

IN THE CHANCERY COURT FOR CAMPBELL COUNTY, TENNESSEE

DANIEL VALLE, et al., . . . for)	
DEERFIELD RESORT HOMEOWNERS)	
ASSOCIATION, INC., and its members,)	
)	
PLAINTIFFS,)	
)	
v.)	No. <u>7CHI-2019-CV-237</u>
)	NOTICE OF ENTRY REQUESTED
MADELINE FIELDS, RAYMOND “SCOTT” FIELDS, and)	[Submitted pursuant to
PAULA FIELDS LEJEUNE,)	T.R.Civ. P. 58 & L.R. 7.11]
all individually and in their representative capacities)	
as officers and/or directors of)	
Deerfield Resort Homeowners Association, Inc.,)	
Fields Development Company, Inc.,)	
Fields Real Estate, Inc., and)	
Deerfield Resort, Inc.,)	
MARK LEJEUNE, individually,)	
)	
DEFENDANTS.)	

ORDER OF RECEIVERSHIP

THIS MATTER CAME TO BE HEARD on the 27th day of April, 2021, upon Plaintiffs’ Motion to Appoint Receiver or Suspend Fees, whereupon after ~~hearing the arguments of counsel,~~ reviewing the relevant authority, and hearing arguments of counsel for the parties, the Court found that a Receiver should be appointed pursuant to T.C.A. § 29-1-103 with the authority and responsibilities as defined herein. The Receivership shall continue until termination by the court.

FROM ALL OF WHICH, the Court orders the appointment of a Receiver with the authority and under the terms and conditions as detailed herein.

DEFINITIONS.

A. “Defendant(s)” as used in this Order of Receivership means any person or entity named as a Defendant in the above captioned civil action. It is the responsibility of all Defendants to

cooperate with the Receiver to effectuate the requirements of this Order.

- B. "Fees" as used in this Order refers to all Maintenance and Security, as defined hereinafter, and any other amounts collected and/or assessed, either past or future, to Owners by Defendants under the name "Deerfield Resort".
- C. "Owner" means any owner of property within the Deerfield community located in Campbell County, Tennessee, who is subject to Fees as defined hereinabove, including individuals, co-owners, joint tenants, trusts or any other entity that holds legal title to real property, in accordance with Article V of the Articles of Incorporation recorded on April 23, 1986, in Charter Book 9, Page 426 in the Register of Deeds Office for Campbell County, TN.
- D. "Calendar year" as used in this Order means Fees for the year appearing on the face of a bill accessed to Owners by Defendants, whether or not the bill was sent or the payment was rendered in the same calendar year appearing on the face of a bill.
- E. "Maintenance" as used herein means the costs of maintaining and preserving the roadways and common areas of the Deerfield community as it currently exists and at the level of care that has historically been provided to the Owners.
- F. "Security" as used herein means the level of security services as historically provided in the Deerfield community to the Owners with the same number of workers at comparable rates of pay commensurate with experience.

It is, accordingly, **ORDERED, ADJUDGED AND DECREED** as follows:

- 1. Attorney H. Scott Reams is appointed to serve as Receiver, without bond, until further determination by the Court relieving him of his responsibilities. Mr. Reams' contact information is as follows:

H. Scott Reams, Esquire
TAYLOR, REAMS, TILSON & HARRISON
628 East Morris Blvd.
Morristown, Tennessee 37813
Phone: (423) 586-9302
Facsimile: (423) 581-8067
Email: hsreams@trthattys.com

All parties and their counsel shall cooperate fully with the actions of the Receiver made in the conduct of his duties, and respond in a reasonable time and manner to his requests. Third parties may rely on the authority of this Order without further inquiry.

