

Exhibit 2

Law Office of Michael D. McLachlan, APC

INVOICE

44 Hermosa Avenue
Hermosa Beach, CA 90254
Phone 310.954.8271 Fax 310.954.8271

DATE: January 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
1/27: [starting at 8:45 a.m.] Phone calls and emails with client re incentive issues .3; review and analysis of KD hearing transcript summary memo, and several transcripts for fee motion .4; emails with DO re motion issues .3; continue drafting of fee motion, edit declarations ISO same, review and analysis of exhibits for motion 6.4; emails with RK re fee motion .1;	7.5	
1/27: Review and analysis of AV hearing transcripts for fee motion 3.4; assist with fee motion exhibit preparation and review 2.7 KD		6.1
1/28: Phone call with DO [REDACTED] .5; phone call from Joyce re Ritter and appeal .3; phone call to Quass re TT conflict .2; emails with Pearl re fee motion .1; emails with RGK re Ritter issues .1;	1.2	
1/29: Brief research on expert conflict issue and email to JD and MF re Thompson project .3; review BB letter, email to client re same .1; emails with LO counsel re Lane challenge .1; review Stip and long email to Chester re Lane challenge .3; review and analysis re Davis voting proposal, emails with DO re same .2; emails with DO re Watermaster call .2; call from administrator and email to PWS re non payment .1; conf with KD re preparing court binders for hearing .1; email to same re filing and hearing binder .1; emails with counsel re opp to Ritter motion .4; review Fife email re Ritter issues, email to DO re same .1;	2.0	
1/30: Draft and revise long email to Fife re AGWA and Ritter .4;	.4	
1/31: Commence preparation of opposition to Ritter motion to set aside judgment, MM declaration 1.8; legal research on post judgment jurisdiction issues .9; review Lane motion and emails with RGK re handling same .3;	3.0	
TOTAL ATTORNEY HOURS	14.1	
TOTAL PARALEGAL HOURS		6.1

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DATE: February 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
2/1: Attend status conference .3; phone call with MD re watermaster, Robar and settlement issues, memo to file .5; phone call with DO re same and Ritter depo and motion .7; emails with Adair re settlement issues .3; review and summary of Ritter transcript 1.2; email to Adair re settlement .2; prepare opp to Ritter motion to amend judgement and MM declaration in support of same, emails with DO re same 3.8; call and emails with Wang n/c	7.0	
2/2: Further research and analysis re fee motion issues on rates for reply .5; emails with counsel re Phelan and watermaster issues .2;	.7	
2/3: Review and analysis of Davis letter on watermaster .1; phone call and emails with RK re appeal .2; emails with RW re filing issues .1; emails with JD re notice of entry .1; conf with KD re handling judgment filing .1; review filings of last two days .1;	.7	
2/4: Phone call with DO re fee motion [REDACTED] .7; emails with defense counsel and analysis re court appointed expert non-payment .2;	.9	
2/5: review final transcript and email to KD re preparation of new Exhibit 18 for Ritter motion .2; review of new Ex. 18 and prepare MM supp decl. .4; many emails with Brumfield and DO re Ritter issues .5; phone call from RGK re Lane, Ritter, appeal and settlement issues, memo to file .9; legal research on multiplier cases for reply 1.5;	3.5	
2/5: Review and analysis of transcripts re Ritter, assist MM re exhibits 1.0		1.0
2/6: Emails to DO [REDACTED] .2;	.2	
2/8: Emails with counsel re Robar issues .2; legal research on multiplier cases and 1021.5 issues 1.7; emails with Brumfield re hearing .1; review of reply and analysis or prior Ritter record, email to DO re handling hearing on Ritter motion .6;	2.6	
2/9: Prepare for court hearings 1.1; emails with Pearl re fee motion .1;	1.2	
2/10: Prepare for hearings .5; travel to and attend hearing on Ritter motions, settlement and other matters legal 3.4; research on multiplier cases and 1021.5 issues 1.2; phone call from RGK re watermaster and settlement issues .5;	5.6	

<p>2/11: Analysis re various fee motion issues, review of 12 cases on various fee issues for reply 1.1; emails with BB .1; commence preparation of multiplier case summary spreadsheet .6; conf with KD re working on same .1;</p>	<p>1.9</p>	
<p>2/11: Review of many multiplier cases and input data re same into Excel summary table 1.8</p>		<p>1.8</p>
<p>2/12: Emails with client about [REDACTED], [REDACTED] .2; review and analysis of multiplier summary table, prepare notes on changes to same .6; email to DO re using same in reply and hearing .1; phone call from RGK re watermaster .2; review Cortner declaration and emails with counsel on handling Robar proveup .2;</p>	<p>1.3</p>	
<p>2/13: Emails to counsel and administrator re non payment .1;</p>	<p>.1</p>	
<p>2/14: Attention to review of additional multiplier cases and memo to KD re modification of summary table 1.0;</p>	<p>1.0</p>	
<p>2/15: Supplement multiplier table, and pull new data columns 2.4</p>		<p>2.4</p>
<p>2/15: Continue review of multiplier cases, and research re relevant federal cases 2.6; email to DO re current analysis of same .2; emails with client re reply and trip .1;</p>	<p>2.9</p>	
<p>2/16: Review and analysis of Robar settlement documents and trial exhibits, long email to KB re prove up .4; emails with Carson and review SP settlement .1; emails with GCG re invoice payment status .1; review Cortner materials and emails with counsel re Robar claim .1;</p>	<p>.7</p>	
<p>2/17: Attend watermaster conference call, email to BB and RGK re SP class issues 1.7; emails with sett comm re Robar .1;</p>	<p>1.8</p>	
<p>2/18: Review Continental case .1; phone call with DO re judgment, watermaster and fee motion issues .7; review and analysis of multiplier case division and review, emails to DO re same .5;</p>	<p>1.3</p>	
<p>2/19: Call to BB re watermaster issues, email to same re contacts list .3; call from Carson re extension and Garden City bills .2; phone call with DO re [REDACTED] .5; review case filings of this week .1;</p>	<p>1.1</p>	
<p>2/22: Phone calls with DO re fee motion continuance and legal issues .6; analysis re schedule and email to Carson re hearing .2; email to DO re [REDACTED] .3; email to DO re motion to force payment of administrator .2; phone call from CM Landsgaard re [REDACTED] and email to same .2;</p>	<p>1.3</p>	
<p>2/23: Review ex parte notice, call to RW re same .1; phone call from RK re hearing issues, emails with same .2; phone calls with DO re fee motion hearing issues, timing .4; phone call to RZ and A. Ramos re Steinbeck case, email to DO re same .3; call to JD re same, memo to file .2; preparation of opposition to ex parte, and MM decl., review of relevant file materials 2.2; emails to DO re fee motion timing problems .1; review ex parte applications, research on [REDACTED], and email to DO re same .7; phone call with JD re hearing .1; phone call with DO re ex parte strategy .3; many calls and emails from JD, DO, TB, re ex parte and hearing dates, analysis and phone calls to counsel re same .8; review and revise stip, emails with counsel re same .3;</p>	<p>5.7</p>	

<p>2/24: Attend ex parte hearing .3; emails with DO re same .1; phone call to DO re fee motion issues, memo to file .5; phone call to RK re fee hearing and appellate issues, settlement .5; review and analysis of Ritter order, emails to DO re same .1; emails with Pearl re fee motion timing changes, and further issues .3; review draft opp to Willis motion, emails with counsel re same .2; email to DO re same .1; review and analysis re Willis 2011 fee order and email to DO re [REDACTED] .3; legal research on [REDACTED], email to DO re same .7; email to Pearl re public entity and taxpayer issues, arguments for same .3; review and analysis of PWS allocation, email to Penny, and email to DO re analysis of same .2;</p>	<p>3.6</p>	
<p>2/25: Review and analysis of Willis fee motion, emails with DO re same .3;</p>	<p>.3</p>	
<p>TOTAL ATTORNEY HOURS</p>	<p>45.4</p>	
<p>TOTAL PARALEGAL HOURS</p>		<p>5.2</p>

Law Office of Michael D. McLachlan, APC

INVOICE

44 Hermosa Avenue
Hermosa Beach, CA 90254
Phone 310.954.8271 Fax 310.954.8271

DATE: March 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
3/1: Phone call and email to Lee Mc re Willis .1; emails with counsel and administrator re GCG payments .1;	.2	
3/2: Analysis re Willis fee motion issues and email to counsel re same .3; phone call from RGK re Willis motion, Lane, and appellate issues, many emails to same, memo to file .7; review filing of past week .1; emails with Pearl re new fee data, review of new survey .2;	1.3	
3/4: Phone call from RGK re Lane and appellate issues .4;	.4	
3/7: Review DO draft of taxpayer section for reply .2; review and analysis of new Pearl fee survey documents, research on pacer re central district opinions cited and long email to RP and DO re same 2.4; phone call with DO re handling new fee surveys and taxpayer status issue in reply .5; review and revise draft decl from RGK re settlement, many emails to same and DO .4; many emails with DO re reply issues on fee motion .2; review and execute revised decl. for RGK .1;	3.8	
3/8: Review and analysis of Willis record designation .3; phone call and emails with RGK and supp declaration .3; brief research on timing issues and phone call to DO re [REDACTED] issues on fee motion .5; email to Dunn et al re same .1; phone call with RP re new fee surveys and supplemental declaration .5; emails with PWS re ex parte on administrator payment .1;	1.8	
3/9: Phone call with JD re appeal issues, memo to file .2; phone call from Landsgaard re watermaster and class issues, memo to file .8; legal research on post judgment duties of class counsel 1.7; prepare motion for order terminating representation 1.3; emails with RWS re administrator payment .1; many emails with counsel re appellate designation issues .4;	4.5	
3/10: Phone call with June Ailin .4; analysis re transcript designations and email to KD re instructions for summary of same .3; conf with KD re transcript issues .1; review and analysis summary .2;	1.0	
3/10: Conf with MM, review and summary or record designations 1.9 KD	0	1.9

<p>3/11: Email to JD re transcript designations, further review of summary .2; emails with defense counsel on administrator and prepare notice .2; review and analysis of cost summary and prepare supp. decl of MM re fee motion .3;</p>	<p>.7</p>	
<p>3/11: Continue record designation summary and review 3.0 KD</p>	<p>0</p>	<p>3.0</p>
<p>3/12: Complete Will and Phelan record designation summary and analysis KD</p>	<p>0</p>	<p>1.2</p>
<p>3/14: Emails with TT re conflict .1; review and analysis of Lemieux fee opposition .4;</p>	<p>.5</p>	
<p>3/15: Review and analysis of D40 opp to fee motion .6; review Willis opp .1; emails with DO re opps to fee motion .1</p>	<p>.8</p>	
<p>3/16: Review and analysis of Willis Civ App Stmt and exhibits, email to counsel re standing issues, email to DO .3; phone call from Kuhs re Lane and fee issues, memo to file .3; phone call with DO re fee motion issues .3; phone call to J Krattiger re fee motion issues, memo to file .2; review and analysis of historical settlement emails, prepare summary memo re same 2.9; email to DO re same .1; legal research on use of ██████████ in fee motion, email to DO re same 1.9; legal research on class costs issues, and incentive awards, review relevant cases, email to DO re same 2.5; prepare fee motion reply section on costs 1.4; emails with JD re brief length .1; review and analysis of Gov Code election sections and email to DO re same .4;</p>	<p>10.4</p>	
<p>3/17: Further review and analysis of D40 opp, prepare outline of work allocation .9; phone call with DO re same .3; phone call from RGK re Lane hearing, memo to file .2; research on page limits and prepare ex parte application re oversize brief .5; email to DO re reply brief work allocation .2; legal research on recoverable costs in 1021.5 action and 1033.5, prepare blurb for reply on same, email to DO 2.4; emails with RGK re fee motion issues, analysis of value of settlement for PWS .2; review of trial transcripts re Willis expert evidence and email to DO re use of same in reply .3; email with Leckie re settlement .1;</p>	<p>5.1</p>	
<p>3/18: Prepare notice of Errata .2; review ex parte of D40, court rules, and prepare opposition to same 1.0; emails with Quass re Thompson .1; review Willis opp to motion to terminate and email to RK .1;</p>	<p>1.4</p>	
<p>3/21: Prepare for hearing .2; emails with Pearl re reply .1; attend hearing on ex partes and Lane motion .8; phone call from Kuhs .2; emails to DO re hearing, review MO .1;</p>	<p>1.4</p>	
<p>3/22: Phone call from CM Chiodo re ██████████ .2; emails with same .1; phone call with DO re reply .3; review transcripts, many emails with DO re reply brief and attention to drafting same 8.8</p>	<p>9.4</p>	
<p>3/22: Review of case hearing transcripts for reply brief evidence 3.0 KD</p>	<p>0</p>	<p>3.0</p>
<p>3/23: Phone call from CM Quigley re class issues .2; phone calls with DO re reply .4; review and analysis of historical filings of PWS and hearing transcripts on class issues 2.4; review Ailin brief, email to DO .1; many (25+) emails with DO re reply brief issues .4; analysis of evidence and drafting of reply brief, including fact section and draft intro 6.2</p>	<p>9.7</p>	

