

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY PART III
AT NASHVILLE

CLERK & MASTER
DAVIDSON CO. CHANCERY C.T.

D.C. & M.

STATE OF TENNESSEE, *ex rel.*,)
JULIE MIX MCPEAK, Solely in her)
official capacity as Commissioner of)
Commerce and Insurance,)
)
Petitioner,)
)
VS.)
)
VICKIE L. RINGLEY, individually)
and d/b/a/ Hawkins County Memorial Gardens,)
)
Defendant.)

Case No. 14-1642-III

RECEIVER'S THIRD REPORT FOR FEBRUARY 2015

Pursuant to the Order entered December 2, 2014, Julie Mix McPeak, Commissioner of the Department of Commerce & Insurance, Receiver for Hawkins County Memorial Gardens, (hereafter referred to as HCMG) through her appointed Special Deputy Receiver, Receivership Management Inc., causes to be filed this monthly report and states to the Court as follows:

1. On February 3, 2015, Defendant Vickie Ringley was arrested on two counts of theft over \$60,000, two counts of money laundering, one count of forgery and seven counts of failure to follow cemetery regulations. Court records list 370 victims linked to the two theft charges. Defendant Ringley remains incarcerated on a \$200,000.00 bond. The Receiver and Special Deputy Receiver continue to cooperate with the District Attorney for the Third Judicial District.
2. The Special Deputy Receiver has the address database and continues to work on the master plat ownership database. The address database was sent to a third party vendor of the U.S. Postal Service and the database was updated.

3. Analysis of the funds that should have been held in a pre-need services and merchandise trust account began during the month of January and continues. As a starting point, it appears that \$41,348.79 should have been held in a pre-need services and merchandise account as of February 6, 1992 based on a report filed on April 13, 1992 with the Department of Commerce and Insurance by Bill Kinser and Defendant Vickie Ringley (under her maiden name Vickie Street). The Special Deputy's review of pre-need purchase records, which will establish amounts that should have been trusted, along with reported procurements and placements, which will establish withdrawals from the trust, is expected to provide as close an estimate of what the current missing trust fund balance should be.

4. A John Deere Lawn Tractor has been located at a nearby storage facility that may belong to the cemetery based on purchase and payment records. Although purchased in the name of Mr. Marvin Ringley, at least some of the monthly payments were made from the account used by Mrs. Ringley to receive deposits and make purchases for HCMG. The storage facility holding the lawn tractor has a priority lien on the lawn tractor. The 1996 Ford F350 has been removed from the premises and stored at another site for safekeeping pending further action by the Receiver. We are still attempting to locate the 2000 Honda Accord.

5. Weather and neglect related driveway damage was reported to the Special Deputy Receiver. This damage was fully repaired on February 9 and 10, 2015.

6. Fifteen (15) bronze grave markers that had been stored in the cemetery office remain in the custody of the District Attorney's Office. The Special Deputy Receiver has acquired a listing of these markers from the District Attorney. Now that the address database has been completed, notification on these markers will be sent.

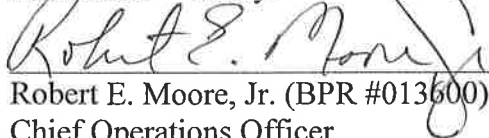
7. Since taking possession, twelve (12) burials have occurred and the procedure has worked well. An interment log is being maintained by the Special Deputy Receiver. Mr. Moore maintains open lines of communication with all funeral homes in the area.

8. A claim on the theft coverage has been filed with Auto Owners Insurance. They are continuing to investigate this claim and have issued a reservation of rights letter.

9. A letter has been issued to all registered owners in the cemetery records as well as 372 persons who have filed complaints with the Third Judicial District Attorney regarding complaints against HCMG. This letter (a sample attached as Exhibit 1) was mailed to 1,979 recipients. The letter also advises of a community meeting to be held March 30, 2015 at 6 p.m. eastern. First United Methodist Church of Surgoinsville, Tennessee, which is near HCMG, is allowing us to use their sanctuary for this meeting. This meeting will give affected consumers an opportunity to meet and discuss their situations with the Special Deputy Receiver and other interested officials. The letter lists the recorded lots of the recipient and directs the recipient to write to the Special Deputy Receiver if the information is incorrect. It is hoped through this process disputed grave spaces can be discovered, resolved, and an inventory of unsold spaces confirmed. Should a sufficient number of vacant spaces exist, it is possible that the cemetery might be sold in order to resolve any identified shortfalls in the pre-need services and merchandise trust.

10. As Defendant Ringley is currently held at the Hawkins County Jail, service of this document will be directed there.

Submitted for Entry:



Robert E. Moore, Jr. (BPR #013600)
Chief Operations Officer
Receivership Management Inc.
Special Deputy Receiver
Hawkins County Memorial
Gardens
783 Old Hickory Blvd., Suite 255
Brentwood, TN 37027
(615) 370-0051 (phone)
(615) 373-4336 (fax)

Certificate of Service

I certify that a true and correct copy of the foregoing report was served by first-class U.S.

