Cause No. D-1-GV-08-000945

| | | |
|---|---|---|
| THE STATE OF TEXAS<br>Plaintiff | § | IN THE DISTRICT COURT OF |
| v. | § | |
| MEMORIAL SERVICE LIFE INSURANCE COMPANY, LINCOLN MEMORIAL LIFE INSURANCE COMPANY, AND NATIONAL PREARRANGED SERVICES, INC. | § | TRAVIS COUNTY, TEXAS |
| Defendants | § | 250th JUDICIAL DISTRICT |

**SPECIAL DEPUTY RECEIVER'S RESPONSE TO OBJECTIONS TO APPLICATION FOR ORDER OF LIQUIDATION AND FOR ORDER APPROVING PLAN OF LIQUIDATION**

TO THE HONORABLE JUDGE OF SAID COURT:

Donna J. Garrett, the Special Deputy Receiver ("SDR") of Memorial Service Life Insurance Company ("Memorial Service"), Lincoln Memorial Life Insurance Company ("Lincoln Memorial") and National Prearranged Services, Inc. ("NPS"), files this *Response to Objections to Application for Order of Liquidation and for Order Approving Plan of Liquidation*, and would show as follows:

## I. INTRODUCTION

1.1 The SDR's *Application for Order of Liquidation and for Order Approving Plan of Liquidation* (the "Application"), filed on August 11, 2008, makes two requests. First, the SDR seeks to convert the current rehabilitation proceeding to a liquidation proceeding pursuant to TEX. INS. CODE § 443.104. Second, the SDR seeks authority to enter into the Liquidation Plan with the National Association of Life & Health Insurance Guaranty Associations ("NOLHGA"), on behalf of its affected associations. These requests are interrelated - a liquidation order is a prerequisite for the Liquidation Plan, and the Liquidation Plan is necessary to resolve issues related to the payment of claims that will arise upon the entry of a liquidation order.

1.2 Objections to the Application were filed by five parties (the "Objectors"):

A. Objection by two affiliates of Defendants, National Heritage Enterprises, Inc. and Forever Enterprises, Inc. ("NHE" and "FEI");

B. Objections by James & Gahr Funeral Home and Kerrville Funeral Home et al; and

C. Objections by or on behalf of Henneke and Denzer, individual funeral homes.

1.3 The Objectors do not contest the fact that Defendants cannot remain in rehabilitation, and must be liquidated. However, the entry of a liquidation order without the approval of the Liquidation Plan will be detrimental to Defendants' policyholders and beneficiaries. Upon the entry of a liquidation order, insurance guaranty associations become responsible for paying claims in accordance with their governing statutes. Unfortunately, as a result of the actions taken by Defendants and their affiliates (including objectors NHE and FEI) with respect to insurance policies, there may be no coverage by insurance guaranty associations for many of Defendants' policies in the absence of the Liquidation Plan. The Liquidation Plan is intended to address this predicament, as it will facilitate the processing and payment of death claims arising from over 190,000 policies of insurance to over 3,800 funeral homes by the insurance guaranty associations.

## II. NECESSITY FOR LIQUIDATION ORDER

2.1 TEX. INS. CODE § 443.104 (a) provides that the SDR may move for an order of liquidation if the SDR believes that "further attempts to rehabilitate an insurer would substantially increase the risk of loss to creditors, policyholders, or the public or would be futile". Perhaps the most salient fact supporting the conclusion that rehabilitation is not viable is that the SDR is not paying - and cannot pay in the future - claims on the over 190,000 polices of insurance at issue in this receivership. The SDR was able to pay over $1,000,000 per week for the first 10 weeks of receivership, but cannot now continue to do so. The Objectors offer no solutions to this overriding issue, which costs funeral homes across America over $4,000,000 per

month. The Defendants cannot continue in rehabilitation, and liquidation has now become imperative. Accordingly, the SDR seeks to convert the rehabilitation proceeding to a liquidation proceeding pursuant to TEX. INS. CODE § 443.104.

