

June 22, 2018

Cody and Brittany Tucker, Owners
Celebrate Life Funeral Services Ltd.
1002 5101-46 St.
Cold Lake, AB T9M 0C8

Dear Mr. and Ms. Tucker:

The Alberta Funeral Services Regulatory Board (AFSRB) had a meeting on June 5, 2018 at which the inspection findings, the representations from Celebrate Life Funeral Services Ltd. and representations from Stephanie Delorme were reviewed. The decisions that the Board has reached will be provided in three responses, one related to the breaches for Celebrate Life Funeral Services Ltd., one for the breach related to Brittany Tucker and one for the breaches related to Stephanie Delorme.

The AFSRB found that the some of the details provided in the representations included contradictory information. The decisions related to disciplinary action made by the AFSRB only address the specific items where there was agreement to the facts or proof based on the contracts reviewed by our inspector. The AFSRB was in agreement that the business owners, even though not licensed individually under the Funeral Services Act, ultimately are responsible for ensuring that the business is managed in accordance with the law. To ensure that you as the business owners are more familiar with the Alberta Funeral legislation, the AFSRB will require that both of you take an Alberta Funeral Law course and successfully complete it within the next 60 days in order to maintain a Funeral Services Business Licence for Celebrate Life Funeral Services Ltd.

Under Section 13(1.1) of the Funeral Services Act it states: It is an unfair practice for any person, in information that is published by any means, to make a statement about any matter related to the operation of a funeral services business that might reasonably be regarded as being misleading or deceptive. The video on the Celebrate Life website indicated that there was a crematory on site. Because Celebrate Life does not have a crematory this information would be considered misleading. It is understood that this video has been removed from the website and therefore no further action will be taken on this contravention.

Celebrate Life Funeral Services Ltd. is licensed as a funeral services business and is required to act in accordance with the Alberta Funeral Services Act and regulations and the professional Code of Conduct in order to maintain the funeral services business licence. As the business owner, we must remind you of the regulated requirements under section 18(3) and (4), which states that the business manager's licence makes them responsible for ensuring that the activities in the funeral services business are done by licensed staff. Celebrate Life Funeral Services Ltd. must have a licensed funeral director at the business when there is any discussion related to the details of a funeral contract with a consumer. The funeral director will also serve in the role of business manager. The AFSRB continues to have serious concerns about this issue as your current licensed funeral director also works for other funeral businesses and does not live in the Cold Lake area. The business manager needs to be involved in the day to day operations of the funeral services business so they can perform the functions and duties of the role as a licensed business manager. Under section 3(1.1) of the Funeral Services Act, it states: No person shall perform the duties and functions of a business manager, as prescribed by the regulations, unless that person holds a business manager licence. If the licensee is only at the business part time, it brings into question who is actually fulfilling this licensed role. The AFSRB's inspector will be vigorously monitoring Celebrate Life Funeral Services Ltd. to ensure that all licensed activity is performed by a licensee.

Although it is unclear who at Celebrate Life Funeral Services Ltd. may have actually entered into contracts with the consumer, it is clear that Ms. Delorme may not have always been involved in the entire process. Under Section 3(2) of the Funeral Services Act (Prohibitions) it states: No person shall, unless that person holds a funeral director licence, solicit to enter into or enter into a funeral services contract as agent for a person who holds a funeral services business licence. This means that no one at the funeral business except for a licensed funeral director can discuss the options, pricing or any other details related to a funeral services contract or write a funeral contract with a consumer. The signature of a licensee is required on the contract, but the licensee must also be the one to negotiate the details of the contract. Having a funeral director sign a contract after the contract is written does not meet the requirement of the legislation. Also, a signature stamp for the funeral director for any official funeral documentation (contracts, cremation authorizations, funeral director's statement of death, etc) is not allowed and a signature stamp must not be used. Because it was unclear who may have entered into the contracts, no one will be disciplined under section 3(2). However, going forward if similar circumstances are encountered by our inspector, the business owners will be held accountable for this unlicensed activity.

Under the General Regulation Section 19(b) it states: A funeral director licence authorizes the licensee to arrange or direct funeral or memorial services. There was one instance where there was agreement that a licensee was not directing the funeral or memorial service. This was the service for [REDACTED]. If the funeral services business has been compensated for a memorial service, that confirms that a licensed funeral director would need to be present under Section 19(b). The AFSRB has determined that a record of this unlicensed activity will be included in the file for both Brittany and Cody Tucker as the owners of Celebrate Life Funeral Services Ltd., who made the decision to have a memorial service without the presence of a licensee. There will be no additional action taken at this time.

