

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re:

WOODBRIIDGE GROUP OF COMPANIES,  
LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

Jointly Administered

Objection Deadline: November 5, 2018 at 4:00 p.m. (ET)

Hearing Date: To be determined

**SUPPLEMENT TO THIRD INTERIM FEE APPLICATION OF  
KLEE, TUCHIN, BOGDANOFF & STERN LLP**

Klee, Tuchin, Bogdanoff & Stern LLP (“**KTBS**” or the “**Firm**”), counsel to the above-captioned debtors and debtors in possession (the “**Debtors**”), hereby supplements the *Third Interim Fee Application of Klee, Tuchin, Bogdanoff & Stern LLP* [Docket No. 2787] (the “**Third Interim Application**”) for the period from June 1, 2018 through August 31, 2018 (the “**Application Period**”) by attaching, as Exhibits A through E hereto, certain schedules requested by the *Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under United States Code by Attorneys in Larger Chapter 11 Cases* (the “**UST Guidelines**”). In addition, KTBS respectfully states as follows to address the questions set forth under section C.5 of the UST Guidelines:

- a. Other than the reductions described below, during the Application Period, KTBS did not agree to any variations from, or alternatives to, its standard or customary billing rates, fees, or terms pertaining to its engagement by the Debtors.

---

<sup>1</sup> The last four digits of Woodbridge Group of Companies, LLC’s federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ noticing and claims agent at [www.gardencitygroup.com/cases/WGC](http://www.gardencitygroup.com/cases/WGC).

- b. The fees sought by KTB&S are less than the fees budgeted for the time period covered by this Third Interim Application pursuant to the budgets provided by KTB&S to the Debtors.
- c. The professionals included in the Third Interim Application did not vary their hourly rate based on the geographic location of the bankruptcy cases.
- d. The Third Interim Application does not include any fees dedicated to revising time records or preparing and revising invoices that would not normally be compensable outside of bankruptcy.
- e. This Third Interim Application does not include time or fees for reviewing time records to redact any privileged or other confidential information.
- f. The Third Interim Application did not include any rate increases since retention.

KTBS requests approval of \$2,362,341.50 as compensation for professional services rendered for the Debtors during the Application Period and \$26,081.34 as reimbursement for actual and necessary expenses incurred by KTB&S for the Debtors during the Application Period. This does not include \$63,616.00 representing 75.10 hours of work that has been written off and is reflected as “No Charge” on KTB&S’s billing records.

In light of the significant public interest implicated by these cases and the costs of transitioning from prior counsel to KTB&S, KTB&S has made two agreements regarding its fees. First, KTB&S agreed to provide a fee reduction of up to \$250,000 of legal fees incurred in transitioning from prior counsel (Gibson Dunn & Crutcher) to KTB&S, which reduction will be applied to each of KTB&S’s first five monthly invoices on a cumulative basis, in the amount of

up to \$50,000 per invoice.<sup>2</sup> In respect of this discount, KTB&S has applied a \$182,612.50 reduction to its fees during the prior interim periods.

Second, KTB&S has agreed to cap payment of its legal fees for the cases at a blended rate of \$850 per hour for attorneys (not including its paralegal and summer clerks), such that KTB&S will receive, calculated in the aggregate for the entirety of the cases (as opposed to on a month-by-month basis), the lesser of (x) its actual billed hourly rates and (y) a blended rate of \$850 per hour.<sup>3</sup> During the Application Period, KTB&S's work resulted in an actual blended rate of \$924.54 per hour. Accordingly, the following charts set forth the comparison between KTB&S's actual rates and its capped rates. **KTB&S seeks present payment of its fees only at the lower \$2,175,630.00 amount as calculated at the \$850/hour capped rate.**

	Actual Rate	Capped Rate
<b>Attorney Fees</b>	\$2,315,791.50	\$2,129,080.00
<b>Paralegal and Summer Clerk Fees</b>	\$46,550.00	\$46,550.00
<b>Total</b>	<b><u>\$2,362,341.50</u></b>	<b><u>\$2,175,630.00</u></b>

<sup>2</sup> For example, if KTB&S incurred \$60,000 of legal fees in transition services in the first month, but only \$30,000 of legal fees for transition services in the second month, the first monthly invoice would be reduced by \$50,000 and the second monthly invoice would be reduced by \$40,000.

