

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

2016 JUN 17 PM 3:43

Esa

STATE OF TENNESSEE,)
ex rel. JULIE MIX MCPEAK, solely in her)
official capacity as Commissioner of)
Commerce & Insurance,)

Plaintiff,)

v.)

No. 14-102-II

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.)

NINTH INTERIM REPORT OF THE SPECIAL DEPUTY RECEIVER
FOR GALILEE MEMORIAL GARDENS

Pursuant to the Order Appointing Commissioner as Receiver for Galilee Memorial Gardens Cemetery and Granting Temporary Injunction (the "Order") entered by this Court on February 21, 2014, Julie Mix McPeak, Commissioner of the Department of Commerce & Insurance, as Receiver for Galilee Memorial Gardens (the "Cemetery"), through her appointed Special Deputy Receiver, David Kustoff, hereby files this Ninth Interim Report regarding the status of the receivership, including describing progress made since the Eighth Interim Report.

Progress Made Since the Eighth Interim Report

1. In the Eighth Interim Report, Specialty Deputy Receiver, Receivership Management, Inc. ("RMI") was tasked with making an annotation of each scanned grave space so that the Receiver could make recommendations regarding number and location of available grave spaces in the Cemetery to determine proposed resolution of the grave space to this Court.
2. As of on or about May 10, 2016, RMI completed the following:
 - a. Data entry of all interment logs and garden ledgers for the entire history of the cemetery. The expanded lots in the Garden of Paradise are fully occupied or owned and the ground in that area is not stable. True and correct copies of the lot plats developed by RMI containing updated ownership information are attached hereto or filed herewith in electronic storage as Collective Exhibit A. A true and correct copy of the garden maps, showing the locations of the plats within the gardens, is attached hereto as Collective Exhibit B. A searchable spreadsheet showing the status of each grave space as well as the name marked on the grave, if any, by garden is attached hereto or filed herewith in electronic storage as Collective Exhibit C. Additionally, the Receiver hereby submits to the court the interment database compiled by RMI solely from the interment ledger, garden ledgers, and burial forms of the Cemetery as described in the report of April 2015 to this Court attached hereto or filed herewith in electronic storage as Collective Exhibit I (out of regular alphabetical order). It is noted that some entries that appear to be duplicative were not eliminated from the report because either the

date of interment was different, the location was different, or the name's entry from the various records sources was different.;

- b. Measuring and mapping of all nine (9) gardens. It is the opinion of RMI that the cemetery operators' failure to utilize and bury in accordance with their maps and spacing makes it very unpredictable as to whether a grave space is wide or long enough to be used. A Google Earth scan of the cemetery, showing the rough locations of each gardens and not intending or purporting to be a scientific map of the area is attached for reference as Exhibit D;
- c. Physical on-site inspection of all grave spaces, including probing of all spaces. RMI has noted that the use of equipment at the cemetery could be hazardous. Many older graves did not use vaults or outer-burial containers, resulting in many areas in which the ground is not stable, with significant sinking. It is believed that some burials are less than two inches deep, resulting in caskets and vaults directly bearing the weight of any digging equipment that enters the Cemetery;
- d. Re-inspection of all grave spaces with the assistance of ground penetrating radar by GPR Services, Inc. ("GPRS"), to determine if the grave space was vacant or occupied, including re-probing of spaces claimed through the pre-need process. All gardens were scanned by GPRS; however, the effectiveness of the scanning was hampered by soil types in certain areas of the Cemetery. The scan by GPRS appears to corroborate reports of stacked burials and mass grave areas, as well as evidence of the overall fullness of the Cemetery and misaligned burials. A true and correct copy of GPRS's report is attached hereto as Exhibit E. Flags were placed at the center of each area indicated by the scanning and videos were taken

by RMI generally of the flag locations prior to the flags being removed. A true and correct copy of the videos taken is filed in electronic format herewith as Exhibit F.;

- e. Paper inspection sheets maintained on every lot and information entered into a database;
 - f. Using existing maps, determining new areas used by cemetery operators to bury human remains. Revising maps according to on-site discoveries;
 - g. Posting signs and developing a process whereby owners of pre-need sold burial spaces could file a claim for their space. This included the mailing of 487 affidavit forms and processing 288 affidavit forms claiming 573 grace spaces. This process included review of cemetery records, supplied information, and follow-up with claimants. While this process yielded 573 claims, it is possible that any future claims process could result in additional future claims.
3. There are believed to be 313 spaces in the cemetery that are not currently used. All of these spaces are believed to be pre-sold, or believed from the records to be owned by purchasers other than those participating in the ownership claims process performed as part of this receivership. Further, the Receiver would respectfully note that, even if these spaces appear to be unused based on the best information available, that if such spaces are assigned for future use that the unpredictable nature of the burial practices at the Cemetery could potentially render a space believed to be unused unavailable, causing further confusion regarding an interment where persons believed that a space would be available based on a representation of ownership provided as part of this receivership and

potentially disrupting the existing burial. The number of such spaces in each garden is:

- a. Gethesemane: 73
- b. Everlasting Life: 64
- c. Peace: 28
- d. Hope: 0
- e. Devotion: 17
- f. Prayer: 20
- g. New Hope: 45
- h. Trinity: 59
- i. Paradise: 7

4. It appears that all of the cleared areas acquired from the Fogelman Trust are nearly full and appear to have already been sold. The entirety of the Garden of Hope was situated on land previously owned by the Fogelman Trust and is fully occupied and owned.
5. A heavily treed area along the eastern border of the Garden of Gethesemane – if reclaimed – could provide 36 additional grave spaces that were never sold (Lots 47xxxx, 48xxxx, and 49xxxx). An area behind the office shed was mapped and platted, but – upon inspection by RMI – is not suitable for burial.
6. As described below, there is currently a deficit of 492 grave spaces at the Cemetery that would need to be addressed by 36 spaces, which would need reclamation before use.
7. Of the 573 grave spaces claimed in the pre-need claim process:
 - a. 279 space claims were complete and valid claims of ownership in a space at the Cemetery based on the information provided;
 - i. Of these complete claims, 41 of the particular claimed spaces are believed to be vacant and useable. 238 of the claimed spaces were either occupied or otherwise unuseable.

- b. 29 claims were not pre-needs but were, instead, claims of ownership of currently-used spaces; and
 - c. 265 claims were incomplete because of missing supporting documentation or space location information.
 - i. Of the 265 claims that were incomplete, 11 of those particular claimed spaces were believed to be vacant and useable.
8. A report was created comparing the report results from 2015 with the ground-penetrating radar results as well as additional work performed in 2016. The report results revealed that there are a total of 3,500 marked graves and 7,725 occupied but not marked graves, which means there are more than two unmarked graves for every visible grave of the 11,225 graves detected, as well as at or around 1,102 gravesites that are not useable due to inadequate space or other conditions. A true and correct copy of that report is attached hereto as Exhibit G.
9. Total costs for this Receivership received total at or around \$432,624.75, with \$21,450 having been paid through the Improvement Care Trust Account. As of April 30, 2016, the Cemetery Consumer Protection Account had a total balance of \$589,683.03.
10. As of reports filed with the Department of Commerce and Insurance in or around April 2016, Galilee Memorial Gardens has an Improvement Care Trust balance as of December 31, 2015 of \$427,818.09 and a Merchandise and Services Trust in the amount of \$2,936.29. True and correct copies of those reports are attached hereto as Collective Exhibit H.

Recommendations

1. Upon completion of the annotation process, the Receiver has determined that the Cemetery could not be used for further sales and burials in the future and would suggest moving the Receivership towards close. After developing the necessary plats and filings, it is determined that any further, reasonable action cannot be taken to rehabilitate the Cemetery or return it to commercial viability.
2. Thus, a plan should be put into place to allow how the Cemetery will be handled. It is the recommendation of the Receiver that the Cemetery not be returned to the previous operator and that the Receiver will make efforts to identify a community group to accept the trust account or take over care of the Cemetery, but if no such group can be found, either a county or municipality may make expenditures for its upkeep as set out by the laws of the state and the trustee would be authorized to make payments to responsible parties.
3. That, given the unknown condition of many grave spaces despite substantial efforts to determine such condition, potentially unsafe conditions for the operation of machinery at the Cemetery, and the disproportionate number of claims to burial in the Cemetery versus the number of available spaces, that no further burials should be allowed at the Cemetery, which should be further deemed fully sold.
4. That the balance of the Merchandise and Services Trust is too low to provide meaningful reimbursement for merchandise and services purchased from the previous operator and, as such, the Receiver believes that balance of the Merchandise and Services Trust should be transferred to the Improvement Care Trust to provide for the future upkeep of the Cemetery;

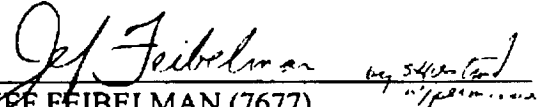
5. Disinterment of persons buried at the Cemetery should be left to local courts to determine as set out in the laws of this state. However, the Receiver would respectfully submit that such disinterment should be discouraged, the precise locations and identities of persons buried at the Cemetery being impossible to determine.
6. That future placement of markers should be left to a future operator, if such an operator exists. However, the Receiver would respectfully submit that such placement of markers should be discouraged, the precise locations and identities of persons buried at the Cemetery being impossible to determine.
7. That the Receiver has completed her work in establishing an accurate grid of all burial sites in the Cemetery and that there are no further reasonable efforts which can be taken to determine the identification of persons buried at the Cemetery.
8. That, as previously reported, the Cemetery is without substantial assets, the improvement care trust account not being an asset of the Cemetery pursuant to Tenn. Code Ann. § 46-1-204(g), and continuing operation of the Cemetery in receivership is unlikely to result in substantially improved information regarding the status of the Cemetery nor is it likely to further remediate the Cemetery.
9. All equipment or property at the Cemetery not known to belong to the Cemetery itself should be listed on the website of RMI and the Tennessee Department of Commerce and Insurance and persons should have thirty (30) days to make a claim for such property and to provide documentation sufficient in the discretion of the Receiver of ownership by the claimant. If no claim is received within the thirty (30) day period then the Receiver may dispose of the property by sale – any such funds to be placed in the Improvement Care Trust of the Cemetery - or by disposal.

