

Prouty Eric A
Form 4
May 24, 2018

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Prouty Eric A

2. Issuer Name **and** Ticker or Trading
Symbol
HUDSON TECHNOLOGIES INC
/NY [HDSN]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
02/24/2018

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

C/O HUDSON
TECHNOLOGIES, PO BOX 1541,
ONE BLUE HILL PLAZA

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

PEARL RIVER, NY 10965

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock	05/24/2018		P	5,000	A	\$ 2.33	54,326	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repor Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Prouty Eric A C/O HUDSON TECHNOLOGIES PO BOX 1541, ONE BLUE HILL PLAZA PEARL RIVER, NY 10965	X

Signatures

Eric Prouty 05/24/2018

__Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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Other assets

100 100

Total assets

3,463	3,463
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Liabilities:

Deferred margin

795	795
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Merchandise liabilities

734	734
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Deferred tax liabilities

64	64
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Perpetual care trust corpus

344	344
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Total liabilities

1,873 64 1,937

Fair value of net assets acquired

1,590 (64) 1,526

Consideration paid

1,700 1,700

Goodwill from purchase

\$110 \$64 \$174

Second Quarter 2011 Acquisition

Explanation of Responses:

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On June 22, 2011, the Operating Company, StoneMor Missouri LLC, a Missouri limited liability company and StoneMor Missouri Subsidiary LLC, a Missouri limited liability company, each a wholly-owned subsidiary of the Company (collectively the Buyer), entered into an Asset Purchase and Sale Agreement (the 2nd Quarter Purchase Agreement) with SCI International, LLC, a Delaware limited liability company and Keystone America, Inc., a Delaware corporation (collectively the Seller or SCI Missouri).

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Pursuant to the 2nd Quarter Purchase Agreement, the Buyer acquired three cemeteries and four funeral homes in Missouri, including certain related assets, and assumed certain related liabilities. In consideration for the net assets acquired, the Buyer paid the Seller \$2.15 million in cash.

The table below reflects the Company's preliminary assessment of the fair value of net assets acquired, the purchase price and the resulting goodwill recorded during the second quarter of the year. The Company obtained additional information in the fourth quarter of 2011 and has retrospectively adjusted these values as noted below. The Company may make further retrospective adjustments to this provisional assessment if additional information were to become available.

	Preliminary Assessment	Adjustments (in thousands)	Revised Assessment
Assets:			
Accounts receivable	\$ 104	\$ (10)	\$ 94
Cemetery property	880		880
Merchandise trusts, restricted, at fair value	2,622	5	2,627
Perpetual care trusts, restricted, at fair value	1,195	(5)	1,190
Property and equipment	1,783	29	1,812
Total assets	6,584	19	6,603
Liabilities:			
Deferred margin	1,420	(118)	1,302
Merchandise liabilities	1,701	(53)	1,648
Perpetual care trust corpus	1,195	(5)	1,190
Deferred tax liability	400	61	461
Total liabilities	4,716	(115)	4,601
Fair value of net assets acquired	1,868	134	2,002
Consideration paid	2,150		2,150
Goodwill from purchase	\$ 282	\$ (134)	\$ 148

Third Quarter 2011 Acquisitions

On August 1, 2011, the Operating Company and CFS West Virginia, an affiliate of the Operating Company, (collectively the Buyer) entered into a Stock Purchase Agreement with three individuals (collectively the Seller) to purchase all of the stock of Prince George Cemetery Corporation, a Virginia corporation. Through the purchase of Prince George Cemetery Corporation, the Buyer acquired one cemetery in Virginia. In consideration for the stock acquired, the Buyer paid the Seller approximately \$1.9 million in cash. The Buyer will also pay \$0.3 million in cash in even quarterly installments over a five year period in exchange for non-compete agreements with the Seller.

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The table below reflects the Company's preliminary assessment of the fair value of net assets acquired, the purchase price and the resulting goodwill recorded in the third quarter of the year. The Company obtained additional information in the fourth quarter of 2011 and has retrospectively adjusted these values as noted below. The Company may make further retrospective adjustments to this provisional assessment if additional information were to become available.

	Preliminary Assessment	Adjustments (in thousands)	Revised Assessment
Assets:			
Accounts receivable	\$ 89	\$ (69)	\$ 20
Cemetery property	2,277	(34)	2,243
Merchandise trusts, restricted, at fair value	577	(15)	562
Perpetual care trusts, restricted, at fair value	898	6	904
Property and equipment	125	34	159
Other assets	160		160
 Total assets	 4,126	 (78)	 4,048
Liabilities:			
Deferred margin	360		360
Merchandise liabilities	332	5	337
Deferred tax liability	810	(48)	762
Perpetual care trust corpus	898	6	904
 Total liabilities	 2,400	 (37)	 2,363
 Fair value of net assets acquired	 1,726	 (41)	 1,685
 Consideration paid at closing	 1,850		 1,850
 Consideration to be paid	 280		 280
 Total consideration	 2,130		 2,130
 Goodwill from purchase	 \$ 404	 \$ 41	 \$ 445

Also, on August 17, 2011, the Operating Company, StoneMor Puerto Rico LLC, a Puerto Rico limited liability company and StoneMor Puerto Rico Subsidiary LLC, a Puerto Rico limited liability company, each a wholly-owned subsidiary of the Company (collectively the "Buyer"), entered into a Stock Purchase Agreement with Alderwoods Group, LLC, a Delaware limited liability company (the "Seller" or "SCI Puerto Rico") to purchase all of the stock of SCI Puerto Rico Funeral and Cemetery Services, Inc., a Puerto Rico corporation. Through the purchase of SCI Puerto Rico Funeral and Cemetery Services, Inc., the Buyer acquired five cemeteries and four funeral homes in Puerto Rico. In consideration for the stock acquired, the Buyer paid the Seller \$4.6 million in cash.

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The table below reflects the Company's preliminary assessment of the fair value of net assets acquired, the purchase price and the resulting goodwill recorded in the third quarter of the year. The Company obtained additional information in the fourth quarter of 2011 and has retrospectively adjusted these values as noted below. The Company may make further retrospective adjustments to this provisional assessment if additional information were to become available.

	Preliminary Assessment	Adjustments (in thousands)	Revised Assessment
Assets:			
Accounts receivable	\$ 3,844	\$ 731	\$ 4,575
Cemetery property	4,730	(64)	4,666
Perpetual care trusts, restricted, at fair value	594	387	981
Property and equipment	3,570	554	4,124
Total assets	12,738	1,608	14,346
Liabilities:			
Deferred margin	5,526	(309)	5,217
Merchandise liabilities	5,100	(301)	4,799
Deferred tax liability	640	126	766
Perpetual care trust corpus	594	387	981
Total liabilities	11,860	(97)	11,763
Fair value of net assets acquired	878	1,705	2,583
Consideration paid	4,600		4,600
Goodwill from purchase	\$ 3,722	\$ (1,705)	\$ 2,017

Fourth Quarter 2011 Acquisitions

On October 4, 2011, the Operating Company and StoneMor Tennessee Subsidiary LLC, a Tennessee limited liability company, each a wholly-owned subsidiary of the Company (collectively the "Buyer"), entered into an Asset Purchase and Sale Agreement (the "4th Quarter Tennessee Purchase Agreement") with Forest Hill Funeral Home and Memorial Park-East, LLC, a Tennessee limited liability company ("Seller") and a state court-appointed receiver ("Receiver").

Pursuant to the 4th Quarter Tennessee Purchase Agreement, the Buyer acquired three cemeteries and three funeral homes in Tennessee out of a state court appointed receivership, including certain related assets, and assumed certain related liabilities. In consideration for the net assets acquired, the Buyer paid \$4.5 million, the components of which were \$1.6 million in cash and \$2.9 million in cash to lend monies to the merchandise trusts of these properties to fund their current underfunded status. In addition, the Buyer assumed a commitment to spend \$0.5 million for capital improvements or deferred maintenance on the properties within 18 months of the closing date.

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The table below reflects the Company's preliminary assessment of the fair value of net assets acquired, the purchase price and the resulting goodwill recorded in the fourth quarter of the year. These amounts will be retrospectively adjusted as additional information is received.

	Preliminary Assessment (in thousands)
Assets:	
Accounts receivable	\$ 86
Cemetery property	1,096
Merchandise trusts, restricted, at fair value	10,122
Perpetual care trusts, restricted, at fair value	4,373
Property and equipment	2,257
Total assets	17,934
Liabilities:	
Deferred margin	12,638
Merchandise liabilities	11,666
Perpetual care trust corpus	4,373
Total liabilities	28,677
Fair value of net liabilities acquired	(10,743)
Consideration paid	4,500
Goodwill from purchase	\$ 15,243

On November 3, 2011, the Operating Company, StoneMor Mississippi LLC, a Mississippi limited liability company, and StoneMor Mississippi Subsidiary LLC, a Mississippi limited liability company, each a wholly-owned subsidiary of the Company (collectively the Buyer), entered into an Asset Purchase and Sale Agreement (the 4th Quarter Mississippi Purchase Agreement) with Serenity Cemeteries III, LLC, an Arizona limited liability company (Seller) and two individuals.

Pursuant to the 4th Quarter Mississippi Purchase Agreement, the Buyer acquired two cemeteries and one funeral home in Mississippi, including certain related assets, and assumed certain related liabilities. In consideration for the net assets acquired, the Buyer paid the Seller \$1.3 million in cash and made a deposit into trust of less than \$0.1 million.

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The table below reflects the Company's preliminary assessment of the fair value of net assets acquired, the purchase price and the resulting goodwill recorded in the fourth quarter of the year. These amounts will be retrospectively adjusted as additional information is received.

	Preliminary Assessment (in thousands)
Assets:	
Accounts receivable	\$ 66
Cemetery property	1,331
Merchandise trusts, restricted, at fair value	1,264
Perpetual care trusts, restricted, at fair value	524
Property and equipment	488
Total assets	3,673
Liabilities:	
Deferred margin	832
Merchandise liabilities	965
Deferred tax liability	268
Perpetual care trust corpus	524
Total liabilities	2,589
 Fair value of net assets acquired	 1,084
 Consideration paid	 1,342
 Goodwill from purchase	 \$ 258

The results of operations and pro forma results related to the acquisitions made in 2011 are not material to the consolidated financial statements taken as a whole.

In the aggregate, for the acquisitions consummated during 2011, revenues and net income (loss) included in operations since the dates of acquisition are \$4.3 million and \$(0.3) million, respectively, for the year ended December 31, 2011.

Fourth Quarter 2011 Disposition

On December 30, 2011, we sold one funeral home in West Virginia for \$0.1 million, resulting in a gain of \$0.1 million.

First Quarter 2010 Acquisition

On March 30, 2010, the Operating Company, StoneMor Michigan LLC, a Michigan limited liability company (Buyer LLC) and StoneMor Michigan Subsidiary LLC, a Michigan limited liability company (Buyer NQ Sub) and individually and collectively with StoneMor LLC and Buyer LLC, Buyer), each a wholly-owned subsidiary of StoneMor Partners L.P. (the Company), entered into an Asset Purchase and Sale Agreement (the Purchase Agreement) with SCI Funeral Services, LLC, an Iowa limited liability company (Parent), SCI Michigan Funeral Services, Inc., a Michigan corporation (SCI Michigan), and together with Parent, SCI), Hillcrest Memorial Company, a Delaware corporation (Hillcrest), Christian Memorial Cultural Center, Inc., a Michigan corporation (Christian), Sunrise Memorial Gardens Cemetery, Inc., a Michigan corporation (Sunrise), and Flint Memorial Park Association, a Michigan corporation (Flint) and individually and collectively with Sunrise, Hillcrest and Christian, Seller).

In connection with the Purchase Agreement, on March 30, 2010, StoneMor LLC and Plymouth Warehouse Facilities LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Company

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(Plymouth and individually and collectively with StoneMor LLC, Warehouse Buyer), entered into an Asset Purchase and Sale Agreement (the Warehouse Purchase Agreement) with SCI, Hillcrest, Sunrise, Flint, Buyer NQ Sub and Buyer LLC.

Pursuant to the Purchase Agreement, Buyer acquired nine cemeteries in Michigan, including certain related assets (the Acquired Assets), and assumed certain related liabilities (the Assumed Liabilities). In consideration for the transfer of the Acquired Assets and in addition to the assumption of the Assumed Liabilities, Buyer paid Seller approximately \$14.1 million (the Closing Purchase Price) in cash.

Pursuant to the Warehouse Purchase Agreement, Warehouse Buyer acquired one warehouse in Michigan from SCI, including certain related assets, and assumed certain related liabilities for \$0.5 million in cash, which was deemed part of the \$14.1 million consideration paid in connection with the Purchase Agreement.

The Purchase Agreement and Warehouse Purchase Agreement also include various representations, warranties, covenants, indemnification and other provisions which are customary for transactions of this nature.

The table below reflects the Company's final assessment of these fair values and all amounts have been retrospectively adjusted.

	Final Assessment (in thousands)
Assets:	
Cemetery property	\$ 33,761
Accounts receivable	2,651
Merchandise trusts, restricted, at fair value	48,027
Perpetual care trusts, restricted, at fair value	15,084
Property and equipment	5,768
Total assets	105,291
Liabilities:	
Deferred margin	31,094
Merchandise liabilities	30,126
Deferred income tax liability, net	7,879
Perpetual care trust corpus	15,084
Total liabilities	84,183
Fair value of net assets acquired	21,108
Consideration paid	14,015
Gain on bargain purchase	\$ 7,093

Second Quarter 2010 Acquisition

On April 29, 2010, the Johnson County Circuit Court of Indiana entered the Order Approving Form of Amended and Restated Purchase Agreement and Authorizing Sale of Equity Interests and Assets (the Indiana Order). The Indiana Order, subject to certain conditions, permitted Lynette Gray, as receiver (the Receiver) of the business and assets of Ansure Mortuaries of Indiana, LLC (Ansure), Memory Gardens Management Corporation (MGMC), Forest Lawn Funeral Home Properties, LLC (Forest Lawn), Gardens of Memory Cemetery LLC (Gardens of Memory), Gill Funeral Home, LLC (Gill), Garden View Funeral Home, LLC (Garden View), Royal Oak Memorial Gardens of Ohio Ltd. (Royal Oak), Heritage Hills Memory Gardens of Ohio Ltd. (Heritage) and Robert E. Nelms (Nelms and collectively with Ansure, MGMC, Forest Lawn, Gardens of Memory, Gill, Garden View, Royal Oak and Heritage, the Original Sellers), to enter into and consummate an Amended and Restated Purchase Agreement (the 2nd Quarter Purchase Agreement) with StoneMor Operating LLC, a Delaware limited liability company (StoneMor LLC), StoneMor Indiana LLC, an

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Indiana limited liability company (StoneMor Indiana), StoneMor Indiana Subsidiary LLC, an Indiana limited liability company (StoneMor Subsidiary) and Ohio Cemetery Holdings, Inc., an Ohio nonprofit corporation (Ohio Nonprofit, and collectively with StoneMor LLC, StoneMor Indiana and StoneMor Subsidiary, the Buyer), each a wholly-owned subsidiary of the Company. Subject to the receipt of the Indiana Order, the Purchase Agreement was executed by the Buyer and the Receiver on April 2, 2010.

Effective June 21, 2010, certain subsidiaries of the Company entered into Amendment No. 1 to the 2nd Quarter Purchase Agreement (Amendment No. 1) by and among the Buyer, the Original Sellers, Robert Nelms, LLC (Nelms LLC, and collectively with the Original Sellers, the Sellers) and the Receiver, which amended the Purchase Agreement executed by the Buyer and the Receiver. Amendment No. 1 amended the 2nd Quarter Purchase Agreement by: adding certain parties to the Purchase Agreement; modifying certain representations and warranties made by the Original Sellers in the 2nd Quarter Purchase Agreement; and providing that the Buyer will assume certain additional liabilities such as the obligation to pay for all claims incurred under the health benefit plans of the Original Sellers on or before the closing of the transactions contemplated by the Purchase Agreement and Amendment No. 1, but which had not been reported on or prior to the closing.

Effective June 21, 2010, pursuant to the 2nd Quarter Purchase Agreement and Amendment No. 1, the Buyer acquired the stock (the Stock) of certain companies owned by Ansure (the Acquired Companies) and certain assets (the Assets) owned by Nelms, Nelms LLC, Gill, Gardens of Memory, Garden View, Forest Lawn, Heritage, Royal Oak and MGMCM, resulting in the acquisition of 8 cemeteries and 5 funeral homes in Indiana, Michigan and Ohio (the Acquisition). The Buyer acquired the Stock and Assets, advanced moneys to pay for trust shortfalls of the cemeteries, paid certain liabilities of the Sellers, which were offset by funds held in a Smith Barney Account acquired by the Buyer in the transaction, and paid certain legal fees of the parties to the transaction and other acquisition costs, for a total consideration, including the offset by the funds held in the Smith Barney Account, of approximately \$32.5 million. The Acquisition was financed, in part, by borrowing \$22.5 million from the Company's acquisition facility under the Amended and Restated Credit Agreement dated August 15, 2007 among StoneMor LLC, certain of its subsidiaries, the Company, StoneMor GP LLC, Bank of America, N.A., the other lenders party thereto, and Bank of America Securities LLC, as amended.

Settlement Agreement

In connection with the Acquisition, effective June 21, 2010, StoneMor LLC and StoneMor Indiana (collectively, StoneMor) and the Company entered into a Settlement Agreement (the Settlement Agreement) with Chapel Hill Associates, Inc., d/b/a Chapel Hill Memorial Gardens of Grand Rapids, Chapel Hill Funeral Home, Inc., Covington Memorial Funeral Home, Inc., Covington Memorial Gardens, Inc., Forest Lawn Memorial Chapel Inc., Forest Lawn Memory Gardens Inc., Fred W. Meyer, Jr. by James R. Meyer as Special Administrator to the Estate of Fred W. Meyer, Jr. (the F. Meyer Estate), James R. Meyer (J. Meyer), Thomas E. Meyer (T. Meyer), Nancy J. Cade (Cade, and collectively with the F. Meyer Estate, J. Meyer, and T. Meyer, the Meyer Family) and F.T.J. Meyer Associates, LLC (FTJ).

Pursuant to the Settlement Agreement, StoneMor agreed to assume, pay and discharge a portion of Ansure's and Forest Lawn's obligations under: (i) certain notes issued by Ansure in favor of Fred W. Meyer, Jr., J. Meyer, T. Meyer, and Cade (collectively, the Original Meyer Family); and (ii) a note issued by Forest Lawn to FTJ, which was later assigned to the Original Meyer Family.

StoneMor agreed to assume approximately \$7.1 million of Ansure's and Forest Lawn's obligations under the notes they issued, with the remaining principal, interest and fees due under such notes forgiven by the Meyer Family. In connection with the assumption of these obligations, at Closing, StoneMor issued promissory notes to each member of the Meyer Family (the Closing Notes) and additional promissory notes payable in installments to certain members of the Meyer Family (the Installment Notes). The Closing Notes were issued effective June 21, 2010 in the aggregate principal amount of approximately \$5.8 million, were unsecured subordinated obligations of StoneMor, bore no interest and were payable on demand at the Closing. The Closing Notes were

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paid at closing by: (i) the issuance by the Company of 293,947 unregistered common units representing limited partnership interests of the Company (the Units) valued at approximately \$5.8 million pursuant to the terms of the Settlement Agreement; and (ii) a cash payment of approximately \$0.2 million.

The Installment Notes were issued effective June 21, 2010 and mature April 1, 2014. The Installment Notes are to be paid over a 4 year period and do not have a stated rate of interest. The Company has recorded the Installment Notes at their fair market value of approximately \$2.6 million. The face amounts of the Installment Notes were discounted approximately \$0.7 million, and the discount will be amortized to interest expense over the life of the Installment Notes. The Installment Notes bear 10.25% interest per annum on the portion of the outstanding balance after the maturity date or while there exists any uncured event of default or the exercise by the Company of any remedies following the occurrence and during the continuance of any event of default. In addition, if StoneMor voluntarily files for bankruptcy or is involved in an involuntary bankruptcy proceeding, the entire principal balance of the Installment Notes will automatically become due and payable.