3/23: Conf with MM, review of case hearing transcripts for reply brief evidence 2.5 KD	0	2.5
3/24: Continue drafting reply brief, MM decl., analysis of evidence and many emails with DO re same 9.5	9.5	
3/25: Complete drafting and revision of reply brief, MM decl, analysis of allocation of Iodestar, many (30+) emails with DO re same 8.6; prepare ex parte re oversized brief .1;	8.7	
3/27: Emails to DO re fee hearing issues .2;	.2	
3/28: Emails with DO re fee hearing issues, [REDACTED] .5;	.5	
3/28: Download and flag all cases cited by defendants in opposition, preparation of hearing binder re same, with index 4.8 KD	0	4.8
3/29: Phone calls with DO re Powerpoint .4; phone call with client re hearing .2; review evidence for Powerpoint, many emails with DO re same .9; email and call with client re hearing .2; review and analysis of PWS primary cases on allocation, email to DO re same .1; review PWS multiplier cases, email to DO re PP intro .6; review of AV Press articles .2; prepare supp. decl. of DO .4; emails with client re incentive award .2; prepare notice of unavailability .1; many emails with DO on PP and argument issues, analyze evidence for PP .6; full review of PP draft and prepare memo to DO re changes to same 1.2;	5.1	
3/29: Prepare hearing binder and index for fee motions 1.6	0	1.6
3/30: Research and review federal cases on incentive awards, email to DO re same .9; review revised PP .8; many emails with DO re hearing issues .4	2.1	
3/31: Review evidentiary objections .2; review CRC and emails with DO re objections .2; review PP revisions and emails with DO .5; review 1021.5 cases, email excerpts to DO for PP .5; prepare for fee motion hearing 2.4	3.8	
TOTAL ATTORNEY HOURS	82.3	
TOTAL PARALEGAL HOURS		18.0

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44 Hermosa Avenue
Hermosa Beach, CA 90254
Phone 310.954.8271 Fax 310.954.8271

DATE: April 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
4/1: Preparation for hearing 2.3; travel to hearing and review of defense cases, attend hearing on fee motions and motion to be relieved 10.1;	12.4	
4/7: Review watermaster filings .1;	.1	
4/8: Review MO and emails with RW re corrections .1;	.1	
4/13: Review and analysis of watermaster motion and decls, email to DO and RGK re same .3; attend watermaster teleconference 1.1; emails with client re service on advisory comm .1;	1.5	
4/14: Emails with client on watermaster issues .2	.2	
4/15: Participate in watermaster call, memo to file 1.0; review Cortner decl n/c	1.0	
4/21: Emails with DO re supp fee motion .1;	.1	
4/25: Review and analysis of fee ruling, email to DO re same .8; email to Pearl re same .1;	.9	
4/26: Phone call from client .1; phone call with DO re appeal of fee ruling and supp motion for fees .3; further review and analysis of fee order and prepare memo re prevailing party issues, brief legal research re same 1.2; review and analysis of Cal Water public documents and corporate structure, prepare summary of same .7; analysis of judgment terms and fee ruling, prepare memo for motion for clarification 1.4	3.7	
4/27: Phone call with DO re cost memo and entry to judgment issues .2; email to DO re same .2; review of record, CRC and legal research on notice of entry, long email to DO on handling cost memo issues 1.1	1.5	
4/28: Analysis of 1033.5 issues, Nelson case, and email to DO re cost memo .5; research on CRC provisions impacting cost recovery, emails to DO re relevant caselaw .9; email with RGK re defect in notice of entry .2;	1.6	

4/29: Phone call with DO re cost memo, motion for clarification, and appellate issues .6; emails with DO re cost issues and clarification motion .3; email to JD re notice of entry problem .1; research and analysis re Gov code issues relevant to clarification motion .4; analysis of DO costs .5;	1.9	
4/30: Emails with DO re supp fee motion .1;	.1	
TOTAL ATTORNEY HOURS	25.1	
TOTAL PARALEGAL HOURS		0

Law Office of Michael D. McLachlan, APC

INVOICE

44 Hermosa Avenue
Hermosa Beach, CA 90254
Phone 310.954.8271 Fax 310.954.8271

DATE: May 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
5/2: Phone call with DO re fee ruling motion for clarification .3; emails with JD re amending judgment .1; many emails with DO re motion for clarification of fee order .3; prepare and revise motion for clarification, and MM decl 1.8	2.5	
5/3: Phone call with RGK re watermaster and appellate issues .5; review motion to amend judgment .1;	.6	
5/4: Emails with DO re opposing nunc pro tunc .2; further research on joint and several for supp motion, emails with DO re same .9;	1.1	
5/5: Review DO draft opp to motion to amend judgment, email to same .2;	.2	
5/10: Review response to clarification motion and emails with DO re same .2; conf with KD re cost memo .2; analysis re handling cost memo, brief research on issues re same .5	.9	
5/11: Legal research on amendment of judgment .9; emails with DO re same .1; attention to cost memo, conf with KD and analysis re handling of same 1.8	2.8	
5/11: Assist MM in analysis and summary of costs for memo of costs 5.6		5.6
5/12: Amend opp to motion to amend for filing .3; phone call with KL re fees issues, memo to file .4; phone call with AG re same .1; email to DO re cost issues .1; legal research on cost issues and prepare brief re same, review prior filings re same 1.0;	1.9	
5/13: Email to DO on supp fee motion .1	.1	
5/16: Phone call with RP re fee motion issues .3; email to DO re same .1; review and analysis of AV United hearing notices .2;	.6	
5/17: Prepare draft order on clarification motion, emails with DO re same .3	.3	

<p>5/18: Review and analysis of Lemieux opp, and preparation of reply brief and MM declaration, including brief legal research on several liability 1.7; emails with DO re same .1; analysis re PWS allocations and prepare proposed order 2, email to DO re same .3; phone all from DO re motion for clarification .2; phone call with Lemieux re fee allocation and payment issues, memo to file .2; email from DO and modify Reply brief and two proposed orders .4; review D40 reply on amended J, email with DO re motion to tax .2; email to JT re fee order n/c</p>	<p>3.1</p>	
<p>5/19: Email to DO re hearings and work allocation .1;</p>	<p>.1</p>	
<p>5/20: Review D40 and Willis filings, emails to DO re legal issues and hearing .2; review AV United and other filings this week .2; emails with DO re handling motion to amend .2; analysis re Judgment and emails with DO re amendment tactics and impact on fees and costs .5;</p>	<p>1.1</p>	
<p>5/24: Phone call with DO .2; prepare for hearing .5; legal research on substantive vs. clerical amendments and appellate timing issues 1.4; review evidence and objections re AV United Motion .3; review Robar hearing filings .1;</p>	<p>2.5</p>	
<p>5/25: Travel to and attend meeting with DO and court hearings 4.5;</p>	<p>4.5</p>	
<p>5/26: Emails with administrator .1;</p>	<p>.1</p>	
<p>5/31: Review CRC 3.1700 and analysis of timing on motion to tax, email to DO re same .3; review motion to tax, emails with DO re handling same .2</p>	<p>.5</p>	
<p>TOTAL ATTORNEY HOURS</p>	<p>22.9</p>	
<p>TOTAL PARALEGAL HOURS</p>		<p>5.6</p>

Law Office of Michael D. McLachlan, APC

INVOICE

44 Hermosa Avenue
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Phone 310.954.8271 Fax 310.954.8271

DATE: June 2016

Bill To:
Wood v. Los Angeles County Waterworks et al.

For:
Legal services, Antelope Valley Groundwater Cases

DESCRIPTION	HOURS	PARALEGAL
6/3: Email from JD and review watermaster material .1; VM from JD and email to DO re same .1;	.2	
6/7 Emails to DO re supp fee mtn issues .4; phone call with JD re fee order, memo to file .2	.6	
6/8: Review and analysis of May 25 hearing transcript and prepare proposed order .5; phone call to DO re proposed order .3; brief research on appellate timing issues .4; review court orders .1; phone call to DO re fee motion, settlement and gov code election issues .5; legal research on govt code elections issues and emails with KL re same .9; emails with PWS re clarification order .3; review and analysis of [REDACTED] and email to DO re same .3;	3.3	
6/9: Analysis re govt code election issue, review declarations, and emails with KL re same .4; revise proposed order and prepare notice of lodging .2; email and call with Dunn .1; prepare objection .1; call to DO .2;	1.0	
6/20: Review of court docket, email to DO re issues with same .2;	.2	
6/22: legal research on [REDACTED] supp fee motion .6; phone call with DO re [REDACTED] .5;	1.1	
6/23: Emails and call with DO re supp. fee motion .4;	.4	
6/24: Emails and call with DO re supp. fee motion .4; prepare supp fee motion 2.0	5.4	
6/25: Continue supp fee motion draft, MM declaration and review and analysis of exhibits, brief legal research for same 3.8	3.8	
6/26: Continue supp fee motion draft, MM declaration and review and analysis of exhibits, brief legal research for same 2.0	2.0	
TOTAL ATTORNEY HOURS	18	
TOTAL PARALEGAL HOURS		0

Exhibit 3

LAW OFFICES OF
RICHARD M. PEARL
1816 FIFTH STREET
BERKELEY, CA 94710

TEL: (510) 649-0810
FAX: (510) 548-3143
E-MAIL: rpearl@interx.net

February 9, 2016
By email only

Mike McLachlan
Law Offices of Michael D. McLachlan, APC
44 Hermosa Avenue
Hermosa Beach, CA 90254
mike@mclachlan-law.com

STATEMENT FOR SERVICES RENDERED

For Services Rendered
June 29, 2015 – January 26, 2016
re *Antelope Valley* matter

Current Charges

FEES

9.15 hours, per attached itemization @ \$775 per hour \$7,091.25

BALANCE DUE: **\$7,091.25**

Mike McLachlan
Statement for Services Rendered
February 9, 2016
Page 2

<u>DATE</u>	<u>DESCRIPTION OF SERVICES</u>	<u>HOURS</u>
	(by Richard M. Pearl)	
6/29/15	Exchange emails w/ Mike McLachlan (MM) re facts, issues, etc;	.10
12/9/15	Exchange emails w/ MM re 1021.5 issue	.10
12/17/15	Review emails from MM re facts; review prior fee awards in case	.20
12/30/15	Review email from MM and documents attached	.10
1/8/16	Phone conference w/ MM re schedule	.10
1/15/16	Phone conference w/MM re my declaration, etc.	.60
1/21/16	Review draft MM declaration; prepare notes re argument; prepare my declaration; phone conf. w/ MM re declarations	1.00
1/22/16	Review various pleadings and orders; revise MM and my declarations	1.25
1/23/16	Prepare my declaration; revise MM declaration, prepare email to MM re same	2.10
1/24/16	Review emails re my declaration	.10
1/25/16	Phone conf. w/ MM re declarations; review emails re declarations, attachments; revise MM and my declarations; review Daniel O'Leary declaration, Judgment	1.90
1/26/16	Review materials from case; revise my declaration; exchange emails re cases cited	1.60
TOTAL HOURS		9.15

Exhibit 4

<u>DATE</u>	<u>VENDOR</u>	<u>NOTES</u>	<u>AMOUNT</u>
3/17/2016	Glotrans	ex parte brief size	\$24.00
3/17/2016	LASC	filing fee ex parte	\$60.00
3/25/2016	CalWest	LASC (CW131614)	\$25.00
3/25/2016	Glotrans	reply -- fee motion (3x)	\$72.00
3/25/2016	LASC	filing fee ex parte	\$60.00
3/25/2016	Glotrans	ex parte reply brief	\$24.00
4/1/2016	Lexis	March	\$273.66
4/1/2016	Taxi	SJO to court	\$22.32
4/1/2016	Parking	LAX (fee motion)	\$24.71
4/1/2016	San Jose Joes	dinner airport (DOL and MM)	\$44.01
4/11/2016	Melissa Crawford CSR	April 1, 2016 hearing	\$178.00
4/21/2016	LASC	filing fee mtn for clarification	\$60.00
5/1/2016	Lexis	May	\$161.00
5/2/2016	Glotrans		\$24.00
5/11/2016	Glotrans		\$24.00
5/12/2016	Glotrans		\$48.00
5/18/2016	Glotrans		\$72.00
5/25/2016	Parking	hearings, Mosk	\$20.00
6/7/2016	Coalition Court Reporters	May 25, 2016 transcript	\$114.00
6/9/2016	Glotrans		\$48.00
6/21/2016	Glotrans		\$24.00
6/22/2016	Glotrans		\$24.00
6/25/2016	LASC	filing fee supp fee motion	\$60.00
6/26/2016	Glotrans		\$72.00
		TOTAL AFTER March 11, 2016	\$1,558.70

