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BRYANT V. UNITED SHORTLINE

GOLD: We come to you this morning with an issue that I thought the court had clarified and determined in the *Bard* case. And yet, despite our best efforts before two trial judges and the Ft. Worth CA, that issue comes back before you today. To reach it, I'm going to have to delve into that murky abyss, that is constitutional law. And no matter how we address the issue, whether in terms of full faith and credit, common conflict of laws, choice of law, I believe that we have to reach a decision which is different from those reached by the TC and the Ft. Worth CA. That is, that the Tennessee liquidator of Anchorage Insurance Co. should not have to defend against claims brought by in essence an agent in Tarrant County. Whether that suit is started directly by the agent by way of interpleader, by a bank holding funds, that money is rightfully placed within the registry of the court, chancery court in Tennessee, and administered by virtue of the scheme of regulation that Tennessee has adopted. A scheme not unlike this state.

ENOCH: Suppose that the insurance company has an ongoing dispute over whether or not some furniture should be delivered to their office...let's suppose they've got a...the insurance company has an office in Texas as an example. It's not their home office. It's just an office in Texas, and they order some furniture to be delivered to that office from a company that's in Texas, and that company never delivers the furniture. Now the insurance company goes into receivership, it's in Tennessee, a liquidator is appointed, and the liquidator is required to go after the assets. Can the liquidator file a lawsuit, and the chancery court in Tennessee serve the furniture company in Texas and require them to respond in Tennessee and try their case in Tennessee over the possession of this furniture, that this company dealt with a company that was in Texas, they agreed to deliver in Texas, can that company be required to go to Tennessee to litigate its interest over that furniture?

GOLD: On an in personam level only if the company in Texas had such contacts with the State of Tennessee that would be sufficient for Tennessee to observe personal jurisdiction over the company.

ENOCH: Is there anything in the scheme of the insurance liquidation or insurance receivership or anything that would permit one state to have jurisdiction over parties involved in the business transaction in another state that is not directly related to the interest of insurance?

GOLD: I would say no. It can't reach that far.

ENOCH: Go one step further. In this case there's a dispute over who owns the proceeds in this bank account that's in Texas. And one party, the party that's suing says, "this had nothing to do with that insurance company." It just so happens there was a joint account over here, but my complaint was against MacGregor. And now I am here wanting to stakeout my claim. This

Tennessee statute that's written is there anything about the insurance scheme of things that would permit a liquidator or a conservator or receiver in Tennessee to force this kind of litigation to be tried in Tennessee?

GOLD: Yes, within the context of the business of insurance that if by virtue of putting the company into receivership, the court with jurisdiction determines that all assets of the company in receivership are now within the custody of that court.

ENOCH: Aren't we litigating whether or not the funds in this bank account is property of the insurance company? Aren't we litigating the title to that just like we'd be litigating the title to furniture that should have been delivered but wasn't delivered?

GOLD: Not in this case. That wasn't the issue. There was never an issue in this case whether the funds were titled in the name of Anchorage Insurance Co. The bank always admitted and took the position that the assets were in the name of Anchorage, and in fact started to transfer them to the receivership court. There was never any claim by United Shortline that the money in those accounts titled Anchorage was anything other than Anchorages. In fact, by virtue of the fact that it brought a fraudulent conveyance action it had to admit that Anchorage held the money. It may not have been rightfully done, but the fact was as it took the state of the facts that money was in the name of Anchorage - Anchorage had the right to do it until some court determined that legal and equitable title should not be in Anchorage.

SPECTOR: Under what circumstances would Texas have a receivership on this insurance claim?

GOLD: Pursuant to §13 of art. 21.28 of the Insurance Code, there has to be a sufficient number of claimants raising issue within the state of Texas, that the commissioner of insurance determines it's within the state's interest to administer whatever assets are within the state sufficient to take care of those claims first before entering the balance of the assets to the domiciliary estate. But there's also a provision in the insurance code in that same insulated receivership statute that it can enter into an agreement with the domiciliary to administer all as one. And that happens a great deal.

SPECTOR: I think my question would be, are there situations where two or more states are all having receivers _____?

GOLD: Yes. The last one I can think of was probably the first big receivership in the last 20 years, *Mission Insurance Company*, which is a large _____ and daycare provider out of California.

SPECTOR: But it's not the case here?

