

BEFORE THE NORTH CAROLINA  
BOARD OF FUNERAL SERVICE  
CASE NO. M20-0122

In the matter of: )  
)  
Claude E. Willie, III and C.E. Willie )  
Funeral & Cremation Services, Inc., )  
Respondents )

In accordance with N.C. Gen. Stat. § 150B-40(d), the North Carolina Board of Funeral Service (hereinafter the “Board”) issues the following Findings of Fact, Conclusions of Law, and Final Agency Decision in this matter.

The record reflects that a quorum of the Board was present at the hearing held and at the time the Board made this decision on November 18, 2020. The record further reflects that Board members Valdus Lockhart and Chris Watson did not participate in the hearing or deliberations of this case because they served on the Board's Disciplinary Committee at the time this particular matter was reviewed. Catherine E. Lee, General Counsel, appeared for Board staff. Charles McDarris appeared as administrative law counsel for the Board. Respondents appeared at the hearing and were not represented by counsel.

Before the hearing, the following inquiry was read aloud in accordance with state ethics laws: “[d]oes any board member have any known conflict of interest with respect to this matter coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue or inappropriate participation in the particular matter involved.” No Board members, other than Mr. Lockhart and Mr. Watson, stated that they had a conflict of interest or the appearance of a conflict of interest.

1. iGov Profile for CE Willie Funeral & Cremation Services, Inc.
2. iGov Profile for Claude E. Willie, III
3. M17-0043, C18-0035 Final Agency Decision
4. Order for Summary Suspension
5. Notice of Hearing to Show Cause
6. Return of Service for Notice of Hearing to Show Cause and Order for Summary Suspension
7. Subpoena to [REDACTED]
8. P19-0004 Preneed Recovery Fund Application and Supporting Documents
9. P19-0004 Reimbursement Check to [REDACTED]
10. Subpoena to [REDACTED]

11. P20-0002 Preneed Recovery Fund Application and Supporting Documents
12. P20-0002 Investigative Report
13. Subpoena to [REDACTED]
14. C20-0057 Complaint and Supporting Documents
15. Letter re Denial of 2019 Preneed Establishment Renewal Application
16. Investigation Report for C20-0057

#### RESPONDENTS' LIST OF EXHIBITS

1. None

#### FINDINGS OF FACT

1. Respondent C.E. Willie Funeral & Cremation Services, Inc. (hereinafter "Respondent Establishment") is a corporation organized under the laws of North Carolina, is licensed as Funeral Establishment Permit No. 169 and is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code.
2. Respondent Claude E. Willie (hereinafter "Respondent Individual") is licensed as Funeral Service Licensee No. 2672 and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code.
3. For all times relevant to this proceeding, Respondent Claude E. Willie has served as the licensed manager and licensed officer of Respondent Establishment, pursuant to N.C. Gen. Stat. § 90-210.25(d)(2) and 90-210.27A(e).
4. Respondent Individual previously has been sanctioned for violating N.C. Gen. Stat. § 90-210.25(e)(1)(b), which prohibits fraud or misrepresentation in the practice of funeral service. Specifically, on November 19, 2018, the Board rendered a Final Agency Decision against Respondents with regard to Board Case Nos. M17-0043 and C18-0035 (hereinafter the "2018 FAD").
5. The 2018 FAD is hereby incorporated by reference as a self-authenticating document, specifically a court record or other pleading.
6. Pursuant to the 2018 FAD, the preneed establishment permit and all ancillary preneed sales licenses of Respondent Establishment were suspended, with said suspension stayed on the condition that Respondents shall be placed on probation for two (2) years, during which time they shall not violate any law or rule regulated by the Board.
7. Accordingly, the preneed establishment permit and all ancillary preneed sales licenses of Respondents were placed on probation from November 19, 2018 through November 19, 2020.

