

IN THE CIRCUIT COURT FOR
JEFFERSON COUNTY, ALABAMA

WALTER A. BELL, as Commissioner
of the ALABAMA DEPARTMENT
OF INSURANCE,

Plaintiff,

v.

BLOUNT MEMORY GARDENS, LLC, an
Alabama limited liability company,
BRIGHTON CEMETERY, LLC, an Alabama
limited liability company, BROOKWOOD
CEMETERY, LLC, an Alabama limited
liability company, CEDAR OAK
CEMETERY, LLC, an Alabama limited
liability company, CRESTVIEW
CEMETERY, LLC, an Alabama limited
liability company, CULLMAN MEMORY
GARDENS, LLC, an Alabama limited
liability company, FOREST GROVE
MEMORY GARDENS & FUNERAL
HOMES, LLC, an Alabama limited liability
company, MARSHALL MEMORIAL
FUNERAL HOME, LLC, an Alabama
limited liability company, MARSHALL
MEMORIAL GARDENS, LLC, an Alabama
limited liability company, OAKLAND
CEMETERY, LLC, an Alabama limited
liability company, PINELAND MEMORIAL
PARK, LLC, an Alabama limited liability
company, RESTHAVEN MEMORIAL
PARK & FUNERAL HOME, LLC, an
Alabama limited liability company,
SUNRISE MEMORY GARDENS, LLC,
an Alabama limited liability company,
WILLIAMS-MCCRACKEN FUNERAL
HOME, LLC, an Alabama limited liability
company, WILSON FUNERAL
HOME, LLC, an Alabama limited liability
company, GREENHAVEN MEMORIAL
PARK, LLC, an Alabama limited liability
company, HENAGAR MEMORIAL
PARK, LLC, an Alabama limited liability
company, KERBY FUNERAL HOME, LLC,
an Alabama limited liability company,
and OAK LAWN MEMORIAL
GARDENS, LLC, an Alabama limited liability
company,

Defendants.

Civil Action No.
CV-05-6114-HLB

FILED IN OPEN COURT

This 31st day of March,
2006. *NLB*
HOUSTON L. BROWN, JUDGE

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ALABAMA DEPT. OF JUSTICE

ORDER TERMINATING REHABILITATION PROCEEDINGS AND ORDER OF LIQUIDATION

This matter came before the court on March 2, 2006, on the motion of the plaintiff, Walter A. Bell ("Bell"), in his capacity as Commissioner of the Alabama Department of Insurance, and Denise B. Azar ("Azar"), receiver of the estates of the defendants, asking this court to enter an order of liquidation in this receivership proceeding. Appearing at the hearing were Azar, Vincent R. Ledlow, Assistant Attorney General for the State of Alabama, representing Bell and Azar, Donald M. Wright and Kaye K. Houser, representing BLX Capital, LLC, a creditor of a number of the defendants, and J. Keith Carder, representing the defendants. At the hearing, Bell, Azar, BLX, and the defendants, through their counsel, all consented to the granting of the motion. This court has considered the allegations in the motion, the statements and representations made by counsel at the hearing, the pleadings, motions, and other papers in the court's file, and all other relevant matters and has determined that, for good cause show, the motion should be **GRANTED**. It is, therefore, **ORDERED, ADJUDGED and DECREED** as follows.

1. As of October 14, 2006, the defendants were insolvent. Efforts to rehabilitate the defendants have not been successful, and the defendants' financial condition is such that continued efforts to rehabilitate them would be to the detriment of the defendants' creditors, preneed purchasers, and the people of the State of Alabama.

2. As receiver, Azar is hereby directed to liquidate the defendants in accordance with §§27-32-1 through 40 of the Alabama Code and to take such action as the nature of this receivership proceeding and the interests of the creditors, preneed purchasers, and the people of the State of Alabama may require. As receiver and pursuant to the approval of this court, Azar is authorized to employ such legal counsel, accountants, appraisers, experts, clerks, and assistants of her own choosing pursuant to §27-32-15(f) of the Alabama Code.

3. As receiver and pursuant to §27-32-15(b) of the Alabama Code, Azar is hereby vested with title to all the property, assets, contracts, rights, and rights and causes of action of the defendants, wherever located, whether tangible or intangible, including, without limitation, all

real and personal property, stock, equity securities, partnership interests or other ownership interests of any kind in any other corporation, partnership, limited liability company, trust, or other entity which is beneficially or legally owned, held, or attributable to the defendants as of the date of this order.

4. As receiver, Azar is directed and authorized to institute and prosecute, in the name of the defendants, any and all suits or other legal proceedings and to defend suits in which the defendants are parties, both in the State of Alabama and elsewhere, whether or not such suits were pending as of the date of the entry of this order. Azar may also abandon the prosecution of such suits, legal proceedings, or claims where to do so would be in the best interests of the creditors or preneed purchasers of the defendants.

5. All managers or managing members of the defendants are hereby discharged and removed, and all authority of such managers or managing members is hereby revoked.

6. All banks, credit unions, brokerage firms, and any and all other people and entities having possession of assets that are or may be the property of the defendants are hereby ordered to immediately deliver possession of such assets to the receiver and are further ordered not to disburse such assets without the written consent of or unless directed in writing by the receiver. Such people and entities and all other people and entities are further enjoined from disposing of or destroying any records pertaining to any business transactions between the defendants and banks, credit unions, brokerage firms, and any and all other people and entities having done business with the defendants or having in their possession assets that are or were the property of the defendants.

7. The receiver shall be and hereby is authorized to pay all routine administrative expenses incurred without prior approval of the court provided no one expenditure exceeds the sum of Five Thousand Dollars (\$5,000.00). Specific accounting and certification of these expenses as reasonable and necessary will be made to this court.

8. Pursuant to §27-2-52 of the Alabama Code, the receiver is authorized to petition the Alabama Department of Insurance on behalf of the defendants for payment of the pro rata part of the administrative expenses and salaries of the Receivership Division of the Department in the

event the administrative expenses and salaries cannot be paid from the funds of the estates of the defendants.

9. At such time as she deems appropriate, the receiver is authorized to dissolve the existence of the defendants in accordance with §27-32-12(b) of the Alabama Code.

10. The defendant shall make quarterly reports to the court documenting the progress being made in carrying out the mandates of this order and any recommendations the receiver feels are in the best interests of the defendants' creditors and preneed purchasers and the people of the State of Alabama.

11. The injunctive provisions contained in this court's preliminary injunction of October 14, 2006, are continued in effect until further order of this court.

12. This court shall retain exclusive jurisdiction over this matter for all purposes necessary to carry into effect and enforce this order.

DONE and ORDERED this 31st day of MARCH, 2006.


HOUSTON L. BROWN
CIRCUIT JUDGE

cc: Vincent R. Ledlow, Esquire
Robin L. Beardsley, Esquire
J. Keith Carder, Esquire