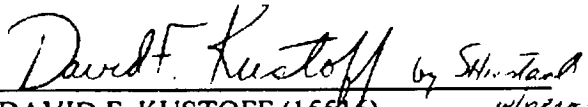
10. That the receiver will obtain at least one bid for the realignment of markers currently placed at the cemetery and advise this Court regarding the feasibility of such action within the funds available.

Conclusion

The Receiver believes that it has accomplished the tasks within its ability as set out for it by the Court at the outset of this matter, including determining the financial status of the Cemetery, mapping the Cemetery, and making a determination regarding the placement and identity of persons buried at the Cemetery. The Special Deputy Receiver will contact this court to seek a time for a special setting and file further notice of a date once it has been determined to discuss this report and the recommendations at a time in early August, with an updated report to be filed before that date regarding progress made regarding the items set out in the recommendations above.

Respectfully submitted,


JEFF FEIBELMAN (7677)
BURCH, PORTER, AND JOHNSON
130 North Court Avenue
Memphis, TN 38103
(901) 524-5109; fax 901-524-5024
jfeibelman@BPJLAW.com
*Special Counsel to Julie McPeak, the
Commissioner of Commerce and Insurance in
her capacity as receiver for Memorial
Gardens Cemetery*


DAVID F. KUSTOFF (15516)
Special Deputy Receiver, Galilee Memorial
Attorney at Law
22 N. Front St., Suite 660
Memphis, TN 38103
(901) 527-0255

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing Ninth Interim Report of the Special Deputy Receiver has been mailed First Class Postage prepaid to the following interested parties and attorneys requesting notice and transmitted via email this 17th day of June, 2015:

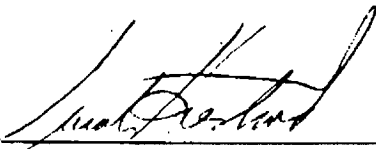
Attorney for Defendants

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Bone McAllester Norton PLLC *and via handdelivery*
511 Union Street, Suite 1600
Nashville, TN 37219
Via email to whaynes@bonelaw.com

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Senior Counsel
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Nashville, TN 37202
(615) 741-6035; fax (615) 532-8223