<sup>3</sup> For example, (i) if KTB&S's actual billed hourly rates for attorneys result in a blended rate of \$875 per hour for the Cases, KTB&S will reduce such blended hourly rate for attorneys to \$850 and (ii) if KTB&S's actual billed hourly rates for attorneys result in a blended rate of \$825 per hour for the Cases, KTB&S will receive that hourly rate.

Dated: October 15, 2018  
Wilmington, Delaware

/s/ Betsy L. Feldman

---

YOUNG CONAWAY STARGATT & TAYLOR, LLP

Sean M. Beach (No. 4070)  
Edmon L. Morton (No. 3856)  
Ian J. Bambrick (No. 5455)  
Betsy L. Feldman (No. 6410)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Tel: (302) 571-6600  
Fax: (302) 571-1253

-and-

KLEE, TUCHIN, BOGDANOFF & STERN LLP

Kenneth N. Klee (*pro hac vice*)  
Michael L. Tuchin (*pro hac vice*)  
David A. Fidler (*pro hac vice*)  
Jonathan M. Weiss (*pro hac vice*)  
1999 Avenue of the Stars, 39<sup>th</sup> Floor  
Los Angeles, California 90067  
Tel: (310) 407-4000  
Fax: (310) 407-9090

*Counsel for the Debtors and Debtors in Possession*

**EXHIBIT A****CUSTOMARY AND COMPARABLE  
COMPENSATION DISCLOSURES**

<b>Category of Timekeeper</b>  <b>(Using categories already maintained by KTB&amp;S)</b>	<b>Blended Hourly Rate</b>		
	<b>Preceding year, excluding estate work</b>	<b>Actual Blended Hourly Rate at Actual Rates</b>	<b>Actual Blended Hourly Rate at Capped \$850/hour Rate</b>
		<b>In this fee application</b>	<b>In this fee application</b>
Partners	\$905.76	\$994.34	\$850.00
Counsel/Associates	\$513.00	\$660.19	\$850.00
Aggregated (Attorney)	\$819.80	\$924.54	\$850.00
Paralegal	\$327.18	\$375.00	\$375.00
Summer Law Clerks	\$240.00	\$250.00	\$250.00

**EXHIBIT B**

**SUMMARY OF TIMEKEEPERS INCLUDED IN THE  
THIRD INTERIM APPLICATION**

<b>Name of Professional Person</b>	<b>Initials of Professional Used in the Application for the Professional Person</b>	<b>Position of the Applicant, Number of Years in That Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Kenneth N. Klee	KNK	Joined firm as a Partner in 1999. Member of the CA Bar since 1975. Corporate Restructuring.	\$1,475.00	7.90	\$11,652.50
David M. Stern	DMS	Joined firm as a Partner in 2000. Member of CA Bar since 1975. Litigation.	\$1,245.00	218.60	\$272,157.00
Michael L. Tuchin	MLT	Joined firm as a Partner in 1999. Member of the CA Bar since 1990. Corporate Restructuring.	\$1,245.00	348.80	\$434,256.00
David A. Fidler	DAF	Partner since 2003. Joined firm as an Associate in 1999. Member of the CA Bar since 1998. Corporate Restructuring.	\$1,075.00	435.60	\$468,270.00
Robert J. Pfister	RJP	Partner since 2011. Joined firm as Senior Counsel in 2010. Member of the CA Bar since 2006, CT Bar since 2001, IN Bar since 2002, and NY Bar since 2003. Litigation.	\$995.00	159.50	\$158,702.50
Whitman L. Holt	WLH	Joined firm as a Partner in 2010. Member of CA Bar since 2005. Corporate Restructuring.	\$895.00	212.90	\$190,545.50
Maria Sountas-Argiropoulos	MSA	Joined firm as a Partner in 2013. Member of the CA Bar since 2008, and the Law Society of Upper Canada since 2006. Corporate.	\$895.00	0.40	\$358.00
Julian I. Gurule	JIG	Joined firm as Of Counsel in 2016. Member of the CA Bar since 2007. Corporate Restructuring.	\$825.00	0.90	\$742.50
Justin D. Yi	JDY	Joined firm as a Partner in 2015. Member of the CA Bar since 2011. Corporate.	\$750.00	38.50	\$28,875.00

