

August 8

NINETEENTH JUDICIAL DISTRICT COURT FOR THE
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA

NUMBER: 450039

DIVISION **SEC. 27**

JAMES J. DONELON, COMMISSIONER OF INSURANCE
FOR THE STATE OF LOUISIANA

VERSUS
STATE
SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION

FILED: _____

JUL 21 2016

BY _____
CLERK OF COURT

DEPUTY CLERK

PETITION FOR REHABILITATION, INJUNCTIVE RELIEF AND RULE TO SHOW
CAUSE OF SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION

The petition of James J. Donelon, Commissioner of Insurance for the State of Louisiana ("Commissioner"), respectfully represents that:

1.

Made defendant herein is SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION ("SABINE"), a Louisiana corporation, licensed to do and doing business and domiciled in the State of Louisiana. Sabine maintains its home office at 610 San Antonio Ave., Many, Louisiana 71449.

2.

SABINE is engaged in the business of insurance and is deemed an insurer within the State of Louisiana pursuant to La. R.S. 22:46; La. R.S. 22:2002 and LSA-R.S. 22:2003 and is subject to the jurisdiction of the Commissioner and this court. La. R.S. 22:2004.

3.

La. R.S. 22:2001 et seq., constitutes the sole and exclusive method of rehabilitation and liquidation of a Louisiana domiciled insurer

4.

SABINE is not a member of an insurance holding company.

5.

After examination and review of the financial condition and affairs of SABINE, the Commissioner has determined that SABINE is insolvent as shown in the affidavit attached hereto and incorporated herein as **Exhibit A**.

EBR3692340

6.

After examination and review of Sabine, the Commissioner has determine that within the previous four years, SABINE has willfully failed to hold policyholders' meetings in violation of La. R.S. 22:202(A) and Article VI of SABINE'S Articles of Incorporation as shown in the affidavit attached hereto and incorporated herein as **Exhibit A**.

7.

After examination and review of SABINE, the Commissioner has determine that the continued operation and further transaction of business by SABINE would be hazardous to its policyholders, its creditors and/or the public, and any delay in action by the Commissioner would endanger the interests of its policyholders, creditors and/or the public as shown in the affidavit attached hereto and incorporated herein **Exhibit A**.

8.

In as much as SABINE is deemed a domestic insurer in accordance with Louisiana law (La. R.S. 22:46; La. R.S. 22:2002; and La. R.S. 22:2003), and for the foregoing reasons, the Commissioner desires and is entitled to have this Court declare that SABINE is in need of rehabilitation under the Louisiana Insurance Code and appoint the Commissioner as Rehabilitator of SABINE and Ralph Gaubert as Receiver of SABINE. There is proper and sufficient basis for the following order pursuant to La. R.S. 22:2005(1), (5), and (14).

9.

The Commissioner desires and is entitled to have this Court issue an order forthwith, without hearing, declaring, that SABINE is in need of rehabilitation by the Commissioner and empower the Commissioner with authority to take any action he deems necessary for the orderly rehabilitation of SABINE pursuant to La. R.S. 22:2005, La. R.S. 22:2006, La. R.S. 22: 2007, La. R.S. 22:2008, and La. R.S. 22:2009.

10.

It is therefore necessary that this Court, pursuant to La R.S. 22:2006, issue an order forthwith, without hearing, directing the Commissioner, the Receiver, his agents and/or employees to take possession and control of the property, business, affairs, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, records, software, electronic data, e-mail, websites, copyrights, trademarks, patents, book, records,

accounts and other assets of SABINE, including all real property, whether in the possession of SABINE or its officers, directors, employees, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, third party administrators, affiliates, or subsidiaries, and of the premises occupied by SABINE for SABINE's business and to rehabilitate same.

11.

The Commissioner further shows that he is entitled to be vested by operation of law with the title to all property, business, affairs, accounts, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, records and all other assets of SABINE as of the date of the order of rehabilitation entered herein. La. R.S. 22:2008.

