

IN THE CHANCERY COURT OF THE STATE OF TENNESSEE  
 TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

FILED

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BC&M

MARIE MURPHY, Special Deputy )  
 Commissioner of Commerce and Insurance )  
 for the State of Tennessee, )  
 )  
 Petitioner, )  
 )  
 v. )  
 )  
 SMART DATA SOLUTIONS, LLC, )  
 a Tennessee limited liability company, )  
 et al., )  
 )  
 Respondents. )

No. 10-507-III  
 Petition for Contempt  
 v. Posey, Bachman et al.

PETITIONER'S NOTICE OF FILING AFFIDAVITS AND RELATED MATERIALS  
 IN SUPPORT OF PETITION FOR CONTEMPT

Petitioner, Marie Murphy, Special Deputy Commissioner of Commerce and Insurance for the State of Tennessee, in her capacity as Petitioner in the receivership matter, and as Liquidator/receiver of Smart Data Solutions, LLC ("SDS"), American Trade Association, Inc., American Trade Association, LLC ("the ATA entities"), and Serve America Assurance ("SAA"), ("Commissioner" or "Petitioner") (SDS, the ATA entities and SAA are collectively "the receivership entities"), files the following affidavits in support of the Verified Petition Seeking Damages for Civil Contempt and other Appropriate Relief ("Contempt Petition") filed against Bart S. Posey, Sr.; Richard H. Bachman; William L. Hendricks, Jr.; Russell J. Hensley; Theodore T. Kitai; Evans Petree PC; Best Benefits Association, Inc.; and Quality Benefits Group, LLC.

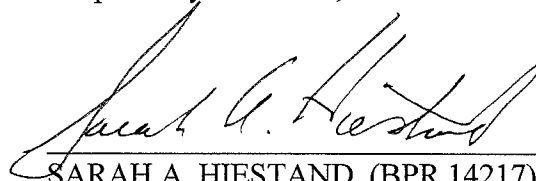
EXHIBITS: The Exhibits and Affidavits submitted and filed herewith in support of this Contempt Petition (pursuant to this Notice of Filing) are:

- Exhibit 1.** Affidavit of Paul Eggers, dated March 8, 2011
- Exhibit 2.** Affidavit of Teresa Smith, President of CITM, dated September 28, 2010
- Exhibit 3.** Affidavit of Robert Heisse, dated December 21, 2010
- Exhibit 4.** Affidavit of Gary Lord, dated November 5, 2010  
CD-rom Disk with recording of May 11, 2010 conference call  
(Attorney General's Office transcription of recording)
- Exhibit 5.** Affidavit of Sarah Hiestand, dated March 7, 2011

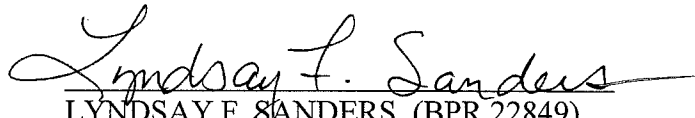
The foregoing documents will be served with the Contempt Petition.

Additionally, a reference copy of the attached listing of documents previously on file in this case will be provided each to counsel at Baydoun & Knight, at Evans Petree PC, and to Best Benefits Association, Inc. and Quality Benefits Group, LLC, and to the Court.

Respectfully submitted,



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Office of the Attorney General  
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LYNDSAY F. SANDERS (BPR 22849)  
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*Robert M. Garfinkle*

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Special Counsel for Special Deputy Commissioner

Marie Murphy in her Official Capacity as

Statutory Liquidator

LISTING OF PREVIOUSLY FILED DOCUMENTS

**Prior Case Materials referenced, in order of citation:**

Order of Seizure, March 23, 2010 as amended April 22 (Attached to Contempt Petition).

Order of Liquidation, May 20, 2010 as corrected May 24 (Attached to Contempt Petition).

Motion for Turnover of Funds Diverted from SDS Payment Vendor CITM into Lawyer Trust Account, April 1, 2010.

Order for Turnover of Funds Diverted from SDS Payments Vendor CITM into Trust Account, entered April 5, 2010.

Transcript of April 1, 2010 proceedings.

SDS, ATAs and Poseys' Motion to Amend Order of Seizure, filed April 9, 2010, with Aff. of Gary Lord.

Commissioner's Opposition to Motion to Amend Order of Seizure, filed April 13, 2010.

Memorandum and Order April 14, 2010 granting liquidation, staying liquidation pending further hearing on insolvency.

Affidavit of Albert Rusnak, Jr. for Commissioner's Opposition to Motion for Stay of Liquidation Order pending Appeal, filed July 1, 2010 via Petitioner's Notice of Filing Substitute Original Affidavit of Albert Rusnak, Jr., (dated June 30, 2010).

Affidavit of Carl Fuller filed by SDS in opposition to Pet. for Liquidation, April 5, 2010.

Transcript of April 6, 2010 Hearing on Pet. for Liquidation (partial, p. 45).

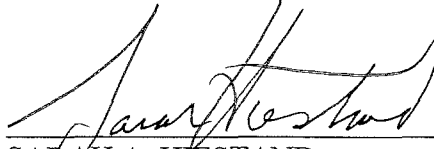
Order Amending Order of Seizure and Directing Certain Other Actions by the Parties, entered April 22, 2010 (lodged Apr. 19).

Affidavit of Robert Heisse, dated June 30, 2010, filed for Commissioner's Opposition to Motion for Stay of Liquidation Order pending Appeal, filed June 30, 2010.

Affidavit of Trey King, Exhibit 11 in support of Petition for Liquidation, filed March 31, 2010.

**CERTIFICATE OF SERVICE**

I hereby certify, this 15 day of March 2011, that the foregoing Notice of Filing will be served by U.S. mail, postage prepaid, to the parties and interested entities listed on the service list.



SARAH A. HIESTAND  
Senior Counsel

**SERVICE LIST**

**Bart S. Posey, Sr.**  
3448 Forest Park Rd.  
Springfield, Tennessee 37172

**Richard H. Bachman**  
1600 Magpie Cove  
Austin, Texas 78746

Serve through:  
Nader Baydoun, Esq.  
Baydoun & Knight PLLC  
424 Church Street, Suite 2650  
Nashville TN 37219

Hand Delivery

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**Evans Petree PC**  
**a Tennessee for-profit corporation**  
1000 Ridgeway Loop Road, Suite 200  
Memphis, TN 38120

Serve through: Registered Agent:  
E. Woods Weathersby  
Evans Petree PC  
1000 Ridgeway Loop Road, Suite 200  
Memphis, TN 38120

VIA CERTIFIED MAIL

**William L. Hendricks, Jr.**  
Evans Petree PC  
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**Russell J. Hensley**  
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VIA CERTIFIED MAIL

**Theodore T. Kitai**  
Evans Petree PC  
1000 Ridgeway Loop Road, Suite 200  
Memphis, TN 38120

VIA CERTIFIED MAIL

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**Best Benefits Association, Inc.**  
**a Mississippi not-for-profit corporation**

Serve through: Registered Agent:  
CT Corporation  
645 Lakeland East Drive, Suite 101  
Flowood, Mississippi 39232

VIA CERTIFIED MAIL

**Quality Benefits Group, LLC**  
**a Tennessee for profit limited liability corporation**

Serve through: Registered Agent:  
CT Corporation System  
800 S. Gay St., Suite 2021  
Knoxville, Tennessee 37929

VIA CERTIFIED MAIL