

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: February 4, 2019, at 4:00 p.m. (ET)  
Hearing Date: To Be Determined

**SUPPLEMENT TO FOURTH 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 *Fourth Interim Fee Application of Klee, Tuchin, Bogdanoff & Stern LLP* [Docket No. 3307] (the “**Fourth Interim Application**”) for the period from September 1, 2018 through November 30, 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.

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<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 Fourth Interim Application pursuant to the budgets provided by KTB&S to the Debtors.
- c. The professionals included in the Fourth Interim Application did not vary their hourly rate based on the geographic location of the bankruptcy cases.
- d. The Fourth 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 Fourth Interim Application does not include time or fees for reviewing time records to redact any privileged or other confidential information.
- f. The Fourth Interim Application did not include any rate increases since retention.

KTBS requests approval of \$2,117,244.50 as compensation for professional services rendered for the Debtors during the Application Period and \$34,460.57 as reimbursement for actual and necessary expenses incurred by KTB&S for the Debtors during the Application Period. This does not include \$58,108.50 representing 60.20 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 \$941.67 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 \$1,881,357.50 amount as calculated at the \$850/hour capped rate.**

	Actual Rate	Capped Rate
Attorney Fees	\$2,093,732.00	\$1,857,845.00
Paralegal Fees	\$23,512.50	\$23,512.50
<b>Total</b>	<b><u>\$2,117,244.50</u></b>	<b><u>\$1,881,357.50</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: January 14, 2019  
Wilmington, Delaware

/s/ Betsy L. Feldman

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*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>In this fee application</b>	<b>Actual Blended Hourly Rate at Capped \$850/hour Rate</b>  <b>In this fee application</b>
Partners	\$905.76	\$1,048.50	\$850.00
Counsel/Associates	\$513.00	\$660.60	\$850.00
Aggregated (Attorney)	\$819.80	\$957.92	\$850.00
Paralegal	\$327.18	\$375.00	\$375.00
Summer Law Clerks	\$240.00	n/a	n/a

**EXHIBIT B**

**SUMMARY OF TIMEKEEPERS INCLUDED IN THE  
FOURTH 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	2.40	\$3,540.00
David M. Stern	DMS	Joined firm as a Partner in 2000. Member of CA Bar since 1975. Litigation.	\$1,245.00	198.30	\$246,883.50
Michael L. Tuchin	MLT	Joined firm as a Partner in 1999. Member of the CA Bar since 1990. Corporate Restructuring.	\$1,245.00	345.20	\$429,774.00
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	533.60	\$573,620.00
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	154.80	\$154,026.00
Whitman L. Holt	WLH	Joined firm as a Partner in 2010. Member of CA Bar since 2005. Corporate Restructuring.	\$895.00	137.10	\$122,704.50
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	29.60	\$26,492.00
Justin D. Yi	JDY	Joined firm as a Partner in 2015. Member of the CA Bar since 2011. Corporate.	\$750.00	26.10	\$19,575.00
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	248.20	\$179,945.00
Efrat B. Zisblatt	EBZ	Joined firm as an Associate in 1999. Member of the CA Bar since 1997. Corporate Restructuring.	\$695.00	64.60	\$44,897.00

<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>
Samuel M. Kidder	SMK	Joined firm as an Associate in 2018. Member of the CA Bar since 2012. Corporate Restructuring.	\$675.00	306.30	\$206,752.50
Sasha M. Gurvitz	SMG	Joined firm as an Associate in 2014. Member of the CA Bar since 2014. Corporate Restructuring.	\$625.00	107.70	\$67,312.50
Robert J. Smith	RJS	Joined firm as an Associate in 2015. Member of the CA Bar since 2013. Corporate.	\$600.00	20.20	\$12,120.00
Ashley D. Carlisle	ADC	Joined firm as an Associate in 2018. Member of the TX Bar since 2016. Not yet admitted to CA Bar. Corporate.	\$525.00	11.60	\$6,090.00
Shanda D. Pearson	SDP	Paralegal	\$375.00	62.70	\$23,512.50
<b>Grand Total:</b>				<b>2,248.40</b>	<b>\$2,117,244.50</b>
<b>Actual Attorney Blended Rate:</b>			<b>\$957.92</b>		
<b>Total Attorney Fees Assuming \$850.00 Attorney Capped Rate:</b>					<b>\$1,857,845.00</b>
<b>Total Fees (All Timekeepers) Assuming \$850.00 Attorney Capped Rate:</b>					<b><u>\$1,881,357.50</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 September 1, 2018 through and including September 30, 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	19.00	\$20,000.00
0003 – Budgeting	3.00	\$2,500.00
0004 – Business Operations	5.00	\$5,500.00
0005 – Case Administration	13.00	\$11,000.00
0006 – Claims Administration	155.00	\$150,000.00
0007 – Corporate Governance and Board	35.00	\$40,000.00
0008 – Court Hearings	5.00	\$6,000.00
0009 – Employee Benefits	13.00	\$13,000.00
0010 – Employment and Fee Applications	30.00	\$27,000.00
0011 – Employment and Fee Objections	0.00	\$0.00
0012 – Financing and Cash Collateral	6.00	\$7,000.00
0013 – Litigation and Adversary Proceedings	30.00	\$30,000.00
0014 – Meetings and Creditor Communications	7.00	\$7,000.00
0015 – Non-Working Travel	15.00	\$20,000.00
0016 – Plan and Disclosure Statement	180.00	\$190,000.00
0017 – Real Estate (Not Dispositions)	20.00	\$21,000.00
0018 – Relief from Stay and Adequate Protection	2.00	\$2,000.00
0019 – Reporting Matters	10.00	\$9,000.00
0020 – Tax Matters	2.00	\$2,000.00
0021 – Use, Sale, and Lease of Assets	2.00	\$2,000.00
0022 – Noteholder Matters	120.00	\$130,000.00
0023 – Unitholder Matters	6.00	\$6,000.00
0024 – Real Property Dispositions	60.00	\$56,000.00
0025 – Regulatory Matters	12.00	\$13,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>780.00</b>	<b>\$800,000.00</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	\$1,050.00
Counsel/Associates	5	\$684.00
Paralegals	1	\$375.00
Law Clerks	0	\$0.00

