

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

	X	
	:	
<b>In re</b>	:	<b>Chapter 11</b>
	:	
<b>THE NORDAM GROUP, INC., et al.,</b>	:	<b>Case No. 18-11699 (MFW)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>
	:	
	:	Objection Deadline: Oct. 24, 2018 at 4:00 p.m. (ET)
	X	

**COVER SHEET OF FIRST MONTHLY  
APPLICATION OF GUGGENHEIM SECURITIES, LLC FOR  
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND  
FOR REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT  
BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION FOR  
THE PERIOD FROM JULY 22, 2018 TO AND INCLUDING AUGUST 31, 2018**

Name of Applicant:	<u>Guggenheim Securities, LLC</u> <u>("Guggenheim Securities")</u>
Authorized to Provide Professional Services to:	<u>Debtors and Debtors in Possession</u>
Date of Retention:	<u>July 22, 2018</u>
Period for Which Compensation and Reimbursement are Sought:	<u>July 22, 2018 – August 31, 2018</u>
Amount of Compensation Sought as actual, reasonable and necessary:	<u>\$200,000.00<sup>2</sup></u>
Amount of Compensation Requested Immediately:	<u>\$160,000.00 (80%)</u>
Amount of Expense Reimbursement Requested:	<u>\$34,368.42</u>
This is a(n): monthly <input checked="" type="checkbox"/> interim <input type="checkbox"/> final application <input type="checkbox"/>	

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- 1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are The NORDAM Group, Inc. (7803); Nacelle Manufacturing 1 LLC (3107); Nacelle Manufacturing 23 LLC (5528); PartPilot LLC (5261); and TNG DISC, Inc. (9726). The Debtors' corporate headquarters and service address is 6910 North Whirlpool Drive, Tulsa, Oklahoma 74117.
  - 2 Pursuant to the Court's order authorizing the retention of Guggenheim Securities, (a) the Debtors are allowed to pay Guggenheim Securities' monthly fees (the "Monthly Fees") when and as such Monthly Fees come due under the Guggenheim Securities engagement letter as approved by the Court and (b) Guggenheim Securities is not required to seek payment of such Monthly Fees pursuant to monthly fee applications. Accordingly, the Debtors' payment of such Monthly Fees is not reflected in this monthly fee application. Guggenheim Securities, however, will seek approval of such fees in its final fee application in these cases.

**FIRST MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**HOURS BY PROFESSIONAL  
JULY 22, 2018 – AUGUST 31, 2018**

<b>Name</b>	<b>Title</b>	<b>Total Hours</b>
Ronen Bojmel	Senior Managing Director	205.5
Jon Huerta	Senior Managing Director	95.0
Peter Schwaikert	Managing Director	254.5
Joseph Thornton	Vice President	133.5
Robert Ramirez	Associate	387.0
Drew Heimlich	Associate	70.5
Xavier Zaim	Analyst	319.0
<b>Total</b>		<b>1,465.0</b>

**FIRST MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**HOURS BY ACTIVITY  
JULY 22, 2018 – AUGUST 31, 2018**

<b>Project Category</b>	<b>Total Hours</b>
Business Operations & Planning	336.0
Case Administration	92.5
Coordination of Creditors	68.0
Financing	380.0
Financial Analysis	140.5
General Correspondence	314.5
Travel Time	133.5
<b>Total</b>	<b>1,465.0</b>

**FIRST MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**EXPENSES BY CATEGORY  
JULY 22, 2018 – AUGUST 31, 2018**

<b>Expense Category</b>	<b>Amount</b>
Communication	220.42
Legal	14,113.50
Meals	2,973.34
Travel	17,061.16
<b>Total</b>	<b>\$34,368.42</b>

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<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>
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	:	Objection Deadline: Oct. 24, 2018 at 4:00 p.m. (ET)
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**FIRST MONTHLY APPLICATION OF GUGGENHEIM SECURITIES, LLC  
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT  
BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION FOR THE  
PERIOD FROM JULY 22, 2018 TO AND INCLUDING AUGUST 31, 2018**

Guggenheim Securities, LLC (“Guggenheim Securities”), the investment banker for the above captioned debtors and debtors in possession (collectively, the “Debtors”), hereby submits this first monthly fee application (this “Monthly Fee Application”), pursuant to sections 328, 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) and the *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and (II) Granting Related Relief* [D.I. 194] (the “Interim Compensation Order”), for (a) interim allowance and payment of compensation for professional services to the Debtors during the period from July 22, 2018 to and

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are The NORDAM Group, Inc. (7803); Nacelle Manufacturing 1 LLC (3107); Nacelle Manufacturing 23 LLC (5528); PartPilot LLC (5261); and TNG DISC, Inc. (9726). The Debtors’ corporate headquarters and service address is 6910 North Whirlpool Drive, Tulsa, Oklahoma 74117.

including August 31, 2018 (the “Compensation Period”) in the amount of \$160,000, representing 80% of Guggenheim Securities’ Financing Fee (\$200,000) and (b) interim allowance and reimbursement of 100% of Guggenheim Securities’ expenses incurred during the Compensation Period in connection with such services in the amount of \$34,368.42, less any amounts that were applied against the retainer received by Guggenheim prepetition pursuant to the Retention Order. In support of this Monthly Fee Application, Guggenheim Securities respectfully states as follows:

### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the District of Delaware (this “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested in this Monthly Fee Application are sections 328(a), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2 and the Interim Compensation Order.

### **BACKGROUND**

3. On July 22, 2018 (the “Petition Date”), each of the Debtors filed with this Court a voluntary petition for relief under the Bankruptcy Code. The Debtors continue to be in possession of their assets and to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On August 1, 2018, the United States Trustee for the District of Delaware appointed an official committee of unsecured creditors. No trustee or examiner has been appointed in these chapter 11 cases.