J. Meyer, T. Meyer and Cade each entered into an Amended and Restated Agreement-Not-To-Compete with StoneMor, which amended the non-compete agreements each previously entered into with Ansure. In consideration for entering into an Amended and Restated Agreement-Not-To-Compete, StoneMor agreed to pay an aggregate of approximately \$2.3 million to J. Meyer, T. Meyer, and Cade, with approximately \$0.3 million paid at Closing, and the remainder to be paid in installments over 4 years.

The Settlement Agreement also provides that, if the annual distributions paid by the Company to its unitholders are less than \$2.20, StoneMor will pay additional cash consideration to the Meyer Family annually for four years pursuant to a formula contained in the Settlement Agreement. StoneMor may also pay up to approximately \$2.4 million to the Meyer Family from the proceeds of the Misappropriation Claims, subject to certain minimum thresholds before payments are required.

In addition, StoneMor provided an assignment from the Receiver to the Meyer Family of the Eminent Domain Claim, as defined in the Settlement Agreement, and the proceeds thereto, at closing. The Meyer Family agreed to assign its rights under the Fraud Claims, as defined in the Settlement Agreement, to StoneMor.

All obligations of StoneMor, the Company, and the Acquired Companies under the Settlement Agreement and other transaction documents are subordinate and junior to the obligations of StoneMor, the Company, and the Acquired Companies under any Senior Debt, as defined in the Settlement Agreement.

The Settlement Agreement also includes various representations, warranties, covenants, mutual releases, indemnification and other provisions, which are customary for a transaction of this nature.

Unregistered Sale of Securities

In connection with the Acquisition, StoneMor GP LLC, the general partner of the Company (StoneMor GP), entered into a Non-Competition Agreement (Non-Competition Agreement) dated as of June 21, 2010 with Ronald P. Robertson, pursuant to which Mr. Robertson agreed not to compete with StoneMor GP and the companies under its management and control. In consideration for Mr. Robertson's covenant not to compete and as a partial payment of the Closing Notes to the Meyer Family pursuant to the Settlement Agreement, effective June 21, 2010, the Company issued 303,800 Units.

Pursuant to the Non-Competition Agreement, the Company is obligated to issue additional Units which were initially valued at a fair value of \$0.5 million based on a unit price of \$20.30 just prior to the date of acquisition. As a result, the Company issued 9,853 units in June of 2011, resulting in a charge to partners' capital of approximately \$0.3 million. The Company is also obligated to issue an additional 9,853 units and 4,924 units in June of 2012 and June of 2013, respectively.

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The table below reflects the Company's final assessment of the fair value of net assets received, the purchase price and the resulting goodwill from the purchase and displays the adjustment made from the adjusted values reported at December 31, 2010. The Company obtained additional information in the second quarter of 2011 and has retrospectively adjusted these preliminary values as noted below.

	Preliminary Assessment	Adjustments (in thousands)	Final Assessment
Assets:			
Cemetery land	\$ 21,686	\$	\$ 21,686
Cemetery and funeral home property	9,039		9,039
Accounts receivable	2,138		2,138
Merchandise trusts, restricted, at fair value	17,142	1,806	18,948
Perpetual care trusts, restricted, at fair value	3,349	733	4,082
Other assets	4,369	422	4,791
Total assets	57,723	2,961	60,684
Liabilities:			
Deferred margin	15,939		15,939
Merchandise liabilities	15,543		15,543
Deferred income tax liability, net	9,426	302	9,728
Perpetual care trust corpus	3,349	733	4,082
Total liabilities	44,257	1,035	45,292
Fair value of net assets acquired	13,466	1,926	15,392
Paid at closing purchase price	10,417		10,417
Paid at closing units	5,785	110	5,895
Paid at closing liabilities incurred	\$ 3,648	\$	\$ 3,648
Goodwill from purchase	\$ 18,914	\$ (1,816)	\$ 17,098
Total purchase price	19,850	110	19,960
Paid at closing trust underfunding	12,530		12,530
Total paid at closing	32,380	110	32,490

Third Quarter 2010 Acquisition and Long-Term Operating Agreement

During the third quarter of 2010, certain subsidiaries of the Company entered into a long-term operating agreement (the Operating Agreement) with the Archdiocese of Detroit (the Archdiocese) wherein the Company became the exclusive operator of certain cemeteries in Michigan owned by the Archdiocese, of Detroit. The parties have agreed that the operating agreement will terminate on March 31, 2012. The parties are discussing their respective rights and obligations upon termination.

The Company has concluded that this Operating Agreement does not qualify as a variable interest entity because the Company does not control the entity. However, the existing merchandise trust, which had a fair value of approximately \$3.5 million as of the contract date, has been consolidated as a variable interest entity as the Company controls and directly benefits from the operations of the merchandise trust. Other liabilities assumed by the Company have also been recorded as of the contract date. As no consideration was paid in this transaction, the Company has recorded a deferred gain of approximately \$3.1 million within deferred cemetery revenues, net, which represent the excess of the value of the merchandise trust over the liabilities assumed. This amount will be amortized as the Company recognizes the benefits of ownership associated with the merchandise trust.

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The table below reflects the amounts recorded on the contract date either through consolidation as a VIE or the assumption of a liability, resulting in a deferred gain:

	Final Assessment (in thousands)
Assets:	
Merchandise trusts, restricted, at fair value	\$ 3,493
Liabilities:	
Deferred margin	208
Merchandise liabilities	192
 Net assets recorded	 3,093
Consideration paid	
 Deferred gain	 \$ 3,093

Also during the third quarter of 2010, the Company purchased a single cemetery for \$1.5 million, which included the payoff of an existing mortgage of \$0.3 million. At September 30, 2010, the Company had made a provisional assessment of the fair value of net assets acquired for this transaction. The Company obtained additional information in the fourth quarter of 2010 and had retrospectively adjusted these preliminary values as of December 31, 2010.

The table below reflects the Company's final assessment of the fair value of net assets received, the purchase price and the resulting gain on a bargain purchase and displays the adjustment made from the adjusted values reported at December 31, 2010. The Company obtained additional information in the second quarter of 2011 and has retrospectively adjusted these preliminary values as noted below.

	Preliminary Assessment	Adjustments (in thousands)	Final Assessment
Assets:			
Accounts receivable	\$ 1,003	\$ (134)	\$ 869
Cemetery property	2,831		2,831
Property and equipment	607		607
Merchandise trusts, restricted, at fair value	3,080		3,080
Perpetual care trusts, restricted, at fair value	1,089		1,089
Intangible assets	340		340
 Total assets	 8,950	 (134)	 8,816
Liabilities:			
Deferred margin	2,537	(133)	2,404
Other liabilities	318		318
Merchandise liabilities	2,342		2,342
Deferred tax liabilities	1,104		1,104
Perpetual care trust corpus	1,089		1,089
 Total liabilities	 7,390	 (133)	 7,257
 Fair value of net assets acquired	 1,560	 (1)	 1,559
Consideration paid	1,500		1,500

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Gain on bargain purchase	\$	60	\$	(1)	\$	59
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The results of operations and pro forma results related to this acquisition are not material to the financial statements taken as a whole.

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Table of Contents**Fourth Quarter 2010 Acquisition**

On October 12, 2010, StoneMor LLC, StoneMor Kansas LLC, a Kansas limited liability company and StoneMor Kansas Subsidiary LLC, a Kansas limited liability company, each a wholly-owned subsidiary of the Company, entered into an Asset Purchase and Sale Agreement (the "4th Quarter Purchase Agreement") with Fairlawn Burial Park Association and Heritage II Inc., collectively the Sellers, and Edward J. Nazar as the Receiver.

Pursuant to the 4th Quarter Purchase Agreement, Buyer acquired the assets of one cemetery and one funeral home in Kansas, purchased out of receivership. In consideration for the transfer, the Company paid approximately \$0.7 million in cash, and posted a bond of approximately \$0.3 million to fund permanent maintenance trust shortfalls and incurred approximately \$0.6 million of liabilities in connection with this acquisition.

The table below reflects the Company's final assessment of the fair value of net assets received, the purchase price and the resulting gain on a bargain purchase and displays the adjustment made from the adjusted values reported at December 31, 2010. The Company obtained additional information in the second quarter of 2011 and has retrospectively adjusted these preliminary values as noted below.

	Preliminary Assessment	Adjustments (in thousands)	Final Assessment
Assets:			
Accounts receivable (net)	\$ 198	\$ (118)	\$ 80
Cemetery property	986		986
Merchandise trusts, restricted, at fair value	535		535
Perpetual care trusts, restricted, at fair value	412		412
Property and equipment	520		520
Total assets	2,651	(118)	2,533
Liabilities:			
Deferred margin	1,010		1,010
Merchandise liabilities	932		932
Deferred tax liabilities	89		89
Perpetual care trust corpus	412		412
Total liabilities	2,443		2,443
Fair value of net assets acquired	208	(118)	90
Consideration paid	665		665
Goodwill from purchase	\$ 457	\$ 118	\$ 575

The results of operations and pro forma results related to this acquisition are not material to the consolidated financial statements taken as a whole.

If the acquisitions from the first and second quarters of 2010 had been consummated on January 1, 2010, on a pro forma basis, for the year ended December 31, 2010, consolidated revenues would have been \$204.8 million, consolidated net income (loss) would have been \$(2.3) million and net income (loss) per limited partner unit (basic and diluted) would have been \$(0.16). These pro forma results are unaudited and have been prepared for comparative purposes only and include certain adjustments such as decreased cost of goods sold related to the step-down in the basis of the cemetery property acquired and increased interest on the acquisition debt. They do not purport to be indicative of the results of operations which actually would have resulted had the combination been in effect on January 1, 2010 or of future results of operations of the locations. The results of operations of the acquired properties are included in the consolidated financial statements since the date of acquisition.

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Revenues and net income included in operations since the dates of acquisition are \$25.6 million and \$7.2 million, respectively, for the year ended December 31, 2011 and \$11.1 million and \$1.1 million, respectively, for the year ended December 31, 2011.

2nd Quarter 2009 Long-Term Operating Agreements

In the second quarter of 2009, the Company, through certain of its subsidiaries, entered into two long-term operating agreements wherein the Company has become the exclusive operator of the underlying cemetery land.

These operating agreements do not qualify as variable interest entities because the Company does not control the entities. However, the existing merchandise and perpetual care trusts, which had a fair value of approximately \$1.4 million and \$3.4 million, respectively, have been consolidated as a variable interest entity as the Company controls and directly benefits from the operations of the trusts. Other liabilities assumed by the Company and debt incurred related to this transaction have also been recorded as of the contract date. The cash paid and debt incurred related to these transactions exceeded the net assets recorded as of the contract date. This amount of approximately \$4.8 million, recorded within other assets on the consolidated balance sheet, will be amortized over the expected life of the contract, which is 40 years.

The table below reflects the amounts recorded on the contract date either through consolidation as a VIE or the assumption of a liability.

	Final Assessment (in thousands)
Assets:	
Merchandise trusts, restricted, at fair value	\$ 1,385
Perpetual care trusts, restricted, at fair value	3,428
Liabilities:	
Merchandise liabilities	1,635
Deferred margin	1,322
Other liabilities	46
Perpetual care trust corpus	3,428
Net assets recorded	(1,618)
Consideration paid	3,220
Other Assets	\$ 4,838

3rd Quarter 2009 Long-Term Operating Agreement

In the third quarter of 2009, the Company, through certain of its subsidiaries, entered into a single long-term operating agreement wherein the Company has become the exclusive operator of the underlying cemetery land.

The nature of the agreement and the accounting treatment utilized by the Company is essentially identical in nature as the 2nd Quarter 2009 long-term operating agreements described above.

The cash paid and debt incurred related to these transactions exceeded the net assets recorded as of the contract date. This amount of approximately \$3.6 million, recorded within other assets on the consolidated balance sheet, will be amortized over the expected life of the contract, which is 40 years.

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The table below reflects the amounts recorded on the contract date either through consolidation as a VIE or the assumption of a liability.

	Final Assessment (in thousands)
Assets:	
Merchandise trusts, restricted, at fair value	\$ 321
Perpetual care trusts, restricted, at fair value	2,911
Liabilities:	
Merchandise liabilities	231
Deferred margin	186
Perpetual care trust corpus	2,911
 Net assets recorded	 (96)
 Consideration paid cash	 1,400
Consideration paid note issued	1,400
Consideration paid other liability assumed	750
 Total consideration paid	 3,550
 Other assets	 \$ 3,646

15. SEGMENT INFORMATION

The Company is organized into five distinct reportable segments which are classified as Cemetery Operations Southeast, Cemetery Operations Northeast, Cemetery Operations West, Funeral Homes, and Corporate.

The Company has chosen this level of organization of reportable segments due to the fact that a) each reportable segment has unique characteristics that set it apart from other segments; b) the Company has organized its management personnel at these operational levels; and c) it is the level at which the Company's chief decision makers and other senior management evaluate performance.

The cemetery operations segments sell interment rights, caskets, burial vaults, cremation niches, markers and other cemetery related merchandise. The nature of the Company's customers differs in each of its regionally based cemetery operating segments. Cremation rates in the West region are substantially higher than they are in the Southeast region. Rates in the Northeast region tend to be somewhere between the two. Statistics indicate that customers who select cremation services have certain attributes that differ from customers who select other methods of interment. The disaggregation of cemetery operations into the three distinct regional segments is primarily due to these differences in customer attributes along with the previously mentioned management structure and senior management analysis methodologies.

The Company's Funeral Homes segment offers a range of funeral-related services such as family consultation, the removal of and preparation of remains and the use of funeral home facilities for visitation. These services are distinctly different than the cemetery merchandise and services sold and provided by the cemetery operations segments.

The Company's Corporate segment includes various home office selling and administrative expenses that are not allocable to the other operating segments.

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Segment information is as follows:

As of and for the year ended December 31, 2011

As of December 31, 2011

	Southeast	Cemeteries Northeast	West	Funeral Homes (in thousands)	Corporate	Adjustment	Total
Revenues							
Sales	\$ 80,485	\$ 32,894	\$ 46,961	\$	\$	\$ (36,550)	\$ 123,790
Service and other	33,271	24,369	31,497			(14,943)	74,194
Funeral home				31,163		(759)	30,404
Total revenues	113,756	57,263	78,458	31,163		(52,252)	228,388
Costs and expenses							
Cost of sales	16,653	7,140	7,361			(5,039)	26,115
Cemetery	23,090	14,033	20,022				57,145
Selling	27,457	11,468	14,029		830	(8,493)	45,291
General and administrative	13,820	6,411	9,314		2	(3)	29,544
Corporate overhead					23,766		23,766
Depreciation and amortization	1,653	891	2,266	1,597	2,127		8,534
Funeral home				23,554			23,554
Acquisition related costs					4,604		4,604
Total costs and expenses	82,673	39,943	52,992	25,151	31,329	(13,535)	218,553
Operating profit	\$ 31,083	\$ 17,320	\$ 25,466	\$ 6,012	\$ (31,329)	\$ (38,717)	\$ 9,835
Total assets	\$ 472,472	\$ 284,765	\$ 383,696	\$ 78,763	\$ 29,429	\$	\$ 1,249,125
Amortization of cemetery property	\$ 3,483	\$ 2,185	\$ 1,005	\$	\$	\$ (81)	\$ 6,592
Long lived asset additions	\$ 13,883	\$ 1,823	\$ 7,816	\$ 10,214	\$ 588	\$	\$ 34,324
Goodwill	\$ 7,271	\$	\$ 11,948	\$ 17,220	\$	\$	\$ 36,439

As of and for the year ended December 31, 2010

As of December 31, 2010

	Southeast	Cemeteries Northeast	West	Funeral Homes (in thousands)	Corporate	Adjustment	Total
Revenues							
Sales	\$ 76,419	\$ 34,314	\$ 37,079	\$	\$ 10	\$ (40,043)	\$ 107,779
Service and other	28,157	22,430	23,445			(10,065)	63,967
Funeral home				25,546			25,546
Total revenues	104,576	56,744	60,524	25,546	10	(50,108)	197,292
Costs and expenses							
Cost of sales	15,477	8,455	5,927		6	(6,336)	23,529
Cemetery	20,518	13,490	14,776				48,784
Selling	24,486	11,176	11,142		596	(9,155)	38,245
General and administrative	11,835	6,108	6,631		17		24,591

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Corporate overhead					24,379		24,379
Depreciation and amortization	1,448	782	1,157	1,654	3,804		8,845
Funeral home				19,937			19,937
Acquisition related costs					5,715		5,715
Total costs and expenses	73,764	40,011	39,633	21,591	34,517	(15,491)	194,025
Operating profit	\$ 30,812	\$ 16,733	\$ 20,891	\$ 3,955	\$ (34,507)	\$ (34,617)	\$ 3,267
Total assets	\$ 381,322	\$ 266,745	\$ 361,694	\$ 49,461	\$ 86,370	\$	\$ 1,145,592
Amortization of cemetery property	\$ 3,036	\$ 3,398	\$ 719	\$	\$	\$ (235)	\$ 6,918
Long lived asset additions	\$ 3,079	\$ 3,703	\$ 68,609	\$ 8,441	\$ 188	\$	\$ 84,020
Goodwill	\$ 456	\$	\$ 11,801	\$ 5,896	\$	\$	\$ 18,153

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As of and for the year ended December 31, 2009

As of December 31, 2009

	Cemeteries			Funeral Homes		Corporate	Adjustment	Total
	Southeast	Northeast	West	(in thousands)				
Revenues								
Sales	\$ 71,756	\$ 33,743	\$ 27,094	\$	\$ 15	\$ (19,933)	\$	\$ 112,675
Service and other	27,976	20,450	12,863			(16,126)		45,163
Funeral home				23,365				23,365
Total revenues	99,732	54,193	39,957	23,365	15	(36,059)		181,203
Costs and expenses								
Cost of sales	15,410	7,207	4,422		4	(5,249)		21,794
Cemetery	18,555	12,842	9,834		15			41,246
Selling	22,368	10,595	7,834		855	(7,529)		34,123
General and administrative	11,453	6,127	4,884		34			22,498
Corporate overhead					22,370			22,370
Depreciation and amortization	1,531	840	448	1,101	2,608			6,528
Funeral home				19,006				19,006
Acquisition related costs					1,072			1,072
Total costs and expenses	69,317	37,611	27,422	20,107	26,958	(12,778)		168,637
Operating profit	\$ 30,415	\$ 16,582	\$ 12,535	\$ 3,258	\$ (26,943)	\$ (23,281)	\$	\$ 12,566
Total assets	\$ 371,155	\$ 252,522	\$ 162,664	\$ 35,436	\$ 33,524	\$	\$	\$ 855,301
Amortization of cemetery property	\$ 3,091	\$ 2,332	\$ 615	\$	\$	\$ (237)	\$	\$ 5,801
Long lived asset additions	\$ 5,685	\$ 912	\$ 695	\$ 627	\$ 4,448	\$	\$	\$ 12,367
Goodwill	\$	\$	\$	\$ 480	\$	\$	\$	\$ 480

Results of individual business units are presented based on our management accounting practices and management structure. There is no comprehensive, authoritative body of guidance for management accounting equivalent to accounting principles generally accepted in the United States of America; therefore, the financial results of individual business units are not necessarily comparable with similar information for any other company. The management accounting process uses assumptions and allocations to measure performance of the business units. Methodologies are refined from time to time as management accounting practices are enhanced and businesses change. Revenues and associated expenses are not deferred in accordance with SAB No. 104 therefore, the deferral of these revenues and expenses is provided in the adjustment column to reconcile the Company's managerial financial statements to those prepared in accordance with GAAP. Pre-need sales revenues included within the sales category consist primarily of the sale of burial lots, burial vaults, mausoleum crypts, grave markers and memorials, and caskets. Management accounting practices included in the Southeast, Northeast, and Western Regions reflect these pre-need sales when contracts are signed by the customer and accepted by the Company. Pre-need sales reflected in the consolidated financial statements, prepared in accordance with GAAP, recognize revenues for the sale of burial lots and mausoleum crypts when the product is constructed and at least 10% of the sales price is collected. With respect to the other products, the consolidated financial statements prepared under GAAP recognize sales revenues when the criteria for delivery under SAB No. 104 are met. These criteria include, among other things, purchase of the product, delivery and installation of the product in the ground, and transfer of title to the customer. In each case, costs are accrued in connection with the recognition of revenues; therefore, the consolidated financial statements reflect Deferred Cemetery Revenue, Net and Deferred Selling and Obtaining Costs on the balance sheet, whereas the Company's management accounting practices exclude these items.

