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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 COUNTY OF ALAMEDA

12 **Coordinated Proceedings**  
13 **Special Title (Rule 3.550)**  
14 **NEPTUNE CASES**

Case No. JCCP 5085

Coordination Actions

15 **THE PEOPLE OF THE STATE OF**  
16 **CALIFORNIA,**

Plaintiffs,

v.

Alameda County Superior Court Case  
No. RG19045103

Sacramento County Superior Court  
Case No. 34-2019-00269617

17 **SERVICE CORPORATION**  
18 **INTERNATIONAL, ET AL.**

Defendants

**STIPULATION FOR ENTRY  
OF STIPULATED FINAL  
JUDGMENT AND PERMANENT  
INJUNCTION**

20 **S.E. COMBINED SERVICES OF**  
21 **CALIFORNIA, INC., a California Corporation**  
22 **dba NEPTUNE SOCIETY OF NORTHERN**  
23 **CALIFORNIA, NEPTUNE MANAGEMENT**  
**CORP., a California Corporation and**  
**TRIDENT SOCIETY, INC.,**

Plaintiffs,

v.

**EXHIBIT A**

25 **XAVIER BECERRA, ATTORNEY GENERAL**  
26 **OF CALIFORNIA, and DOES 1-50,**

Defendants.

1 The People of the State of California, appearing through their attorneys, Rob Bonta,  
2 Attorney General of the State of California; Brooke Jenkins, District Attorney of the City and  
3 County of San Francisco; Pamela Y. Price, District Attorney of Alameda County; and Lori E.  
4 Frugoli, District Attorney of the County of Marin (the “People”), and Service Corporation  
5 International; SCI Direct, Inc.; S.E. Acquisition of California, Inc.; S.E. Combined Services of  
6 California, Inc. (dba Neptune Society of Northern California); Neptune Management  
7 Corporation; Trident Society, Inc.; Neptune Society of America, Inc.; and SCI Shared Resources,  
8 LLC (“the Neptunes”), stipulate as follows:

9 1. The Stipulated Final Judgment and Permanent Injunction (“Judgment”) in *People*  
10 *v. Service Corporation International, Inc. et al.*, Alameda County Superior Court Case Number  
11 RG19045103 (the “People’s Action”), a copy of which is attached hereto as Exhibit A, may be  
12 entered in this coordinated matter.

13 2. The People have taken the position in this litigation that, *inter alia*, the sale and  
14 marketing by the Neptunes of their Travel and Relocation Protection Plan memberships were not  
15 in compliance with the laws of California and that such prohibited sales were sales of pre-need  
16 funeral services and were subject to California’s pre-need funeral and other laws, including, but  
17 not limited to, trusting requirements.

18 3. The Neptunes deny wrongdoing or liability of any kind but have agreed to resolve  
19 the allegations contained in the First Amended Complaint in the People’s Action by stipulating to  
20 the entry of the Judgment in the People’s Action.

21 4. The Court has jurisdiction over the subject matter of this coordinated action, and  
22 jurisdiction over the Parties to this coordinated matter.

23 5. Venue is proper in this Court.

24 6. The Neptunes waive their right to move to set aside the Judgment through any  
25 collateral attack, and further waive their right to appeal from the Judgment. Nothing herein shall  
26 waive any right to appeal from any decision in connection with a future effort to enforce the  
27 Judgment.




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**IT IS SO STIPULATED AND AGREED.**

Dated: April 24, 2024


ROB BONTA  
Attorney General of California  
NICKLAS A. AKERS  
Senior Assistant Attorney General  
JON F. WORM  
Supervising Deputy Attorney General  
HOLLY C. MARIELLA  
DANIEL A. OSBORN  
ANDREW J. WIENER

Deputy Attorneys General

By:   
SHELDON H. JAFFE  
Deputy Attorney General  
*Attorneys for the People*


Dated: April 22, 2024

PAMELA Y. PRICE  
District Attorney of Alameda County

By:   
ALEXANDRA GRAYNER  
Deputy District Attorney  
*Attorneys for the People*

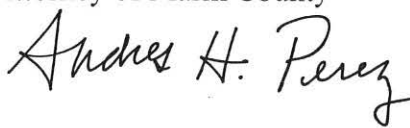
Dated: April 19, 2024

BROOKE JENKINS  
District Attorney of the City and County of  
San Francisco

By:   
DANIEL C. AMADOR  
Managing Assistant District Attorney  
MATTHEW L. BELTRAMO  
Assistant District Attorney  
*Attorneys for the People*

Dated: April 19, 2024

LORI E. FRUGOLI  
District Attorney of Marin County

By:   
ANDRES H. PEREZ  
Deputy District Attorney  
*Attorneys for the People*

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Dated: *April 30*, 2024


SERVICE CORPORATION  
INTERNATIONAL; SCI DIRECT, INC.;  
S.E. ACQUISITION OF CALIFORNIA,  
INC.; S.E. COMBINED SERVICES OF  
CALIFORNIA, INC. dba NEPTUNE  
SOCIETY OF NORTHERN  
CALIFORNIA; NEPTUNE  
MANAGEMENT CORP.; TRIDENT  
SOCIETY, INC.; NEPTUNE SOCIETY  
OF AMERICA, INC.; AND SCI SHARED  
RESOURCES, LLC

