

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 4:12-cv-00080-CEJ
	)	
BURTON DOUGLAS MORRISS, et al.,	)	
	)	
Defendants, and	)	
	)	
MORRISS HOLDINGS, LLC,	)	
	)	
Relief Defendant.	)	

**MEMORANDUM OF LAW IN SUPPORT OF RECEIVER’S MOTION FOR  
AUTHORIZATION TO SATISFY OBLIGATIONS OF  
CLEARBROOK ACQUISITION, LLC**

In keeping with the Receiver’s duties to act as sole and exclusive managing member and/or partner of the Receivership Entities (as defined below) and administer and manage the business affairs, funds, assets, choses in action, and other property of the Receivership Entities, the Receiver respectfully requests that the Court enter an Order that, among other things, (A) lifts the asset freeze<sup>1</sup> with respect to certain funds received by Clearbrook Acquisition, LLC (“Acquisition”) and (B) authorizes the Receiver to use such funds to satisfy obligations due and owing from Acquisition in keeping with the Schedule of Proposed Distribution (“Distribution”

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<sup>1</sup> On January 17, 2012, this Court entered its Asset Freeze Order and Other Emergency Relief (“Asset Freeze Order”) (Dkt. No. 17). In paragraph 1.B., the Court froze funds and assets held “in the name, for the benefit or under the control of [the Receivership Entities], directly or indirectly.” To the extent that the Court’s asset freeze extends to the funds described in this Motion, the Receiver requests that the asset freeze be lifted so that the Receiver can execute the authority requested in this Motion with respect to such funds.

Schedule”) (**Exhibit A-1** hereto; redacted) attached to the Declaration of Timothy O’Shaughnessy (the “O’Shaughnessy Declaration”) (**Exhibit A** hereto).<sup>2</sup>

**I. Background**

A. The Receivership

On January 17, 2012, the United States Securities and Exchange Commission (the “SEC”) filed its *Complaint for Injunctive and Other Relief* (the “Complaint”) (Dkt. No. 1) against Burton Douglas Morriss (“Morriss”), Acartha Group, LLC (“Acartha Group”), Acartha Technology Partners, L.P. (“ATP”), MIC VII, LLC (“MIC”), Gryphon Investments III, LLC (“Gryphon” and together with Acartha, ATP and MIC, the “Receivership Entities”) and Morriss Holdings, LLC (“Morriss Holdings”) <sup>3</sup> in this Court as Case No. 4:12-cv-00080-CEJ (the “SEC Case”). *See* Complaint. In the Complaint and other papers filed by the SEC on January 17, 2012, the SEC alleges various securities laws violations by the SEC Defendants.

Also, on January 17, 2012, the SEC moved for the immediate appointment of a receiver over the Receivership Entities to (i) administer and manage the business affairs, funds, assets, choses in action, and other property of the Receivership Entities, (ii) act as sole and exclusive managing member or partner of the Receivership Entities, (iii) maintain sole authority to administer any and all bankruptcy cases in the manner determined to be in the best interests of the Receivership Entities’ estates, (iv) marshal and safeguard all of the assets of the Receivership Entities, and (v) take whatever actions are necessary for the protection of investors. The Court

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<sup>2</sup> The Receiver is filing a redacted copy of Exhibit A-1 to maintain the confidentiality of the individual investor member. The Receiver will file an unredacted copy of Exhibit A-1 under seal with the Clerk of the Court, in accordance with E.D. Mo. Local Rule 5-2.17(B). Also, the Receiver will provide an unredacted copy of Exhibit A-1 to the non-Receivership Entity member of Acquisition by posting the unredacted version of Exhibit A-1 on the Clearbrook secure investor website.

<sup>3</sup> Morriss, Acartha, ATP, MIC, Gryphon, and Morriss Holdings are collectively referred to as the “SEC Defendants.”

entered the requested relief by order dated January 17, 2012 (the “Receivership Order”). *See* Receivership Order (Dkt. No. 16). As established in the Receivership Order, the Receiver is “authorized, solely and exclusively, to operate and manage the businesses and financial affairs of [the Receivership Entities] and the Receiver Estates.” Receivership Order, p. 8.