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The Fair Value Measurements and Disclosures topic of the ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. This topic also establishes a fair value hierarchy that gives the highest priority to observable inputs and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy defined by this topic are described below.

Level 1: Quoted market prices available in active markets for identical assets or liabilities. The Company includes short-term investments, consisting primarily of money market funds, U.S. Government debt securities and publicly traded equity securities and mutual funds in its level 1 investments.

Level 2: Quoted prices in active markets for similar assets; quoted prices in non-active markets for identical or similar assets; inputs other than quoted prices that are observable. The Company includes U.S. state and municipal, corporate and other fixed income debt securities in its level 2 investments.

Level 3: Any and all pricing inputs that are generally unobservable and not corroborated by market data.

The following table allocates the Company's assets measured at fair value as of December 31, 2011 and December 31, 2010.

As of December 31, 2011**Merchandise Trust**

Description	Level 1	Level 2 (in thousands)	Total
Assets			
Short-term investments	\$ 38,312	\$	\$ 38,312
Fixed maturities:			
U.S. government and federal agency			
U.S. state and local government agency		23	23
Corporate debt securities		9,765	9,765
Other debt securities		1,100	1,100
Total fixed maturity investments		10,888	10,888
Mutual funds debt securities	67,421		67,421
Mutual funds equity securities real estate sector	22,847		22,847
Mutual funds equity securities energy sector	28,057		28,057
Mutual funds equity securities MLP's	20,308		20,308
Mutual funds equity securities other	70,076		70,076
Equity securities			
Preferred REIT's	9,001		9,001
Master limited partnerships	41,469		41,469
Global equity securities	21,882		21,882
Other invested assets		7,360	7,360
Total	\$ 319,373	\$ 18,248	\$ 337,621

Table of Contents**Perpetual Care Trust**

Description	Level 1	Level 2 (in thousands)	Total
Assets			
Short-term investments	\$ 22,607	\$	\$ 22,607
Fixed maturities:			
U.S. government and federal agency	513		513
U.S. state and local government agency		147	147
Corporate debt securities		22,154	22,154
Other debt securities		371	371
Total fixed maturity investments	513	22,672	23,185
Mutual funds debt securities	60,806		60,806
Mutual funds equity securities real estate sector	24,580		24,580
Mutual funds equity securities energy sector	20,069		20,069
Mutual funds equity securities MLP s	13,515		13,515
Mutual funds equity securities other	41,334		41,334
Equity securities			
Preferred REIT s	19,720		19,720
Master limited partnerships	27,998		27,998
Global equity securities	695		695
Other invested assets		170	170
Total	\$ 231,837	\$ 22,842	\$ 254,679

As of December 31, 2010**Merchandise Trust**

Description	Level 1	Level 2 (in thousands)	Total
Assets			
Short-term investments	\$ 40,723	\$	\$ 40,723
Fixed maturities:			
U.S. government and federal agency			
U.S. state and local government agency		23	23
Corporate debt securities		9,940	9,940
Other debt securities		1,538	1,538
Total fixed maturity investments		11,501	11,501
Mutual funds debt securities	52,518		52,518
Mutual funds equity securities real estate sector	12,761		12,761
Mutual funds equity securities energy sector	29,119		29,119
Mutual funds equity securities MLP s	20,077		20,077
Mutual funds equity securities other	64,708		64,708
Equity securities			
Preferred REIT s	16,549		16,549
Master limited partnerships	36,520		36,520
Global equity securities	22,192		22,192

Other invested assets		5,208	5,208
Total	\$ 295,167	\$ 16,709	\$ 311,876

Table of Contents**Perpetual Care Trust**

Description	Level 1	Level 2 (in thousands)	Total
Assets			
Short-term investments	\$ 20,583	\$	\$ 20,583
Fixed maturities:			
U.S. government and federal agency	600		600
U.S. state and local government agency		148	148
Corporate debt securities		22,692	22,692
Other debt securities		508	508
Total fixed maturity investments	600	23,348	23,948
Mutual funds debt securities	55,149		55,149
Mutual funds equity securities real estate sector	13,026		13,026
Mutual funds equity securities energy sector	21,340		21,340
Mutual funds equity securities MLP s	13,564		13,564
Mutual funds equity securities other	43,850		43,850
Equity securities			
Preferred REIT s	31,050		31,050
Master limited partnerships	25,426		25,426
Global equity securities	776		776
Other invested assets		978	978
Total	\$ 225,364	\$ 24,326	\$ 249,690

All level 2 assets are priced utilizing independent pricing services. There were no level 3 assets.

17. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following summarizes certain quarterly results of operations:

2011	March 31	Three months ended		December 31
		June 30	September 30	
		(in thousands, except unit data)		
Revenues	\$ 49,231	\$ 60,107	\$ 60,325	\$ 58,725
Net income (loss)	(7,214)	815	(223)	(3,093)
General partners interest in net income (loss) for the period	(144)	16	(4)	(62)
Limited partners interest in net income (loss) for the period	(7,070)	799	(219)	(3,031)
Net income (loss) per common unit				
Basic	\$ (0.40)	\$ 0.04	\$ (0.01)	\$ (0.16)
Diluted	\$ (0.40)	\$ 0.04	\$ (0.01)	\$ (0.16)
2010	March 31	Three months ended		December 31
		June 30	September 30	
		(in thousands, except unit data)		
Revenues	\$ 40,670	\$ 48,737	\$ 52,130	\$ 55,755
Net income (loss)	5,895	(1,460)	(1,901)	(3,981)
General partners interest in net income (loss) for the period	118	(29)	(38)	(80)

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Limited partners' interest in net income (loss) for the period	5,777	(1,431)	(1,863)	(3,901)
Net income (loss) per common unit				
Basic	\$ 0.43	\$ (0.11)	\$ (0.13)	\$ (0.25)
Diluted	\$ 0.43	\$ (0.11)	\$ (0.13)	\$ (0.25)

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Net income (loss) per common unit is computed independently for each quarter and the full year based upon respective average units outstanding. Therefore, the sum of the quarterly per share amounts may not equal the annual per share amounts.

18. PARTNER S CAPITAL

On February 9, 2011, the Company completed a follow-on public offering of 3,756,155 common units, including an option to purchase up to 731,155 common units to cover over-allotments which was exercised in full by the underwriters, at a price of \$29.25 per unit, representing a 19.4% interest in the Company. Total gross proceeds from these transactions were approximately \$109.9 million, before offering costs and underwriting discounts. Net proceeds of the offering, including the related capital contribution of the General Partner, after deducting underwriting discounts and offering expenses, were approximately \$105.6 million. As part of this transaction, selling unitholders also sold 1,849,366 common units. The Company did not receive any of the proceeds generated by the sale of any units held by the selling unitholders.

On September 22, 2010, the Company completed a follow-on public offering of 1,725,000 common units, including an option to purchase up to 225,000 common units to cover over-allotments which was exercised in full by the underwriters, at a price of \$24.00 per unit, representing a 10.9% interest in the Company. Total gross proceeds from these transactions were approximately \$41.4 million, before offering costs and underwriting discounts. Net proceeds of the offering, including the related capital contribution of our General Partner, after deducting underwriting discounts and offering expenses, were approximately \$39.6 million.

19. SUBSEQUENT EVENT

On January 19, 2012, the Company entered into the New Credit Agreement. For additional information, see Note 9.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Disclosure Committee and management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b). Based upon, and as of the date of this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in our reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

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Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed under the supervision of our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria described in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management concluded that we maintained effective internal control over financial reporting as of December 31, 2011.

The effectiveness of our internal control over financial reporting as of December 31, 2011 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in its report which appears herein.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during our last fiscal quarter ended December 31, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of StoneMor Partners GP LLC and Unitholders of StoneMor Partners L.P.

Levittown, Pennsylvania

We have audited the internal control over financial reporting of Stonemor Partners L.P. and subsidiaries (the Company) as of December 31, 2011, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2011 of the Company and our report dated March 15, 2012 expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania

March 15, 2012

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Item 9B. Other Information
None.

Table of Contents**PART III****Item 10. Directors, Executive Officers and Corporate Governance
Partnership Structure and Management**

StoneMor GP LLC, as our general partner, manages our operations and activities. Unitholders are not entitled to participate, directly or indirectly, in our management or operations.

Unlike the holders of common stock in a corporation, unitholders have only limited voting rights on matters affecting our business. Unitholders do not have the right to elect our general partner or its directors on an annual or other continuing basis. Our general partner may not be removed except by the vote of the holders of at least 66 2/3% of the outstanding common units, including units owned by our general partner and its affiliates. Because of their controlling ownership interest in our general partner, the MDC IV Liquidating Trusts, are able to control the election of a majority of the directors of our general partner.

Directors and Executive Officers of StoneMor GP LLC

The following table shows information regarding the directors and executive officers of our general partner. Each director is elected for one-year terms or until his successor is duly elected and qualified. Messrs. Miller, Shane, M. Stache and R. Stache serve as executive officers of our general partner pursuant to their respective employment agreements.

Name	Age	Positions with StoneMor GP LLC
Lawrence Miller (1)	63	Chief Executive Officer, President and Chairman of the Board
William R. Shane (1)	65	Executive Vice President, Chief Financial Officer, Treasurer and Secretary
Michael L. Stache	60	Senior Vice President and Chief Operating Officer
Robert Stache	63	Senior Vice President Sales
Paul Waimberg	54	Vice President Finance and Corporate Development
Timothy K. Yost	45	Vice President Financial Reporting and Investor Relations
Allen R. Freedman	71	Director
Peter K. Grunebaum	78	Director
Robert B. Hellman, Jr.	52	Director
Martin R. Lautman, Ph.D.	65	Director
Fenton R. Talbott	70	Director
Howard L. Carver	67	Director

1. The Amended and Restated Limited Liability Company Agreement of our general partner, as amended, or the GP LLC Agreement, specifies that, so long as Mr. Miller serves as Chief Executive Officer of our general partner, he shall also serve as a director of our general partner and, so long as Mr. Shane serves as Chief Financial Officer of our General Partner, he shall also serve as a director of our general partner.

Executive Officers and Board Members

We have two individuals who serve as both executive officers and as members of the Board of Directors of StoneMor GP LLC, our general partner.

Lawrence Miller has served as our Chief Executive Officer, President and Chairman of the Board of Directors of our general partner since our formation in April 2004 and had served as the Chief Executive Officer and President of Cornerstone, since March 1999 through April 2004. Prior to joining Cornerstone, Mr. Miller was employed by The Loewen Group, Inc. (now known as the Alderwoods Group, Inc.), where he served in various management positions, including Executive Vice President of Operations from January 1997 until June

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1998, and President of the Cemetery Division from March of 1995 until December 1996. Prior to joining The Loewen Group, Mr. Miller served as President and Chief Executive Officer of Osiris Holding Corporation, a private consolidator of cemeteries and funeral homes of which Mr. Miller was a one-third owner, from November 1987 until March 1995, when Osiris was sold to The Loewen Group. Mr. Miller served as President and Chief Operating Officer of Morlan International, Inc., one of the first publicly traded cemetery and funeral home consolidators from 1982 until 1987, when Morlan was sold to Service Corporation International. Mr. Miller has been retained in this position due to his extensive experience in the death care industry, his expansive operations experience and acumen, his contacts within the death care community and his long tenure of service with us and our affiliates.

William R. Shane has served as our Executive Vice President and Chief Financial Officer and on the Board of Directors of our general partner since our formation in April 2004 and had served as Executive Vice President and Chief Financial Officer of Cornerstone since March 1999 through April 2004. Prior to joining Cornerstone, Mr. Shane was employed by The Loewen Group, Inc., where he served as Senior Vice President of Finance for the Cemetery Division from March 1995 until January 1998. Prior to joining The Loewen Group, Mr. Shane served as Senior Vice President of Finance and Chief Financial Officer of Osiris Holding Corporation, which he founded with Mr. Miller, and of which he was a one-third owner. Prior to founding Osiris, Mr. Shane served as the Chief Financial Officer of Morlan International, Inc. Mr. Shane has been retained in this position due to his extensive experience in financial services and capital raising activities, his contacts within the death care and financial communities and his long tenure of service with us and our affiliates.

Additional Directors

A brief biography of all non-executive directors of our General Partner is included below:

Allen R. Freedman has served on the Board of Directors of our General Partner since our formation in April 2004, and had served as a director of Cornerstone since October 2000 through April 2004. Mr. Freedman is a graduate of Tufts University and the University of Virginia School of Law. Mr. Freedman retired in July 2000 from his position as Chairman and Chief Executive Officer of Fortis, Inc., a specialty insurance company that he started in 1979. He continued to serve on the board of Assurant, Inc. (successor to Fortis, Inc.) until May of 2011. He was previously Chairman of the Board of Systems & Computer Technology Corporation until 2004 and Indus, Inc. until 2007. He currently serves as trustee of the Eaton Vance Mutual Funds Group where he serves on the Governance and Portfolio Management Committees as well as the Chair of the Ad Hoc Committee. Mr. Freedman has served on the board of a number of charitable organizations including the Philadelphia Orchestra and the United Way of New York. He currently serves on the board of Opera America, the service organization for over 100 opera companies in the United States, Canada and Europe. He is also a founding director of the Association of Audit Committee Members, Inc. Mr. Freedman has been retained as a member of the Board of Directors of our general partner due to his extensive financial experience, his investment and general management experience in the field or related fields in which the company operates and his experience on other boards of public companies.

Peter Grunebaum has served on the Board of Directors of our general partner since December 2004. Mr. Grunebaum, currently an independent investment banker and corporate consultant, was the Managing Director of Fortrend International, an investment firm headquartered in New York, New York, a position he held from 1989 until the end of 2003. Mr. Grunebaum currently serves as a director and is a member of the Executive Committee and Chairman of the Audit Committee of Pre Paid Legal Services, Inc., a NYSE listed company that provides legal service plans. Mr. Grunebaum also serves on the board of directors and is a member of the Audit Committee of Lucas Energy, Inc., a crude oil and gas company. Mr. Grunebaum has been retained as a member of the Board of Directors of our General Partner due to his extensive audit background, his experience with raising capital and his service with other public companies.

Robert B. Hellman, Jr. has served on the Board of Directors of our general partner since our formation in April 2004 and had served as a director of Cornerstone since March 1999 through April 2004. Mr. Hellman is the

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Chief Executive Officer and a Managing Director of McCown De Leeuw & Co., LLC, which he joined in 1987. McCown De Leeuw & Co., LLC is the sponsor of numerous private equity investment funds. Mr. Hellman was named Managing Director in 1991 and Chief Executive Officer in 2001. Mr. Hellman also co-founded American Infrastructure MLP Funds in 2006. He has been a private equity investor for 25 years and responsible for inventing the pioneering idea of applying the MLP structure to the deathcare industry, which led to our IPO as a MLP. Mr. Hellman received an MBA from the Harvard Business School with Baker Scholar Honors, an MS in economics from the London School of Economics, and a BA in economics from Stanford University. He is a member of the board of the Stanford Institute for Economic Policy Research. Mr. Hellman has been retained as a member of the Board of Directors of our General Partner due to his involvement in our initial public offering, his extensive investment experience and his prior experience with raising capital.

Martin R. Lautman, Ph.D., has served on the Board of Directors of our general partner since our formation in April 2004 and as a director of Cornerstone since its formation in March 1999 through April 2004. Dr. Lautman is currently the Managing Director of Marketing Channels, Inc., a company that provides marketing and marketing research consulting services to the information industry. Most recently, he served as the President and CEO of GfK Custom Research North America, a division of a public worldwide marketing services company headquartered in Nuremberg, Germany. Prior to that he was the Senior Managing Director of ARBOR a U.S.-based marketing research agency, where he held several positions including Senior Managing Director since 1974. He has also served with Numex Corporation, a public machine-tool manufacturing company, as President from 1987 to 1990 and as a director from 1991 to 1997. From 1986 to 2000, Dr. Lautman served on the Board of Advisors of Bachow Inc., a private equity firm specializing in high-tech companies and software and is now active in venture capital serving as a venture partner in three early stage funds. Dr. Lautman is currently a board member for two family-owned businesses, E.P. Henry, a hardscaping company and A. Duie Pyle, a trucking company. He has lectured on marketing at The Cornell Hotel School and at The Columbia University School of Business and currently teaches marketing strategy in the MBA program at The Wharton School of Business of the University of Pennsylvania. Dr. Lautman has been retained as a member of the Board of Directors of our General Partner due to his involvement in numerous boards, his strategic planning experience and his capital raising background.

Fenton R. Pete Talbott has served on the Board of Directors of our general partner since our formation in April 2004 and had served as Chairman of the Board of Cornerstone since April 2000 through April 2004. Mr. Talbott served as the President of Talbott Advisors, Inc., a consulting firm, from January 2006 through January 2010. Mr. Talbott previously served as an operating affiliate of McCown De Leeuw & Co., LLC from November 1999 to December 2004. Additionally, he served as the Chairman of the Board of Telespectrum International, an international telemarketing and market-research company, from August 2000 to January 2001. Prior to 1999, Mr. Talbott held various executive positions with Comerica Bank, American Express Corporation, Bank of America, The First Boston Corp., CitiCorp., and other entities. He currently serves as a board member of the Preventative Medicine Research Institute, Kansas University Board of Trustees and Christus/St. Vincent Hospital Foundation. Mr. Talbott has been retained as a member of the Board of Directors of our General Partner due to his extensive operational experience, his private consulting experience and his extensive professional contact base.

Howard L. Carver has served on the Board of Directors of our general partner since August 2005. Mr. Carver retired in June 2002 from Ernst & Young. During his 35-year career with the firm, Mr. Carver held a variety of positions in six U.S. offices, culminating with the position of managing partner responsible for the operation of the Hartford, Connecticut office. Since June 2002, Mr. Carver has served on the boards of directors of Assurant, Inc. (formerly Fortis, Inc.) and Phoenix National Trust Company (until its sale in April 2004) and has been the chair of the Audit Committee for both boards. Since September 2004, Mr. Carver had served on the board of directors of Open Solutions, Inc. and was the chair of that company's Audit Committee (until January 23, 2007 when Open Solutions, Inc was sold). Effective January 2012, Mr. Carver was appointed to the Audit Committee of Pinnacol Assurance, the workers compensation facility for the State of Colorado. Mr. Carver has been retained as a member of the Board of Directors of our General Partner due to his extensive financial and audit experience, and his risk management background.

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Additional Executive Officers (Non-Board Members)

A brief biography of additional executive officers is included below:

Michael L. Stache has served as our Senior Vice President and Chief Operating Officer since our formation in April 2004 and had served as Senior Vice President and Chief Operating Officer of Cornerstone since March 1999 through April 2004. Prior to joining Cornerstone, Mr. Stache was with Loewen Group International, Inc., a wholly owned subsidiary of The Loewen Group, Inc., between March 1995 and March 1999. Mr. Stache also served as Vice President of Funeral Home Advanced Planning for the United States and Canada for The Loewen Group from January 1999 until he joined Cornerstone in March 1999. Mr. Stache previously served in several different capacities with The Loewen Group, including as Regional President of the North Central Region between 1996 and 1999 and Regional Vice President of Cemetery Operations in the Midwest between 1995 and 1996. Mr. Stache served as Vice President of Operations for Osiris Holding Corporation between 1994 and 1995 and as General Manager between 1988 and 1994.

Robert Stache has served as our Senior Vice President of Sales since our formation in April 2004 and had served in the same capacity with Cornerstone since March 1999 through April 2004. Mr. Stache was in charge of the North Central Region for The Loewen Group, Inc. for both funeral home and cemetery sales from 1996 to 1999. Mr. Stache joined The Loewen Group in 1995, when it acquired Osiris Holding Corporation, where Mr. Stache had been Vice President of Sales for the Cemetery Division. Mr. Stache joined Osiris in 1988 as Vice President of Sales for Colorado.