GOLD: In fact Texas specifically declined to start an ancillary receivership as you saw from the amicus papers from the Dept. of Insurance. There was not sufficient interest here as to Anchorage for the state to start it, that's what makes this particular case so compelling is that Texas has virtually no interest in this dispute.

HECHT: It can come down to a question of Tennessee law?

GOLD: I believe it does.

HECHT: And that's what makes this case hard. Assuming that it's good policy for some state to do this, we have a statute, and why didn't the chancery court in Tennessee exceed its authority?

GOLD: I don't believe it could exceed its authority as a chancery court. As you've seen and historically from courts of chancery their goal was to do the ultimate good coming ultimately as a part of the ecclesiastical courts. There conceivably was no boundary historically other than God's law. They were the church's court. As developed in this country, of course we have constitutional principles that would limit a chancery court. And I can't begin to expound for you the collateral nature of the Tennessee courts and how the Tennessee courts view the limits on chancery jurisdiction. But I have provided for you in the briefs, that the historical jurisdiction of the Tennessee courts arising from North Carolina, which gave it its grant of power, and where its laws came from encompassed everything the chancery court did here. And the Tennessee statute specifically authorized the chancery court to do what it felt needed to be done in the liquidation of the company.

What arises in my mind is whether it's permissible for a Texas court or any other court to say to another court from another state, "yes, you have subject matter jurisdiction, but we're going to inquire whether in exercising that jurisdiction, you understood your own law and applied it correctly." I think that the full faith and credit clause prevents that kind of analysis. I think under the full faith and credit clause when you go back historically what the framers were attempting to do was to prevent that kind of republicanism from preventing the states from operating as a whole.

HECHT: But surely if one court in Tennessee had decided the issue one way, and another court the opposite way, we'd have to pick?

GOLD: You would have to pick how the ultimate court in Tennessee would view its law not how Texas views its law, but how the court in Tennessee...just as a federal court in diversity would do on an unresolved issue: look to see how the highest court of the forum supplying the law would determine an issue.

I have not found within the Ft. Worth CA opinion, it certainly wasn't at the trial level, how the Tennessee chancery court exercising its jurisdiction usurped its power. And as

we've indicated to you, we believe that is the test under Tennessee law for whether or not the judgment would be void. I will concede to you if a judgment is void, it may not be given full faith and credit, but what standard should a court in Texas undertake to determine whether or not it is void?

ENOCH: You have a Tennessee statute that's here, and the argument is that it is outside the scope of the statute. And if it's outside the scope of the statute does it really make the order void or still voidable? The statute as I read it could be that the legislature in enacting the statute just recognized the jurisdictional limits of its court. It has jurisdiction over businesses domiciled in its state. It has jurisdiction over property of a business that's in its state even if the company is not domiciled in its state. Isn't that simply recognizing the jurisdictional limits of the court having jurisdiction over what's within its borders as opposed to a chancery court in Tennessee attempting to take jurisdiction over parties in some other state involving property in some other state?

GOLD: Insofar as you take it. But we have to bear in mind if you have a hybrid kind of regulation here, you have a statute which attempts to define "authority of an equitable court," a court of chancery, and within that statute delegates to the court within statutory parameters in what it seeks to achieve maximizing the public good with a failed insurance company. It gives to that court a chancery. They could have given it to a court of law. They did not. They specifically gave it to a chancery court to administer giving the vagaries that arise in an insurance receivership. It is impossible to draw bright lines as to what is going to happen in anyone receivership. I have handled many. They are all different. And you can never predict what's going to happen in anyone. And I think that's why very purposefully and very wisely they left to their chancery side, the business of winding up the affairs of the company and doing what was needed, whatever arose. In this case, you have an offshore company, and it had a bank account in Texas. But here you had a company that was incorporated, I believe in Michigan, United Shortline, whose principal place of business was in Pennsylvania, which had sued in Florida against someone who had fled the country, and they were seeking to protect whatever they might recover in Florida from the bank account that existed in Texas. The bank account in Texas was comprised mostly of the premiums from California drivers.

Whatever interest Texas might have had it should have ended with transferring that money to the one court in the country that had stepped forward in an attempt to administer the affairs of the insolvent company for the benefit of all policyholders. There can be no result here from the way the Ft. Worth CA has structured this other than to give United Shortline a preference. That is completely contrary to Texas policy. It's contrary to the stated statute of Tennessee. In fact, it is contrary to every insurance insolvency law in the country. No state has a policy interest in giving to a nonresident a preference over legitimate claimants. In fact, in *Bard*, that was the determination of this court.