Exhibit 5

1 David M. Stern (State Bar No. 67697)
Michael L. Tuchin (State Bar No. 150375)
2 Colleen M. Keating (State Bar No. 261213)
Jonathan M. Weiss (State Bar No. 281217)
3 KLEE, TUCHIN, BOGDANOFF & STERN LLP
1999 Avenue of the Stars, Thirty-Ninth Floor
4 Los Angeles, California 90067
Telephone: 310-407-4000
5 Facsimile: 310-407-9090
Email: dstern@ktbslaw.com
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8 *Attorneys for R. Todd Neilson, Chapter 11 Trustee*

9
10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**
12 **LOS ANGELES DIVISION**

13 In re
14 STATE FISH CO., INC. and
CALPACK FOODS, LLC,
15
16 Debtors.

Case Nos. 2:15-bk-11084-SK
2:15-bk-11085-SK
Jointly Administered

Chapter 11

**FIRST INTERIM APPLICATION OF
KLEE, TUCHIN, BOGDANOFF & STERN
LLP FOR ALLOWANCE AND PAYMENT
OF FEES AND EXPENSES INCURRED
AS BANKRUPTCY COUNSEL FOR THE
CHAPTER 11 TRUSTEE FOR THE
PERIOD FEBRUARY 27, 2015 THROUGH
MAY 31, 2015; DECLARATION OF
JONATHAN M. WEISS IN SUPPORT
THEREOF**

18 THIS FILING APPLIES TO:

- 19 ALL DEBTORS
20 SPECIFIED DEBTOR
21 STATE FISH CO., INC.
22 CALPACK FOODS, LLC

Hearing

23 Date: July 9, 2015
Time: 10:00 a.m.
24 Judge: Hon. Sandra R. Klein
Place: U.S. Bankruptcy Court
25 255 E. Temple St., Ctrm. 1575
Los Angeles, CA 90012
26
27
28

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1 **TO THE HONORABLE SANDRA R. KLEIN, UNITED STATES BANKRUPTCY JUDGE;**
2 **THE OFFICE OF THE UNITED STATES TRUSTEE; THE CHAPTER 11 TRUSTEE;**
3 **AND OTHER PARTIES IN INTEREST:**

4 Klee, Tuchin, Bogdanoff & Stern LLP (“KTB&S”), bankruptcy counsel for R. Todd
5 Neilson, the chapter 11 trustee (the “Trustee”) of the bankruptcy estates of State Fish Co., Inc.
6 (“State Fish”) and Calpack Foods, LLC (“Calpack” and collectively, the “Debtors”), hereby
7 respectfully applies for an order (1) allowing interim compensation to KTB&S, for services
8 rendered and expenses incurred during the period from February 27, 2015 through May 31, 2015
9 (the “First Interim Period”), in the total amount of \$676,334.70, comprised of fees for services
10 rendered of \$651,404.00 and expenses incurred of \$24,930.70; (2) authorizing the Trustee to pay
11 KTB&S 80% of its approved fees and 100% of its approved costs when, in the Trustee’s
12 reasonable discretion, there is adequate cash in the estates to make such payments; and
13 (3) granting KTB&S any other relief that this Court deems necessary and appropriate (the
14 “Application”). The foregoing amounts do not include \$19,933.00 representing 38.60 hours of
15 work that has been written off in the exercise of billing discretion and is reflected as “No Charge”
16 on the billing records appended hereto.

17 KTB&S submits this Application pursuant to Bankruptcy Code Section 330 and 331,
18 Federal Rules of Bankruptcy Procedure 2002(a)(6) and 2016, Local Bankruptcy Rule 2016-1, and
19 the *Guidelines for Reviewing Applications for Compensation & Reimbursement of Expenses Filed*
20 *Under 11 U.S.C. § 330*, 28 C.F.R. § 58, Appendix A (the “U.S. Trustee Guidelines”).¹ This
21 Application conforms to the requirements of Local Bankruptcy Rule 2016-1(a) for interim fee
22 applications. See Declaration of Jonathan M. Weiss (attached hereto) ¶ 9. In support of the
23 Application, KTB&S respectfully represents and shows the following:

24
25
26

¹ The Revised U.S. Trustee Guidelines, set forth in 28 C.F.R. § 58, Appendix B, do not apply to
27 these cases, because these cases involve less than \$50 million in assets and \$50 million in
28 liabilities.

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I.

SUMMARY OF KTB&S'S ENGAGEMENT

1
2
3 KTB&S is a national boutique law firm that specializes in business reorganizations,
4 corporate insolvency, commercial litigation, bankruptcy-related asset acquisitions, real estate
5 matters in the bankruptcy context, bankruptcy litigation and appellate advocacy, expert witness
6 services in the bankruptcy field and corporate transactions. These are areas in which KTB&S
7 attorneys have extensive experience. In the insolvency area, KTB&S represents debtors, trustees,
8 creditors, equity holders, committees, trustees, landlords, potential acquirers of assets, and other
9 parties with interests in financially distressed businesses. KTB&S is located in Los Angeles,
10 California. Attached hereto as Exhibit 1 is a summary of the background and qualifications of the
11 KTB&S attorneys principally responsible for rendering services to the Trustee during the First
12 Interim Period.

13 On March 10, 2015, a week after he accepted his appointment, the Trustee, on behalf of the
14 bankruptcy estates of the Debtors, filed the *Application of R. Todd Neilson, Chapter 11 Trustee,*
15 *for Order Authorizing Employment of Klee, Tuchin, Bogdanoff & Stern LLP as Bankruptcy*
16 *Counsel Nunc Pro Tunc to February 27, 2015* [Dkt. No. 199] to employ KTB&S as the Trustee's
17 bankruptcy counsel. On April 1, 2015, this Court approved KTB&S's employment as the
18 Trustee's bankruptcy counsel, *nunc pro tunc* to February 27, 2015, pursuant to the *Order*
19 *Authorizing Employment of Klee, Tuchin, Bogdanoff & Stern LLP as Bankruptcy Counsel to the*
20 *Trustee Nunc Pro Tunc to February 27, 2015* [Dkt. No. 254] ("Employment Order").

21 In the Employment Order, the Court found that, except as otherwise disclosed, KTB&S is
22 a "disinterested person" as that term is defined in Bankruptcy Code section 101(14), who does not
23 hold or represent an interest adverse to the estates and does not have any connection either with
24 the Debtors, their creditors, or any other party in interest in these cases or with their respective
25 attorneys or accountants, or with the United States Trustee or any person employed in the Office
26 of the United States Trustee. KTB&S supplemented its disclosures twice, on April 20, 2015 and
27 April 22, 2015, to disclose certain connections to Karlin Real Estate, LLC, with whom the Trustee
28 had entered into a term sheet for postpetition financing. Dkt. Nos. 276 & 282.

1 The KTB&S attorneys who have been principally responsible for rendering services to the
2 Trustee have been David M. Stern, Michael L. Tuchin, Colleen M. Keating and Jonathan M.
3 Weiss. Other KTB&S attorneys have rendered services on discrete matters from time to time, as
4 necessary. In general, tasks have been allocated among KTB&S's attorneys based upon the
5 necessary expertise required for the specific task. Whenever feasible, work was allocated to
6 attorneys and/or KTB&S's paralegal with lower hourly rates.

7 KTB&S has neither received nor been promised any compensation for the services that it
8 has rendered or the expenses that it has incurred in these cases, and KTB&S has not previously
9 applied to this Court for payment of its expenses and fees in these cases. Furthermore, neither
10 KTB&S nor any member of KTB&S has any agreement or understanding of any kind to divide,
11 pay over, or share any portion of the fees to be awarded to KTB&S with any other person or
12 attorney except as among members and associates of KTB&S.

13 **II.**

14 **SUMMARY OF COMPENSATION REQUESTED**

15 **A. Interim Billing.**

16 The following table summarizes the monthly fees and expenses incurred by KTB&S
17 during the First Interim Period:

Period	Fees and Expenses Incurred
February 27-28, 2015	Total: \$7,101.00 Fees: \$7,101.00 Expenses: \$0.00
March 1-31, 2015	Total: \$175,684.13 Fees: \$170,850.50 Expenses: \$4,833.63
April 1-30, 2015	Total: \$290,646.26 Fees: \$283,615.00 Expenses: \$7,031.26

Period	Fees and Expenses Incurred
May 1-31, 2015	Total: \$202,903.31 Fees: \$189,837.50 Expenses: \$13,065.81
Total:	Total: \$676,334.70 Fees: \$651,404.00 Expenses: \$24,930.70

As summarized in the table above, KTB&S incurred fees and expenses totaling \$676,334.70 and has not received any payments therefore. Accordingly, the balance owed to KTB&S for services rendered and expenses incurred during the First Interim Period is \$676,334.70.

Exhibit 2 lists the billing rates for each of the individuals who performed services for the Trustee and summarizes the hours billed and fees incurred by each of those individuals during the First Interim Period.

Exhibit 3 contains a monthly summary of the total fees incurred in each activity category during the First Interim Period.

Exhibit 4 contains a monthly itemization and summary of the total expenses incurred in each expense category during the First Interim Period.

Exhibit 5 contains a complete chronological listing of each billing entry – sorted by activity category – showing the services that KTB&S rendered during the First Interim Period. KTB&S has redacted portions of the descriptions of its services that are contained in the line-item listings in Exhibit 5 to avoid revealing information that would put the Trustee or the Debtors’ estates at a disadvantage in pending or future litigation. Complete descriptions for these line items will be available on request at the time KTB&S files its final fee application, to the extent making such information available does not prejudice the Trustee or the Debtors’ estates.

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1 **III.**

2 **BACKGROUND²**

3 **A. General Background.**

4 On January 26, 2015 (the “Petition Date”), the Debtors each filed voluntary chapter 11
5 bankruptcy petitions in this Court. This Court entered an order jointly administering the Debtors’
6 cases on January 30, 2015. Dkt. No. 65.

7 On February 27, 2015, the United States Trustee filed a *Notice of Appointment of Chapter*
8 *11 Trustee* appointing the Trustee as the chapter 11 trustee in these cases. Dkt. No. 162. Also on
9 February 27, 2015, this Court entered its *Order Approving Appointment of Chapter 11 Trustee*.
10 Dkt. No. 167. The Trustee accepted his appointment on March 3, 2015. Dkt. No. 175. The
11 Trustee retained KTB&S as his bankruptcy counsel, and Berkeley Research Group, LLC (“BRG”)
12 as his financial advisors and accountants. Dkt. Nos. 199, 200. The Trustee subsequently retained
13 Michael M. Ozawa and Robert E. Bates, through Avant Advisory Partners, LLC, as consultants.
14 Dkt. No. 242.

15 Immediately after his appointment, the Trustee and his counsel held separate meetings with
16 each of the primary parties in these cases: (i) the Official Committee of Unsecured Creditors (the
17 “Committee”); (ii) the Debtors (through their counsel, Perkins Coie LLP, and their former Chief
18 Restructuring Officer, George Blanco); (iii) State Fish’s prepetition lenders and the DeLuca
19 Sisters;³ and (iv) John DeLuca. The Trustee and his professionals used these meetings to gain an
20 understanding of the Debtors’ affairs and an overview of the major disputed issues in these cases.
21 Since these initial meetings, the Trustee, both with and without his professionals, has continued to
22 engage with the various parties to apprise them of events in these cases and to solicit their views.

23
24 _____
25 ² KTB&S requests that the Court take judicial notice of the previous declarations filed in these
cases, which provide evidence in support of this background and narrative.

26 ³ State Fish’s prepetition lenders are Pan Pac LLC and the Roseann DeLuca Revocable Trust
27 dated 10/6/2011 (the “Lenders”). The Lenders’ principals are, respectively, Vanessa DeLuca
and Roseann DeLuca, who are also, with Janet Esposito, shareholders of State Fish. Vanessa
28 DeLuca, Roseann DeLuca and Janet Esposito are referred to as the “Sisters.”

1 State Fish's core business is buying, processing, and freezing fresh fish sourced from local
2 fishing boats in southern California (the "Wet Fish Business"), as well as importing and
3 repackaging frozen seafood from national and international sources (the "Value Added Business").

4 In addition to seafood purchasing and processing, State Fish provides custom food
5 processing and pasteurization services through a division called High Pressure Pasteurization Food
6 Service ("HPP"). HPP receives pre-packaged products from its customers which are then
7 pasteurized using HPP's two state-of-the-art pasteurization machines and returned to the customer
8 for shipment to end users.

9 The HPP business is operated in conjunction with Calpack, which is a wholly-owned
10 subsidiary of State Fish that produces high quality custom food and beverage products. Calpack
11 specializes in processing and packaging fresh juices and salad dressings. Calpack customers either
12 send large quantities of raw materials to Calpack's facility, or Calpack orders fruits and
13 vegetables, packaging materials, seafood, seasoning and some canned items on the customer's
14 behalf and the customer is billed directly. The business operated by HPP and Calpack is known as
15 the "HPP/Calpack Business."

