

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

FILED IN DISTRICT COURT  
OKLAHOMA COUNTY

FEB 18 2016

TIM RHODES  
COURT CLERK

STATE OF OKLAHOMA, ex rel. JOHN D. )  
DOAK, Insurance Commissioner, )

Petitioner, )

v. )

NEW CROWN MANAGEMENT )  
CORPORATION, INC., d/b/a CROWN )  
HILL CEMETERY, an unlicensed cemetery )  
merchandise trust and perpetual care fund )  
in the State of Oklahoma, )

Case No. CV-2016-175

Respondent.

**ORDER PLACING NEW CROWN MANAGEMENT CORPORATION, INC., d/b/a  
CROWN HILL CEMETERY INTO RECEIVERSHIP AND LIQUIDATION,  
APPOINTING RECEIVER, AND FOR PERMANENT INJUNCTION**

NOW on this 18<sup>TH</sup> day of February, 2016, there comes for hearing the verified Application of John D. Doak, Insurance Commissioner of the State of Oklahoma for an Order Directing New Crown Management Corporation, Inc., d/b/a Crown Hill Cemetery to Show Cause and Request for Injunctive Relief filed February 1, 2016 and the Court's February 1, 2016 Order Directing New Crown Management Corporation, Inc., d/b/a Crown Hill Cemetery to Show Cause and Allowing Injunctive Relief.

Petitioner, John D. Doak, Insurance Commissioner, appears by and through Julie Meaders, Deputy General Counsel for the Oklahoma Insurance Department. Defendant, New Crown Management Corporation, Inc., d/b/a Crown Hill Cemetery Inc. (hereinafter Crown Hill), having been duly and properly served, is represented by Jim Goodwin who appeared not. Cemetery property owner White Enterprises, LLC., having been duly and properly served, is

represented by Mark Grober who appeared not. Both parties and their respective counsels have indicated their willingness to cooperate with this receivership.

The Court, having examined the Petitioner's Verified Application for Order Directing Cemetery to Show Cause and For Injunctive Relief filed February 1, 2016, having viewed the evidence presented thus far; having reviewed the representations and statement of the parties; and being well advised in the premises, finds as follows:

1. John D. Doak is the duly qualified and acting Insurance Commissioner of the State of Oklahoma as such, pursuant to 36 O.S. §§ 7101 et. seq and 36 O.S. § 7121 is charged with the duty of regulating cemetery perpetual trust funds and cemetery merchandise trust funds respectively. Pursuant to 36 O.S. § 7133, the Commissioner may make application for receivership of cemetery merchandise trust funds in the manner provided for receivership of domestic insurers pursuant to 36 O.S. § 1903.

2. Pursuant to 36 O.S. § 1903, the Insurance Commissioner may appear in the District Court to make application for an order directing a domestic insurer and likewise a cemetery merchandise trust and a perpetual care trust to show cause why an Order of Liquidation should not be entered and a Receiver appointed.

3. This Court has jurisdiction of this action pursuant to 36 O.S. § 1902(A).

4. Venue in this Court is appropriate pursuant to 36 O.S. § 1902(F).

5. 36 O.S. § 1906 provides that the Insurance Commissioner may apply to the Court for an order appointing the Insurance Commissioner as receiver of and directing the Insurance Commissioner to liquidate the business of a domestic insurer, and likewise a cemetery merchandise trust and a perpetual care trust.

6. Pursuant to 36 O.S. § 1901(13), a Receiver includes the function of liquidator.

7. Pursuant to 36 O.S. §1911(A), an order to liquidate the business of a domestic insurer, and likewise a domestic cemetery, shall direct the Insurance Commissioner forthwith to take possession of the property of the cemetery to liquidate its business, to deal with the cemetery's property and business in his own name as Insurance Commissioner or in the name of the cemetery as the court may direct, and to give notice to all contract holders, the cemetery itself, and creditors who may have claims against the cemetery to present such claims.