Paul Waimberg has served as our Vice President of Finance and Corporate Development since our formation in April 2004 and had served as Vice President of Finance of Cornerstone since March 1999 through April 2004. Mr. Waimberg was previously employed at The Loewen Group, Inc. from 1995 to 1999, where he was responsible for all accounting acquisition functions and internal and external financial reporting as Vice President of Cemetery Accounting. He had approximately 80 employees reporting to him who were responsible for all general ledger functions for 500 companies. Prior to joining The Loewen Group in 1995, he carried out all accounting responsibilities for Osiris Holding Corporation before it merged into The Loewen Group. Mr. Waimberg joined Osiris in July 1990 as its Controller.

Timothy K. Yost has been our Vice President of Financial Reporting and Investors Relations since November 2004. Prior to joining us, Mr. Yost was the Chief Financial Officer of SpinCycle, Inc. a national chain of coin-operated laundromats. He began with that company in 1997. From October 1995 through May 1997, he was a controller for the Magellan Corporations, a real estate limited partnership syndicate specializing in the development and acquisition of multi-unit residential housing properties. From October 1991 through October 1995, Mr. Yost was the Head of Premium Accounting for Republic Western Insurance Company, a division of U-Haul International.

General Information

The GP LLC Agreement specifies that the directors of our general partner shall be elected by a plurality vote of the Class A units of our general partner, subject to the requirements described in footnote (1) to the table above. CFSI LLC holds all of the outstanding Class A units. CFSI LLC is controlled by the MDC IV Liquidating Trusts.

Mr. Hellman serves as the sole member of Gen4 Trust Advisor LLC, a Delaware limited liability company, which is a trust advisor to the MDC IV Liquidating Trusts, which together beneficially own 87.2% of CFSI LLC through their direct ownership of approximately 10.1% of the Class B units of CFSI LLC and indirectly through their ownership of approximately 90.8% of the membership interests in Cornerstone Family Services LLC, which owns 85% of the Class B units of CFSI LLC. CFSI LLC indirectly owns our 2% general partner interest.

Messrs. M. Stache and R. Stache are brothers.

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Board Meetings and Executive Sessions, Communications with Directors and Board Committees

From January 1, 2011 to December 31, 2011, the Board of Directors of our general partner held four meetings. All directors then in office attended all of these meetings, either in person or by teleconference.

Our Board of Directors holds regular executive sessions, in which non-management board members meet without any members of management present. Mr. Hellman, our Lead Director, presides at regular sessions of the non-management members of our Board of Directors.

Interested parties, including unitholders, may contact one or more members of our Board of Directors, including non-management directors individually or as a group, by writing to the director or directors in care of the Secretary of our general partner at our principal executive offices. A communication received from an interested party or unitholder will be promptly forwarded to the director or directors to whom the communication is addressed. We will not, however, forward sales or marketing materials or correspondence primarily commercial in nature, materials that are abusive, threatening or otherwise inappropriate, or correspondence not clearly identified as interested party or unitholder correspondence.

We have standing Audit, Conflicts, Trust and Compliance, and Nominating, Compensation and Corporate Governance Committees of the Board of Directors of our general partner. The Board of Directors of our general partner appoints the members of such committees. The Audit Committee has a written charter approved by the board, which is posted on our website at www.stonemor.com under the Investor Relations section. The current members of the committees, the number of meetings held by each committee from January 1, 2011 to December 31, 2011, and a brief description of the functions performed by each committee are set forth below.

Audit Committee (8 meetings)

The members of the Audit Committee are Messrs. Freedman (Chairman), Grunebaum and Carver. Messrs. Freedman, Carver and Grunebaum attended all meetings of the Audit Committee for the period noted above. The primary responsibilities of the Audit Committee are to assist the Board of Directors of our general partner in its general oversight of our financial reporting, internal controls and audit functions, and it is directly responsible for the appointment, retention, compensation and oversight of the work of our independent auditors. Messrs. Freedman, Carver and Grunebaum each qualify as independent under applicable standards established by the SEC and NYSE for members of audit committees.

In addition, the Audit Committee includes two members who are determined by the Board of Directors of our general partner to have accounting or related financial management expertise and to meet the qualifications of an audit committee financial expert in accordance with NYSE listing standards and SEC rules, as applicable, including that the persons meet the relevant definition of an independent director. Messrs. Freedman and Carver are the independent directors who have been determined to have accounting or related financial management expertise and to be audit committee financial experts. Unitholders should understand that this designation is a disclosure requirement of the SEC related to Messrs. Freedman and Carver's experience and understanding with respect to certain accounting and auditing matters. The designation does not impose on Messrs. Freedman and Carver any duties, obligations or liability that are greater than are generally imposed on them as members of the Audit Committee and the Board of Directors of our general partner, and their designation as an audit committee financial expert pursuant to this SEC requirement does not affect the duties, obligations or liability of any other member of the Audit Committee or Board of Directors.

Conflicts Committee (7 meetings)

The members of the Conflicts Committee are Messrs. Freedman (Chairman), Carver and Grunebaum. The primary responsibility of the Conflicts Committee is to review matters that the directors believe may involve conflicts of interest. The Conflicts Committee determines if the resolution of the conflict of interest is fair and

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reasonable to us. The members of the Conflicts Committee may not be officers or employees of our general partner or directors, officers, or employees of its affiliates and must meet the independence standards to serve on an audit committee of a board of directors established by the NYSE and certain other requirements. Any matters approved by the Conflicts Committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our general partner of any duties it may owe us or our unitholders. In 2011, the Conflicts Committee acted as a special committee of the board of directors. Mr. Freedman recused himself from the meetings of the special committee, and Mr. Carver was appointed acting Chairman.

Conflicts of interest may arise between us and our unitholders, on the one hand, and our general partner and its affiliates, including the MDC IV Liquidating Trusts, on the other hand. These conflicts include decisions made by our general partner (such as the amount and timing of borrowings or whether to acquire additional cemeteries) that may result in our general partner receiving incentive distributions.

Nominating, Compensation and Corporate Governance Committee (4 meetings)

The members of the Nominating, Compensation and Corporate Governance Committee are Messrs. Talbott (Chairman), Hellman, and Lautman. All the members attended all meetings of the committee for the period noted above. The primary responsibility of the Nominating, Compensation and Corporate Governance Committee is to oversee compensation decisions for the outside directors of our general partner and executive officers of our general partner (in the event they are to be paid by our general partner) as well as our long-term incentive plan, and to select and recommend nominees for election to the Board of Directors of our general partner.

Trust and Compliance Committee (4 meetings)

The members of the Trust and Compliance Committee are Messrs. Talbott (Chairman), Freedman, Grunebaum and Carver. Funds that are held in merchandise trusts and perpetual care trusts are managed by third-party investment managers within specified investment guidelines adopted by the Trust and Compliance Committee of our board of directors and standards imposed by state law.

These investment managers are monitored by third-party investment advisors selected by our Trust and Compliance Committee who advise the Trust and Compliance Committee on the determination of asset allocations, evaluate the investment managers and provide detailed monthly reports on the performance of each merchandise and perpetual care trust. All the members attended all meetings of the committee for the period noted above.

Code of Ethical Conduct for Financial Managers

We have adopted a Code of Ethical Conduct applicable to all of our financial managers, including our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. The Code of Ethical Conduct for Financial Managers incorporates guidelines designed to deter wrongdoing and to promote honest and ethical conduct and compliance with applicable laws and regulations. The Code of Ethical Conduct for Financial Managers is publicly available on our website under the Investor Relations section (at www.stonemor.com). If any amendments are made to the Code of Ethical Conduct for Financial Managers or if we or our general partner grants any waiver, including any implicit waiver, from a provision of the code to any of its financial managers, we will disclose the nature of such amendment or waiver on our website or in a report on Form 8-K.

Section 16(a) Beneficial Ownership Reporting Compliance

Our general partner's directors, officers and beneficial owners of more than 10 percent of common units are required to file reports of ownership and reports of changes in ownership with the SEC. Directors, officers and beneficial owners of more than 10% of our common units are also required to furnish us with copies of all such reports that are filed. Based on our review of copies of such forms and amendments, we believe that all of our

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directors, executive officers and greater than 10% beneficial owners complied with all filing requirements under Section 16(a) of the Exchange Act during the year ended December 31, 2011, except, through inadvertence, one Form 4 relating to two transactions for Mr. Hellman was not timely filed.

Item 11. Executive Compensation Compensation Discussion and Analysis

Our Compensation Process

Our business is managed by the directors, officers and employees of StoneMor GP LLC, our general partner. We have no employees of our own. Accordingly, all decisions relating to compensation of the executive officers and directors of our general partner are made by the board of directors of our general partner, which we refer to as the board. The Nominating, Compensation and Corporate Governance Committee of the board, which we refer to as the compensation committee, is responsible for making recommendations to the board regarding the compensation of executive officers and outside directors and for overseeing all executive officer compensation programs, plans and policies, including those involving the issuance of equity securities.

Our general partner does not receive any management fee or other compensation for managing our business, but is reimbursed by us for all expenses incurred on our behalf. These expenses include all expenses necessary or appropriate to the conduct of our business and allocable to us. The partnership agreement provides that our general partner will determine in good faith the expenses that are allocable to us. All items of cash compensation reflected in the tables below were incurred on our behalf by our general partner and reimbursed by us.

Objectives and Overview of Our Compensation Programs

Our compensation programs are designed by the board and compensation committee to attract and retain high quality executive officers, to motivate them to achieve our business goals and to maximize the value of our unitholders' investment by aligning the interests of our executive officers with the interests of our unitholders. Our business goals are to increase our revenues, profits and cash distributions from existing operations, facilitate our growth through acquisitions, promote a cohesive team effort and provide a workplace environment that fosters compliance with the laws and regulations applicable to our business. Our compensation programs include short-term elements, such as annual base salary and annual incentive cash bonus, as well as longer term elements such as equity based awards. Our executive officers also receive health, disability and life insurance benefits and automobile allowances, and are entitled to defer a portion of their compensation pursuant to our 401(k) retirement plan. We do not match any contributions under that plan.

Our general partner has entered into written employment agreements, as amended, with four of our executive officers, Messrs. Miller, Shane, M. Stache and R. Stache. Each agreement is for an initial term of one-year and automatically extends for successive one year terms unless either party gives a 90 day written notice of non-renewal.

How the Elements of Our Executive Compensation Program Further Our Business Goals

The primary elements of our executive compensation program are described below. We have no formula for allocating between long or short-term compensation, cash or non-cash compensation, or among different forms of non-cash compensation, all of which allocations are determined in the discretion of the board and compensation committee.

Base Salary

Base salary is the guaranteed element of our executive officers' compensation. The amount of base salary reflects the subjective assessment of the compensation committee and board, taking into consideration, the experience of the executive, the competitive market for similarly skilled executives, the complexity of the executive's job, and our size, financial capabilities and business goals.

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Annual Cash Incentive Program

Our annual cash incentive program is designed to motivate our executives to achieve our short-term earnings growth and cash distribution goals. For 2011, our goal was to exceed a pre-determined level of earnings before depreciation, interest, taxes and amortization, or EBITDA. The amount earned under this program by each of our executive officers named in the Summary Compensation Table is set forth in such table under the caption *Non-Equity Incentive Plan Compensation*. The aggregate cash incentive payments available for our executive officers are allocated in proportion to their base salaries. For 2011, our EBITDA goal was not achieved, and no payments were made. The minimum EBITDA goal, the other elements of our annual cash incentive program and the identity of the participants in the program were determined at the discretion of the board of directors and compensation committee, after considering the recommendations of our chief executive officer.

Long-Term Incentive Plan

Awards under our long-term incentive plan are designed to motivate our executives to remain employed by us for a sufficient period of time to achieve our longer term business goals and increase unit-holder value. Unless otherwise specified in the award agreements, unvested awards under the long-term incentive plan are forfeited upon an executive's termination of employment. Pursuant to certain key employee restricted phantom unit agreements and unit appreciation rights agreements with our executives, unvested awards under our long-term incentive plan are forfeited if employment terminates for any reason other than a change of control, death, permanent disability or retirement at age 65, in certain agreements, or other age approved by the compensation committee. The grant of awards under our long-term incentive plan is made at the discretion of the board of directors after considering recommendations of the compensation committee and our chief executive officer.

The 2011 awards made under our long-term incentive plan to our executive officers were awards of 955 restricted phantom units, to each of Messrs. Miller and Shane, pursuant to their distribution equivalent rights, which become payable, in cash or common units, at our election, upon the separation of the executive from service or upon the occurrence of certain other events specified in the applicable agreement and unit appreciation rights, which vest ratably over a period of approximately four years. For additional information, see Note 12 to consolidated financial statements included in this Annual Report on Form 10-K.

The board does not have a program, plan or practice to time grants of awards in coordination with release of material non-public information.

Severance Payments

The employment agreements for each of Messrs. Miller, Shane, M. Stache and R. Stache, which were entered into in 2004 and since amended, provide for severance payments in the amount of 2.5 times base salary in the event an executive's employment is terminated by our general partner without cause or by the executive for good reason. In that circumstance, all of the executive's unvested equity awards will vest and the executive will be entitled to the continuation of insurance benefits for an agreed period or a cash equivalent (see *Employment Agreements*). The amount of the severance payment and other benefits provided for in the employment agreements were determined by negotiation between the board and each of the executives and reflects the board's belief at the time such agreements were entered into that the amounts of such payments and benefits and the circumstances under which they would be paid or provided were reasonable. We do not provide cash payments to executives that are triggered by a change of control of our company or our general partner, but upon such a change of control all of our executives' unvested equity awards will vest.

Perquisites

Our named executive officers participate in a wide array of benefit plans that are available to all of our salaried employees, including health, life and disability insurance plans. We generally do not offer our named

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executive officers any material compensation in the form of perquisites. Perquisites provided to our named executive officers described in Footnote 3 to the Summary Compensation Table below are linked to our compensation philosophy of encouraging the long-term retention of our executives.

Executive Pay Parity

We provide each of Messrs. Miller (our CEO, President and Chairman) and Shane (our Executive Vice President, Chief Financial Officer and Director) with salaries, bonuses, long-term incentives and perquisites, and we provide each of Messrs. M. Stache (our Senior Vice President and Chief Operating Officer) and R. Stache (our Senior Vice President Sales) with identical salaries, bonuses and long-term incentives and perquisites. The board and compensation committee believe that pay parity among similar level executives fosters team work and minimizes internal dissension.

Other Matters

The compensation committee and board did not engage outside compensation consultants in 2011 but did consider available comparable company data in making compensation related decisions in 2011. The board has not established a policy for the adjustment of any compensation award or payment if the relevant performance measures on which they are based are restated or adjusted. The board has not established any security ownership guidelines for executive officers and considered the existing equity ownership levels of recipients of awards made during 2009. The board considered the impact of accounting and tax treatments to us and the recipients in granting awards in 2009 under our long-term incentive plan.

COMPENSATION COMMITTEE REPORT

The Compensation, Nominating and Corporate Governance Committee of the board of directors of our general partner has reviewed and discussed with management the Compensation Discussion and Analysis for the year ended December 31, 2011. Based on such review and discussions, the Compensation, Nominating and Corporate Governance Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Annual Report on Form 10-K.

This Compensation Committee Report shall not be deemed incorporated by reference in any document previously or subsequently filed with the SEC that incorporates by reference all or any portion of this Annual Report on Form 10-K, except to the extent that we specifically request that the report be incorporated by reference.

By the Compensation, Nominating and Corporate Governance Committee.

Fenton R. Talbott, Chairman

Robert B. Hellman, Jr.

Martin R. Lautman

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The following table sets forth the compensation awarded to, earned by, or paid to our chief executive officer, our chief financial officer and our three other most highly compensated executive officers, referred to as named executive officers, for all services rendered in all capacities to us and our subsidiaries.

Name and Principal Position	Year	Salary (\$)	Unit Awards (1) (\$)	Unit Option Awards (1) (\$)	Non-equity		Total (\$)
					Incentive Plan Compensation (2) (\$)	All Other Compensation (3) (\$)	
Lawrence Miller	2011	\$ 500,000(4)	\$ 26,526	\$	\$	\$ 18,947	\$ 545,473(5)
Chief Executive Officer, President and Chairman of the Board	2010	\$ 392,308(4)	\$ 23,245	\$	\$ 291,704	\$ 33,656	\$ 740,913(5)
	2009	\$ 392,308(4)	\$ 188,000	\$ 418,250	\$	\$ 14,686	\$ 1,013,244(5)
William R. Shane	2011	\$ 440,000(4)	\$ 26,526	\$	\$	\$ 19,925	\$ 486,451(5)
Executive Vice President,	2010	\$ 392,308(4)	\$ 23,245	\$	\$ 291,704	\$ 29,166	\$ 736,423(5)
Chief Financial Officer and Director	2009	\$ 392,308(4)	\$ 188,000	\$ 418,250	\$	\$ 14,715	\$ 1,013,273(5)
Michael L. Stache	2011	\$ 315,000(4)	\$	\$	\$	\$ 17,803	\$ 332,803(5)
Senior Vice President and	2010	\$ 279,519(4)	\$	\$	\$ 152,479	\$ 27,838	\$ 459,836(5)
Chief Operating Officer	2009	\$ 279,519(4)	\$	\$ 179,250	\$	\$ 13,000	\$ 471,769(5)
Robert Stache	2011	\$ 315,000(4)	\$	\$	\$	\$ 12,000	\$ 327,000(5)
Senior Vice President Sales	2010	\$ 279,519(4)	\$	\$	\$ 152,479	\$ 27,838	\$ 459,836(5)
	2009	\$ 279,519(4)	\$	\$ 179,250	\$	\$ 13,000	\$ 471,769(5)
Paul Waimberg	2011	\$ 187,000	\$	\$	\$	\$ 6,000	\$ 193,000(5)
Vice President Finance and Corporate Development	2010	\$ 174,698	\$	\$	\$ 43,063	\$ 3,330	\$ 221,091(5)
	2009	\$ 175,698	\$	\$ 59,750	\$	\$	\$ 235,448(5)

- (1) Represents the aggregate grant date fair value of awards made during the year in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 referred to as ASC Topic 718 based on the assumptions set forth in Note 12 to the consolidated financial statements included in our Annual Report on Form 10-K. In 2011, Messrs. Miller and Shane each received 955.27 Restricted Phantom Units with an aggregate fair value of \$26,526. In 2010, Messrs. Miller and Shane each received 1035.84 Restricted Phantom Units with an aggregate fair value of \$23,245. In 2009, Messrs. Miller and Shane each received 10,000 Restricted Phantom Units with an aggregate fair value of \$188,000 and 175,000 Unit Appreciation Rights with an aggregate fair value of \$418,250, Messrs. M. Stache and R. Stache each received 75,000 Unit Appreciation Rights with an aggregate fair value of \$179,250, and Mr. Paul Waimberg received 25,000 Unit Appreciation Rights with an aggregate fair value of \$59,750.
- (2) Represents the amount distributed under our Annual Cash Incentive Program. Payments under the plan are based upon attaining an internally generated calculation of EBITDA.
- (3) Other compensation for 2011 includes an auto allowance of \$13,200 for Messrs. Miller and Shane, \$12,000 for Messrs. M. Stache and R. Stache, and \$6,000 for Messr. Waimberg and \$5,747 in expenses related to the travel of the spouse of Messr. Miller, \$6,725 for the travel of the spouse of Messr. Shane and \$5,803 for the travel of the spouse of Messr. M. Stache on business trips. Other compensation for 2010 includes an auto allowance of \$12,100 for Messrs. Miller and Shane and \$11,000 for Messrs. M. Stache and R. Stache, \$4,490 in expenses related to the travel of the spouses of Messrs. Miller, M. Stache and R. Stache on business trips, and a payment of \$17,066 for Messrs. Miller and Shane, \$12,348 for Messrs M. Stache and R. Stache and \$3,330 for Messr. Waimburg representing a distribution on units that were set to be issued, but for administrative reasons, were not issued prior to the dividend declaration date. Other compensation for 2009 consists of auto allowances plus \$386 and \$415 in expenses related to the travel of the spouses of Messrs. Miller and Shane, respectively, on business trips.

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- (4) Base salary is payable pursuant to the terms of an employment agreement effective as of September 20, 2004. (See Employment Agreements)
- (5) For information regarding cash distributions that may be received by our named executive officers by reasons of their ownership interests in our general partner or its affiliates see Item 13. Certain Relationships and Related Transactions, and Director Independence .

2011, 2010 and 2009 Annual Cash Incentive Program

Payments under our Annual Cash Incentive Program are based upon attaining an internally generated calculation of EBITDA.

