

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

SECURITIES AND EXCHANGE)
COMMISSION,)

Plaintiff,)

v.)

DETROIT MEMORIAL PARTNERS, LLC)
and MARK MORROW,)

Defendants.)

CIVIL ACTION FILE NO.
1:13-CV-01817-WSD

**RECEIVER’S EIGHTH APPLICATION FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES
(THIRD 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 July 1, 2015 through September 30, 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’s counsel submitted a complete copy of this Application

to the SEC, Mark Morrow, and DMP's nonparty members for their review and no party expressed any objection 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 the Receiver on November 26, 2013, although the Robbins Firm began providing legal services to DMP on September 24, 2013. The 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. The Dykema Firm 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 eighth 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:

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)
August 14, 2015	\$99,412.90	Sept. 2, 2015 Order [Doc. 131]	\$99,412.90 (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 \$5,633,409.71.

DMP’s accrued expenses for the Time Period are (1) \$22,587.31 in attorneys’ fees and expenses incurred by the Robbins Firm, (2) \$5,763.39 in fees from McLean Koehler, and (3) \$35,639.50 in fees and expenses from Dykema.

DMP’s total accrued expenses for the Time Period are \$63,990.20.

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.***

a. Sale of DMP's 49% Interest in Midwest Memorial Group

In the Time Period the Receiver focused efforts on completing the sale of DMP's 49% interest in Midwest Memorial Group (the "49% Interest") to the interested purchaser identified in the Receiver's Unopposed Motion for Approval to Negotiate Sale of Receivership Property. [Doc. 119.] Following the due diligence period specified in the parties' June 1, 2015 letter of intent [the "LOI", Doc. 119, Ex. A], the prospective purchaser notified the Receiver that due to market conditions, it was no longer able to close on the purchase of the 49% Interest under the terms of the LOI. However, the Receiver and the prospective purchaser have continued to discuss a possible deal under modified terms, and the Receiver has made progress on a potential deal under these new terms in the last two weeks. Under the new terms, a deal with the prospective purchaser would likely close in the Fourth Quarter of 2015, subject to approval of the Cemetery Commissioner in the State of Michigan. If the deal with the prospective purchaser does not close, the Receiver will resume attempts to market and sell the 49% Interest.

b. Participation in MMG Capital Call

On or about June 19, 2015, MMG's Board of Managers determined that a capital call from the members would be necessary to fund current operations, make

payroll, pay certain debts and fund ongoing construction of a mausoleum at one of the Michigan cemeteries. The total amount of the capital call was \$778,000, and DMP's 49% portion of that amount was \$382,000.

The Receiver moved the Court to allow DMP's participation in the capital call on June 25, 2015. [Doc. 123.] The Court granted the motion on June 29, 2015. [Doc. 124.] The Receiver delivered \$245,000 of its portion of the capital call to MMG on July 9, 2015.

c. When the Case is Expected to Close.

See paragraph 8 below.

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 and his counsel have evaluated the claim forms, along with the documents submitted in support of each. The Receiver expects to begin negotiating the payment of meritorious claims following the conclusion of the sale of the 49% Interest.

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.*** 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 \$5,633,409.71, plus the value of the 49% Interest in MMG.

The Receiver will present a proposal to the Court for the final disposition of assets once the outstanding issues described above are resolved.

10. ***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 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.

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) \$22,587.31 in

attorneys' fees and expenses incurred by the Robbins Firm, (2) \$5,763.39 in fees from McLean Koehler, and (3) \$35,639.50 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.

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 McLean Koehler reflecting time spent in providing tax advice to DMP during the Time Period.

16. Attached as Exhibit “D-3” are three invoices from Dykema Gossett, PLLC reflecting time spent in advising DMP regarding the proposed sale of the 49% Interest in MMG during the Time Period.

17. 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 16th day of November, 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 EIGHTH APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES (THIRD 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

This 16th day of November, 2015.

/s/ Jason S. Alloy
Jason S. Alloy