

ORDER NO. 2015-016a

IN THE MATTER OF:	§	BEFORE THE BANKING
	§	
	§	
KASHMERE GARDENS	§	
FUNERAL HOME, INC.	§	COMMISSSIONER OF TEXAS
	§	
(Prepaid Funeral Seller Permit No. 867)	§	
	§	
	§	
HOUSTON, TEXAS	§	AUSTIN, TRAVIS COUNTY, TEXAS

CONSENT ORDER

On this day, the matter of Kashmere Gardens Funeral Home, Inc. (Kashmere) located in Houston, Texas, was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

1. Kashmere is a corporation located in the state of Texas, with its principal address listed as 5908 Lavender Street, Houston, Texas 77026. Kashmere holds restricted Permit No. 867 issued by the Texas Department of Banking (Department) to maintain its current prepaid funeral benefits contracts.
2. The Department has jurisdiction over Kashmere and the subject matter of this proceeding pursuant to Texas Finance Code (Finance Code) Chapter 154. The Commissioner has the authority to issue this Consent Order (Order) pursuant to Finance Code § 154.406.
3. Kashmere has been properly notified of its right to an administrative hearing under Finance Code Chapter 154 (Chapter 154).
4. The statutory provisions at issue in this matter include Finance Code §§ 154.101, 154.104, 154.107 and 154.108 and Title 7 Texas Administrative Code (TAC) § 25.23.
5. Any violation of this Order could subject Kashmere to additional regulatory or enforcement actions authorized by Chapter 154. Nothing in this Order diminishes the

regulatory or enforcement powers of the Department, the Commissioner, or the Finance Commission of Texas under Chapter 154 or other applicable law.

6. For purposes of this proceeding, Kashmere knowingly and voluntarily waives:
 - a. Service upon Kashmere 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.
7. Kashmere 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 Kashmere that Chapter 154 or a rule adopted or order issued under Chapter 154 has been violated.
8. The Commissioner has considered this matter and finds as follows:
 - a. Finance Code § 154.107 mandates that a seller of prepaid funeral contracts that has outstanding contracts must renew its permit until the contracts are fully discharged.
 - b. As of June 30, 2014, Kashmere had five (5) outstanding prepaid funeral benefits contracts.

- c. On June 2, 2015, the Department gave Kashmere written notice that its permit had expired on June 1, 2015 due to failure to submit its 2015 permit renewal.
- d. Due to Kashmere's failure to submit its complete 2015 permit renewal, on July 22, 2015, the Commissioner issued Order No. 2015-016 to seize Kashmere's prepaid funeral money and records.
- e. Subsequently, Kashmere completed its 2015 permit renewal.

Order

- 1. It is hereby ORDERED, ADJUDGED and DECREED that:
- 2. Kashmere shall take all actions necessary to comply with the requirements of Chapter 154 of the Texas Finance Code and Chapter 25 of the Texas Administrative Code, including submitting an updated ACH form to the Department by August 28, 2015, such that Kashmere's first assessment can be paid via ACH debit on or about September 22, 2015, in accordance with TAC § 25.24.
- 3. This Order supersedes Order No. 2015-016 such that the Order No. 2015-016 will be of no effect.
- 4. This Order does not restrict the Department with respect to any enforcement action or other recourse regarding any other past, current, or future violations by Kashmere that come to the attention of the Department. However, nothing herein shall be construed to limit Kashmere's right to contest any future finding or determination of non-compliance.

Effective Date

This Order against Kashmere is effective on the date signed by the Commissioner, and subject to its terms, Kashmere may not appeal.

Signed on this 17th day of August, 2015.

/s/ Charles G. Cooper
Charles G. Cooper
Banking Commissioner of Texas

AGREED AS TO FORM AND SUBSTANCE:

Kashmere Gardens Funeral Home, Inc.

By: /s/ Roosevelt Covington
Roosevelt Covington
President

Date: August 13, 2015

APPROVED AS TO FORM:

By: /s/ Brenna McGee
Brenna McGee
Assistant General Counsel
Texas Department of Banking

Date: August 14, 2015