The table below details the target EBITDA and bonus amounts granted to each named executive for the years ended December 31, 2011, 2010 and 2009.

	For the year ended December 31,								
	2011			2010			2009		
	Target EBITDA	Actual EBITDA	Bonus Paid	Target EBITDA	Actual EBITDA	Bonus Paid	Target EBITDA	Actual EBITDA	Bonus Paid
Lawrence Miller	\$ 72,480,000	\$ 68,936,000	\$	\$ 66,024,707	\$ 71,892,109	\$ 291,704	\$ 55,242,000	\$ 47,556,000	\$
William Shane	\$ 72,480,000	\$ 68,936,000	\$	\$ 66,024,707	\$ 71,892,109	\$ 291,704	\$ 55,242,000	\$ 47,556,000	\$
Michael Stache	\$ 72,480,000	\$ 68,936,000	\$	\$ 66,024,707	\$ 71,892,109	\$ 152,479	\$ 55,242,000	\$ 47,556,000	\$
Robert Stache	\$ 72,480,000	\$ 68,936,000	\$	\$ 66,024,707	\$ 71,892,109	\$ 152,479	\$ 55,242,000	\$ 47,556,000	\$
Paul Waimberg	\$ 72,480,000	\$ 68,936,000	\$	\$ 66,024,707	\$ 71,892,109	\$ 43,063	\$ 55,242,000	\$ 47,556,000	\$

Total EBITDA generated for the years ended December 31, 2011, 2010 and 2009 were approximately \$69.0 million, \$71.9 million and \$47.6 million, respectively. In 2010, we exceeded our target level of approximately \$66.0 million in EBITDA and we accrued cash incentive compensation for the named executives as noted in the Summary Compensation Table above that was paid in 2011. In 2011 and 2009, this amount was below our target level of approximately, \$72.5 million and \$55.2 million, respectively, and accordingly, we paid no cash incentive compensation.

The EBITDA measurement utilized for our Annual Cash Incentive Program is a non-GAAP financial measure. The table below reconciles Net Income as shown in our Consolidated Statement of Operations (the GAAP measure we believe most closely reconciles to this calculation of EBITDA) to EBITDA used in our calculation of our Annual Cash Incentive Program:

	For the year ended December 31,		
	2011	2010	2009
	(amounts in thousands)		
Net income (loss)	\$ (9,715)	\$ (1,447)	\$ (4,388)
Acquisition related costs	4,604	5,715	2,292
Interest expense	19,198	21,973	14,409
Total income taxes	(4,019)	(5,383)	(1,945)
Depreciation and amortization	8,534	8,845	6,528
Amortization of cemetery property	6,668	7,027	5,864
Non-cash unit-based compensation	773	711	1,576
(Gains) losses from the sale or purchase of certain defined assets	(790)	6,486	(349)
Other non-cash (gains) losses	595	500	4,923
Increase in deferred cemetery revenues and expenses, net	38,717	34,617	18,646
Early extinguishment of debt and refinancing expenses	4,463		
Gains on acquisitions or dispositions	(92)	(7,152)	
EBITDA	\$ 68,936	\$ 71,892	\$ 47,556

Table of Contents**GRANTS OF PLAN-BASED AWARDS DURING THE YEAR ENDED DECEMBER 31, 2011**

The following table sets forth information regarding grants of plan-based awards to our named executive officers during the year ended December 31, 2011.

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (#) (1)	Grant Date Fair Value of Stock and Option Awards
Lawrence Miller	2/14/11	215.47	\$ 6,346
	5/16/11	252.09	\$ 6,582
	8/15/11	238.38	\$ 6,729
	11/14/11	249.33	\$ 6,869
William R. Shane	2/14/11	215.47	\$ 6,346
	5/16/11	252.09	\$ 6,582
	8/15/11	238.38	\$ 6,729
	11/14/11	249.33	\$ 6,869

- (1) Under an executive restricted phantom unit agreement entered into under our long-term incentive plan, Messrs. Miller and Shane were credited with 955.27 phantom units during 2011 pursuant to their distribution equivalent rights.

Table of Contents**OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2011**

The following table sets forth information with respect to outstanding equity awards at December 31, 2011 for our named executive officers.

	Option Awards				Unit Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable (1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock That Have Not Vested
Lawrence Miller	87,500	87,500	\$ 18.80	12/16/2014	11,991	\$ 281,189
William R. Shane	87,500	87,500	\$ 18.80	12/16/2014	11,991	\$ 281,189
Michael L. Stache	37,500	37,500	\$ 18.80	12/16/2014		\$
Robert Stache	37,500	37,500	\$ 18.80	12/16/2014		\$
Paul Waimberg	7,500	12,500	\$ 18.80	12/16/2014		\$

- (1) Pursuant to a unit appreciation rights agreement entered into under our long-term incentive plan, on December 16, 2009, Messrs. Miller, Shane, M. Stache, R. Stache, and Waimberg were each granted 175,000, 175,000, 75,000, 75,000, and 25,000 unit appreciation rights, respectively. The UARs entitle each executive to receive, in our whole common units or cash, at our election, the excess of the fair value of the common unit on the exercise date over the base exercise price of \$18.80, which was the last trading price of a common unit immediately preceeding the grant. The UARs vest ratably over a period of 48 months beginning on the grant date.
- (2) Pursuant to an executive restricted phantom unit agreement entered into under our long-term incentive plan, on December 16, 2009, Messrs. Miller and Shane each received 10,000 phantom units and were each credited with an additional 1,991 phantom units through December 31, 2011 pursuant to their distribution equivalent rights. The phantom units become payable, in cash or common units, at our election, upon the separation of the executive from service as an executive of our general partner or upon the occurrence of certain other events. The market value has been computed by multiplying the closing price of the common units on December 31, 2011 by the number of unvested units.

OPTION EXERCISES AND STOCK VESTED DURING YEAR ENDED DECEMBER 31, 2011

The following table provides information about the value realized by the named executive officers on the vesting of phantom units and exercise of unit appreciation rights during the year ended December 31, 2011.

	Unit Awards	
	Number of Shares Acquired on Vesting (#) (1)	Value Realized on Vesting (\$)(1)
Paul Waimberg	5,000	\$ 51,100

- (1) Mr. Waimberg exercised 5,000 UARs which had vested under our Long Term Incentive Plan. The UARs had an exercise price of \$18.80 per share and their exercise resulted in the issuance of 1,760 units based upon the difference between the fair value of our outstanding common units on October 28, 2011 (\$29.02), the date as of which the number of units to be issued upon the exercise of the UARs was determined.

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Employment Agreements

The following is a summary of the material provisions of the employment agreements between our general partner and Messrs. Miller, Shane, M. Stache and R. Stache.

The employment agreements contemplate that each employee will serve as an officer of our general partner. Each of the employment agreements has an initial term that expires one year from the effective date, but is automatically extended for successive one-year terms unless either party gives written notice of non-renewal 90 days prior to the end of the term.

The employment agreements provide for a base annual salary of \$350,000 for each of Messrs. Miller and Shane and \$250,000 for each of Messrs. M. Stache and R. Stache, subject to increase in the discretion of our general partner. In addition, each employee is eligible to receive an annual bonus award based upon satisfaction of mutually agreed upon targets established by our general partner and approved by the board of directors of our general partner or the compensation committee of our general partner. If no targets are established, the employee may, at the discretion of our general partner, receive a bonus of up to 50% of base salary for meeting budgeted goals. The employee is also entitled to participate in other discretionary bonus or performance-based bonus programs for senior executives, as determined by the compensation committee of our general partner, including unit incentive plans adopted by our general partner.

If the employee's employment is terminated without cause or if the employee resigns for good reason, the employee will be entitled to severance in an amount equal to the product of employee's base salary at the time of termination or resignation and 2.5. The employment agreements of Messrs. Miller and Shane define cause as (a) fraud, willful misconduct or gross negligence by the employee that materially adversely affects our reputation or the reputation of our general partner and continues after notice and, if requested by the employee, an opportunity to be heard, or (b) any chemical dependence that materially adversely affects the employee's performance of his duties and responsibilities and for which the employee fails to undertake and maintain treatment. The employment agreements of Messrs. M. Stache and R. Stache define cause as (a) the gross neglect or willful failure by the employee to perform his duties and responsibilities as set forth in the employment agreement, which is not cured within thirty days of notice to the employee; (b) any act of fraud by the employee, whether relating to our general partner or otherwise; (c) the conviction or entry into a plea of nolo contendere by the employee with respect to any felony or misdemeanor (other than a traffic offense which does not result in imprisonment); (d) the commission by the employee of any willful or intentional act (including any violation of law) which materially injures the reputation or materially adversely affects the business or business relationships of our general partner; or (e) any willful failure or willful breach (not covered by any of clauses above) of any of the material obligations of the employment agreement. An employee will be deemed to have terminated his employment for good reason if, among other things, such employee resigns after the location of the principal office of our general partner is moved outside a 75-mile radius of its former location in Bristol, Pennsylvania; the employee is removed from his executive position; the employee has a material change in duties or compensation, or our general partner willfully breaches the employment agreement.

During the employee's employment period and for one year thereafter, the employee is generally prohibited from engaging in any business that competes with our general partner in areas in which our general partner conducts business as of the date of termination. During the employee's employment period and for two years thereafter, the employee is generally prohibited from soliciting or inducing any of our employees to terminate their employment with us or accept employment with anyone else or interfere in a similar manner with our business. The non-competition period may terminate earlier as determined by the board of directors of our general partner if (a) the employee is terminated other than for cause and (b) such termination does not occur within 30 days after a change in control. The employment agreements define a change in control as including (i) a bona fide sale of all or substantially all of the assets of our general partner to any person or entity other than an affiliate, (ii) a merger, reorganization, consolidation or other transaction where more than 50% of the combined voting power of the equity interests in our general partner ceases to be owned by certain persons who own such interests at the effective date of the employment agreement or (iii) the acquisition of 40% or more of the equity interests in our general partner by any person not currently part of the ownership of our general partner, except where the person is an employee benefit fund or one who effects the purchase at the request of or with the approval of the board of directors of our general partner.

Table of Contents**Potential Payments upon Termination or Change of Control**

The following table describes the potential payments and benefits under the employment agreements and agreements relating to awards granted under our long-term incentive plan to which the named executive officers would be entitled upon termination of employment if our general partner terminated their employment without cause or if the executive terminates for good reason, assuming the termination took place on December 31, 2011. A change of control of our general partner or of us would not trigger severance payments but would accelerate the vesting of the outstanding unvested awards granted under our long-term incentive plan.

	Cash Severance Payment (\$ (1))	Continuation of Medical Welfare Benefits (Present Value) (\$ (2))	Acceleration and Continuation of Equity Awards (Unamortized Expense as of December 31, 2011 (\$ (3))	Excise Tax Gross Up (\$)	Total Termination Benefits (\$)
Lawrence Miller	\$ 1,250,000	\$ 29,303	\$ 688,064	\$	\$ 1,967,367
William R. Shane	\$ 1,100,000	\$ 37,961	\$ 688,064	\$	\$ 1,826,025
Michael L. Stache	\$ 787,500	\$ 29,303	\$ 174,375	\$	\$ 991,178
Robert Stache	\$ 787,500	\$ 29,303	\$ 174,375	\$	\$ 991,178
Paul Waimberg	\$	\$	\$ 58,125	\$	\$ 58,125

- (1) Messrs. Miller, Shane, M. Stache and R. Stache are each entitled to 2.5 times their base annual salary. The 2010 and 2009 base salary amount disclosed in the executive compensation table included a reduction for a furlough program. The cash severance benefit does not get reduced for the furlough program.
- (2) Messrs. Miller, Shane, M. Stache and R. Stache are each entitled to continued coverage under our medical insurance program for two years.
- (3) At December 31, 2011, Messrs. Miller and Shane each held 11,991 deferred executive phantom units. Messrs. Miller, Shane, M. Stache, R. Stache, and Waimberg each had 87,500, 87,500, 37,500, 37,500, and 12,500 unvested UARs for which the strike price was \$18.80. The amount calculated hereunder is based upon the fair value of our outstanding common units at December 31, 2011 (\$23.45). The fair value of Messrs. Miller and Shane's deferred executive phantom units is equal to the total units outstanding multiplied by the December 31, 2011 fair value of our common units. The value of all UARs is equaled to the total UARs granted multiplied by the remainder of the fair value of our common units at December 31, 2011 less their strike price (\$18.80).

Table of Contents**DIRECTOR COMPENSATION**

The following table sets forth compensation information for 2011 for each member of our general partner's board of directors who is not also an executive officer. Our executive officers do not receive additional compensation for serving on the board. See Summary Compensation Table for disclosures related to our executive-officer directors, Lawrence Miller and William R. Shane.

	Fees Earned or Paid in Cash (\$)	Unit Awards (\$ (2) (3)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Non-qualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Howard Carver (1)	\$ 41,750	\$ 45,399	\$	\$	\$	\$	\$ 87,149
Allen Freedman (1)	\$ 44,000	\$ 47,935	\$	\$	\$	\$	\$ 91,935
Peter Grunebaum (1)	\$ 57,375	\$ 36,909	\$	\$	\$	\$	\$ 94,284
Robert B. Hellman, Jr. (1)	\$ 37,000	\$ 21,809	\$	\$	\$	\$	\$ 58,809
Martin R. Lautman (1)	\$ 29,500	\$ 47,935	\$	\$	\$	\$	\$ 77,435
Fenton R. Talbott (1)	\$ 43,750	\$ 42,775	\$	\$	\$	\$	\$ 86,525

- (1) Each board member receives an annual cash retainer of \$22,500, an annual retainer in deferred restricted phantom units of \$12,500, an additional \$10,000 annual retainer which can be received in cash, deferred restricted phantom units or a combination of cash and deferred restricted phantom units at the board member's election, a meeting fee of \$1,000 for each meeting of the board of directors attended in person and \$750 for each committee meeting attended in person, a fee of \$500 for participation in each telephone board call that is greater than one hour, but less than two hours, and \$1,000 for participation in each telephone board call that is two hours or more. In addition, Mr. Freedman receives an annual retainer of \$10,000 as the Chairman of the Audit Committee and Mr. Talbott receives annual retainers of \$2,500 for serving as the chairman for both our compensation committee and our trusts and compliance committee.
- (2) During 2011, each of Messrs. Carver, Freedman and Lautman were awarded 808.88 deferred restricted phantom units, Mr. Talbot was awarded 629.13 deferred restricted phantom units, Mr. Grunebaum was awarded 449.38 deferred restricted phantom units and Mr. Hellman was awarded 625.51 deferred restricted phantom units in payment of the portion of their annual retainer. The deferred restricted phantom units are credited to a mandatory deferred compensation account established for each such person. For each deferred restricted phantom unit in such account, we credit the account, solely in additional deferred restricted phantom units, an amount of distribution equivalent rights so as to provide the deferred restricted phantom unit holders a means of participating on a one-for-one basis in distributions made to holders of our common units. In 2011, Messrs. Freedman and Lautman were each credited with an additional 916.21 deferred restricted phantom units, Mr. Talbott was credited with an additional 910.37 deferred restricted phantom units, Mr. Grunebaum was credited with an additional 879.18 deferred restricted phantom units, Mr. Carver was credited with an additional 824.87 deferred restricted phantom units and Mr. Hellman was credited with an additional 155.28 deferred restricted phantom units pursuant to their distribution equivalent rights. In addition to these amounts, Messrs. Freedman, Lautman, Talbott, Grunebaum, Carver and Hellman each own additional deferred restricted phantom units, in each case received in connection with their annual directors compensation for years prior to 2011. Accordingly, at December 31, 2011, the aggregate number of awards outstanding for each of our non-employee directors was 12,006.31 for each of Messrs. Freedman and Lautman, 11,820.73 for Mr. Talbott, 11,316.81 for Mr. Grunebaum, 10,859.79 for Mr. Carver and 2,384.73 for Mr. Hellman. Payments to participants of the participant's mandatory deferred compensation account will be made on the earlier of (i) separation of the participant from service as a director, (ii) disability, (iii) unforeseeable emergency, (iv) death, or (v) change of control of our company or our general partner. Participants will be paid at our election in our common units or cash. Each board member also owns 15,000 Unit Appreciation Rights, which were granted in 2009. See Note 12 of our Consolidated Financial Statements regarding assumptions we used underlying the valuation of equity awards.

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(3) See the table below:

Represents the aggregate grant date fair value of awards made during the year in accordance with ASC Topic 718 based on the assumptions set forth in Note 12 to the consolidated financial statements included in our Annual Report on Form 10-K.

The grant date fair value of each grant awarded to each director of our General Partner who was not also an Executive Officer of Our General Partner is as follows:

Grant date	Fair value of units granted						
	Fair Value per Unit	Allen Freedman	Martin Lautman	Fenton Talbott	Peter Grunebaum	Robert Hellman	Howard Carver
2/14/2011	\$ 29.45	\$ 5,912	\$ 5,912	\$ 5,912	\$ 5,743	\$ 922	\$ 5,305
3/8/2011	\$ 28.58	\$ 5,625	\$ 5,625	\$ 4,375	\$ 3,125	\$ 3,125	\$ 5,625
5/10/2011	\$ 26.07	\$ 5,625	\$ 5,625	\$ 4,375	\$ 3,125	\$ 3,125	\$ 5,625
5/16/2011	\$ 26.11	\$ 6,247	\$ 6,247	\$ 6,222	\$ 6,021	\$ 1,021	\$ 5,618
8/15/2011	\$ 28.23	\$ 6,513	\$ 6,513	\$ 6,459	\$ 6,226	\$ 1,114	\$ 5,870
8/30/2011	\$ 28.64	\$ 5,625	\$ 5,625	\$ 4,375	\$ 3,125	\$ 5,625	\$ 5,625
11/8/2011	\$ 28.14	\$ 5,625	\$ 5,625	\$ 4,375	\$ 3,125	\$ 5,625	\$ 5,625
11/14/2011	\$ 27.55	\$ 6,763	\$ 6,763	\$ 6,682	\$ 6,419	\$ 1,252	\$ 6,106
Total		\$ 47,935	\$ 47,935	\$ 42,775	\$ 36,909	\$ 21,809	\$ 45,399

Long-Term Incentive Plan

Our general partner has adopted the StoneMor Partners L.P. Long-Term Incentive Plan, as amended for its employees, consultants and directors, who perform services for us. The long-term incentive plan permits the grant of awards covering an aggregate of 1,124,000 common units in the form of unit options, unit appreciation rights, restricted units and phantom units. The plan is administered by the compensation committee of our general partner's board of directors. The plan will continue in effect until the earliest of (i) the date determined by the board of directors of our general partner; (ii) the date that common units are no longer available for payment of awards under the plan; or (iii) the tenth anniversary of the plan.

Our general partner's board of directors or compensation committee may, in their discretion, terminate, suspend or discontinue the long-term incentive plan at any time with respect to any units for which a grant has not yet been made. Our general partner's board of directors also has the right to alter or amend the long-term incentive plan or any part of the plan from time to time, including increasing the number of units that may be delivered in accordance with awards under the plan, subject to any approvals if required by the exchange upon which the common units are listed at that time. No change in any outstanding grant may be made, however, that would materially impair the rights of the participant without the consent of the participant.

Restricted Units and Phantom Units

A restricted unit is a common unit that is subject to forfeiture. Upon vesting, the grantee receives a common unit that is not subject to forfeiture. A phantom unit is a notional unit that entitles the grantee to receive a common unit upon the vesting of the phantom unit, or, in the discretion of the compensation committee, cash equivalent to the fair market value of a common unit. The compensation committee may make grants of restricted units and phantom units under the plan to employees, consultants and directors containing such terms as the compensation committee shall determine under the plan, including the period over which restricted units and phantom units granted will vest. The committee may, in its discretion, base its determination on the grantee's period of service or upon the achievement of specified financial objectives. In addition, the restricted and phantom units will vest upon a change of control of us, or our general partner, subject to additional or contrary provisions in the award agreement.

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If a grantee's employment, consulting arrangement or membership on the board of directors terminates for any reason, the grantee's restricted units and phantom units will be automatically forfeited unless, and to the extent, the compensation committee provides otherwise or unless otherwise provided in an award agreement. Common units to be delivered with respect to these awards may be common units acquired by our general partner in the open market, common units acquired by our general partner directly from us or any other person or any combination of the foregoing. Our general partner will be entitled to reimbursement by us for the cost incurred in acquiring common units. If we issue new common units with respect to these awards, the total number of common units outstanding will increase.