JEF FEIBELMAN Sarah Hiestand

Galilee Memorial Gardens

GMG_9_GARDEN_Binder1[1].pdf

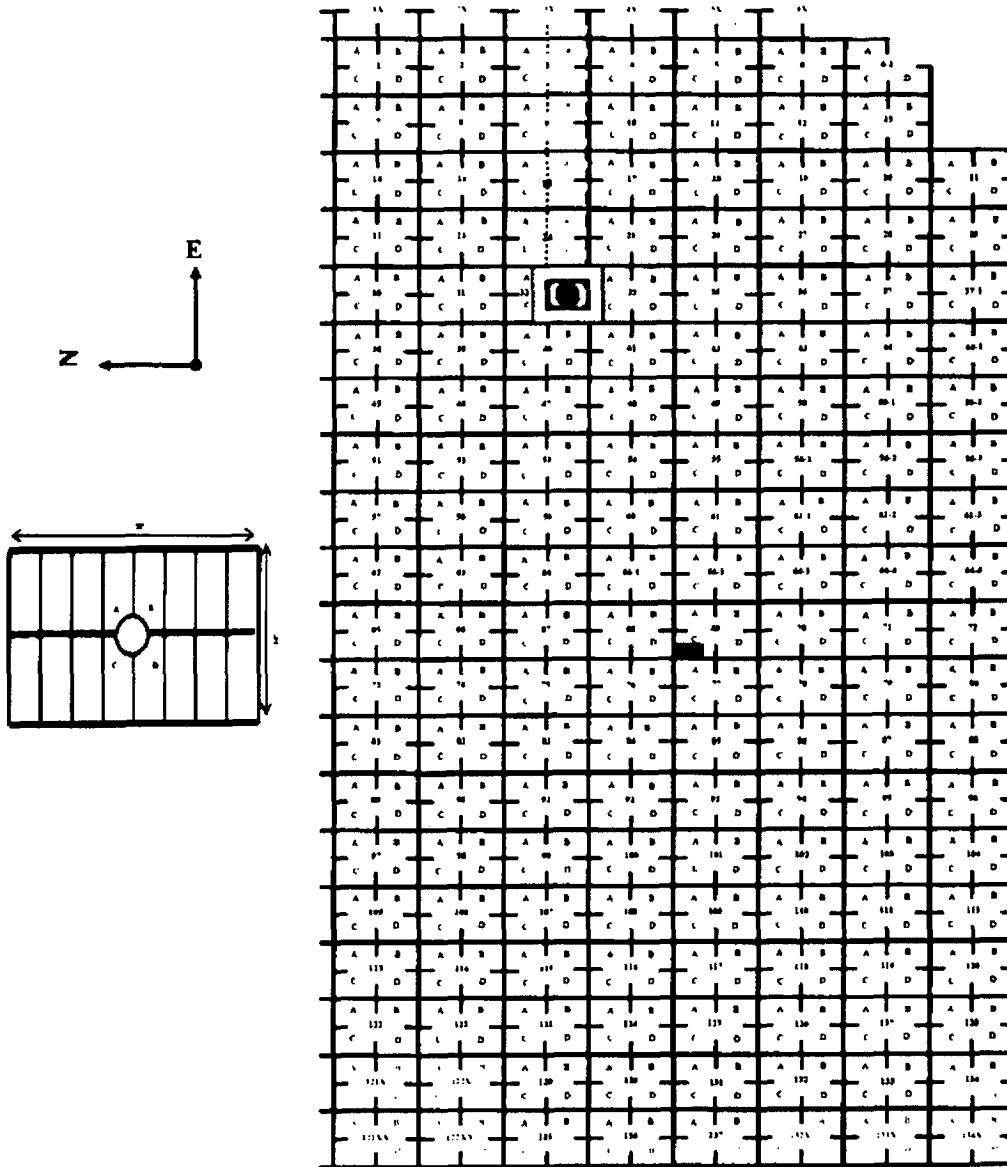
Exhibit B

2016

GALILEE MEMORIAL GARDENS

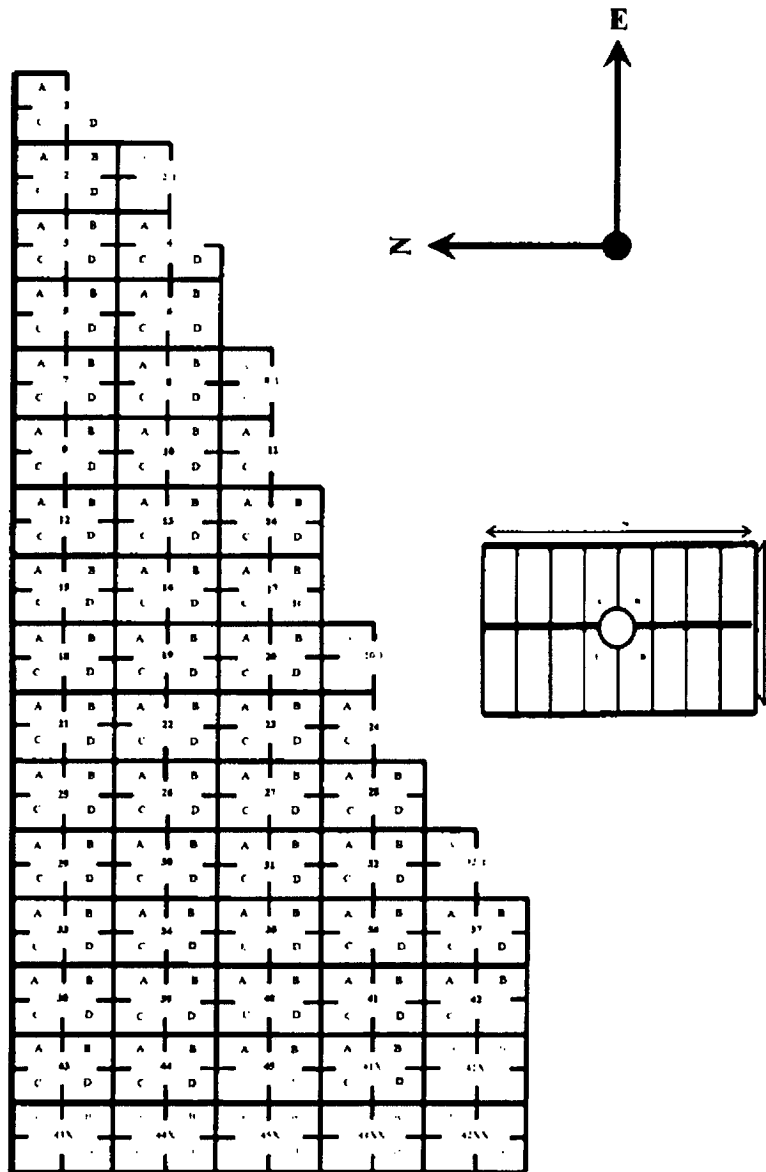
8283 ELLIS ROAD
BARTLETT, TN 38133

GARDEN OF EVERLASTING LIFE



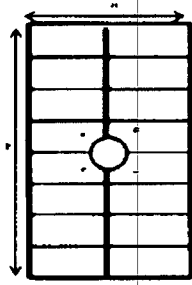
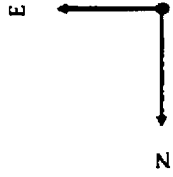
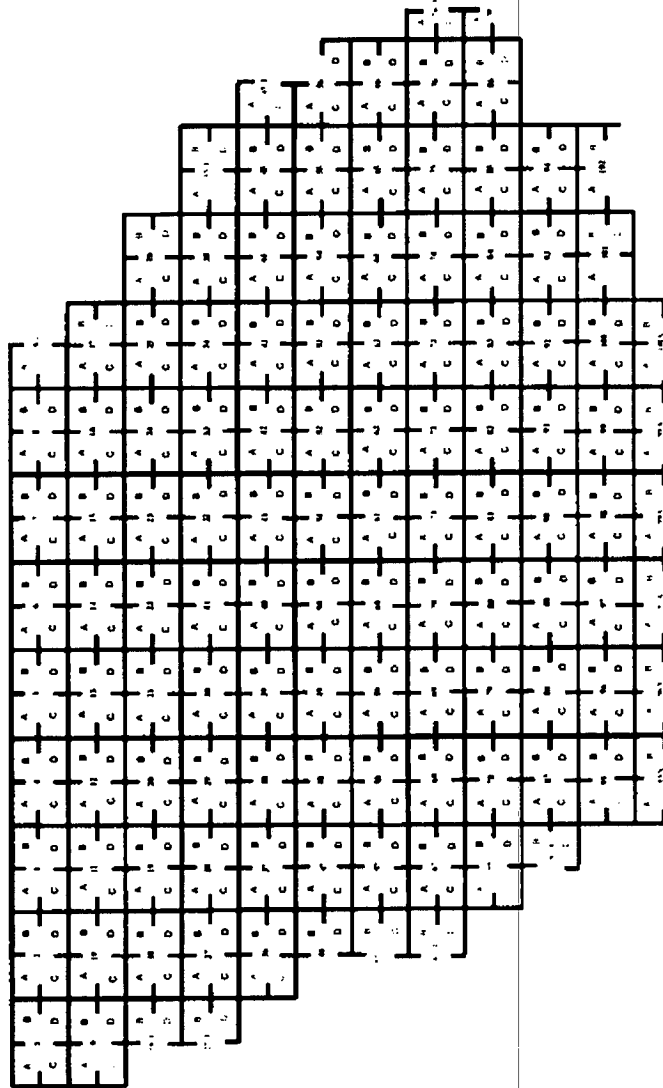
GALILEE MEMORIAL GARDENS

8283 ELLIS ROAD
BARTLETT, TN 38133

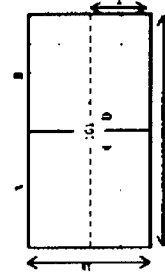


GARDEN OF PEACE

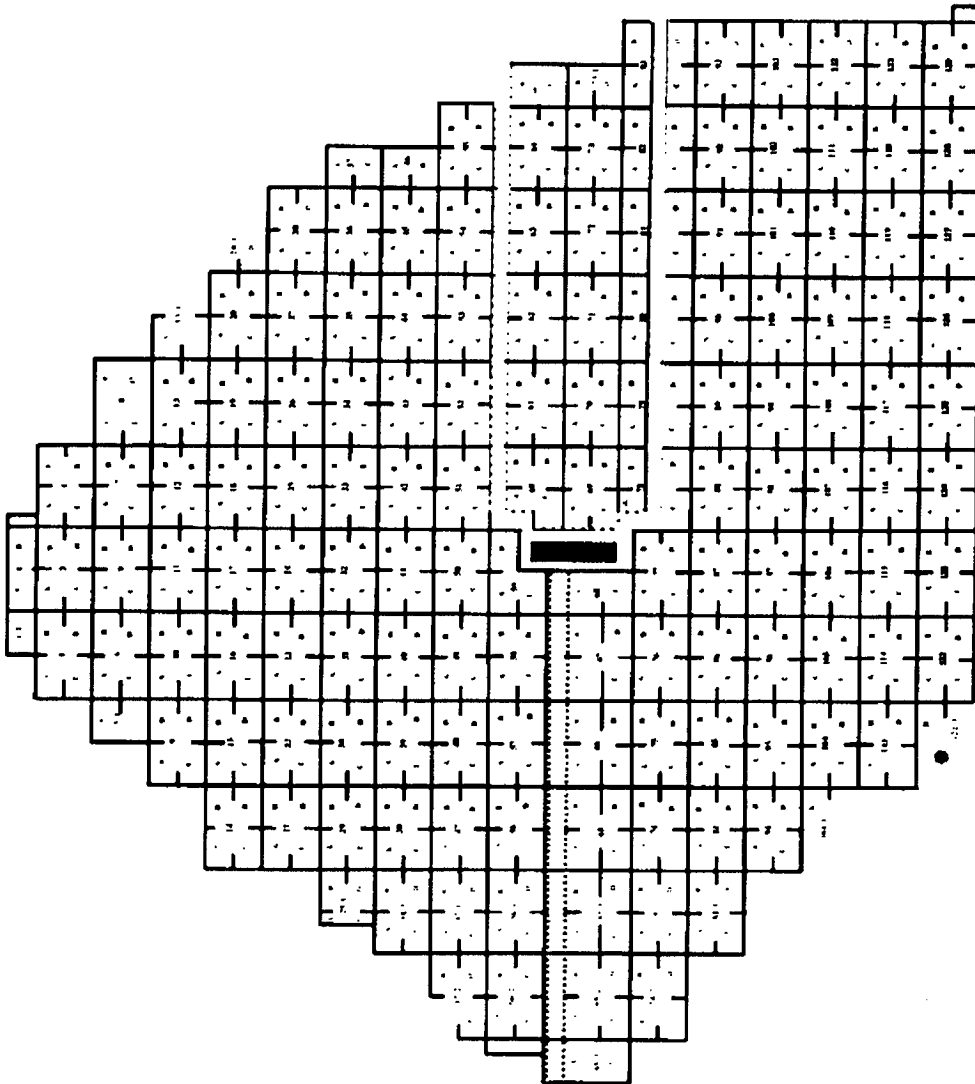
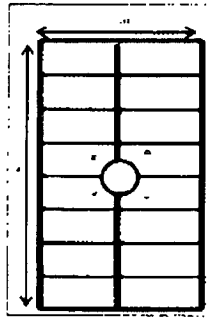
GALILEE MEMORIAL GARDENS
GARDEN OF PRAYER



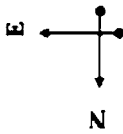
PLAN



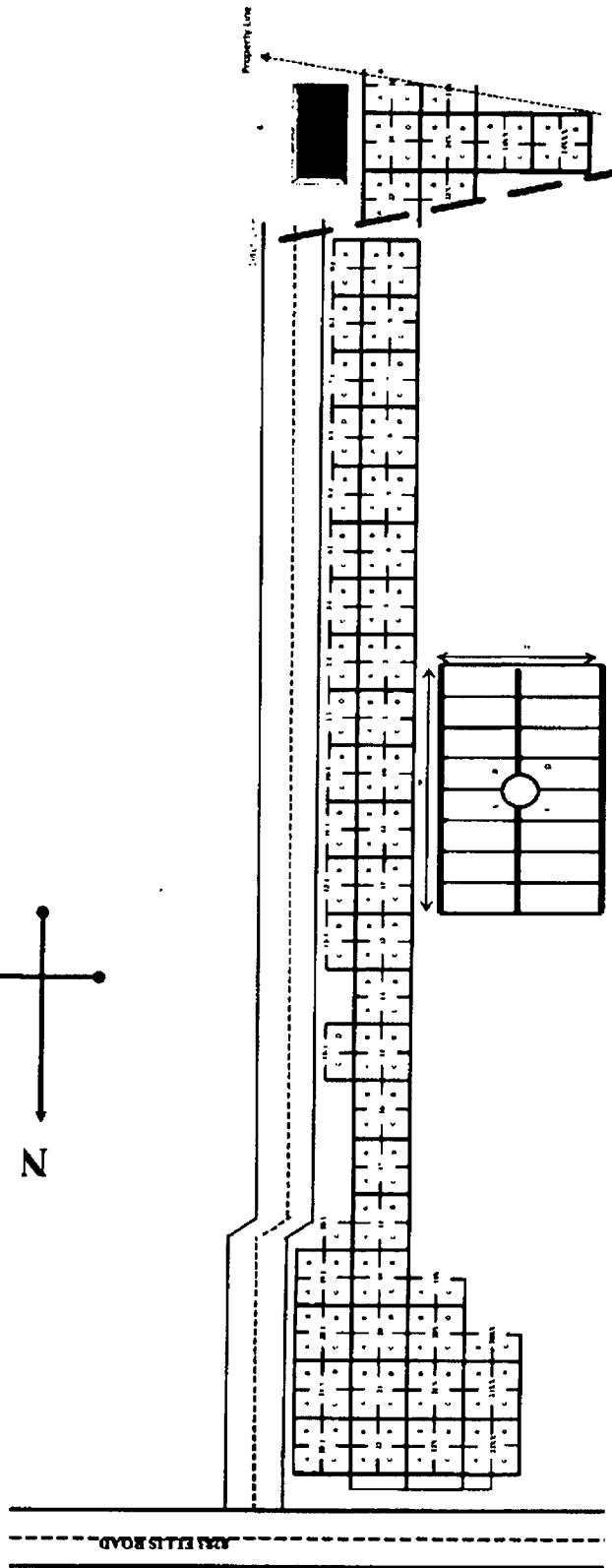
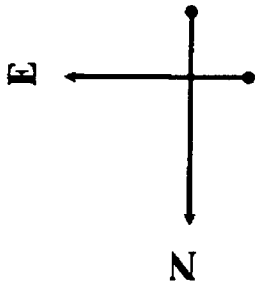
**GALILEE MEMORIAL GARDENS
GARDEN OF DEVOTION**