As I read *Bard*, it is almost exactly applicable to this situation. In *Bard,* you have an agent who wanted to assert a counterclaim. *United Shortline* is no more than an agent here. It has brokered for various shortline railroad companies insurance coverage. And it wants to recover

money from Anchorage, which it claims is fraudulently the holder of premiums from a company, MacGregor, which it claims is the alter ego of a bad guy it has a claim against in Florida. In this particular case, the trial judge found that that Florida judgment of United Shortline wasn't even entitled to full faith and credit, it wasn't a final judgment. The only thing that is final and clear in this case is that Tennessee had stepped forward to attempt to administer the affairs of the company.

We think it is only right and just that it not be piecemealed across the country by people with varying interests to achieve a recovery of assets to the detriment of other claimants. Obviously, United Shortline has traveled around the country. There is no reason it can't go to Tennessee. In fact from this case it has gone to Tennessee and disputed with the chancellor his authority. The chancellor has repeatedly affirmed his authority and is frustrated, he can do nothing more with the State of Texas.

The purpose of comity was to avoid that frustration. As stated in the Articles of Confederation and in the Federalist papers, which articulated the purpose of the constitution, the idea was to bring the individual states together and have them work as a union. That purpose is frustrated here by the results from the TC and the Ft. Worth CA.

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RESPONDENT

MILLER: Mr. Ackels and I have divided this up so that it's my intention to give a general overview of our position here, and he will talk in more detail about some of the cases that have been discussed here.

The Tennessee Insurance Code provides rather clearly that if no domiciliary receiver has been appointed that the commissioner may apply for an order to liquidate the assets found in this state. And that's a critical phrase, "the assets found in this state of a foreign insurer or an alien insurer not domiciled in this state." The order of the Tennessee court found that Anchorage was an alien insurer not domiciled in Tennessee, so that the only statutory authority the commissioner had was over the assets found in this state.

The code also provided no court of this state has jurisdiction to determine any complaint for receivership, liquidation, or injunction other than in accordance with this chapter.

GONZALEZ: The Texas AG takes a different view of that.

MILLER: That's exactly right. The Texas AG does not talk about the specific language of that code. The AG talks about the general concept of insurance liquidation and how somehow to follow that as the CA did violates some kind of concept of overall statutory scheme. And I think that what the liquidator's position would be in the face of that language myself your honor, is just absolutely to ignore that and to say that the Tennessee legislature was making mud pies rather than

making law when they wrote that language into the insurance code, that it has absolutely no meaning and no provision, and you don't pay any attention to it.

ENOCH: Isn't there a judgment out of Houston domesticating the chancery court's order out of Tennessee?

MILLER: Yes. They came in and domesticated that order in Texas without making anybody parties, and then gave notice of it. We believe the law is, that a void order on its face is a void order on its face no matter where it gets filed. And that if there is inherent _____ and that judgment, which makes it void, the fact that it's filed in other states doesn't breathe the validity into an otherwise invalid order. And you've got to look at that order and the law of Tennessee, and if it's void on its face, which we believe it to be, then the fact that they filed it in Texas doesn't breathe any validity into it. And we've cited cases in our brief which I believe go to that point.

I would like to try to make the point that every state have its own jurisdiction to handle insurance liquidations that it wants to. There's no overall nationwide scheme. But there is a general plan that has developed. And that general plan, while it's not perfect, it's fairly straightforward, and it's fairly simple. And what it provides is that the primary right to liquidate an insurance company is in the state where it is domiciled, where it is either chartered or where it has become licensed and has the authority to do business. And the domiciliary state, which is not Tennessee in this case, the domiciliary estate has the primary right if the company that's placed in liquidation and the domiciliary state has assets in other jurisdictions, then there should be ancillary receiverships where those assets are and the ancillary receivers handle those assets, handle the claims and ultimately transfer the net assets to the domiciliary estate. It's much like a home office with some branch offices that are handling the business of this insurance company.

