

**BEFORE THE OREGON MORTUARY AND CEMETERY BOARD**

<p>In the Matter of the funeral establishment license of</p> <p><b>SMART CREMATION OF OREGON, LLC.,</b></p> <p><b>LICENSEE</b></p> <p>And</p> <p>In the Matter of the funeral establishment license of</p> <p><b>NORTHSTAR EVERGREEN, LLC., AND NORTHSTAR MEMORIAL GROUP INVESTMENTS, LLC.,</b></p> <p><b>LICENSEE</b></p>	<p><b>CONSENT ORDER</b></p> <p><b>CASE NO. 13-1003B</b></p> <p><b>CASE NO. 13-1003C</b></p>
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The Oregon Mortuary and Cemetery Board (Board) received an insufficient application for Change of Principal for Smart Cremation of Oregon, LLC, (Smart), OMCB License FE-8677, which initiated an investigation of the circumstances of ownership of Smart, NorthStar Evergreen, LLC and NorthStar Memorial Group Investments, LLC (together NorthStar).

During the investigation, authorized representatives and current executives of NorthStar and Smart fully cooperated with the Board to resolve issues involved in this case. Based upon the Board’s investigation, the Board finds that NorthStar had no prior knowledge of the facts or circumstances misrepresented by the former executives of Smart in the licensing documents submitted during the application process.

The Board finds that the false and misleading statements contained in the applications described below were made by former executives of Smart and without the knowledge or approval of NorthStar.

The Board further finds that no actual or alleged injury to Oregon consumers is alleged to have occurred as a result of the false and incomplete statements made by Smart’s former chief officers during the application process.

Nevertheless, the Board finds it has grounds to issue a Notice of Proposed Disciplinary Action, upon which Smart and NorthStar would be provided with the opportunity to request a hearing. In lieu thereof, the parties wish to resolve this matter informally by entering into this Consent Order on the terms set forth below, pursuant to ORS 183.417(3).

The Board, Smart, and NorthStar agree to the following:

1. On November 8, 2012, the Board received a Change of Principal Application from Chuck Pennington (Pennington), CO-3649, advising the Board that the previous principals and officers of Smart were no longer active in the company and that he was now Vice President.
2. On or about November 15, 2012, the Board contacted Pennington and informed him that the application was not sufficient since the previous 100% shareholder of the company was no longer there, so a Change of Ownership Application was required and should have been filed when the change occurred.
3. On November 30, 2012, the Board received a Change of Ownership Application naming new Smart officers, including Pennington as Vice President. Further, a 2-Year Facility License Renewal Application was received on December 31, 2012.
4. The Change of Ownership Application identified the current Licensee as Smart Cremation of Oregon, LLC. The Proposed name for the changed ownership was specified as Smart Cremation of Oregon, LLC, dba Smart Cremation. The individual stockholders and Parent Corporation were both identified as Smart Cremation, LLC at 100%. The Grandparent Corporation was identified as NorthStar Evergreen, LLC at 100% and NorthStar Memorial Group Investments, LLC at 100%.
5. On January 14, 2013, the Board returned the renewal application with a letter notifying Pennington that the renewal was not accepted because Smart Cremation of Oregon, LLC had been administratively dissolved by the Oregon Secretary of State on February 10, 2012. The letter also advised Smart and NorthStar to cease operating without a license.
6. Operating a funeral establishment without a license is a violation of ORS 692.025 and is also a misdemeanor under ORS 692.990.
7. On January 15, 2013, a representative of Smart contacted the Board stating that the lapsing of the LLC was an oversight, the LLC had been re-instated, and a new application was being submitted.
8. An Initial Application for Oregon License to Operate a Funeral Establishment was received by the Board on January 22, 2013. Smart's new license to operate (FE-8773) was formally approved by the Board at the January 29, 2013 Board meeting.
9. Smart and NorthStar have corrected any false statements or impressions previously made in connection with this matter and have agreed to promptly, truthfully and completely respond to any future inquiries by the Board.
10. Smart and NorthStar agree that they have violated ORS 692.025, which is cause for disciplinary action by the Board.
11. Smart and NorthStar acknowledge that they have read, understand, and agree to the terms of this Consent Order.
12. Smart and NorthStar understand that they have the right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183), and hereby fully and finally waive any and all right to a hearing and any rights to appeal or otherwise challenge this Consent Order.
13. Smart and NorthStar agree the Board may issue the Order set forth below.
14. This Consent Order is a public document.

15. This Consent Order shall be effective when signed by the Executive Director of the Board.

**ORDER**

**The Board issues the following final order:**

1. Smart and NorthStar are reprimanded for violating ORS 692.025.

DATED this 17 day of July 2014.

OREGON MORTUARY AND CEMETERY BOARD

By: <signature on file>  
Michelle Gaines  
Executive Director

**It is so agreed.**

July 16 2014  
Date

<signature on file>  
Signature of Authorized Representative  
**Smart Cremation of Oregon, LLC. dba Smart  
Cremation, Licensee**

Chuck Pennington  
**Smart Cremation of Oregon, LLC. dba Smart  
Cremation, Licensee**

July 17 2014

<signature on file>Date  
Signature of Authorized Representative  
**NorthStar Evergreen, LLC. and NorthStar Memorial  
Group Investments, LLC., Licensee**

Adam S. Bram, Esq.  
Attorney-in-Fact  
**NorthStar Evergreen, LLC. and NorthStar Memorial  
Group Investments, LLC., Licensee**