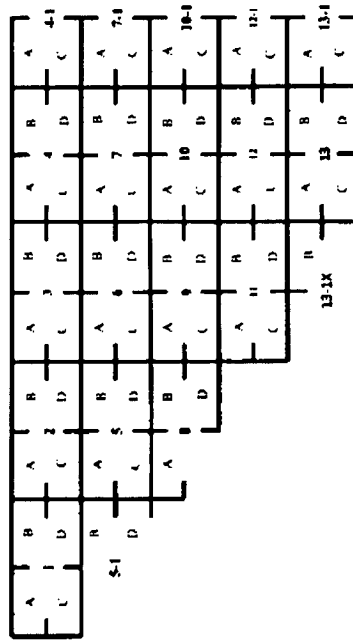
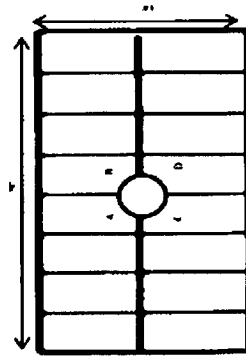
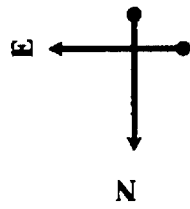
WALKWAY & BRIGHT'S FT. WOOD



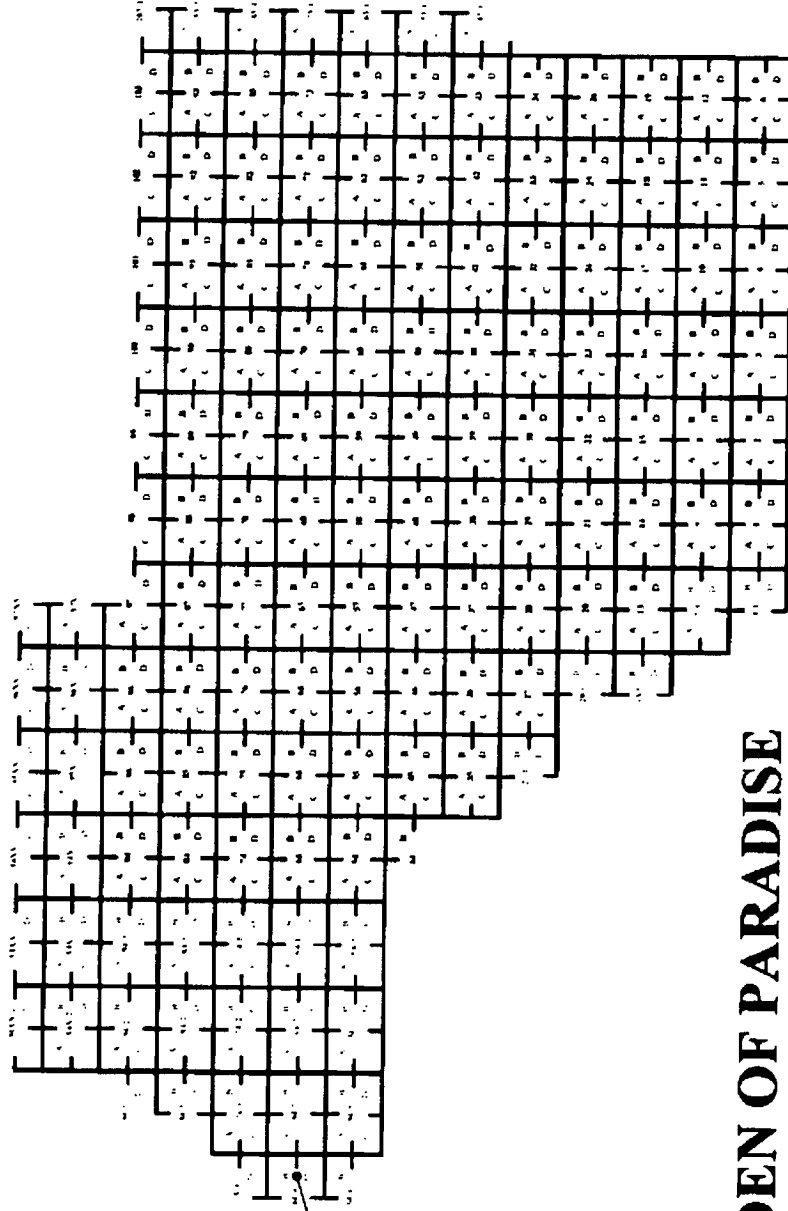
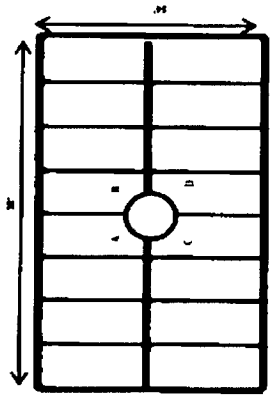
**GALILEE MEMORIAL GARDENS
GARDEN OF HOPE**