BY:   
LORI SPILDE  
Senior Vice President, General  
Counsel & Secretary

APPROVED AS TO FORM

Dated: April 30, 2024

GIBSON DUNN & CRUTCHER LLP

By:   
WINSTON Y. CHAN  
ELIZABETH K. MCCLOSKEY

Attorneys for Defendants  
SERVICE CORPORATION  
INTERNATIONAL; SCI DIRECT,  
INC.; S.E. ACQUISITION OF  
CALIFORNIA, INC.; S.E.  
COMBINED SERVICES OF  
CALIFORNIA, INC. dba NEPTUNE  
SOCIETY OF NORTHERN  
CALIFORNIA; NEPTUNE  
MANAGEMENT CORP.; TRIDENT  
SOCIETY, INC.; NEPTUNE  
SOCIETY OF AMERICA, INC.; and  
SCI SHARED RESOURCES, LLC

# **EXHIBIT A**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ALAMEDA

**THE PEOPLE OF THE STATE OF CALIFORNIA,**

Plaintiff,

v.

**SERVICE CORPORATION INTERNATIONAL, et al.,**

Defendants

**CASE NO. RG19045103**

**[PROPOSED] STIPULATED  
FINAL JUDGMENT AND  
PERMANENT INJUNCTION**

1 The People of the State of California (“People” or “Plaintiff”) and Service Corporation  
2 International; SCI Direct, Inc.; S.E. Acquisition of California, Inc.; S.E. Combined Services of  
3 California, Inc. (dba Neptune Society of Northern California); Neptune Management Corp.;  
4 Trident Society, Inc.; Neptune Society of America, Inc.; and SCI Shared Resources, LLC  
5 (collectively “Defendants”), having stipulated to the entry of this Stipulated Final Judgment and  
6 Permanent Injunction (“Judgment”) by the Court without the taking of proof and without trial or  
7 adjudication of any fact or law, without this Judgment constituting evidence of, and without  
8 Defendants admitting to, any issue of law or fact alleged in the First Amended Complaint,  
9 including but not limited to the application of Bus. & Prof. Code, §§ 7735 and 7741 to the matters  
10 set forth herein, and without the Court making any affirmative findings of fact or conclusions of  
11 law, with all parties having waived their right to appeal, and the Court having considered the  
12 matter and good cause appearing:

13 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

14 **I. PARTIES AND JURISDICTION**

- 15 1. Plaintiff is the People of the State of California.
- 16 2. Defendant Service Corporation International is a Texas corporation with its  
17 principal executive offices at 1929 Allen Parkway, Houston, Texas, 77019.
- 18 3. Defendant SCI Direct, Inc. is a Florida corporation with its principal place of  
19 business at 1929 Allen Parkway, Houston, Texas 77019.
- 20 4. Defendant S.E. Acquisition of California, Inc. is a California corporation with its  
21 principal place of business at 1929 Allen Parkway, Houston, Texas, 77019.
- 22 5. Defendant S.E. Combined Services of California, Inc. (dba Neptune Society of  
23 Northern California) is a California corporation with its principal place of business at 1929 Allen  
24 Parkway, Houston, Texas 77019.
- 25 6. Defendant Neptune Management Corp. is a California corporation with its  
26 principal place of business at 1929 Allen Parkway, Houston, Texas 77019.
- 27 7. Defendant Trident Society, Inc. is a California corporation with its principal place  
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1 of business at 1929 Allen Parkway, Houston, Texas 77019.

2 8. Defendant Neptune Society of America, Inc. is a California corporation with its  
3 principal place of business at 1929 Allen Parkway, Houston, Texas 77019.

4 9. Defendant SCI Shared Resources, LLC is a Delaware limited liability company  
5 with its principal office at 1929 Allen Parkway, Houston, Texas, 77019.

6 10. This Court has jurisdiction over the allegations and subject matter of the People's  
7 First Amended Complaint filed in this action and the parties to this action; venue is proper in this  
8 County; and this Court has jurisdiction to enter this Judgment.

9 11. This Judgment is entered pursuant to and subject to Business and Professions Code  
10 section 17200 et seq., and Business and Professions Code section 17500 et seq.

11 12. Nothing in this Judgment alters the requirements of federal or state law to the  
12 extent such laws offer greater protection to consumers, including but not limited to consumers'  
13 rights under the Short Act (Bus. & Prof. Code, § 7735 et seq.).

14 **II. DEFINITIONS**

15 13. The following definitions shall apply for purposes of this Judgment:

16 A. "BONDING COMPANIES" shall mean any company licensed by the  
17 California Department of Insurance to transact business as a surety with an AM Best rating of  
18 "A-" or higher.

19 B. "CLAIMS PERIOD" shall mean the period that begins on the NOTICE  
20 DATE and ends four (4) months thereafter.

21 C. "CONSUMER" shall mean any person who purchased a STANDARD  
22 PLAN in California during the LIMITATIONS PERIOD, no matter where the person currently  
23 resides.

24 D. "FUNERAL INSURANCE" shall mean any insurance product used to fund  
25 end of life funeral-related property, goods, and services, including, among other services, the  
26 removal, preparation and transportation of human remains, that complies in full with applicable  
27 California laws and regulations governing insurance.