2.2 The evidence to be presented at hearing will establish that all of these companies are deeply and irreparably insolvent. As of June 30, 2008, Memorial Service's cash assets totaled $297,944, and Lincoln Memorial's cash assets totaled $10,186,778. Claims against the insurance companies accrue at approximately $1,000,000 per week and unpaid claims already total over $10,000,000. As of June 30, 2008, NPS owed Memorial Service and Lincoln Memorial at least $51,651,866. NPS is unable to pay these, or any other, liabilities.

2.3 TEX. INS. CODE §443.057 provides that an insurer may be placed into liquidation if it is insolvent, or about to become insolvent. An insurer is insolvent under TEX. INS. CODE § 443.004(a)(13)(A) if it is unable to pay its obligations as they become due, and is about to become insolvent under TEX. INS. CODE § 443.057 if it is reasonably anticipated that it will lack sufficient assets to meet its obligations over the next 90 days. Grounds clearly exist to place Lincoln, Memorial and NPS into liquidation pursuant to TEX. INS. CODE § 443.057. None of the Objections contest these facts.

2.4 TEX. INS. CODE § 443.057 provides that any one of the grounds enumerated in TEX. INS. CODE § 443.057 is sufficient to justify an order of liquidation. TEX. INS. CODE § 443.058 requires that if any of the grounds provided in §443.057 are established, the court shall issue an order of liquidation as requested.

## III. PURPOSE OF LIQUIDATION PLAN

3.1 The second part of the Application seeks the approval of the Liquidation Plan. The SDR has entered into the Liquidation Plan pursuant to TEX. INS. CODE § 443.102 (b), which grants the SDR with authority to deal with the business of the insurer and take action to reform

the insurer, and TEX. INS. CODE § 443.104(a), which provides that the SDR shall coordinate the transition to liquidation with any affected guaranty associations.

3.2 The Liquidation Plan is a settlement agreement with NOLHGA, on behalf of its affected associations, regarding the handling and payment of "contractual obligations" following liquidation. The evidence will establish that the former management of the companies manipulated Lincoln Memorial and Memorial Service's insurance policies in a manner that raises potential defenses to the payment of the majority of claims by guaranty associations. The legal issues that ensue from these actions create the possibility for litigation that could involve the receivership estates and guaranty associations. Pursuant to her authority under the Insurer Receivership Act, and in the exercise of her business judgment, the SDR has determined that the settlement between the receivership estates and NOLHGA sets forth in the Liquidation Plan is far preferable to potentially years of expensive and uncertain litigation.

3.3 The Liquidation Plan is intended to address three key issues. First, the payment of policy claims; second, the handling of contractual claims; and third, the existence of administrative orders resulting from regulatory actions against the Defendants.

A. Policy Claims

3.4 The Lincoln Memorial and Memorial Service estates can no longer pay policy claims, or claims of any other creditors, in rehabilitation. The obligations of the guaranty associations to pay policy claims upon the entry of a liquidation order are uncertain, due to the manipulation and mishandling of the insurance policies by former management (including two of the Objectors) to extract money for their own benefit. This conduct included: (i) assignment and/or transfer of ownership, beneficiary and/or payee rights of certain policies to NPS; (ii) NPS directing policy loans be taken from certain whole life policies; (iii) NPS directing conversion of whole life policies to term life policies; (iv) NPS failing to make premium payments on term life policies; (v) Lincoln Memorial and Memorial Service failing to lapse policies for failure to pay

premiums; (vi) the Preneed Funeral Contracts and the related life insurance policies failing to comply with preneed funeral arrangement statutes in one or more states; (vii) Lincoln Memorial and/or Memorial Service issuing term policies without consideration; (viii) Lincoln Memorial issuing term policies on policy forms not approved by the appropriate states; (ix) Lincoln Memorial failing to utilize policy applications; (x) Lincoln Memorial failing to account for and identify accurately the identity and residency of owners; (xi) Lincoln Memorial failing to reflect accurately the true residency of Insureds; and (xii) Lincoln Memorial failing to issue physical policies even though policies may be reflected or reported on the books and records of the Insolvent Insurers. This conduct has created numerous issues regarding the identity and authority of the owner of many of the life insurance policies. The Liquidation Plan resolves these issues, and will permit the participating guaranty associations to expeditiously assume the processing and payment of claims.