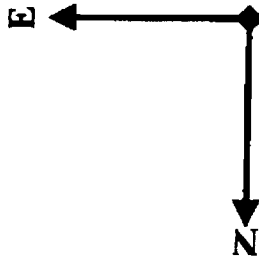
GALILEE MEMORIAL GARDENS NEW HOPE



GALILEE MEMORIAL GARDENS
8283 ELLIS ROAD
BARTLETT, TN 38133



PARADISE MEETS
GETTYSBURG



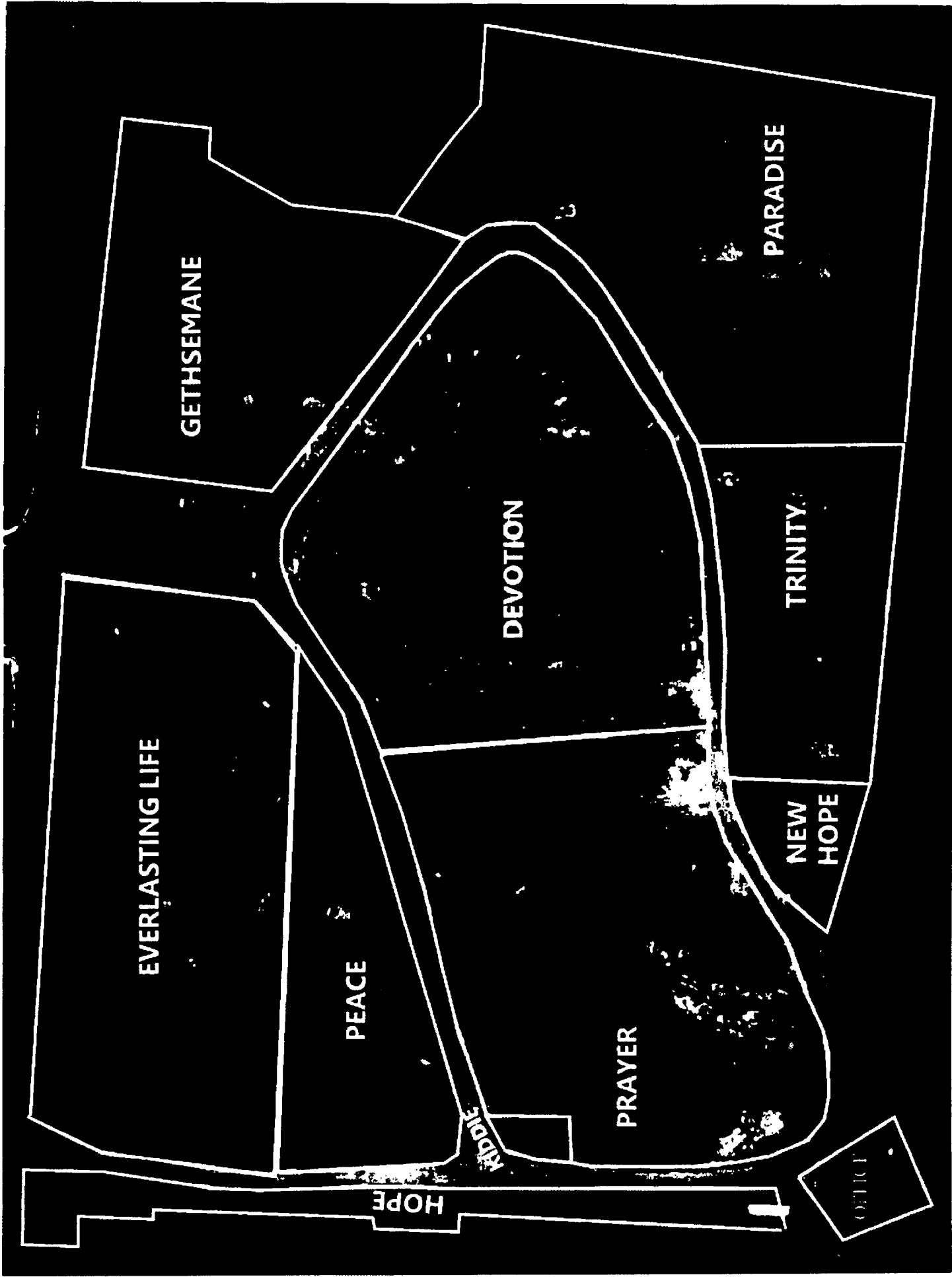
GARDEN OF PARADISE

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Galilee Memorial Gardens

Updated Google Earth Scan Of GMG.pdf

Exhibit D



EVERLASTING LIFE

GETHSEMANE

PEACE

DEVOTION

PRAYER

PARADISE

TRINITY

NEW
HOPE

BIBLE

OFFICE

HOPE

Galilee Memorial Gardens

GPRS Report.pdf

Exhibit E

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Em



Ground Penetrating Radar Systems, Inc.
Detailed Report
Galilee Memorial Gardens Cemetery Scan
March 2016



Monday, March 28, 2016

Receivership Management, Inc.
Attn: Robert Moore
1101 Kermit Dr. Suite 735
Nashville, TN 37217
Phone: (615)370-0051
Email: rmoore@receivermgmt.com

Re: GPR Report of Investigation and Survey for Occupied and Un-occupied Burial Sites
Site Location: Galilee Memorial Gardens, Bartlett, TN
Date of Inspection: Feb 11 thru March 15, 2016

Mr. Moore,

I appreciate the opportunity to work with you and Receivership Management. Upon completion of our GPR investigation, I am pleased with the results of our survey, finishing on Tuesday (March 15).

SCOPE OF WORK

Ground Penetrating Radar was used to locate all existing burial locations on property at the address listed above. The area surveyed for the underground burial sites was roughly 9 acres in size. It was the understanding of Receivership Management that actual burial sites may not be marked with a headstone and vice-versa. The purpose of this survey was simply to determine and mark the location of any subsurface anomaly that may indicate a burial site.

Attempts were made to create a GPS map of our findings that would overlay onto a Google Earth aerial view of the property. We were not successful in connecting with adequate satellites to offer this type of reporting. The written report below was determined the best option for documenting our findings.

On the following pages you will find information regarding the equipment we used, the survey process executed on site, and information on the results of the survey. Additionally, you will find photos and data screen shots of the areas surveyed for reference.

EQUIPMENT USED

We used a GSSI (Geophysical Survey Systems, Inc) Ground Penetrating Radar Unit with one specific antenna. The GPR head unit is classified as a SIR-3000. The antenna used on this project was a 400MHz antenna which is capable of reaching depths between 6'-8' in "GOOD" soil conditions. This specific antenna was created and calibrated specifically for locating underground utilities, UST's, and other underground anomalies. This equipment represents the latest technology available from GSSI. We have found the typical accuracy when surveying with the 400MHz antenna to be +/- 3" to the center of the object being located.

When determining the depth of an object GPR generally has a 10% margin of error. Please keep in mind that these statistics are based on ideal soil conditions and may not necessarily reflect the findings from your project.

SURVEY PROCESS/RESULTS

We covered all areas requested in the scope noted above. Scans were placed roughly on 4-5' centers and specifically down each row of burial sites throughout the property. As instructed on site, we also covered certain areas around the perimeter of the property. We then surveyed and marked any anomalies on the surface using white or orange pin flags. If and when anomalies were discovered, they were indicated directly on the surface with a pin flag. We did not mark vacant sites throughout this project. It was not requested that depths be provided to the reactions found.

It is our estimate that GPR was able to penetrate to a depth of 4-6' in most areas on this project. In the lower areas of the property, the soil seemed to be relatively clean and undisturbed. However, in lower areas there were a number of portions that were under water and we were not able to recover data in these locations.

In the central garden of the property, the topography of land slopes upward (see Figure 2). GPR data quality was reduced in this area due to suspected high levels of clay content in the soil. It is suspected that this rise in topography was man-made and the fill dirt used has a high mineral content.

GPR is most effective in these applications in picking up large, metallic objects or the airspace created within the burial coffin. Old, wooden burial coffins may be broken down or decaying and may not be detectable to GPR signal. Most burial or cremation Urns will not be detected by GPR due to the small size of the object.

CONCLUSION

The results above are based on the field findings from the relatively simple survey conducted. GPR was effective to approx. 4-6' deep in most areas of the property. In areas where a raised topography is present, our findings were inconsistent. In areas where high moisture content was present, our findings were inconsistent. All confirmed anomalies were marked directly on the surface with marking flags.

On the following pages I have included screen shots of our data for your records. I have also included pictures of the areas detailed and discussed above showing the areas surveyed for grave sites. If you have any questions regarding this inspection please do not hesitate to contact me. Thanks again for the opportunity and please let us know if we can assist you in the future.

Regards,

Kyle Kearcher
Regional Director - Southeast



Direct: [615.477.4202](tel:615.477.4202) | Fax: [419.843.6928](tel:419.843.6928) | www.gp-radar.com

Figure 1: *Aerial View of Galilee Memorial Gardens (Image date 4/22/14)*



Area shaded in green was approximate area scanned with GPR 400MHz antenna.

Survey Data and Photos

The data images and photos below are actual images taken from our survey at Galilee Memorial Gardens. Upon set up, the GPR 400MHz system is calibrated and initialized to capture optimal data readings in the soil. Throughout the survey of the 9 acre property, the system was re-initialized multiple times to ensure best possible readings in all areas and soil conditions.

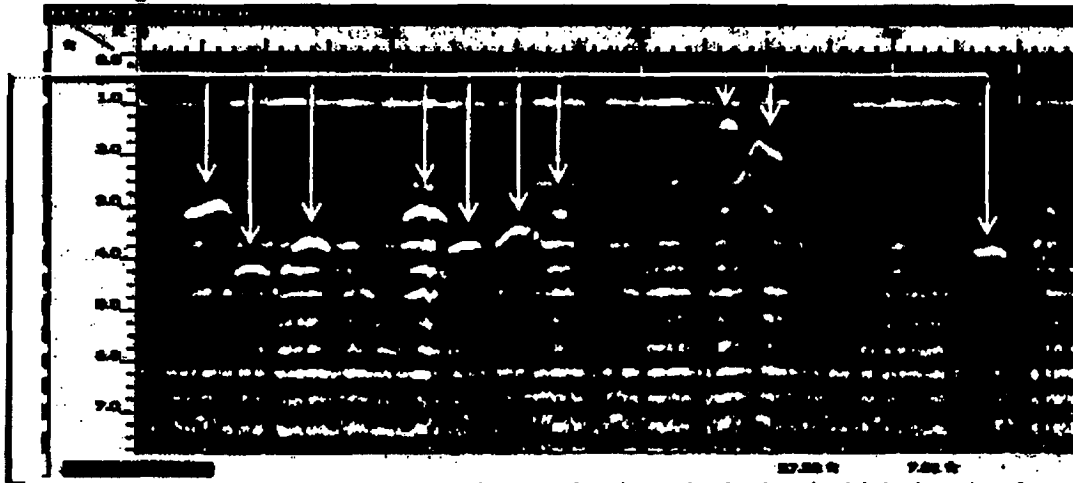
In the southwest area of the property, there was standing water and highly saturated soils. This moisture greatly reduced signal capabilities and we were not able to collect data where standing water was present. Image 2 depicts the areas where data collection was poor, either due to standing water or where fill dirt may have been present.

Figure 2



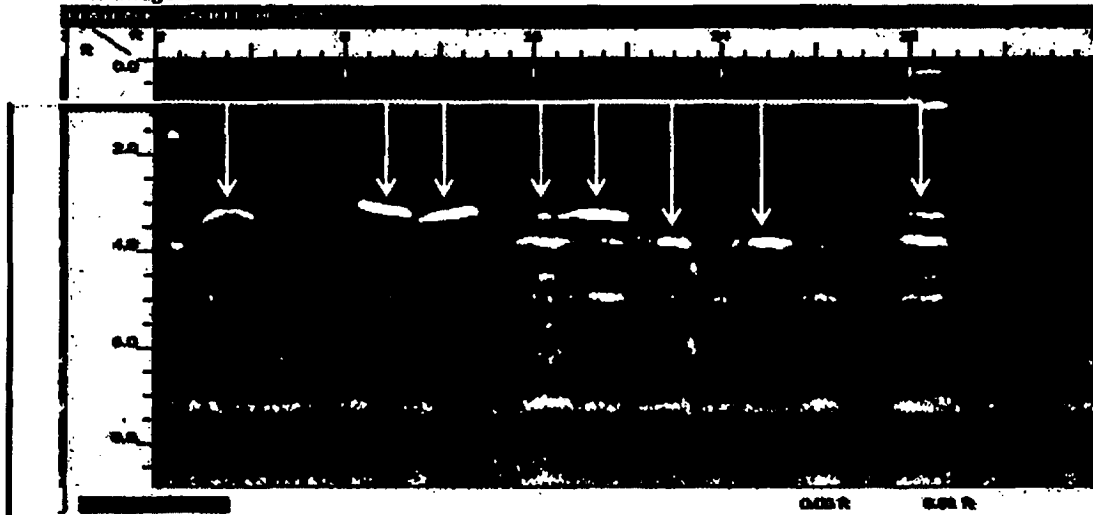
Areas shaded in red indicate areas of poor data collection due to water saturated soils, high clay content, or fill dirt from excavation.

