

**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 THIRTEENTH APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES (FOURTH QUARTER 2016)**

Jason S. Alloy, the Receiver for Detroit Memorial Partners (“DMP”), files this Thirteenth Application seeking the Court’s approval to pay the Receiver’s professional service fees and expenses for the period October 1, 2016 through December 31, 2016 (the “Time Period”).

The Receiver’s counsel submitted a complete copy of this Application to the SEC, Mark Morrow, and DMP’s nonparty members for their review on January 17, 2017, and no party expressed any objection.

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 the Receiver on November 26, 2013, although the Robbins Firm began providing legal services to DMP on September 24, 2013. Accounting firm McLean Koehler Sparks & Hammond (“McLean Koehler”) was approved on March 26, 2014. The law firm Dykema Gossett, PLLC (“Dykema”) was approved on June 17, 2015.

3. ***Date Services Commenced:*** The Robbins Firm’s services commenced on September 24, 2013. The Receiver first consulted with McLean Koehler on February 4, 2014. Dykema began providing services on May 4, 2015.

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 thirteenth interim Application for fees filed by the Receiver. Applications have been approved through the Third Quarter of 2016, and all approved fees through

the Third Quarter of 2016 have been paid to the appropriate service providers. The previous applications were as follows:

Date of Application	Amt. Requested	Date Order Entered	Amt. Allowed (fees/expenses)
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)
May 15, 2015 [Doc. 116]	\$57,735.44	June 5, 2015 Order [Doc. 117]	\$57,735.44 (full amount)
Aug. 14, 2015 [Doc. 127]	\$99,412.90	Sept. 2, 2015 Order [Doc. 131]	\$99,412.90 (full amount)
Nov. 16, 2015 [Doc. 133]	\$63,990.20	Feb. 3, 2016 Order [Doc. 149]	\$63,990.20 (full amount)
Feb. 15, 2016 [Doc. 151]	\$75,316.42	N/A	N/A

Mar. 3, 2016 (Amended) [Doc. 153]	\$65,399.92	Mar. 9, 2016 Order [Doc. 155]	\$36,307.92 (partial amount)
May 16, 2016 [Doc. 161]	\$73,048.48	May 18, 2016 Order [Doc. 162]	\$73,048.48 (full amount)
Aug. 15, 2016 [Doc. 164]	\$40,330.29	Aug. 17, 2016 Order [Doc. 165]	\$40,000.29 (partial amount)
Nov. 14, 2016 [Doc. 186]	\$79,495.09	Dec. 8, 2016 Order [Doc. 187]	\$79,495.09 (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 Time Period was \$1,458,671.94. Since the close of the Time Period, the Receiver has made significant additional distributions. The amount of cash currently on hand is \$854,217.88, although there are a number of outstanding checks that will reduce that amount significantly.

DMP's accrued expenses for the Time Period are (1) \$49,708.91 in attorneys' fees and expenses from the Robbins Firm, and (2) \$2,599.92 in fees from McLean Koehler, and (3) \$296.45 in fees and expenses from Dykema. DMP's total accrued expenses for the Time Period are \$52,605.28. In addition, the

Receiver is still due to pay out \$133,307.36 in distribution payments to claimants.

7. *Summary of the Administration of the Case, Including All Funds Received and Disbursed, and When the Case Is Expected to Close.*

During the Time Period, the Receiver's efforts were focused on executing the Receiver's Plan of Distribution [Doc. 166], including answering claimant questions, dealing with claimant disputes, and briefing issues addressing the two objections that were filed. [See Docs. 174, 180.] The Receiver and his counsel also spent time preparing for and attending the hearing on the motion to approve the plan. [Doc. 181.] Once the Court approved the plan, the Receiver and his staff spent a significant amount of time preparing to distribute checks, coordinating the actual distribution, and answering questions from claimants regarding the payments. Some of the original claimants held the DMP investment in trusts or other arrangements that have now changed. These changed circumstances have required coordination so that the payments get to the rightful recipient. Further, each claimant was required to send the Receiver a signed Assignment of Claim [Doc. 166-2] before their distribution may be sent, and there are approximately five (5) claimants who have not submitted their Assignment of Claims. The Receiver's staff is currently reaching out to those claimants to collect the Assignments so that the distribution process can be completed.

Regarding when the case is expected to close, the Receiver's work is ongoing and Defendant Morrow has moved to stay the case pending resolution of his criminal proceeding. [Doc. 190.] In addition, DMP has a right to receive earn-out payments from Park Lawn relating to the sale of MMG through the year 2018. (See section 9 below.) The Receiver's involvement in this case will depend on when DMP exercises all of its earn-out rights.