Name of Professional Person	Initials of Professional Used in the Application for the Professional Person	Position of the Applicant, Number of Years in That Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
Jonathan M. Weiss	JMW	Partner since 2016. Joined firm as an Associate in 2011. Member of the CA Bar since 2011. Corporate Restructuring.	\$725.00	559.40	\$405,565.00
Efrat B. Zisblatt	EBZ	Joined firm as an Associate in 1999. Member of the CA Bar since 1997. Corporate Restructuring.	\$695.00	73.50	\$51,082.50
Samuel M. Kidder	SMK	Joined firm as an Associate in 2018. Member of the CA Bar since 2012. Corporate Restructuring.	\$675.00	296.40	\$200,070.00
Sasha M. Gurvitz	SMG	Joined firm as an Associate in 2014. Member of the CA Bar since 2014. Corporate Restructuring.	\$625.00	119.40	\$74,625.00
Robert J. Smith	RJS	Joined firm as an Associate in 2015. Member of the CA Bar since 2013. Corporate.	\$600.00	27.80	\$16,680.00
Martin R. Salvucci	MRS	Law Clerk (completed law school but not yet admitted to the Bar) since 2018. Graduated Stanford Law School in 2018. Corporate Restructuring.	\$425.00	5.20	\$2,210.00
Shanda D. Pearson	SDP	Paralegal	\$375.00	29.60	\$11,100.00
Stefan C. Love	SCL	Summer Law Clerk	\$250.00	55.90	\$13,975.00
Nir Maoz	NM	Summer Law Clerk	\$250.00	23.40	\$5,850.00
Chelsey Mori	CM	Summer Law Clerk	\$250.00	53.10	\$13,275.00
Elena C. Pinsker	ECP	Summer Law Clerk	\$250.00	9.40	\$2,350.00
<b>Grand Total:</b>				<b>2,676.20</b>	<b>\$2,362,341.50</b>



<b>Name of Professional Person</b>	<b>Initials of Professional Used in the Application for the Professional Person</b>	<b>Position of the Applicant, Number of Years in That Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
<b>Actual Attorney Blended Rate:</b>			<b>\$924.54</b>		
<b>Total Attorney Fees Assuming \$850.00 Attorney Capped Rate:</b>					<b>\$2,129,080.00</b>
<b>Total Fees (All Timekeepers) Assuming \$850.00 Attorney Capped Rate:</b>					<b><u>\$2,175,630.00</u></b>

**EXHIBIT C**

**BUDGETS AND STAFFING PLANS**

***In re Woodbridge Group of Companies, LLC, Case No. 17-12560-KJC***  
**Budget and Staffing Plan for Klee, Tuchin, Bogdanoff & Stern LLP**

