

IN THE CIRCUIT COURT OF CHEROKEE COUNTY, ALABAMA

STATE OF ALABAMA, EX REL. )  
 D. DAVID PARSONS, as Acting Commissioner )  
 of Insurance, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 JORDAN FUNERAL AND INSURANCE )  
 CO., INC., an Alabama Mutual Aid Association )  
 )  
 Defendant. )

CIVIL ACTION NO. CV-08-113

**CONSENT ORDER OF REHABILITATION,  
 PERMANENT INJUNCTION,  
APPOINTMENT OF RECEIVER, AND OTHER RELIEF**

This cause was submitted to the Court upon the duly verified application of the Plaintiff for a temporary restraining order or a preliminary injunction, appointment of a Receiver and other appropriate relief as prayed for in the sworn Complaint filed in this matter.

On September 12, 2008, the parties appeared before this court whereupon Jordan Funeral & Insurance Company, Inc., ("Jordan") agreed to the entry of a Consent Order of Rehabilitation, Permanent Injunction, and Other Relief without further delay and waived its right to a formal hearing on this issue.

As Jordan has consented to the entry of a final order in this matter granting Plaintiff full and complete relief as requested in his sworn petition, this Court finds and orders that:

1. The petition for injunctive and other relief is filed in conformity with the applicable provisions of Title 27, *Code of Alabama 1975*, and the Alabama Rules of Civil Procedure. A show cause order, as requested by the Plaintiff, is hereby granted. As Jordan consented to the

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entry of a consent order of receivership without further delay and waived a formal hearing on this issue, therefore, a show cause hearing is not necessary, and a final order of rehabilitation is due to be immediately rendered. Any statutory references as to the date of the issuance of a show cause order shall mean the date of this final order.

2. Jordan is an insurance company domiciled in the State of Alabama with its principal place of business in Centre, Cherokee County, Alabama. Defendant Jordan is licensed by the Commissioner of Insurance as a mutual aid association, in accordance with Section 27-30-1 et seq., *Code of Alabama 1975*, for the purpose of transacting insurance business in this state.

This Court has jurisdiction over the parties and of the subject matter of this proceeding and finds that Jordan is insolvent in the approximate amount of \$471,798. An exact insolvency amount shall be determined at a later date. However, the financial condition of Jordan as stated herein is a ground for the appointment of a Receiver. See Section 27-32-6(1), *Code of Alabama 1975*.

3. Commissioner Parsons has demonstrated to the Court's satisfaction that a permanent injunction and other relief requested in Plaintiff's Petition should be granted immediately because there is a real and present danger that the continued operation of Jordan is hazardous to policyholders, creditors, and claimants of Jordan, should such relief not be granted.

4. In accordance with Sections 27-32-1, *et seq.*, and other pertinent sections of Title 27, *Code of Alabama 1975*, Jordan, its officers, directors, stockholders, policyholders, agents, and employees, all persons in active concert or participation with Jordan, and all persons and other legal entities, are hereby restrained and enjoined until further order of the Court from:

A. Transacting any further business of Jordan of whatever kind and nature except as hereinafter provided in further orders of this Court.

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B. Exercising any direction, control or influence whatsoever over said business of Jordan and its subsidiaries or their assets pending further order of this Court.

C. Interfering in any manner, either directly or indirectly, with the Receiver's operation of this receivership or in his possession or control of or in his title, right and interest to the property, books, records and all other assets of Jordan as authorized by this or further order of this Court.

D. Commencing or further prosecuting any action in law or equity or administrative proceedings against Jordan except in this Court; obtaining any preferences, judgment, attachments, or other liens against any of the property, personal or real of Jordan; commencing or continuing any action in the nature of an attachment, garnishment or execution against any of the property, personal or real, of Jordan making any levy, garnishment or execution of any of the property, personal or real, of Jordan or its assets or any part thereof except in this Court.

E. Disposing of the property or assets of Jordan or doing or permitting to be done any action which might waste the assets of Jordan.

F. Returning any unearned premiums or any money in their possession collected as premiums for enrollment contributions to policyholders. Further, all persons are directed to turn over all funds of Jordan in their possession, now or hereinafter acquired, to Denise B. Azar, as Receiver of Jordan, who shall keep and maintain accurate reports of the receipt of any such funds and report same to the Court.

G. Asserting any claim or filing any action against the Alabama Commissioner of Insurance, the Receiver of Jordan, or their agents and employees, except insofar as such claims or actions arise in the receivership proceedings of Jordan presently before this Court.

