

**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 NO.
1:13-cv-1817-WSD

**RECEIVER’S NOTICE OF SALE OF 49% INTEREST IN MIDWEST
MEMORIAL GROUP, LLC**

Pursuant to the June 10, 2015 Order of this Court, the Receiver is hereby reporting material terms of an Interest Purchase Agreement (the “Agreement”) recently executed by Receiver in order to effectuate Detroit Memorial Partners, LLC’s (“DMP’s”) sale of its 49% interest in Midwest Memorial Group, LLC (“MMG”).

On December 2, 2015, the Receiver, on behalf of DMP, executed the Agreement. MMG’s majority member, Westminster Memorial Group, LLC (“WMG”) also is a party to the Agreement, under which it is selling its 51% membership interest in MMG. The buyer of the membership interests is Park Lawn Corporation, a publicly-traded company based in Toronto, Canada.

The transaction is structured as a sale of WMG's and DMP's combined membership interests in MMG. The material terms of the sale are as follows:

- The total purchase price for WMG's and DMP's combined membership interests is approximately \$16,000,000, subject to customary working capital and other adjustments, plus an additional potential three-year earn-out cash payment based on the future financial performance of MMG.
- 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. Ultimately, while DMP has a minimum percentage of

the earn-out that it must elect to receive for years 2016 and 2017, DMP could opt to accelerate the earn-out in either of those years.¹

- DMP will receive 49% of the proceeds from the sale.
- The amount DMP receives from the sale is a gross amount before expenses, including broker fees and other deal-related costs.
- Completion of the Acquisition, which is expected to occur on or about February 28th, 2016, is subject to the satisfaction or waiver of certain closing conditions, including, among other things, third party consents and approvals (as an example, the Michigan Cemetery Commissioner must approve the transaction).
- Upon signing the Agreement, WMG and DMP did not receive payment for the sale of its membership interests. Instead, they will receive payment once the acquisition is complete as set forth in the above paragraph.

Because the Agreement is with a publicly-traded company that is subject to numerous securities and disclosure regulations, DMP is not filing the Agreement

¹ The Receiver understands the importance of closure for the Receivership. After DMP is paid the main consideration from the sale (its portion of the approximately \$16,000,000), the Receiver intends to recommend to the Court that a substantial interim distribution be made to claimants, so claimants do not have to wait the earn-out period before being paid.

(which is over 50 pages with schedules) as an exhibit to this Notice. However, at the Court's request, DMP will file the Agreement under seal with the Court.

Respectfully submitted this 21st day of December, 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

*Court-Appointed Receiver for Detroit
Memorial Partners, LLC*

LOCAL RULE 7.1D CERTIFICATION

I hereby certify that the foregoing **RECEIVER'S NOTICE OF SALE OF RECEIVERSHIP PROPERTY** was prepared in Times New Roman 14 point, which is one of the font and point selections approved by the Court under Local Rule 5.1B.

This 21st day of December, 2015.

/s/ Jason S. Alloy
Jason S. Alloy

CERTIFICATE OF SERVICE

I hereby certify that I have electronically filed the foregoing **RECEIVER'S NOTICE OF SALE OF RECEIVERSHIP PROPERTY** with the Clerk of Court using the CM/ECF system, which will send email notification of such filing to all attorneys of record.

I have also served the foregoing 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 21st day of December, 2015.

/s/ Jason S. Alloy _____
Jason S. Alloy