#### B. The Clearbrook Sale

In connection with her appointment as receiver and through information provided to her by former management, the Receiver learned that MIC, ATP, and Acquisition each invested in Clearbrook Global Advisors LLC (“Clearbrook Global”).<sup>4</sup> MIC and ATP are two of the four Receivership Entities.<sup>5</sup> Acquisition, however, is one of a number of special purpose vehicles (“SPV”) managed by Acartha. Acquisition was organized for the purpose of acquiring, holding, and disposing of the Clearbrook interests. Acquisition does not hold any other assets aside from the Acquisition Proceeds. Acquisition is made up of two equal members: MIC and a non-Receivership Entity investor.

On May 17, 2016, the Receiver moved this Court for an order authorizing the Receiver’s sale of the Receivership’s interests in Clearbrook Global through a redemption of those interests by Clearbrook Global (Dkt. Nos. 462, 463). The Court approved the Receiver’s request (Dkt. No.

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<sup>4</sup> Founded in 2005, Clearbrook Global is a holding company that owns six, wholly-owned subsidiaries through which Clearbrook Global provides investment advisory services and securities brokerage services to institutions, pension plans, endowments, foundations, family offices, and high net worth individuals. Clearbrook’s subsidiaries are as follows: Clearbrook Investment Consulting, LLC (“CIC”), Clearbrook Investment Solutions, LLC (“CIS”), Clearbrook Discretionary Investment Services, LLC (“CDIS”), and CbF Advisors, LLC (“CbF”) are registered investment advisors. Managed Account Services, LLC (“MAS”) is a broker-dealer and is registered with the SEC and the Financial Industry Regulatory Authority (“FINRA”). CDIS LP, LLC serves as the Managing Member of CDIS Core Fund LLC (“CDIS Core Fund”), a private partnership sponsored by Clearbrook Global.

<sup>5</sup> Because ATP and MIC are Receivership Entities, the proceeds that ATP and MIC gained from the Clearbrook Global Sale are assets of the Receivership Estate and are not the subject of the relief requested in this Motion. A separate motion will be filed for those entities, and funds will be distributed subject to the approval of the Court.

469). Clearbrook Global redeemed the Receivership interests, which resulted in proceeds in the following amounts:

MIC (718,750 Units)	\$52,941.21
ATP (159,722 Units)	\$11,764.69
Acquisition (479,166 Units)	\$35,294.10

The Receiver now seeks to apply the proceeds attributable to Acquisition's share of the Clearbrook Global payment (the "Acquisition Proceeds") to satisfy Acquisition's obligations by making payment to Acartha Group, managing member of the Receivership Entities, for routine and necessary expenses incurred by Acquisition prior to and during the pendency of this Receivership.

## **II. Argument**

The Receiver seeks an Order from this Court authorizing the Receiver to use the Acquisition Proceeds to satisfy Acquisition's obligations to Acartha Group for routine and necessary expenses incurred by Acquisition prior to and during the pendency of this Receivership, as outlined in the O'Shaughnessy Declaration and attached Distribution Schedule. Such an Order is consistent with the Receiver's authority and obligations under the Receivership Order and this Court's broad discretion in supervising the Receivership.

Pursuant to the Receivership Order, the Court authorized the Receiver to, among other things, administer and manage the businesses and financial affairs of the Receivership Entities and take all actions necessary for the protection of investors. *See* Receivership Order, p. 1. The Court gave the Receiver sole authority to operate and manage the businesses and financial affairs of the Receivership Entities. Receivership Order, p. 8. The Receiver succeeded to all rights and powers of the managing member and/or managing partner of the Receivership Entities -- including Acartha Group -- and has the sole and exclusive authority to take all actions necessary

in such capacity. *Id.* As managing member of Acartha Group, the Receiver also serves as the manager of Acquisition<sup>6</sup> and is authorized and empowered to make decisions with respect to the management and control of Acquisition.

The requested Order also is consistent with this Court's broad discretion in supervising an equity receivership and in determining how the receivership will proceed. *See SEC v. Black*, 163 F.3d 188, 199 (3rd Cir. 1998) (“[W]here there is a receiver with equitable power in a proceeding before it, the District Court has wide discretion as to how to proceed.”); *FDIC v. Bernstein*, 786 F. Supp. 170, 177 (E.D.N.Y. 1992) (“[O]ne common thread keeps emerging out of the cases involving equity receiverships-that is, a district court has extremely broad discretion in supervising an equity receivership.”).