B. Contract Claims

3.5 NPS, but not the insurance companies, contractually guaranteed to pay an inflation factor (also referred to as "growth") to the majority of funeral homes. As NPS is not an insurance company, claims against it do not qualify for coverage by the guaranty associations. The Liquidation Plan preserves the funeral homes' claims against NPS for growth, and proposes to classify them as Class 5 claims as required by TEX. INS. CODE § 443.301.

C. Regulatory Actions

3.6 As a result of Defendants' conduct, a large number of state regulators have issued administrative orders and/or made demands that one or more of the Defendants correct these practices. The mandates of these orders include, but are not limited to requiring that term policies be re-converted to whole life policies, the repayment of money, and the deposit of funds into trust. The Defendants did not comply with all of these regulatory mandates before receivership, and the SDR could not comply with them after receivership. The Liquidation Plan

will effectuate the purposes of these regulatory orders to the extent possible under Chapter 443 of the Texas Insurance Code.

## IV. THE OBJECTIONS

4.1 In summary, the Objectors can be divided into three categories. The first are NHE and FEI, affiliates of the former owners of the companies in receivership (collectively, the "Cassity Affiliates"). Apparently not content with having driven the insurance companies into insolvency, they now demand new money in exchange for not opposing the Liquidation Plan. The second category of objections are filed by attorneys who claim to be representing the interests of various classes of funeral homes in Missouri and Texas. Their chief complaint is that the settlement deprives them of class action attorneys' fees. The final category of objections was filed by individual funeral homes that lack information about the Liquidation Plan. The following specifically responds to each category of objection.

### A. National Heritage Enterprises, Inc. and Forever Enterprises, Inc. Objections

4.2 NHE and FEI are owned and controlled by the same people responsible for the insolvency of Lincoln, Memorial and NPS. By their objection, NHE and FEI seek to block the payment death claims to innocent funeral homes unless the SDR and NOLHGA agree to pay their funeral home claims without setoff or collecting past due premium.

4.3 NHE and FEI lack standing to object to the Application. NHE is not the beneficiary under any preneed contracts or related insurance policies. FEI itself is not a funeral home-it owns/controls several homes who are not objectors to the plan. Instead, they claim to own funeral homes which are obligated to provide services under preneed contracts. NHE and FEI's assertion that they have standing also contradicts the position that they had taken in the Rule 11 Agreement filed herein. The agreement provides, *inter alia*, that suit cannot be filed against the Cassity Affiliates in the State of Texas. By filing their objection, NHE and FEI have

apparently determined to waive these provisions of the Rule 11 Agreement, as they have subjected themselves to the jurisdiction of this Court.

4.4 On its face, the NHE and FEI objection contends that the terms of the Liquidation Plan do not comply with the provisions of TEX. INS. CODE § 443.103 and § 443.301 regarding the classification of claims and distributions. This objection demonstrates a fundamental misunderstanding of both the Liquidation Plan and the Insurer Receivership Act. TEX. INS. CODE § 443.103(e) restricts the creation of subclasses in connection with a plan of rehabilitation. The SDR is not proposing a plan for the rehabilitation of Defendants under TEX. INS. CODE § 443.103, but a plan for the liquidation of Defendants under TEX. INS. CODE § 443.151 *et seq.* Further, the distinction between "standard" and "disputed" policies under the Liquidation Plan to which NHE and FEI object applies to payments by the guaranty associations, and does not in any way alter the distribution of assets under the priority scheme in TEX. INS. CODE § 443.301.