Under Section 8(1) of the General Regulation, it states: A funeral services contract shall (a) be in writing, (b) be signed by the purchaser and by (i) a funeral director of the funeral services business. The examples of these breaches are: **Reynold Hart** – not signed by the purchaser and a stamp used for the funeral director, **Levalyn Schae** – there are no signatures on the original, a scanned copy shows a purchaser signature but no funeral director signature, **Philip Gardip** – there are no signatures on the contract, **Charlye Dumas** – there was no contract in the file only an invoice, so the file didn't contain any signatures. Under section 8(2) it states: At the time a funeral services contract is entered into, the funeral services business must disclose to the purchaser, in writing, whether or not refrigeration is available at the location where the funeral services will be provided. It is my understanding that you do not have refrigeration available at your location and therefore your statement that you have cooling facilities would be misleading to the consumer and would not meet the requirement of the regulation. Under Schedule 4 the administrative penalties for these deficiencies are, \$1500 for the first contravention and \$5000 for the second contravention. As there were multiple contraventions, an administrative penalty in the amount of \$6500 is being applied to Celebrate Life Funeral Services Ltd.

Under section 8(1) of the Funeral Services Act, it states: Money held in trust by a licensee pursuant to section 7 must be transferred to an authorized trustee within the period prescribed in the regulations. The corresponding section in the General Regulation is Section 12(1) which states: For the purposes of section 8(1) of the Act, the period within which a licensee shall transfer money in trust to an authorized trustee is 5 business days from the date on which the cancellation period under section 10 expires. Section 12(2) further describes the requirements when installment payments are taken which includes a requirement to transfer each installment payment received (after the cancellation period and after any administration fee have been satisfied) to an authorized trustee within 5 business days of the date on which the payment is received. There is no indication that any money has been transferred to a trust account. The AFSRB takes the trust requirements very seriously and therefore is applying under Schedule 4 an administrative penalty in the amount of \$5000 for not placing the pre-need funds in trust at the appropriate time.

A pre-need funeral business licence allows a business to enter into pre-need contracts with a consumer. The trust provisions under the Funeral Services Act are in place for consumer protection. If the contracts and funds are not dealt with appropriately by a licensee, the consumer is placed at risk. Under the authority provided in section 15(5) of the Funeral Services Act, the Director may suspend or cancel a licence if the licensee contravenes this Act or the regulations. The AFSRB has decided to suspend your pre-need licence for the next five years, which means you will not be allowed to enter into any pre-need contracts.

Finally, under Section 15 of the General Regulation, a funeral services business is required to maintain full and adequate records of the business operation. Items that would be required under this section are a register for all pre-need contracts that are written which the inspection report indicates is not in place. Also, the cremation authorizations were not completed properly and therefore would not be considered adequate records for the purposes of this section. The AFSRB has applied an administrative penalty in the amount of \$500 for the first contravention of this section.

The issues found during the inspection were very serious. This business has been operating outside of the legislative requirements and it is the AFSRB's responsibility to ensure that businesses are being operated in a manner that protects the consumer. The actions being taken against Celebrate Life Funeral Services Ltd are summarized as follows:

Funeral Services Act General Regulation – section 8 – administrative penalty in the amount of \$6500.

Funeral Services Act – section 8(1) – administrative penalty in the amount of \$5000.

Funeral Services Act General Regulation – section 15 – administrative penalty in the amount of \$500.

Funeral Services Act – section 15 – suspension for a period of 5 years the Pre-need Funeral Services licence for Celebrate Life Funeral Services Ltd.

Alberta Funeral Law Course – Brittany and Cody to take a funeral law course and successfully complete it within the next 60 days.

The decision of the AFSRB can be appealed to the Minister of Service Alberta by serving the Minister with a notice of appeal within 30 days after being notified of the AFSRB's decision. Section 16 of the Funeral Services Act outlines the process for making an appeal. Also, section 34.2 of the Funeral Services Act outlines the process for making an appeal of the administrative penalties. The fee for an appeal as per section 37(12) of the General Regulation is \$1000. This fee may be returned if the appeal is successful.

If you choose not to appeal the decision, the administrative penalties must be paid within 30 days or arrangements for payment made with the AFSRB.

If you have any questions regarding the decision or the appeal process, please contact me directly.

Sincerely,



Karen Carruthers
Executive Director