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NOV 22 2019

Davidson County Chancery Court

IN THE CHANCERY COURT OF DAVIDSON COUNTY, TENNESSEE
20TH JUDICIAL DISTRICT
AT NASHVILLE
PART III

STATE OF TENNESSEE,)
<i>ex rel.</i> HODGEN MAINDA, solely in his)
official capacity as Commissioner of)
Commerce & Insurance,)
)
Plaintiff,)
)
v.)
)
GALILEE MEMORIAL GARDENS,)
JM&M SERVICES, INC.,)
LAMBERT MEMORIAL CO., aka)
LAMBERT MEMORIALS, INC.)
LAMBERT & SONS, INC.)
JEMAR LAMBERT, MARJE LAMBERT,)
and MARY H. LAMBERT, and ALL)
PERSONS ACTING IN CONCERT)
WITH THEM,)
)
Defendants.)

NF
No. 14-102-III

DAVIDSON COUNTY CHANCERY COURT
JEMAR LAMBERT
603M

2019 DEC -5 PM 3:37

FILED

SCHEDULING ORDER FOR MATTERS REMAINING TO BE DETERMINED
CONCERNING GALILEE MEMORIAL GARDENS

On November 15, 2019, this Court, the Honorable Ellen Hobbs Lyle presiding, held a status and scheduling conference pursuant to Tenn. R. Civ. P. Rule 16, to identify and set the final matters for determination in this receivership of Galilee Memorial Gardens (the "Cemetery"). Deputy Attorney General C. Scott Jackson and Sarah Hiestand, Senior Assistant Attorney General, appeared for Hodgen Minda, Commissioner of the Department of Commerce & Insurance, as Receiver in his official capacity for the Cemetery. Also appearing was Robert E. Moore, Jr., representative of the Receiver's appointed Special Deputy Receiver, Receivership Management,

Inc., (“RMI”). Robert D. Meyers, of Glanker Brown PLLC appeared on behalf of Shelby County, Tennessee, which was permitted to intervene in this action and participate as a party by motion heard at the same hearing.

The Court, based on the statements of counsel present as well as the entire record of this proceeding, established the following deadlines to address each of the major issues and items remaining to be finally determined or adjudicated by the Court in this matter, as listed in paragraphs A through K of the Supplemental Statement of Pending Issues, (“Supplemental Statement”) filed by the Receiver on November 8, 2019 in this Court. These are issues that need to be finally resolved incident to the termination of the winding down of the Galilee receivership.

1. Issues A through H, concerning the matters and conditions for closure of the Cemetery recommended by the Receiver as it relates to any and all claimants and persons with outstanding contracts or claims against the Cemetery or the Defendants in this receivership, will be addressed through proposed Orders to be lodged with the Court by the Receiver no later than **December 30, 2019**. The Receiver shall frame and submit such matters under issues A through G as a proposed ruling of the Court, subject to becoming the final order of this Court, should they be approved after opportunity for objection and the hearing to approve the order. The Receiver will also submit a proposed form of Notice (issue H) to be considered for approval by the Court, to describe the matters the court intends to rule upon, and the type of notice to be provided to interested persons, with a hearing date that will be set by the Court to occur at least 45 days after any form of notice is approved. The items to be addressed in the proposed Order are:

A) Order affirming the Court’s earlier statement that the Cemetery is full, has no remaining useful grave spaces and should be closed to any future burials.

B) Order affirming that there are no assets available to compensate claimants including any aggrieved person who purchased a grave site, a pre-need cemetery contract or other services at Galilee Memorial Gardens or any of the Defendants.

C) Order foreclosing any rights that any such aggrieved persons may have against the grounds or other physical assets of Galilee Memorial Gardens and any of the Defendants.

D) Order confirming that the small amount of funds (approximately \$3000.00) currently in the Preneed Merchandise and Services Trust Fund is insufficient to make any meaningful restitution to anyone who may have purchased a pre-need services contract and foreclosing any such person from making a claim against that trust fund.