TOTAL

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***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 October 1, 2018 through and including October 31, 2018**

**Budget**

<b>Project Category</b>	<b>Budgeted Hours</b>	<b>Budgeted Fees</b>
0001 – Asset Analysis and Recovery	8.00	\$8,000.00
0002 – Assumption and Rejection of Contracts	19.00	\$20,000.00
0003 – Budgeting	3.00	\$2,000.00
0004 – Business Operations	3.00	\$3,000.00
0005 – Case Administration	10.00	\$10,000.00
0006 – Claims Administration	90.00	\$70,000.00
0007 – Corporate Governance and Board	44.00	\$45,000.00
0008 – Court Hearings	32.00	\$35,000.00
0009 – Employee Benefits	17.00	\$20,000.00
0010 – Employment and Fee Applications	30.00	\$24,000.00
0011 – Employment and Fee Objections	1.00	\$1,000.00
0012 – Financing and Cash Collateral	16.00	\$16,000.00
0013 – Litigation and Adversary Proceedings	43.00	\$42,000.00
0014 – Meetings and Creditor Communications	10.00	\$9,000.00
0015 – Non-Working Travel	24.00	\$22,000.00
0016 – Plan and Disclosure Statement	275.00	\$270,000.00
0017 – Real Estate (Not Dispositions)	9.00	\$10,000.00
0018 – Relief from Stay and Adequate Protection	1.00	\$1,000.00
0019 – Reporting Matters	2.00	\$2,000.00
0020 – Tax Matters	8.00	\$8,000.00
0021 – Use, Sale, and Lease of Assets	1.00	\$1,000.00
0022 – Noteholder Matters	46.00	\$45,000.00
0023 – Unitholder Matters	5.00	\$5,000.00
0024 – Real Property Dispositions	60.00	\$44,000.00
0025 – Regulatory Matters	13.00	\$12,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>770.00</b>	<b>\$725,000.00</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	\$1,070.00
Counsel/Associates	3	\$633.00
Paralegals	1	\$375.00
Law Clerks	0	\$0.00

**TOTAL****13**

***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 November 1, 2018 through and including November 30, 2018**

**Budget**

<b>Project Category</b>	<b>Budgeted Hours</b>	<b>Budgeted Fees</b>
0001 – Asset Analysis and Recovery	6.00	\$6,000.00
0002 – Assumption and Rejection of Contracts	8.00	\$8,000.00
0003 – Budgeting	3.00	\$2,000.00
0004 – Business Operations	8.00	\$8,000.00
0005 – Case Administration	21.00	\$16,000.00
0006 – Claims Administration	130.00	\$105,000.00
0007 – Corporate Governance and Board	45.00	\$43,000.00
0008 – Court Hearings	8.00	\$9,000.00
0009 – Employee Benefits	4.00	\$4,000.00
0010 – Employment and Fee Applications	15.00	\$12,000.00
0011 – Employment and Fee Objections	0.00	\$0.00
0012 – Financing and Cash Collateral	55.00	\$55,000.00
0013 – Litigation and Adversary Proceedings	40.00	\$38,000.00
0014 – Meetings and Creditor Communications	10.00	\$11,000.00
0015 – Non-Working Travel	16.00	\$19,000.00
0016 – Plan and Disclosure Statement	270.00	\$270,000.00
0017 – Real Estate (Not Dispositions)	16.00	\$18,000.00
0018 – Relief from Stay and Adequate Protection	1.00	\$1,000.00
0019 – Reporting Matters	2.00	\$2,000.00
0020 – Tax Matters	2.00	\$2,000.00
0021 – Use, Sale, and Lease of Assets	1.00	\$1,000.00
0022 – Noteholder Matters	25.00	\$25,000.00
0023 – Unitholder Matters	4.00	\$4,000.00
0024 – Real Property Dispositions	110.00	\$100,000.00
0025 – Regulatory Matters	22.00	\$22,000.00
0026 – Transition Matters	0.00	\$0.00
<b>Total:</b>	<b>822.00</b>	<b>\$781,000.00</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	\$1,070.00
Counsel/Associates	5	\$624.00
Paralegals	1	\$375.00
Law Clerks	0	\$0.00