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*Denise Azar*  
CIRCUIT CLERK, CHEROKEE COUNTY, AL

5. Denise B. Azar, as Chief of the Receivership Division of the Alabama Department of Insurance (and her successors in office), pursuant to Sections 27-2-53 and Chapter 32 of Title 27, *Code of Alabama 1975*, is hereby appointed Receiver of all property, business, assets (general or other), affairs and estate of Jordan, and is directed to take immediate possession, custody and control of said property, both real and personal, wherever subsequently found or located, including but not limited to the home office and other business premises and all rights of action, as well as the books, papers, documents of any kind and nature, evidence of debt and all other property and assets of every kind whatsoever belonging to Jordan, including but not limited to, all real estate, stocks, bonds, checking and bank accounts, debentures, mortgages, fixtures, furniture, certificates of deposit, receivables, office supplies and rights of action of any kind.

6. Denise B. Azar, as Receiver of Jordan, in accordance with Section 27-32-11, *et al.*, *Code of Alabama 1975*, shall continue to operate the business of Jordan with the purpose of rehabilitating, conserving and preserving said company under the present and further order and direction of the Court; that Denise B. Azar, as Receiver of Jordan, shall proceed to collect any and all debts due said company and shall recommend to the Court reasonable remedies to the causes and conditions which have made receivership necessary, if such remedies exist and are feasible.

7. Denise B. Azar, as Receiver of Jordan, shall have authority to negotiate sales of property, blocks of Jordan policyholders, or other assets of Jordan when necessary or desirable, but if she shall receive an offer for same, before making a private or public sale, Denise B. Azar, as Receiver, shall report the terms of such offer to the Court for such action or approval as the Court may deem proper.

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*Denise Azar*  
CIRCUIT CLERK, CHEROKEE COUNTY, AL

8. Denise B. Azar, as Receiver of Jordan, is authorized and directed to hire legal, clerical, managerial and other employees necessary to carry on the business of Jordan, and the Receiver is also authorized to rent or lease office facilities and to pay reasonable and necessary expenses and salaries incidental thereto.

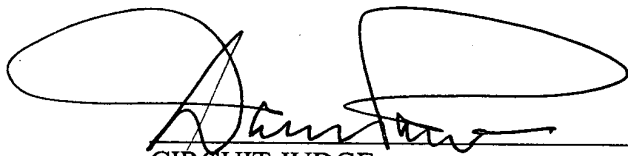
9. Denise B. Azar, as Receiver of Jordan, is hereby vested with all of the duties, rights, powers, obligations, immunities and authority placed upon the Commissioner of Insurance by Section 27-32-15 and other pertinent sections of the Alabama Insurance Code, now or hereinafter amended, as provided under the provisions of Sections 27-2-55, *Code of Alabama 1975*.

10. In accordance with Sections 27-2-51, 27-32-5(c) and 27-32-15(d), *Code of Alabama 1975*, neither the Insurance Commissioner nor the Receiver is required at this time to post a bond in connection with these receivership proceedings.

11. Denise B. Azar, as Receiver of Jordan, is hereby authorized to apply to the Court for further instructions in the discharge of her duties as Receiver.

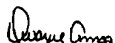
12. The Court reserves jurisdiction of this cause for such other orders on the premises and matters pertaining to this particular order or this cause in general as it may find necessary, appropriate or desirable to make from time to time and reserves jurisdiction generally of this cause.

DONE and ORDERED at Centre, Alabama, on this 12 day of September, 2008 at 10:40 A.M. ~~PM~~.

  
CIRCUIT JUDGE

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COUNSEL OF RECORD FOR PLAINTIFFS:

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COUNSEL FOR DEFENDANT:

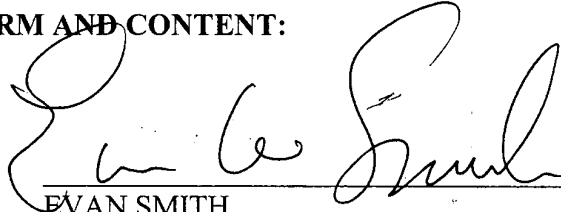
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*Debrae Carter*  
CIRCUIT CLERK, CHEROKEE COUNTY, AL

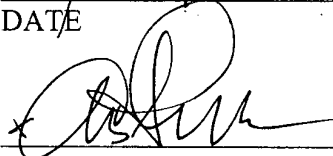
APPROVED AS TO FORM AND CONTENT:



EVAN SMITH  
COUNSEL FOR DEFENDANT

9/12/08

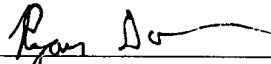
DATE



ALBERT L. SHUMAKER  
COUNSEL FOR HUGH LOWE JORDAN, JR.,

9-12-08

DATE



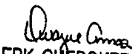
ELIZABETH BOOKWALTER  
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DATE

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