12.

The Commissioner desires and is entitled, under the provisions of La. R.S. 22:2006, to an injunction forthwith, without hearing, enjoining SABINE and its policyholders, members, enrollees, officers, directors, employees, servants, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, or third party administrators, from disposing of property or assets and from the transaction of business by SABINE, except with the concurrence of the Commissioner until further order of this Court.

13.

The Commissioner desires and is entitled, under the provisions of La. R.S. 22:2006, to an injunction forthwith, without hearing, staying any and all persons and entities from obtaining preferences, judgments, attachments or other like liens or the making of any levy against SABINE, its property and assets while in his possession and control.

14.

The Commissioner further shows that he is entitled to the right to enforce contract performance by any party who had a contract with SABINE and to permit such further operation of SABINE as he may deem necessary to be in the best interests of policyholders, creditors and SABINE.

15.

Commissioner further shows that he is entitled to enjoin SABINE from issuing any further policies and engaging in any further advertising or solicitation whatsoever.

16.

The Commissioner requests that following the entry of an order providing the relief requested herein, a Rule Nisi issue herein directed to SABINE ordering SABINE to appear and show cause on a date and time to be fixed by this Court why this Court should not find, order and declare that sufficient cause exists for the rehabilitation of SABINE and further order and direct the Commissioner, the Receiver, his agents and/or employees to take and/or maintain possession of all the affairs, property, business, books, records, claim files, account, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, software, electronic data, e-mail, websites, copyrights, trademarks, patents, and all other assets of SABINE, all real property and the premises occupied by SABINE, whether in possession of SABINE or its officers, directors, employees, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, third party administrators, or any other person acting on behalf of SABINE to conduct SABINE's business and rehabilitate same according to law; and why the other relief prayed for and granted herein should not be continued.

17.

The Commissioner submits that service of the order of rehabilitation entered by the Court should be made forthwith and asks that that Matthew Stewart, Norrie Falgoust, Jimmy Henry, and Rudy Babin be appointed as Process Servers for service of all process and further pleadings on SABINE.

WHEREFORE, James J. Donelon, Commissioner of Insurance for the State of Louisiana, prays that this Petition for Rehabilitation and Injunctive Relief be accepted and filed and that an order issue forthwith, without hearing that provides the following immediate relief, as follows:

- 1) Finding that sufficient cause exists for the rehabilitation of SABINE.
- 2) That SABINE be placed into rehabilitation and that the Commissioner be appointed Rehabilitator for SABINE and that Ralph Gaubert be appointed Receiver of SABINE.
- 3) That the Commissioner and/or the Receiver be authorized to employ and authorize the compensation of accountants, clerks, attorneys or such assistants as he deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Court, to be paid out of the funds or assets of SABINE in the possession of the Commissioner and/or Receiver or coming into SABINE's possession.
- 4) That the Commissioner be vested by operation of law with the title to all property, business, affairs, accounts, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter

accounts), documents, claims files, records and other assets of SABINE as of the date of the order of rehabilitation entered herein.