8. Since the Application for Order of Receivership and Request for Injunctive Relief was filed on February 1, 2016, New Crown has submitted annual reports reflecting some lists of the amounts of prepaid cemetery merchandise contracts and the names of the contract holders. The lists do not appear to be complete but the outstanding cemetery merchandise trust liability submitted was \$22,319.00

9. New Crown has not provided the amount and location of burial plots sold, the names of the burial plot purchasers nor has New Crown contributed 10% of that cost to its Perpetual Care Fund, pursuant to 36 O.S. §7103. Unless records are produced, establishing the number and location of burial plots sold and the names of the burial plot purchasers, White Enterprises, LLC cannot properly operate the cemetery and the amount New Crown owes its Perpetual Care Fund will remain unknown.

10. New Crown is currently insolvent and in a condition such that the continued operation would be hazardous to the merchandise contract holders, the cemetery itself, the creditors of the cemetery or the general public; therefore, it is appropriate: (1) to place New Crown in Receivership; (2) to appoint John D. Doak, Insurance Commissioner, as Receiver; (3) for the Court to direct the Insurance Commissioner to liquidate the business of New Crown and (4) that statutory protections be afforded to cemetery merchandise contract holders, the cemetery itself, creditors and claimants of New Crown as set forth in 36 O.S. §§ 1901 et seq.

**IT IS THEREFORE ORDERED AND DECREED THAT:**

1. New Crown is hereby placed into receivership pursuant to the provisions of 36 O.S. §§ 1901 et seq. This Order of Liquidation is hereby entered to and against New Crown Management Corporation, Inc. This Order is a Final Order.

2. John D. Doak, Insurance Commissioner of the State of Oklahoma, is hereby appointed Receiver of New Crown and is directed to liquidate New Crown pursuant to the laws of the State of Oklahoma.

3. The Receiver is vested with all powers and authority, express or implied, under the provisions of 36 O.S. §§ 1901 et seq., in order to liquidate New Crown.

4. This Court being duly informed of a current impasse of communication between Michael McConnell, principal of New Crown, and Aric White, principal of White Enterprises, orders the parties to make copies of all relevant books and records in their possession regarding burial plots sold, cemetery merchandise contracts sold and all other relevant documents pertaining to the business of Crown Hill Cemetery. The parties are ordered to exchange all relevant books and records with one another, and with the Insurance Commissioner, as Receiver, to determine the missing figures for cemetery sales and purchases.

5. This Court being duly informed authorizes the Receiver to make claim to New Crown's surety bond with the Mid-Continent Group in the amount of \$50,000.00, #BD-1005660, in which New Crown Management Corporation, Inc. is the principal and the State of Oklahoma is the obligee. This claim is for the benefit of the Insurance Commissioner and all purchasers of prepaid cemetery merchandise. The Receiver is to place the proceeds of the surety bond in trust pending determination of the actual figure of outstanding cemetery merchandise trust liabilities.

6. The Receiver shall take possession of the property of New Crown, including the Perpetual Care Fund at The Trust Company of Oklahoma, liquidate its business, deal with its property and business in the Receiver's name or in New Crown's name, as the Court may direct, and give notice to all contract holders, the cemetery itself, and creditors who may have claims against New Crown to present such claims.

7. The Receiver is hereby vested by operation of law with the title to all of the property, accounts, assets, contracts, rights of action and all of the books and records of New Crown wherever located, now or hereafter discovered, as of the date of this Order.

8. If any legal action is commenced against the Insurance Commissioner, Receiver, assistant commissioners or receivers, retained counsel, deputies, and/or any of their employees or personnel, whether personally or in an official capacity, alleging property damage, property loss, personal injury, or other civil liability caused by or resulting from any alleged act, error, or omissions of any such person, the Insurance Commissioner, Receiver, assistant commissioners or receivers, deputies, retained counsel, and/or any of their employees or personnel shall be immune from liability and indemnified as defined and set forth under 36 O.S. § 1937.

9. Until further order of the Court, no obligation, claim or debt of New Crown shall be paid except those, which the Receiver deems to be necessary or appropriate to facilitate the taking of possession or furtherance of liquidation. Except as provided for herein, no distribution of the property of New Crown will be made without approval of the Court.

