OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
REGULATION AND ENFORCEMENT

IN THE MATTER OF: ) ADMINISTRATIVE
GILLESPIE FUNERAL HOME ) PROCEEDING NUMBER:
) P-09-0203

CONSENT AGREEMENT

I. Jurisdiction

Finding it appropriate in the public interest, the Regulation and Enforcement Division of
the Office of the Secretary of State of Mississippi (hereafter “Division”), on behalf of the
Secretary of State, having the power to administer and to provide for the Mississippi Pre-
need Cemetery and Funeral Registration Act, Miss. Code Ann. §§ 75-63-51 to 75-63-75
(hereafter “Act”), and Respondents do hereby enter into this Consent Agreement (hereafter
“Agreement”). This Agreement settles all of the Divisions allegations of violations of the
Act by the Respondents.

II. Agreement

Respondents admit the jurisdiction of the Division as to all parties and matters herein under
the authority of the Act. In consideration of a final resolution of the matters set forth in
Paragraph I, and of other considerations set out hereinafter, the Division and Respondents hereby
agree, stipulate, and undertake as follows. Further, Gillespie Funeral Home admits the violations
described herein:

1. Gillespie Funeral Home (hereafter “Gillespie”) is not registered as a preneed
   establishment with the Secretary of State’s Regulation and Enforcement Division, and is
   principally located at 9179 Pigeon Roost Road, Olive Branch, MS 38654.

2. Gillespie, in violation of Miss. Code Ann. Section 75-63-65, has sold at least twenty-five
   (25) preneed contracts from at least June 2007 until present while not registered with the
Secretary of State and used unapproved contracts to do so. Using unapproved contracts is in violation of Miss. Code Ann. Section 75-63-55.

3. The same Section states that anyone who sells preneed contracts must be registered with the Secretary of State as an agent. Gillespie has no agents registered with the Division.

4. Gillespie, in violation of Miss. Code Ann. Section 75-63-55(3), did not fund at least one preneed contract through trust, insurance, or warehouse receipt.

5. Gillespie, in violation of Miss. Code Ann. Section 75-63-57, has not kept at least two preneed contract for the requisite time period of two years after the death of the contract insured.

6. Gillespie, in violation of Miss. Code Ann. Section 75-63-55(2), did not itemize all of the merchandise and services on at least one preneed contract.

7. Respondents acknowledge the following recommendations based upon the examiners review of client files:

   a. Preneed agents registered with the Division are the only people allowed to market and sign preneed contracts binding the establishment. Insurance agents licensed by the Mississippi Department of Insurance are the only personnel who should take and sign an insurance policy application.

   b. Price lists for merchandise and services provided are meant to be standard guidelines for the pricing of said merchandise and services. When a discount is given for any of these merchandise and services, it should be noted on the preneed contract.
c. When a preneed contract is not fully paid for before the death of the contract owner, an accounting of what was paid for on behalf of the decedent at the time the contract is serviced should be recorded by the preneed provider.

8. Respondents will remit upon execution of this Consent Agreement an administrative penalty to the Secretary of State in the amount of Five Thousand Dollars ($5,000) by check made out to the Secretary of State's Office by February 1, 2010 for the violations of selling 25 preneed contracts without being registered; selling preneed with an unapproved contract form; preneed sales by unregistered agents; not funding a preneed contract by trust, insurance, or warehouse receipt; not keeping preneed contracts for the requisite two years after death of contract insured; and not itemizing all merchandise and services on all preneed contracts. As a result of this Agreement, the Secretary of State agrees not to pursue any further actions against Gillespie for the specific aforementioned violations.

9. Nothing contained herein shall be construed as limiting Respondents’ rights to contest any finding or determination made by the Division or by a court concerning an alleged failure by Respondents to comply with any of the terms and provisions of the Agreement.

10. Respondents are aware of the right to a hearing on this matter at which they may be represented by counsel, present evidence, and cross-examine witnesses. Respondents hereby irrevocably waive the right to such a hearing.

11. Respondents understand that the entry of this Agreement represents the settlement of regulatory claims by the Division against Respondents as of the date of this Agreement.
III. Acknowledgement

The parties acknowledge that they have read this Agreement in its entirety and fully understand the rights, terms, and obligations of each contained therein and they have been vested with the express authority to enter into this Agreement. The parties further acknowledge that they have not been threatened or otherwise coerced into entering into this Consent Agreement.

The undersigned hereby acknowledge and agree to the terms and conditions of the foregoing Agreement by written consent.

So Agreed, this the 26th day of April, 2010.

GILLESPIE FUNERAL HOME

BY: George P. Gillespie
    President
    Gillespie Funeral Home
Date: 4/29/2010

C. DELBERT HOSEMAN, JR.
SECRETARY OF STATE
In his Official Capacity

BY: Amy Foster
Senior Attorney,
Regulation and Enforcement
Date: 5/4/10