- 5) Directing the Commissioner, his agents and/or employees, to take possession and control of the property, business, affairs, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, software, electronic data, e-mail, websites, books, records, accounts, copyrights, trademarks, patents, and all other assets of SABINE, including all real property, whether in the possession of SABINE or its officers, directors, employees, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, third party administrators, subsidiaries, affiliates, or agents, and of the premises occupied by SABINE for its business, conduct all of the business and affairs of SABINE, or so much thereof as he may deem appropriate, manage the affairs of SABINE, and to rehabilitate same, until further order of this Court.
- 6) Enjoining SABINE, its policyholders, members, officers, directors, employees, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, third party administrators, banks, savings and loan associations, and any other partnership, company or entity controlled by same and/or other persons acting for or on behalf of SABINE, from disposing of the property, business, affairs, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, software, electronic data, e-mail, websites, books, records, accounts, and other assets of SABINE, including all real property of SABINE and from the transaction of its business except with the concurrence of the Commissioner, until further order of this Court.
- 7) Pursuant to La. R.S. 22:2006, an injunction be issues forthwith enjoining any person from obtaining preferences, judgments, attachments or other like liens or the making of any levy against SABINE, its property and assets while in the Commissioner's possession and control.
- 8) Pursuant to La. R.S. 22:2006, the Commissioner be immediately vested with and/or maintain the authority to enforce, for the benefit of the policyholders, members, and SABINE, contract performance by any party who contracted with SABINE, and for such other relief as the nature of the case and the interest of SABINE's policyholders, members, creditors or the public may require.
- 9) The Commissioner be entitled to the right to enforce or cancel, for the benefit of the policyholders, members, and SABINE contract performance by any party who had contracted with SABINE.
- 10) The Commissioner be entitled to permit such further operation of SABINE as he may deem necessary to be in the best interests of the policyholders, members, and creditors of SABINE and the orderly rehabilitation of SABINE.
- 11) All authority of all officers, directors, and managers of SABINE be suspended and all authority of said officers, directors and managers be vested in the Commissioner.
- 12) The Rehabilitator and Receiver of SABINE be allowed and authorized to:
 - a) Employ and authorize the compensation of accountants, clerks, attorneys or such assistants as he deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Court, out of the funds or assets of SABINE in the possession of the Receiver or coming into SABINE's possession;
 - b) Defend or not defend legal actions wherein SABINE or the Receiver is a party defendant, commenced prior to or subsequent to the entry of the order herein, without the authorization of the Court, except, however, in actions where SABINE is a nominal party, as in certain foreclosure actions and the action does not affect a claim against or adversely affect the assets of SABINE, the Receiver may file appropriate pleadings in his discretion;

- c) Commence and maintain all legal actions necessary, wherever necessary, for the proper administration of this receivership proceeding;
 - d) Collect all debts, which are economically feasible to collect and which are due and owing to SABINE;
 - e) Take possession of all of SABINE's securities and certificates of deposit on deposit with any financial institution or any other person or entity, if any, and convert to cash so much of the same as may be necessary, in his judgment, to pay the expenses of administration of this receivership;
 - f) Issue endorsements on existing policies.
- 13) Any officer, director, employee, manager, trustee, agent, adjustor, accountant, actuary, attorney, contractor, consultant, or third party administrator of SABINE and any person who possesses or possessed any executive authority over, or who exercises or exercised any control over any segment of SABINE's affairs be required to fully cooperate with the Receiver and the Commissioner, notwithstanding their dismissal pursuant to the order entered herein.
- 14) All attorneys employed by SABINE as of the date of the order entered herein shall, within ten (10) days notice of the order entered herein, report to the Receiver or Commissioner on the name, company, claim number and status of each file they are handling on behalf of SABINE. Said report shall also include an account of any funds received from or on behalf of SABINE. All attorneys described herein are hereby discharged as of the date of the order entered herein unless the Receiver or Commissioner retains their services in writing. All attorneys employed by SABINE who are in possession of litigation files or other material, documents or records belonging to or relating to work performed by the attorney on behalf of SABINE shall deliver such litigation files, material, documents or records intact and without purging to the Receiver notwithstanding any claim of a retaining lien, which, if otherwise valid, shall not be extinguished by such turn-over of documents.
- 15) Reinsurance amounts due to or payable by SABINE shall be remitted to, or disbursed by the Receiver at the Receiver's discretion and with the consent of the court where required by law. The Receiver shall handle reinsurance losses recoverable or payable by SABINE. All correspondence concerning reinsurance shall be between the Receiver and the reinsuring company or intermediary unless otherwise authorized by the Receiver.
- 16) Any bank, savings and loan association, financial institution, and any other person or entity which has on deposit, in its possession, custody or control any funds, accounts and any other assets of SABINE, be ordered to immediately transfer title, custody and control of all such funds, accounts, or assets to the Receiver, and instructed that the Receiver has absolute control over such funds, accounts and other assets. The Receiver may change the name of such accounts and other assets, withdraw the funds from such bank, savings and loan associations or other financial institutions or take such lesser action necessary for the proper conduct of this receivership. No bank, savings and loan association, or other financial institution, person or entity shall freeze or place a hard hold on, or exercise any form of set-off, alleged set-off, lien, any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court.
- 17) Any bank, savings and loan association, financial institution, and any other person or entity which has on deposit, in its possession, custody or control any funds, accounts and any other assets of SABINE, shall not be permitted to freeze or place a hard hold on, or exercise any form of set-off, alleged set-off, lien, any form of self-help whatsoever, or refuse to transfer any funds or assets to the control of the Commissioner, the Receiver or his appointees without the permission of this Court.
- 18) Any entity furnishing telephone, water, electric, sewage, garbage or trash removal services to SABINE be required to maintain such service and transfer any such accounts to the Receiver as of the date of the order entered herein, unless instructed to the contrary by the Receiver.
- 19) Any data processing service which has custody or control of any data processing information and records, including, but not limited to, source documents, data processing cards,

