

**BEFORE THE ARKANSAS CEMETERY BOARD
CASE NO. C-13-0144**

IN THE MATTER OF:

**CROSSLAWN CEMETERY;
WYNNE, ARKANSAS**

ORDER NO. C-13-0144-13-OR01

ORDER APPROVING APPLICATION FOR TRANSFER OF OWNERSHIP

The Arkansas Cemetery Board ("Board") held its quarterly meeting on November 13, 2013, pursuant to Ark. Code Ann. § 20-17-1005 and Rule 5 of the Rules of the Arkansas Cemetery Board. Among the matters considered was an application for transfer of ownership of Crosslawn, Inc. from William C. Kernodle, II, Ora M. Kernodle, Jere C. Kernodle, and Camelia Kernodle ("Sellers") to Frank R. Hodges and Christopher R. Hill ("Purchasers"). Sellers sold all of the outstanding stock of Crosslawn, Inc. to the Purchasers. 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. Crosslawn Cemetery is a perpetual care cemetery located in Wynne, Arkansas and is owned and operated by Crosslawn, Inc. Crosslawn Cemetery is licensed by the Board as a perpetual care cemetery as defined by the Cemetery Act for Perpetually Maintained Cemeteries, Ark. Code Ann. §§ 20-17-1001 through 20-17-1029 ("Act").

2. On October 17, 2013, the Seller and Purchaser submitted an application to the Board proposing a transfer of ownership of Crosslawn, Inc. to the Purchaser. The original application has since been supplemented to include

documents and information requested by the Staff of the Arkansas Securities Department (“Staff”).

3. The Seller and Purchaser have submitted all documents and information required for a transfer of ownership of a perpetual care cemetery, pursuant to Ark. Code Ann. §§ 20-17-1012(b)(2)(A)—(M) and Rule 12 of the Rules of the Arkansas Cemetery Board and meet all statutory and regulatory requirements necessary for approval of the proposed transfer of ownership, except as noted in paragraph 4 below.

4. The Seller and Purchaser have not submitted proof that the Seller has transferred the permanent maintenance fund into the name of the Purchaser.

CONCLUSIONS OF LAW

5. Ark. Code Ann. § 20-17-1012(b)(1)(A) states that when a change is proposed in the controlling interest or ownership of a perpetual care cemetery or any cemetery company, the cemetery that holds the current permit and the individual or organization proposing to obtain ownership or gain control of the cemetery shall file an application for the issuance of a new permit.

6. An application for transfer of ownership of a perpetual care cemetery must contain certain specified fees, documents, statements, and accountings. Ark. Code Ann. § 20-17-1012(b)(2) and Rule 12 of the Rules of the Arkansas Cemetery Board.

7. If the Board finds that the seller and purchaser have complied with the Act and the Rules of the Arkansas Cemetery Board, the Board shall order the

issuance of a new permit to the purchaser. Rule 12.07 of the Rules of the Arkansas Cemetery Board.

ORDER

IT IS HEREBY ORDERED that the transfer of ownership application for Crosslawn Cemetery is approved with the condition that the trust fund is placed in the name of the Purchaser and is in full compliance with the Act before the next quarterly meeting of the Board. The Staff is authorized to issue a new permit to the Purchasers for the operation of Crosslawn Cemetery under the name of Crosslawn, Inc. Crosslawn, Inc. is ordered to record the permit with the Cross County Clerk's office, and mail a copy to the Arkansas Department of Health.

IT IS SO ORDERED.

Dated this 4th day of December 2013.

ARKANSAS CEMETERY BOARD



G. William "Bill" Booker, II
Chairperson



A. Heath Abshure
Secretary