16 Through May 31, 2015, State Fish's estate has \$2,568,648 in cash and State Fish is current
17 on all routine operating expenses, not including professional fees incurred in these cases. Through
18 May 31, 2015, Calpack's estate has \$501,675 in cash and Calpack is current on all routine
19 operating expenses, not including professional fees incurred in these cases. State Fish is currently
20 operating at a loss, while Calpack is operating at a profit. Each of the Debtors has sufficient
21 operating cash flow. The Trustee has not yet filed a plan on behalf of the Debtors. The Trustee
22 intends to first pursue sales of the Debtors' assets and to allow the claims bar date to pass.

23 **B. Summary of Activity During First Interim Period.**

24 **1. Operation of Debtors' Businesses By Trustee.**

25 Since his appointment, the Trustee has operated the Debtors' three businesses. Because,
26 when the Trustee was appointed, the Debtors had no officers (the Debtors' prepetition officers
27 resigned shortly before the Petition Date), the Trustee's professionals have been heavily involved
28

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1 in overseeing the day-to-day operation of the Debtors' businesses and managing the Debtors'
2 approximately 150 employees.

3 **2. Post-Petition Financing.**

4 After assessing the operations and finances of the Wet Fish Business, the Trustee
5 determined that the continued viability of the Wet Fish Business as a going concern was
6 dependent on additional financing to fund working capital during the current fishing season.
7 Although the fishing season began on April 1, the bulk of the actual fishing begins when fish
8 become available, which cannot be predicted with any degree of certainty. State Fish's major
9 suppliers for the Wet Fish Business are local fishermen, with whom State Fish has developed
10 business relationships. State Fish has no written contracts with those fishermen. In order to
11 maintain these critical relationships with the local fishermen and maintain the Wet Fish Business
12 as a going concern, State Fish needs to be in a position to purchase and process fish when and as
13 the fish become available, and needs additional capital in order to be in such a position.

14 In order to obtain financing to maintain the Wet Fish Business, the Trustee solicited
15 proposals from, engaged in negotiations with, and provided due diligence information to potential
16 lenders. The Trustee and his professionals analyzed and explored the proposals to determine the
17 proposal that would maximize the value of State Fish's estate, and decided to pursue financing
18 offered by Karlin Real Estate, LLC ("Karlin"). On April 15, 2015, the Trustee and Karlin
19 executed a term sheet that provided for, among other things, a \$3,000,000 initial term loan and a
20 delayed draw term loan of up to \$1,000,000, secured by a first priority lien on State Fish's real
21 property and a second priority lien on State Fish's equipment. The term sheet provided that Karlin
22 would be entitled to a \$100,000 break-up fee under limited circumstances, and a \$70,000 expense
23 reimbursement. KTB&S prepared, and, on April 17, 2015, filed the *Motion for Order Approving*
24 *(I) Entry into Debtor-in-Possession Financing Term Sheet and (II) Related Lender Protections*, by
25 which the Trustee sought Court approval of the term sheet. Dkt. No. 265. At a hearing on April
26 23, 2015, the Court granted the Trustee's motion to approve the term sheet.

27 After approval of the term sheet, the Trustee, through KTB&S, and Karlin began
28 negotiating loan documents. However, Karlin failed to timely confirm the satisfaction or waiver

1 of the due diligence conditions set forth in the term sheet (and did not timely extend its deadline to
2 do so). Because the Trustee determined that the terms and conditions proposed by Karlin in the
3 loan documents were not in the estates' best interests, the Trustee determined not to proceed with
4 Karlin. Because Karlin did not timely confirm satisfaction of the due diligence conditions, Karlin
5 is not entitled to a break-up fee.

6 The Trustee is exploring other options for obtaining financing for the Wet Fish Business.
7 As of the date hereof, the bulk of the fishing during this fishing season has not yet commenced, as
8 the fish have not yet arrived. Accordingly, there remains time to obtain financing to provide
9 working capital for the Wet Fish Business when the fish do arrive.

10 **3. Customs Bond for Value Added Business.**

11 In order to import seafood in its Value Added Business, State Fish is required to post a
12 customs bond to ensure compliance with federal laws and the payment of all duties, taxes, and fees
13 owed to the federal government in respect of imports. Absent the posting of the required bond,
14 customs authorities will not release shipments of imported seafood to State Fish. Pursuant to the
15 foregoing, State Fish currently maintains a customs bond in the amount of \$50,000 on the required
16 Customs Form 301 (the "\$50,000 Bond"). The surety on the \$50,000 Bond is Western Surety
17 Company. The \$50,000 Bond became effective on May 21, 2010. State Fish also maintains a
18 separate \$600,000 bond with the United States Customs Service on the required Customs Form
19 301 (the "\$600,000 Bond"), the surety on which bond is also Western Surety, and which bond
20 covered the time period May 19, 2008 through May 20, 2010. Both bonds were supported by a
21 letter of credit issued by Farmers and Merchants Bank ("FMB") in the amount of \$600,000 (the
22 "Letter of Credit").

23 On April 13, 2015, State Fish received a letter from Western Surety, stating that the
24 \$50,000 Bond would be terminated as of May 20, 2015 due to a "change in underwriting status."
25 Because of the necessity to maintain the \$50,000 Bond, the Trustee engaged in discussions with
26 Western Surety, and was informed that Western Surety would agree to continue the \$50,000 Bond
27 if the Letter of Credit were increased by \$50,000 on or before May 19, 2015 (or if a new letter of
28 credit in the amount of \$50,000 were issued). FMB was willing to increase the Letter of Credit by

1 \$50,000 (i.e., to a total of \$650,000) or issue a new letter of credit as required by Western Surety,
2 but only if the additional amount were cash collateralized by \$50,000 of State Fish's funds.
3 Accordingly, KTB&S, on behalf of the Trustee, sought, and obtained, an order of the Court
4 authorizing the use of \$50,000 of the Debtors' funds to cash collateralize the proposed increase to
5 the Letter of Credit or to obtain, and cash collateralize, a new letter of credit in the amount of
6 \$50,000. Once that order was entered, the Trustee worked with FMB and Western Surety to
7 obtain a new \$50,000 letter of credit, which has allowed State Fish to continue importing seafood
8 for its Value Added Business.

9 **4. Trustee's Use of Cash Collateral.**

10 In connection with his administration of the Debtors' estates, the Trustee, though KTB&S,
11 has performed due diligence into any liens on the Debtors' property, including UCC searches and
12 searches of the records of the United States Patent and Trademark Office and the United States
13 Copyright Office. Those records reflect a financing statement filed by the Lenders asserting a lien
14 on all of State Fish's personal property. KTB&S has determined that the foregoing lien is in
15 respect of a credit agreement between State Fish and Lenders, executed in May 2014, pursuant to
16 which the Lenders agreed to make revolving loans to State Fish up to \$7,175,000. There are no
17 records of any liens on any real property owned by State Fish or on any assets of Calpack. The
18 Trustee is aware that there may be one or more bases on which to challenge the Lenders' lien and
19 claims. The Trustee believes that it is prudent to determine whether the estates are solvent and
20 whether there is a basis for an amicable resolution of these cases before determining how to
21 proceed with respect to any possible challenge to the Lenders' lien and claims.

22 Before the Trustee's appointment, State Fish and the Lenders had entered into a stipulation
23 for the use of cash collateral. Dkt. No. 88-2. The stipulation provided, among other things, that
24 State Fish was authorized to use cash collateral pursuant to the terms and conditions of the
25 stipulation, and in accordance with the contemporaneously-filed budget. The stipulation also
26 provided (i) a procedure for State Fish to propose and file monthly rolling budgets for the
27 continued use of cash collateral beyond the timeframe of the initially-filed budget (the "Roll-

28

1 Forward Procedures”), and (ii) a period during which parties could challenge, among other things,
2 the validity, enforceability, priority or extent of the Lenders’ lien.

3 Since his appointment, after negotiations with the Lenders, John DeLuca, and the
4 Committee, the Trustee, through KTB&S, has prepared and lodged two cash collateral orders that
5 modify and extend the cash collateral stipulation, *see* Dkt. Nos. 206, 236, and has filed extended
6 budgets in accordance with the Roll-Forward Procedures. The Court has scheduled a continued
7 hearing on cash collateral matters for June 23, 2015.

8 **5. Motion to Dismiss and Relief From Stay Litigation.**

9 On February 19, 2015, John DeLuca filed his *Motion to Dismiss Pursuant to 11 U.S.C.*
10 *§ 1112(b), or Abstain Pursuant to 11 U.S.C. § 305(a), or for the Appointment of a Chapter 11*
11 *Trustee Pursuant to 11 U.S.C. § 1104(a)* (the “Motion to Dismiss”). Dkt. No. 130. In the Motion
12 to Dismiss, John DeLuca sought an order: (i) dismissing State Fish’s bankruptcy case⁴ pursuant to
13 11 U.S.C. § 1112(b); or, alternatively, (ii) abstaining from exercising jurisdiction in State Fish’s
14 case pursuant to 11 U.S.C. § 305(a); or, alternatively, (iii) appointing a Chapter 11 Trustee
15 pursuant to 11 U.S.C. § 1104(a), because, among other things, John alleged that “State Fish
16 undeniably filed bankruptcy without corporate authority to do so, and in bad faith in order to avoid
17 the entry of a judgment against the company’s principals and majority shareholders.” Dkt. No.
18 130, at 1.

19 The Motion to Dismiss is largely based on a tentative ruling in *John DeLuca et al. v. Rose*
20 *DeLuca, State Fish Co. Inc., et al.*, filed by John DeLuca and other minority shareholders of State
21 Fish in 2006 in the Superior Court of California, County of Los Angeles (the “State Court”), Case
22 No. BC358395 (the “Derivative Action”). On April 4, 2014, the State Court issued the tentative
23 ruling, indicating that it would enter judgment ordering “(1) the removal of Defendants as
24 directors of nominal defendant State Fish Co. (SFC); (2) the appointment of provisional
25 independent directors for each vacancy on the Board created by the removal of Defendants; and
26

27 ⁴ The Motion to Dismiss was only with respect to State Fish, although John reserved his rights
28 with respect to Calpack.

1 (3) for an accounting to determine the amounts of legal fees Defendants caused SFC to expend
2 with regard to the Trust Cases and Stolen Documents Case.”

3 At a hearing on February 25, 2015, in considering the Motion to Dismiss and applications
4 to employ the Debtors’ professionals, this Court ruled that

5 the key factor is whether or not the sisters’ appointment of the
6 independent directors in May violated the Court’s order, and that’s
7 not something that this Court can determine. That’s something that
8 needs to be decided by the State Court, and everybody’s arguing
9 what the State Court meant by the tentative ruling and what the State
10 Court was going to rule on January 30th, but I can’t read those tea
11 leaves, and neither can anybody else here, and the primary focus and
12 the crux of the litigation here is whether or not the appointment of
13 the independent directors who then hired your firm [Perkins Coie]
14 and who then hired Mr. Blanco along with the sisters when Mr.
15 Blanco was hired, whether or not they were properly in place. That’s
16 the crux of the issue. Everything else gets resolved once -- in the
17 Court’s mind or 99 percent of the issues before this Court get
18 resolved once that issue is determined, and that issue, the Court
19 believes, needs to be resolved by the State Court because the
20 question of whether or not the appointment by the sisters who were
21 supposed to no longer be directors of the company, they then took
22 action to appoint the independent directors.

23 Accordingly, the Court *sua sponte* granted relief from the automatic stay to permit the
24 State Court to resolve the corporate governance issues raised by John DeLuca. After the parties
25 submitted different forms of order granting relief from stay, and after a hearing on the form of
26 such order, the Court granted relief from stay to permit the Trustee to seek an order from the State
27 Court with respect to:

28 The possible removal and replacement of the “Defendants”—
referenced by the Superior Court in its 4/4/14 Tentative Decision—
as directors of State Fish. And, if the Superior Court determines that
removal and replacement of the “Defendants” is warranted, whether
such removal and replacement would be effective as of 4/4/14 or
some later date; and

Whether on 5/12/14—after the Superior Court had issued its 4/4/14
Tentative Decision in which it ordered “the removal of Defendants
as directors of nominal defendant [State Fish]”—the “Defendants”
had the authority to appoint Mark Stolper and Kirk Waldron as
directors of State Fish. See *In re State Fish Co., Inc.*, 15-bk-11084-
SK, Docket #118-2 at 2 (“Written Consent to Action of the
Directors in Lieu of a Meeting” dated 5/12/14).

Dkt. No. 203.

1 In accordance with that order granting relief from stay, KTB&S prepared and filed, on
2 April 15, 2015, a motion in the State Court for an order, or in the alternative to set up a process, to
3 answer the foregoing questions. KTB&S set a hearing on the motion for July 23, 2015, the first
4 hearing date available before State Court Judge Hiroshige. John DeLuca filed a motion for relief
5 from stay for permission to seek to expedite that hearing and with respect to a cross complaint in
6 the Derivative Action that does not involve the Debtors. That motion was denied with respect to
7 the expedited hearing.