10. New Crown and each of its respective officers, employees, directors, trustees, owners, subscribers, agents, representatives, and all other persons are hereby permanently enjoined and prohibited from transacting any further business of New Crown, and are further permanently enjoined and prohibited from wasting, transferring, selling, concealing, destroying,

disbursing, disposing of, or assigning any assets, contracts, causes of action, funds, records, correspondence, memoranda, or any other documents or other property of New Crown or any of their respective affiliates.

11. New Crown, its respective officers, employees, directors, affiliates, trustees, owners, insurers, agents, representatives, contractors, subcontractors and all other persons are hereby directed to assign, transfer and deliver any and all amounts owed to and/or property of New Crown to the Insurance Commissioner, as Receiver.

12. Any and all authority of New Crown's officers and directors is hereby terminated.

13. Until further order from this Court, all persons and entities (including secured creditors, unsecured creditors, claimants and/or litigants) are hereby enjoined and prohibited from wasting, transferring, selling, concealing, destroying, disbursing, disposing and assigning, in any manner, the assets and/or property of New Crown; and are further enjoined and prohibited from prosecuting any pending action or litigation involving New Crown (whether as a plaintiff or defendant) or against its insureds; obtaining any preferences, judgments, attachments, or other liens against New Crown or its insureds; or making any levy against New Crown or against its assets or any part thereof.

14. Any and all banks, brokerage houses, financial institutions and any and all other companies, persons or entities having knowledge of this Order and having in its possession accounts or any other assets which are, or may be, the property of New Crown are restrained from disbursing or disposing of said accounts or assets, and are further restrained from disposing of or destroying any records, pertaining to any business transaction between New Crown; and such banks, brokerage houses, financial institutions, companies, persons or entities having done

business or doing business with New Crown or having in its possession assets which are, or may be, the property of New Crown are ordered to immediately deliver any and all such assets and/or

15. All expenses of these proceedings, including those incurred February 1, 2016 and thereafter but prior to the Entry of this Order, shall be taxed and assessed against New Crown, as approved by the Court.

16. Pursuant to 36 O.S. § 1923, the Insurance Commissioner shall not be required to pay any fee to any public officer in this state for filing, recording, issuing a transcript or certificate or authenticating any paper or instrument pertaining to the exercise by the Insurance Commissioner, as Receiver, of any of the powers or duties conferred upon him, whether or not such paper or instrument be executed by the Insurance Commissioner or his assistants, deputies, employees or attorneys of record and whether or not it is connected with the commencement of any action or proceeding by or against the Insurance Commissioner, or with the subsequent conduct of such action or proceeding.

17. Unless otherwise ordered by this Court, any violation of this Order or the injunctive relief set forth herein shall be deemed a contempt of Court and shall subject the violating party to such penalties as allowed by law.

Signed and entered this 18<sup>th</sup> day of February, 2016.

**DON ANDREWS**

Don Andrews  
JUDGE OF THE DISTRICT COURT

*Case EV-2016-125*  
CERTIFIED COPY  
AS FILED OF RECORD  
IN DISTRICT COURT

FEB 18 2016

TIM RHODES Court Clerk  
Oklahoma County  
*Tim Rhodes*

**CERTIFICATE OF MAILING**

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Order Placing New Crown Management Corporation, Inc., d/b/a Crown Hill Cemetery into Receivership and Liquidation, Appointing Receiver and for Permanent Injunction was mailed, return receipt requested, on this 18<sup>th</sup> day of February 2016 to:

Michael G. McConnell  
New Crown Management Corporation, Inc.  
4301 E. 66<sup>th</sup> Street North  
Tulsa, OK 74117

Certified Mail No.  
7015 0640 0002 7406 6354

Aric White  
White Enterprises, LLC  
17897 NW 10<sup>th</sup> Street  
Haskell, OK 74436