2. The Receiver is charged with the following responsibilities in performing the duties of the Receivership:

- A. Notify all Owners regarding the appointment of a Receiver, and instruct them to submit all Fees directly to the Receiver, at an address to be provided by the Receiver, until instructed to do otherwise by authority of this Court;
- B. Authorized with the right to establish bank accounts, deposit and draw upon funds, pay bills and services, execute documents, enter into contractual relationships, take possession and control of accounts and property, and to generally conduct the business of the Receivership;
- C. Take possession of funds held by Defendants from collection of Fees and collect Fees from Owners;
- D. Pay to third parties expenses and bills, including compensation for labor, services and materials reasonably necessary for Maintenance and Security at the level as currently exists during the pendency of this Receivership;
- E. To retain, hire, or dismiss employees, independent contractors and agents as the Receiver deems reasonable and necessary to reasonably maintain, preserve and

secure the Deerfield community;

- F. To employ such counsel, or other professionals, as deemed necessary by the Receiver to carry out the duties of the Receivership;
- G. To modify or amend existing contracts, enter into new contracts or other commitments in the Receiver's business judgment and discretion, and/or to modify, terminate or abrogate any contracts or commitments not deemed reasonably necessary for Maintenance and Security;
- H. Keep accurate records of information received and activities conducted which shall be made available upon reasonable request in writing from counsel for the Parties. In the interest of economy, reduce the burden on the Receiver and in consideration of the large number of interested parties involved, all requests and contact directed to the Receiver shall be made by counsel of record for the parties;
- I. Provide an initial Report and Inventory for the period ending on the fourth (4th) month from the date of entry of this Order, and, thereafter, file periodic reports at least annually or earlier upon request of counsel for the Parties, or as determined by the Court upon motion and order of the Court, in accordance with Paragraph 6 hereafter. A final report shall be due on the thirtieth (30th) day following termination of the Receivership;
- J. Take other any action, not specifically set forth, as may be reasonable and necessary to provide Maintenance and Security for the Deerfield community to the Owners during the pendency of the Receivership; and
- K. To bring any legal proceeding or action deemed necessary to enforce or modify the provisions of this Order, and obtain any and all information needed to effectively

fulfill the duties of the Receiver, including requesting the issuance of subpoenas as may be necessary.

L. In the event a reoccurring or substantial expense is claimed that is not deemed necessary to Maintenance and Security by the Receiver, he shall notify counsel for the parties. Such notification is meant to give counsel the opportunity to discuss the propriety of any questionable expense(s) and give them an opportunity to resolve disputes. If counsel are unable to resolve any issue related to questionable expense(s), the Receiver may refuse payment or bring the issue before the court for guidance, by setting it on the Court's docket with notice to counsel, if necessary.

M. Responsibility of the Receiver shall not extend to include construction projects or new capital improvements, except as may become necessary to sustain the historical level of Maintenance in the Deerfield community.

3. Within thirty (30) days from entry of this Order, Defendants shall provide to the Receiver the following:

A. All funds held by Defendants which were derived or related to Fees as defined.

B. A list of the status of Fees collected from Owners, including the following:

i. The name, address, telephone number and email addresses (if available), of all Owners who have, or should have been, billed or accessed for the 2021 calendar year, and any new Owners, if known, to be billed in subsequent years;


ii. The amounts of Fee accessed, collected if different, and/or amounts outstanding broken down by each Owner as of the 2021 calendar year; and


iii. The total amount of Fees collected for the 2021 calendar year, and all relevant


information related to the bank account(s) in which such Fees were deposited.


- C. A list of any person who has been compensated for work paid from Fees during the last twelve (12) months , whether in the capacity of employee, independent contractor, borrowed/shared servant or in any other earning capacity, including:
- i. The name, address and all sources of contact information;
 - ii. A copy of all employment files;
 - iii. All information regarding work scheduling, rates of pay, payroll taxes and benefits paid, and average weekly or monthly compensation received by each person; and
 - iv. A copy of any contracts for employment or services.
- D. A list of recurring expenses paid in the last twelve (12) months, not reported under C. above, including the amount and frequency of payment, the name, address and contact information of the vendor, the description of services or materials provided, and the date upon which the recurring expense becomes due, with copies of any underlying contracts or documentation for each vendor.
- E. Defendants shall provide a list of all other known expenses that are not considered recurring, but regularly paid for Maintenance or Security and/or paid from Fees, such as those based on contingencies, extraordinary expenses caused by casualty, fluctuations in fuel prices, extraordinary personnel expenses, and any other known or anticipated expense paid from Fees that are included in Paragraphs C. and D. above.
- F. Defendants shall provide a list of any known expenses due and outstanding to a third party with copies of the supporting bill or documentation to support the expense.