Data Image 1



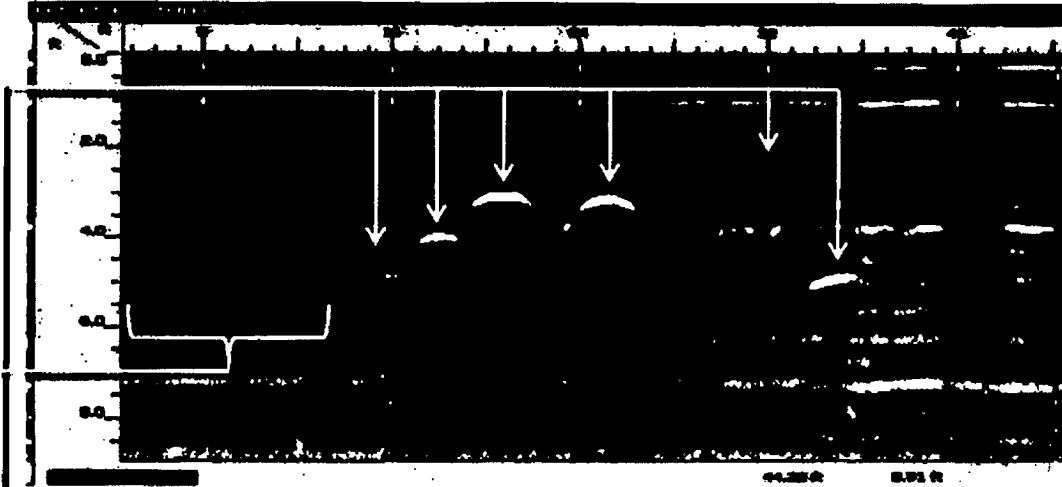
Each of the anomalies pictured represent what GPRS has determined to be a burial site based on GPR data. The depth scale on the left indicates burial depth (to top of coffin). The distance scale at the top of the image can be used to measure spacing.

Data Image 2



This data shows a great representation of a row of burials at approx. 3' deep. Some of these burials were placed within inches of each other.

Data Image 3

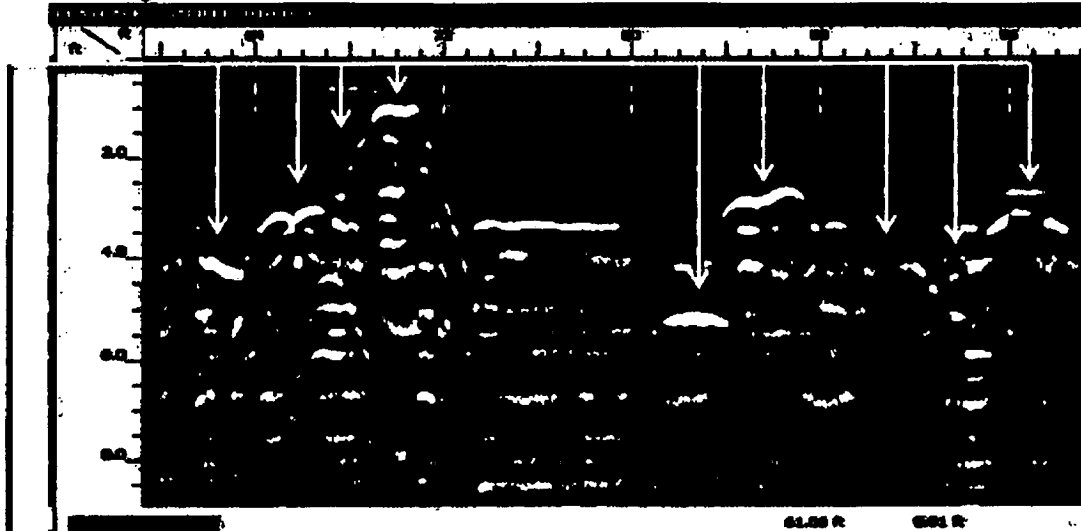


These anomalies aren't as pronounced as the others from surrounding areas. We suspect reduced data quality here was due to fill dirt.

This image is representative of the areas that are suspected to have been built up with fill dirt. The raised topography of the land posed issues for data quality due to possible clay content in fill dirt.

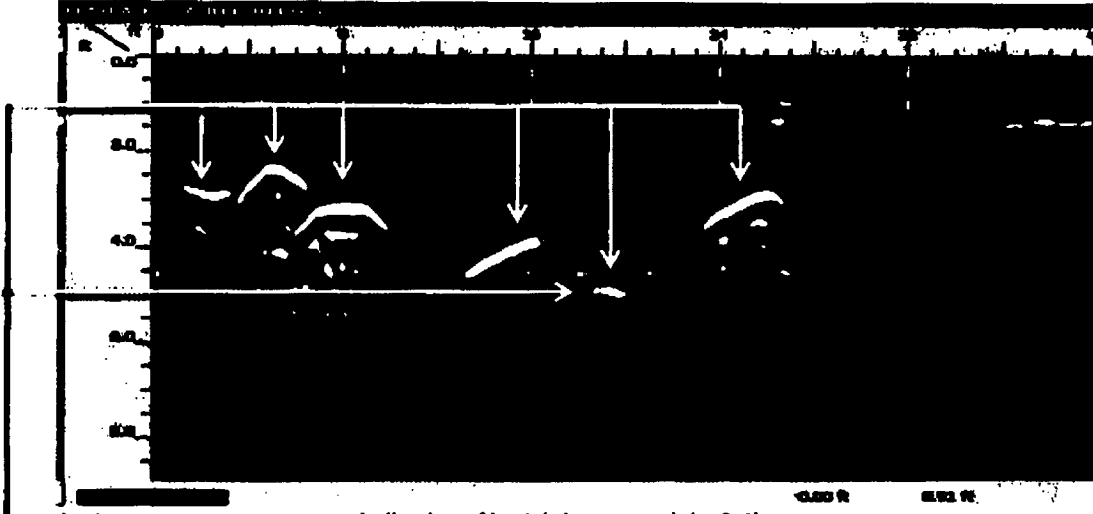
There were multiple headstones marking gravesites through this stretch, but we were not able to detect any conclusive burial sites.

Data Image 4



In this image, we get very pronounced anomalies indicating burials. Some burials were found as shallow as 6".

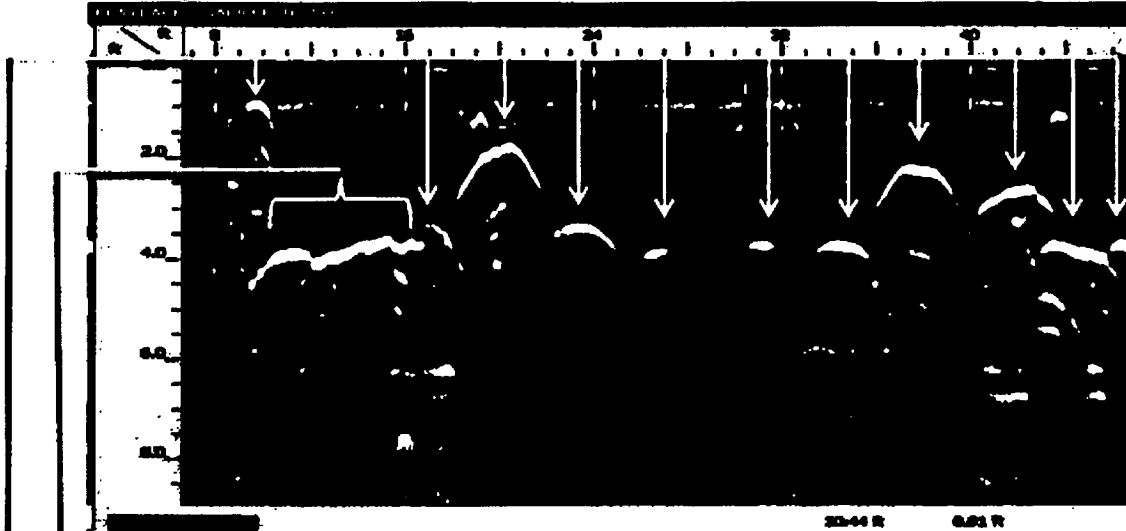
Data Image 5



Again, we can see very strong indication of burial sites around the 3-4' range.

As we look past 4' in depth, the signal quality reduces and we do not get as strong of image.