8 At the February 25, 2015 hearing, the Court had continued the hearing on the Motion to
9 Dismiss to June 23, 2015. Because the State Court will not have resolved the corporate
10 governance questions before that time, the Court has ordered John DeLuca to file a copy of any
11 ruling issued by the State Court during or after the July 23, 2015 State Court hearing, and has
12 further continued the hearing on the Motion to Dismiss to August 20, 2015. The Court also
13 ordered that, at the August 20, 2015 hearing, the Court may, if necessary, set a briefing schedule
14 on the Motion to Dismiss (and the Perkins Coie and Avant/CRO employment applications). Dkt.
15 No. 367.

16 **6. Other Litigation and Upcoming Mediation.**

17 The Derivative Action is one of several lawsuits involving the Debtors and their
18 shareholders. Some or all of the Sisters, John DeLuca, his fish company, J. DeLuca Fish
19 Company, and the siblings' uncle, Fred DiBernardo, have been party to numerous lawsuits over
20 the past decade. These cases include, but are not limited to:

21 a. *John Michael DeLuca v. State Fish Company, Inc., Rose DeLuca, Vanessa*
22 *DeLuca, Janet Esposito, and Roseann DeLuca*, Superior Court of California, County of
23 Los Angeles, Case No. BC358395: This case is the Derivative Action and is discussed
24 above.

25 b. *Fred J. DiBernardo v. Michael Leight, Rose DeLuca, Janet Esposito,*
26 *Roseann DeLuca, Vanessa DeLuca and Robert C. Danner*, Superior Court of California,
27 County of Los Angeles, Case No. BC365900: This case is referred to as the "Documents
28 Case," and was brought by Fred DiBernardo (allegedly former general counsel to State

1 Fish) after Michael Leight (also former counsel to State Fish) allegedly came into
2 possession of, and attempted to use, certain confidential documents which were allegedly
3 anonymously mailed to Leight. This case was settled in May 2011.

4 c. *J. DeLuca Fish Company, Inc. v. State Fish Company, Inc.*, Superior Court
5 of California, County of Los Angeles, Case No. BC391583: Known as the “Business
6 Interference Case,” in this case John DeLuca’s own fish company, J. DeLuca Fish
7 Company, Inc. sued State Fish, alleging that State Fish delayed in vacating the premises
8 known as “Plant 2” after John DeLuca, the owner of the premises, issued a notice to State
9 Fish to vacate the premises. J. DeLuca Fish Company argued that State Fish’s delay
10 constituted intentional or negligent interference with J. DeLuca Fish Company’s business.
11 This case is pending.

12 d. *John Michael DeLuca v. State Fish Company, Inc., et al.*, Superior Court of
13 California, County of Los Angeles, Case No. BC504002: Known as the “Waste Case,” in
14 this case John DeLuca, owner of Plant 2, alleged that defendants committed particular acts
15 or omissions of waste in connection with State Fish’s use of Plant 2 and certain equipment
16 therein. This case is pending.

17 e. *State Fish Company, Inc. v. Fred DiBernardo, et al.*, Superior Court of
18 California, County of Los Angeles, Case No. NC042394: Known as the “Seastar Case,” in
19 this case State Fish sued Fred DiBernardo, John DeLuca, Lenore DeLuca, and J. DeLuca
20 Fish Company, alleging that, among other things, DiBernardo breached fiduciary duties to
21 State Fish because he conducted improper business transactions with State Fish during the
22 time that he was State Fish’s counsel. This case has been dismissed.

23 f. Superior Court of California, County of Los Angeles, Case Nos. NP012849,
24 NP012850, NP012851, NP012852, and NP012853. Known as the “Trust Cases,” in these
25 cases Vanessa DeLuca and Janet Esposito petitioned to remove Fred DiBernardo as trustee
26 of trusts for the benefit of Vanessa’s and Janet’s respective children. These cases appear to
27 have been resolved.

28

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1 g. *State Fish Co., Inc. v. John M. DeLuca, et al.*, Superior Court of California,
2 County of Los Angeles, Case No. NC044211: In this case, State Fish sued John DeLuca
3 alleging numerous instances of John DeLuca (and another defendant, Albert Demers)
4 making payments not authorized by State Fish and other acts not in State Fish's best
5 interests. This case was dismissed without leave to amend by a judgment in John's favor.

6 KTB&S has spent a substantial amount of time during the First Interim Period analyzing
7 pleadings in the foregoing cases, because, among other things, (i) it is important for the Trustee to
8 understand the basis of the claims that John DeLuca has indicated he intends to assert absent a
9 settlement; (ii) understanding the history of litigation between the parties is important to the
10 Trustee's analysis of the Motion to Dismiss and the litigation of the Derivative Action in State
11 Court; (iii) the Trustee is hopeful that he can bring peace to the DeLuca family and these estates,
12 which endeavor requires a strong grasp of the facts underlying the family's disputes, and (iv) in
13 the Trustee's meetings with both John DeLuca and the Sisters, each side has emphasized the
14 importance of these disputes.

15 In furtherance of his effort to resolve the foregoing disputes and bring peace to the DeLuca
16 family and the estates, the Trustee suggested to each of John DeLuca and the Sisters that a global
17 mediation session be scheduled. Each side agreed, and both sides independently selected the
18 Honorable Dickran M. Tevrizian (ret.) as an acceptable mediator. KTB&S, on behalf of the
19 Trustee, contacted Judge Tevrizian and has scheduled a mediation for June 24-25, 2015.⁵ Fred
20 DiBernardo is expected to attend as well. To prepare for the mediation, the Trustee and his
21 professionals have solicited from the parties the issues and unresolved questions of fact and law
22 they believe to be relevant, and the Trustee and his professionals are currently analyzing those
23 issues.

24

25

26

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28

⁵ The Trustee paid the mediation fees from the Debtors' estates pursuant to an order of this Court. Dkt. No. 349.

1 attempted to place the services performed in the category that best relates to the service provided.
2 However, because certain services may relate to one or more categories, services pertaining to one
3 category may, in fact, be included in another category. KTB&S has established the following
4 billing categories:

<u>Project Categories</u>	<u>Total Hours Billed</u>	<u>Total Fees</u>
B110 – Case Administration	64.40	\$35,301.00
B115 – Reporting	20.60	\$10,326.50
B120 – Asset Analysis & Recovery	77.30	\$57,635.50
B130 – Asset Disposition	149.40	\$103,056.00
B140 – Relief from Stay/Adequate Protection	83.20	\$53,464.50
B150 – Meetings & Communications with Creditors	2.60	\$1,628.00
B160 – Employment & Fee Applications	68.90	\$31,285.00
B170 – Employment & Fee Objections	0.40	\$190.00
B180 – Avoidance Action Analysis	1.20	\$812.00
B185 – Assumption & Rejection of Leases and Contracts	10.90	\$4,792.00
B210 – Business Operations	54.20	\$35,756.50
B220 – Employee Benefits / Pensions	11.30	\$6,941.00
B230 – Financing & Cash Collateral	166.60	\$105,987.00
B240 – Tax Issues	1.00	\$717.00
B310 – Claims Administration & Objections	44.50	\$17,180.00
L120 – Analysis & Strategy	98.50	\$73,545.50
L160 – Settlement / Non-Binding ADR	36.90	\$29,875.50
L190 – Other Case Assessment, Developments & Administration	61.10	\$54,639.50
L210 – Pleadings	18.50	\$16,720.00
L250 – Other Written Motions and Submissions	2.10	\$1,295.00
L320 – Document Production	18.00	\$10,256.50
Total:	991.60	\$\$\$651,404.00.00

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1 **B. Case Administration – Billing Code B110.**

2 For the First Interim Period, KTB&S is requesting approval of its fees in the Case
3 Administration category in the amount of \$35,301.00, comprising 64.40 hours. The Debtors are
4 subject to many administrative and procedural requirements imposed by the Bankruptcy Code, the
5 Federal Rules of Bankruptcy Procedure, this Court’s Local Rules, and the U.S. Trustee. Time
6 spent by KTB&S ensuring compliance with these obligations in a timely manner was billed to the
7 Case Administration category. This category also includes review by KTB&S attorneys of the
8 background of the cases shortly after being retained, as well as administrative tasks that did not
9 clearly fit into one of the other activity categories.

10 **C. Reporting – Billing Code B115.**

11 For the First Interim Period, KTB&S is requesting approval of its fees in the Reporting
12 category in the amount of \$10,326.50, comprising 20.60 hours. Time spent by KTB&S in this
13 category includes: (i) analyzing the Debtors’ Schedules of Assets and Liabilities, Statements of
14 Financial Affairs and amendments thereto; (ii) preparing amended 7-day packages and amended
15 Statements of Financial Affairs; and (iii) assisting the Trustee in the preparation of monthly
16 operating reports.

17 **D. Asset Analysis & Recovery – Billing Code B120.**

18 For the First Interim Period, KTB&S is requesting approval of its fees in the Asset
19 Analysis & Recovery category in the amount of \$57,635.50, comprising 77.30 hours. KTB&S’s
20 activity in this fee category includes investigating potential estate assets, including possible
21 avoidance actions and several outstanding notes payable to the Debtors. The Trustee, through
22 KTB&S, initiated discussions with various parties concerning collection of such notes and
23 performed legal research regarding the Debtors’ rights under those notes. In particular, KTB&S
24 undertook an extensive analysis of an approximately \$4,000,000 note owing to State Fish
25 stemming from State Fish’s sale of the Atlantis Seafood business in 2012, which analysis included
26 the review of contemporaneous transaction documentation as well as a meeting with counsel to the
27 obligor on that note. KTB&S also spent time in this fee category advising the Trustee regarding
28 the collection of accounts receivable.

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1 **E. Asset Disposition – Billing Code B130.**

2 For the First Interim Period, KTB&S is requesting approval of its fees in the Asset
3 Disposition category in the amount of \$103,056.00, comprising 149.40 hours. KTB&S's activity
4 in this category was substantial, and included all matters relating to the solicitation of bids for the
5 Debtors' various business lines; preparation, negotiation and execution of confidentiality
6 agreements with potential bidders; and preparation, review, and dissemination of thousands of
7 pages of due diligence material related to all of the Debtors' businesses. In addition, during the
8 First Interim Period, the Trustee identified a potential purchaser for the HPP/Calpack Business.
9 Accordingly, KTB&S spent a substantial amount of time during the First Interim Period
10 negotiating an asset purchase agreement and related schedules, exhibits, and agreements with the
11 prospective buyer, and preparing and negotiating a motion and order to approve bidding and sale
12 procedures for the sale of the HPP/Calpack Business.

13 Although the Trustee did not identify a buyer during the First Interim Period for the Wet
14 Fish Business or the Value Added Business, KTB&S also spent time during the First Interim
15 Period reviewing due diligence materials and soliciting offers in connection with those businesses.

16 In addition, during the First Interim Period KTB&S prepared the *Notice of Motion and*
17 *Motion for Authority to (1) Sell Property of the Estate Free and Clear of Liens; (2) Employ Van*
18 *Horn Auctions and Appraisal Group, LLC as Auctioneer; and (3) Pay Compensation to the*
19 *Auctioneer* [Dkt. No. 246], by which the Trustee sought, and obtained, an order permitting the
20 Trustee to sell, at auction, two vehicles owned by State Fish. Net proceeds from that sale totaled
21 \$30,350.

22 **F. Relief from Stay/Adequate Protection – Billing Code B140.**

23 For the First Interim Period, KTB&S is requesting approval of its fees in the Relief from
24 Stay/Adequate Protection category in the amount of \$53,464.50, comprising 83.20 hours.
25 KTB&S's activity in this fee category was substantial. As detailed above, immediately upon
26 being retained by the Trustee KTB&S was required to quickly become familiar with the Court's
27 ruling at its February 25, 2015 hearing at which the Court *sua sponte* granted relief from stay to
28 permit the State Court to answer certain corporate governance questions. The initial proposed

1 form of order was submitted by John DeLuca. In response, KTB&S prepared and filed the
2 *Chapter 11 Trustee's Objection to Form of Order Granting Relief From Stay Proposed By John*
3 *DeLuca and Notice of Lodgment of Alternative Form of Order* [Dkt. No. 177], which objected to
4 the form of order proposed by John, and included the Trustee's own form of order. The Court
5 held a hearing on the form of order on March 11, 2015, at which KTB&S appeared and argued on
6 behalf of the Trustee. The Court ultimately entered an order granting the Trustee relief from stay
7 to seek answers to the corporate governance questions. After KTB&S, in accordance with that
8 order, set a hearing for July 23, 2015 for the State Court to consider a motion seeking answers to
9 the questions, John DeLuca filed a motion for relief from stay for permission to seek to expedite
10 that hearing and with respect to a cross complaint in the Derivative Action that does not involve
11 the Debtors. KTB&S prepared and filed the *Chapter 11 Trustee's Opposition to Motion for Relief*
12 *From Stay Filed by John DeLuca* [Dkt. No. 278] opposing the portion of that motion seeking an
13 expedited State Court hearing. The motion was denied with respect to the expedited hearing.