8. On or about February 1, 2019, Respondent Establishment submitted its 2019 Preneed Funeral Establishment Renewal Application ("2019 PN Renewal Application"). Board staff denied the 2019 PN Renewal Application; Respondent Establishment did not appeal the denial. As such, Respondent Establishment's preneed establishment permit and all ancillary preneed sales licenses expired on December 31, 2018.
9. On or about August 28, 2019, the Board received a Preneed Recovery Fund Application for Reimbursement from Mr. [REDACTED] on behalf of [REDACTED], in which Mr. [REDACTED] alleged that Respondents were paid \$4,500 in September 2015 toward an Inflation-Proof Trust Preneed Funeral Contract that Respondents did not file with the Board. Mr. [REDACTED] further alleged that Respondents did not deposit the \$4,500 paid toward the Contract into trust, as required by law. Upon review, the Board found evidence to substantiate the allegations and approved Mr. [REDACTED] Application for Reimbursement.
10. On or about August 13, 2020, the Board received a consumer complaint in which Ms. [REDACTED] alleges that Respondents failed to refund insurance proceeds received as consideration for the services of [REDACTED] in excess of the funeral contract purchase price within thirty (30) days of receipt, in violation of N.C. Gen. Stat. § 90-210.25(e)(1)(o). At hearing, the Board found evidence to substantiate the allegations.
11. On or about August 26, 2020, the Board received a Preneed Recovery Fund Application for Reimbursement from Ms. [REDACTED] on behalf of Mr. [REDACTED] in which Ms. [REDACTED] alleged that Respondents were paid \$6,864.65 in July 2018 toward a Standard Trust Preneed Funeral Contract that Respondents did not file with the Board. Ms. [REDACTED] further alleged that Respondents did not deposit the \$6,864.65 paid toward the Contract into trust, as required by law. At hearing, the Board found evidence to substantiate the allegations.
12. On September 9, 2020, the Board found that, if established by a preponderance of the evidence at a hearing, the Board could reasonably conclude that one or more violations of the Board's laws and rules has been committed by Respondents.
13. On September 9, 2020, the Board found that the actions and omissions of employees or agents of Respondent as described in Paragraphs 1-11 above warrant emergency action by the Board to protect public safety, health, and welfare. As a result, the Board issued an Order for Summary Suspension, which summarily suspended the at-need establishment permit of Respondent Establishment and the Funeral Service License of Respondent Individual.

### CONCLUSIONS OF LAW

1. Respondents are subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code and the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984).
2. Respondents are subject to jurisdiction before the Board.
3. The Board is authorized under Article 3A, Chapter 150B of the North Carolina General Statutes to hear this matter.
4. The acts and omissions taken by Respondent Individual and employees and/or agents of Respondent Establishment described above violate the terms of the 2018 FAD.
5. The acts and omissions of Respondents described above constitute fraud or misrepresentation in the operation of a licensee's business, in violation of N.C. Gen. Stat. §§ 90-210.25(e)(1)b and 90-210.69(c)(4).
6. The acts and omissions of Respondents described above constitute violations of Article 13D of Chapter 90 of the North Carolina General Statutes, in violation of N.C. Gen. Stat. §§ 90-210.25(e)(1)j. and 90-210.69(c)(6), as follows:
  - a. Respondents did not deposit all preneed funds in an insured account in a financial institution, in trust, in the preneed licensee's name as trustee within five (5) business days, in violation of N.C. Gen. Stat. § 90-210.61(a)(1);
  - b. Respondents deposited preneed funds into its own operating account, in violation of N.C. Gen. Stat. § 90-210.61(e);
  - c. Respondents did not remit to the Board, within ten (10) days of the sale, a copy of Complainant's preneed contract and the \$20.00 preneed contract filing fee paid by the Complainant.
7. The acts and omissions of Respondents described above constitute failure to refund insurance proceeds received as consideration in excess of the funeral contract purchase price within thirty (30) days of receipt, in violation of N.C. Gen. Stat. §§ 90-210.25(e)(1)(o).
8. One or more of the violations described above were committed by any officer, director, manager, partner, operator, or member of Respondent Funeral Home or by any person, employee, or agent with the consent of any person, firm, or corporation operating it. Pursuant to N.C. Gen. Stat. § 90-210.25(d)(4), the Board has the authority to revoke, suspend, or refuse to issue or renew the funeral establishment permits of Respondent Funeral Home, to place

Respondent Funeral Home on probation, and/or to assess a civil penalty not to exceed \$5,000.00.