input tapes, all types of storage information, master tapes or any other recorded information relating to SABINE be required to transfer custody and control of such records to the Commissioner.

20) The United States Postal Service shall be directed to provide any information requested by the Receiver regarding SABINE and to handle future deliveries of SABINE's mail as directed by the Receiver.

21) Upon request by the Receiver, any company providing telephone services to SABINE shall provide a reference of calls from the number presently assigned to SABINE to any such number designated by the Receiver or perform any other services or changes necessary to the conduct of the receivership of SABINE.

22) The Commissioner and his assistants be authorized to conduct an investigation of SABINE and its subsidiaries and affiliates to uncover and make fully available to the Court the true state of SABINE's financial affairs. In furtherance of this investigation, SABINE, its subsidiaries, its affiliates, owners, officers, directors, managers, attorneys, trustees, agents, adjusters, employees, accountants, actuaries, servants, employees, contractors, consultants, or third party administrators of SABINE and its third party administrators, be required to make all books, documents, accounts, records and affairs, which either belong to or pertain to SABINE available for full, free and unhindered inspection and examination by the Commissioner during normal business hours, Monday through Friday, from the date of the order entered herein. SABINE and the above-specified entities shall fully cooperate with the Commissioner, including, but not limited to, the taking of oral testimony under oath of SABINE and its officers, directors, managers, trustees, agents, employees, adjusters, accountants, actuaries, attorneys, servants, employees, contractors, consultants, or third party administrators of SABINE, its affiliates and subsidiaries and any other person or entity who possesses any executive authority over, or who exercises any control over, any segment of the affairs of SABINE in both their official, representative, and individual capacities and the production of all documents that are calculated to disclose the true state of SABINE's affairs.

23) SABINE, its members, policyholders, officers, directors, agents, adjusters, accountants, actuaries, attorneys, servants, employees, contractors, consultants, third party administrators, and any other partnership, company or entity controlled by same and/or other persons acting for or on behalf of SABINE, or subject to their control, and all other persons or entities who have access to, control or possession of the property, assets, and affairs of SABINE be enjoined:

- a) from disposing of or encumbering any of the property or assets of SABINE;
- b) from disposing of any records or other documents belonging of SABINE or relating to the business and affairs of the of SABINE;
- c) from the transaction of any business by, for, or on behalf of SABINE, including, but not limited to:
 - i) the writing, issuance or renewal of any certificate of coverage, insurance policy, binder, or endorsement to an existing policy or certificate of coverage;
 - ii) the payment of claims and of any policy or certificate of coverage benefits;
 - iii) the incurring of any claim or loss adjustment expense;
 - iv) the incurring of any debt or liability; and
 - v) the interfering with the acquisition of possession by the exercise of dominion and control over the property of SABINE by the Commissioner or the Commissioner's conduct of the business and affairs of SABINE.

