



Prince Edward Island  
**FUNERAL SERVICES**  
and Professions Board

Prince Edward Island Funeral Services and Professions Board

**ORDER and WRITTEN NOTICE OF REASONS**

WHEREAS the PEI Funeral Services and Professions Board (the “Board”) received a written complaint from the Registrar, setting out allegations against Lowell Oakes, Funeral Home Operator, (the “Operator”), relating to misappropriation of pre-arranged funeral funds in August 2021.

AND WHEREAS the Registrar indicated she has reasonable grounds to believe the Operator’s conduct breached the *Funeral Services and Professions Act* (the “Act”).

AND WHEREAS the Board appointed Grant Thornton as an Inspector, to investigate the allegations against the Operator, and received an Inspector’s Report from Grant Thornton on February 8, 2022.

AND WHEREAS the Board provided the Inspector’s Report to the Operator on February 25, 2022.

AND WHEREAS the Operator provided the Board with a written response to the Inspector’s Report on Friday March 4, 2022.

AND WHEREAS the Board met on Monday, March 14, 2022 and reviewed the Inspector’s Report and the Operator’s written response.

AND WHEREAS THE BOARD FINDS AS FOLLOWS:

1. That the Inspector’s Report indicates that the Respondent accepted pre-arranged funeral funds from 119 individuals, totaling \$587,889.06.
2. That the Inspector’s Report indicates to the Board that the Operator’s record keeping practices fell significantly below the generally accepted professional and industry standards.
3. That the Operator proposes in his written response that for persons having numbers 6, 35, 59, 108, 118, 119, 99, and 114 on the Inspector’s Report, the initially misappropriated funds were later refunded in-full. The Board has considered this submission. The Board finds that the Operator failed to put these funds into trust. The Board finds that if the claimed refunds were paid, ordinary interest was not paid on the pre-arranged contract sums.



Prince Edward Island  
**FUNERAL SERVICES**  
and Professions Board

4. That the Operator proposes in his written response that pre-arranged funeral contracts for persons having numbers 44, 45, 72, 88, and 89 on the Inspector's Report are 'insurance arrangements', and that no funds were received on their accounts. The Board has considered this submission.
5. That the Operator proposes in his written response that pre-arranged funeral funds for persons having numbers 20 and 70 on the Inspector's Report were actually deposited in trust. The Board has considered this submission.
6. That the Operator proposes in his written response that the persons identified as numbers 82 and 115 on the Inspector's Report were quotes for headstones. The Board has considered this submission.
7. That the Operator proposes in his written response that no funds were received for persons identified as numbers 13, 14, 15, 16, 18, 19, 25, 31, 8, 50, 51, 53, 54, 57, 60, 63, 69, 74, 85, 91, 92, 95, 97, 98, 100, 113, 116, and 117 on the Inspector's Report. The Operator claims these were quotes for pre-arranged funerals, and that no funds were received. The Board has considered this submission. The Board finds that the Operator's financial record keeping was inadequate. The Board finds that the Inspector was forced to piece together financial records from unorganized paper records. The Board notes that the Inspector was unable to establish the difference between a duly entered pre-arranged funeral agreements and quotes, within the financial records. The Board notes that pre-arranged funeral agreements are trust agreement requiring the highest level of financial accountability and care. The Board notes that the state of the Operator's record keeping was significantly below the general standards for the industry and constituted a risk to the Operator's clients and the community.
8. That the Operator proposes in his written response that for the individuals identified as numbers 47, 48, 1, 2, 9, 10, 12, 103, 104, 105, 106, 109, 110, 111, 112, and 81 on the Inspector's Report, the funds were initially misappropriated, but that funerals were completed with all purchased services having been provided. The Board has considered this submission. The Board finds that the preponderance of evidence suggests that the funeral services could not have been paid for by the listed individuals' payments, which the Operator states were initially misappropriated. The Board concludes that at least a portion of the claimed funeral services must have been paid for by other clients' misappropriated pre-arranged funeral funds, or by other clients' ordinary funeral funds who are not listed among the pre-arranged funeral clients. The Board finds that, if-true, the Operator's misconduct constitutes stealing from one person to provide services to another. The Board notes that the Operator has not provided evidence in his written response that any of the total misappropriated funds are accounted for in the general account at this time. As such, the Board finds, on a balance of probabilities, that the conclusions reach above must be true. The Board finds that the Operator's claim of having provided funeral services does not diminish the scope of his wrong doing, or his moral blameworthiness in the wrong doing.



Prince Edward Island  
**FUNERAL SERVICES**  
and Professions Board

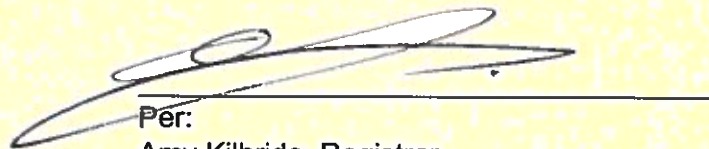
9. That the Operator misappropriated funds equal to at least \$ 316,790.98.
10. That the Operator conducted wrongdoing by providing at least a portion of the claimed \$93,024.35 with misappropriated funds. The Board finds that, because the Operator has not accounted for any of the misappropriated funds, he would likely have continued to pay for pre-arranged funeral services with misappropriated funds if he were permitted by the Board to continue operating Dawson's Funeral Home, or alternatively if he had not been caught for the wrong doing.
11. That the Operator has defrauded a significant number of individuals named in the Inspector's Report out of their duly purchased pre-arranged funerals.
12. That the Operator has conducted his Funeral Home Operator duties in a manner significantly below the generally accepted professional and industry standards.
13. That the Operator has damaged the public trust in the Funeral Services profession in significant and irreparable ways by carrying out the conduct reflected in the Inspector's Report.
14. That the Operator has breached the *PEI Funeral Services and Professions Act* and *Regulations*, especially at sections 12(1) and 14(2) of the *Regulations*.

**NOW THEREFORE THE BOARD ORDERS AS FOLLOWS:**

1. Lowell Oakes' Funeral Home Operator's license is revoked; and
2. Lowell Oakes is ordered to pay a fine to the PEI Funeral Services and Professions Board equal to \$10,000.00.

This 14<sup>th</sup> day of March, 2022.

The PEI FUNERAL SERVICES AND PROFESSIONS BOARD



Per:  
Amy Kilbride, Registrar

**Importance Notice:**

**You are entitled to appeal this Order to the Supreme Court of Prince Edward Island within 30 days, under Section 34 of the *PEI Funeral Services and Professions Act*.**