Just last week, I received a copy of the brief. In the publication of the insurance section of the American Bar Association there are three good articles on insurance liquidation and insolvency in it. It generally points out this scheme. It said, "generally when the insurer is placed in receivership, the insurance commissioner of the insured's state of domicile will be appointed to serve as a receiver." It goes ahead and talks about ancillary receiverships, "An ancillary receiver may be appointed in a non-domiciliary state in which the insolvent insurer maintains assets. The ancillary receiver marshals the local assets of the insolvent insurer uses them to pay secured claims and claims against special deposits asserted by claimants residing in the ancillary state, and then to reimburse itself for the cost of administering the receivership excess funds are transferred to the domiciliary receiver and become part of the general assets of the estate. Other claimants in an ancillary state may adjudicate their claims and exercise the option of having the ancillary receiver adjudicate their claims provided the domiciliary receiver is provided with notice and an opportunity to contest the claim. This option is designed to afford the greatest convenience to the state claimant, so that at least for the purposes to disallow to the claim, the claimant need not travel to or retain counsel in the state in which the insolvent insurer was incorporated."

GONZALEZ: You represent the bank. And the bank says, "the funds are not mine they belong to somebody else." What is your interest if they are litigated here in Texas or Tennessee? What do you care?

MILLER: My interest is that they say, "we've got to go to Tennessee to file this interpleader action."

GONZALEZ: You send the funds to Tennessee, period.

MILLER: We have to go down there.

GONZALEZ: Wire transfer the funds to the court in Tennessee. What's the big deal?

MILLER: In order for us to be protected, we're faced with competing claims. There's another claimant, Mr. Axel's client, who says these funds belongs to them. If we just pay them voluntarily to the receiver, then we may be libel...

GONZALEZ: You're not paying them voluntarily, the receiver is making a claim.

MILLER: But we're volunteering to pay that claim rather than asking the court, "is that a legitimate claim?" Nobody has ever decided yet, that these are the funds of Anchorage. That's the issue in this case, "Do they belong to Anchorage or are these people entitled to them?" The bank doesn't care. The bank is a stakeholder, and that's the traditional concept of interpleader. A stakeholder faced with multiple claims in order to protect itself has the right to go in and invoke the in rem jurisdiction of the court saying, "Here are the assets judge, decide who's entitled to these." Now the State of Tennessee liquidator can decide we're not going to make claim to those, we're not going to Texas, or it can come to Texas to lay claim to those assets. It can do whatever it wants to. But a Texas citizen with assets in Texas that has no connection with the State of Tennessee shouldn't be required to go to the State of Tennessee simply to invoke the in rem jurisdiction of a court to protect itself from multiple claims that are being made against it.

GONZALEZ: I just find it difficult to understand your interest in the whole situation.

MILLER: Our interest is simply not to be exposed twice to paying this money to wrongfully paying the money. And if we voluntarily give it to one of the competing interests, and we're wrong, they are not entitled to it, if the ultimate decision in this case is that Anchorage doesn't own those funds, we've given them to the wrong party.

GONZALEZ: They have the label "Anchorage" all over them.

MILLER: There are no facts in this record, which indicate that topside or bottom. I believe if you will look at this record that is their claim. I think there are competing claims, which

I believe I understood him to say, is that these people are saying that some of the transfers that were made into the name of "Anchorage" are fraudulent, and should be set aside and they are entitled to the money, so that there are competing claims even though Anchorage names may be on some of it. There are competing claims to the ownership of the funds. We don't have a stake in that. They don't belong to us. We simply want to be protected. The banks in Hurst, Texas invoked the in rem jurisdiction of a Texas court. If they are right, no court anywhere in the world could involve Anchorage on any kind of issue. They would have to go to the receivership and let the receiver answer the question, "Whose funds are they?" That seems to me to be an extremely incongruous situation that's not consistent with any concept.

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AXEL: We appear today not only on behalf of our client United Shortline, but also on behalf of our deceased colleague and very good friend, Jerome Ferguson, who was both trial counsel and counsel at the CA for United Shortline below.