24) Any and all individuals and entities be enjoined from instituting and/or taking further action in any suits, proceedings, and seizures against SABINE, the Commissioner in his capacity as rehabilitator of SABINE, the Receiver, and any affiliates, subsidiaries, insurers, officers, directors, representatives, agents, employees, accountants, or attorneys of same, to prevent any preference, judgment, seizure, levy, attachment, or lien being rendered against SABINE, its estate and assets,

and/or its members or policyholders, the Commissioner in his capacity as rehabilitator and/or liquidator, the Receiver, any affiliates, subsidiaries, insurers, officers, directors, representatives, agents, employees, or attorneys of same, and the making of any levy against SABINE, its property or assets.

25) Except with the concurrence of the Commissioner or until further written order of this Court, all suits, proceedings, and seizures against SABINE and/or its respective members and/or policyholders be stayed in order to prevent the obtaining of any preference, judgment, seizure, levy, or lien, and to preserve the property and assets of SABINE, including, but not limited to, suits and proceedings and all litigation where:

- a) SABINE is a party;
- b) A member, policyholder or any other person who is named as a party to the litigation claims insurance coverage under any policy of insurance or certificate of coverage issued or assumed by SABINE;
- c) The litigation involves or may involve the adjudication of liability or determines any possible rights or obligations of any member, policyholder or person as to any insurance policy or certificate of coverage issued or assumed by SABINE, or determines any possible future liability of SABINE with regard to any insurance policy or certificate of coverage issued or assumed by SABINE;
- d) SABINE would otherwise be obligated to provide a defense to any party in any court pursuant to any policy of insurance or certificate of coverage issued or assumed by SABINE;
- e) The ownership, operations, management and/or control of SABINE is at issue; and
- f) Any party is seeking to create, perfect or enforce any preference, judgment, attachment, lien or levy against SABINE or its assets or against any member, and/or policyholder of SABINE.

26) Any action in any suit or proceeding against the Commissioner in his capacity as Rehabilitator of SABINE, the Receiver, and/or any attorney in his capacity as attorney for the Commissioner in his capacity as rehabilitator of SABINE, and their representatives, agents, employees, or attorneys, when acting in accordance with this Order and/or as Rehabilitator, Receiver, or Deputy Receiver of SABINE be barred.

27) That there shall be no liability on the part of, and that no cause of action of any nature shall exist against the Commissioner in his capacity as Commissioner and/or regulator of SABINE, the Receiver and/or any person in his capacity as attorney for the Commissioner as Commissioner and/or regulator of SABINE, and/or their assistants, representatives, agents, employees, or attorneys, for any action taken by them when acting in accordance with the orders of this Court and/or in the performance of their power and duties as Rehabilitator, Receiver, Commissioner and/or regulator of SABINE.

28) That any and all individuals and entities be enjoined from interfering with these proceedings, or with the Commissioner's possession and control; from interfering with the conduct of the business of SABINE by the Commissioner; from wasting the assets of SABINE, and from obtaining preferences, judgments, attachments or other like liens or the making of any levy against SABINE or its property and assets while in the possession and control of the Commissioner.

29) That all premiums and all other debts and payables due to SABINE be paid to the Commissioner.

30) That the Commissioner be permitted to notify every holder of contract of insurance issued by SABINE and every known creditor of SABINE of the order of rehabilitation and injunction entered herein within forty-five (45) days of the date of this order, notwithstanding the provisions of La. R.S. 22:2011.

31) That all contracts between SABINE and any and all persons or entities providing services to SABINE and its policyholders and members, shall remain in full force and effect unless canceled by the Receiver, until further order of this Court.