Distributions on restricted units may be subject to the same vesting requirements as the restricted units, in the compensation committee's discretion. The compensation committee, in its discretion, may also grant tandem distribution-equivalent rights with respect to phantom units. These are rights that entitle the grantee to receive cash equal to the cash distributions made on the common units. The compensation committee, in its discretion, may also grant tandem unit distribution rights with respect to restricted units, which entitle the grantee to distributions we make with respect to our restricted units.

We intend for the issuance of the common units upon vesting of the restricted units and phantom units under the plan to serve as a means of incentive compensation for performance and not primarily as an opportunity to participate in the equity appreciation of the common units. Therefore, plan participants will not pay any consideration for the common units they receive, and we will receive no remuneration for the units.

Unit Options and Unit Appreciation Rights

The long-term incentive plan permits the grant of options and unit appreciation rights (UARs) covering common units. A UAR entitles the grantee to a payment in cash or units, in the discretion of the compensation committee, equal to the appreciation of the unit price between the grant date and the exercise date. The compensation committee may make grants under the plan to employees, consultants and directors containing such terms, as the committee shall determine, including the grant of tandem distribution-equivalent rights. It is our intention not to issue Unit Options and UARs with an exercise price less than the fair market value of the units on the date of the grant. In general, unit options and UARs granted will become exercisable over a period determined by the compensation committee and, in the compensation committee's discretion, may provide for accelerated vesting upon the achievement of specified performance objectives. In addition, unless otherwise provided in an award agreement, the unit options and UARs will become exercisable upon a change in control of us or our general partner. Unless otherwise provided in an award agreement, unit options and UARs may be exercised only by the participant during his lifetime or by the person to whom the participant's right will pass by will or the laws of descent and distribution.

If a grantee's employment, consulting arrangement or membership on the board of directors terminates for any reason, the grantee's unvested options and UARs will be automatically forfeited unless, and to the extent, the compensation committee provides otherwise or unless otherwise provided in an award agreement. Upon exercise of a unit option or UAR, the general partner will acquire common units in the open market or directly from us or any other person or any combination of the foregoing. The general partner will be entitled to reimbursement by us for the difference between the cost incurred by it in acquiring these common units and proceeds it receives from a grantee at the time of exercise. Thus, the cost of the unit options and UARs above the proceeds from grantees will be borne by us. If we issue new common units upon exercise of the unit options, the total number of common units outstanding will increase, and our general partner will pay us the proceeds it received from the grantee upon exercise of the unit option.

The plan has been designed to furnish additional compensation to our employees, consultants and directors and to align their economic interests with those of common unit holders. Awards may be granted under the plan in substitution of similar awards held by individuals who become our employees, consultants or directors as a result of an acquisition. These substitute awards may have exercise prices less than the fair market value of a common unit on the date of substitution.

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Risk Assessment in Compensation Policies and Practices for Employees

The compensation committee reviewed the elements of our compensation policies and practices for all employees, including executive officers, in order to evaluate whether risks that may arise from such compensation policies and practices are reasonably likely to have a material adverse effect on our company. The compensation committee concluded that the following features of our compensation programs guard against excessive risk-taking:

compensation programs provide a balanced mix of short-term and longer-term incentives in the form of cash and equity compensation;

base salaries are consistent with employees' duties and responsibilities;

corporate performance goals are appropriately set to avoid targets that, if not achieved, result in a large percentage loss of compensation;

cash incentive awards are capped by the compensation committee; and

cash incentive awards are tied mostly to corporate performance goals, rather than individual performance goals.

The compensation committee believes that, for all employees, including executive officers, our compensation programs do not lead to excessive risk-taking and instead encourage behavior that supports sustainable value creation. We believe that risks that may arise from our compensation policies and practices for our employees, including executive officers, are not reasonably likely to have a material adverse effect on our company.

Compensation Committee Interlocks and Insider Participation

None of the persons who served as members of the Nominating, Compensation and Corporate Governance Committee (Fenton R. Talbott, Robert B. Hellman, Jr. or Martin R. Lautman) in 2011 has ever been an officer or other employee of our company, or has any relationship requiring disclosure under Item 404 of Regulation S-K other than as described in Item 13. Certain Relationships and Related Transactions, and Director Independence.

Additionally, there were no compensation committee interlocks during 2011, which generally means that none of executive officers of our general partner served as a director or member of the compensation committee of another entity, one of whose executive officers served as a director or member of the Nominating, Compensation and Corporate Governance Committee of the board of directors of our general partner.

Table of Contents**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The following table sets forth, as of March 1, 2012, the beneficial ownership of the common units of StoneMor as of March 1, 2012 held by beneficial owners of 5% or more of the units, if any, by directors and named executive officers of our general partner and by all directors and executive officers of our general partner as a group. Unless otherwise indicated, the address for each unitholder is c/o StoneMor Partners L.P., 311 Veterans Highway, Suite B, Levittown, PA 19056. Unless otherwise indicated, the beneficial owner named in the table is deemed to have sole voting and sole dispositive power of the units set forth opposite such beneficial owner's name.

	Common Units Beneficially Owned	Percentage of Common Units Beneficially Owned
Lawrence Miller (1)	179,700	*
William R. Shane (2)	179,700	*
Michael Stache	50,071	*
Robert Stache	50,071	*
Paul Waimberg	7,431	*
Allen R. Freedman (3)	42,432	*
Robert B. Hellman, Jr.	3,016	*
Martin R. Lautman, Ph.D.	114,839	*
Fenton R. Talbott	35,766	*
Peter Grunebaum	7,550	*
Howard L. Carver	4,560	*
All directors and executive officers as a group (12 persons)	655,203	3.4%

* Less than one percent

- (1) Includes 64,167 common units held by LDLM Associates, LP, and 28,500 common units held by Osiris Investments, LP. Mr. Miller is the grantor and trustee of the Miller Revocable Trust, which is the general partner of LDLM Associates, LP. Mr. Miller is also a limited partner of LDLM Associates, LP, holding 98% of its limited partner interests. Mr. Miller and Mr. Shane are each 50% members of Osiris Investments LLC, which is the general partner of Osiris Investments LP. Mr. Miller therefore may be deemed to beneficially own all of the units beneficially owned by LDLM Associates, LP and Osiris Investments, LP. Pursuant to an agreement between Mr. Miller and Bank of America, N.A., as lender (the "Lender"), Mr. Miller pledged 151,200 common units as security for a loan Lender made to Mr. Miller (the "Pledge Agreement"). In the absence of a default, the Pledge Agreement does not grant to the Lender the power to dispose or direct the disposition of the pledged securities.
- (2) Includes 64,167 common units held by Ten Twenty, LP and 28,500 common units held by Osiris Investments, LP. Mr. Shane is the general partner of Ten Twenty LP. Mr. Miller and Mr. Shane are each 50% members of Osiris Investments LLC, which is the general partner of Osiris Investments LP. Mr. Shane therefore may be deemed to beneficially own all of the units beneficially owned by Ten Twenty LP and Osiris Investments, LP.
- (3) Includes 21,798 common units held by Mr. Freedman's spouse and over which Mr. Freedman may be deemed to have beneficial ownership.

Table of Contents**Equity Compensation Plan Information**

The following table details information regarding our equity compensation plan as of December 31, 2011:

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted average exercise price of outstanding options, warrants and rights	(c) Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (1)	235,052	\$ 16.92	853,330
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	235,052	\$ 16.92	853,330

(1) Includes 84,377 in restricted and phantom units and 151,192 UARs that would be issued upon exercise based upon the strike price of the UAR and the fair value of our common units at December 31, 2011.

Item 13. Certain Relationships and Related Transactions, and Director Independence
Independence of Directors

Even though most companies listed on the NYSE are required to have a majority of independent directors serving on the board of directors of the listed company, the NYSE does not require a listed limited partnership like us to have a majority of independent directors on the board of directors of its general partner. The board of directors has determined that Allen Freedman, Howard Carver, Martin Lautman, Robert Hellman, Fenton Talbott and Peter Grunebaum qualify as independent directors in accordance with the applicable requirements of the NYSE and rules promulgated under the Exchange Act.

Related Party Transactions Policy and Procedures

The board of directors of our general partner established the Conflicts Committee, which is authorized to exercise all of the power and authority of the board of directors in connection with investigating, reviewing and acting on matters referred or disclosed to it where a conflict of interest exists or arises and performing such other functions as the board may assign to the Conflicts Committee from time to time. Pursuant to the Conflicts Committee Charter, the Conflicts Committee is responsible for reviewing all matters involving a conflict of interest submitted to it by the board of directors or as required by any written agreement involving a conflict of interest to which we are a party. In approving or ratifying any transaction or proposed transaction, the Conflicts Committee determines whether the transaction complies with our policies on conflicts of interests.

Distributions and Payments to our General Partner and its Affiliates

We were formed as a Delaware limited partnership to own and operate cemetery and funeral home properties previously owned and operated by Cornerstone. The following table summarizes the distributions and payments to be made by us to our general partner and its affiliates in connection with our ongoing operation and any liquidation. These distributions and payments were determined by and among affiliated entities and, consequently, are not the result of arm's-length negotiations.

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Distributions of available cash to our general partner and its affiliates

We will generally make cash distributions 98% to the unitholders, including our general partner, in respect of the common units that it owns, and 2% to our general partner. If distributions exceed target distribution levels, our general partner will be entitled to increasing percentages of the distributions, up to 50% of the distributions above the highest level.

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Payments to our general partner and its affiliates	Our general partner and its affiliates do not receive any management fee or other compensation for the management of our business and affairs, but they are reimbursed for all expenses that they incur on our behalf, including general and administrative expenses and corporate overhead. As the sole purpose of the general partner is to act as our general partner, substantially all of the expenses of our general partner are incurred on our behalf and reimbursed by us or our subsidiaries. Our general partner determines the expenses that are allocable to us in good faith.
Withdrawal or removal of our general Partner	If our general partner withdraws or is removed, its general partner interest and its incentive distribution rights will either be sold to the new general partner for cash or converted into common units, in each case for an amount equal to the fair market value of those interests.
Liquidation	Upon our liquidation, the unitholders and our general partner will be entitled to receive liquidating distributions according to their respective capital account balances.

Ownership Interests in our General Partner

Our general partner owns our 2% general partner interest and our incentive distribution rights. The following table shows the owners of our general partner:

Name	Ownership of Outstanding Class A Units of Stonemor GP LLC	Ownership of Outstanding Class B Units of Stonemor GP LLC
CFSI LLC	100%(1)	
Lawrence Miller		30%
William R. Shane		30%
Michael Stache		20%
Robert Stache		20%

- (1) In connection with the conversion of Cornerstone into CFSI LLC, all of the outstanding shares of Cornerstone common stock were converted into Class B units of CFSI LLC, and all of the outstanding shares of Cornerstone preferred stock were converted into Class A units of CFSI LLC (since redeemed). CFSI LLC is owned directly by Cornerstone Family Services LLC (85% of the Class B units), the MDC IV Liquidating Trusts (approximately 10.1% of the Class B units), Messrs. Miller and Shane (each of whom owns, along with family partnerships, approximately 1.2% of the Class B units), and other individuals, including the following directors and executive officers of our general partner, each of whom owns less than 1% of the Class B units: M. Stache, R. Stache, Waimberg, Talbott, Lautman and Freedman.

Cornerstone Family Services LLC is, in turn, owned directly by the MDC IV Liquidating Trusts (approximately 89.8% membership interest), institutional investors (approximately 5.3% aggregate membership interest) and other individuals, including the following directors and executive officers of our general partner: Messrs. Miller, Shane and Lautman. Each of Messrs. Shane and Miller owns an approximately 1.6% membership interest in Cornerstone Family Services LLC through family partnerships and Mr. Lautman owns less than approximately a 1% membership interest in Cornerstone Family Services LLC. As a result of their ownership interests in CFSI LLC and Cornerstone Family Services LLC, each of these executive officers and directors of our general partner holds an indirect interest in the Class A units of our general partner, which are described below.

The membership interests in our general partner are represented by two classes of units, the Class A units and the Class B units. Each of Messrs. Miller and Shane owns 24 Class B units, or 30% of the 80 outstanding Class B units and each of Messrs M. Stache and R. Stache owns 16 Class B units or 20% of the 80 outstanding

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Class B units. The compensation committee of our general partner may issue up to 20 additional Class B units to other executive officers of our general partner without the consent of Mr. Miller or Mr. Shane. At such time that 100 or more Class B units are issued and outstanding, Messrs. Miller and Shane must consent to any additional issuances of Class B units for so long as both of them are executive officers of our general partner and holders of Class B units. If at that time only one of Messrs. Miller and Shane is both an executive officer of our general partner and a holder of Class B units, then only that one must consent to such additional issuances. If at that time neither of Messrs. Miller and Shane is both an executive officer of our general partner and a holder of Class B units, then holders of a majority of outstanding Class B units must consent to such additional issuances. Additional issuances of Class B units will dilute all outstanding Class B units on a pro rata basis.

The Class B units in the aggregate are entitled to 50% of all quarterly cash distributions that we pay to our general partner with respect to its general partner interest and 25% of all quarterly cash distributions that we pay to our general partner with respect to its incentive distribution rights.

Messrs. Miller, Shane, M. Stache, R. Stache, Waimberg, Talbott, Lautman and Freedman also indirectly own Class A units of our general partner as a result of their direct and indirect ownership of membership interests in Cornerstone Family Services LLC and CFSI LLC discussed in footnote (1) to the table above. These persons directly hold an aggregate of approximately 4.5% of the Class B units in CFSI LLC. In addition, Messrs. Miller, Shane and Lautman own an approximate aggregate 3.9% membership interest in Cornerstone Family Services LLC, which in turn owns 85% of the Class B units in CFSI LLC, which will initially own all of the Class A units of our general partner. As a result, these persons collectively own, indirectly, an aggregate of approximately 7.8% of the Class A units of our general partner. The Class A units of our general partner are entitled to the remaining 50% interest on distributions that we pay to our general partner with respect to its general partner interest and the remaining 75% of all distributions that we pay to our general partner with respect to its incentive distribution rights.

The Class A and Class B units of our general partner are subject to certain transfer and purchase rights and obligations upon the occurrence of certain events, such as:

a change of control of CFSI LLC or our general partner;

transfers by certain holders of Class A units of our general partner; or

the death or disability of a holder of Class B units of our general partner.

Relationships and Related Transactions with CFSI LLC and Cornerstone Family Services LLC

Agreements Governing the Partnership

We, our general partner, our operating company and other parties have entered into various documents and agreements that effected the initial public offering transactions, including the vesting of assets in, and the assumption of liabilities by, us and our subsidiaries, and the application of the proceeds of the initial public offering. These agreements are not the result of arm's-length negotiations, and we cannot assure you that they, or any of the transactions that they provide for, have been effected on terms at least as favorable to the parties to these agreements as could have been obtained from unaffiliated third parties. All of the transaction expenses incurred in connection with these transactions, including the expenses associated with transferring assets into our subsidiaries, have been paid from the proceeds of the initial public offering.

Omnibus Agreement

On September 20, 2004 we entered into an omnibus agreement with McCown De Leeuw, Cornerstone Family Services LLC, CFSI LLC, our general partner and StoneMor Operating LLC.

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Under the omnibus agreement, as long as our general partner is an affiliate of McCown De Leeuw, McCown De Leeuw will agree, and will cause its controlled affiliates to agree, not to engage, either directly or indirectly, in the business of owning and operating cemeteries and funeral homes (including the sales of cemetery and funeral home products and services) in the United States. On November 30, 2010, MDC IV Liquidating Trusts became successors to McCown De Leeuw, and McCown De Leeuw was subsequently terminated. The MDC IV Liquidating Trusts assumed and agreed to be bound by and perform all of the obligations and duties of McCown De Leeuw under the omnibus agreement.

CFSI LLC had agreed to indemnify us for all federal, state and local income tax liabilities attributable to the operation of the assets contributed by CFSI LLC to us prior to the 2004 closing of the public offering. CFSI LLC had also agreed to indemnify us against additional income tax liabilities, if any, that arise from the consummation of the 2004 transactions related to our formation in excess of those believed to result at the time of the 2004 closing of our initial public offering. We had estimated that \$600,000 of state income taxes and no federal income taxes would be due as a result of these formation transactions. CFSI LLC had also agreed to indemnify us against the increase in income tax liabilities of our corporate subsidiaries resulting from any reduction or elimination of our net operating losses to the extent those net operating losses are used to offset any income tax gain or income resulting from the prior operation of the assets of CFSI LLC contributed to us in 2004, or from our formation transactions in excess of such gain or income believed to result at the time of the 2004 closing of the initial public offering. Until all of its indemnification obligations under the omnibus agreement had been satisfied in full, CFSI LLC was subject to limitations on its ability to dispose of or encumber its interest in our general partner or the common units held by it (except upon a redemption of common units by the partnership upon any exercise of the underwriters' over-allotment option) and would also be prohibited from incurring any indebtedness or other liability. An amendment to the omnibus agreement dated January 24, 2011 was entered into by all parties to the omnibus agreement (and after due consideration approved by our conflicts committee, which retained independent counsel; the committee was chaired by Mr. Carver). An accompanying certification by our general partner established that as of the date of the amendment, CFSI LLC's indemnification obligations under the omnibus agreement were discharged and CFSI LLC was no longer subject to the limitations and prohibition described above in this paragraph. Those indemnification obligations pertain to the taxable year 2004 of CFSI LLC. To our knowledge, there has been no inquiry from or instigation of proceedings by any taxing authority which could reasonably be expected to require indemnification under the omnibus agreement. We believe, the expiration has occurred of all applicable statutes of limitations (including any extensions thereof) relating to the filing of all tax returns which could reasonably be expected to require indemnification under the omnibus agreement, except if there were certain omissions of gross income of more than 25% or fraud. Our general partner has certified to its knowledge there was no such omission or fraud. CFSI LLC is also subject to certain limitations on its ability to transfer its interest in our general partner or the common units held by it if the effect of the proposed transfer would trigger an ownership change under the Internal Revenue Code that would limit our ability to use our federal net operating loss carryovers. Please read Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Policies and Estimates Income Taxes.

The omnibus agreement may not be further amended without the prior approval of the conflicts committee if our general partner determines that the proposed amendment will adversely affect holders of our common units. Any further action, notice, consent, approval or waiver permitted or required to be taken or given by us under the indemnification provisions of the omnibus agreement as amended must be taken or given by the conflicts committee of our general partner.

Relationship with MDC IV Liquidating Trusts

MDC IV Liquidating Trusts is the beneficial owner of approximately 87.2% of the Class B units of CFSI LLC through its direct ownership of approximately 10.1% of the Class B units of CFSI LLC and indirectly through its ownership of approximately 90.8% of the membership interests in Cornerstone Family Services LLC, which owns approximately 85% of the Class B units of CFSI LLC.

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Under the Limited Liability Company Agreement of CFSI LLC, MDC IV Liquidating Trusts has the right to designate at least three individuals, and such other greater number of individuals, to serve on the board of managers of CFSI LLC. In addition, for so long as Mr. Miller serves as an officer of CFSI LLC, he will also serve as a manager of CFSI LLC, and for so long as Mr. Shane serves as an officer of CFSI LLC, he will also serve as a manager of CFSI LLC. Prior to the conversion of Cornerstone into CFSI LLC, a stockholders agreement among Cornerstone and its stockholders required each stockholder to vote all of its shares of Cornerstone to elect and maintain a board of directors of Cornerstone comprised of at least three, and such other greater number, of individuals designated by the MDC IV Liquidating Trusts.

The Limited Liability Company Agreement of CFSI LLC contains provisions that require CFSI LLC, through its direct control of our general partner and its indirect control of us and our subsidiaries, to prevent us, our subsidiaries and our general partner from taking certain significant actions without the approval of CFSI LLC. These actions include:

certain acquisitions, borrowings and capital expenditures by us, our subsidiaries or our general partner;

issuances of equity interests in us or our subsidiaries; and

certain dispositions of equity interests in, or assets of, us, our general partner or our subsidiaries.