I think that quite frankly the real issue before this court is whether or not a void judgment or a judgment void on its face is ever entitled to full faith and credit, or is entitled to be given effect under principles of comity. And I think that a careful reading of the Tennessee statutes which govern the outcome of this case gives rise to that question. The statute is very clear and unambiguous that in the case of a foreign insurer or an alien insurer not domiciled in the state of Tennessee, the court only can liquidate or order the commissioner to liquidate assets found in the State of Tennessee. There is a complete statutory scheme in Tennessee for the liquidation, the rehabilitation of insurance companies. And in fact, they have specific provisions that apply to domestic insurers, specific provisions that apply to foreign or alien insurers domiciled in the State of Tennessee, and the provision that applies to this case of an alien insurer not domiciled in the State of Tennessee. And in each case, the jurisdiction of the court is different. A domestic insurer, the Tennessee court has jurisdiction of assets found anywhere. An alien or foreign insurer not domiciled in the State of Tennessee, the commissioner or the court has jurisdiction of assets found in the US. And in the case as we have here with an alien insurer not domiciled in Tennessee, the bright line is drawn at the borders of the State of Tennessee, and the court does not have jurisdiction of any assets outside the State of Tennessee

Now, I've listened to the...going back to the Magna Carta about the authority of the chancery courts, and I agree, the chancery courts do occupy a very sacrosanct place in our common law heritage; however, we are dealing with a specific act of the Tennessee legislature. And I think that to give _____ to that act and to read that statute as to have any effect whatsoever, it is clear that these assets that we're arguing about located in the State of Texas are beyond the purview of the Tennessee court

The *Bard* decision, which has been cited by the petitioner in support of its position as being on point here, is totally not on point, because the *Bard* decision we believe was

entirely and correctly decided, and properly decided dealt with a Vermont order that was in the process of liquidating a Vermont corporation, a corporation chartered in Vermont. And there was a specific statute that's cited by this court in its 1992 *Bard* decision at footnote 1, which gave the commissioner of insurance in Vermont the authority to wind up all affairs with title to all of the assets of any such insurer against which _____ supersedings have been commenced. Because that was a domestic Vermont corporation, the court had authority to exercise jurisdiction over assets located outside the state of Vermont. And this court gave that order full faith and credit. If we were talking about a domestic Tennessee corporation chartered in the State of Tennessee, we would not be arguing this case today, because the judgment would be entitled to full faith and credit. But as Justice Hecht pointed out, I think there are Tennessee cases which point out that a court that exercises jurisdiction where it has none essentially gives rise to a void order which is subject to collateral attack. *Brown v. Brown* is one of those cases that we think is directly on point, because in that case, the Tennessee SC held, that a court order which awarded alimony when it was not authorized to do so by statute, was the author of a void order that was not enforceable and could be collaterally attacked. We think the same situation applies here, because the Tennessee order is void on its face in that the court usurped power which it did not have, that is the attempt to exercise jurisdiction.

HECHT: Do you agree that that's the standard, usurp power?

AXEL: I think it is the standard.

HECHT: And the northern district just misapplied it?

AXEL: I'm glad you brought up Judge Fritzwater's opinion. Judge Fritzwater, I think if you read the opinion carefully, was struggling mightily not to rule on the merits of that case. And so what he did basically is take the standard, which is the erroneous exercise of power granted as opposed to the usurpation of power will not exist, and basically found as 7th circuit opinion, and grafted on top of that another standard, which is a reasonable misinterpretation of the law as opposed to an egregious misinterpretation of the law. By either standard, we think in this case how could it be an any more egregious misinterpretation of the law than to exercise jurisdiction in the face of specific statutory prohibition? I think that Judge Fitzwater was tiptoeing very carefully in an area perhaps of federal verses state court jurisdiction, and perhaps he would rather have this decided in Tennessee or by some other state court and simply did not want to reach a decision on the merits. Because, quite frankly, in the last couple of paragraphs he says, "that he was troubled by the record," and I think that if he hadn't reached decision on the merits, I think the decision would be not to give it full faith and credit.

But the fact is, that this court maybe does not have the luxury of Judge Fitzwater, because now it's right in your lap and some decision needs to be made here. I think that it would be an even greater mistake for the Texas SC to give full faith and credit to a judgment void on its face than to do any of the things, which either the petitioner or the AG say would cause all of

these problems. I don't think it would cause any problems. I don't think the petitioner has been able to cite a single case to this court of devastating impossibility of liquidation as a result of applying this narrow scenario or addressing this narrow issue, which involves only an alien insurer not domiciled in the state. The order of this court could be tailored very narrowly to fit just the specific facts of this case, and I don't think it would have a detrimental effect on the interstate liquidation of insurance companies.

ENOCH: How does the result you argue for, how can that be made consistent with the result in the *Bryant v. Shields* case, out of the Dallas CA?