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1 E. "LIMITATIONS PERIOD" shall mean October 26, 2014 to the date of  
2 entry of this Judgment.

3 F. "NON-TANGIBLE ITEMS" means merchandise sold as part of the  
4 STANDARD PLAN but not physically provided to a CONSUMER such as Defendants' "Making  
5 Everlasting Memories" (or MeM) product, as well as all fees charged as part of the STANDARD  
6 PLAN.

7 G. "NOTICE DATE" means the date on which the notices required by  
8 paragraph 34 are sent.

9 H. "PHYSICAL MERCHANDISE" means merchandise physically provided  
10 to a CONSUMER as part of the STANDARD PLAN.

11 I. "PRENEED FUNERAL AGREEMENT" shall mean an agreement  
12 purchased in California, no matter how denominated or described, which covers the final  
13 disposition of human remains involving cremation services, excluding those funded by  
14 FUNERAL INSURANCE, to be provided at or after the time of the death of the beneficiary of  
15 the agreement, including any agreement that is a part of a STANDARD PLAN.

16 J. "RETAIL INSTALLMENT CONTRACT" shall mean a retail installment  
17 contract as defined in Civil Code section 1802.6 for the purchase of a PRENEED FUNERAL  
18 AGREEMENT or STANDARD PLAN.

19 K. "RETAIL MERCHANDISE AGREEMENT" shall mean an agreement  
20 purchased in California, no matter how denominated or described, covering merchandise included  
21 as a required part of a STANDARD PLAN.

22 L. "RETURN MATERIALS" means a pre-paid shipping label or labels, an  
23 appropriately sized shipping box or boxes, instructions for the return of any merchandise in the  
24 CONSUMERS' possession, and a notice informing the CONSUMERS that they have 30 days  
25 from receipt of the RETURN MATERIALS to return said merchandise for refund.

26 M. "STANDARD PLAN" shall mean a preneed cremation package purchased  
27 in California, no matter how denominated or described, offered for sale by any of the Defendants  
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1 which includes both a PRENEED FUNERAL AGREEMENT and a RETAIL MERCHANDISE  
2 AGREEMENT. STANDARD PLANS include those plans offered for sale by any of the  
3 Defendants or identified on any of the Defendants' General Price Lists as the "Standard Plan", the  
4 "Standard Neptune Plan", the "Standard Trident Plan", or any other similar plan that includes  
5 both a PRENEED FUNERAL AGREEMENT and a separate RETAIL MERCHANDISE  
6 AGREEMENT.

7 N. "TRAVEL PLAN" shall mean any plan or product purchased in California  
8 in connection with the STANDARD PLAN or any other PRENEED FUNERAL AGREEMENT,  
9 including those sold on a separate agreement from a STANDARD PLAN by any of the  
10 Defendants, including the Travel and Relocation Protection Plan, the Away From Home  
11 Protection Plan, and any similar plan or product, which provides for the body of a deceased  
12 beneficiary of a preneed cremation plan to be cremated without additional cost when the  
13 beneficiary dies outside of the service area of Defendants' office that sold the plan, including any  
14 plan that provides for cremation services when the beneficiary dies more than 75 miles, or any  
15 other specified distance, from the office that sold the plan.

### 16 **III. INJUNCTION**

17 14. From the date of entry of this Judgment and thereafter, Defendants shall place into  
18 a trust fund compliant with the Short Act (Bus. & Prof. Code, § 7735 et seq.) all the money paid  
19 for any PRENEED FUNERAL AGREEMENT and any agreement(s) collateral thereto, including  
20 any agreement(s) for merchandise or services, including a RETAIL MERCHANDISE  
21 AGREEMENT, sold as part of the STANDARD PLAN or any other end of life services plan that  
22 includes a PRENEED FUNERAL AGREEMENT. The fact that merchandise or services are  
23 delivered at the time of contract or promptly thereafter shall not alter the requirement that all  
24 funds paid pursuant to a PRENEED FUNERAL AGREEMENT, RETAIL MERCHANDISE  
25 AGREEMENT, and any other collateral agreements must be placed in trust. This paragraph does  
26 not apply to merchandise or services sold separately from and not in connection with a  
27 PRENEED FUNERAL AGREEMENT, a RETAIL MERCHANDISE AGREEMENT, the  
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1 STANDARD PLAN, or any similar cremation or other end of life services plan or package.

2 Premiums paid for FUNERAL INSURANCE are not subject to the provisions of this paragraph.

3 15. From the date of entry of this Judgment and thereafter, in connection with the sale  
4 of any STANDARD PLAN, Defendants shall conspicuously disclose to consumers in writing on  
5 a General Price List that includes a STANDARD PLAN: (1) all of the consumers' rights under  
6 the Short Act, including their right to have all funds paid for a PRENEED FUNERAL  
7 AGREEMENT and any collateral agreements placed into trust and refunded at any time, and (2)  
8 that consumers are not obligated to purchase any merchandise, any other funeral services, or  
9 plans, including any TRAVEL PLAN, or enter into any other collateral agreements, in order to  
10 enter into a PRENEED FUNERAL AGREEMENT. An initial version of the form and content of  
11 these disclosures and any subsequent modifications for a one-year period after the date of entry of  
12 this Judgment shall be provided to the People prior to use.