4. On August 8, 2018, the Debtors filed an application to retain and employ

Guggenheim Securities as their investment banker [D.I. 152] (the “Retention Application”), *nunc pro tunc* to the Petition Date, pursuant to the terms of that certain engagement letter between Guggenheim Securities and the Debtors, dated as of July 19, 2018 (the “Engagement Letter”).<sup>2</sup> A copy of the Engagement Letter was appended to the Retention Application as Exhibit C.

5. On August 23, 2018, the Court entered the Interim Compensation Order, which generally sets forth the procedures for interim compensation and expense reimbursement for retained professionals in the Debtors’ chapter 11 cases. The Interim Compensation Order provides, among other things, that, at 4:00 pm on the twentieth (20th) day following service of a monthly fee application (or, if such day is not a business day, the next business day), the applicant may file a certificate of no objection with the Court, at which time the Debtors are authorized and directed to pay such professional eighty percent (80%) the fees and 100 percent (100%) of the expenses requested in the monthly fee application that are not subject to an objection.

6. On August 28, 2018, the Court entered the order approving the Retention Application [D.I. 215] (the “Retention Order”). The Retention Order, among other things, approved the Engagement Letter, as modified by the Retention Order, pursuant to section 328(a) of the Bankruptcy Code, and authorized the Debtors to pay, reimburse and indemnify Guggenheim Securities in accordance with the terms and conditions of, and at the times specified in, the Engagement Letter.<sup>3</sup>

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<sup>2</sup> Unless otherwise stated, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Engagement Letter.

<sup>3</sup> Pursuant to the Court’s order authorizing the retention of Guggenheim Securities, (a) the Debtors are allowed to pay Guggenheim Securities’ monthly fees (the “Monthly Fees”) when and as such Monthly Fees come due under the Guggenheim Securities engagement letter as approved by the Court and (b) Guggenheim Securities is not required to seek payment of such Monthly Fees pursuant to monthly fee applications. Accordingly, the Debtors’ payment of such Monthly Fees is not reflected in this monthly fee application. Guggenheim Securities, however, will seek approval of such fees in its final fee application in these cases.

**RELIEF REQUESTED**

7. By this Monthly Fee Application, Guggenheim Securities requests (a) interim allowance and payment of compensation for professional services to the Debtors during the Compensation Period in the amount of \$160,000, representing 80% of Guggenheim Securities' Financing Fee (\$200,000), as described in paragraph 8 below, and (b) interim allowance and reimbursement of 100% of Guggenheim Securities' expenses incurred during the Compensation Period in connection with such services in the amount of \$34,368.42, less any amounts that were applied against the retainer received by Guggenheim prepetition pursuant to the Retention Order.<sup>4</sup>

8. In accordance with the Engagement Letter and the Retention Order, the fees requested herein represent the Financing Fee payable to Guggenheim Securities in the amount of \$200,000 on account of the debtor-in-possession financing facility approved by the Court pursuant to the *Final Order (I) Authorizing the Debtors to (A) Obtain Postpetition Senior Secured Superpriority Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Granting Liens and Superpriority Claims, (IV) Modifying The Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* [D.I. 217].

9. Although Guggenheim Securities, in line with market convention, does not bill by the hour, Guggenheim Securities kept track of its post-petition time in half-hour increments in accordance with the Retention Order. Such time records are attached hereto as Exhibit A. During the Compensation Period, Guggenheim Securities professionals spent approximately 1,465.0 hours providing investment banking services to the Debtors.

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4 Pursuant to the Retention Order, Guggenheim applied the \$5,000 expense retainer received prepetition first to expenses incurred but not reimbursed prepetition totaling \$435.22, and next to postpetition expenses included in this application. Therefore, Guggenheim requests reimbursement of expenses for the amounts included in this application less the \$4,564.78 in remaining retainer.



10. The fees charged by Guggenheim Securities have been billed in accordance with the Engagement Letter and the Retention Order and are comparable to those fees charged by Guggenheim Securities for professional services rendered in connection with similar chapter 11 cases and non-bankruptcy matters. Guggenheim Securities submits that such fees are reasonable based upon the customary compensation charged by similarly skilled practitioners in comparable bankruptcy cases and non-bankruptcy matters in the competitive national investment banking market.

11. There is no agreement or understanding between Guggenheim Securities and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these chapter 11 cases.

#### **ACTUAL AND NECESSARY EXPENSES**

12. Guggenheim Securities incurred certain necessary expenses during the Compensation Period for which it is entitled to reimbursement under the Engagement Letter. As set forth in detail on the attached Exhibit B, Guggenheim Securities' total expenses for the Compensation Period are \$34,368.42.<sup>5</sup>

#### **CERTIFICATION OF COMPLIANCE**

13. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that, to the best of his knowledge, information and belief, this Application complies with that rule.

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<sup>5</sup> The expense reimbursements requested herein may not include certain expenses incurred by Guggenheim Securities during the Compensation Period but not processed as of the date hereof. Any such expenses will be included in future monthly fee applications.

WHEREFORE, Guggenheim Securities requests (a) interim allowance and payment of compensation for professional services to the Debtors during the Compensation Period in the amount of \$160,000, representing 80% of Guggenheim Securities' Financing Fee (\$200,000) and (b) interim allowance and reimbursement of 100% of Guggenheim Securities' expenses incurred during the Compensation Period in connection with such services in the amount of \$34,368.42, less any amounts that were applied against the retainer received by Guggenheim prepetition pursuant to the Retention Order.

Dated: October 4, 2018

Guggenheim Securities, LLC

/s/ Ronen Bojmel  
Ronen Bojmel  
Senior Managing Director  
330 Madison Avenue  
New York, New York 10017  
Telephone: (212) 377-4085