14 Activity in this category also included KTB&S's analysis of the motion for relief from the
15 automatic stay filed by Wells Fargo Equipment Finance seeking to lift the automatic stay to permit
16 Wells Fargo Equipment Finance to exercise remedies with respect to certain equipment leased by
17 State Fish. KTB&S conferred with counsel to Wells Fargo Equipment Finance and ultimately
18 stipulated with Wells Fargo Equipment Finance to withdraw the motion for relief from stay.

19 **G. Meetings & Communications with Creditors – Billing Code 150.**

20 For the First Interim Period, KTB&S is requesting approval of its fees in the Meetings &
21 Communications category in the amount of \$1,628.00, comprising 2.60 hours. KTB&S's activity
22 in this category included (i) preparation and revision of an agreement governing the sharing of
23 confidential information with the Committee and (ii) meetings and communications with the
24 Committee's counsel.

25 **H. Employment & Fee Applications – Billing Code 160.**

26 For the First Interim Period, KTB&S is requesting approval of its fees in the Employment
27 & Fee Applications category in the amount of \$31,285.00, comprising 68.90 hours. KTB&S's
28 activity in this category includes the preparation of employment applications for itself, Berkeley

1 Research Group, LLC (the Trustee's financial advisors and accountants), Michael M. Ozawa and
2 Robert E. Bates (the Trustee's consultants), Kathryn Tyler (the Trustee's intellectual property
3 counsel), and Gribin Kapadia & Associates (the Trustee's real estate appraiser).

4 In addition, KTB&S spent time preparing stipulations to continue hearings on the
5 employment applications filed by the Debtors (before the Trustee's appointment) of Gordon Rees
6 Scully Mansukhani LLP and Antarctica Advisors LLC. Prior to the continued hearings on these
7 applications, the Trustee withdrew these employment applications.

8 **I. Employment & Fee Objections – Billing Code B170.**

9 For the First Interim Period, KTB&S is requesting approval of its fees in the Employment
10 & Fee Objections category in the amount of \$190.00, comprising 0.40 hours. Time spent in this
11 category was *de minimis* and involved the analysis of John DeLuca's objection to the Debtors'
12 application to employ Gordon Rees Scully Mansukhani LLP.

13 **J. Avoidance Action Analysis – Billing Code B180.**

14 For the First Interim Period, KTB&S is requesting approval of its fees in the Avoidance
15 Action Analysis category in the amount of \$812.00, comprising 1.20 hours. Time spent in this
16 category was *de minimis* and involved the analysis of materials provided to the Trustee by counsel
17 to the Lenders regarding the Lenders' liens. Additional activity by KTB&S related to the Lenders'
18 liens appears under Billing Code B230.

19 **K. Assumption & Rejection of Leases and Contracts – Billing Code B185.**

20 For the First Interim Period, KTB&S is requesting approval of its fees in the Assumption
21 & Rejection of Leases and Contracts category in the amount of \$4,792.00, comprising 10.90
22 hours. Work in this category included preparation and filing of a motion for an order extending
23 the Trustee's time to assume or reject non-residential leases of real property.

24 **L. Business Operations – Billing Code B210.**

25 For the First Interim Period, KTB&S is requesting approval of its fees in the Business
26 Operations category in the amount of \$35,756.50, comprising 54.20 hours. As discussed above,
27 because, when the Trustee was appointed, the Debtors had no officers (the Debtors' prepetition
28 officers resigned shortly before the Petition Date), the Trustee's financial advisors and consultants

1 have been heavily involved in overseeing the day-to-day operation of the Debtors' businesses and
2 managing the Debtors' approximately 150 employees. Accordingly, KTB&S's activity in this fee
3 category was substantial and involved, among other things, (i) preparation of consulting
4 agreements for certain individuals the Trustee wished to retain as consultants for the Debtors,
5 (ii) analysis of the Debtors' intellectual property to ensure that the rights to such intellectual
6 property were preserved, (iii) review and revisions of several contracts and agreements for, among
7 other things, supplies and temporary labor, (iv) revisions of certain non-disclosure agreements
8 required by several customers of the HPP/Calpack Business, (v) investigation into allegations of
9 interference with the Debtors' Wet Fish Business operations, (vi) meetings and communications
10 with the Trustee and BRG regarding the financial results of the Debtors' business operations, and
11 (vii) preparation of the *Notice of Motion and Motion for Order Pursuant to Bankruptcy Code*
12 *Sections 105(a), 363(b), and 364(d) Approving \$50,000 Cash Collateralized Letter of Credit to*
13 *Preserve Customs Bond* [Dkt. No. 303], by which, as described in more detail above, the Trustee
14 preserved the ability of State Fish to import frozen seafood for the Value Added Business.

15 **M. Employee Benefits / Pensions – Billing Code B220.**

16 For the First Interim Period, KTB&S is requesting approval of its fees in the Employee
17 Benefits / Pensions category in the amount of \$6,941.00, comprising 11.30 hours. KTB&S's
18 activity in this category included the analysis of certain employment-related claims asserted
19 against the Debtors by current and former employees, and correspondence with representatives of
20 the claimants (attorneys or governmental entities, as applicable) regarding the same.

21 **N. Financing & Cash Collateral – Billing Code B230.**

22 For the First Interim Period, KTB&S is requesting approval of its fees in the Financing &
23 Cash Collateral category in the amount of \$105,987.00, comprising 166.60 hours. KTB&S's
24 activity in this category was substantial, and was largely comprised of work on (i) seeking
25 postpetition financing and (ii) use of cash collateral.

26 With respect to postpetition financing, KTB&S assisted the Trustee in negotiating a term
27 sheet for postpetition financing with Karlin, and prepared and filed the *Notice of Motion and*
28 *Motion for Order Approving (I) Entry into Debtor-in-Possession Financing Term Sheet and*

1 (II) *Related Lender Protections* [Dkt. No. 265] seeking Court approval of the term sheet and the
2 lender protections contained therein. KTB&S also prepared and filed a reply in support of that
3 motion, and appeared and argued at the hearing on the motion, which the Court granted. KTB&S
4 then worked with counsel to Karlin to negotiate loan agreements. As noted above, the Trustee has
5 determined not to proceed with the financing offered by Karlin.

6 With respect to cash collateral, KTB&S has performed due diligence into any liens on the
7 Debtors' property and has identified a financing statement filed by the Lenders asserting a lien on
8 all of State Fish's personal property. KTB&S has determined that the lien is in respect of a credit
9 agreement between State Fish and Lenders, executed in May 2014, pursuant to which the Lenders
10 agreed to make revolving loans to State Fish up to \$7,175,000. KTB&S has performed a
11 preliminary investigation into the validity of this lien, and is aware that there may be one or more
12 bases on which to challenge the Lenders' lien and claims. Before the Trustee's appointment, State
13 Fish and the Lenders had entered into a stipulation for the use of cash collateral. During the First
14 Interim Period, KTB&S negotiated with the Lenders, John DeLuca, and the Committee, and, in
15 accordance with those negotiations, prepared and lodged two cash collateral orders that modify
16 and extend the cash collateral stipulation, and analyzed and filed extended budgets in accordance
17 with the procedures set forth in the stipulation.

18 **O. Tax Issues – Billing Code B240.**

19 For the First Interim Period, KTB&S is requesting approval of its fees in the Tax Issues
20 category in the amount of \$717.00, comprising 1.00 hour. Time spent in this category was *de*
21 *minimis* and involved correspondence regarding the Debtors' tax returns.

22 **P. Claims Administration & Objections – Billing Code B310.**

23 For the First Interim Period, KTB&S is requesting approval of its fees in the Claims
24 Administration & Objections category in the amount of \$17,180.00, comprising 44.50 hours. Fees
25 in this category primarily include the preparation and filing of the *Notice of Motion and Motion*
26 *for Order (1) Fixing Deadlines for Filing Proofs of Claim, Proofs of Interest, and Certain*
27 *Administrative Expense Requests; (2) Establishing Ramifications for Failure to Comply*
28 *Therewith; and (3) Approving Form and Manner of Notice Thereof* [Dkt. No. 300]. The Court

1 approved that motion and set a general bar date of July 7, 2015, and KTB&S then spent time
2 preparing, serving, and publishing notice of the bar date. In addition, KTB&S spent time in this
3 category analyzing the Debtors' motion to pay certain Bankruptcy Code section 503(b)(9) and
4 "PACA" claims (which motion was filed before the Trustee's appointment) and preparing an order
5 approving that motion.

6 **Q. Analysis & Strategy – Billing Code L120.**

7 For the First Interim Period, KTB&S is requesting approval of its fees in the Analysis &
8 Strategy category in the amount of \$73,545.50, comprising 98.50 hours. KTB&S's activity in this
9 fee category was substantial. The Debtors and/or their shareholders are (or have been) party to
10 numerous lawsuits over the past decade, as listed in section. These lawsuits (both those that are
11 pending and those that have already concluded) are important to the Trustee because, among other
12 things, (i) it is important for the Trustee to understand that basis of the claims that John DeLuca
13 has indicated he intends to assert absent a settlement; (ii) understanding the history of litigation
14 between the parties is important to the Trustee's analysis of John DeLuca's Motion to Dismiss;
15 (iii) the Trustee is hopeful that he can bring peace to the DeLuca family and these estates, which
16 endeavor requires a strong grasp of the facts underlying the family's disputes, and (iv) in the
17 Trustee's meetings with both John and the Sisters, each side has emphasized the importance of
18 these disputes. Accordingly, KTB&S has spent substantial time analyzing pleadings, transcripts,
19 and other documents in and related to the State Court cases listed in section III.B.6 above,
20 communicating with the Trustee, BRG, and counsel to the various parties regarding the facts and
21 merits of these cases, and assessing the relative strengths and weaknesses of each party's
22 arguments in each of these cases. KTB&S has also spent time in this fee category analyzing and
23 conducting legal research related to John DeLuca's Motion to Dismiss.

24 **R. Settlement / Non-Binding ADR – Billing Code L160.**

25 For the First Interim Period, KTB&S is requesting approval of its fees in the Settlement /
26 Non-Binding ADR category in the amount of \$29,875.50, comprising 36.90 hours. In the early
27 stages of KTB&S's involvement in these cases, time spent in this category involved
28 correspondence with counsel to the Sisters and counsel to John DeLuca regarding settlement

1 proposals. In addition, as discussed in section III.B.6 above, the Trustee has organized a
2 mediation, set for June 24-25, 2015, at which all the parties to the Debtors' and the Debtors'
3 shareholders' various lawsuits will attempt to resolve their disputes. KTB&S has spent substantial
4 time during the First Interim Period preparing for the mediation, including through
5 communications with counsel to both the Sisters and to John DeLuca, soliciting from each of them
6 a list of issues requiring resolution, and analyzing documents and pleadings that are responsive to
7 those issues.

8 **S. Other Case Assessment, Developments & Administration – Billing Code L190.**

9 For the First Interim Period, KTB&S is requesting approval of its fees in the Other Case
10 Assessment, Developments & Administration category in the amount of \$54,639.50, comprising
11 61.10 hours. KTB&S's activity in this fee category overlaps to some extent with its activity in fee
12 category L120, and is related to KTB&S's work on the various lawsuits involving the Debtors and
13 their shareholders. Particular tasks in this category include (i) analysis of memoranda regarding
14 the pending litigation; (ii) research regarding certain pleadings that the Trustee was required to file
15 on behalf of the Debtors in the State Court; (iii) correspondence with counsel to the Sisters and to
16 John DeLuca regarding the various lawsuits; (iv) analysis of case updates in the various lawsuits;
17 (v) meetings with the Trustee regarding litigation and settlement strategy; and (vi) correspondence
18 with the State Court regarding setting a hearing date for the Trustee's motion regarding the
19 corporate governance questions (as detailed in section III.B.5).

20 **T. Pleadings – Billing Code L210.**

21 For the First Interim Period, KTB&S is requesting approval of its fees in the Pleadings
22 category in the amount of \$16,720.00, comprising 18.50 hours. KTB&S's activity in this fee
23 category involved (i) preparing its opposition to John DeLuca's motion for relief from stay for
24 authority to seek an expedited hearing date for the Trustee's motion regarding the corporate
25 governance questions (as detailed in section III.B.5), and (ii) drafting pleadings that were filed in
26 certain of the State Court lawsuits involving the Debtors, including the Trustee's motion in the
27 Derivative Action seeking Judge Hiroshige's answers to the corporate governance questions.

28

1 To assist the Court in reviewing KTB&S's request for reimbursement of the expenses
2 incurred in connection with its representation of the Trustee, KTB&S's accounting procedures for
3 the general categories of costs and expenses for which it seeks reimbursement by this Application
4 are described below. All of the requested expenses are charged at rates customarily applied to
5 KTB&S's non-debtor clients.

