

**CAUSE NO. D-1-GV-08-000945**

<b>THE STATE OF TEXAS,</b>	§	<b>IN THE DISTRICT COURT OF</b>
<b>Plaintiff</b>	§	
<b>v.</b>	§	
	§	
<b>MEMORIAL SERVICE LIFE</b>	§	<b>TRAVIS COUNTY, TEXAS</b>
<b>INSURANCE COMPANY, LINCOLN</b>	§	
<b>MEMORIAL LIFE INSURANCE</b>	§	
<b>COMPANY, AND NATIONAL</b>	§	
<b>PREARRANGED SERVICES, INC.,</b>	§	
<b>Defendants</b>	§	<b>250<sup>th</sup> JUDICIAL DISTRICT</b>

**ORDER GRANTING THE SPECIAL DEPUTY RECEIVER'S  
FINAL REPORT AND APPLICATION TO MAKE FINAL DISTRIBUTION FOR  
LINCOLN MEMORIAL LIFE INSURANCE COMPANY**

The Court considered the *Final Report and Application to Make Final Distribution for Lincoln Memorial Life Insurance Company* (the "Application"), filed by Jo Ann Howard & Associates, P.C., Special Deputy Receiver of Memorial Service Life Insurance Company, Lincoln Memorial Life Insurance Company and National Prearranged Services, Inc. (the "SDR" and "Lincoln-Memorial-NPS" respectively).

1. The *Amended Order of Reference to Master* ("Order of Reference") entered by this Court provides that applications filed pursuant to § 443.007 of the Code are referred to the Special Master appointed in this proceeding;

2. The Application was submitted to the Special Master in accordance with the Order of Reference;

3. Notice of the Application was provided in accordance with § 443.007 (d) of the Code and the Order of Reference, and no objections to the Application were filed;

4. The Texas Life & Health Insurance Guaranty Association ("TLHIGA") filed its acknowledgment and waiver;

5. The Special Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure;

6. The Court has jurisdiction over the Application, and the parties affected hereunder; and

7. The Application should be GRANTED in all respects.

All capitalized terms used herein shall have the same meaning as in the Application.

IT IS ORDERED, ADJUDGED, AND DECREED as follows:

1. The Court grants the Final Report of Claims and Application to Make Final Distribution;
2. Exhibits 1 through 10 to the Application are admitted into evidence;
3. The Court accepts and approves the financial statements, Exhibits 1 through 4;
4. The Court approves the form of the Distribution Notice, Notice of No Distribution, and Assignment of Assets;
5. The Court approves the estimated expenses through the closing of the receivership under §443.015 of the Code;
6. The Court approves the Final Report of Claims;
7. The SDR is authorized to distribute the cash assets of the Lincoln Memorial receivership as described in the Application;
8. Any distribution calculated at or under \$25 shall be withheld from distribution as de minimus and treated as general asset subject to distribution;
9. The SDR is authorized, if it is economically feasible to distribute Residual Funds, to make a supplemental distribution from any such residual funds, after reserving for distribution expenses, to Class 2 claimants, subject to the de minimus distribution

threshold approved by the Court;

10. The SDR is authorized to transfer to the Commissioner any funds which are not economically feasible to distribute which remain after all distributions are made for deposit in an account established under Texas Insurance Code § 443.304(c);
11. The Court finds that any distribution to a claimant for whom the Distribution Notice was returned as undeliverable and that any distribution attributable to interest to any claimant who fails to return any requested tax reporting information to the SDR shall be deemed as unclaimed for purposes of § 443.304 of the Code;
12. The SDR is granted the authority, but not the duty, to use service providers, in its discretion, to locate allowed claimant addresses;
13. The assignment of unknown, unliquidated and the known, non-cash assets to the Commissioner is authorized and SDR is authorized to execute and deliver the Assignment of Assets, Exhibit 10, to the Commissioner;
14. This proceeding may be reopened under § 443.353 of the Code if any assigned assets collected and liquidated are, in the Commissioner's discretion, sufficient to be economically distributed, and if not sufficient to be economically distributed, such assets may be deposited in an account established by the Commissioner in accordance with § 443.304(c) of the Code;
15. The SDR is authorized to deliver records to the Commissioner pursuant to § 443.354(b) of the Code and the Commissioner is authorized to retain or dispose of these records at her discretion;
16. NOLHGA and the Affected IGAs are authorized to retain or dispose of the records transferred during the pendency of this receivership at their discretion; and

17. The Court finds that this Order constitutes a final order fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to Chapter 443 of the Code.

SIGNED this 5th day of February, 2025.

  
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Judge Presiding

PROPER NOTICE GIVEN  
ACKNOWLEDGMENT OF NOTICE AND WAIVER  
OF OBJECTION PRESENTED  
SUBMITTED  
RECOMMENDED  
SIGNED ON 27<sup>th</sup> DAY OF Jan. 2025  
  
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TOM COLLINS, RECEIVERSHIP SPECIAL MASTER