

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

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

**RECEIVER’S QUARTERLY STATUS REPORT  
FOR THE THIRD QUARTER OF 2018**

Pursuant to the Court’s Order Appointing Receiver [Doc. 51], Jason S. Alloy, the Court-appointed Receiver for Detroit Memorial Partners, LLC (“DMP”), hereby files the Receiver’s Quarterly Status Report for the **Third Quarter of 2018** (the “Time Period”).

**QUARTERLY STATUS REPORT**

**I. Summary of the Operations of the Receiver.**

During the Time Period, the Receiver and his counsel and staff spent a considerable amount of time facilitating the distribution of checks to claimants, including rerouting lost and unclaimed Federal Express packages that were

undeliverable because addresses were out of date, and communicating with claimants about various claimant-specific issues, including multiple instances in which the changed legal circumstances of the claimant complicated the distribution. To date, 187 total checks have been issued for an interim distribution and 181 have been cashed for a total of \$244,822.74. The Receiver also filed a response in opposition to St. Augustine's petition seeking to purchase the "28 Michigan Cemeteries." (Doc. 224.) The petition was denied. (Doc. 231.)

**II. Cash on Hand, Accrued Administrative Expenses, and Unencumbered Funds in the Estate.**

As reflected in the Schedule of Receiver's Receipts and Disbursements, Third Quarter 2018 (attached hereto as Exhibit A), DMP's total cash balance at the close of the Time Period was \$103,874.70.

DMP's accrued expenses for the Time Period are \$18,587.05 in attorneys' fees and expenses from the Robbins Firm.

**III. Schedule of Receiver's Receipts and Disbursements (Attached as Exhibit A).**

See Schedule of Receiver's Receipts and Disbursements, for Third Quarter 2018 (attached hereto as Exhibit A).

**IV. Description of All Known Receivership Property, Including Approximate/Actual Valuations, Anticipated/Proposed Dispositions, and Reasons for Retaining Assets Where No Disposition Is Intended.**

The assets at the close of the Time Period were the cash balance of \$103,874.70, plus the value of DMP's rights under the earn-out provision in the Interest Purchase Agreement with Park Lawn.<sup>1</sup>

**V. Description of Liquidated and Unliquidated Claims Held by the Receivership Estate, Including the Need for Forensic and/or Investigatory Resources; Approximate Valuations of Claims; and Anticipated or Proposed Methods of Enforcing Such Claims (Including Likelihood of Success in: (i) Reducing the Claims to Judgment; and, (ii) Collecting Such Judgments).**

The Receiver is not aware of any additional liquidated or unliquidated claims that have not already been pursued.

**VI. List of All Known Creditors.**

The Receiver's most recent list of creditors and claim amounts can be found at Docket Entry 214-1, which has also been posted to the Receiver's website at [www.dmpreceivership.com](http://www.dmpreceivership.com).

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<sup>1</sup> Under the terms of the earn-out provision, DMP was entitled to receive additional cash consideration (the "earn-out") if the MMG cemeteries now owned by Park Lawn meet certain earnings benchmarks (defined in the Interest Purchase Agreement) in the years 2016, 2017 and 2018. The cemeteries did not meet the necessary benchmarks in 2016 or 2017. The Receiver will learn if DMP is eligible for a 2018 earn-out when Park Lawn releases its annual financials in April 2019.

## **VII. Status of Creditor Claims Proceedings.**

On November 10, 2016, the Court approved the Receiver's Plan of Distribution (as amended) and ordered that the Receiver distribute funds consistent with the Plan. [Doc. 185.] Those funds were distributed as directed as set forth in the Plan of Distribution. In May 2018, the Court granted the Receiver's motion to make an interim distribution of \$250,000 in aggregate to the approved DMP claimants. [Doc. 214, 218.] The Receiver has issued the interim distribution checks. The Receiver may make a small final distribution at the conclusion of the Receivership, depending upon the funds remaining in the Receivership Estate.

## **VIII. Receiver's Recommendations for a Continuation or Discontinuation of the Receivership and the Reasons for the Recommendations.**

The Receiver recommends that the Receivership proceed through June 2019 so that the Receiver may (1) determine if DMP is eligible for an earn-out payment based on MMG's 2018 financial results, which DMP expects to have on or before March 31, 2019, and (2) distribute the remaining funds, if any, as appropriate. Barring unforeseen circumstances, the Receiver expects Receivership expenses through the end of 2018 to be kept at a minimum.

Respectfully submitted this 30th day of October, 2018.

*/s/ Jason S. Alloy*

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*Appointed Receiver for Defendant  
Detroit Memorial Partners, LLC*

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing **RECEIVER'S QUARTERLY STATUS REPORT FOR THE THIRD QUARTER OF 2018** 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 mmorr7887@aol.com and at the following address:

Mark Morrow  
Inmate No. 75250-061  
FCI Ashland  
State Route 716  
Ashland, KY 41105

This 30<sup>th</sup> day of October, 2018.

/s/ Jason S. Alloy  
Jason S. Alloy