4.5 NHE and FEI also argue that the provisions of the Liquidation Plan related to offsets should be denied. The Cassity Affiliates are indebted to Lincoln Memorial and Memorial Service for, among other items, their failure to pay insurance premiums due to these insurers. FEI also fails to mention in its objection that it "borrowed" millions of dollars in trust funds by backdating "promissory notes" for money it converted from bank trust accounts that were supposed to secure payment of the death claims. These objectors clearly wish to prevent the SDR and the guaranty associations from offsetting these debts. Regardless, the Insurer Receivership Act clearly authorizes the SDR to offset amounts that are due from a claimant and to make assignments to the guaranty associations.

B. James & Gahr Mortuary, Inc. and Kerrville Funeral Home et al Objections

4.6 These objections were filed by counsel who have filed two different lawsuits seeking class action status for claims against a variety of entities and individuals (the "Class Action Objections"). At the outset, it should be noted that these Objectors have not shown that

they are actually authorized to object to the Liquidation Plan by any of their alleged clients. There are no certified class actions. Discovery has not even commenced in any of the three pending cases (counsel for only 2 of the 3 cases filed objections). Counsel for the Kerrville Funeral Home have not even obtained service on any defendants. As there is no evidence that the objecting counsel are authorized to file the objections by their purported clients, the Class Action Objections should be denied because they lack standing.

4.7 A desire for future attorneys' fees drives these objections. Counsel are correctly concerned that they, following the entry of a liquidation order and the approval of the Liquidation Plan, will not be able to control the causes of action against the parties responsible for these insolvencies. These objections are tantamount to a demand that the class action counsel be permitted to continue their efforts, notwithstanding the provisions of the Texas Insurance Code. Specifically, the Class Action Objections complain about the requirement that all beneficiaries of payments by an insurance guaranty association assign their claims to the guaranty association. A central provision of the Liquidation Plan requires any funeral home or other beneficiary, which receives payment from a guaranty association to execute an assignment of its causes of action to the funding IGA. The objectors apparently fail to recognize that this provision is expressly authorized by the enabling statute of every affected guaranty association. See, e.g., TEX. INS. CODE § 463.261.

> ASSIGNMENT OF RIGHTS. (a) A person receiving a benefit under this chapter, including a payment of or on account of a contractual obligation, continuation of coverage, or provision of substitute or alternative coverage, is considered to have assigned to the association the rights under, and any cause of action relating to, the covered policy to the extent of the benefit received. **The association may require a payee, policy or contract owner, beneficiary, insured, or annuitant to assign the person's rights and cause of action to the association as a condition of receiving a right or benefit under this chapter.**
> (b) The association's subrogation rights under Subsection (a) have the same priority against the assets of the impaired or insolvent insurer as that held by the person entitled to receive a benefit under this chapter.
> (c) The association has all common law rights of subrogation and any other equitable or legal remedy that would have been available to the impaired or insolvent insurer or holder of a policy or contract with respect to the policy or contract. [emphasis added]
>
> .....

In summary, the laws of each affected state permit the assignment. Of course, the "clients" of the objecting attorneys do not need to execute an assignment if they do not want to get payment from the guaranty associations. Instead, they can rely upon the objecting attorneys to finance years of litigation to secure the payment of death claims after the payment of class action attorneys' fees.

4.8 The objections filed by the class action counsel are in reality detrimental to the interests of their named clients and the entire class they seek to represent, as the objections will have the effect of delaying the payment of death claims. The attorneys' objections also serve to assist the Cassity Affiliates' efforts to hold the claims payments hostage. Furthermore, the claims themselves are not subject to class action even without the statutorily permitted assignment to the guaranty associations. The SDR, with or without the Liquidation Plan, owns the claims in question. TEX. INS. CODE § 443.154 expressly provides:

> (m) The liquidator may prosecute any action that may exist on behalf of the creditors, members, policyholders, shareholders of the insurer, or the public against any person, except to the extent that a claim is personal to a specific creditor, member, policyholder, or shareholder and recovery on such claim would not inure to the benefit of the estate. This subsection does not infringe or impair any of the rights provided to a guaranty association pursuant to its enabling statute or otherwise.