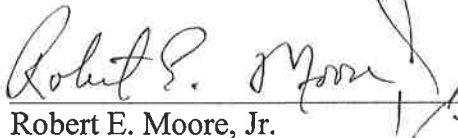
Mail, postage prepaid, upon:

Vickie Ringley
c/o Hawkins County Jail
117 Justice Center Drive
Rogersville, TN 37857

Herbert W. Slattery, III
Attorney General and Reporter
M. Jason Hale
Assistant Attorney General
Office of the Tennessee Attorney General
Financial Division
P.O. Box 202007
Nashville, TN 37202

Michael D. Driver
Deputy General Counsel, Regulatory Boards Division
Tennessee Department of Commerce & Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

This 16th day of March, 2015.


Robert E. Moore, Jr.

Receivership Management, Inc.

783 Old Hickory Blvd., Suite 255 Brentwood, TN 37027 (615) 370-0051 Fax (615) 373-4336

March 2, 2015

«FN» «LN»
«ADDRESS»
«CITY», «ST» «ZIP»

RE: Hawkins County Memorial Gardens

Dear Sir or Madam:

On December 2, 2014, the Chancery Court of Davidson County at Nashville issued an Order of Receivership, placing Hawkins County Memorial Gardens into receivership and removing its operator, Vickie L. Ringley, and naming Commissioner of Commerce and Insurance, Julie Mix McPeak, as Receiver. Commissioner McPeak has appointed Receivership Management, Inc. as her Special Deputy Receiver in charge of the cemetery.

At this time, we are determining the ownership of grave spaces. Below are the grave spaces listed as being owned by you according to the records of the cemetery:

GARDEN - «GARDEN» ***LOT #*** «LOT_NO» ***SECTION #*** «SECTION_NO» ***SPACE***
«SPACES_NO»

If the information listed is incorrect or is listed as "UNKNOWN" you must contact Receivership Management, Inc. in writing at the address listed below and send a copy of your deed, purchase receipts or other proof to establish your burial right.

Send your information to:
Hawkins County Memorial Gardens
c/o Receivership Management, Inc.
783 Old Hickory Blvd., Suite 255
Brentwood, TN 37027

YOUR INFORMATION SHOULD BE POST-MARKED BY APRIL 15, 2015.

We are posting map information to our website at www.receivermgmt.com. We make a monthly filing with the Chancery Court of Davidson County, which will also be posted at the same website address.

A community meeting will be held on March 30, 2015 at 6:00 pm eastern time in the Sanctuary of the First United Methodist Church of Surgoinsville, 621 Old Stage Road, Surgoinsville, TN 37873. First United Methodist Church has agreed to allow us to use their sanctuary for this meeting. First United Methodist Church has no information concerning the cemetery or the meeting. PLEASE DO NOT CONTACT THEIR OFFICE CONCERNING QUESTIONS ABOUT HAWKINS COUNTY MEMORIAL GARDENS.

Currently, there are no funds to operate the cemetery. There is a balance in the perpetual care/improvement trust account which may only be used to maintain the cemetery. It generates about \$1,000 a year in interest. There are no other funds. There is no pre-need services or merchandise trust fund. There is evidence of double sold lots, which this office is continuing to investigate.

During the receivership, no burial may occur in the cemetery without prior authorization from this office. Should a family wish to exercise a burial right in the cemetery, the following must occur:

1. They must present to the funeral home in charge evidence of ownership of a lot or a burial right. This may consist of a deed, a purchase receipt, or other documentation that would establish a burial right in Hawkins County Memorial Gardens (HCMG).

2. The funeral home must forward that to this office.

3. Once this office has reviewed the information and determines that the burial right is established, Receivership Management, Inc. will send to the funeral home a plat sheet and cemetery map noting the location of the grave space, along with granting permission to bury. The funeral home is required to provide the name of the interred person along with an address for next of kin to this office.

4. Because the cemetery has no funds, all arrangements for opening and closing the grave, outer burial container purchase and installation, and marker purchase and installation must be through the funeral home that has charge. Markers may also be purchased from a monument company and installed if approved by this office prior to installation. If the family has pre-paid to HCMG for these services, they must be purchased again from the funeral home. Should the cemetery be sold, a portion of the proceeds may be set aside for refunds to those families who had to pay again for pre-paid services and merchandise. However, if such funds are set aside, it is not likely to be sufficient for 100 cents on the dollar refunds. It is not known at this time if any funds will be available or set aside for this purpose.

5. An outer burial container is required when burying in HCMG. Poly, steel, or concrete outer burial containers are satisfactory.

6. Markers must be a flat style-no headstones. The marker may be bronze or stone.

7. Grave spaces in HCMG are 3 ½ feet wide and 9 feet long. If the intended grave space already has a marker down, that marker must be dug up in order to fit the casket and outer burial container in the intended grave space and the marker re-set as a part of the interment process. There will be no exceptions to this process.

Your patience, cooperation, and assistance are very much appreciated during this difficult time.

Sincerely,

Robert E. Moore, Jr.
Chief Operations Officer
Receivership Management, Inc.
Special Deputy Receiver-Hawkins County Memorial Gardens