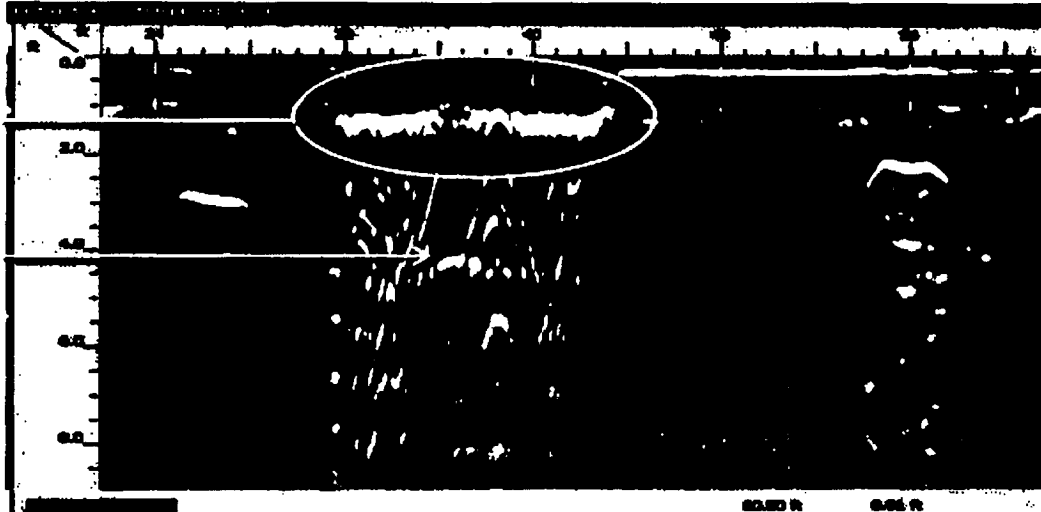
Data Image 6



This image shows an example of potential "stacking" of grave sites. There is NO space between anomalies. There may be coffins below these anomalies that GPR cannot detect.

Other burials in this image are fairly evenly spaced.

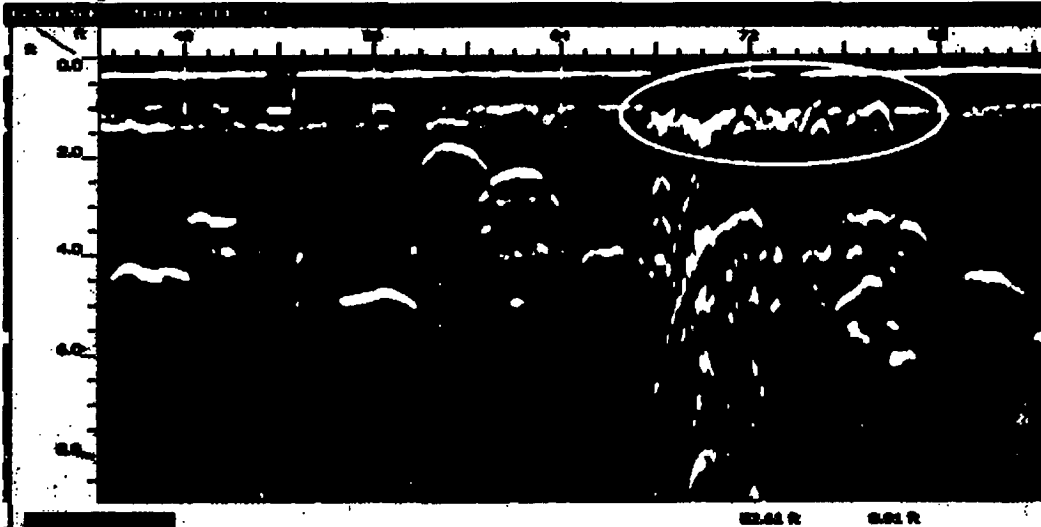
Data Image 7



This image was collected while scanning through standing water. With saturated soils, we are not able to consistently recover conclusive data indicating a burial site.

In this scan, we were able detect an anomaly in the saturated soil. This is unusual and inconsistent.

Data Image 8



Circled, is another area of saturated soil. Again, we can make out at least two anomalies, but our confidence compared to the readings on the left half of the screen, is greatly reduced.

Over multiple trips back to Galilee Memorial, we were able to go back and cover many of these areas after they had dried.

Photo 1



Orange or white marking flags were placed in every location where an anomaly was detected that was considered an occupied grave site.

Photo 2



The raise in topography in this garden is assumed to have been created by fill dirt. Our confidence in data recovery was greatly reduced in these areas.

Photo 3



Photo 4



The raised area in this garden continued to return poor data quality. We continued to mark verified anomalies, but results were less consistent than surrounding gardens.

Galilee Memorial Gardens

6-6-2016 Comparison Report.pdf

Exhibit G

Receivership Management, Inc.

2016 JUN 17 PM 3:49

1101 Kermit Drive, Suite 735 Nashville, TN 37217 (615) 370-0051 Fax (615) 373-4336

MEMORANDUM

TO: MICHAEL DRIVER
DEPUTY GENERAL COUNSEL
TENNESSEE DEPARTMENT OF COMMERCE & INSURANCE

FROM: ROBERT E. MOORE, JR. *R.E.M.*
CHIEF OPERATIONS OFFICER

DATE: JUNE 6, 2016

RE: GALILEE MEMORIAL GARDENS
RESULT OF RE-EVALUATION AND GPR SCANNING

This report provides additional detail regarding the changes made between the first reports made from on-site work during 2015 and the re-review and GPRS Services, Inc. scanning in 2016. Below is a listing by garden and the status of each space.

Garden of Gethsemane

Original Platted Capacity: 845

	2015	2016
Total of platted and non-platted spaces	1,153	1,346
Not useable due to dimensions or trees	86	270 ¹
Marked Graves	305	326
Occupied Not Marked	392	614
Vacant -Owned	370	73
Vacant-Possible Use-Owned ²	--	63

Garden of Devotion

Original Platted Capacity: 1,845

Total of platted and non-platted spaces	2,290	2,283
Not useable due to dimensions or trees	54	84
Marked Graves	667	678
Occupied Not Marked	1,264	1,465

¹ Included in this number are 15 spaces that could be reclaimed from Lots 47X, 47XX, and 47XXX. These spaces are in platted areas and are most likely owned. Also included in the 270 number are 36 spaces that could be reclaimed from Lot 47XXXX, 48XXXX, 49XXXX. These were not platted and are not owned.

² "Vacant-Possible Use-Owned" denotes a space as "possible," "narrow," or "short." They are not clearly indicated as useable nor do they present an absolute not useable status. All of these spaces are owned.

	2015	2016
<u>Garden of Devotion continued:</u>		
Vacant-Owned	305	17
Vacant-Possible Use-Owned	---	39
<u>Garden of Everlasting Life</u>		
Original Platted Capacity: 2,296		
Total of platted and non-platted spaces	2,617	2,621
Not useable due to dimensions or trees	55	100
Marked Graves	944	951
Occupied Not Marked	1,278	1,468
Vacant-Owned	337	64
Vacant-Possible Use-Owned	---	38
<u>Garden of Peace</u>		
Original Platted Capacity: 662		
Total of platted and non-platted spaces	770	865
Not useable due to dimensions or trees	---	96
Marked Graves	240	238
Occupied Not Marked	353	472
Vacant-Owned	177	28
Vacant-Possible Use-Owned	---	31
<u>Garden of Prayer & Kiddyland</u>		
Original Platted Capacity: 1,548		
Total of platted and non-platted spaces	1,901	1,856
Not useable due to dimensions or trees	53	92
Marked Graves	552	550
Occupied Not Marked	1,198	1,192
Vacant-Owned	98	10
Vacant-Possible Use-Owned	---	12
<u>Garden of Hope</u>		
Original Platted Capacity: Not Known		
Total of platted and non-platted spaces	650	646
Not useable due to dimensions or trees	16	19
Marked Graves	45	50
Occupied Not Marked	531	577
Vacant-Owned	58	0
Vacant-Possible Use-Owned	---	0

	2015	2016
Gardens of New Hope, Trinity and Paradise Combined Original Platted Capacity: 1,668 ³		
<u>Garden of New Hope</u>		
Total platted and non-platted spaces	269	256
Not useable due to dimensions or trees	1	23
Marked Graves	83	66
Occupied Not Marked	117	119
Vacant-Owned	69	45
Vacant-Possible Use-Owned	---	3
<u>Garden of Trinity</u>		
Total platted and non-platted spaces	822	850
Not useable due to dimensions or trees	4	108
Marked Graves	202	210
Occupied Not Marked	360	463
Vacant-Owned	258	59
Vacant-Possible Use-Owned	---	10
<u>Garden of Paradise</u>		
Total platted and non-platted spaces	2,025	2,115
Not useable due to dimensions or trees	7	310
Marked Graves	438	431
Occupied Not Marked	1,233	1,355
Vacant-Owned	351	7
Vacant-Possible Use-Owned	---	12

³ In an earlier report, a map of the unused area contained 411 squares plus 12 half squares. Originally thought there were 16 spaces per Full Square. After review of the scale measures, a full square is 4 burial spaces. With both full and half squares the total grave spaces would have been 1,668. The highest lot number before encroaching onto neighboring property would have been Garden of Paradise Lot 63. The Lambert operation added 73.5 lots, a total of 1,176 grave spaces to the Garden of Paradise.