Here, the Court should exercise its broad discretion to authorize the Receiver's use of the Acquisition Proceeds to satisfy Acquisition's outstanding obligations by making payments to Acartha Group, manager of the Receivership Entities, in accordance with the Distribution Schedule. The Receiver has oversight of these monies because of her position as Manager of Capital, Acquisition, and the Receivership Entities and the corporate structures that were in place prior to her appointment as Receiver. The Acquisition Proceeds are not controlled by the Receivership Entities and may be released from the asset freeze in place under the Court's Asset Freeze Order. *See SEC v. Black*, 163 F.3d at 198 (affirming release of assets from the asset freeze of the receivership estate that were not property or deemed to be property of a defendant or culpable third party).

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<sup>6</sup> According to documents and other information made available to the Receiver, Clearbrook Acquisition Capital, LLC (“Capital”) is the Managing Member of Acquisition. The Receiver is the Managing Member of Capital pursuant to a Delegation of Management Authority dated September 12, 2012, wherein the Managing Member of Capital, B. Douglas Morriss, as trustee of the B. Douglas Morriss Irrevocable Trust, delegated full power and authority of Capital to Claire M. Schenk as Receiver for Acartha Group, LLC.

Following the satisfaction of outstanding payables, fees, and expenses, Acquisition Proceeds are not available for distribution to the two member investors of Acquisition. However, the proposed use of the Acquisition Proceeds will allow the Receiver to pay Acartha Group for routine and necessary expenses advanced on behalf of Acquisition since the start of the Receivership, move towards wind-down of Acquisition and Capital (the managing member of Acquisition), and avoid future costs associated with management of these entities which no longer serve a business purpose. Additionally, the proposed use of the Acquisition Proceeds will allow the flow of funds to the Receivership Entities to replenish costs incurred prior to the appointment of the Receiver and by the Receivership on account of Acquisition for the ultimate purpose of a distribution to allowed claimants, subject to the approval of the Court. The non-Receivership Entity member investor in Acquisition was approved by the Receiver as an allowed claimant. Subject to a plan of distribution to be approved by the Court, this claimant may benefit from this use of the Acquisition Proceeds. Moreover, receipt of a final K-1 and wind down of Acquisition will allow this investor the opportunity to finalize matters pertaining to the investor's interest in Acquisition. Therefore, an order authorizing the use of the Acquisition Proceeds to satisfy the obligations of Acquisition is a proper subject of the Court's discretionary power.<sup>7</sup>

### **III. Proposed Satisfaction Using Acquisition Proceeds**

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<sup>7</sup> The authorization requested in this Motion is similar to the authorization requested by the Receiver for the distribution of the Integrien and Librato funds as well as the return of the Acartha Special Situations Funding, LLC funds. *See* Receiver's Motion for Return of Funds to Investors in Acartha Special Situations Funding, LLC and accompanying Memorandum in Support (Dkt. Nos. 120, 121; filed Apr. 10, 2012), and order approving requested relief (Dkt. No. 139; entered Apr. 25, 2012); Receiver's Motion for Authorization to Distribute Funds Held by Integrien Acquisition, LLC and Integrien Acquisition II, LLC and accompanying Memorandum in Support (Dkt. Nos. 241, 242; filed May 3, 2013), and order approving requested relief (Dkt. No. 262; entered June 25, 2013); Receiver's Motion for Authorization to Distribute Funds Held by Evergrid Acquisition, LLC, Librato Acquisition II, LLC, and Evergrid/MIC VII, LLC and accompanying Memorandum in Support (Dkt. Nos. 413, 414; filed Oct. 14, 2015), and order approving requested relief (Dkt. No. 423; Nov. 9, 2015).

The Distribution Schedule attached to the O'Shaughnessy Declaration is based upon (i) the corporate governance documents of Acquisition, Capital, and the Delegation of Management Authority of the Trustee of the B. Douglass Morriss Irrevocable Trust; (ii) former management's investor schedules; (iii) documents relating to the sale of Acquisition's interests in Clearbrook Global; (iv) documentation pertinent to fees and expenses attributable to Acquisition; and (v) relevant general ledger entries. Accordingly, the Receiver requests authorization from the Court to use the Acquisition Proceeds to satisfy Acquisition's obligations as outlined in the Distribution Schedule. *See Exhibit A-1.*

**IV. Service of the Motion**

The Receiver is serving a copy of this motion on all counsel of record. Out of an abundance of caution, the Receiver also is serving certain interested parties (the "Interested Parties") via electronic mail. The Receiver considers the Interested Parties to be those Receivership Entity investors whose filed claims have been recommended for allowance by the Receiver. Furthermore, as she has done with previous motions, the Receiver will post a copy of the motion, memorandum, and exhibits on the Receivership's public website. In addition, the Receiver will post the complete and unredacted filing on the Clearbrook secure investor website.

