

**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-MHC

**RECEIVER’S NINETEENTH APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES (SECOND QUARTER 2018)**

Jason S. Alloy, the Receiver for Detroit Memorial Partners (“DMP”), files this Nineteenth Application seeking the Court’s approval to pay the Receiver’s professional service fees and expenses totaling \$20,212.81 for the period April 1, 2018 through June 30, 2018 (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 July 16, 2018, and none 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 LLC (“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.
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.
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 Nineteenth Interim Application for fees filed by the Receiver. Applications have been approved through the First Quarter of 2018, and all approved fees through the

First Quarter of 2018 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)
Feb. 14, 2017 [Doc. 195]	\$52,605.28	Mar. 8, 2017 Order [Doc. 196]	\$52,605.28 (full amount)
May 15, 2017 [Doc. 200]	\$22,773.46	June 8, 2017 Order [Doc. 201]	\$22,773.46 (full amount)
Aug. 14, 2017 [Doc. 205]	\$12,196.28	Sept. 5, 2017 Order [Doc. 206]	\$12,196.28 (full amount)
Nov. 14, 2017 [Doc. 208]	\$5,519.97	Dec. 12, 2017 Order [Doc. 209]	\$5,519.97 (full amount)
Feb. 14, 2018 [Doc. 211]	\$1,384.48	Mar. 22, 2018 Order [Doc. 213]	\$1,384.48 (full amount)
May 15, 2018 [Doc. 220]	\$10,816.16	June 11, 2018 Order [Doc. 222]	\$10,816.16 (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 balance at the close of the Time Period was \$295,569.92.

DMP's accrued expenses for the Time Period are \$19,744.81 in attorneys' fees and expenses from the Robbins Firm, and \$468.00 to McLean Koehler.

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, his counsel, and staff devoted attention to the following issues:

- The Receiver and his staff updated their claimant contact information and prepared interim distribution checks to claimants in the aggregate amount of \$250,000. After distributions were sent to claimants, there were a number of questions and issues with the checks, including situations in which the payees were deceased or otherwise had changed, and the Receiver's staff spent time addressing these issues.
- The Receiver prepared a response to the Petition by St. Augustine's for an Asset Offer to Purchase 28 Michigan Cemeteries. [See Docs. 223 and 224.]

- The Receiver was contacted by Mark Morrow and his wife regarding a tax issue relating to how Detroit Memorial Partners had reported income on its K-1's. The Receiver had a brief conversation with Mrs. Morrow's tax attorney and follow-up correspondence with Mr. Morrow.

8. ***Summary 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 make an interim distribution of \$250,000 in aggregate to the approved DMP claimants. [Doc. 218.] Other than a handful of issues with individual claimants, the interim distribution checks have all been delivered as of the date of this filing. Note, however, that as of the close of the quarter, only \$77,142.53 of the distribution payments had actually cleared the Receivership account, with approximately \$172,857.47 expected to clear in the third quarter of 2018.

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 balance of \$295,569.92 plus the value of DMP's rights under the earn-out provision in the Interest Purchase Agreement with Park Lawn.¹ Note, however, that once all of the interim distribution checks clear the Receivership account, the cash on hand will be closer to \$119,000, which should be sufficient to carry the Receivership through to its conclusion.

10. *Descriptions of Liquidated and Unliquidated Claims Held by the Receiver.* The Receiver is not aware of any additional liquidated or unliquidated claims that have not already been pursued.

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

11. *Total compensation and expenses requested.* The total compensation and expenses requested now for the Time Period are \$19,744.81 in attorneys' fees and expenses for the Robbins Firm, and \$468.00 for McLean Koehler.

¹ 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 Agreement) in the years 2016, 2017 and 2018. The cemeteries did not meet the necessary benchmarks to trigger an earn-out for either 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.

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 Time Period.

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 work performed 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 work performed 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 Nineteenth 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.

Respectfully submitted this 14th day of August, 2018.

/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 the foregoing **RECEIVER'S NINETEENTH APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES (SECOND QUARTER 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 served by U.S. Mail on Defendant Mark Morrow at the below address.

Mark Morrow – 75250-061
FCI – Ashland
PO Box 6001
Ashland, Kentucky 41105

This 14th day of August, 2018.

/s/ Jason S. Alloy
Jason S. Alloy