4.9 The "Kerrville" Objections raise the following additional issues: the handling of "lapsed" policies; the obligation to for insureds to continue premium payments; and the treatment of preneed contracts without a corresponding insurance policy-the "orphan contracts." All of these matters are addressed in the Liquidation Plan and do not create a reason for its denial. The objections are raised solely to cloak the true purpose of the Class Action Objections-attorneys fees.

4.10 Further, the objection filed by counsel for James & Gahr should be stricken because they violated the automatic stay and the Permanent Injunction by filing suit against Lincoln and NPS in federal district court in the Western District of Missouri. The evidence will

show that the named party, James & Gahr, participated in conduct with NPS that was designed to benefit the funeral home and NPS to the detriment of preneed contract holders.

4.11 The Kerrville Objection fails to admit that it was the last of at least 3 class action cases filed and that no service has been obtained.

4.12 In summary, the Class Action Objections serve only attorneys and not any beneficiaries or policyholders in this receivership. They, like the Cassity Affiliates, seek to hold the Liquidation Plan hostage without regard for their alleged "clients".

C. Henneke and Denzer Objections

4.13 These objections were filed by individual funeral homes. The Henneke Objection was filed by counsel and primarily seeks additional information about the Liquidation Plan and how it affects that particular funeral home. The SDR anticipates that this objection will be resolved since the Liquidation Plan offers these funeral homes, like all similarly situated funeral homes, an opportunity to be paid on a current basis rather having to litigate with its respective insurance guaranty association. The Henneke Funeral Home has at least six (6) pending death claims. These claims will be paid under the Liquidation Plan. The Denzer Objection consists solely of a letter to the Master's Clerk by a pro se representative of a Marion, Ohio funeral home. It was not served in compliance with the Order of Reference or the Notice of Submission. It objects to liquidation because the Liquidation Plan does not provide for the payment of "growth" by NPS. The Denzer Objection offers no alternative to liquidation and does not contest the merits of the Application-the receivership companies are deeply insolvent and the obligations of NPS do not qualify for coverage by the insurance guaranty associations. Instead, the Denzer Objection wants the Court to block the Liquidation Plan unless somebody somehow comes up with the ability to pay "growth".

4.14 In summary, the main objections - the Cassity Affiliates and the Class Action Attorneys - are filed not against the merits of the Liquidation Plan. Instead, they are bound

together. Both groups believe that they will have leverage by attempting to delay the approval of the Liquidation Plan. These objectors apparently would rather leave innocent funeral homes and over 190,000 Americans without the ability to bury loved ones.

## V. BURDEN OF PROOF

5.1 When an application is filed by the SDR, an objecting party has the burden of showing why the receivership court should not authorize the proposed action under TEX. INS. CODE § 443.007(e). This standard is a clear statutory reflection of the Legislature's intent to defer to the judgment of the SDR with respect to the administration of the receivership estate.

5.2 The application of TEX. INS. CODE § 443.007(e) in a contested matter has been previously considered by the Receivership Court. In *The State of Texas v. Highlands Insurance Company*, Cause No. D-1-GV-03-04537 in the District Court of Travis County, Texas, 53rd Judicial District, the Court held that it should review an SDR's application under an abuse of discretion standard, and approve the application unless the Court finds that it violates the Insurer Receivership Act, or is an abuse of discretion. The Court further held that the SDR "is entitled to substantial deference and discretion." See, *Findings of Fact and Conclusions of Law Regarding Amended Application for Approval of Rehabilitation Plan*, entered June 6, 2008 in Cause No. D-1-GV-03-04537 in the District Court of Travis County, Texas, 53rd Judicial District.

5.3 The Objectors have the burden under TEX. INS. CODE § 443.007(e) of showing why the Court should not approve the Application. The Objectors have no good faith basis for contending that the Liquidation Plan violates the Insurer Receivership Act, or is an abuse of discretion. Pursuant to TEX. INS. CODE § 443.007(g), if an objection is found by this Court to be frivolous or filed merely for delay or for another improper purpose, this Court shall order the objecting party to pay the SDR's reasonable costs and fees of defending the Application.