**TOTAL****15**

**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	39.80	\$40,218.50	44.00	\$44,000.00
0002 – Assumption and Rejection of Executory Contracts and Leases	37.70	\$36,037.50	46.00	\$48,000.00
0003 – Budgeting	4.80	\$3,445.00	9.00	\$6,500.00
0004 – Business Operations	8.70	\$9,326.50	16.00	\$16,500.00
0005 – Case Administration	20.70	\$10,849.50	44.00	\$37,000.00
0006 – Claims Administration & Objections	380.00	\$329,069.00	375.00	\$325,000.00
0007 – Corporate Governance & Board Matters	118.20	\$119,567.50	124.00	\$128,000.00
0008 – Court Hearing	50.60	\$51,900.00	45.00	\$50,000.00
0009 – Employee Benefits	34.80	\$38,908.00	34.00	\$37,000.00
0010 – Employment and Fee Applications	51.90	\$44,971.50	75.00	\$63,000.00
0011 – Employment and Fee Objections	0.00	\$0.00	1.00	\$1,000.00
0012 – Financing and Cash Collateral	81.70	\$83,118.50	77.00	\$78,000.00
0013 – Litigation and Adversary Proceedings	166.40	\$154,452.00	113.00	\$110,000.00
0014 – Meeting and Communications With Creditors	31.00	\$30,202.00	27.00	\$27,000.00
0015 – Non-Working Travel	26.60	\$29,145.00	55.00	\$61,000.00
0016 – Plan and Disclosure Statement	700.50	\$660,890.50	725.00	\$730,000.00
0017 – Real Estate Matters (Not Dispositions)	33.60	\$37,325.00	45.00	\$49,000.00
0018 – Relief From Stay and Adequate Protection	0.00	\$0.00	4.00	\$4,000.00
0019 – Reporting Matters	8.90	\$9,301.50	14.00	\$13,000.00
0020 – Tax	12.60	\$13,200.00	12.00	\$12,000.00
0021 – Use, Sale, and Lease of Assets (Other Than Real Property)	0.00	\$0.00	4.00	\$4,000.00
0022 – Noteholder Matters	139.40	\$145,864.00	191.00	\$200,000.00
0023 – Unitholder Matters	13.10	\$12,705.50	15.00	\$15,000.00
0024 – Real Property Dispositions	244.70	\$214,525.50	230.00	\$200,000.00
0025 – Regulatory Matters	42.70	\$42,222.00	47.00	\$47,000.00
0026 – Transition Matters	0.00	\$0.00	0.00	\$0.00
<b>Total:</b>	<b>2,248.40</b>	<b>\$2,117,244.50</b>	<b>2,372.00</b>	<b>\$2,306,000.00</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Total Expenses</b>
Copying	\$119.80
Court Fees	\$123.00
Delivery Services/Messengers	\$68.00
Online Research	\$9,346.34
Other Expenses	\$8,104.40
Parking	\$60.00
Telephone	\$68.64
Travel	\$16,570.39
<b>Total:</b>	<b>\$34,460.57</b>

**EXHIBIT E**

**FOURTH INTERIM APPLICATION SUMMARY**

SUMMARY OF FOURTH 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 Fourth Interim Application	September 1, 2018 through November 30, 2018
Total uncapped compensation sought during the Application Period	\$2,117,244.50
Total capped (\$850/hour) compensation sought during the Application Period	\$1,881,357.50
Total expenses sought during the Application Period	\$34,460.57
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	\$3,233,635.00 (100% Capped Fees for February 2018 Through May 2018)
Total expenses approved by interim order to date	\$41,295.54 (100% Expenses for February 2018 Through May 2018)
Total allowed compensation (by interim order) paid to date	\$3,233,635.00 (100% Capped Fees for February 2018 Through May 2018)
Total allowed expenses (by interim order) paid to date	\$41,295.54 (100% Expenses for February 2018 Through May 2018)
Actual blended rate in the Fourth Interim Application for all attorneys	\$957.92
Actual blended rate in the Fourth Interim Application for all timekeepers	\$941.67
Compensation sought in the Fourth Interim Application already paid pursuant to monthly compensation but not yet allowed by interim order	\$966,512.00 (80% of Capped Fees for September and October 2018)
Expenses sought in the Fourth Interim Application already paid pursuant to a monthly compensation order but not yet allowed by interim order	\$21,852.98 (100% Expenses for September and October 2018)
Number of professionals included in the Fourth Interim Application	15
If applicable, number of professionals in the Fourth 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: \$2,306,000.00 Uncapped Fees Sought: \$2,117,244.50 Difference: \$188,755.50
Number of professionals billing fewer than 15 hours to the case during the Application Period	2
Are any rates higher than those approved or disclosed at retention?	No