

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	CIVIL ACTION FILE NO.
	)	1:13-CV-01817-WSD
v.	)	
	)	
DETROIT MEMORIAL PARTNERS, LLC	)	
and MARK MORROW,	)	
	)	
Defendants.	)	

**RECEIVER’S SIXTH APPLICATION FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES  
(FIRST QUARTER 2015)**

Jason S. Alloy, the Receiver for Detroit Memorial Partners (“DMP”), files this Application seeking the Court’s approval to pay the Receiver’s professional service fees and expenses for the period January 1, 2015 through March 31, 2015 (the “Time Period”). In support of his Application, the Receiver shows the following information as required by the Court’s Order Appointing Receiver [Dkt. 51] (the “Receiver Order”) and the “Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission” (the “Billing Instructions”). The Receiver submitted a complete copy of this Application to the

SEC, Mark Morrow, and DMP's members for their review on April 15, 2015.

Neither the SEC, Morrow, nor the members raised any issues or objections to this Application.

**INFORMATION ABOUT THE APPLICANT AND THE APPLICATION**

***Billing Instructions § C(1)(a) through (d)***

1. ***Date the Receiver was Appointed:*** November 22, 2013.
2. ***Date of the Order Approving Employment of the Applicant.*** The law firm Robbins Ross Alloy Belinfante Littlefield, LLP ("Robbins Firm") was approved as counsel to Receiver on November 26, 2013, although the Robbins Firm began providing legal services to DMP on September 24, 2013. The accounting firm Habif Arogeti & Wynne ("Habif Arogeti") was approved on March 12, 2014.
3. ***Date Services Commenced:*** The Robbins Firm's services commenced on September 24, 2013. The Receiver first consulted with Habif Arogeti on February 10, 2014.
4. ***Names and Hourly Rates of All of Applicant's Professionals and Paraprofessionals.*** See the Fee Schedule attached hereto as Exhibit "B".
5. ***Whether the Application is Interim or Final, and the Dates of Previous Orders on Interim Applications Along with Amounts Requested and the***

***Amounts Allowed or Disallowed, All Amounts of Previous Payments, and Amount of Any Allowed Applications which Remain Unpaid.*** This is the sixth interim Application filed by the Receiver. Previous applications are as provided in the table below. All prior applications have been approved and all fees have been paid to the appropriate service providers:

<b>Date of Application</b>	<b>Amt. Requested</b>	<b>Date Order Entered</b>	<b>Amt. Allowed (fees/expenses)</b>
Feb. 14, 2014 [Doc. 68]	\$22,669.67	Mar. 2, 2014 Order [Doc. 75]  June 3, 2014 Judgment [Doc. 88]	\$22,669.67 (full amount)
May 15, 2014 [Doc. 86]	\$83,006.00	June 3, 2014 Order & Judgment [Docs. 87 & 89]	\$83,006.00 (full amount)
Aug. 14, 2014 [Doc. 97]	\$58,553.17	Nov. 25, 2014 Order [Doc. 106]	\$58,553.17 (full amount)
Nov. 14, 2014 [Doc. 103]	\$66,889.83	Nov. 21, 2014 Order [Doc. 104]	\$66,889.83 (full amount)
Feb. 16, 2015 [Doc. 111]	\$34,340.27	Feb. 17, 2015 Order [Doc. 112]	\$34,340.27 (full amount)

**CASE STATUS (NARRATIVE)**  
***Billing Instructions § C(2)(a) through (e)***

6. ***Amount of Cash on Hand; Amount and Nature of Accrued Expenses; Amount of Unencumbered Funds in the Estate.*** As reflected in the Standardized Fund Accounting Report attached hereto as Exhibit “A”, DMP’s total cash on hand at the close of the quarter was \$6,280,558.05.

DMP’s total accrued expenses for the Time Period are (1) \$47,698.44 in attorneys’ fees and expenses incurred by the Robbins Firm, and (2) \$10,037.00 in fees from Habif Arogeti.

The Receiver is unaware of any additional unencumbered funds in the estate at this time.

7. ***Summary of the Administration of the Case, Including All Funds Received and Disbursed, and When the Case Is Expected to Close.*** In the Time Period the Receiver continued to focus on tasks that would most efficiently move the receivership toward its conclusion, including the following:

**a. *Potential Sale of DMP 49% Interest in Midwest Memorial Group (MMG)***

During the Time Period, the Receiver received and analyzed multiple offers from potential buyers of DMP’s 49% interest in MMG. The Receiver spent much of his time during the Time Period in high-level discussions with the interested

parties to determine which of the offers is more advantageous to DMP, and which is more likely to close. Also, on February 27, 2015, the Receiver nominated two new board members to MMG's Board of Managers: Steve Kester and Doug Topkis.

The Receiver is optimistic that he will be able to entertain an offer for the 49% interest in the near term that is advantageous to DMP and its stakeholders.

**b. Participation in MMG Capital Call**

The details regarding DMP's participation in the latest stage of MMG's capital call are set forth in full in the Receiver's Unopposed Motion to Authorize DMP's Participation in MMG's Capital Call, filed March 31, 2015. [Doc. 113.]