**For the Period from June 1, 2018 through and including June 30, 2018**

**Budget**

<b>Project Category</b>	<b>Budgeted Hours</b>	<b>Budgeted Fees</b>
0001 – Asset Analysis and Recovery	45.00	\$50,000.00
0002 – Assumption and Rejection of Contracts	8.00	\$7,500.00
0003 – Budgeting	3.00	\$2,000.00
0004 – Business Operations	3.00	\$3,000.00
0005 – Case Administration	9.00	\$6,000.00
0006 – Claims Administration	130.00	\$145,000.00
0007 – Corporate Governance and Board	30.00	\$32,000.00
0008 – Court Hearings	7.00	\$6,000.00
0009 – Employee Benefits	16.00	\$16,000.00
0010 – Employment and Fee Applications	30.00	\$20,000.00
0011 – Employment and Fee Objections	1.00	\$1,000.00
0012 – Financing and Cash Collateral	3.00	\$2,500.00
0013 – Litigation and Adversary Proceedings	37.00	\$35,000.00
0014 – Meetings and Creditor Communications	7.00	\$7,000.00
0015 – Non-Working Travel	10.00	\$10,000.00
0016 – Plan and Disclosure Statement	300.00	\$270,000.00
0017 – Real Estate (Not Dispositions)	47.00	\$40,000.00
0018 – Relief from Stay and Adequate Protection	1.00	\$1,000.00
0019 – Reporting Matters	5.00	\$4,500.00
0020 – Tax Matters	41.00	\$32,000.00
0021 – Use, Sale, and Lease of Assets	1.00	\$1,000.00
0022 – Noteholder Matters	110.00	\$103,500.00
0023 – Unitholder Matters	5.00	\$5,000.00
0024 – Real Property Dispositions	110.00	\$90,000.00
0025 – Regulatory Matters	12.00	\$10,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>971.00</b>	<b>\$900,000.00</b>

**Staffing Plan**

<b>Category of Timekeeper</b>	<b>Number of Primary Timekeepers Expected to Work on the Matter During the Budget Period</b>	<b>Average Hourly Rate</b>
Partners	10	\$1,019.50
Counsel/Associates	6	\$645.00
Paralegals	1	\$375.00
Law Clerks	2	\$250.00

**TOTAL****19**

***In re Woodbridge Group of Companies, LLC, Case No. 17-12560-KJC***  
**Budget and Staffing Plan for Klee, Tuchin, Bogdanoff & Stern LLP**

**For the Period from July 1, 2018 through and including July 31, 2018**

**Budget**

<b>Project Category</b>	<b>Budgeted Hours</b>	<b>Budgeted Fees</b>
0001 – Asset Analysis and Recovery	17.00	\$13,000.00
0002 – Assumption and Rejection of Contracts	4.00	\$3,000.00
0003 – Budgeting	3.00	\$2,000.00
0004 – Business Operations	8.00	\$8,000.00
0005 – Case Administration	5.00	\$4,000.00
0006 – Claims Administration	295.00	\$290,000.00
0007 – Corporate Governance and Board	31.00	\$32,000.00
0008 – Court Hearings	10.00	\$10,000.00
0009 – Employee Benefits	3.00	\$2,000.00
0010 – Employment and Fee Applications	27.00	\$25,000.00
0011 – Employment and Fee Objections	1.00	\$1,000.00
0012 – Financing and Cash Collateral	3.00	\$3,000.00
0013 – Litigation and Adversary Proceedings	65.00	\$45,000.00
0014 – Meetings and Creditor Communications	14.00	\$13,000.00
0015 – Non-Working Travel	16.00	\$16,000.00
0016 – Plan and Disclosure Statement	225.00	\$205,000.00
0017 – Real Estate (Not Dispositions)	25.00	\$20,000.00
0018 – Relief from Stay and Adequate Protection	2.00	\$1,000.00
0019 – Reporting Matters	9.00	\$8,000.00
0020 – Tax Matters	5.00	\$4,000.00
0021 – Use, Sale, and Lease of Assets	1.00	\$1,000.00
0022 – Noteholder Matters	42.00	\$30,000.00
0023 – Unitholder Matters	4.00	\$3,000.00
0024 – Real Property Dispositions	80.00	\$66,000.00
0025 – Regulatory Matters	65.00	\$60,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>960.00</b>	<b>\$865,000.00</b>

**Staffing Plan**

<b>Category of Timekeeper</b>	<b>Number of Primary Timekeepers Expected to Work on the Matter During the Budget Period</b>	<b>Average Hourly Rate</b>
Partners	9	\$1,033.33
Counsel/Associates	6	\$645.00
Paralegals	1	\$375.00
Law Clerks	2	\$250.00