8. *Summary of Creditor Claims Proceedings.* The Receiver sent claim forms to potential claimants on August 15, 2014, with responses due by November 14, 2014. The Receiver filed his Motion to Approve Plan of Distribution with the Court on August 30, 2016. Objections were due by October 7, 2016, and a hearing on those objections was held on October 18, 2016.

On November 8, 2016, the Court entered an Opinion and Order denying the objection submitted by Summit Receiver Robert D. Terry, and sustaining the objection of claimant Leonard J. Walter. The Court ordered the Receiver to file, before November 30, 2016, a revised distribution plan chart showing the updated claim amounts for all claimants. [Doc. 183.] The Receiver filed his Third Amendment with a revised distribution chart that same day. [Doc. 184.]

On November 10, 2016, the Court approved the Third Amendment and ordered that the Receiver may distribute funds consistent with the Third

Amendment. [Doc. 185.] As of this filing, the Receiver has made \$12,581,902.73 in distributions to claimants and hopes to conclude that process by the end of the First Quarter of 2017.

9. ***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.*** The assets at the close of the Time Period were the cash on hand on December 31, 2016 totaling \$1,458,671.94, plus the value of DMP's rights under the earn-out provision in the Stock Purchase Agreement with Park Lawn.

Under the terms of the earn-out provision, DMP is entitled to receive additional cash consideration if MMG meets certain earnings benchmarks (defined in the Agreement) in the years 2016, 2017, and 2018. Under the terms of the earn-out, DMP may elect to receive not less than 10% but up to 100% of its share of the earn-out for the 2016 calendar year. DMP may elect to receive not less than 33% but up to 100% of its share of the earn-out for the 2017 calendar year. For the 2018 year, DMP will receive the remaining percentage of its share of the earn-out.

MMG is required to send DMP the potential earn-out consideration for the year 2016 on or before March 31, 2017. Once the Receiver has reviewed the information provided by MMG, he will make DMP's 2016 election.

Regarding anticipated dispositions, see paragraph 8 above.

10. ***Descriptions Of Liquidated and Unliquidated Claims Held by the Receiver.*** As part of the Plan of Distribution, the Receiver required Donna Jo Hoffman Brownstone to assign to DMP a judgment she obtained against Mark Morrow in the amount of \$102,040.64. [See Doc. 166 at 30.] As the assignee of the judgment, the Receiver intends to obtain discovery from Morrow to determine if there are any assets against which the Receiver might collect.

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

11. ***Total compensation and expenses requested.*** The total compensation and expenses requested at this time for the Time Period are (1) \$49,708.91 in attorneys' fees and expenses from the Robbins Firm, and (2) \$2,599.92 in fees from McLean Koehler, and (3) \$296.45 in fees and expenses from Dykema.

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

13. ***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)

14. Attached as **Exhibit A** is a Standardized Fund Accounting Report for the Time Period.

PRESENTATION OF FEES AND EXPENSES

Billing Instructions § D(1) et seq.

15. Attached as **Exhibit D-1** is a detailed invoice from the Robbins Firm reflecting the time entries 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.

16. Attached as **Exhibit D-2**, is McLean Koehler’s invoice dated November 15, 2016, reflecting tax advice provided to MMG.

17. Attached as **Exhibit D-3**, is Dykema’s invoice dated November 10, 2016, reflecting legal services provided to MMG.

18. Attached as **Exhibit E** is the Receiver’s Certification of the information contained in this Application.

19. Attached as **Exhibit F** is a proposed Order Granting Receiver’s Thirteenth Application for Compensation and Reimbursement of Expenses.

ADDITIONAL REPRESENTATIONS BY THE RECEIVER

Receiver Order ¶ 49(B)

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

21. 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 14th day of February, 2017.

/s/ Jason S. Alloy _____

Jason S. Alloy

Georgia Bar No. 013188

ROBBINS ROSS ALLOY BELINFANTE

LITTLEFIELD LLC

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*Appointed Receiver for Defendant
Detroit Memorial Partners, LLC*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **RECEIVER'S THIRTEENTH APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES (FOURTH QUARTER 2016)** has been prepared with one of the font and point selections approved by the Court, and that it has been filed electronically with the Clerk of Court using the CM/ECF system, which will send 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 his last known addresses.

Mark Morrow
8643 Twilight Tear Lane
Cincinnati, Ohio 45249
mmorr7887@aol.com

This 14th day of February, 2017.

/s/ Jason S. Alloy

Jason S. Alloy