2016 JUN 17 PM 3:48

Ed

Galilee Memorial Gardens

GMG 2015 Trustee Reports.pdf

Collective Exhibit H

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ADD 2 2 2016

FUNERAL BOARD
BURIAL SERVICES

For Use Beginning 01/01/2010



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
BURIAL SERVICES SECTION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-1148
PHONE (615) 741-6082
<http://funeral.tn.gov>

ANNUAL REPORT OF TRUSTEE ON IMPROVEMENT CARE FUND

Note: This report must be completed and received no later than forty-five (45) days after the close of each FISCAL YEAR of the cemetery company. Mail this report to Burial Services at the address above.

For the fiscal year beginning JANUARY 1, 20 15 and ending DECEMBER 31, 20 15.

I. GENERAL INFORMATION

1. Name and location of Cemetery: GALILEE MEMORIAL GARDENS, 8263 ELLIS ROAD
MEMPHIS, TN 38114
2. Name and address of company which owns this cemetery: LAMBERT MEMORIAL GARDEN INC.
PO BOX 140363, MEMPHIS, TN 38114
3. Name and address of trustee of Improvement Care Fund: COMMERCIAL BANK & TRUST CO.
PO BOX 1090, PARIS, TN 38242
4. Contact person regarding this report: DUSTIN SMITH Telephone: 731-641-9386
SENIOR TRUST ACCOUNTANT

II. STATEMENT OF CHANGES IN TRUST FUND PRINCIPAL (Based on Cost)

1.	Beginning balance:	\$	<u>425,701.46</u>
2.	Additions:		
	a. Payments received from cemetery company: (Schedule VI)	\$	<u> </u>
	b. Other additions: (Please explain using a separate sheet)	\$	<u> </u>
3.	Distributions under the "5% rule" (Explain breakdown on separate sheet, Ex. trustee fees, taxes, amount to cemetery)	\$	<u> </u>
3a.	Withdrawals from Principal exceeding \$10,000 - list date(s) and amount(s)	\$	<u> </u>
4.	Deductions: (Please explain using separate sheet) taxes	\$	<u>(4,208.00)</u>
5.	Net capital gain (Loss):	\$	<u>6,324.63</u>
6.	Ending Balance:	\$	<u>427,818.09</u>

III. ASSETS OF TRUST FUND PRINCIPAL AT END OF REPORTING PERIOD

Note: Do not include income in this section; income should be reported in Section IV.

	COST	MARKET
1. Cash & Equivalents	\$ <u>(48,549.70)</u>	\$ <u>(48,549.70)</u>
2. Equities	\$ <u> </u>	\$ <u> </u>
3. Fixed Income	\$ <u>476,367.79</u>	\$ <u>473,089.82</u>
4. Real Estate	\$ <u> </u>	\$ <u> </u>
5. Loans:		
a. Mortgages	\$ <u> </u>	\$ <u> </u>
b. Other <u> </u> (explain)	\$ <u> </u>	\$ <u> </u>
6. Other <u> </u> (explain)	(\$ <u> </u>)	(\$ <u> </u>)
7. Liabilities	\$ <u> </u>	\$ <u> </u>
8. Total Principal:	\$ <u>427,818.09</u>	\$ <u>425,540.12</u>

(OVER)

IV. STATEMENT OF INCOME

1. Undistributed balance from last period:		\$ <u>66,265.50</u>
2. Add Income received from investments →	\$ <u>22,045.03</u>	
3. Less:		
a. Distributions to cemetery	(\$ <u>21,450.00</u>)	
b. Trustee's expenses	(\$ <u>8,510.48</u>)	
c. Other deductions (please explain using separate sheet	(\$ <u>1,285.54</u>)	
4. Net Additions (or deductions)		\$ <u>(9,200.99)</u>
5. Balance at the end of this period		\$ <u>57,064.51</u>

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FUNERAL BOARD
BURIAL SERVICES

→ Interest, cash dividends, not rental income, unexercised options premiums distributed, and capital gains if applicable

V. ANSWER THESE QUESTIONS

- Have there been any sales, exchanges, or leases of any property between the trust and the cemetery company, any owner of an interest in the cemetery company, or relative of any such persons? YES NO
- Are there any loans by the trust or fixed income obligations due to the trust which are classified as uncollectable or are in default as of the close of the fiscal year of the trust? YES NO
- Has the trust at any time held twenty percent (20%) or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interests? YES NO
- Has the trust at any time engaged in any transactions or series of related transactions involving twenty percent (20%) or more of the current value of the trust? * YES NO
- Were there any purchases of nonpublicly traded securities by the trust, the value of which was set without an appraisal by an independent third party? * CD's & MUTUAL FUNDS YES NO

VI. MEMORANDA FOR RECONCILIATION

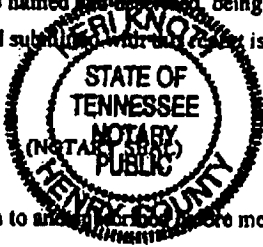
List all deposits to the improvement care trust fund received from the cemetery during this period.

DATE/AMOUNT	PAID TO	DATE/AMOUNT	PAID TO

STATE OF TENNESSEE

COUNTY OF HENRY

I, DUSTIN SMITH, duly elected and serving as SR. TR. ACCOUNTANT of (Name of bank or trust company) COMMERCIAL BANK & TRUST CO., trustee of the improvement care fund above named and authorized, being first duly sworn, do hereby affirm, under penalty of perjury, that the information contained in and submitted herewith is complete, true and accurate.



[Signature]
(Trustee's Signature)

Sworn to and subscribed before me this 15 day of February, 2016.

My Commission Expires: 7/31/18

Notary's Signature: Keri Knott

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**FUNERAL BOARD
BURIAL SERVICES**

IV. Statement of Income

3. C. \$30.00 Administrative Expense - Check Stop Payment Fee

\$150.00 2014 Tax Preparation Fee

\$56.54 Dividend W/H - Foreign Tax

\$1,049.00 2014 Taxes Paid - State Fiduciary



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
BURIAL SERVICES SECTION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243-1145
PHONE (615) 741-6062
<http://funeral.tn.gov>

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APR 22 2016

FUNERAL BOARD
BURIAL SERVICES

**ANNUAL REPORT OF TRUSTEE ON CEMETERY COMPANY'S
MERCHANDISE AND SERVICES TRUST**

Note: This report must be completed and received no later than seventy-five (75) days after the close of each FISCAL YEAR of the cemetery company. Mail this report to Burial Services at the address above.

For the fiscal year beginning JANUARY 1, 20 15 and ending DECEMBER 31, 20 15.

I. GENERAL INFORMATION

1. TRUSTOR:

A. Cemetery company name: GALILEE MEMORIAL GARDEN PRENEED MERCHANDISE & SERVICES

B. Cemetery company address: 8283 ELLIS ROAD, MEMPHIS, TN 38114

C. Trust identification (style and number): [REDACTED] GALILEE MEMORIAL GARDENS PRENEED MERCHANDISE & SERVICES

2. REPORTING INSTITUTION:

A. Name: COMMERCIAL BANK & TRUST CO.

B. Address: PO BOX 1090, PARIS, TN 38242

C. Trust Officer: EMILY WALKER

D. Information Contact: DUSTIN SMITH

E. Phone Number: 731-641-9386

II. STATEMENT OF CHANGE IN TRUST FUND (Based on Cost)

1. Beginning balance:	\$	<u>2,928.98</u>
2. Additions:		
a. Payments received from cemetery company: (Schedule III)	\$	<u> </u>
b. Other: (explain)	\$	<u> </u>
3. Investment Earnings:	\$	<u>7.31</u>
4. Deductions:		
a. Distribution to cemetery company for delivered/cancelled M&S	\$	<u> </u>
b. Withdrawal pursuant to "120% Rule"	\$	<u> </u>
c. Other (explain)	\$	<u> </u>
5. Ending Balance	\$	<u>2,936.29</u>

(OVER)

III. MEMORANDA FOR RECONCILIATION

List all deposits to the improvement care trust fund received from the cemetery during this period.

DATE/AMOUNT	AMOUNT	DATE/AMOUNT	AMOUNT

IV. ASSETS OF TRUST FUND AT END OF REPORTING PERIOD

	COST	MARKET
1. Cash & Equivalents	\$ <u>2,936.29</u>	\$ <u>2,936.29</u>
2. Equities	\$ _____	\$ _____
3. Fixed Income	\$ _____	\$ _____
4. Real Estate	\$ _____	\$ _____
5. Loans:		
a. Mortgages	\$ _____	\$ _____
b. Other _____ (explain)	\$ _____	\$ _____
6. Other _____ (explain)	(\$ _____)	(\$ _____)
7. Total:	\$ <u>2,936.29</u>	\$ <u>2,936.29</u>

V. TRUSTEE'S CERTIFICATION

STATE OF TENNESSEE

COUNTY OF HENRY

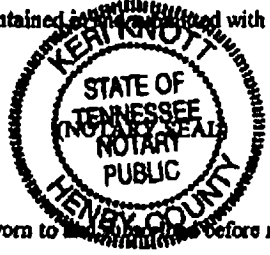
I, DUSTIN SMITH, duly elected and serving as SR. TR. ACCOUNTANT of

(Name of bank or trust company) COMMERCIAL BANK & TRUST CO., trustee of the

merchandise and services trust above named and described, being first duly sworn, do hereby affirm that the information

contained herein furnished with this report is complete, true and accurate.

RECEIVED
APR 22 2016



x [Signature]
(Trustee's Signature)

**FUNERAL BOARD
BURIAL SERVICES**

Sworn to before me this 3rd day of March, 2016.

My Commission Expires: 7/31/18

Notary's Signature: Keri Knott