**TOTAL****18**

***In re Woodbridge Group of Companies, LLC, Case No. 17-12560-KJC***  
**Budget and Staffing Plan for Klee, Tuchin, Bogdanoff & Stern LLP**

**For the Period from August 1, 2018 through and including August 31, 2018**

**Budget**

<b>Project Category</b>	<b>Budgeted Hours</b>	<b>Budgeted Fees</b>
0001 – Asset Analysis and Recovery	30.00	\$30,000.00
0002 – Assumption and Rejection of Contracts	9.00	\$9,000.00
0003 – Budgeting	3.00	\$2,000.00
0004 – Business Operations	13.00	\$12,000.00
0005 – Case Administration	9.00	\$8,000.00
0006 – Claims Administration	390.00	\$330,000.00
0007 – Corporate Governance and Board	50.00	\$50,000.00
0008 – Court Hearings	32.00	\$30,000.00
0009 – Employee Benefits	3.00	\$2,000.00
0010 – Employment and Fee Applications	22.00	\$19,000.00
0011 – Employment and Fee Objections	1.00	\$1,000.00
0012 – Financing and Cash Collateral	2.00	\$2,000.00
0013 – Litigation and Adversary Proceedings	23.00	\$16,000.00
0014 – Meetings and Creditor Communications	15.00	\$15,000.00
0015 – Non-Working Travel	42.00	\$40,000.00
0016 – Plan and Disclosure Statement	265.00	\$270,000.00
0017 – Real Estate (Not Dispositions)	18.00	\$21,000.00
0018 – Relief from Stay and Adequate Protection	1.00	\$1,000.00
0019 – Reporting Matters	5.00	\$5,500.00
0020 – Tax Matters	5.00	\$5,500.00
0021 – Use, Sale, and Lease of Assets	1.00	\$1,000.00
0022 – Noteholder Matters	35.00	\$33,000.00
0023 – Unitholder Matters	8.00	\$7,000.00
0024 – Real Property Dispositions	65.00	\$62,000.00
0025 – Regulatory Matters	30.00	\$28,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>1,077.00</b>	<b>\$1,000,000.00</b>

**Staffing Plan**

<b>Category of Timekeeper</b>	<b>Number of Primary Timekeepers Expected to Work on the Matter During the Budget Period</b>	<b>Average Hourly Rate</b>
Partners	8	\$1,050.00
Counsel/Associates	5	\$684.00
Paralegals	1	\$375.00
Law Clerks	2	\$250.00