## VI. CONCLUSION

6.1 The SDR is prepared to and shall establish at the hearing on this Application that liquidation is mandated, that the Liquidation Plan is the best result for all interested parties and that the objections are without merit.

Respectfully submitted,

By: Christopher Fuller

Christopher Fuller
Attorney in Charge
Texas Bar No. 07515500
4612 Ridge Oak Drive
Austin, Texas 78731
Tel. (512) 470-9544
Fax. (512) 374-0957
cfuller@fullerlaw.org
Attorney for Donna J. Garrett,
Special Deputy Receiver of
Memorial Service Life Insurance Company,
Lincoln Memorial Life Insurance Company and
National Prearranged Services, Inc.

## CERTIFICATE OF SERVICE

I certify that a copy of the foregoing document was sent to the following in accordance with TEX. INS. CODE ANN § 443.007 on the 4th day of September, 2008:

Christopher Fuller

Christopher Fuller

| | |
|---|---|
| *Via Email:* Leanne.Layne@tdi.state.tx.us<br>Leanne Layne<br>Texas Department of Insurance<br>Liquidation Oversight - 305-1D<br>PO Box 149104<br>Austin, TX 78714-9104 | *Via Email:* Rachel.Giani@tdi.state.tx.us<br>Rachel Giani<br>Texas Department of Insurance<br>Financial Counsel/Legal Services - 821<br>PO Box 149104<br>Austin, Texas 78714-9104 |
| *Via Email:* James.Kennedy@tdi.state.tx.us<br>James Kennedy<br>Texas Department of Insurance<br>872- Legal Services\Liquidation Allocated<br>110-1A<br>PO Box 149104<br>Austin, Texas 78714-9104 | *Via Email*: Kathy.Gartner@tdi.state.tx.us<br>Kathy Gartner<br>Texas Department of Insurance<br>582 - Rehabilitation & Liquidation Oversight<br>305-1C<br>PO Box 149104<br>Austin, Texas 78714-9104 |
| *Via Email:* jrixen@rixenlaw.com<br>Jackie Rixen<br>The Law Office of Jacqueline Rixen<br>8500 N. Mopac, Suite 605<br>Austin, Texas 78759<br>Counsel to TLAHHSIGA | *Via Email:* jglover@rothgerber.com<br>Joel A. Glover<br>Rothgerber, Johnson & Lyons LLP<br>One Tabor Center, Suite 3000<br>1200 Seventeenth Street<br>Denver, CO 80202<br>Counsel to NOLHGA Task Force |
| *Via Email:* hdeleon@dbilaw.com<br>Hector De Leon<br>De Leon, Boggins & Icenogle<br>221 W. 6th Street, Suite 1050<br>Austin, Texas 78701<br>Counsel for National Heritage Enterprises, Inc. and Forever Enterprises, Inc. | *Via Email:* Jean.Sustaita@tdi.state.tx.us<br>Jean Sustaita<br>Texas Department of Insurance<br>582 Liquidation Oversight<br>PO Box 149104<br>Austin, Texas 78714-9104 |
| *Via Email*: jramsey@jramsey-law.com<br>Jennifer Ramsey, P.C.<br>400 W. 15th St., Suite 200<br>Austin, Texas 78701-1647 | *Via Email:* jennifer.jackson@oag.state.tx.us<br>Jennifer Jackson<br>Ass't. Attorney General<br>PO Box 12548<br>Austin, TX 78711-2548 |