Briefly, on January 16, 2015, MMG management notified the Receiver that the third stage of MMG's capital call was needed, and that MMG's Board would be voting for an additional capital contribution from MMG's members in the amount of \$500,000. DMP's portion of the capital call would be \$245,000. After analyzing the costs and benefits of participating in the capital call, the Receiver determined that participation would be in DMP's best interests. The Receiver filed his motion for authorization on March 31, 2015, and the motion was granted on April 1, 2015. [Docs. 113-14.] The Receiver delivered the funds to MMG on April 2, 2015.

8. *Description of Assets in the Receivership Estate, Including Approximate or Actual Valuations, Anticipated or Proposed Dispositions, and Reasons for Retaining Assets Where No Disposition is Intended.* A complete description of the assets in the Receivership Estate was provided in the Accounting filed on February 21, 2014. [Doc. 73.] The assets at the close of the Time Period were solely the cash on hand totaling \$6,280,558.05, plus the value of DMP's 49% membership interest in Midwest Memorial Group, LLC.

The Receiver will present a proposal to the Court for the disposition of assets once the outstanding issues described above are resolved and the creditor claims proceeding is concluded.

9. *Descriptions Of Liquidated and Unliquidated Claims Held by the Receiver.* The Receiver has conducted a preliminary analysis of all claims that DMP may currently have against third parties, and all claims that third parties may have against DMP. Given DMP's limited resources, the Receiver only intends to pursue a claim on DMP's behalf of DMP if the potential benefits to DMP's creditors and its likelihood of success on the merits outweigh the anticipated costs of litigation. Thus far, the Receiver has not identified any potential claims for which the benefits outweigh the expected costs. However, this analysis is ongoing

and the Receiver will continue to consider any claims DMP has against third parties.

Additionally, the Receiver has received inquiries from potential claimants about the related class action Curry et al. v. TD Ameritrade et al., Case No. 1:14-cv-01361-LMM, currently pending before this Court, and the Receiver's counsel has informed claimants and their advisors of where they can obtain further information about that case.

**CURRENT AND PREVIOUS BILLINGS**  
***Billing Instructions § C(3)(a) through (c)***

10. ***Total compensation and expenses requested.*** The total compensation and expenses requested at this time for the Time Period are \$47,698.44 for the Receiver and the Robbins Firm and 10,037.00 for Habif Arogeti.

11. ***Any amount(s) previously requested, and total compensation and expenses previously awarded by the Court.*** See paragraph 5 above.

12. ***Total hours billed and total amount of billing for each person who billed time during the period for which fees are requested.*** See Billing Summary for Professionals and Paraprofessionals, attached hereto as Exhibit "C".

**STANDARDIZED FUND ACCOUNTING REPORT**

*Billing Instructions § C(4)*

13. Attached as Exhibit “A” is a Standardized Fund Accounting Report for the most recently concluded calendar quarter.

**PRESENTATION OF FEES AND EXPENSES**

*Billing Instructions § D(1) et seq.*

14. Attached as Exhibit “D-1” is a detailed invoice from the Robbins Firm reflecting the time entries of the Robbins Firm’s personnel during the Time Period. The time entries are categorized in chronological order in the “Activity Categories” listed in § D(5)(a) of the Billing Instructions.

15. Attached as Exhibit “D-2” is a detailed invoice from Habif Arogeti reflecting the time spent in providing valuation services to DMP during the Time Period.

16. Attached as Exhibit “E” is the Receiver’s Certification of the information contained in this Application.

17. Attached as Exhibit “F” is a proposed Order Granting Receiver’s Application for Compensation and Reimbursement of Expenses.

**ADDITIONAL REPRESENTATIONS BY THE RECEIVER**

*Receiver Order ¶ 49(B)*

18. The fees and expenses requested herein were incurred in the best interests of the Receivership Estate.



19. The Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate, or any sharing thereof.

WHEREFORE, the Receiver asks this Court to approve all of the fees and expenses described herein and attached, and to authorize the immediate payment of same to the extent that funds are available to do so.

Respectfully submitted this 15th day of May, 2015.

*/s/ Jason S. Alloy*

Jason S. Alloy

Georgia Bar No. 013188

ROBBINS ROSS ALLOY BELINFANTE

LITTLEFIELD LLC

999 Peachtree Street, N.E., Suite 1120

Atlanta, Georgia 30309

Telephone: 678-701-9381

Facsimile: 404-601-6733

*Appointed Receiver for Defendant*

*Detroit Memorial Partners, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that on this day, I electronically filed the foregoing **RECEIVER'S SIXTH APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES (FIRST QUARTER 2015)** with the Clerk of Court using the CM/ECF system, which will send email notification of such filing to all attorneys of record. The foregoing was also personally served by email and U.S. Mail on Defendant Mark Morrow at the following addresses.

Mark Morrow  
8643 Twilight Tier  
Cincinnati, Ohio 45249  
[mmorr7887@aol.com](mailto:mmorr7887@aol.com)

This 15th day of May, 2015.

*/s/ Jason S. Alloy*  
Jason S. Alloy