

FILED

MAR 18 2015

COMMISSION OF INSURANCE
INSURANCE DIVISION OF IOWA

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	
Murdoch Funeral Homes, Inc.)	Consent Order
520 Wilson Avenue SW)	
Cedar Rapids, Iowa 52404-3514)	Docket Number 86759
Preneed Seller License PS-00185)	
Respondent)	

Comes now the Iowa Insurance Division ("Division") and states:

1. The Commissioner of Insurance, Nick Gerhart, (the Commissioner) administers and enforces Iowa Code chapter 523A relating to the regulation of preneed sellers of funeral services.
2. Murdoch Funeral Homes, Inc. (Murdoch) is a licensed Preneed Seller in good standing with the Division.
3. The Division conducted a routine examination of Murdoch in November 2014.
4. The Division noted several areas in which Murdoch was not in strict compliance with Iowa code chapter 523A.
5. Murdoch has consented to the entry of this Order.

IT IS THEREFORE ORDERED:

- A. When selling an insurance or annuity product to fund services for a preneed purchase agreement, Murdoch shall remit one hundred percent of the payment received to the insurance company as required by Iowa Code section 523A.401(6)(b).
- B. When selling an insurance or annuity product to fund services for a preneed purchase agreement, Murdoch shall ensure that purchaser's checks are made payable directly to the insurance company in question.

C. When selling preneed services that will be funded by funds placed in trust, Murdoch shall, for the Monitoring Period, deposit one hundred percent of the purchase amount into trust.


D. Murdoch shall maintain a surety bond in an appropriate amount to protect against the loss of purchaser payments not placed in trust as permitted by Iowa Code sections 523A.201-202.

E. Murdoch shall be subject to a two-year Monitoring Period. During the monitoring period, Murdoch shall file quarterly reports with the Division that demonstrate the current liability of the trust funds for purchase agreements and the existing surety bonds. Reports will be due on or before the 15th day of the month following the previous quarter. The first report is due on or before April 15, 2015. Since the Reports filed under this Consent Order will necessarily contain confidential information about purchaser accounts, said Reports shall be treated as confidential records.

F. On or before February 05, per the Division's recommendations, Murdoch amended their Purchase Agreement to comply with all of the disclosure requirements of Iowa Code sections 523A.601 and 523A.602. Effective upon receipt of this order, Murdoch shall use the said agreement while signing contract with preneed purchasers.

Dated this 18 day of March 2015

NICK GERHART
Commissioner of Insurance



BY ROSANNE MEAD, Securities Administrator &
Assistant Insurance Commissioner

COPY SENT BY U.S. Mail TO:

Leigh A. Murdoch, Secretary
Murdoch Funeral Homes, Inc.
520 Wilson Avenue SW
Cedar Rapids, Iowa 52404-3514

NOTICE

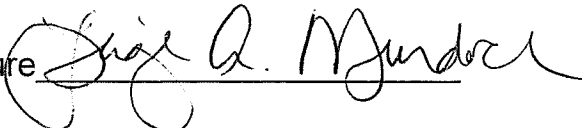
This Consent Order is a public record available for inspection and copying pursuant to Iowa Code chapter 22 (2013).

By signing this Consent, Murdoch Funeral Homes, Inc. waives its right to a hearing on the allegations contained within. This Order shall be a final Order of the Commissioner of Insurance and shall be enforceable by the Commissioner of Insurance in an administrative or court proceeding.

CONSENT

AGREED AND ACCEPTED:

By Murdoch Funeral Homes, Inc.

Signature 

Printed Name Leigh A. Murdoch

Title Secretary / Treas.

Date 3/13/2015

NOTICE OF RIGHT TO REQUEST HEARING

NOTICE IS HEREBY GIVEN that Respondent may request a hearing in this matter. This request must be in writing and must be filed within 30 calendar days of being served with this Order, with Rosanne Mead, Iowa Insurance Division, 601 Locust, Fourth Floor, Des Moines, Iowa 50309. A notice of the hearing shall be prepared and shall be given at least 15 days before the date of the hearing unless the parties agree to an earlier date. The hearing shall be held within 90 days after the date of the notice of the hearing unless extended by the presiding officer for good cause with at least 15 days notice to the parties. The resulting hearing will be held in accordance with Iowa Code Chapter 17A (2013).

NOTICE REGARDING FAILURE TO REQUEST A HEARING

If you fail to request a hearing within 30 days of the date of this Consent Order, the Order shall be a final Order of the Commissioner of Insurance and shall be enforceable by the Commissioner of Insurance in an administrative or court proceeding.

NOTICE REGARDING EXHAUSTION OF ADMINISTRATIVE REMEDIES AND RIGHT TO SEEK JUDICIAL REVIEW

The failure to request a hearing can constitute a failure to exhaust your administrative remedies and limit the issues subject to judicial review. You may seek judicial review of this Order, pursuant to Iowa Code chapter 17A, after the Order becomes final. The Order becomes final 30 days after it is issued if you do not timely request a contested case hearing, or 30 days following any ruling from a contested case hearing.

NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER

YOU ARE NOTIFIED that any person who willfully violates this Consent Order shall be deemed in contempt of the order pursuant to Iowa Code section 523A.604 (2013). The administrator may petition the district court to hold a hearing to enforce the order as certified by the administrator. The district court may assess a civil penalty against the person in an amount not less than five thousand dollars but not greater than fifty thousand dollars for a six-month period, and may issue further orders as it deems appropriate.

NOTICE REGARDING IMPACT OF ORDER ON EXISTING LICENSES

A final Cease and Desist Order may adversely affect existing business or professional licenses and result in license revocation or disciplinary action. The Iowa Insurance Division may review Murdoch's conduct under this Consent Order for a potential license revocation or disciplinary action.