| | |
|---|---|
| *Via Email:* karen.pettigrew@oag.state.tx.us<br>Karen Pettigrew<br>Ass't. Attorney General<br>PO Box 12548<br>Austin, TX 78711-2548 | *Via Email:*<br>Douglas.schmidt@huschblackwell.com<br>Douglas Schmidt<br>Husch Blackwell & Sanders<br>4801 Main Street #1000<br>Kansas City, MO 64112 |
| *Via Email:* mkeller@winstead.com<br>Mary Keller<br>Winstead PC 401 Congress Avenue, Suite 2100<br>Austin, TX 78701 | *Via Email:* hskelton@skeltonwoody.com<br>J. Hampton Skelton<br>Skelton & Woody<br>PO Box 1609<br>Austin, TX 78767-1609 |
| *Via Email:* ekaye@skeltonwoody.com<br>Edward F. Kaye<br>Skelton & Woody<br>PO Box 1609<br>Austin, TX 78767-1609 | *Via Email:* Marybeth.wilkinson@lovells.com<br>MaryBeth Wilkinson<br>Lovells, LLP 330 N. Wabash Avenue<br>Suite 1900<br>Chicago, IL 60611<br>Counsel for Hannover Life Re |
| *Via Email:* eric.haab@lovells.com<br>Eric Haab<br>Lovells, LLP<br>330 N. Wabash Avenue<br>Suite 1900<br>Chicago, IL 60611<br>Counsel for Hannover Life Re | *Via Email:* kay.wilde@lovells.com<br>Kay Wilde<br>Lovells, LLP<br>330 N. Wabash Avenue<br>Suite 1900<br>Chicago, IL 60611<br>Counsel for Hannover Life Re |
| *Via Email:* kyelkin@gardere.com<br>Kimberly Yelkin<br>Gardere Wynne Sewell<br>600 Congress Ave. Suite 3000<br>Austin, TX 78701-2978 | *Via Email:* jwerner@rmqlawfirm.com<br>John Werner<br>Reaud, Morgan & Quinn LLP<br>801 Laurel Street<br>PO Box 26005<br>Beaumont, TX 77720-6005<br>Counsel for Broussard's Mortuary, Inc. |
| *Via Email:* sharon.euler@ago.mo.gov<br>Sharon K. Euler<br>Assistant Attorney General<br>Fletcher Daniels State Office Bldg.<br>615 E 13th Street Suite 401<br>Kansas City MO 64112 | *Via First Class Mail*<br>Internal Revenue Service<br>Special Procedures Branch<br>P.O. Box 250<br>300 East 8th Street, Suite 352<br>Mail Stop 5022AUS<br>Austin, TX 78701 |

| | |
|---|---|
| *Via Email:* phobbs@mcginnislaw.com<br>Penny Hobbs<br>McGinnis, Lochridge & Kilgore<br>600 Congress Avenue #2100<br>Austin, TX 78701<br>Counsel for Henneke Funeral Home | *Via Email:* lyork@mcginnislaw.com<br>Larry York<br>McGinnis, Lochridge & Kilgore<br>600 Congress Avenue #2100<br>Austin, TX 78701<br>Counsel for Henneke Funeral Home |
| *Via First Class Mail*<br>Chad J. Snyder<br>Denzer-Farison-Hottinger & Snyder Funeral Home<br>360 East Center Street<br>Marion, OH 43302 | *Via Email:* jwhatley@wdklaw.com<br>Joe R. Whatley<br>Whatley Drake & Kallas, LLC<br>1540 Broadway, 37th Floor<br>New York, NY 10036<br>Interim Class Counsel for James & Gahr |
| *Via Email:* mponder@cbmplaw.com<br>J. Michael Ponder<br>Cook, Barkett, Maguire & Ponder, L.C.<br>715 N. Clark<br>P.O. Box 1180<br>Cape Girardeau, MO 63702-1180<br>Interim Class Counsel for James & Gahr | *Via Email:* tbutler@wdklaw.com<br>Thomas J. Butler<br>Whatley Drake & Kallas, LLC<br>2001 Park Place North, Suite 1000<br>Birmingham, AL 35203<br>Interim Class Counsel for James & Gahr |
| *Via Email:* bcculley@mcculleymccluer.com<br>R. Bryant McCulley<br>McCulley McCluer, PLLC<br>One Independent Drive, Suite 3201<br>Jacksonville, FL 32202<br>Interim Class Counsel for James & Gahr | *Via Emails:* smccluer@mcculleymccluer.com<br>Stuart H. McCluer<br>McCulley McCluer, PLLC<br>1109 Van Buren Avenue<br>Oxford, MS 38655<br>Interim Class Counsel for James & Gahr |