid funeral benefits contracts, a public emergency exists to summarily suspend the permit issued to the Respondent to engage in the business of prepaid funeral benefit contracts in this State.

10. A hearing shall be promptly scheduled on the issuance of this Order by a Notice of Public Hearing, to consider the terms of this Order as well as consider the issuance of a permanent Order related to the licensure and future operations of Respondent in its administration of prepaid funeral benefit contracts in this State.

THEREFORE, based on the Findings contained herein and the provisions of Ark. Code Ann. § 23-40-111, the Commissioner hereby orders:

1. Due to the gravity of the allegations and averments, it is found that a public emergency exists for the immediate suspension of Respondent's insurance license.

2. Pursuant to Ark. Code Ann. § 23-40-111(b)(4), any and all licenses issued by the Department to Bradford Funeral Home as a prepaid funeral benefits organization in this State, are hereby suspended, pending a promptly instituted hearing on the above matter.

3. Respondent is prohibited from selling any new prepaid funeral benefit contracts after the date this Order is received by Respondent or legal representative of Respondent.

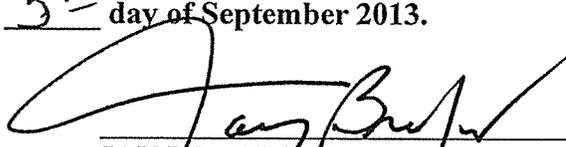
4. Upon receipt of this Order by Respondent, or legal representative of Respondent, Department auditors or examiners shall be given immediate and full access to all books, records, and accounts of the Respondent related to Respondent's prepaid funeral contract operations and accounts.

5. In the event of the death of a Bradford Funeral Home prepaid funeral benefits contract holder during the time between the date of this Order and a hearing on this matter scheduled within thirty (30 days), the Department shall assign and transfer Respondent's prepaid

funeral benefits contracts to a licensed prepaid funeral home organization in a reasonable and fair manner.

6. The Department reserves the right to amend and/or supplement the facts contained in this Order to include additional violations of state law, with notice to Respondent.

IT IS SO ORDERED THIS 5th day of September 2013.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS