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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 In the Matter of
7 Burns Riverside Chapel &
8 Florence Funeral Home

9 Respondent.

Case No. PN-14-0068

10 **ORDER TO CEASE AND DESIST**
11 **ORDER ASSESSING COSTS, AND**
12 **CONSENT TO ENTRY OF ORDER**

13 The Director of the Department of Business Services for the State of Oregon (“the
14 Director”) acting through the Division of Finance and Corporate Securities (“DFCS”)
15 conducted an audit of Respondent and determined that Respondent engaged in activities
16 that constitute violations of Chapter 97 of the Oregon Revised Statutes and OAR 441-
17 930-0010 through 441-930-03600 (“the Oregon Prearrangement Law”); and

18 WHEREAS Respondent wishes to resolve this matter with the Director;

19 NOW THEREFORE, Respondent hereby agrees to entry of this Consent Order on
20 the Director’s Findings of Fact, Conclusions of Law and Order as follows:

21 **I. FINDINGS OF FACT**

22 The Director finds that at all times relevant to this matter:

23 1. Burns Riverside Chapel & Florence Funeral Home, Inc. (“Respondent” or “the
24 Company”) is an Oregon registered company that does business at 2765 Kingwood,
25 Florence, Oregon 97349. Respondent provides funeral services. Alan Burns is the
26 Company’s President and authorized representative.

27 2. As part of its business, Respondent provides “prearrangement sales contracts”
28 as that term is defined by ORS 97.923(9). Providers of such contracts must be certified
29 with the Director and file annual reports. ORS 97.933(1) and 97.933(3)(a).

30 3. A provider of prearrangement sales contracts must deposit the purchaser’s
31 funds in a trust account unless, contemporaneous with the sale of the prearrangement

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1 sales contract, the purchaser receives a life insurance policy or annuity contract that pays
2 for contracted services. ORS 97.923(9).

3 4. On April 23, 2014, the Oregon Mortuary and Cemetery Board reported
4 information to DFCS that, in 2012, Respondent sold prearrangement sales contracts
5 without trusting the funds, as required by ORS 97.941, and without providing life
6 insurance policies or annuity contracts, pursuant to ORS 97.923(9).

7 5. On or before August 2014, Respondent cured six (6) prearrangement sales
8 contracts by providing funeral services at no additional cost to the purchaser or by giving
9 an insurance policy to the purchaser at no additional cost.

10 6. On November 17, 2014, DFCS conducted an onsite audit of the Company to
11 determine whether, from January 1, 2011 to the present, there were any other
12 prearrangement sales contracts that lacked a trust account, insurance policy or annuity
13 contract. There were none. The cost to the State for completing the audit is \$637.50.

14 II. CONCLUSIONS OF LAW

15 7. Paragraphs 1-6 are incorporated.

16 8. The Director has jurisdiction over this matter. ORS 97.948.

17 9. The Director finds that the six (6) “prearrangement sales contracts” sold by
18 Respondent fall within the meaning of ORS 97.923(9).

19 10. Respondent is a “provider,” as defined by ORS 97.923(11).

20 11. Respondent failed to deposit funds received from six (6) prearrangement
21 sales contracts into a trust fund, in violation of ORS 97.941.

22 13. The Director may discipline “a person ... without certification” who has been
23 found by examination to be in violation of ORS 97.923 to ORS 97.949, and may require
24 payment of actual and reasonable costs of any such examination, pursuant to ORS
25 97.947(1)(b).

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III. ORDER

NOW THEREFORE THE DIRECTOR ORDERS:

14. Pursuant to ORS 97.948, Respondent must Cease and Desist from violating any provision of ORS Chapter 97 and any rule or order issued by the Director.

15. Respondent must pay the Department of Business Services \$637.50 for the costs incurred in completing an onsite examination. Such payment must be made within **fifteen (15) days** of the entry of this Consent Order.

IT IS SO ORDERED.

Dated this 26th day of January, 2015, at Salem, Oregon.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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CORPORATE CONSENT TO ENTRY OF ORDER

I, Alan Burns, state that I am and was at all relevant times to this Consent Order, the President of Burns Riverside Chapel & Florence Funeral Home, Inc. (“Burns Riverside Chapel”). Furthermore, I am authorized to act on its behalf. I have read the foregoing Consent Order. Burns Riverside Chapel has been represented by counsel in this matter. Burns Riverside Chapel voluntarily enters into this Consent Order.

Dated this 15 day of Jan, 2015.

By: /s/ Alan Burns
Alan Burns

State of OREGON
County of Lane

Signed and sworn to (or affirmed) before me on January 15, 2015. .
by /s/ Alan Burns .

/s/ Melissa K. Phillips
Notary Public - State of Oregon

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