Under the Second Amended and Restated Limited Liability Company Agreement of Cornerstone Family Services LLC, MDC IV Liquidating Trusts has the right to designate at least three individuals, and such other greater number of individuals, to serve on the board of managers of Cornerstone Family Services LLC. In addition, for so long as Mr. Miller serves as an officer of Cornerstone Family Services, LLC, he will also serve as a manager of Cornerstone Family Services LLC, and for so long as Mr. Shane serves as an officer of Cornerstone Family Services LLC, he will also serve as a manager of Cornerstone Family Services, LLC.

Under the Second Amended and Restated Limited Liability Company Agreement of Cornerstone Family Services LLC and the Limited Liability Company Agreement of CFSI LLC, each manager of Cornerstone Family Services LLC and each manager of CFSI LLC have agreed to cause Cornerstone Family Services LLC, CFSI LLC and any of their respective subsidiaries, as the case may be, to designate at least three individuals, and such other greater number of individuals designated by MDC IV Liquidating Trusts to serve as members of the board of managers of StoneMor Operating LLC; and to take such actions as may be necessary to cause the election of additional persons designated by MDC IV Liquidating Trusts as managers of StoneMor Operating LLC and to amend the limited liability company agreement of StoneMor Operating LLC as necessary.

Item 14. Principal Accounting Fees and Services

The following table sets forth the aggregate fees paid or accrued for professional services rendered by Deloitte & Touche LLP for the audit of our annual financial statements for fiscal years 2011 and 2010 and the aggregate fees paid or accrued for audit-related services and all other services rendered by Deloitte & Touche LLP for fiscal years 2011 and 2010.

	Year ended December 31,	
	2011	2010
Audit fees	\$ 1,678,378	\$ 1,077,849
Audit-related fees	76,514	137,757
Tax fees	1,219,933	875,009
	\$ 2,974,825	\$ 2,090,615

The category of Audit fees includes fees for our annual audit, quarterly reviews and services rendered in connection with regulatory filings with the SEC, such as the issuance of comfort letters and consents.

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The category of Audit-related fees includes fees for services related to employee benefit plan audits, internal control reviews and accounting consultation.

The category of Tax fees includes fees for the consultation and preparation of federal state and local tax returns.

All above audit services, audit-related services and tax services were pre-approved by the Audit Committee, which concluded that the provision of such services by Deloitte & Touche LLP was compatible with the maintenance of that firm's independence in the conduct of its auditing functions. The Audit Committee's outside auditor independence policy provides for pre-approval of all services performed by the outside auditors.

Table of Contents**Part IV****Item 15. Exhibits and Financial Statement Schedules****(a) Financial Statements and Financial Schedules**

(1) The following financial statements of StoneMor Partners L.P. are included in Part II, Item 8:
Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of December 31, 2011 and 2010

Consolidated Statement of Operations for the years ended December 31, 2011, 2010 and 2009

Consolidated Statement of Common Stockholders / Partners Equity for the years ended December 31, 2011, 2010 and 2009

Consolidated Statement of Cash Flows for the years ended December 31, 2011, 2010, and 2009

Notes to the Consolidated Financial Statements

(c) Exhibits**Exhibit**

Number	Description
3.1*	Certificate of Limited Partnership of StoneMor Partners L.P. (incorporated by reference to the Registration Statement on Form S-1 filed with the Securities and Exchange Commission on April 9, 2004 (Exhibit 3.1)).
3.2*	Second Amended and Restated Agreement of Limited Partnership of StoneMor Partners L.P. dated as of September 9, 2008 (incorporated by reference to Exhibit 3.1 of Registrant's Current Report on Form 8-K filed on September 15, 2008).
4.1.1*	Form of 7.66% Senior Secured Note Due 2009, dated June 20, 2007 (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
4.1.2*	Form of 9.34% Series B Senior Secured Note Due 2012, dated August 15, 2007 (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
4.1.3*	Form of Senior Secured Series C Note, dated December 21, 2007 (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
4.2.1*	Indenture, dated as of November 24, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the guarantors named therein and Wilmington Trust Company, as trustee (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
4.2.2*	Form of 10.25% Senior Note due 2017 (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
4.3*	Registration Rights Agreement, dated as of November 24, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the Initial Guarantors party thereto and Banc of America Securities LLC (incorporated by reference to Exhibit 4.3 of Registrant's Current

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Report on Form 8-K filed on November 24, 2009).

4.4* Form of Revolving Credit Note (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on September 27, 2010).

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Exhibit

Number	Description
4.5*	Form of Acquisition Note (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.1.1*	Credit Agreement by and among StoneMor Operating LLC, StoneMor GP LLC, StoneMor Partners L.P., various additional borrowers, various lending institutions and Fleet National Bank, dated September 20, 2004 (Incorporated by reference to Exhibit 10.1 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.1.2*	Second Amendment to Credit Agreement, dated September 28, 2006, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Second Amendment to the Credit Agreement, the Lenders party to the Second Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.5 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.1.3*	Third Amendment to Credit Agreement, dated May 7, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Third Amendment to the Credit Agreement, the Lenders party to the Third Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended March 31, 2007).
10.1.4*	Fourth Amendment to Credit Agreement, dated June 29, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Fourth Amendment to the Credit Agreement, the Lenders party to the Fourth Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.5*	Fifth Amendment to Credit Agreement, dated July 31, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Fifth Amendment to the Credit Agreement, the Lenders party to the Fifth Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.3 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.6*	Commitment Letter, dated March 15, 2007, by and between StoneMor Operating LLC, all of its existing and future direct and indirect subsidiaries and Bank of America, N.A., Banc of America Securities LLC (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on April 9, 2007).
10.1.7*	Fee Letter, dated March 15, 2007, by and between StoneMor Operating LLC and all of its existing and future direct and indirect subsidiaries and Bank of America, N.A., Banc of America Securities LLC (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on April 9, 2007).
10.1.8*	Extension Letter, dated May 31, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.7 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).

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Number	Description
10.1.9*	Extension Letter, dated June 21, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.8 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.10*	Extension Letter, dated July 31, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.11*	Intercreditor and Collateral Agency Agreement by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, various subsidiaries, various lenders and noteholders and Fleet National Bank, dated September 20, 2004 (incorporated by reference to Exhibit 10.10 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.1.12*	Amended and Restated Credit Agreement, dated August 15, 2007, among StoneMor Operating LLC, as a Borrower, various subsidiaries thereof, as additional Borrowers, StoneMor Partners L.P. and StoneMor GP LLC, as Guarantors, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other Lenders Party Hereto, and Banc of America Securities LLC, as Sole Lead Arranger and Sole Book Manager (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
10.1.13*	First Amendment to Amended and Restated Credit Agreement, dated November 2, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, various subsidiaries thereof, the lenders party thereto and Bank of America, N.A., as Administrative Agent, Collateral Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1.11 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2007).
10.1.14*	Joinder to Amended and Restated Credit Agreement and Credit Documents, dated December 21, 2007 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
10.1.15*	Commitment Letter, effective as of February 25, 2009, by and among Bank of America, N.A., Bank of America Securities, LLC and StoneMor Operating LLC (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed March 2, 2009).
10.1.16*	Second Amendment to Amended and Restated Credit Agreement, dated April 30, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 6, 2009).
10.1.17*	Third Amendment to Amended and Restated Credit Agreement, dated July 6, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.4 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.1.18*	Fourth Amendment to Amended and Restated Credit Agreement, dated November 24, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.1.19*	Fifth Amendment to Amended and Restated Credit Agreement, dated January 15, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on January 21, 2010).

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Number	Description
10.1.20*	Sixth Amendment to Amended and Restated Credit Agreement, dated May 4, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 7, 2010).
10.1.21*	Seventh Amendment to Amended and Restated Credit Agreement, dated September 22, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.1.22*	Eighth Amendment to Amended and Restated Credit Agreement, dated January 28, 2011, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on February 3, 2011).
10.1.23*	Second Amended and Restated Credit Agreement, dated April 29, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 5, 2011).
10.1.24*	First Amendment to Second Amended and Restated Credit Agreement, dated August 4, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2011).
10.1.25*	Second Amendment to Second Amended and Restated Credit Agreement, dated October 28, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 3, 2011).
10.1.26*	Third Amended and Restated Credit Agreement, dated January 19, 2012, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on January 24, 2012).
10.2*	Confirmation and Amendment Agreement, dated January 19, 2012, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P. and Bank of America, N.A., as Collateral Agent (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on January 24, 2012).
10.3*	Amended and Restated Security Agreement, dated April 29, 2011, among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, the Subsidiary Debtors listed therein and Bank of America, N.A. as Collateral Agent (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on May 5, 2011).
10.4*	Amended and Restated Pledge Agreement, dated April 29, 2011, among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, the Subsidiary Pledgors listed therein and Bank of America, N.A. as administrative and collateral agent (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on May 5, 2011).

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Number	Description
10.5.1*	Amended and Restated Note Purchase Agreement, dated as of August 15, 2007, by StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, and each of the Subsidiary Issuers listed on the signature pages thereof (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
10.5.2*	First Amendment to the Amended and Restated Note Purchase Agreement, dated November 2, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, its Subsidiaries set forth on the signature pages thereof, and the Noteholders (incorporated by reference to Exhibit 4.1.3 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2007).
10.5.3*	Joinder to Amended and Restated Note Purchase Agreement and Finance Documents, dated December 21, 2007 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
10.5.4*	Second Amendment to Amended and Restated Note Purchase Agreement, dated April 30, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on May 6, 2009).
10.5.5*	Third Amendment to Amended and Restated Note Purchase Agreement, dated July 1, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.5 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.5.6*	Fourth Amendment to Amended and Restated Note Purchase Agreement, dated November 24, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.5.7*	Fifth Amendment to Amended and Restated Note Purchase Agreement, dated January 15, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on January 21, 2010).
10.5.8*	Sixth Amendment to Amended and Restated Note Purchase Agreement, dated May 4, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on May 7, 2010).
10.5.9*	Seventh Amendment to Amended and Restated Note Purchase Agreement, dated September 22, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.6*	Purchase Agreement, dated November 18, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the guarantors named therein and Banc of America Securities LLC, acting on behalf of itself and as the representative for the purchasers named therein (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.7.1*	StoneMor Partners L.P. Long-Term Incentive Plan, as amended April 19, 2010 (incorporated by reference to Appendix A to Registrant's Definitive Proxy Statement filed on June 4, 2010).

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Number	Description
10.7.2*	Form of the Director Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated November 8, 2006 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 15, 2006).
10.7.3*	Form of the Key Employee Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated November 8, 2006 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 15, 2006).
10.7.4*	Form of the Unit Appreciation Rights Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of November 27, 2006 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 1, 2006).
10.7.5*	Director Restricted Phantom Unit Agreement by and between StoneMor GP LLC and Robert Hellman dated June 23, 2009 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on June 23, 2009).
10.7.6*	Form of the Unit Appreciation Rights Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of December 16, 2009 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 22, 2009).
10.7.7*	Form of the Executive Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of December 16, 2009 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 22, 2009).
10.7.8*	Director Unit Appreciation Rights Agreement under the StoneMor Partners L.P. Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2.8 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2009).
10.8.1*	Employment Agreement by and between StoneMor GP LLC and Lawrence Miller, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.8.2*	Addendum to Employment Agreement between StoneMor GP LLC and Lawrence Miller, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.9.1*	Employment Agreement by and between StoneMor GP LLC and William R. Shane, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.5 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.9.2*	Addendum to Employment Agreement between StoneMor GP LLC and William R. Shane, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.10.1*	Employment Agreement by and between StoneMor GP LLC and Michael L. Stache, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.7 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.10.2*	Addendum to Employment Agreement between StoneMor GP LLC and Michael L. Stache, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.11.1*	Employment Agreement by and between StoneMor GP LLC and Robert Stache, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.8 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).

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Number	Description
10.11.2*	Addendum to Employment Agreement between StoneMor GP LLC and Robert Stache, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.4 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.12.1*	Form of Indemnification Agreement by and between StoneMor GP LLC and Lawrence Miller, Robert B. Hellman, Jr., Fenton R. Talbott, Jeffery A. Zawadsky, Martin R. Lautman, William R. Shane, Allen R. Freedman, effective September 20, 2004 (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.12.2*	Form of Indemnification Agreement by and between StoneMor GP LLC and Howard Carver and Peter Grunebaum, effective February 16, 2007 (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.13*	Asset Purchase and Sale Agreement by and between StoneMor Partners L.P. and SCI Funeral Services, Inc., an Iowa corporation (SCI) and a wholly-owned subsidiary of Service Corporation International, a Texas corporation, joined by certain of SCI's direct and indirect subsidiary entities, effective October 13, 2005 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on October 17, 2005).
10.14*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by its direct and indirect subsidiary entities listed in Exhibit A to the Asset Purchase and Sale Agreement, and SCI Funeral Services, Inc., joined by its direct and indirect subsidiary entities listed in Exhibit B to the Asset Purchase and Sale Agreement (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.15*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC, and SCI Funeral Services, Inc., SCI Michigan Funeral Services, Inc. and Hawes, Inc. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.16*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC, and SCI Funeral Services, Inc., and SCI Michigan Funeral Services, Inc. and Hillcrest Memorial Company (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.17*	Asset Purchase and Sale Agreement, dated December 4, 2007, by and among StoneMor Operating LLC, joined by its direct and indirect subsidiary entities listed in Exhibit A to the Asset Purchase and Sale Agreement and by Cemetery Management Services of Ohio, L.L.C., and SCI Funeral Services, Inc., joined by its direct and indirect subsidiary entities listed in Exhibit B to the Asset Purchase and Sale Agreement, as well as by SCI Ohio Funeral Services, Inc., and Alderwoods (Ohio) Cemetery Management, Inc. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 7, 2007).
10.18*	Transition Agreement, dated December 7, 2007, by and among StoneMor Operating LLC, joined by those of its direct and indirect subsidiary entities which are parties to the Purchase Agreement, as defined therein, and SCI Funeral Services, Inc., joined by those of its direct and indirect subsidiary entities which are parties to the Purchase Agreement (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 7, 2007).
10.19*	Asset Purchase and Sale Agreement, dated March 30, 2010, by and among StoneMor Operating LLC, StoneMor Michigan LLC, StoneMor Michigan Subsidiary LLC, SCI Funeral Services, LLC, SCI Michigan Funeral Services, Inc., Hillcrest Memorial Company, Christian Memorial Cultural Center, Inc., Sunrise Memorial Gardens Cemetery, Inc. and Flint Memorial Park Association (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on March 30, 2010).

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Number	Description
10.20*	Asset Purchase and Sale Agreement, dated March 30, 2010, by and among StoneMor Operating LLC, Plymouth Warehouse Facilities LLC, SCI Funeral Services, LLC, SCI Michigan Funeral Services, Inc., Hillcrest Memorial Company, Sunrise Memorial Gardens Cemetery, Inc., Flint Memorial Park Association, StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on March 30, 2010).
10.21.1*	Amended and Restated Purchase Agreement by and among StoneMor Operating LLC, StoneMor Indiana LLC, StoneMor Indiana Subsidiary LLC, Ohio Cemetery Holdings, Inc., Ansure Mortuaries of Indiana, LLC, Memory Gardens Management Corporation, Forest Lawn Funeral Home Properties, LLC, Gardens of Memory Cemetery LLC, Gill Funeral Home, LLC, Garden View Funeral Home, LLC, Royal Oak Memorial Gardens of Ohio Ltd., Heritage Hills Memory Gardens of Ohio Ltd., Robert E. Nelms and Lynnette Gray, as receiver, dated April 2, 2010 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 5, 2010).
10.21.2*	Amendment No. 1 to Amended and Restated Purchase Agreement by and among StoneMor Operating LLC, StoneMor Indiana LLC, StoneMor Indiana Subsidiary LLC, Ohio Cemetery Holdings, Inc., Ansure Mortuaries of Indiana, LLC, Memory Gardens Management Corporation, Forest Lawn Funeral Home Properties, LLC, Gardens of Memory Cemetery LLC, Gill Funeral Home, LLC, Garden View Funeral Home, LLC, Royal Oak Memorial Gardens of Ohio Ltd., Heritage Hills Memory Gardens of Ohio Ltd., Robert E. Nelms, Robert Nelms, LLC and Lynnette Gray, as receiver, dated June 21, 2010 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on June 25, 2010).
10.22*	Settlement Agreement by and among StoneMor Indiana LLC, StoneMor Operating LLC, StoneMor Partners L.P., Chapel Hill Associates, Inc., Chapel Hill Funeral Home, Inc., Covington Memorial Funeral Home, Inc., Covington Memorial Gardens, Inc., Forest Lawn Memorial Chapel Inc., Forest Lawn Memory Gardens Inc., Fred W. Meyer, Jr. by James R. Meyer as Special Administrator to the Estate of Fred W. Meyer, Jr., James R. Meyer, Thomas E. Meyer, Nancy Cade, and F.T.J. Meyer Associates, LLC dated June 21, 2010 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on June 25, 2010).
10.23.1*	Omnibus Agreement by and among McCown De Leeuw & Co. IV, L.P., McCown De Leeuw & Co. IV Associates, L.P., MDC Management Company IV, LLC, Delta Fund LLC, Cornerstone Family Services LLC, CFSI LLC, StoneMor Partners L.P., StoneMor GP LLC, StoneMor Operating LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 10.4 of the Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.23.2*	Amendment No. 1 to Omnibus Agreement entered into on, and effective as of, January 24, 2011 by and among MDC IV Trust U/T/A November 30, 2010, MDC IV Associates Trust U/T/A November 30, 2010, Delta Trust U/T/A November 30, 2010 (successors respectively to McCown De Leeuw & Co. IV, L.P., a California limited partnership, McCown De Leeuw IV Associates, L.P., a California limited partnership, Delta Fund LLC, a California limited liability company, and MDC Management Company IV, LLC, a California limited liability company), Cornerstone Family Services LLC, a Delaware limited liability company, CFSI LLC, a Delaware limited liability company, StoneMor Partners L.P., a Delaware limited partnership, StoneMor GP LLC, a Delaware limited liability company, for itself and on behalf of the Partnership in its capacity as general partner of the Partnership, and StoneMor Operating LLC, a Delaware limited liability company (incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K filed on January 28, 2011).
10.24*	Contribution, Conveyance and Assumption Agreement by and among StoneMor Partners L.P., StoneMor GP LLC, CFSI LLC, StoneMor Operating LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).

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Number	Description
21.1	Subsidiaries of Registrant.
23.1	Consent of Deloitte & Touche LLP.
31.1	Certification pursuant to Exchange Act Rule 13a-14(a) of Lawrence Miller, Chief Executive Officer President and Chairman of the Board of Directors.
31.2	Certification pursuant to Exchange Act Rule 13a-14(a) of William R. Shane, Executive Vice President and Chief Financial Officer.
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and Exchange Act Rule 13a-14(b) of Lawrence Miller, Chief Executive Officer, President and Chairman of the Board of Directors (furnished herewith).
32.2	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and Exchange Act Rule 13a-14(b) of William R. Shane, Executive Vice President and Chief Financial Officer (furnished herewith).
99.1*	Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 99.1 of Registrant's Current Report on Form 8-K filed on September 19, 2007).
99.2*	First Amendment to the Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of September 14, 2007 (incorporated by reference to Exhibit 99.2 of Registrant's Current Report on Form 8-K filed on September 19, 2007).
99.3*	Second Amendment to the Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of December 18, 2007 (incorporated by reference to Exhibit 99.2 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
101	Attached as Exhibit 101 to this report are the following Interactive Data Files formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of December 31, 2011 and December 31, 2010; (ii) Consolidated Statements of Operations for the years ended December 31, 2011, 2010 and 2009; (iii) Consolidated Statement of Partners Capital; (iv) Consolidated Statement of Cash Flows for the years ended December 31, 2011, 2010 and 2009; and (v) Notes to the Consolidated Financial Statements. Users of this data are advised pursuant to Rule 401 of Regulation S-T that the information contained in the XBRL documents is unaudited and these are not the official publicly filed financial statements of StoneMor Partners, L.P.

Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

* **Incorporated by reference, as indicated**
Management contract, compensatory plan or arrangement

Table of Contents**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STONEMOR PARTNERS L.P.