6 **A. Copying.**

7 KTB&S's internal photocopying projects are billed to the client at the cost of \$0.10 per
8 page. This rate is comparable to the rate charged by a substantial number of other law firms in its
9 community in both bankruptcy and non-bankruptcy engagements. The total expenses incurred by
10 KTB&S in the Copying expense category during the First Interim Period at the rate of \$0.10 per
11 page were \$6,660.30.

12 **B. Delivery Services/Messengers.**

13 When the exigencies of these cases required it, KTB&S used messenger services and
14 overnight courier services, such as Federal Express, to deliver documents. KTB&S charges its
15 clients for the costs of such services, without surcharge. The total expenses incurred by KTB&S
16 in the Delivery Services/Messengers expense category during the First Interim Period were
17 \$554.90.

18 **C. Online Research.**

19 In the course of its representation of the Trustee, it sometimes became necessary and cost
20 efficient to research by means of computer research services such as LEXIS/NEXIS. KTB&S
21 bills the actual cost of these services directly to its clients without any surcharge. The total
22 expenses incurred by KTB&S in the Online Research expense category during the First Interim
23 Period were \$9,848.98.

24 **D. Other Expenses.**

25 This expense category includes (1) viewing online pleadings in the State Court, (2) the fee
26 for UCC searches, and (3) fees for obtaining title reports. The total expenses incurred by KTB&S
27 in the Other Expenses expense category during the First Interim Period were \$2,190.17.
28

1 by KTB&S and the results obtained, KTB&S submits that the compensation requested herein is
2 reasonable and appropriate.

3 Bankruptcy Code section 330 provides for the award of duly employed professional
4 persons of:

5 (1) reasonable compensation for actual, necessary services
6 rendered by such . . . professional person . . . based on the nature, the extent,
7 and the value of such services, the time spent on such services, and the cost
8 of comparable services other than in a case under the title; and

(2) reimbursement for actual, necessary expenses.

9 11 U.S.C. § 330(a). As stated by the Ninth Circuit Court of Appeals in *In re Yermakov*, 718 F.2d
10 1465, 1471 (9th Cir. 1983): “The primary method used to determine a reasonable attorney fee in a
11 bankruptcy case is to multiply the number of hours expended by an hourly rate.” *See also In re*
12 *Hunt*, 238 F.3d 1098, 1105 (9th Cir. 2001) (citing to *In re Yermakov*).

13 The issues that arose in these cases demanded a high level of skill and perseverance by
14 KTB&S attorneys.

15 IV.

16 CONCLUSION

17 The interim compensation sought in this Application is on account and is not final. Upon
18 the conclusion of these cases, KTB&S will seek approval of fees for the totality of the services
19 rendered as bankruptcy counsel to the Trustee based on the applicable standards. Any interim fees
20 approved by the Court and received by KTB&S will be credited against such final fees as this
21 Court may allow.

22 The services for which compensation is sought in this Application have been beneficial to
23 the Debtors’ estates, the costs incurred have been necessary and proper, and the sums requested
24 for the services rendered and the costs incurred are fair and reasonable.

25 **WHEREFORE**, KTB&S respectfully requests that the Court issue an order: (1) allowing
26 interim compensation to KTB&S for services rendered and expenses incurred during the period
27 from February 27, 2015 through May 31, 2015, in the total amount of \$676,334.70, comprised of
28 fees for services rendered of \$651,404.00 and expenses incurred of \$24,930.70; (2) authorizing the

1 Trustee to pay KTB&S 80% of its approved fees and 100% of its approved costs when there is
2 adequate cash in the estates to make such payments; and (3) granting KTB&S any other relief that
3 this Court deems necessary and appropriate.
4

5 DATED: June 18, 2015

/s/ Jonathan M. Weiss

JONATHAN M. WEISS, an attorney with
KLEE, TUCHIN, BOGDANOFF & STERN LLP
Bankruptcy Counsel for R. Todd Neilson, Chapter 11
Trustee

KLEE, TUCHIN, BOGDANOFF & STERN LLP
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DECLARATION OF JONATHAN M. WEISS

I, Jonathan M. Weiss, do hereby declare as follows:

1. I am over 18 years of age, and if called as a witness, I could and would testify from my own personal knowledge regarding the matters set forth in this declaration.

2. I am admitted to practice law in the State of California and before this Court. I am an associate of Klee, Tuchin, Bogdanoff & Stern LLP (“KTB&S”), which serves as bankruptcy counsel for R. Todd Neilson, the chapter 11 trustee (the “Trustee”) of the bankruptcy estates of State Fish Co., Inc. (“State Fish”) and Calpack Foods, LLC (“Calpack” and collectively, the “Debtors”).

3. I submit this Declaration in support of the *First Interim Application of Klee, Tuchin, Bogdanoff & Stern LLP for Allowance and Payment of Fees and Expenses Incurred as Bankruptcy Counsel for the Chapter 11 Trustee for the Period February 27, 2015 through May 31, 2015* (the “Application”).

4. I prepared, am familiar with, and have read the Application. To the best of my knowledge, the facts therein are true and copies of the billing statements attached thereto are true and correct copies of KTB&S’s billing statements for these cases.

5. I am one of the KTB&S attorneys principally responsible for rendering services to the Debtors. The other principally responsible attorneys are David M. Stern, Michael L. Tuchin, and Colleen M. Keating. Other KTB&S attorneys rendered services on discrete matters from time to time, as necessary.

6. The compensation and expense reimbursements requested in the Application are billed at rates, and in accordance with billing practices, no less favorable than those customarily used by KTB&S in other debtor and non-debtor engagements.

7. Neither KTB&S, nor any member of KTB&S, has any agreement or understanding of any kind or nature to divide, pay over or share any portion of the fees or expenses to be awarded to KTB&S with any other person or attorney except as among the partners of KTB&S.

8. I have reviewed KTB&S’s time records in these cases on a monthly basis, reviewing each line item entry. I, and other attorneys in charge of this matter, have made certain

1 write-offs to our invoices in the exercise of our billing judgment, based upon our evaluation,
2 which totaled \$19,933.00 representing 38.60 hours of work that has been written off in the
3 exercise of billing discretion and is reflected as “No Charge” on the billing records appended
4 hereto. To the best of my knowledge, information and belief, formed after reasonable inquiry, no
5 time has been billed to the Trustee outside the scope of work authorized by the order authorizing
6 KTB&S’s employment in these cases.

7 9. I am familiar with the Bankruptcy Code, the Federal Rules of Bankruptcy
8 Procedure, the Local Bankruptcy Rules, and the *Guidelines for Reviewing Applications for*
9 *Compensation & Reimbursement of Expenses Filed Under 11 U.S.C. § 330, 28 C.F.R. § 58,*
10 *Appendix A* (the “U.S. Trustee Guidelines”), which are promulgated by the Office of the United
11 States Trustee. I believe that the Application complies with applicable law and the requirements
12 of the U.S. Trustee Guidelines. Specifically, I have reviewed Local Bankruptcy Rule 2016-1(a)
13 and I believe the Application complies with the rule.

14 I declare under penalty of perjury that the foregoing is true and correct.

15 Executed this June 18, 2015 at Los Angeles, California.

17 /s/ Jonathan M. Weiss

18 Jonathan M. Weiss

KLEE, TUCHIN, BOGDANOFF & STERN LLP
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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 1999 Avenue of the Stars, 39th Floor, Los Angeles, California 90067.

A true and correct copy of the foregoing document entitled: **FIRST INTERIM APPLICATION OF KLEE, TUCHIN, BOGDANOFF & STERN LLP FOR ALLOWANCE AND PAYMENT OF FEES AND EXPENSES INCURRED AS BANKRUPTCY COUNSEL FOR THE CHAPTER 11 TRUSTEE FOR THE PERIOD FEBRUARY 27, 2015 THROUGH MAY 31, 2015; DECLARATION OF JONATHAN M. WEISS IN SUPPORT THEREOF** was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On June 18, 2015, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

SEE ATTACHED SERVICE LIST

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On June 18, 2015, I served the following persons and/or entities at the last known addresses in this bankruptcy case by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

SEE ATTACHED SERVICE LIST

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on

June 18, 2015, I arranged for service on the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 1 business day after the document is filed.

SERVED VIA PERSONAL DELIVERY:

Hon. Sandra R. Klein
U.S. Bankruptcy Court
255 E. Temple St., Ctrm. 1575
Los Angeles, CA 90012

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 18, 2015
Date

Jonathan M. Weiss
Printed Name

/s/ Jonathan M. Weiss
Signature

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Martin J Brill mjb@lnbrb.com
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- Colleen M Keating ckeating@ktbslaw.com
- Dare Law dare.law@usdoj.gov, ron.maroko@usdoj.gov
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- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Jonathan M Weiss jweiss@ktbslaw.com
- Steven Werth swerth@sulmeyerlaw.com, asokolowski@sulmeyerlaw.com; slee@sulmeyerlaw.com; slee@ecf.inforuptcy.com; asokolowski@ecf.inforuptcy.com; swerth@ecf.inforuptcy.com

TO BE SERVED BY UNITED STATES MAIL:

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Calpack Foods, LLC
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Office of the United States Trustee
c/o Dare Law, Esq.
915 Wilshire Blvd., Suite 1850
Los Angeles, CA 90017

Queen City Seafood
Attn: Johnathan Ranard, President
10101 Chatham Woods Drive
Loveland, OH 45140

Robert W. Bollar
Southern Counties Oil Co.
dba SC Fuels
Attn: Legal Department
1800 W. Katella Avenue, Ste 400
P.O. Box 4159
Orange, CA 92863-4159

Star Box, Inc.
Attn: Robert J Weiner, President
1770 E. Creston Street
Signal Hills, CA 90755

Cedar Cold Services
Attn: Sherry Perry, CFO
146 S. Country Club Drive
Mesa, AZ 85210

The Donovan Offices
915 Wilshire Boulevard - #1610
Los Angeles, CA 90017

EXHIBIT 1



Attorneys

DAVID M. STERN

David M. Stern is a founding member of KTB&S.

Mr. Stern is a litigation attorney, specializing in business litigation, bankruptcy, reorganization and creditor's remedies. He is a Fellow of the American College of Bankruptcy and has been listed in The Best Lawyers in America since 1995. Mr. Stern has widely written and lectured on issues of federal civil practice and discovery and co-authored the two-volume treatise, *California Civil Discovery Practice* (1988 and 1998 editions), published by the Continuing Education of the Bar through the University of California. Among his other writings are "Recent Developments in Truth in Lending Class Actions and Proposed Alternatives," 27 *Stanford Law Review* 101, "Law Firm Bankruptcies," 37 *Litigation* 8 and "Mediation: An Old Dog With Some New Tricks," 24 *Litigation* 31.



Mr. Stern served as the 1998-99 President of the Association of Business Trial Lawyers (ABTL) of which he has been a member since 1980. He has twice been a member of the Ninth Circuit Judicial Conference, from 1987 through 1991, serving as Co-Chair in 1990-91. He was reappointed in 2011 and will be serving through 2015. Mr. Stern is also a member of the American Bar Association, the Los Angeles County Bar Association, the Financial Lawyers Conference of Los Angeles and a member of the Board of Directors of Bet Tzedek.

Mr. Stern earned a Bachelor of Arts in Economics cum laude from Columbia University in 1972 and a Juris Doctor from Stanford University Law School in 1975, where he was elected to the Order of the Coif and was a member of the *Stanford Law Review*. Following law school, Mr. Stern served as judicial law clerk to the Honorable Ben C. Duniway of the United States Court of Appeals for the Ninth Circuit.