13 16. To the extent any of the Defendants sell a TRAVEL PLAN, including plans sold  
14 on behalf of any third-party, Defendants shall place into a trust fund compliant with the Short Act  
15 all the money paid for any TRAVEL PLAN unless such TRAVEL PLAN is sold and regulated as  
16 FUNERAL INSURANCE.

17 17. To the extent any of the Defendants sell a TRAVEL PLAN on behalf of any third-  
18 party, Defendants shall conspicuously disclose in writing on any TRAVEL PLAN applications  
19 and contract documents: (1) that a portion of the payment for the TRAVEL PLAN is retained by  
20 Defendants; (2) that Defendants' sales personnel receive a commission for the sale of the  
21 TRAVEL PLAN; and (3) that the TRAVEL PLAN is an optional service and is not required in  
22 order to enter into any PRENEED FUNERAL AGREEMENT. An initial version of the form and  
23 content of these disclosures and any subsequent modifications for a one-year period after the date  
24 of entry of this Judgment shall be provided to the People prior to use.

25 18. From the later of date of entry of this Judgment or May 1, 2024 and thereafter,  
26 pursuant to the Unruh Act, Civil Code section 1801 et seq. ("the Unruh Act"):

27 A. For any RETAIL INSTALLMENT CONTRACT sold to a California  
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1 consumer, Defendants shall not include language requiring accelerated payment in full prior to  
2 provision of services, and shall adhere to the formatting requirements of the Unruh Act.

3 B. Defendants shall provide the services called for by any RETAIL  
4 INSTALLMENT CONTRACT without requiring the payment in full of money still due under  
5 that contract, or requiring the payment of any money not specified in such RETAIL  
6 INSTALLMENT CONTRACT; however, all specified payments still due under such RETAIL  
7 INSTALLMENT CONTRACT and all other obligations of any party or his or her estate to such  
8 RETAIL INSTALLMENT CONTRACT remain.

9 19. Defendants shall provide a refund to any CONSUMER who cancels a  
10 STANDARD PLAN purchased during the LIMITATIONS PERIOD, including all money paid  
11 for the STANDARD PLAN (subject to the provisions of this paragraph and paragraph 20), so  
12 long as the CONSUMER also cancels any related PRENEED FUNERAL AGREEMENT,  
13 RETAIL MERCHANDISE AGREEMENT, and TRAVEL PLAN (subject to the provisions of  
14 paragraph 21). Such refund shall not exceed the amount actually paid by the CONSUMER for the  
15 cancelled PRENEED FUNERAL AGREEMENT, RETAIL MERCHANDISE AGREEMENT,  
16 and/or TRAVEL PLAN and accompanying sales tax for NON-TANGIBLE ITEMS and for  
17 PHYSICAL MERCHANDISE the CONSUMER returns. A CONSUMER'S right to refund under  
18 this Judgment is not affected by or subject to reduction by any amount escheated to the State of  
19 California pursuant to California's Unclaimed Property Law, Code of Civil Procedure section  
20 1500 et seq.

21 A. CONSUMERS may request to cancel a STANDARD PLAN purchased  
22 during the LIMITATIONS PERIOD: (1) through a mechanism Defendants shall make  
23 prominently available on the websites for the applicable entities that sold the STANDARD PLAN  
24 during the LIMITATIONS PERIOD, until one year following the date of entry of this Judgment;  
25 (2) by writing to or calling Defendants; or (3) by writing to or calling the Settlement  
26 Administrator retained pursuant to paragraph 37. On an on-going basis, both on the websites for  
27 the applicable entities that sold the STANDARD PLAN during the LIMITATIONS PERIOD and  
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1 at any of Defendants' California locations, Defendants shall provide instructions to  
2 CONSUMERS who request information on how to cancel a STANDARD PLAN purchased  
3 during the LIMITATIONS PERIOD. When cancellation is requested online in accordance with  
4 part (1) of this sub-paragraph, CONSUMERS shall have the option of immediately filling out and  
5 submitting the form online, or requesting that the form be mailed to them along with a pre-paid  
6 business reply envelope within 10 business days of receipt of the request. In all other  
7 circumstances, Defendants shall provide a cancellation form and postage paid envelope to the  
8 CONSUMER within 10 business days of receiving the request.

9           B.           Within the CLAIMS PERIOD, CONSUMERS shall receive a full refund  
10 of the price they paid for the STANDARD PLAN, including any portion of that price allocated to  
11 merchandise and fees, regardless of whether they can return all PHYSICAL MERCHANDISE  
12 they received as part of their STANDARD PLAN. If CONSUMERS do not have all of the  
13 PHYSICAL MERCHANDISE they received as part of their STANDARD PLAN, they will be  
14 required to attest on the cancellation form, under penalty of perjury, that as of the NOTICE  
15 DATE they do not have all of the PHYSICAL MERCHANDISE they received as part of their  
16 STANDARD PLAN. CONSUMERS will also be required to return any PHYSICAL  
17 MERCHANDISE they do have as of the NOTICE DATE as provided under paragraph 20;  
18 however, so long as CONSUMERS submit the cancellation form online or mail the cancellation  
19 form during the CLAIMS PERIOD, they are entitled to a full refund for all merchandise, even if  
20 the PHYSICAL MERCHANDISE they do still have is returned outside the CLAIMS PERIOD  
21 but within 30 days of receipt of the RETURN MATERIALS.

