

BEFORE THE ARKANSAS CEMETERY BOARD

**IN THE MATTER OF CEMETERY HOLDINGS, LLC,
doing business in Arkansas as:**

Edgewood Memorial Park	North Little Rock
Memorial Park Cemetery	Pine Bluff
Rest Haven Memorial Gardens	El Dorado
Arlington Memorial Park Cemetery	El Dorado

ORDER NO.

C-05-022-05-OR02

ORDER

A special meeting of the Arkansas Cemetery Board was held on July 13, 2005. The meeting was conducted to consider issues relating the above matter. The staff of the Arkansas Securities Department appeared by and through its attorney, Mike Spades, Jr. Cemeteries Holdings, LLC appeared by and through its attorney, William H. Edwards, Jr.

FINDINGS OF FACT

1. Mr. Spades reported that the Securities Department and Cemetery Holdings, LLC had reached an agreement whereby Mike W. Graham, Jr., president of Cemetery Holdings, LLC, would appear in Little Rock for testimony during the next two weeks at time, date and place to be determined. Mr. Spades advised the Board that certain financial documents subpoenaed from the company were delivered to the Securities Department

the previous day.

2. Mr. Edwards reported that his client had placed its Arkansas cemetery properties on the market, and that there are persons interested in acquiring the properties.

3. Mr. Edwards reported that his client had made arrangements for payment of the perpetual care trust fund shortages referenced in the Cemetery Board's Order dated June 23, 2005 and that said deposits are ready to be made.

4. At its June 10, 2005 meeting, the Cemetery Board ordered Cemetery Holdings, LLC to pay additional contributions totaling \$22,000 to the perpetual care trust fund accounts of the Arkansas cemeteries within thirty (30) days. (See Order dated June 23, 2005). Mr. Edwards reported that his client was unable to pay in full the \$22,000 in assessments ordered by the Board, and that any payments made toward that at this time would reduce the company's financial ability to maintain the Arkansas cemeteries during the warm weather months. Mr. Edwards requested an extension of time in which to pay the assessments. Mr. Edwards proposed that the duration of the extension be until December 31, 2005, unless the properties are sold before that date.

CONCLUSIONS OF LAW

5. The additional contributions that the Arkansas Cemetery Board ordered Cemetery Holdings, LLC to pay to the permanent maintenance funds of its Arkansas cemeteries is authorized by the Arkansas Cemetery Act for Perpetually Maintained Cemeteries. The pertinent sections of the Act impose no time restrictions for payment of the additional contributions, thus leaving the discretion to impose such limits with the Cemetery Board. **Ark. Code Ann. Sections 20-17-1016 (c) (1), and 20-17-1006 (7).**

OPINION

6. Cemetery Holdings, LLC was ordered to pay the total sum of \$15,826.25 to cure the permanent maintenance trust fund shortages in the accounts of its Arkansas cemeteries within thirty (30) days, said order having been entered on June 23, 2005. The Cemetery Board accepts the representations of the attorney for Cemetery Holdings, LLC that said funds have been delivered are ready for deposit to the respective accounts.

7. In its Order entered June 23, 2005, the Arkansas Cemetery Board ordered Cemetery Holdings, LLC to pay additional contributions into the permanent maintenance trust funds accounts of its Arkansas cemeteries in the sum of \$22,000, said contributions to be paid within thirty (30) days.

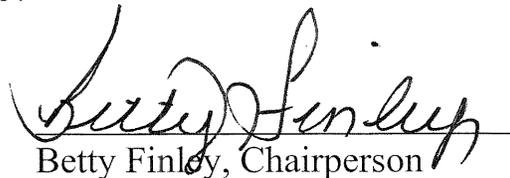
For good cause shown, and based upon representations that payment of said funds at this time would reduce the amounts that can be expended for maintenance at the cemeteries, the Board should amend its previous Order to permit payment of the additional contributions for a period of ninety (90) days. During the period of time that the additional contributions remain unpaid, Cemetery Holdings, LLC should be required to submit copies of its monthly banks statements to the Arkansas Securities Department.

ORDER

Cemetery Holdings, LLC, the licensee, is hereby granted an extension of time of ninety (90) days in which to make the \$22,000 in additional contributions to the permanent maintenance accounts of its Arkansas cemeteries, referenced in paragraphs (d), (e), (f), (g), (h), and (i) of the Boards' June 23, 2005 Order (Pages 5 and 6 of Order). During the period of time that the additional contributions remain unpaid, Cemetery Holdings, LLC shall furnish copies to the Arkansas Securities Department of all monthly bank statements on bank accounts used by or for any of the Arkansas Cemeteries which are the subject of this order. Except as specifically amended herein, all other provisions of the June 23, 2005 Order shall remain in full force and effect.

IT IS SO ORDERED.

Dated this 25 day of July, 2005.



A handwritten signature in cursive script, appearing to read "Betty Finley", written over a horizontal line.

Betty Finley, Chairperson
Arkansas Cemetery Board



A handwritten signature in cursive script, appearing to read "Michael B. Johnson", written over a horizontal line.

Michael B. Johnson, Secretary
Arkansas Cemetery Board