



Charles G. Cooper
Commissioner

TEXAS DEPARTMENT OF BANKING

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PRESS RELEASE

Date: December 1, 2014

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

On October 23, 2014, Texas Banking Commissioner (Commissioner), Charles G. Cooper, issued an Emergency Order to Seize Prepaid Funeral Records (Emergency Seizure Order) against Belinda Allee, James R. “Randy” Allee and James “Jamie” Allee II. Belinda and Randy Allee are the former owners of the Callaway-Allee Funeral Home (Funeral Home) in Crockett, Texas. Jamie Allee is the current owner of the Funeral Home.

The Emergency Seizure Order is the second order the Commissioner has issued against the Allees. On September 11, 2014, the Commissioner issued a Consent Order against Belinda and Randy Allee. The 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 \$380,270 collected from purchasers to the insurance company that was to issue policies to provide the benefits at the time of need. The 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.

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 the 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 all records of prepaid funeral benefits contracts for which the funds were not properly handled to the Department. On October 27, 2014, the Department seized the Funeral Home’s prepaid funeral records. The seizure does not affect the ability of the Funeral Home to provide the funeral benefits.

The Emergency Seizure Order became final and non-appealable on November 27, 2014.

The full text of the [Emergency Seizure Order](#) can be viewed on the Department’s website.

Inquiries regarding this matter should be directed to:

Texas Department of Banking
Special Audits Division
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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