AXEL: The *Bryant v. Shields* case, first of all and I think the biggest distinction of that case is that it did not involve assets located in the State of Texas. We are dealing here with a quasar quasi in rem situation where we have specific identifiable assets over which in this case the Texas court exerted jurisdiction. In the *Shields* case, the Shields law firm had performed legal services on behalf of an insured at Anchorage, and didn't get paid. Basically, they sued to collect their legal fees. That was a claim first of all directly against Anchorage. This case does not involve a claim directly against Anchorage. The claim being made here is to assets located in the State of Texas. Furthermore, in that case, the law firm occupied the position merely of an unsecured creditor. And Justice Hankinson spent as much time deciding whether or not it was a final judgment than anything else in that opinion. And so I think those are apples and oranges, because we are dealing with assets here, clearly identifiable, located in the State of Texas and that's what makes them outside the scope of the Tennessee statute.

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REBUTTAL

LAWYER: I will give due deference to Mr. Axle, he is in an unfortunate circumstance of being only in the case of a few days. However, his attempt to distinguish the *Shields* case, is profoundly wrong.

Mr. Shields went out and garnished bank accounts at Lockwood National Bank and Surety Bank, Mr. Miller's client. That is how Shields, Britton & Fraser, is involved in this case. There were assets in this state. Justice Hankinson was right, the Tennessee order was entitled to full faith and credit. There is no basis to distinguish it and the attempt by the Ft. Worth court completely missed the mark.

GONZALEZ: What about the argument the suit was specifically against Anchorage in the previous case, and that's a distinguishing feature from this case?

LAWYER: I think that is a distinction without a difference. There were never any claims at the time this lawsuit started against Anchorage. There were no claims against the bank. If you look at the chronology I give to you, all that United Shortline sought to do was get two accounts at

Surety Bank, that it thought Mr. Griffis had control over. There was no suit against the bank. There was no suit against Anchorage. What happened subsequently is that Anchorage went into receivership. And, yes, those were domesticated in Texas. And contrary to what Mr. Miller said, the bank was given a notice; however, it was not made a party. There was no reason to make it a party. More importantly, there was no reason to have an ancillary receivership, because Anchorage was not domiciled in any state in the country.

The Dept. of Insurance for the State of Texas did attempt to start one, a cease and desist order issued out of the 331st DC, Harris County. And what did the bank do? The bank ignored it. For all of his reading about ancillary receiverships, the plain fact is, Mr. Miller's client ignored the very ancillary receivership he said should have been started. The state did start it and then found it didn't need one.

HECHT: If the Tennessee statute read, "found only in this state and not in any other state," would that be clear enough to not give this order full faith and credit?

LAWYER: No.

HECHT: Is there anyway the Tennessee statute could be clear enough, that this court's order would not be entitled to full faith and credit?

LAWYER: I don't know how a legislature can write it, especially when dealing with the case here. You have an offshore company. No state in the union has stepped forward. Tennessee did. I don't know how a legislature can conceive of that circumstance when someone is going to decide where policyholders are not getting paid, where creditors are going without payment, how to construct that statute so that somebody won't challenge it? And I think that's the very reason that we have the concepts of full faith and credit and comity. If the people of Texas thought that it should have happened through their designated representative, the State Dept. of Insurance, they would have started that ancillary receivership. They went through the start of the process and found that it was not needed, because Tennessee was addressing the issue. There weren't even any policyholders in Texas of Anchorage.

GONZALEZ: Following up on Justice Hecht's question. Mr. Miller makes a strong argument that the chancery order only has those powers given to them by statute, and the statute clearly says, "we have the power to liquidate assets found in this state, period."

LAWYER: "And to take such other steps as you deem appropriate." Mr. Miller only wants to read, as did the Ft. Worth CA, §402a. You have to read 402c, as well. If you're going to do, as we've heard today through all 3 cases, "don't read a statute so as to render it meaningless," don't render this one meaningless as well. There's a reason that the Tennessee legislature stuck that provision in there.

ABBOTT: But why could they not have written it excluding those 3 words "in this state?" Wouldn't that solve the whole problem?

LAWYER: I don't know that it would. As I said to you, I don't know how a legislature can conceive of every business that is or may be doing business there and attempt to address a statute for that. I think that's why they have included a chancery department to administer it. I can't speak to what the legislature in Tennessee might have been thinking. But I know that if you look at all the statutes in each of the states none goes that distance.