**V. Conclusion and Request for Relief**

For all the foregoing reasons, the Receiver requests that the Court enter an Order, substantially in the form attached hereto as **Exhibit B**,

(A) lifting the asset freeze of the Asset Freeze Order with respect to the Acquisition Proceeds;

(B) authorizing the Receiver to use the Acquisition Proceeds to satisfy Acquisition's obligations in accordance with the Distribution Schedule attached to the O'Shaughnessy Declaration;

(C) approving the Receiver's payment of payables, fees, and expenses of Acquisition in accordance with the Distribution Schedule attached to the O'Shaughnessy Declaration through a transfer of the Acquisition Proceeds to the Acartha Group Receivership account; and

(D) granting such other and further relief as is just and appropriate under the circumstances.

Respectfully submitted,

THOMPSON COBURN LLP

By /s/ Kathleen E. Kraft

Stephen B. Higgins, #25728MO  
One US Bank Plaza  
St. Louis, Missouri 63101  
Phone: 314-552-6000  
Fax: 314-552-7000  
shiggins@thompsoncoburn.com

Kathleen E. Kraft, #58601MO  
1909 K Street NW, Suite 600  
Washington, DC 20006  
Phone: 202-585-6922  
Fax: 202-508-1035  
kkraft@thompsoncoburn.com



**CERTIFICATE OF SERVICE**

I hereby certify that on September 1, 2016, I electronically filed the foregoing with the Clerk of the Court through the Court's CM/ECF system which delivered notice of the filing to all parties receiving CM/ECF electronic service.

I further certify that I served the foregoing document via electronic mail on all Interested Parties (as defined in this Memorandum).

/s/ Kathleen E. Kraft

**EXHIBIT A**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION**

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 4:12-cv-00080-CEJ
	)	
BURTON DOUGLAS MORRISS, et al.,	)	
	)	
Defendants, and	)	
	)	
MORRISS HOLDINGS, LLC,	)	
	)	
Relief Defendant.	)	

**DECLARATION OF TIMOTHY S. O’SHAUGHNESSY  
IN SUPPORT OF RECEIVER’S MOTION FOR AUTHORIZATION TO  
SATISFY OBLIGATIONS OF CLEARBROOK ACQUISITION, LLC**

I, Timothy S. O’Shaughnessy, being duly sworn, declare:

1. I am the managing principal of the St. Louis region of CliftonLarsonAllen LLP (“CLA”). I specialize in business and individual tax planning and compliance and have more than 15 years of public accounting experience.

2. In June 2012, CLA was retained by Claire M. Schenk, as Receiver for Acartha Group, LLC (“Acartha Group”), Acartha Technology Partners, L.P. (“ATP”), MIC VII, LLC (“MIC”), Gryphon Investments III, LLC (“Gryphon” and together with Acartha, ATP and MIC, the “Receivership Entities”), to work as an independent contractor and to provide external accounting and tax services, including bookkeeping and tax planning and preparation, for the Receivership Entities and the entities managed by Acartha Group (collectively, the “Managed Entities”).

3. Following CLA's retention by the Receiver and the Court's approval of the engagement, the Receiver requested that I prepare a distribution schedule ("Distribution Schedule") for funds received by Clearbrook Acquisition, LLC ("Acquisition") as a result of the sale of Acquisition's interests in Clearbrook Global Advisors LLC ("Clearbrook Global").

4. The Distribution Schedule is attached hereto as **Exhibit A-1**.

5. In order to prepare the Distribution Schedule, I reviewed investor schedules, documents relating to the sale of Acquisition's interests in Clearbrook Global, back-up documentation pertaining to expense items, including relevant general ledger entries, documentation outlining corporate governance matters, and former management's distribution calculations.

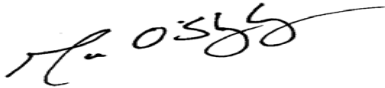
6. The Distribution Schedule pertains to proceeds controlled by only one entity, Acquisition. The calculation sheet contains (i) the proceeds received by Acquisition, (ii) a cash distribution summary and allocation analysis, and (iii) the fees and expenses attributable to the Acquisition.