9. Respondent Individual committed one or more of the violations described above. Pursuant to N.C. Gen. Stat. §§ 210.25(e)(1), the Board has the authority to suspend, revoke, or refuse to issue or renew the funeral service license of Respondent Individual. However, this Board finds that Respondent Individual remains fit to practice, under the following terms and conditions set forth below. Therefore, pursuant to N.C. Gen. Stat. § 90-210.25(e)(2), the Board has the authority to place Respondent Individual on probation, to require satisfactory completion of remedial or education training, and to assess a civil penalty not to exceed \$5,000.00.

#### FINAL AGENCY DECISION

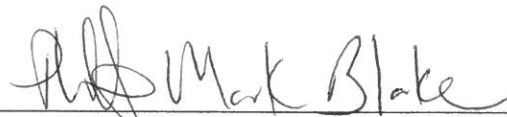
The North Carolina Board of Funeral Service hereby issues the following decision:

1. The At-Need Establishment Permit of C.E. Willie Funeral & Cremation Services, Inc. is hereby revoked.
2. Respondent Claude E. Willie is hereby permanently prohibited from serving as a licensed manager of a funeral establishment; from serving as a licensed owner, officer, director, or member of a funeral establishment; or from practicing funeral service under an unaffiliated permit pursuant to N.C. Gen. Stat. § 90-210.25(a2)(2).
3. Respondent Claude E. Willie is hereby permanently prohibited from holding a preneed sales license on behalf of any preneed funeral establishment.
4. Respondent Claude E. Willie is hereby ordered to reimburse the Board's Preneed Recovery Fund on or before December 31, 2023 in the amount of \$11,364.65 by either a money order, cashier's check, or certified check.
5. The Funeral Service License of Respondent Claude E. Willie shall be suspended for a period of three years, beginning on the date that this Final Agency Decision takes effect, provided that said suspension shall be stayed on the following terms and conditions:
  - a. The Funeral Service License of Respondent Claude E. Willie shall be actively suspended until such time that he reimburses the Board's Preneed Recovery Fund in the amount of \$11,364.65, by either a money order, cashier's check, or certified check; and
  - b. During the period of suspension as set forth above, regardless of whether the suspension is stayed or active, the licensure of Respondent Claude E. Willie shall be on probationary status and he must comply with all statutes and rules governing the practice of funeral service.

6. The Board shall retain jurisdiction under Article 3A, Chapter 150B for all administrative hearings held in connection with, or pursuant to, this Final Agency Decision. If the Board receives evidence of any violations of the Board's statutes and rules identified during the period of stayed suspension, or any violation of the terms and conditions of this Final Agency Decision, the Board shall schedule a show cause hearing for a determination of the violations. If the Board determines that a violation has occurred, the Board may impose such disciplinary action as it determines is appropriate and is authorized by law.
7. Pursuant to N.C. Gen. Stat. § 150B-45(a)(2), Respondents have thirty (30) days from the date that they receive this Final Agency Decision to file a Petition for Judicial Review. The Petition for Judicial Review must be filed in the Superior Court of the county where the person aggrieved by the administrative decision resides, or in the case of a person residing outside the State, in the county where the contested case which resulted in the final decision was filed. Since this is an administrative appeal, no additional evidence will be taken. If a Petition is filed, a Superior Court Judge will review the Final Agency Decision to determine whether there were any legal errors in the Final Agency Decision.
8. This Final Agency Decision shall take effect upon service of Respondents, in a manner consistent with N.C. Gen. Stat. § 150B-42(a).

By order of the North Carolina Board of Funeral Service, this, the 24<sup>th</sup> day of November, 2020.

By:



Phillip Mark Blake

N.C. Board of Funeral Service



### **CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Findings of Fact, Conclusions of Law, and Final Agency Decision was served upon the Respondents by electronic mail and by US Mail, First Class, Postage Prepaid, and addressed as follows:

Claude E. Willie, III  
2904 Snowberry Drive  
Raleigh, NC 27610  
Email: [cewillie52@gmail.com](mailto:cewillie52@gmail.com)

Claude E. Willie, III, Manager  
C.E. Willie Funeral & Cremation Services, Inc.  
2904 Snowberry Drive  
Raleigh, NC 27610  
Email: [cewillie52@gmail.com](mailto:cewillie52@gmail.com)

This, the 25 day of November, 2020.



Catherine E. Lee  
General Counsel