E) Order providing that the Preneed Merchandise and Services Trust fund, due to its small size, no longer serves the purpose for which it was created, and should be terminated with the assets in that Trust Fund deposited into the Improvement Care Trust Fund (ICTF) for the Cemetery.

F) Order recognizing that the deplorable state of the burial records at the Cemetery makes it impossible to know where any one person is buried, and further makes it impossible to know the identity of any other person or persons who might be buried in close proximity to any grave site.

G) Order that prohibits any disinterments (exhumations) from the Cemetery because it is impossible to give proper notice to the family or next-of-kin of other persons whose burial might be disturbed or affected by any attempted exhumation.

H) Order defining what kind of Notice is to be given, what form it will take and when it must be given to any and all potentially affected persons or entities prior to the Court's final adjudication of these issues.

2. Issues I, J and K listed in the Supplemental Statement concern the potential arrangements for future ownership and responsibility for maintenance and oversight of the Cemetery, after the end of this receivership. These Issues to be decided are:

I) Since at this time no group or entity has been identified to accept ownership or responsibility of maintenance and oversight of the Cemetery, absent such a group or entity being identified, an Order reflecting that fact be entered.

J) If an appropriate group or entity is willing to accept ownership or the responsibility of the maintenance and oversight of the Cemetery prior to the termination of the receivership, an Order containing the terms providing for transfer of ownership or responsibility for maintenance and oversight of the Cemetery and such other provisions as are necessary.

K) If an appropriate group or entity cannot be found to accept responsibility of upkeep of Galilee Memorial Gardens, an Order ending the Receivership and defining the status of the cemetery grounds.

To promote the ongoing discussions that may prove fruitful to identify a willing local government or other party to take on responsibility of the Cemetery, but to prepare the Court for the determinations of law and findings that may be required for any eventuality, in which Shelby County or others may be interested, the Court hereby sets **February 28, 2020** as a DEADLINE for the Receiver to file certain notices and briefs:

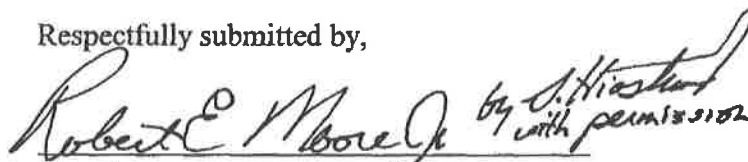
The Receiver shall file and serve, on or before **February 28, 2020**, a Notice identifying whether there is any willing group or local government able to take charge of the Cemetery from the Receiver. The Receiver shall file and serve a Motion and supporting Brief to seek and explain any remedy it contends is warranted in law and on the facts of this Cemetery when the termination occurs *with or without* a responsible owner being willing to take charge, and where, as here, no prior owners are connected to the Cemetery any longer and it cannot conduct business going forward. This Motion will discuss the Improvement Care Trust Fund status and uses and other provisions of law. The Receiver shall serve the current service list, including Shelby County, and including the trustee of the Improvement Care Trust Fund, with that filing.

IT IS SO ORDERED.

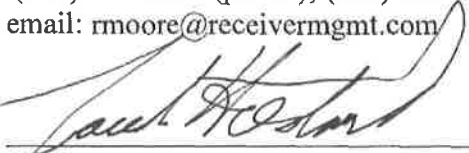


CHANCELLOR

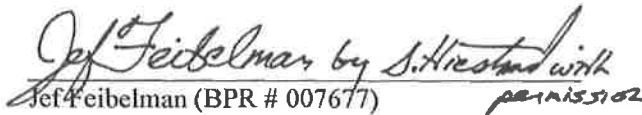
Respectfully submitted by,


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Galilee Memorial Gardens

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Special Counsel to the Receiver

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Scheduling Order has been mailed First Class Postage prepaid to the following interested persons and attorneys requesting notice and transmitted via email if indicated this 22nd day of November, 2019:

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SARAH ANN HIESTAND