32) That the Commissioner be granted all legal and equitable relief as may be necessary to fulfill his duties as rehabilitator and for such other relief as the nature of the case and the interests of SABINE's members, policyholders, creditors, or the public may require, including but not limited to the Receiver's appointment and authorization to prosecute all action which may exist on behalf of SABINE members, policyholders, or creditors against any existing or former officer, director or employee of SABINE or any other person.

33) That SABINE and all interested persons appear and SHOW CAUSE on a date and time set by this Court why this Court should not find, order and declare that sufficient cause exist for the rehabilitation of SABINE; and further why this Court should not order and direct the Commissioner, his agents and/or employees to take and/or maintain possessions of all the affairs, property, business, books, records, claim files, account, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, software, electronic data, e-mail, websites, copyrights, trademarks, patents, and all other assets of SABINE, including all real property and the premises occupied by SABINE, whether in possession of SABINE or its officers, directors, employees, managers, trustees, agents, adjustors, accountants, actuaries, attorneys, contractors, consultants, third party administrators, subsidiaries, affiliates, or any other person acting on their behalf to conduct their business and conserve the same according to law; and why the other relief prayed for and granted herein should not be continued.

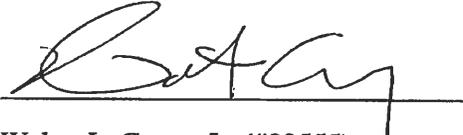
34) That Mathew Stewart, Norrie Falgoust, Jimmy Henry, and Rudy Babin be appointed as Process Servers for service of all process and further pleadings on SABINE.

And for all other appropriate relief.

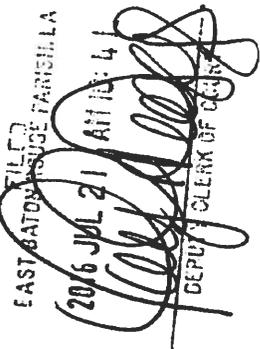
Respectfully submitted,

JAMES J. DONELON

Commissioner of Insurance

By: 

Walter L. Corey, Jr. (#29555)
Louisiana Department of Insurance
1702 N. Third St. (70802)
P.O. Box 94214
Baton Rouge, LA 70804-9214
Telephone: (225) 219-0605
Facsimile: (225) 342-1632
Email: wcorey@ldi.la.gov

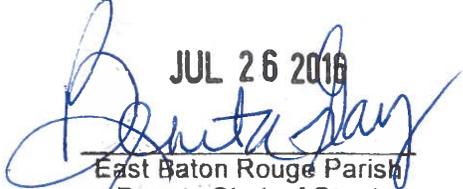
EAST BATON ROUGE PARISH, LA
2016 JUL 21 ATT 10:4

DEPUTY CLERK OF COURT

PLEASE SERVE THIS PETITION AND SIGNED ORDER AND ALL ATTACHMENTS AS FOLLOWS:

BY PRIVATE PROCESS SERVER APPOINTED BY THE COURT TO:

1. **SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION**
through its President
Floyd Giblin
610 San Antonio Avenue.
Many, Louisiana 71449

CERTIFIED TRUE AND
CORRECT COPY

JUL 26 2016

East Baton Rouge Parish
Deputy Clerk of Court

NINETEENTH JUDICIAL DISTRICT COURT FOR THE
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA

NUMBER: _____

DIVISION _____

JAMES J. DONELON, COMMISSIONER OF INSURANCE
FOR THE STATE OF LOUISIANA

VERSUS

SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION

FILED: _____

DEPUTY CLERK

AFFIDAVIT AND VERIFICATION

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned notary, and in the presence of the undersigned competent witnesses, personally came and appeared:

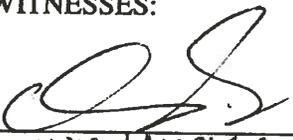
CAROLINE BROCK

a competent major, who after being duly sworn, did depose and state:

She is the Deputy Commissioner of Financial Solvency for the Department of Insurance, State of Louisiana, duly appointed by the Commissioner of Insurance.