By: StoneMor GP LLC, its General Partner

March 15, 2012

By: /s/ LAWRENCE MILLER
Lawrence Miller

Chief Executive Officer, President and

Chairman of the Board

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ LAWRENCE MILLER	Chief Executive Officer, President	March 15, 2012
Lawrence Miller	and Chairman of the Board	
(Principal Executive Officer)		
/s/ WILLIAM R. SHANE	Executive Vice President, Chief	March 15, 2012
William R. Shane	Financial Officer and Director	
(Principal Financial Officer)		
/s/ PAUL WAIMBERG	Vice President Finance	March 15, 2012
Paul Waimberg		
(Principal Accounting Officer)		
/s/ ALLEN R. FREEDMAN	Director	March 15, 2012
/s/ PETER K. GRUNEBAUM	Director	March 15, 2012
/s/ ROBERT B. HELLMAN, JR.	Director	March 15, 2012
Robert B. Hellman, Jr.		
/s/ MARTIN R. LAUTMAN, PH.D.	Director	March 15, 2012
Martin R. Lautman, Ph.D.		

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/s/ FENTON R. TALBOTT	Director	March 15, 2012
/s/ HOWARD L. CARVER	Director	March 15, 2012
Howard L. Carver		

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3.1*	Certificate of Limited Partnership of StoneMor Partners L.P. (incorporated by reference to the Registration Statement on Form S-1 filed with the Securities and Exchange Commission on April 9, 2004 (Exhibit 3.1)).
3.2*	Second Amended and Restated Agreement of Limited Partnership of StoneMor Partners L.P. dated as of September 9, 2008 (incorporated by reference to Exhibit 3.1 of Registrant's Current Report on Form 8-K filed on September 15, 2008).
4.1.1*	Form of 7.66% Senior Secured Note Due 2009, dated June 20, 2007 (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
4.1.2*	Form of 9.34% Series B Senior Secured Note Due 2012, dated August 15, 2007 (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
4.1.3*	Form of Senior Secured Series C Note, dated December 21, 2007 (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
4.2.1*	Indenture, dated as of November 24, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the guarantors named therein and Wilmington Trust Company, as trustee (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
4.2.2*	Form of 10.25% Senior Note due 2017 (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
4.3*	Registration Rights Agreement, dated as of November 24, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the Initial Guarantors party thereto and Banc of America Securities LLC (incorporated by reference to Exhibit 4.3 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
4.4*	Form of Revolving Credit Note (incorporated by reference to Exhibit 4.1 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
4.5*	Form of Acquisition Note (incorporated by reference to Exhibit 4.2 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.1.1*	Credit Agreement by and among StoneMor Operating LLC, StoneMor GP LLC, StoneMor Partners L.P., various additional borrowers, various lending institutions and Fleet National Bank, dated September 20, 2004 (Incorporated by reference to Exhibit 10.1 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.1.2*	Second Amendment to Credit Agreement, dated September 28, 2006, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Second Amendment to the Credit Agreement, the Lenders party to the Second Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.5 of Registrant's Current Report on Form 8-K filed on October 4, 2006).

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Number	Description
10.1.3*	Third Amendment to Credit Agreement, dated May 7, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Third Amendment to the Credit Agreement, the Lenders party to the Third Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended March 31, 2007).
10.1.4*	Fourth Amendment to Credit Agreement, dated June 29, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Fourth Amendment to the Credit Agreement, the Lenders party to the Fourth Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.5*	Fifth Amendment to Credit Agreement, dated July 31, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC and its subsidiaries set forth on the signature page to the Fifth Amendment to the Credit Agreement, the Lenders party to the Fifth Amendment to the Credit Agreement and Bank of America, N.A., as Administrative Agent for the benefit of the Lenders, as Collateral Agent for the benefit of the Lenders and other Secured Creditors, as Swingline Lender and as Letter of Credit Issuer (incorporated by reference to Exhibit 10.3 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.6*	Commitment Letter, dated March 15, 2007, by and between StoneMor Operating LLC, all of its existing and future direct and indirect subsidiaries and Bank of America, N.A., Banc of America Securities LLC (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on April 9, 2007).
10.1.7*	Fee Letter, dated March 15, 2007, by and between StoneMor Operating LLC and all of its existing and future direct and indirect subsidiaries and Bank of America, N.A., Banc of America Securities LLC (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on April 9, 2007).
10.1.8*	Extension Letter, dated May 31, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.7 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.9*	Extension Letter, dated June 21, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.8 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.10*	Extension Letter, dated July 31, 2007, by and between StoneMor Operating LLC, Bank of America, N.A. and Banc of America Securities LLC (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended June 30, 2007).
10.1.11*	Intercreditor and Collateral Agency Agreement by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, various subsidiaries, various lenders and noteholders and Fleet National Bank, dated September 20, 2004 (incorporated by reference to Exhibit 10.10 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).

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Number	Description
10.1.12*	Amended and Restated Credit Agreement, dated August 15, 2007, among StoneMor Operating LLC, as a Borrower, various subsidiaries thereof, as additional Borrowers, StoneMor Partners L.P. and StoneMor GP LLC, as Guarantors, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other Lenders Party Hereto, and Banc of America Securities LLC, as Sole Lead Arranger and Sole Book Manager (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
10.1.13*	First Amendment to Amended and Restated Credit Agreement, dated November 2, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, various subsidiaries thereof, the lenders party thereto and Bank of America, N.A., as Administrative Agent, Collateral Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1.11 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2007).
10.1.14*	Joinder to Amended and Restated Credit Agreement and Credit Documents, dated December 21, 2007 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
10.1.15*	Commitment Letter, effective as of February 25, 2009, by and among Bank of America, N.A., Bank of America Securities, LLC and StoneMor Operating LLC (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed March 2, 2009).
10.1.16*	Second Amendment to Amended and Restated Credit Agreement, dated April 30, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 6, 2009).
10.1.17*	Third Amendment to Amended and Restated Credit Agreement, dated July 6, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.4 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.1.18*	Fourth Amendment to Amended and Restated Credit Agreement, dated November 24, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.1.19*	Fifth Amendment to Amended and Restated Credit Agreement, dated January 15, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on January 21, 2010).
10.1.20*	Sixth Amendment to Amended and Restated Credit Agreement, dated May 4, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 7, 2010).
10.1.21*	Seventh Amendment to Amended and Restated Credit Agreement, dated September 22, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.1.22*	Eighth Amendment to Amended and Restated Credit Agreement, dated January 28, 2011, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Operating LLC, the Lenders and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on February 3, 2011).

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Number	Description
10.1.23*	Second Amended and Restated Credit Agreement, dated April 29, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 5, 2011).
10.1.24*	First Amendment to Second Amended and Restated Credit Agreement, dated August 4, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2011).
10.1.25*	Second Amendment to Second Amended and Restated Credit Agreement, dated October 28, 2011, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 3, 2011).
10.1.26*	Third Amended and Restated Credit Agreement, dated January 19, 2012, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P., the Lenders party thereto and Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on January 24, 2012).
10.2*	Confirmation and Amendment Agreement, dated January 19, 2012, among StoneMor Operating LLC, each of its Subsidiaries, StoneMor GP LLC, StoneMor Partners L.P. and Bank of America, N.A., as Collateral Agent (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on January 24, 2012).
10.3*	Amended and Restated Security Agreement, dated April 29, 2011, among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, the Subsidiary Debtors listed therein and Bank of America, N.A. as Collateral Agent (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on May 5, 2011).
10.4*	Amended and Restated Pledge Agreement, dated April 29, 2011, among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, the Subsidiary Pledgors listed therein and Bank of America, N.A. as administrative and collateral agent (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on May 5, 2011).
10.5.1*	Amended and Restated Note Purchase Agreement, dated as of August 15, 2007, by StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, and each of the Subsidiary Issuers listed on the signature pages thereof (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on August 21, 2007).
10.5.2*	First Amendment to the Amended and Restated Note Purchase Agreement, dated November 2, 2007, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, its Subsidiaries set forth on the signature pages thereof, and the Noteholders (incorporated by reference to Exhibit 4.1.3 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2007).
10.5.3*	Joinder to Amended and Restated Note Purchase Agreement and Finance Documents, dated December 21, 2007 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 28, 2007).

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Number	Description
10.5.5*	Third Amendment to Amended and Restated Note Purchase Agreement, dated July 1, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.5 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.5.6*	Fourth Amendment to Amended and Restated Note Purchase Agreement, dated November 24, 2009, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.5.7*	Fifth Amendment to Amended and Restated Note Purchase Agreement, dated January 15, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on January 21, 2010).
10.5.8*	Sixth Amendment to Amended and Restated Note Purchase Agreement, dated May 4, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on May 7, 2010).
10.5.9*	Seventh Amendment to Amended and Restated Note Purchase Agreement, dated September 22, 2010, by and among StoneMor GP LLC, StoneMor Partners L.P., StoneMor Operating LLC, certain Subsidiaries of StoneMor Partners L.P. and the Noteholders (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on September 27, 2010).
10.6*	Purchase Agreement, dated November 18, 2009, by and among StoneMor Partners L.P., StoneMor Operating LLC, Cornerstone Family Services of West Virginia Subsidiary, Inc., Osiris Holding of Maryland Subsidiary, Inc., the guarantors named therein and Banc of America Securities LLC, acting on behalf of itself and as the representative for the purchasers named therein (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 24, 2009).
10.7.1*	StoneMor Partners L.P. Long-Term Incentive Plan, as amended April 19, 2010 (incorporated by reference to Appendix A to Registrant's Definitive Proxy Statement filed on June 4, 2010).
10.7.2*	Form of the Director Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated November 8, 2006 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 15, 2006).
10.7.3*	Form of the Key Employee Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated November 8, 2006 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 15, 2006).
10.7.4*	Form of the Unit Appreciation Rights Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of November 27, 2006 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 1, 2006).
10.7.5*	Director Restricted Phantom Unit Agreement by and between StoneMor GP LLC and Robert Hellman dated June 23, 2009 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on June 23, 2009).
10.7.6*	Form of the Unit Appreciation Rights Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of December 16, 2009 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 22, 2009).
10.7.7*	Form of the Executive Restricted Phantom Unit Agreement Under the StoneMor Partners L.P. Long-Term Incentive Plan, dated as of December 16, 2009 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 22, 2009).

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Number	Description
10.7.8*	Director Unit Appreciation Rights Agreement under the StoneMor Partners L.P. Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2.8 of Registrant's Annual Report on Form 10-K for the year ended December 31, 2009).
10.8.1*	Employment Agreement by and between StoneMor GP LLC and Lawrence Miller, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.2 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.8.2*	Addendum to Employment Agreement between StoneMor GP LLC and Lawrence Miller, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.9.1*	Employment Agreement by and between StoneMor GP LLC and William R. Shane, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.5 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.9.2*	Addendum to Employment Agreement between StoneMor GP LLC and William R. Shane, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.10.1*	Employment Agreement by and between StoneMor GP LLC and Michael L. Stache, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.7 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.10.2*	Addendum to Employment Agreement between StoneMor GP LLC and Michael L. Stache, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.11.1*	Employment Agreement by and between StoneMor GP LLC and Robert Stache, effective as of September 20, 2004 (incorporated by reference to Exhibit 10.8 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.11.2*	Addendum to Employment Agreement between StoneMor GP LLC and Robert Stache, effective as of January 1, 2008 (incorporated by reference to Exhibit 10.4 of Registrant's Current Report on Form 8-K filed on November 19, 2007).
10.12.1*	Form of Indemnification Agreement by and between StoneMor GP LLC and Lawrence Miller, Robert B. Hellman, Jr., Fenton R. Talbott, Jeffery A. Zawadsky, Martin R. Lautman, William R. Shane, Allen R. Freedman, effective September 20, 2004 (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.12.2*	Form of Indemnification Agreement by and between StoneMor GP LLC and Howard Carver and Peter Grunebaum, effective February 16, 2007 (incorporated by reference to Exhibit 10.9 of Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.13*	Asset Purchase and Sale Agreement by and between StoneMor Partners L.P. and SCI Funeral Services, Inc., an Iowa corporation (SCI) and a wholly-owned subsidiary of Service Corporation International, a Texas corporation, joined by certain of SCI's direct and indirect subsidiary entities, effective October 13, 2005 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on October 17, 2005).
10.14*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by its direct and indirect subsidiary entities listed in Exhibit A to the Asset Purchase and Sale Agreement, and SCI Funeral Services, Inc., joined by its direct and indirect subsidiary entities listed in Exhibit B to the Asset Purchase and Sale Agreement (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on October 4, 2006).

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Number	Description
10.15*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC, and SCI Funeral Services, Inc., SCI Michigan Funeral Services, Inc. and Hawes, Inc. (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.16*	Asset Purchase and Sale Agreement, dated September 28, 2006, by and among StoneMor Operating LLC, joined by StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC, and SCI Funeral Services, Inc., and SCI Michigan Funeral Services, Inc. and Hillcrest Memorial Company (incorporated by reference to Exhibit 10.3 of Registrant's Current Report on Form 8-K filed on October 4, 2006).
10.17*	Asset Purchase and Sale Agreement, dated December 4, 2007, by and among StoneMor Operating LLC, joined by its direct and indirect subsidiary entities listed in Exhibit A to the Asset Purchase and Sale Agreement and by Cemetery Management Services of Ohio, L.L.C., and SCI Funeral Services, Inc., joined by its direct and indirect subsidiary entities listed in Exhibit B to the Asset Purchase and Sale Agreement, as well as by SCI Ohio Funeral Services, Inc., and Alderwoods (Ohio) Cemetery Management, Inc. (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on December 7, 2007).
10.18*	Transition Agreement, dated December 7, 2007, by and among StoneMor Operating LLC, joined by those of its direct and indirect subsidiary entities which are parties to the Purchase Agreement, as defined therein, and SCI Funeral Services, Inc., joined by those of its direct and indirect subsidiary entities which are parties to the Purchase Agreement (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on December 7, 2007).
10.19*	Asset Purchase and Sale Agreement, dated March 30, 2010, by and among StoneMor Operating LLC, StoneMor Michigan LLC, StoneMor Michigan Subsidiary LLC, SCI Funeral Services, LLC, SCI Michigan Funeral Services, Inc., Hillcrest Memorial Company, Christian Memorial Cultural Center, Inc., Sunrise Memorial Gardens Cemetery, Inc. and Flint Memorial Park Association (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on March 30, 2010).
10.20*	Asset Purchase and Sale Agreement, dated March 30, 2010, by and among StoneMor Operating LLC, Plymouth Warehouse Facilities LLC, SCI Funeral Services, LLC, SCI Michigan Funeral Services, Inc., Hillcrest Memorial Company, Sunrise Memorial Gardens Cemetery, Inc., Flint Memorial Park Association, StoneMor Michigan LLC and StoneMor Michigan Subsidiary LLC (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on March 30, 2010).
10.21.1*	Amended and Restated Purchase Agreement by and among StoneMor Operating LLC, StoneMor Indiana LLC, StoneMor Indiana Subsidiary LLC, Ohio Cemetery Holdings, Inc., Ansure Mortuaries of Indiana, LLC, Memory Gardens Management Corporation, Forest Lawn Funeral Home Properties, LLC, Gardens of Memory Cemetery LLC, Gill Funeral Home, LLC, Garden View Funeral Home, LLC, Royal Oak Memorial Gardens of Ohio Ltd., Heritage Hills Memory Gardens of Ohio Ltd., Robert E. Nelms and Lynnette Gray, as receiver, dated April 2, 2010 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on May 5, 2010).
10.21.2*	Amendment No. 1 to Amended and Restated Purchase Agreement by and among StoneMor Operating LLC, StoneMor Indiana LLC, StoneMor Indiana Subsidiary LLC, Ohio Cemetery Holdings, Inc., Ansure Mortuaries of Indiana, LLC, Memory Gardens Management Corporation, Forest Lawn Funeral Home Properties, LLC, Gardens of Memory Cemetery LLC, Gill Funeral Home, LLC, Garden View Funeral Home, LLC, Royal Oak Memorial Gardens of Ohio Ltd., Heritage Hills Memory Gardens of Ohio Ltd., Robert E. Nelms, Robert Nelms, LLC and Lynnette Gray, as receiver, dated June 21, 2010 (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K filed on June 25, 2010).

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Number	Description
10.22*	Settlement Agreement by and among StoneMor Indiana LLC, StoneMor Operating LLC, StoneMor Partners L.P., Chapel Hill Associates, Inc., Chapel Hill Funeral Home, Inc., Covington Memorial Funeral Home, Inc., Covington Memorial Gardens, Inc., Forest Lawn Memorial Chapel Inc., Forest Lawn Memory Gardens Inc., Fred W. Meyer, Jr. by James R. Meyer as Special Administrator to the Estate of Fred W. Meyer, Jr., James R. Meyer, Thomas E. Meyer, Nancy Cade, and F.T.J. Meyer Associates, LLC dated June 21, 2010 (incorporated by reference to Exhibit 10.2 of Registrant's Current Report on Form 8-K filed on June 25, 2010).
10.23.1*	Omnibus Agreement by and among McCown De Leeuw & Co. IV, L.P., McCown De Leeuw & Co. IV Associates, L.P., MDC Management Company IV, LLC, Delta Fund LLC, Cornerstone Family Services LLC, CFSI LLC, StoneMor Partners L.P., StoneMor GP LLC, StoneMor Operating LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 10.4 of the Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
10.23.2*	Amendment No. 1 to Omnibus Agreement entered into on, and effective as of, January 24, 2011 by and among MDC IV Trust U/T/A November 30, 2010, MDC IV Associates Trust U/T/A November 30, 2010, Delta Trust U/T/A November 30, 2010 (successors respectively to McCown De Leeuw & Co. IV, L.P., a California limited partnership, McCown De Leeuw IV Associates, L.P., a California limited partnership, Delta Fund LLC, a California limited liability company, and MDC Management Company IV, LLC, a California limited liability company), Cornerstone Family Services LLC, a Delaware limited liability company, CFSI LLC, a Delaware limited liability company, StoneMor Partners L.P., a Delaware limited partnership, StoneMor GP LLC, a Delaware limited liability company, for itself and on behalf of the Partnership in its capacity as general partner of the Partnership, and StoneMor Operating LLC, a Delaware limited liability company (incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K filed on January 28, 2011).
10.24*	Contribution, Conveyance and Assumption Agreement by and among StoneMor Partners L.P., StoneMor GP LLC, CFSI LLC, StoneMor Operating LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q for its quarterly period ended September 30, 2004).
21.1	Subsidiaries of Registrant.
23.1	Consent of Deloitte & Touche LLP.
31.1	Certification pursuant to Exchange Act Rule 13a-14(a) of Lawrence Miller, Chief Executive Officer President and Chairman of the Board of Directors.
31.2	Certification pursuant to Exchange Act Rule 13a-14(a) of William R. Shane, Executive Vice President and Chief Financial Officer.
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and Exchange Act Rule 13a-14(b) of Lawrence Miller, Chief Executive Officer, President and Chairman of the Board of Directors (furnished herewith).
32.2	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. § 1350) and Exchange Act Rule 13a-14(b) of William R. Shane, Executive Vice President and Chief Financial Officer (furnished herewith).
99.1*	Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of September 20, 2004 (incorporated by reference to Exhibit 99.1 of Registrant's Current Report on Form 8-K filed on September 19, 2007).
99.2*	First Amendment to the Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of September 14, 2007 (incorporated by reference to Exhibit 99.2 of Registrant's Current Report on Form 8-K filed on September 19, 2007).

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Number	Description
99.3*	Second Amendment to the Amended and Restated Limited Liability Company Agreement of StoneMor GP LLC, dated as of December 18, 2007 (incorporated by reference to Exhibit 99.2 of Registrant's Current Report on Form 8-K filed on December 28, 2007).
101	Attached as Exhibit 101 to this report are the following Interactive Data Files formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of December 31, 2011 and December 31, 2010; (ii) Consolidated Statements of Operations for the years ended December 31, 2011, 2010 and 2009; (iii) Consolidated Statement of Partners Capital; (iv) Consolidated Statement of Cash Flows for the years ended December 31, 2011, 2010 and 2009; and (v) Notes to the Consolidated Financial Statements. Users of this data are advised pursuant to Rule 401 of Regulation S-T that the information contained in the XBRL documents is unaudited and these are not the official publicly filed financial statements of StoneMor Partners, L.P.

Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

* **Incorporated by reference, as indicated**
Management contract, compensatory plan or arrangement