Mr. Stern has served as special litigation counsel in the Chapter 11 cases of Adelphia Communications, Corp., Brill Media Company, LLC, Enron Corp., Iridium Operating LLC, National Century Financial Enterprises, Inc., National Energy Gas & Transmission, Inc., and Pliant Corp., as trial and appellate counsel in connection with the bankruptcy cases of Barry's Jewelers, Inc., Brobeck, Phleger & Harrison, LLP, Crescent Jewelers, Inc., Computer Communications, Inc., Dewey & LeBoeuf, LLP, Enron Corp., Heller Ehrman, LLP, Howrey, LLP,

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EDUCATION

- Stanford University (J.D.)
- Columbia University

BAR ADMISSIONS

- California
- US Supreme Court
- First, Fourth, Ninth and Eleventh Circuits
- US District Courts for the Northern District of CA, Central District of CA, Southern District of CA, and Eastern District of CA

PROFESSIONAL AFFILIATIONS

- Financial Lawyers Conference of Los Angeles
- American Bar Association
- Los Angeles County Bar Association
- Fellow, American College of Bankruptcy
- Lawdragon 500 (2012)

IndyMac Bancorp., Jefferson County, Alabama, Lake at Las Vegas Joint Venture, LLC, Tronox, Inc., Washington Group, Inc. and Washington Mutual, Inc., and as trial counsel in *In re San Juan Dupont Plaza Hotel Fire Litigation*, MDL No. 721. Reported cases include *FDIC v. Siegel (In re IndyMac Bancorp, Inc.)*, 554 Fed. Appx. 668 (9th Cir. 2014); *LID Acquisition, LLC v. Lake at Las Vegas Joint Venture, LLC (In re Lake at Las Vegas Joint Venture, LLC)*, 497 Fed. Appx. 709 (9th Cir. 2012); *In re Dominguez*, 51 F.3d 1502 (9th Cir. 1995); *In re Dominguez*, 995 F.2d 883 (9th Cir. 1993); *In re RecticeI Foam Corp.*, 859 F.2d 1000 (1st Cir. 1988); *Computer Communications, Inc. v. Codex Corp.*, 824 F.2d 725 (9th Cir. 1987); *In re Shaw*, 16 B.R. 875 (Bankr. 9th Cir. 1982); *In re Howrey LLP*, 2014 WL 3899309 (N.D. Cal. 2014); *Siegel v. F.D.I.C.*, 2012 WL 1951474 (C.D. Cal. 2012) & 2011 WL 2883012 (C.D. Cal. 2011); *Enron Corp. v. Citigroup, Inc.*, (In re Enron Creditors Recovery Corp.), 410 B.R. 374 (S.D.N.Y. 2008); *In re Enron Corp.*, 379 B.R. 425 (S.D.N.Y. 2007); *Canada Life Assur. Co. v. Bank of America*, 2006 WL 45427 (N.D. Ill. 2006); *In re GGW Brands, LLC*, 504 B.R. 577 (Bankr. C.D. Cal. 2013); *In re Jefferson County, Ala.*, 465 B.R. 243, 469 B.R. 92, 474 B.R. 228 & 474 B.R. 725 (Bankr. N.D. Ala. 2012); *In re IndyMac Bancorp, Inc.*, 2012 WL 103748 (Bankr. C.D. Cal. 2012); *In re Balas*, 449 B.R. 567 (Bankr. C.D. Cal. 2011); *In re Adelpia Comm. Corp.*, 330 B.R. 364 (Bankr. S.D.N.Y. 2005). Mr. Stern has also served as trial or appellate counsel in numerous unreported cases and decisions.

News

- [Robert J. Pfister and David M. Stern Obtain Groundbreaking Ruling That The Defense of Marriage Act Is Unconstitutional](#)

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Attorneys

MICHAEL L. TUCHIN

Michael L. Tuchin is a founding member and co-manager of KTB&S.

Mr. Tuchin graduated with Honors and Distinction from Stanford University with a Bachelor of Arts Degree in Psychology. He received his J.D. from Boalt Hall School of Law at the University of California, Berkeley, in 1990. He served as an extern to the Honorable Joseph R. Sneed, United States Court of Appeals for the Ninth Circuit, in 1989. Mr. Tuchin represents debtors, equity holders, secured and unsecured creditors, committees, trustees, and parties interested in acquiring assets from troubled companies. Mr. Tuchin has been recognized as one of the top 100 lawyers in Los Angeles County every year since 2004 and ranked by Chambers USA in the 1st Tier for Bankruptcy and Restructuring in California every year since 2007.



Mr. Tuchin has represented numerous debtors in court, including Metro-Goldwyn-Mayer Studios, Inc. (motion picture studio and licensor of intellectual property) in its successful chapter 11 reorganization, Lake at Las Vegas Joint Venture, LLC and Affiliates (owner-developers of a 3,592-acre master-planned residential development and resort located in Henderson, Nevada) in its successful chapter 11 case, the Town of Mammoth Lakes, California, in its successful chapter 9 case, Nevada Cancer Institute (owner and operator of non-profit cancer research and treatment facilities) in its successful chapter 11 case, American Restaurant Group (the owner of the Stuart Anderson's Black Angus chain of restaurants) in connection with their successful chapter 11 cases, Samuels Jewelers, Inc. (a national publicly traded retailer of fine jewelry operating more than 130 stores) in connection with its successful chapter 11 case, Avado Brands, Inc. and affiliates (a national operator of 90 Don Pablo's Mexican Kitchen and 22 Hops Grillhouse and Brewery restaurants in 20 states) in their successful chapter 11 cases, Fountain View, Inc. (operator of more than 50 skilled care nursing and assisted care living facilities) in connection with its successful chapter 11 reorganization, Frederick's of Hollywood, Inc. (a world-renowned retailer of innovative specialty apparel operating more than 150 stores, a catalogue, and an internet business) in connection with its successful chapter 11 case, and Maple Plaza, Ltd. (the owner of a significant commercial property in Beverly Hills, California) in its successful chapter 11 case.

Partner

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EDUCATION

- Boalt Hall, UC Berkeley (J.D.)
- Stanford University

BAR ADMISSIONS

- California

PROFESSIONAL AFFILIATIONS

- Board, Los Angeles Bankruptcy Forum
- Board of Governors, Financial Lawyers Conference of Los Angeles
- Editor, California Bankruptcy Journal
- Fellow, American Bar Foundation
- Fellow, American College of Bankruptcy

Out of court, Mr. Tuchin has led successful restructurings of numerous large (one of the world's largest owners and operators of casino resorts), the Lusk Company (a large California homebuilder with close to \$1 billion in debt), a large giftware company, an international manufacturer of computer accessories, a national express delivery business, and L.A. Kings, Ltd. (the then-owner of the Los Angeles Kings hockey franchise).

Mr. Tuchin has represented creditors in chapter 11 cases across the country, including Ameriserve (Delaware), Black Hawk Casino (Denver, CO), Blockbuster, Inc. (New York, NY), Chevy's Restaurants (Oakland, CA), Circuit City Stores, Inc. (Richmond, VA), Crescent Jewelers (Oakland, CA), Diversified Restaurant Concepts (San Jose, CA), Eastman Kodak Company (New York, NY), Edwards Theatres (Orange County, CA), ERLY Industries, Inc. (Corpus Christi, TX), Falcon Industries (St. Louis, MO), Fox & Hound (Delaware), Kmart (Chicago, IL), Lodgenet Interactive Corp. (New York, NY), Merry-Go-Round (Delaware), Natrol, Inc. (Delaware), Pegasus Satellite Television (Portland, ME), Petries Retail (New York, NY), Sega Gameworks (Los Angeles, CA), Sydran Services (Oakland, CA), Tower Records (Delaware), United Airlines (Chicago, IL), Young Broadcasting, Inc. (New York, NY). Mr. Tuchin recently represented Suzuki Motor Corporation, a Japan-based manufacturer of engines and vehicles sold worldwide, as the largest creditor (secured and unsecured) in the chapter 11 case of American Suzuki Motor Corporation. He has represented Viacom, Paramount, CBS and Cerberus as creditors in numerous cases. He has represented multiple bondholder committees in restructurings (in and out of court), including in the restructurings of Physiotherapy Associates, Black Hawk Casino, ICO Global & Lieberman Broadcasting.

Mr. Tuchin currently represents the chapter 7 trustee in the high-profile Girls Gone Wild chapter 11 cases in Los Angeles, California.

Mr. Tuchin has represented numerous purchasers of assets and is an expert on successor liability issues. He recently represented Suzuki Motor of America, Inc. in connection with its purchase of the motorcycle, ATV, and marine divisions of American Suzuki Motor Corporation.

News

- [Chambers USA Recognizes Klee, Tuchin, Bogdanoff & Stern LLP and its Attorneys with Top Ratings for 2015](#)
- [Klee, Tuchin, Bogdanoff & Stern LLP Named a Top California Boutique Firm](#)
- [Kenneth Klee Recognized by Who's Who Legal as One of the Ten Most Highly Regarded Insolvency & Restructuring Lawyers In The World for 2014](#)
- [Chambers USA Recognizes Klee, Tuchin, Bogdanoff & Stern LLP and its Attorneys with Top Ratings for 2014](#)
- [Kenneth Klee Recognized by Who's Who Legal as One of the Ten Most Highly Regarded Insolvency & Restructuring Lawyers In The World](#)
- [Chambers USA Recognizes Klee, Tuchin, Bogdanoff & Stern LLP and its Attorneys with Top Ratings for 2013](#)
- [Kenneth Klee Recognized by Who's Who Legal as One of the Ten Most Highly Regarded Insolvency & Restructuring Lawyers In The World](#)
- [Chambers USA Recognizes Klee, Tuchin, Bogdanoff & Stern LLP and its Attorneys with Top Ratings for 2012](#)
- [Chambers USA Recognizes Klee, Tuchin, Bogdanoff & Stern LLP And Its Attorneys With Top Ratings for Bankruptcy and Restructuring Law](#)



Attorneys

COLLEEN M. KEATING

Colleen Keating is counsel with KTB&S.

Ms. Keating received her J.D. from the UCLA School of Law in 2008 and was elected to the Order of the Coif. During law school, she was a Senior Editor of the UCLA Law Review and served as a judicial extern to the Honorable A. Wallace Tashima of the United States Court of Appeals for the Ninth Circuit. Ms. Keating received her undergraduate degree, *magna cum laude*, from Rice University in 2005.



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EDUCATION

- UCLA (J.D.)
- Rice University

BAR ADMISSIONS

- California

Following law school, Ms. Keating served as a law clerk to the Honorable Philip S. Gutierrez of the United States District Court for the Central District of California. She was named a "Rising Star" by *Super Lawyers* magazine in 2012, 2013, and 2014. Ms. Keating is a member of the Financial Lawyers Conference and the Women Lawyers Association of Los Angeles.



Attorneys

JONATHAN M. WEISS

Jonathan M. Weiss is an associate with KTB&S.

Mr. Weiss received his J.D. from the UCLA School of Law, where he graduated second in his class, and his B.S. in Accounting, summa cum laude, from Yeshiva University. During law school, he was a Managing Editor of the UCLA Law Review, and a Production Editor of the Journal of International Law & Foreign Affairs. Mr. Weiss has authored "Tax Claims in Transnational Insolvencies: A 'Revenue Rule' Approach" (Virginia Tax Review 2010) and "The Need for Federal Solutions to Interstate and International Ethics Conflicts: A Case Study in Confidentiality" (forthcoming, Journal of International Business & Law 2012).



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EDUCATION

- UCLA (J.D.)
- Yeshiva University, B.S.

PROFESSIONAL AFFILIATIONS

- The American Bar Association

Mr. Weiss was awarded the International Insolvency Institute's Gold Medal in international bankruptcy research, and, in 2013, was selected as a member of the class of delegates to the International Insolvency Institute's NextGen Leadership Program in New York. Mr. Weiss was also selected as the 2011 Distinguished Bankruptcy Student of the Ninth Circuit by the American College of Bankruptcy. In addition, his work has been recognized and published by the American Bankruptcy Institute.

Since joining KTB&S, Mr. Weiss has represented clients across the bankruptcy spectrum. On the debtor side, his work includes having represented the Nevada Cancer Institute as a chapter 11 debtor in possession, and the Town of Mammoth Lakes, California, in its chapter 9 municipal bankruptcy. Mr. Weiss also represents the trustee of the distributor of Girls Gone Wild adult entertainment, in which case the trustee has alleged that the distributor's intellectual property was transferred to an offshore entity as part of a fraudulent scheme. A sampling of Mr. Weiss's other representations includes: serving on the defense team of a defendant in a multi-billion dollar fraudulent transfer lawsuit; representation of a state-court receiver in the chapter 11 case of a technology company in the Central District of California; and serving as restructuring counsel to a California-based internet advertising company in a successful out-of-court assignment for benefit of creditors and organized wind-down.

Mr. Weiss is a member of the State Bar of California, the Financial Lawyers Conference, and the Los Angeles County Bar Association. He is admitted to

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EXHIBIT 4

Timekeeper Totals
February 27, 2015 through May 31, 2015

<u>Partners</u>	<u>Rate</u>	<u>Total Hours</u> <u>Billed</u>	<u>No Charge</u> <u>Hours</u>	<u>Amount</u>
David M. Stern	\$ 1,080.00	137.00	0.40	\$ 147,960.00
Michael L. Tuchin	\$ 1,080.00	104.40	4.80	\$ 112,752.00
Maria Sountas-Argiropoulos	\$ 675.00	44.00		\$ 29,700.00
Vijay S. Sekhon	\$ 675.00	58.10	0.20	\$ 39,217.50
<u>Counsel</u>				
Colleen M. Keating	\$ 650.00	181.30	4.80	\$ 117,845.00
<u>Associates</u>				
Samuel L. Kidder	\$ 475.00	10.80		\$ 5,130.00
Jonathan M. Weiss	\$ 475.00	316.50	7.50	\$ 150,337.50
Kathryn T. Zwicker	\$ 440.00	1.30		\$ 572.00
Sasha M. Gurvitz	\$ 395.00	74.40	13.70	\$ 29,388.00
<u>Paralegal</u>				
Shanda D. Pearson	\$ 290.00	<u>63.80</u>	<u>7.20</u>	<u>\$ 18,502.00</u>
Total:		991.60	38.60	\$ 651,404.00