

STONEMOR PARTNERS LP  
Form SC 13D/A  
October 29, 2018

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934  
(Amendment No. 3)\*

StoneMor Partners L.P.  
(Name of Issuer)

Common Units Representing Limited Partnership  
Interests  
(Title of Class of Securities)

86183Q100  
(CUSIP Number)

Axar Capital Management, LP  
1330 Avenue of the Americas, 30<sup>th</sup> Floor  
New York, NY 10019  
(212) 356-6137

With a copy to:

Stuart D. Freedman, Esq.  
Schulte Roth & Zabel LLP  
919 Third Avenue  
New York, NY 10022  
(212) 756-2000  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

October 24, 2018  
(Date of Event Which Requires Filing of This  
Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box. ☐

(Page 1 of 8 Pages)

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\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 86183Q100 SCHEDULE 13D/A Page 2 of 8 Pages

1 NAME OF  
REPORTING PERSON

Axar Capital  
Management, LP

CHECK  
THE  
APPROPRIATE

2 BOX IF A  
MEMBER (b) ý  
OF A  
GROUP

3 SEC USE ONLY  
SOURCE OF FUNDS

4 AF (see Item 3)  
CHECK  
BOX IF  
DISCLOSURE  
OF LEGAL  
PROCEEDING

5 IS  
REQUIRED  
PURSUANT  
TO ITEMS  
2(d) or 2(e)  
CITIZENSHIP OR  
PLACE OF  
6 ORGANIZATION

Delaware

NUMBER OF  
SHARES  
BENEFICIALLY 7  
OWNED BY

SOLE  
VOTING  
POWER

EACH  
REPORTING  
PERSON WITH:

8

-0-  
SHARED  
VOTING  
POWER

9

7,323,767  
SOLE  
DISPOSITIVE  
POWER

10

-0-  
SHARED  
DISPOSITIVE

POWER

7,323,767

**11** AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY EACH  
PERSON

7,323,767

**12** CHECK IF THE  
AGGREGATE  
AMOUNT IN  
ROW (11)  
EXCLUDES ☒   
CERTAIN  
SHARES

**13** See Item 4  
PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW  
(11)

**14** 19.3%  
TYPE OF REPORTING  
PERSON

IA

CUSIP No. 86183Q100 SCHEDULE 13D/A Page 3 of 8 Pages

1 NAME OF  
REPORTING PERSON

Axar GP, LLC

CHECK

THE

APPROPRIATE

2 BOX IF A

MEMBER (b) 3

OF A

GROUP

3 SEC USE ONLY

SOURCE OF FUNDS

4 AF (see Item 3)  
CHECK

BOX IF

DISCLOSURE

OF LEGAL

PROCEEDING

5 IS  
REQUIRED

PURSUANT

TO ITEMS

2(d) or 2(e)

CITIZENSHIP OR

PLACE OF

6 ORGANIZATION

Delaware

NUMBER OF  
SHARES  
BENEFICIALLY 7  
OWNED BY

SOLE  
VOTING  
POWER

EACH  
REPORTING  
PERSON WITH:

8

-0-  
SHARED  
VOTING  
POWER

9 7,323,767  
SOLE  
DISPOSITIVE  
POWER

10 -0-  
SHARED  
DISPOSITIVE  
POWER

|    |                                                                                                                                      |
|----|--------------------------------------------------------------------------------------------------------------------------------------|
| 11 | 7,323,767<br>AGGREGATE<br>AMOUNT<br>BENEFICIALLY<br>OWNED BY EACH<br>PERSON                                                          |
| 12 | 7,323,767<br>CHECK IF THE<br>AGGREGATE<br>AMOUNT IN<br>ROW (11)<br>EXCLUDES <input checked="" type="checkbox"/><br>CERTAIN<br>SHARES |
| 13 | See Item 4<br>PERCENT OF CLASS<br>REPRESENTED BY<br>AMOUNT IN ROW<br>(11)                                                            |
| 14 | 19.3%<br>TYPE OF REPORTING<br>PERSON<br><br>OO, HC                                                                                   |

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**1** NAME OF  
REPORTING PERSON

Andrew Axelrod

CHECK

THE

APPROPRIATE

**2** BOX IF A

MEMBER (b) 3

OF A

GROUP

**3** SEC USE ONLY

SOURCE OF FUNDS

**4** AF (see Item 3)  
CHECK

BOX IF

DISCLOSURE

OF LEGAL

PROCEEDING

**5** IS  
REQUIRED

PURSUANT

TO ITEMS

2(d) or 2(e)

CITIZENSHIP OR

PLACE OF

ORGANIZATION

**6** United States of  
America

NUMBER OF  
SHARES

BENEFICIALLY 7  
OWNED BY

EACH  
REPORTING

PERSON WITH:

**8** SOLE  
VOTING  
POWER

-0-

SHARED

VOTING

POWER

**9** 7,323,767  
SOLE  
DISPOSITIVE  
POWER

**10** -0-  
SHARED

DISPOSITIVE

POWER

7,323,767

**11** AGGREGATE  
AMOUNT  
BENEFICIALLY  
OWNED BY EACH  
PERSON

**12** 7,323,767  
CHECK IF THE  
AGGREGATE  
AMOUNT IN  
ROW (11)  
EXCLUDES ☒   
CERTAIN  
SHARES

**13** See Item 4  
PERCENT OF CLASS  
REPRESENTED BY  
AMOUNT IN ROW  
(11)

**14** 19.3%  
TYPE OF REPORTING  
PERSON

IN, HC

**CUSIP No. 86183Q100 SCHEDULE 13D/A Page 5 of 8 Pages**

This Amendment No. 3 ("Amendment No. 3") amends and supplements the statement on Schedule 13D filed with the Securities and Exchange Commission (the "SEC") on March 9, 2018 (the "Original Schedule 13D"), as amended by Amendment No. 1 filed with the SEC on August 1, 2018 ("Amendment No. 1") and Amendment No. 2 filed with the SEC on September 28, 2018 ("Amendment No. 2", and together with the Original Schedule 13D, Amendment No. 1 and this Amendment No. 3, the "Schedule 13D") with respect to the Common Units Representing Limited Partnership Interests (the "Common Units"), of StoneMor Partners L.P., a Delaware limited partnership (the "Issuer"). Capitalized terms used herein and not otherwise defined in this Amendment No. 3 shall have the meanings set forth in the Schedule 13D. This Amendment No. 3 amends Items 3, 5(a)-(c) and 6 as set forth below.

**Item 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION**

Item 3 of the Schedule 13D is hereby amended and restated as follows:

Funds for the purchase of the Common Units reported herein were derived from general working capital of the Axar Vehicles. A total of approximately \$49,815,402 was paid to acquire the Common Units reported herein.

**Item 5. INTEREST IN SECURITIES OF THE ISSUER**

Items 5(a), (b) and (c) of the Schedule 13D are hereby amended and restated as follows:

The percentages used in this Schedule 13D are calculated based upon 37,958,645 Common Units reported to be (a) outstanding as of June 20, 2018 in the Issuer's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 filed with the Securities and Exchange Commission on July 17, 2018.

See rows (11) and (13) of the cover pages to this Schedule 13D for the aggregate number of Common Units and percentage of the Common Units beneficially owned by each of the Reporting Persons.

See rows (7) through (10) of the cover pages to this Schedule 13D for the number of Common Units as to which (b) each Reporting Person has the sole or shared power to vote or direct the vote and sole or shared power to dispose or to direct the disposition.

(c) Information concerning transactions in the Common Units effected by the Reporting Persons since the filing of Amendment No. 2 is set forth in Schedule A hereto and is incorporated herein by reference.



**Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER**

The first paragraph of Item 6 of the Schedule 13D is hereby amended and restated, as follows:

The Reporting Persons may be deemed to have economic exposure to an additional 1,449,289 Common Units pursuant to certain cash-settled equity swaps each between an Axar Vehicle and a broker-dealer counterparty. Such swaps mature on June 20, 2019. The reference prices for such swaps range from \$4.3358 to \$7.5565. The Reporting Persons do not have voting power or dispositive power with respect to the Common Units referenced in such swaps and disclaim beneficial ownership of the shares underlying such swaps.

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**SIGNATURES**

After reasonable inquiry and to the best of his or its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: October 29, 2018

**AXAR CAPITAL Management, LP**

By: Axar GP, LLC, its General Partner

By: /s/ Andrew Axelrod  
Name: Andrew Axelrod  
Title: Sole Member

**AXAR GP, LLC**

By: /s/ Andrew Axelrod  
Name: Andrew Axelrod  
Title: Sole Member

/s/ Andrew Axelrod  
**ANDREW AXELROD**

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**Schedule A**

**Transactions in Common Units of the Issuer Since the Filing of Amendment No. 2**

The following table sets forth all transactions in the Common Units effected by the Reporting Persons since the filing of Amendment No. 2. Except as otherwise noted, all such transactions were effected in the open market through brokers and the price per share is net of commissions.

| <b><u>Trade Date</u></b> | <b><u>Shares Purchased (Sold)</u></b> | <b><u>Price Per Share (\$)</u></b> |
|--------------------------|---------------------------------------|------------------------------------|
| 09/28/2018               | 6,560                                 | 4.9940                             |
| 10/02/2018               | 16,000                                | 5.1387                             |
| 10/03/2018               | 2,091                                 | 5.1658                             |
| 10/04/2018               | 10,632                                | 5.1944                             |
| 10/05/2018               | 6,400                                 | 5.1535                             |
| 10/08/2018               | 8,483                                 | 5.1928                             |
| 10/09/2018               | 19,051                                | 5.1528                             |
| 10/10/2018               | 27,120                                | 5.1895                             |
| 10/11/2018               | 10,216                                | 5.1943                             |
| 10/12/2018               | 51,225                                | 5.3271                             |
| 10/15/2018               | 1,600                                 | 5.3790                             |
| 10/16/2018               | 7,616                                 | 5.2849                             |
| 10/17/2018               | 20,000                                | 4.9671                             |
| 10/18/2018               | 35,000                                | 5.0683                             |
| 10/19/2018               | 35,000                                | 5.3363                             |
| 10/22/2018               | 35,000                                | 5.4427                             |
| 10/23/2018               | 35,000                                | 5.4254                             |
| 10/24/2018               | 34,000                                | 5.4115                             |
| 10/25/2018               | 30,000                                | 5.3509                             |
| 10/26/2018               | 30,000                                | 5.3911                             |
| 10/29/2018               | 30,000                                | 5.4582                             |