

**Attorney John Wirth
Court Appointed Receiver**



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**DANE COUNTY JUDGE APPOINTS BUSINESS ATTORNEY JOHN WIRTH AS RECEIVER
OF WISCONSIN FUNERAL DIRECTORS ASSOCIATION**

Wirth Says He Will Act as “Consumer Watchdog”

Madison, Wis. – The Wisconsin Funeral Directors Association (WFDA) today announced that a Dane County Circuit Court Judge has appointed business attorney John Wirth of Milwaukee to act as a receiver for the organization because of questions relating to the solvency of a pre-paid funeral policy program in place since 1999.

The announcement and appointment come after the state Department of Justice (DOJ) and the Wisconsin Department of Financial Institutions petitioned the court as a result of information that indicates the pre-paid WFDA policy fund may be at least \$21 million short, perhaps more.

Wirth said his responsibility as receiver will be to focus on being a watchdog for consumers, protecting the assets the organization has in its accounts created by the pre-paid funeral policy and determining what steps might be possible to recover the lost and missing funds. Wirth noted the DOJ presented information to the court that indicated more than 10,000 consumers have purchased pre-paid funeral policy plans and that the fund had lost millions of dollars in high-risk investments.

Wirth also said he ordered an immediate cease and desist of sales of the product until a better understanding of the group’s financial position can be determined.

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“While it will take time to sort through these complicated financial matters, my primary responsibility is to get as much money back to consumers as possible and to protect the assets of the WFDA.”

He said while initial indications are that the account should have about \$70 million, DOJ documents indicate there is a multimillion-dollar shortfall.

“This is a very challenging situation, and I view myself as a watchdog for the consumer,” said Wirth. “This may take some time to determine all the facts, and we won’t have all the answers right away. In the meantime, I have ordered that we immediately discontinue offering this product and not sell it until we better understand the situation.”

Wirth said that his efforts will be focused on the state association operations in Madison, and not on the state’s more than 500 funeral homes involved in the matter. “While these policies were sold on a local basis by individual funeral homes, the questions that we need answered are association related. A large number of Wisconsin’s funeral homes are small businesses operated by families, and I have no reason to question their conduct. What is in question is the association operation in Madison and how the funds from these policies were managed,” Wirth added.

“I’ve already reached out to all the funeral homes in the state and indicated that it’s absolutely imperative they honor all contracts they have while we resolve this matter. I will try my hardest to get the most money back for the consumer, although it may take some time.”

As receiver, Wirth will control the WFDA’s operations and assets until further notice. At this time, no immediate material changes will be made to staffing or other programs offered by the WFDA.

Wirth said that he will operate “an open and transparent process that is fact based and focused on protecting consumers.” He added that he has already retained the services of Pat Caracciolo of Wadsworth Whitestar Consultants, a business advisory firm with offices in Wauwatosa. The firm specializes in assisting companies involved in major financial reorganizations and potential insolvencies.

Wirth added that he already has established a toll-free line that will be effective Monday, September 17, 2012, and a special email address to help provide and receive information from consumers. The toll-free number is 1-855-947-9900 and the email address is WirthFuneralReceiver@gmail.com. The email address is available immediately. Additionally, there also is information on the association's website at www.wfda.org.