7. As shown on Exhibit A-1, the Distribution Schedule, membership in Acquisition is held equally by one non-Receivership Entity investor and MIC VII. A review of the allocable fees and expenses of \$41,717.88 (incurred since the beginning of the Receivership), along with intercompany payables due to Acartha Group (incurred prior to the beginning of the Receivership), reveals that there is insufficient cash to allow for a cash distribution from the proceeds of \$35,294.10 received by Acquisition to MIC VII and the non-Receivership Entity member investor.

8. As such, the Distribution Schedule does not provide for a cash distribution to the member investors because expenses and payables exceed available cash. The Distribution

Schedule proposes a payment to Acartha Group to satisfy payables and sums owed for expenses. The satisfaction of payables and sums owed will allow me to work with the Receiver to prepare final tax returns and K-1s and move toward a wind down of Acquisition.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. This Declaration was executed this 31 day of August, 2016.

A handwritten signature in black ink, appearing to read "T. O'Shaughnessy", with a long horizontal flourish extending to the right.

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Timothy S. O'Shaughnessy

EXHIBIT A-1  
REDACTEDCLEARBROOK ACQUISITION, LLC.

	Calculated 2016	REF
Gross Proceeds On Redemption of Clearbrook Global Advisors, LLC.	35,294.10	
Estimated Remaining Escrow Proceeds To Be Received	-	
Less: Allocable Fees and Expenses (See Summary Below)	(41,817.88)	
Net Distributable To Clearbrook Acquisition, LLC. Members	(6,523.78)	

Cash Distribution Summary

<u>Members</u>	<u>Ownership %</u>	
██████████	50.00000000%	(3,261.89)
MIC VII, LLC.	50.00000000%	(3,261.89)
	100.00000000%	
Total Cash Distribution		(6,523.78)

Special Allocation Analysis

4.4 Distributions. Cash from the investments and operations of the Company that is available for distribution, as determined by the Managing Member from time to time, shall be allocated among the Investor Members in accordance with their respective Sharing Percentages.

Per Operating Agreement, Amended and Restated 9/30/07, no special allocations or carried interest provisions

Summary of Allocable Fees and Expenses (All Incurred Since 1/17/12)

Legal and Consulting Fees (See Footnote #1)	5,000.00
Valuation Fees	1,500.00
2012 State of Delaware LLC Taxes - Paid on behalf of Clearbrook Acquisition Capital, LLC.	250.00
2013 State of Delaware LLC Taxes - Paid on behalf of Clearbrook Acquisition Capital, LLC.	250.00
2014 State of Delaware LLC Taxes - Paid on behalf of Clearbrook Acquisition Capital, LLC.	300.00
2015 State of Delaware LLC Taxes - Paid on behalf of Clearbrook Acquisition Capital, LLC.	300.00
2012 State of Delaware LLC Taxes - Clearbrook Acquisition, LLC.	250.00
2013 State of Delaware LLC Taxes - Clearbrook Acquisition, LLC.	250.00
2014 State of Delaware LLC Taxes - Clearbrook Acquisition, LLC.	300.00
2015 State of Delaware LLC Taxes - Clearbrook Acquisition, LLC.	300.00
2016 CT Resignation Fees - Clearbrook Acquisition, LLC and Clearbrook Acquisition Capital, LLC.	400.00
2012 CT Annual Registered Agent Fees - Paid on behalf of Clearbrook Acquisition Capital, LLC.	224.25
2013 CT Annual Registered Agent Fees - Paid on behalf of Clearbrook Acquisition Capital, LLC.	109.34
2014 CT Annual Registered Agent Fees - Paid on behalf of Clearbrook Acquisition Capital, LLC.	100.23
2015 CT Annual Registered Agent Fees - Paid on behalf of Clearbrook Acquisition Capital, LLC.	115.07
2016 CT Annual Registered Agent Fees - Paid on behalf of Clearbrook Acquisition Capital, LLC.	119.94
2012 CT Annual Registered Agent Fees - Clearbrook Acquisition, LLC.	224.25
2013 CT Annual Registered Agent Fees - Clearbrook Acquisition, LLC.	109.34
2014 CT Annual Registered Agent Fees - Clearbrook Acquisition, LLC.	118.45
2015 CT Annual Registered Agent Fees - Clearbrook Acquisition, LLC.	115.07
2016 CT Annual Registered Agent Fees - Clearbrook Acquisition, LLC.	119.94
CliftonLarsonAllen Fees - 2011 Tax Return Filing Fees - Clearbrook Acquisition, LLC.	2,500.00
CliftonLarsonAllen Fees - 2012 Tax Return Filing Fees - Clearbrook Acquisition, LLC.	1,748.50
CliftonLarsonAllen Fees - 2013 Tax Return Filing Fees - Clearbrook Acquisition, LLC.	1,776.00
CliftonLarsonAllen Fees - 2014 Tax Return Filing Fees - Clearbrook Acquisition, LLC.	1,467.50
CliftonLarsonAllen Fees - 2015 Tax Return Filing Fees (In Process) - Clearbrook Acquisition, LLC.	1,500.00
<b>Estimated</b> CliftonLarsonAllen Fees - 2016 Tax Return Filing Fees (To Be Prepared) - Clearbrook Acquisition, LLC.	1,500.00
<b>Estimated</b> CliftonLarsonAllen Fees - Final Dist. Analysis	1,500.00
Due To Acartha Group (Intercompany Account Payable From Prior Years) - Clearbrook Acquisition, LLC.	15,766.00
Due To Morriss Holdings (Intercompany Account Payable From Prior Years) - Clearbrook Acquisition, LLC. (See Footnote #2)	-
Due To Acartha Group - Accounting Fees - Clearbrook Acquisition, LLC.	2,604.00
<b>Estimated</b> "Wind-Down" Costs - Clearbrook Acquisition, LLC.	1,000.00
Accounts Payable (Per prior year balance sheet \$20,000) (See Footnote #3) - Clearbrook Acquisition, LLC.	-
<b>Total Allocable Fees and Expenses</b>	<b>41,817.88</b>