22           C.           CONSUMERS who cancel a STANDARD PLAN after the CLAIMS  
23 PERIOD will receive a refund only for the price—as reflected on the CONSUMERS' original  
24 purchase contract—paid by the CONSUMERS: (1) for their preneed cremation services and any  
25 PHYSICAL MERCHANDISE they return, and (2) for all NON-TANGIBLE ITEMS. If a  
26 CONSUMER does not return all PHYSICAL MERCHANDISE purchased as part of a  
27 STANDARD PLAN and the original purchase contract does not specify the cost of any particular  
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1 PHYSICAL MERCHANDISE item returned by a CONSUMER (e.g., an urn or thank you cards),  
2 the refund amount for the returned PHYSICAL MERCHANDISE shall be the price of the  
3 particular merchandise item returned by the CONSUMER as listed on Defendants' General Price  
4 List that was in effect on the date the CONSUMER purchased their STANDARD PLAN, less any  
5 package or courtesy discount on the PHYSICAL MERCHANDISE as documented on the  
6 customer's RETAIL MERCHANDISE AGREEMENT allocated on a pro rata basis. For example  
7 if the total cost of the merchandise as shown on the RETAIL MERCHANDISE AGREEMENT is  
8 10% less than the total cost of the merchandise as shown on Defendants' General Price List in  
9 effect on the date of the agreement, the consumer will be entitled to a refund equal to the price  
10 shown on the General Price List for the merchandise being returned discounted by 10%. The  
11 refund for NON-TANGIBLE ITEMS shall be the price shown on the CONSUMER'S RETAIL  
12 MERCHANDISE AGREEMENT or, if no price is shown, the price as listed on Defendants'  
13 General Price List that was in effect on the date the CONSUMER purchased their STANDARD  
14 PLAN, less any package or courtesy discount on the NON-TANGIBLE ITEMS as documented  
15 on the customer's RETAIL MERCHANDISE AGREEMENT allocated on a pro rata basis.

16         20. In the event that a CONSUMER who purchased a STANDARD PLAN during the  
17 LIMITATIONS PERIOD submits a cancellation form identifying PHYSICAL MERCHANDISE  
18 to be returned, then within 30 days of receipt of that form, Defendants shall send that  
19 CONSUMER the RETURN MATERIALS. Failure to timely provide the RETURN  
20 MATERIALS shall constitute a waiver by Defendants of their right to the PHYSICAL  
21 MERCHANDISE, and CONSUMERS shall be entitled to a full refund for this PHYSICAL  
22 MERCHANDISE without its return. CONSUMERS shall have the option of using a shipper's  
23 pick-up service or dropping the box off at a shipper's drop-off point.

24             A. For CONSUMERS who within the CLAIMS PERIOD submit a  
25 cancellation form and attestation that they have no PHYSICAL MERCHANDISE, Defendants  
26 shall mail refund checks within 30 days of receipt of the cancellation form. These CONSUMERS  
27 will receive a refund of the amount paid for the preneed cremation services and all NON-  
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1 TANGIBLE ITEMS and PHYSICAL MERCHANDISE, subject to the provisions of paragraph  
2 19.

3 B. For CONSUMERS who within the CLAIMS PERIOD submit a  
4 cancellation form, request a merchandise return package, and are sent the RETURN  
5 MATERIALS within 30 days of receipt of the request, Defendants shall mail refund checks no  
6 later than the earlier of: 100 days after receipt of the PHYSICAL MERCHANDISE or 100 days  
7 after providing the RETURN MATERIALS as required by this paragraph. These CONSUMERS  
8 will receive a refund of the amount paid for the preneed cremation services, all NON-TANGIBLE  
9 ITEMS, any PHYSICAL MERCHANDISE they identified as not in their possession on the  
10 cancellation form, and any PHYSICAL MERCHANDISE returned, subject to the provisions of  
11 paragraph 19.

12 C. For CONSUMERS who within the CLAIMS PERIOD submit a  
13 cancellation form and request a merchandise return package and are not sent the RETURN  
14 MATERIALS within 30 days of receipt of the request, Defendants shall mail refund checks  
15 within 45 days of receipt of the cancellation form. These CONSUMERS will receive a refund of  
16 the amount paid for the preneed cremation services, the NON-TANGIBLE ITEMS, and the  
17 PHYSICAL MERCHANDISE, subject to the provisions of paragraph 19.

18 D. For CONSUMERS who after the CLAIMS PERIOD submit a cancellation  
19 form and do not request a merchandise return package, Defendants shall mail refund checks  
20 within 30 days of receipt of the cancellation form. These CONSUMERS will receive a refund of  
21 the amount paid for the preneed cremation services and NON-TANGIBLE ITEMS only, subject  
22 to the provisions of paragraph 19.

23 E. For CONSUMERS who after the CLAIMS PERIOD submit a cancellation  
24 form, request a merchandise return package, and are sent the RETURN MATERIALS within 30  
25 days of receipt of the request, Defendants shall mail refund checks on the earlier of: 100 days  
26 after receipt of the PHYSICAL MERCHANDISE or 100 days after the provision of the RETURN  
27 MATERIALS as required by this paragraph. These CONSUMERS will receive a refund of the  
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1 amount paid for the preneed cremation services, the NON-TANGIBLE ITEMS and any  
2 PHYSICAL MERCHANDISE returned, subject to the provisions of paragraph 19.