4. Within sixty (60) days from entry of this Order, Defendants shall provide to the Receiver the following reports:

i. ~~A detailed annual accounting of all Fees collected and expenses of any type paid from Fees for each of the five (5) years immediately preceding 2021;~~ 

ii. Printouts of a Profit and Loss Report, and a Balance Sheet Accounts Report reflecting each transaction and/or account entry from a computerized accounting program or manual bookkeeping journals and spreadsheets for ~~each of the five (5)~~ ^{one} year~~s~~ immediately preceding 2021; 

iii. Printouts of the detailed Check Register for each bank account used to deposit Fees and/or pay expenses from Fees collected from a computerized accounting program or manual bookkeeping journals and spreadsheets for ~~each of the five (5) years~~ ^{one year} immediately preceding 2021; and 

iv. A list of all assets including tools and equipment paid from Fees for ~~each of the ten (10)~~ ^{one} year~~s~~ immediately preceding 2021, and the location of each item. 

5. The Receiver shall not make any payments to any party or related party without prior approval of the Court, all of whom shall submit any claims for payment of any type or nature to the Court for approval. "Related Party" is defined under 26 U.S.C. § 267(b) and 707(b), also known as the Internal Revenue Code.

6. The parties shall cooperate in all respects with the activities of the Receiver, and shall expeditiously provide any and all information requested. Any objection to the actions of the Receiver by any party shall be made to this Court through motion and hearing.

7. The Receiver and all personnel hired by the Receiver as herein authorized are entitled to reasonable compensation for the performance of the duties undertaken pursuant to this Order

and for reimbursement of out-of-pocket expenses incurred, subject to the Court's approval. Application for the Receiver's fees and expenses shall be submitted upon termination of the Receivership, and may be submitted at intervals as deemed prudent by the Receiver. In the event counsel for the parties agree upon amount(s) to be paid periodically to the Receiver to sustain the Receivership, such payments shall be reflected as advancements credited against compensation in motion(s) for approvals filed with the Court.

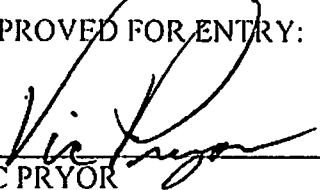
8. Any reports filed by the Receiver shall contain all revenues received and expenditures made, including detailed information concerning income, expenses, payables, receivables and other general information regarding management of the Fees collected and expenses of the Receivership. The Receiver's responsibility to serve the parties shall be fully satisfied by providing copies to counsel of record.
9. The Court will determine when the Receivership is terminated, and the manner in which any funds held by the Receiver are distributed upon termination.

ENTER this 12 day of May, 2021.



BETH BONIFACE, Circuit Court Judge
Third Judicial District of Tennessee
sitting by interchange for the
Chancery Court for Campbell County
8TH Judicial District

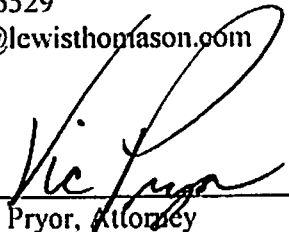
APPROVED FOR ENTRY:


VIC PRYOR BPR No. 12217
PryorParrott PC, Attorney for Plaintiffs
P.O. Box 103
Jacksboro, Tennessee 37757
Telephone: (423) 907-0907
Fax: (423) 907-0079
Email: vpryor@pryorparrott.com

CERTIFICATE OF SERVICE

I hereby certify that pursuant to Rule 58 of the Tennessee Rules of Civil Procedure and Local Rule 7.11, a true and accurate copy of the foregoing Order has been sent via U.S. mail, postage prepaid, facsimile or email, this 11 day of May, 2021 counsel for Defendants at the following:

PRESTON HAWKINS
Lewis, Thomason, King, Krieg & Waldrop, P.C.
Attorneys for Defendants
P.O. Box 2425
Knoxville, TN 37901
Telephone: (865) 546-4646
Fax: (865) 523-6529
Email: phawkins@lewisthomason.com


Vic Pryor, Attorney