



Charles G. Cooper
Commissioner

TEXAS DEPARTMENT OF BANKING

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PRESS RELEASE

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Texas Department of Banking Commissioner Issues Order Against Belinda Allee and Randy Allee

On May 19, 2015, Texas Banking Commissioner (Commissioner), Charles G. Cooper, issued a Consent Order against Belinda Allee and James R. “Randy” Allee (Second Consent Order). Belinda and Randy Allee are current employees and the former owners of the Callaway-Allee Funeral Home (Funeral Home) in Crockett, Texas.

On September 11, 2014, the Commissioner issued a Consent Order against Belinda and Randy Allee (First Consent Order). The First Consent Order was based on the Commissioner’s finding that the Allees violated Texas Finance Code Chapter 154 by misappropriating funds paid to the Allees for prepaid funeral benefits. The Commissioner found that from 1998 to 2013, the Allees sold prepaid funeral benefits but failed to timely transmit the funds collected from purchasers to the insurance company that was to issue policies to provide the benefits at the time of need. The First Consent Order required Belinda and Randy Allee to pay restitution to the insurance company, prohibited them from selling prepaid funeral benefits, and ordered them to pay a penalty of \$120,000.

On October 23, 2014, after new evidence surfaced indicating that the Allees misappropriated funds from additional prepaid funeral benefits contracts and failed to inform the Texas Department of Banking (Department) about them, the Commissioner issued an Emergency Order to Seize Prepaid Funeral Records (Emergency Seizure Order). The Emergency Seizure Order was based on the Commissioner’s finding that Belinda and Randy Allee sold and received funds for at least two other prepaid funeral benefits policies in 1994 but the funds were not submitted to the insurance company until 2014. In addition to violating Texas Finance Code Chapter 154, these actions also contradicted Belinda and Randy Allees’ earlier sworn statements that they had surrendered to the Department all records of prepaid funeral benefits contracts for which the funds were not properly handled.

Based on the records seized after the issuance of the Emergency Seizure Order, the Department issued the Second Consent Order. The Second Consent Order was based on the Commissioner’s finding that Belinda and Randy Allee sold and received funds for ten additional prepaid funeral benefits policies but did not submit or did not timely submit the funds to the insurance company as required by Texas Finance Code Chapter 154. The Second Consent Order requires the Allees to pay \$35,000 to the Department as an administrative penalty. All of the contracts were ultimately funded or the funds were refunded to the purchaser.

None of the issued orders affect the ability of the Funeral Home to provide funeral benefits.

The full text of the [Second Consent Order](#) can be viewed on the Department's website.

Inquiries regarding this matter should be directed to:

Texas Department of Banking
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Toll-free (877) 276-5554, at the menu prompt select "3" for Inquiries/Complaints, at the next prompt select "6" for Funeral Contracts/Cemeteries or directly (512) 475-1287