3 F. For CONSUMERS who after the CLAIMS PERIOD submit a cancellation  
4 form, request a merchandise return package, and are not sent the RETURN MATERIALS within  
5 60 days of receipt of the request, Defendants shall mail refund checks within 100 days of receipt  
6 of the cancellation form. These CONSUMERS will receive a refund of the amount paid for the  
7 preneed cremation services, the NON-TANGIBLE ITEMS, and the PHYSICAL  
8 MERCHANDISE identified on the cancellation form, subject to the provisions of paragraph 19.

9 21. Defendants shall provide a refund to any CONSUMER who cancels a TRAVEL  
10 PLAN purchased during the LIMITATIONS PERIOD, including all money paid for the  
11 TRAVEL PLAN, so long as the CONSUMER also cancels the related STANDARD PLAN,  
12 pursuant to the provisions of paragraphs 19, 20 and 34.

13 22. Defendants are permanently enjoined from engaging in acts or practices in  
14 California that violate any of the below statutes in the manner alleged by the People in the First  
15 Amended Complaint in this action:

16 A. the False Advertising Law (Business and Professions Code section 17500  
17 et seq.);

18 B. the Short Act (Business and Profession Code section 7735 et seq.);

19 C. the Unruh Act (Civil Code section 1801 et seq.);

20 D. Civil Code section 1770, subdivision (a)(25); and

21 E. the Unfair Competition Law (Business and Professions Code section 17200  
22 et seq.) by violating any of the statutes and regulations specified in paragraph 22.A through 22.D  
23 or the FTC Funeral Rule (16 CFR Part 453).

24 23. Within 30 days of entry of this Judgment, Defendants will secure a surety bond or  
25 bonds from one or more of the BONDING COMPANIES to protect against a financial default or  
26 other circumstance where one or more Defendants are unable to fully perform or meet their  
27 statutory or contractual obligations related to their outstanding STANDARD PLAN contracts.

28

1 The beneficiary of the surety bonds will be the presently existing SCI Trust Accounts for their  
2 outstanding STANDARD PLAN contracts, that is STANDARD PLAN contracts which have  
3 neither matured nor been cancelled. The total amount of the surety bonds will be the difference  
4 between the amount collected for outstanding contracts for STANDARD PLANS sold during the  
5 LIMITATIONS PERIOD, and the amount already placed in trust for those plans as of the date of  
6 entry of this Judgment. A copy of the surety bonds will be provided to the People within ten days  
7 of execution along with a report containing sufficient data to justify the amount of the surety  
8 bonds. Defendants from time-to-time may modify the surety bonds to reduce the total amount of  
9 the bonds by an amount equal to the total amount collected for any STANDARD PLAN that has  
10 matured or been cancelled since the last issuance or modification of the surety bond. A copy of  
11 the modified surety bonds will be provided to the People within 10 days of execution along with a  
12 report containing sufficient data to justify the reduction in total amount of the surety bonds.

13 24. The injunctive provisions of this Judgment shall run from the date of entry of this  
14 Judgment and apply to all Defendants that sell PRENEED FUNERAL AGREEMENTS in  
15 California, and their subsidiaries, successors, assigns, and their directors, officers, employees, and  
16 agents.

17 25. Nothing in this Judgment shall apply to FUNERAL INSURANCE.

18 26. Nothing in this Judgment shall apply to contracts that are sold separate and apart  
19 from any RETAIL MERCHANDISE AGREEMENT, PRENEED FUNERAL AGREEMENT,  
20 the STANDARD PLAN, or any similar cremation or other end of life services plan or package,  
21 provided, however, that all California laws, statutes, and regulations pertaining to such contracts  
22 remain fully applicable to Defendants.

#### 23 **IV. SETTLEMENT ADMINISTRATOR**

24 27. Within 10 business days of entry of this Judgment, Defendants shall, at their own  
25 expense, retain a third-party administrator (the "Settlement Administrator"), which shall be Rust  
26 Consulting, unless the Parties mutually agree to the use of a different settlement administrator, to  
27 administer the consumer notice and/or restitution processes set forth in Sections V (Restitution)

1 and VI (Notice) of this Judgment.

2 28. Within 60 days of entry of this Judgment, Defendants shall provide the People and  
3 the Settlement Administrator the names and contact information (including the mailing address  
4 and telephone number) of all CONSUMERS entitled to restitution under Section V, as well as the  
5 amount of restitution required to be paid to each CONSUMER.

6 29. The Settlement Administrator and the People shall have the authority to conduct  
7 reasonable inspections of Defendants' records to verify that CONSUMERS entitled to restitution  
8 are receiving restitution and are receiving the amount of restitution that is owed to them.

9 30. The Settlement Administrator shall oversee the Section V restitution process for no  
10 less than one year from the NOTICE DATE, after which time, Defendants may choose to oversee  
11 any further restitution process themselves. Defendants shall inform the People in writing at least  
12 three business days prior to assuming responsibility for the restitution process.