She has read the foregoing petition for rehabilitation and the allegations contained therein are true and correct to the best of her knowledge, information and belief.

WITNESSES:



Claire Hemoche

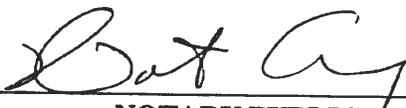


CAROLINE BROCK



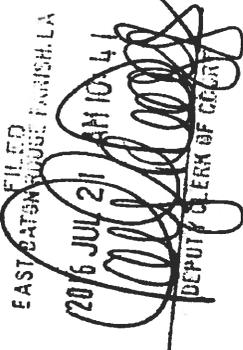
Zata W. Ard

Sworn to and Subscribed before me this 20th day of July, 2016.

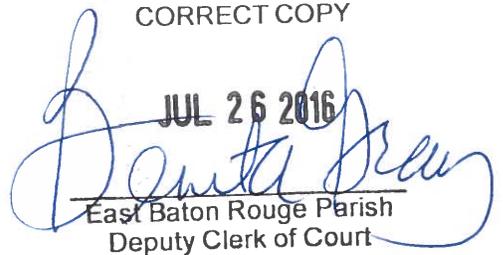


NOTARY PUBLIC

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FILED
EAST BATON ROUGE PARISH, LA
2016 JUL 21 AM 10:41

DEPUTY CLERK OF COURT

CERTIFIED TRUE AND
CORRECT COPY

JUL 26 2016


East Baton Rouge Parish
Deputy Clerk of Court

NINETEENTH JUDICIAL DISTRICT COURT FOR THE
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA

NUMBER: _____

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JAMES J. DONELON, COMMISSIONER OF INSURANCE
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VERSUS

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FILED: _____

DEPUTY CLERK

AFFIDAVIT

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned notary, and in the presence of the undersigned competent witnesses, personally came and appeared:

CAROLINE BROCK

a competent major, who after being duly sworn, did depose and state:

I am the Deputy Commissioner of Financial Solvency for the Department of Insurance, State of Louisiana, duly appointed by the Commissioner of Insurance.

In connection with my duties, I have reviewed the financial statements and the records of SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION.

The information contained in this affidavit is based on my personal knowledge derived from my review of the financial statement and records of SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION and my conversations with my staff.

My review has revealed that SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION is insolvent and is in such condition that its further transaction of business by SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION would be hazardous to its policyholders, creditors and the public.

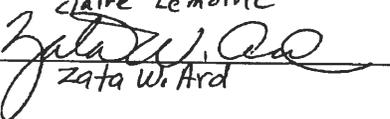
My review has revealed that within the previous four years, SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION has and continues to willfully violate its Articles of Incorporation by failing to hold policyholders' meetings.

My review has revealed that SABINE MUTUAL BENEVOLENT FUNERAL ASSOCIATION does not meet the requirements for organization and authorization to operate as a non-profit funeral association in the state of Louisiana.

That the above is true and correct to the best of my knowledge.

WITNESSES:



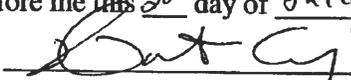
Claire Lemoine


Zata W. Ard



CAROLINE BROCK

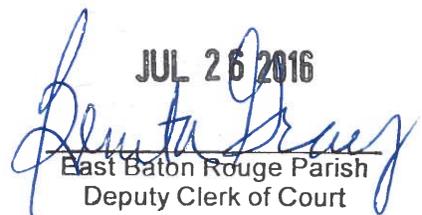
Sworn to and Subscribed before me this 20th day of July, 2016.



NOTARY PUBLIC

CERTIFIED TRUE AND
CORRECT COPY

EXHIBIT A

JUL 26 2016

East Baton Rouge Parish
Deputy Clerk of Court

EBR3692308