## ORDER NO. 2015-011a

IN THE MATTER OF: § BEFORE:

§

RONALD R. RITTER, OWNER OF §

HEARTFIELD-RITTER § THE BANKING

FUNERAL HOME AND § COMMISSIONER OF TEXAS

BREMOND FUNERAL HOME

§ §

HEARNE, TEXAS § AUSTIN, TRAVIS COUNTY, TEXAS

## SECOND CONSENT ORDER

On this day, the matter of Ronald R. Ritter (Ritter or Respondent) located in Hearne, Texas, was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

- 1. Ritter was the owner and Funeral Director in Charge of Heartfield-Ritter Funeral Home (Heartfield-Ritter), located in Hearne, Texas, and Bremond Funeral Home (Bremond), located in Bremond, Texas. Ritter held License No. 7808 issued by the Texas Funeral Services Commission and is the Funeral Director in Charge.
- 2. Ritter was an agent for Memorial Service Life Insurance Company (Memorial) since 1995. However, Ritter does not hold and has never held a license from the Texas Department of Banking (Department) to sell prepaid funeral benefits under Texas Finance Code (Finance Code) Chapter 154.
- 3. The Department has jurisdiction over Ritter and the subject matter of this proceeding pursuant to Finance Code Chapter 154 (Chapter 154). The Commissioner has the authority to issue this Consent Order (Order) and to assess administrative penalties pursuant to Finance Code §§ 154.406 and 154.408.

- 4. Ritter has been properly notified of his right to an administrative hearing under Chapter 154.
- 5. The statutory provisions at issue in this matter include, but are not limited to, Finance Code §§ 154.101, 154.203, 154.253, 154.406, 154.408 and 154.411.
- 6. Any violation of this Order could subject Ritter to additional regulatory or enforcement actions authorized by Chapter 154. Nothing in this Order diminishes the regulatory or enforcement powers of the Texas Department of Banking (Department), the Commissioner, or the Finance Commission of Texas under Chapter 154 or other applicable law.
- 7. Nothing in this Order diminishes the regulatory enforcement powers of the Texas Department of Insurance or the Texas Funeral Services Commission.
- 8. For purposes of this proceeding, Ritter knowingly and voluntarily waives:
  - a. Service upon Ritter of this Order;
  - b. The right to present defenses to the allegations in this proceeding;
  - c. Notice and hearing prior to imposition of this Order;
  - d. The filing of proposed findings of fact and conclusions of law;
  - e. The issuance of a proposal for decision by an administrative law judge;
  - f. The filing of exceptions and briefs with respect to such proposal for decision;
  - g. Any review of this Order by the Texas Finance Commission; and
  - h. Judicial review of this Order as provided by Texas Government Code § 2001.171 et seq., and any other challenge to the validity of this Order.
- 9. Ritter agrees to this Order solely for the purpose of this proceeding, and without admitting or denying any violations of law or regulations. This Order does not constitute

- an admission by Ritter that Chapter 154 or a rule adopted or order issued under Chapter 154 has been violated.
- 10. Ritter agreed to a prior Consent Order, Order No. 2015-011 (First Order), which was issued on May 12, 2015. The First Order ordered Ritter to, among other things, pay \$94,689.00 to the Department as restitution under Finance Code § 154.411 and pay \$14,000.00 to the Department as an administrative penalty under Finance Code § 154.406. The First Order provided a payment schedule for the restitution and contemplated the restitution being paid in full by June 5, 2017. Ritter was required to pay the administrative penalty within 30 days after the final restitution payment.
- 11. The Commissioner has considered this matter and finds as follows:
  - a. The Commissioner incorporates by reference as if fully set forth herein the findings stated in paragraphs 10(a)-(k) of the First Order.
  - b. In the time since the First Order became effective, Ritter fully cooperated with the Department and made payments as necessary towards the restitution.
  - c. On September 9, 2016, Ritter paid off the remaining restitution ordered in the First Order by depositing \$41,880.00 in the designated bank account. This payment was much larger than any of the payment amounts contemplated by the payment schedule listed in the First Order. Additionally, Ritter paid off the full amount of the restitution almost nine months before he was required to do so by the First Order.
  - d. As required by the Finance Code § 154.406(c), the Commissioner has considered the seriousness of the violations, Ritter's compliance history, and Ritter's good faith in attempting to comply with Chapter 154. The Commissioner finds that Ritter has had exemplary compliance history since the First Order and has cooperated fully with the

Department's demands. Additionally, the Commissioner finds that Ritter exhibited good faith by paying off the restitution well ahead of the schedule set forth in the First Order and by making a payment much larger than any contemplated by the First Order.

e. Based on these findings, the Commissioner finds that it is appropriate to reduce the penalty mandated in Paragraph 7 of the Order Section of the First Order from \$14,000.00 to \$7,000.00.

## **Order**

It is hereby ORDERED, ADJUDGED and DECREED that:

- 1. Paragraph 7 of the Order Section of the First Order is terminated.
- 2. Ritter will pay \$7,000.00 to the Department as an administrative penalty under Finance Code § 154.406. The penalty shall be payable to the Department as follows:
  - a. The first \$3,000.00 of the administrative penalty shall be due within 15 days of the effective date of this Order.
  - b. The remaining \$4,000.00 of the administrative penalty shall be due in equal payments of \$2,000.00. Each payment shall be due on the 5th day of the subsequent 2 months, with the first payment due by January 5, 2017. This payment schedule will result in the administrative penalty being paid in full by February 5, 2017.
  - c. If Ritter fails to make any monthly payment within five days of the due date, the entire penalty amount remaining becomes immediately due.
- 3. This Order does not restrict the Department with respect to any enforcement action or other recourse regarding any past, current, or future violations by Ritter that come to the

attention of the Department. However, nothing herein shall be construed to limit Ritter's

right to contest any future finding or determination of non-compliance.

**Effective Dates** 

This Order against Ritter is effective on the date signed by the Commissioner and is final

and non-appealable as of that date. The provisions of this Order will remain effective and in

force except in the event that, and until such time as, appropriate portions of this Order shall

have been modified, terminated, suspended, or set aside in accordance with Finance Code

§154.416 or other law.

It is so ORDERED.

Signed on this 2nd day of November, 2016.

/s/ Stephanie Newberg for

Charles G. Cooper

Banking Commissioner of Texas

AGREED AS TO FORM AND SUBSTANCE:

/s/ Ronald R. Ritter

Ronald R. Ritter

Date: October 31, 2016

APPROVED AS TO FORM:

/s/ Stephanie Lowe

Stephanie Lowe

**Assistant General Counsel** 

Texas Department of Banking

Date: November 1, 2016