13 **V. RESTITUTION**

14 31. Defendants shall provide full restitution to all CONSUMERS who cancelled their  
15 STANDARD PLANS during the LIMITATIONS PERIOD and did not receive a full refund. The  
16 restitution amount shall be equal to the difference between the amount the CONSUMER paid for  
17 the STANDARD PLAN and any amount previously refunded by Defendants. Defendants and the  
18 Settlement Administrator shall use commercially reasonable methods to identify the name and  
19 current mailing address for all CONSUMERS due a restitution payment under this Judgment.

20 32. Restitution payments shall be mailed within ninety days of entry of this Judgment.  
21 Restitution shall be in the form of a check payable to the CONSUMER or, if applicable, their  
22 estate, and the checks shall state on their face "Void if not cashed or deposited within 180 days."  
23 The Settlement Administrator shall make a second attempt to find the current address for any  
24 payments returned as undeliverable. Restitution due to CONSUMERS who cannot be located,  
25 whose payments are returned and for whom a better address cannot be identified, or whose  
26 payments are not negotiated prior to their expiration date, shall be transferred to the California  
27 State Controller's Office in accordance with California's Unclaimed Property Law (Code of Civil  
28

1 Procedure section 1500 et seq.), and any reporting requirements promulgated thereunder by the  
2 State Controller, so that it will be available to be claimed by CONSUMERS. Along with the  
3 restitution check, Defendants may provide CONSUMERS with a form and a postage paid  
4 envelope on which CONSUMERS can: (1) indicate whether some or all of the merchandise they  
5 received when they purchased the STANDARD PLAN is no longer in their possession; and (2)  
6 request a pre-paid shipping label, box, and instructions for the return of any merchandise.

7 CONSUMERS who request the pre-paid shipping label and box will have the option of using the  
8 shipper's pick-up service or dropping the box off at a shipper's location. CONSUMERS entitled  
9 to restitution under this section shall not be required to return any PHYSICAL MERCHANDISE  
10 or the form to receive full restitution.

## 11 **VI. NOTICE TO CONSUMERS**

12 33. Defendants and the Settlement Administrator shall use commercially reasonable  
13 methods to identify the name and current mailing address for all CONSUMERS due notice under  
14 this Judgment.

15 34. The Settlement Administrator shall provide notice by first class mail within ninety  
16 days of entry of this Judgment to all CONSUMERS with unfulfilled STANDARD PLANS  
17 purchased during the LIMITATIONS PERIOD—including all those purchased pursuant to a  
18 RETAIL INSTALLMENT CONTRACT whether it has been paid in full or not—of their right to  
19 cancel the plan for a full refund of the amount paid for the STANDARD PLAN as set forth in  
20 paragraphs 19 and 20. The Settlement Administrator shall make a second attempt to find the  
21 current address for any notices returned as undeliverable.

22 35. The Settlement Administrator shall provide notice by first class mail within ninety  
23 days of entry of this Judgment to all CONSUMERS who purchased TRAVEL PLANS during the  
24 LIMITATIONS PERIOD of their right to cancel their TRAVEL PLAN in accordance with  
25 paragraph 21. CONSUMERS who cancelled their STANDARD PLAN prior to the date of entry  
26 of this Judgment will be informed that they have one year from the date of the notice to cancel  
27 their TRAVEL PLAN purchased during the LIMITATIONS PERIOD for a full refund. Refunds  
28

1 shall be provided within thirty days of receipt of the request to cancel the TRAVEL PLAN. The  
2 Settlement Administrator shall make a second attempt to find the current address for any notices  
3 returned as undeliverable.

4 36. The Settlement Administrator's and Defendants' communications to  
5 CONSUMERS regarding cancellation, refunds, and restitution required by this Judgment,  
6 including any forms and notices required by this Judgment, shall reference this Stipulated Final  
7 Judgment and Permanent Injunction. The form and content of the communications required by  
8 this Judgment to be sent to CONSUMERS shall be in a form approved by the People and shall  
9 not include any marketing or other communications designed to result in additional sales of  
10 Defendants' goods or services.

## 11 **VII. MONETARY PAYMENT**

12 37. Pursuant to California Business and Professions Code sections 17206 and 17536,  
13 and within thirty days of entry of this Judgment, Defendants shall pay an aggregate of  
14 \$23,000,000 to the People made up of the following payments:

- 15 A. A payment of \$5,750,000 to the California Attorney General's Office;
- 16 B. A payment of \$5,750,000 to the San Francisco District Attorney's Office;
- 17 C. A payment of \$5,750,000 to the Treasurer of Marin County, f/b/o the  
18 District Attorney's Consumer Protection Unit;
- 19 D. A payment of \$5,750,000 to the Treasurer of Alameda County, f/b/o  
20 District Attorney's Office.

21 38. Defendants shall make the payments required by the preceding paragraph by check  
22 or wire transfer in accordance with instructions provided by the California Attorney General's  
23 Office, the San Francisco District Attorney's Office, the Treasurer of Marin County, and the  
24 Treasurer of Alameda County, respectively. Defendants shall be responsible for any fees  
25 associated with initiating the wire transfers or issuing checks.