Certified Mail No.  
7015 0640 0002 7406 6361

Kathy King  
Trust Company of Oklahoma  
6120 S. Yale Avenue  
Suite 1900  
Tulsa, OK 74136

Certified Mail No.  
7015 0640 0002 7406 6378

Andrew M. Treat  
Mid-Continent Casualty Company  
P.O. Box 1409  
Tulsa, OK 74101

Certified Mail No.  
7015 0640 0002 7406 6385

  
\_\_\_\_\_  
Julie Meaders, OBA# 14410



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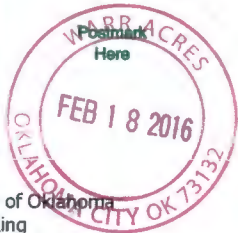
Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$ _____
<input type="checkbox"/> Return Receipt (electronic)	\$ _____
<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

Postage  
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**Total Postage and Fees**  
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Sent To **Trust Company of Oklahoma**  
 ATTN: Kathy King  
 6120 S. Yale Ave., Suite 1900  
 Tulsa, OK 74136  
 rlg/16-0123-SOL(JAM)/Receivership Order



PS Form 3800, April 2015 PSN

7015 0640 0002 7406 6378

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- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

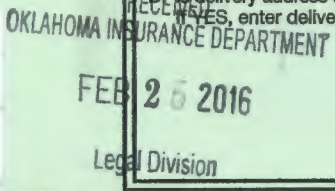
Trust Company of Oklahoma  
 ATTN: Kathy King  
 6120 S. Yale Ave., Suite 1900  
 Tulsa, OK 74136  
 rlg/16-0123-SOL(JAM)/Receivership Order

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 X *B. Bates*  Agent  
 Addressee

B. Received by (Printed Name) *B. Bates* Date of Delivery *2-22-16*

Is delivery address different from item 1?  Yes  
 No  
 IF YES, enter delivery address below:



3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery
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<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	

2. Article Number (Transfer from service label)  
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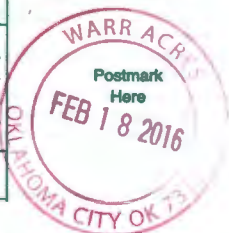
Certified Mail Restricted Delivery \$ \_\_\_\_\_

Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage  
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**Total Postage and Fees**  
 \$ \_\_\_\_\_



Sent To: Mid-Continent Casualty Company  
 ATTN: Andrew M. Treat  
 Street and Apt. No., or PO Box: P.O. Box 1409  
 Tulsa, OK 74101  
 City, State, ZIP+4®: rlg/16-0123-SOL(JAM)/Receivership Order

PS Form 3800, April 2015 PSN 7530-02-000-9053

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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature                  X <u>RALL</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>R Alderman</u> C. Date of Delivery <u>FEB 22 2016</u></p>
<p>1. Article Addressed to:</p> <p>Mid-Continent Casualty Company                  ATTN: Andrew M. Treat                  P.O. Box 1409                  Tulsa, OK 74101                  rlg/16-0123-SOL(JAM)/Receivership Order</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  YES, enter delivery address below:</p> <p>OKLAHOMA INSURANCE DEPARTMENT                  FEB 25 2016                  Legal Division</p>
<p>Barcode: 9590 9403 0272 5155 0719 07</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery (over \$500)</p>
<p>2. Article Number (Transfer from service label)                  7015 0640 0002 7406 6385</p>	

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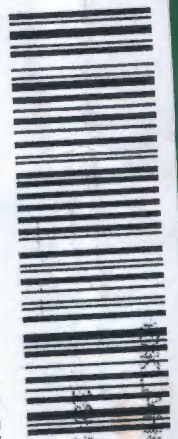
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**Insurance Commissioner**  
 Oklahoma Insurance Department  
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 Oklahoma City, OK 73112-4511

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|||||  
 New Crown Management Corporation, Inc.  
 ATTN: Michael G. McConnell  
 4301 E. 66th Street North  
 Tulsa, OK 74117

**ATTN: MR**  
**2-22**



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 0411 19208130

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