

BEFORE THE ARKANSAS CEMETERY BOARD

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

**HAVEN OF REST CEMETERY
LITTLE ROCK, ARKANSAS**

ORDER NO. C-01-188-C-08-OR01

ORDER

The Arkansas Cemetery Board (“Board”) held its quarterly meeting on September 30, 2008, pursuant to Ark. Code Ann. § 20-17-1005 and Rule 4 of the Rules of the Arkansas Cemetery Board. Among the matters considered was the current status of Arnold Cemeteries, Inc., d/b/a Haven of Rest Cemetery (“Haven of Rest Cemetery”), located in Little Rock, Arkansas. Upon consideration of the testimony of the witnesses, the exhibits, and all other matters presented, the Board hereby finds and concludes:

FINDINGS OF FACT

1. Haven of Rest Cemetery is a perpetual care cemetery within the meaning of the Cemetery Act for Perpetually Maintained Cemeteries (“Act”), Ark. Code Ann. §§ 20-17-1001 through 20-17-1029.
2. On January 17, 2001, the Chancery Court of Pulaski County (“Court”), Arkansas entered a foreclosure decree against several named defendants that included Haven of Rest Cemetery. (Pulaski County Chancery Court, Fourth Division, Case No. EQ2000-5030). Since entry of the January 17, 2001, decree and an amended decree entered on August 8, 2001, no parties have requested the scheduling of a sale of the property.
3. On September 10, 2001, the Board filed a petition in Pulaski County Circuit Court requesting the appointment of a receiver for Haven of Rest Cemetery. In October 2001, the Court appointed a temporary receiver for Haven of Rest, and in November 2001, the Court appointed a permanent receiver. (Pulaski County

Circuit Court, Seventeenth Division, Case No. OT-2001-4645). Haven of Rest has been managed by a receiver under the supervision of the Court since that time.

4. During its most recent regular session, the Arkansas General Assembly enacted Act 430 of 2007. Act 430 authorizes the Arkansas Cemetery Board to purchase insolvent perpetual care cemeteries that have been in court ordered receivership for a period of more than five years. During the same regular session, the Arkansas General Assembly enacted Act 1667 of 2007. Act 1667 appropriates the sum of one hundred and one thousand dollars (\$101,000) to the Arkansas Cemetery Board for the acquisition, maintenance and operation of perpetual care cemeteries meeting the criteria set forth in Act 430.
5. Since the enactment of Act 430 and Act 1667, the Board has discussed and considered whether it should exercise the authority granted by these acts and move toward acquisition of Haven of Rest Cemetery.
6. The Board considered this same subject at its September 30, 2008, meeting. The Board determined that a detailed report on this subject should be compiled by the staff of the Arkansas Securities Department ("Staff") for presentation at the Board's next meeting.

CONCLUSIONS OF LAW

7. The Board shall have the authority to purchase insolvent, licensed perpetual care cemeteries that have been in court ordered receivership or conservatorship for at least five (5) years. Ark. Code Ann. § 20-17-1006 (11)(A). If the taking of legal possession of the cemetery requires the payment of consideration, any payment made by the Board shall not exceed one thousand dollars (\$1,000). Ark. Code

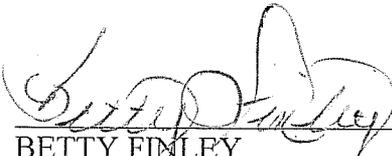
Ann. § 20-17-1006 (11)(B). Act 430 authorizes the Board to contract with a city or county government where a cemetery is located for the care, maintenance and operation of the cemetery. Ark. Code Ann. § 20-17-1028(a). Act 430 further authorizes the appointment of a cemetery advisory board to assist the state and county or city government where the cemetery is located in achieving the efficient management, operation, maintenance and preservation of the cemetery. Ark. Code Ann. § 20-17-1029(a).

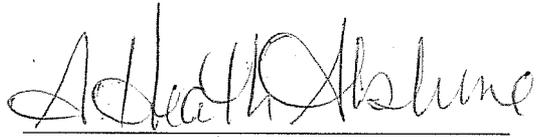
ORDER

The Board hereby authorizes the Staff to obtain all information necessary that will assist the Board in making an informed decision regarding the purchase and acquisition of Haven of Rest Cemetery, including a draft agreement of a proposed contract with the City of Little Rock for the maintenance and operation of Haven of Rest. The Staff's report to the Board should include an analysis of the legal procedures for completing a foreclosure sale of Haven of Rest Cemetery, the requirements that will need to be met in order to release Haven of Rest Cemetery from receivership, and the role of a potential advisory board for Haven of Rest Cemetery.

Dated this 8 day of November, 2008.

ARKANSAS CEMETERY BOARD


BETTY FINLEY
Chairperson


A. HEATH ABSHURE
Secretary