## 26 **VIII. COMPLIANCE REPORTING**

27 39. Defendants shall report on compliance with the terms of this Judgment as follows:  
28

1           A.       One hundred and twenty (120) days after entry of this Judgment,  
2 Defendants shall provide the People with a report on the status of their compliance with the  
3 Restitution provisions of this Judgment (Section V), including: (a) the number of CONSUMERS  
4 entitled to restitution and the total amount owed; (b) the number of CONSUMERS located and  
5 paid restitution; (c) the number of CONSUMERS who could not be located or who otherwise  
6 could not be paid; and (d) the amount transferred to the California State Controller's Office as  
7 unclaimed property. Copies of reports regarding this unclaimed property shall be provided to the  
8 People within five business days of their being filed with the State Controller's office.  
9 Defendants, if necessary, shall provide a supplemental report one hundred and eighty (180) days  
10 after the initial report, and every sixty (60) days thereafter until the restitution process, including  
11 the transfer to the State Controller's Office of any unclaimed property, is completed.

12           B.       Upon request for a period of two years after entry of this Judgment,  
13 Defendants shall provide to the People within thirty days of the date of the request, copies of  
14 marketing materials, contracts, agreements, General Price Lists, disclosures, on-line  
15 presentations, and any other documents Defendants make available to consumers in California in  
16 connection with the sale of any PRENEED FUNERAL AGREEMENT, STANDARD PLAN or  
17 TRAVEL PLAN on behalf of any third-party.

18 **IX.    ADDITIONAL PROVISIONS**

19       40.       S.E. Combined Services of California, Inc. (dba Neptune Society of Northern  
20 California); Neptune Management Corp.; and Trident Society, Inc., shall cease to prosecute *S.E.*  
21 *Combined Services of California, Inc., dba Neptune Society of Northern California, et al. v.*  
22 *Xavier Becerra, et al.*, Sacramento County Superior Court case 34-2019-00269617, and within  
23 three (3) court days of Notice of Entry of Judgment shall dismiss said action with prejudice, each  
24 side to bear its own costs in said action.

25       41.       Unless otherwise directed by the People, Defendants shall provide all submissions,  
26 requests, communications, or other notices required under this Judgment by email to the  
27 following people:  
28

1 Jon Worm  
2 Supervising Deputy Attorney General  
Jon.worm@doj.ca.gov

Sheldon Jaffe  
Deputy Attorney General  
Sheldon.jaffe@doj.ca.gov

3 42. Unless otherwise directed by Defendants, the People shall provide all submissions,  
4 requests, communications, or other notices related to this Judgment by certified U.S. mail, UPS or  
5 FedEx to the following people:

6 General Counsel  
7 Service Corporation International  
1929 Allen Parkway  
Houston, Texas 77019

President  
Service Corporation International  
1929 Allen Parkway  
Houston, Texas 77019

8 43. All deadlines set in this Judgment may be extended by the written agreement of  
9 the Parties.

10 44. This Court retains jurisdiction of this matter for purposes of enforcement,  
11 construction, and modification of this Judgment, including modification predicated on a change in  
12 the law or a material change in the facts. The Parties may modify this Judgment by written  
13 stipulation filed with the Court.

14 45. Nothing in this Judgment shall relieve the Defendants of their obligations to  
15 comply with all federal, state, and local laws and regulations, including any applicable law or  
16 regulation not mentioned herein. Nor shall anything in this Judgment preclude the People from  
17 conducting new investigations or bringing a new action for any violation of applicable statutes or  
18 regulations occurring after the date of entry of this Judgment. Nothing in this Judgment shall  
19 prevent Defendants from raising any applicable defenses arising from a change in any law or  
20 regulation in any other matter.

21 46. The clerk is ordered to enter this Judgment forthwith.

22  
23 ORDERED AND ADJUDGED at Oakland, California.

24  
25 DATED: \_\_\_\_\_

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JUDGE OF THE SUPERIOR COURT

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**DECLARATION OF SERVICE BY E-MAIL AND PERSONAL DELIVERY**

Coordinated Case Name: **Neptune Cases**  
Coordinated Case No.: **JCCP 5085**  
Alameda Superior Court Case Name: **The People of the State of Ca v. Service Corporation International, et al.**  
Alameda Superior Court Case No.: **RG19045103**

I declare:

I am employed by the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am over the age of 18 years and not a party to this matter; my business address is: 455 Golden Gate Avenue, Suite 11000, San Francisco, CA 94102-7004.

On May 1, 2024, I served the attached document described as: “**STIPULATION FOR ENTRY OF STIPULATED FINAL JUDGMENT AND PERMANENT INJUNCTION (with EXHIBIT A)**” by providing a true copy thereof to the following addresses listed below, in the following manner of service:

**SERVICE BY E-MAIL:** I transmitted a true copy of the aforementioned document via electronic mail, to the following e-mail addresses:

Winston Y. Chan  
**E-mail:** WChan@gibsondunn.com

Elizabeth K. McCloskey  
**E-mail:** EMcCloskey@gibsondunn.com

*Counsel for Defendants Service Corporation International, et al.*

**SERVICE BY PERSONAL DELIVERY:** I delivered a true copy of the aforementioned document by hand to the office addressed below:

Chair, Judicial Council of California  
Attn: Appellate Court Services  
(Civil Case Coordination)  
455 Golden Gate Avenue, 5th Floor  
San Francisco, California 94102-3688

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct. This declaration was executed on May 1, 2024, at San Francisco, California.

\_\_\_\_\_  
Vanessa Jordan  
Declarant

\_\_\_\_\_  
*Vanessa Jordan*  
Signature