

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

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

**ORDER APPROVING FINAL DISTRIBUTION OF ASSETS AND  
AUTHORIZING PAYMENT OF LEGAL AND PROFESSIONAL FEES AND  
EXPENSES, WIND UP OF PROCEEDING, AND DISCHARGE OF RECEIVER**

This matter is before the Court on the Receiver’s motion requesting the Court’s approval of a final distribution of funds to certain Allowed Claimants, approval of the transfer of a warrant interest to Participating Investors, authorization to pay legal and professional fees and expenses incurred through June 30, 2018, and an order authorizing wind up of the Receivership proceeding, which began with the Court’s appointment of the Receiver on January 17, 2012 (the “Receivership Order”, ECF No. 16), and discharge of the Receiver (the “Motion”, ECF No. \_).

Having completed her duties in this proceeding, the Receiver now seeks an order: (1) approving the Receiver’s Final Report as set forth in the Receiver’s Memorandum in support of the Motion (the “Memorandum”, ECF No. \_); (2) approving the final distribution of funds to certain Allowed Claimants as described in the Final Distribution Schedule attached to the Declaration of Timothy S. O’Shaughnessy (ECF No. \_); (3) approving transfer of the MIC VII

warrant interest to Participating Investors as described in the allocation schedule attached to the Declaration of Receiver, Claire M. Schenk (ECF No. \_); (4) approving and authorizing payment of the holdback sums in the total amount of \$123,059.24 as described in Exhibit E to the Receiver's Memorandum; (5) approving and authorizing payment of fees and expenses from April 1, 2018 through June 30, 2018 in the total amount of \$60,459.76, which sum includes payments due to: Thompson Coburn LLP in the amount of \$37,814.57; Segue Partners, LLC in the amount of \$3,392.19; and CliftonLarsonAllen LLP in the amount of \$19,253.00; (6) discharging the Receiver and the engaged professionals; (7) relieving the Receiver of all duties and liabilities; (8) establishing a reserve in the amount of \$55,000 for payment of professional fees and expenses to the Receiver and the retained professionals for final wind-up activity in this matter; (9) authorizing the abandonment and destruction of records; (10) deeming abandoned any unadministered assets; (11) allowing the Receiver the authority to take such other acts as are necessary to wind up the estate; and (12) granting any other relief related to the wind-up of the estate. As of today's date, no interested party has filed a responsive pleading.

Having fully considered the Motion, the Memorandum, the Declarations of Timothy S. O'Shaughnessy and Claire M. Schenk, and the attachments thereto as well as the Exhibits attached to the Receiver's Memorandum, and being duly advised as to the merits,

**THE COURT DOES HEREBY ORDER THAT**

1. The Receiver's Motion is granted in its entirety;
2. The Receiver's Final Report and accounting as set forth in the Memorandum and Exhibit A, the Standardized Fund Accounting Report, as supplemented by the O'Shaughnessy Declaration which described final payment of expenses and distributions, are approved;

3. Fees and costs of the Receiver and the retained professionals from April 1, 2018 through June 30, 2018 are determined to be reasonable and appropriate and are approved in the total amount of \$60,459.76 to be distributed as follows: (a) Thompson Coburn LLP (“Thompson Coburn”), \$37,814.57, the Receiver’s primary counsel; (b) Segue Partners, LLC (“Segue”), \$3,392.19, the Receiver’s bookkeeper; and (c) CliftonLarsonAllen LLP (“CLA”), \$19,253.00, the Receiver’s accountant, tax preparer, forensics and valuation expert. Additionally, the Court approves and authorizes the Receiver to pay the remaining amount of the holdback funds as set out in Exhibit E and in the following amounts: \$103,452.30 to Thompson Coburn LLP; \$6,761.22 to Segue; \$12,135.63 to CLA; \$113.29 to Pepper Hamilton; and \$596.80 to FTL Capital.

4. The Receiver is allowed to establish a post-receivership reserve in the amount of \$55,000.00 (the “Reserve”) to cover fees and expenses relating to: the final distribution of funds to Allowed Claimants; finalization of the Receiver’s report; coordination of this filing with the SEC; service and communications with Allowed Claimants and other interested parties; provision of such other notices as required regarding the termination of the Receivership; and responses to taxing authorities and others as required. The Receiver is allowed to pay any and all post-receivership fees and expenses in a self-executing manner, without further Court Order, upon the consent of the SEC. In addition, the Receiver, at the appropriate time and based upon the Receiver’s determination that no further post-receivership fees and expenses remain outstanding, is authorized to transfer any receivership funds remaining in the Reserve to the SEC as restitution paid towards the SEC’s judgment in this matter;

5. Subject to the Reserve and payment of the fees and expenses authorized hereinabove, funds remaining in the Receivership estate after payment of all administrative

expenses, will be paid to Allowed Claimants pursuant to the Final Distribution Schedule attached to the O'Shaughnessy Declaration, Exhibit I, Attachments 1-4;

6. The Receiver is authorized to transfer the MIC VII warrant interest to Participating Investors as described in the allocation schedule attached to the Declaration of Receiver, Claire M. Schenk;

6. The Receiver shall dispose of and/or destroy the hard copy and electronic records of the Receivership Defendants in the Receiver's possession, custody, or control, unless within 180 days after entry of this Order, the Receiver has been served with a request by the SEC for possession of said records or with a subpoena by a law enforcement agency for said records and/or hard drives, in which event the Receiver is authorized to turn over the records to the SEC or a law enforcement agency in response to the request or subpoena;

7. The Receiver is authorized to abandon any unadministered assets of the estate;

8. The Receiver is allowed the authority to take such other acts as are necessary to wind up the proceeding; and

9. Upon entry of this Order and the making of the payments and performance of the tasks outlined herein,

a) The Receiver, her deputies, agents, employees, members, officers, independent contractors, attorneys, and representatives shall be discharged;

b) The Receiver, her deputies, agents, employees, members, officers, independent contractors, attorneys, and representatives shall be released from all claims and liabilities arising out of and/or pertaining to the Receivership, including without limitation, all claims and causes of action of any kind and nature arising from or relating to their duties and services rendered as part of the Receivership or that were or could have been asserted concerning

the Receiver's activities, including without limitations the activities reflected in the Memorandum; and

c) The Receiver, her deputies, agents, employees, members, officers, independent contractors, attorneys, and representatives shall be released from all duties and responsibilities pertaining to the proceeding established in this cause of action.

10. This Court shall retain jurisdiction over any and all matters relating to the Receivership.

So Ordered this 15<sup>th</sup> day of August, 2018.

  
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THE HONORABLE STEPHEN N. LIMBAUGH, JR.  
UNITED STATES DISTRICT COURT JUDGE