Footnote Disclosure

#1 - Legal and Consulting Fees were capped at \$5,000. The actual amount incurred met or exceeded this amount.

#2 - On the balance sheet inherited at the time this entity entered into receivership, there was a "Due To Morriss Holdings" in the amount of \$100. Due to the fact that we cannot confirm that there is a related receivable on the books of Morriss Holdings related to this, we have made the decision to disregard this amount from the allocable fees and expenses.

#3 - Per analysis of Trial balance and General Ledger inherited from 2011, there is an "Accounts Payable" of \$20,000 on the balance sheet. There are no known 3rd party liabilities that are due, nor does this reconcile with another intercompany on a related party we have access to. Therefore, we have assumed this is not a valid payable and therefore not included in the analysis above.

General Disclosure

All calculations based on information provided by prior management. Only limited verification was performed, no audit or attestation procedures were completed.

**EXHIBIT B**

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION**

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 4:12-cv-00080-CEJ
	)	
BURTON DOUGLAS MORRISS, et al.,	)	
	)	
Defendants, and	)	
	)	
MORRISS HOLDINGS, LLC,	)	
	)	
Relief Defendant.	)	

**ORDER**

This matter is before the Court on the *Receiver’s Motion For Authorization To Satisfy Obligations Of Clearbrook Acquisition, LLC* and Memorandum in Support (the “Motion”) filed by Claire M. Schenk, the court-appointed receiver (the “Receiver”) for Acartha Group, LLC, MIC VII, LLC, Acartha Technology Partners, L.P., and Gryphon Investments III, LLC in this action; and

Having fully considered the Motion and accompanying papers and being duly advised as to the merits,

**THE COURT DOES HEREBY ORDER THAT**

1. The Receiver’s Motion is granted in its entirety; and
2. The asset freeze of the Asset Freeze Order is lifted with respect to the Acquisition Proceeds (as that term is defined in the Motion).
3. The Receiver is authorized to use the Acquisition Proceeds to satisfy Acquisition’s obligations in accordance with the Distribution Schedule upon entry of this Order.

4. The Receiver is authorized to pay fees, payables, and expenses of Acquisition in accordance with the Distribution Schedule through a transfer of the Acquisition Proceeds to the Acartha Group Receivership account.

**SO ORDERED** this the \_\_\_\_ day of \_\_\_\_\_, 2016.

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THE HONORABLE CAROL E. JACKSON  
UNITED STATES DISTRICT JUDGE