**TOTAL****16**



**EXHIBIT D**

**SUMMARY OF COMPENSATION AND EXPENSE REIMBURSEMENT**

**COMPENSATION BY PROJECT CATEGORY**

<b>Project Category</b>	<b>Hours Billed</b>	<b>Fees Billed</b>	<b>Hours Budgeted</b>	<b>Fees Budgeted</b>
0001 – Asset Analysis and Recovery	87.80	\$75,833.00	92.00	\$93,000.00
0002 – Assumption and Rejection of Executory Contracts and Leases	21.30	\$20,075.50	21.00	\$19,500.00
0003 – Budgeting	5.10	\$3,662.50	9.00	\$6,000.00
0004 – Business Operations	18.30	\$16,878.50	24.00	\$23,000.00
0005 – Case Administration	27.60	\$17,784.00	23.00	\$18,000.00
0006 – Claims Administration & Objections	761.90	\$671,384.50	815.00	\$765,000.00
0007 – Corporate Governance & Board Matters	109.00	\$106,572.00	111.00	\$114,000.00
0008 – Court Hearing	48.70	\$47,798.50	49.00	\$46,000.00
0009 – Employee Benefits	18.70	\$16,802.50	22.00	\$20,000.00
0010 – Employment and Fee Applications	55.60	\$46,309.00	79.00	\$64,000.00
0011 – Employment and Fee Objections	0.00	\$0.00	3.00	\$3,000.00
0012 – Financing and Cash Collateral	4.80	\$5,193.00	8.00	\$7,500.00
0013 – Litigation and Adversary Proceedings	100.00	\$70,363.50	125.00	\$96,000.00
0014 – Meeting and Communications With Creditors	30.50	\$29,413.50	36.00	\$35,000.00
0015 – Non-Working Travel	29.20	\$30,738.00	68.00	\$66,000.00
0016 – Plan and Disclosure Statement	710.30	\$641,607.50	790.00	\$745,000.00
0017 – Real Estate Matters (Not Dispositions)	55.60	\$51,706.50	90.00	\$81,000.00
0018 – Relief From Stay and Adequate Protection	0.80	\$580.00	4.00	\$3,000.00
0019 – Reporting Matters	17.80	\$17,803.00	19.00	\$18,000.00
0020 – Tax	37.70	\$31,160.50	51.00	\$41,500.00
0021 – Use, Sale, and Lease of Assets (Other Than Real Property)	0.00	\$0.00	3.00	\$3,000.00
0022 – Noteholder Matters	166.80	\$148,440.50	187.00	\$166,500.00
0023 – Unitholder Matters	11.70	\$10,799.50	17.00	\$15,000.00
0024 – Real Property Dispositions	238.70	\$197,071.00	255.00	\$218,000.00
0025 – Regulatory Matters	118.30	\$104,365.00	107.00	\$98,000.00
0026 – Transition Matters	0.00	\$0.00	0.00	\$0.00
<b>Total:</b>	<b>2,676.20</b>	<b>\$2,362,341.50</b>	<b>3,008.00</b>	<b>\$2,765,000.00</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Total Expenses</b>
Copying	\$99.30
Court Fees	\$308.00
Delivery Services/Messengers	\$403.13
Online Research	\$11,326.45
Other Expenses	\$4900.28
Parking	\$60.00
Postage	\$7.39
Telephone	\$438.64
Travel	\$8,538.15
<b>Total:</b>	<b>\$26,081.34</b>

**EXHIBIT E**

**THIRD INTERIM APPLICATION SUMMARY**

SUMMARY OF THIRD INTERIM APPLICATION	
Name of Applicant	Klee, Tuchin, Bogdanoff & Stern LLP
Name of Client	Woodbridge Group of Companies, LLC, <i>et al.</i>
Time period covered by Third Interim Application	June 1, 2018 through August 31, 2018
Total uncapped compensation sought during the Application Period	\$2,362,341.50
Total capped (\$850/hour) compensation sought during the Application Period	\$2,175,630.00
Total expenses sought during the Application Period	\$26,081.34
Petition Date	December 4, 2017
Retention Date	March 16, 2018 <i>Nunc Pro Tunc</i> to February 14, 2018
Date of order approving employment	March 16, 2018
Total compensation approved by interim order to date	\$576,697.50 (100% Capped Fees for February 2018)
Total expenses approved by interim order to date	\$3,574.59 (100% Expenses for February 2018)
Total allowed compensation (by interim order) paid to date	\$576,697.50 (100% Capped Fees for February 2018)
Total allowed expenses (by interim order) paid to date	\$3,574.59 (100% Expenses for February 2018)
Actual blended rate in the Third Interim Application for all attorneys	\$924.54
Actual blended rate in the Third Interim Application for all timekeepers	\$882.72
Compensation sought in the Third Interim Application already paid pursuant to monthly compensation but not yet allowed by interim order	\$1,740,504.00 (80% of Capped Fees for June, July, and August 2018)
Expenses sought in the Third Interim Application already paid pursuant to a monthly compensation order but not yet allowed by interim order	\$26,081.34 (100% Expenses for June, July, and August 2018)
Number of professionals included in the Third Interim Application	20
If applicable, number of professionals in the Third Interim Application not included in staffing plan approved by client	0
If applicable, difference between fees budgeted and compensation sought during the Application Period	Fees Budgeted: \$2,765,000.00 Uncapped Fees Sought: \$2,362,341.50 Difference: \$402,658.50
Number of professionals billing fewer than 15 hours to the case during the Application Period	5
Are any rates higher than those approved or disclosed at retention?	No