

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

In re: ADVANTAGE HOLDCO, INC., <i>et al.</i> , <p style="text-align: center;">Debtors. ¹</p>	Chapter: 11 Case No. 20-11259 (CTG) (Jointly Administered) Obj. Deadline: July 15, 2021 at 4:00 p.m. (ET) Hearing Date: August 2, 2021 at 10:00 a.m. (ET)
---	---

**SUMMARY OF FOURTH INTERIM FEE APPLICATION OF BAKER & HOSTETLER
LLP, COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD FROM MARCH 1, 2021 THROUGH MAY 31, 2021**

Name of Applicant:	Baker & Hostetler LLP (the “ <u>Applicant</u> ” or “ <u>B&H</u> ”)
Authorized to Provide Professional Services as:	The Official Committee of Unsecured Creditors (the “ <u>Committee</u> ”)
Effective Date of Retention:	June 9, 2020
Period for Which Compensation and Reimbursement is Sought:	March 1, 2021 through and including May 31, 2021 (the “ <u>Application Period</u> ”)
Amount of Compensation sought as actual, reasonable and necessary legal services rendered:	<u>\$50,253.00</u>
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	<u>\$0.00</u>

This is a(n): ___ monthly X interim ___ final application

1 The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Advantage Holdco, Inc. (4832); Advantage Opco, LLC (9101); Advantage Vehicles LLC (6217); E-Z Rent A Car, LLC (2538); Central Florida Paint & Body, LLC (1183); Advantage Vehicle Financing LLC (7263); and RAC Vehicle Financing, LLC (8375). The Debtors’ address is PO Box 2818, Windermere, FL, 34786.

Monthly Fee Application Filing Date & Docket No.	Period Covered	Total Fees Requested	Total Expenses Requested	CNO/COC Filing Date & Docket No.	Amount of Fees Authorized to be Paid (80%)	Amount of Expenses Authorized to be Paid (100%)
4/16/2021 [D.I. 767]	3/1/2021- 3/31 /2021	\$3,823.00	\$0.00	5/4/2021 [D.I. 790]	\$3,058.40	\$0.00
5/18/2021 [D.I. 819]	4/1/2021 – 4/30/2021	\$12,084.50	\$0.00	6/3/2021 [D.I. 839]	\$9,667.60	\$0.00
6/16/2021 [D.I. 850]	5/1/2021 – 5/31/2021	\$34,345.50	\$0.00	N/A	\$27,476.40	\$0.00
TOTALS		\$50,253.00	\$0.00		\$40,202.40	\$0.00

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

<p>In re:</p> <p>ADVANTAGE HOLDCO, INC., <i>et al.</i>,</p> <p style="text-align: center;">Debtors.¹</p>	<p>Chapter: 11</p> <p>Case No. 20-11259 (CTG) (Jointly Administered)</p> <p>Obj. Deadline: July 15, 2021 at 4:00 p.m. (ET) Hearing Date: August 2, 2021 at 10:00 a.m. (ET)</p>
---	--

**FOURTH INTERIM FEE APPLICATION OF BAKER & HOSTETLER LLP COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR
THE FOURTH INTERIM PERIOD OF MARCH 1, 2021 THROUGH MAY 31, 2021**

Name of Applicant:	Baker & Hostetler LLP
Name of Client:	Official Committee of Unsecured Creditors
Time period covered by this application:	3/1/2021-5/31/2021
Total fees sought this period:	\$50,253.00
Total expenses sought this period:	\$0.00
Petition Date:	5/26/2020
Retention Date:	<i>Effective 6/9/2020</i>
Date of order approving employment	7/23/2020
Total compensation approved by interim orders to date:	\$238,786.00
Total expenses approved by interim order to date:	\$1,725.15
Total allowed compensation paid to date:	\$238,786.00
Total allowed expenses paid to date:	\$1,725.15
Blended rate in this application for all attorneys	\$483.86
Blended rate in this application for all timekeepers	\$477.24
Compensation sought in this application already paid pursuant to a monthly compensation order but not yet allowed	\$3,058.40
Expenses sought in this application already paid pursuant to a monthly compensation order but not yet allowed	N/A
Number of professionals included in this application	4
If applicable, number of professionals in this application not included in staffing plan approved by client	0
If applicable, difference between fees budgeted and	Actual during Fourth Interim

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Advantage Holdco, Inc. (4832); Advantage Opco, LLC (9101); Advantage Vehicles LLC (6217); E-Z Rent A Car, LLC (2538); Central Florida Paint & Body, LLC (1183); Advantage Vehicle Financing LLC (7263); and RAC Vehicle Financing, LLC (8375). The Debtors' address is PO Box 2818, Windermere, FL, 34786.

compensation sought for this period	Application Period: \$50,253.00 Previous Actual during First, Second, and Third Application Periods: \$238,786 Budget Range: \$168,750 - \$372,500
Number of professionals billing fewer than 15 hours to the case during the period	2
Are any rates higher than those approved or disclosed at retention? If yes, calculate and disclose the total compensation sought in this application using the rates originally disclosed in the retention application	The 2021 annual rate increase of the Applicant increased the fees in the total amount of \$1,721.50

Baker & Hostetler LLP (“B&H”), counsel to Official Committee of Unsecured Creditors (the “Committee”) of Advantage Holdco, Inc, *et al.*, the debtors in the above-captioned chapter 11 cases (collectively, the “Debtors”), hereby files its *Fourth Interim Fee Application of Baker & Hostetler LLP, Counsel to the Official Committee of Unsecured Creditors, for Allowance of Compensation and Reimbursement of Expenses for the Period from March 1, 2021 through May 31, 2021* (the “Application”) for entry of an order pursuant to section 331 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”) for allowance of interim compensation in the amount of \$50,253.00 for the period from March 1, 2021 through May 31, 2021 (the “Interim Compensation Period”), in support thereof, B&H respectfully represents as follows:

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (B).
2. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code. Such relief is also warranted under Bankruptcy Rule 2016(a), Local Rule 2016-2, and the Interim Compensation Order.

BACKGROUND

4. On May 26, 2020, (the “Petition Date”), the above-captioned jointly administered debtors (the “Debtors”) commenced the above-captioned bankruptcy cases (the “Chapter 11 Cases”) by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

5. The Debtors have continued in the possession of their property and have continued to operate and manage its business as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

6. On June 9, 2020, the United States Trustee for the District of Delaware (the “United States Trustee”) appointed the three (3) member Committee pursuant to section 1102(a)(1) of the Bankruptcy Code.²

7. On July 2, 2020, the Committee applied to the Court for an order authorizing the retention and employment of B&H as counsel to the Committee, *nunc pro tunc* to June 9, 2020 and on July 23, 2020 the Court entered an Order authorizing such retention.

8. On June 29, 2020, the Debtors filed a Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the “Interim Compensation Motion”) and on July 15, 2020, the Court entered an Order approving the Interim Compensation Motion.

² The Committee members are: (i) Safelite Group; (ii) EDS Service Solutions, LLC (Chair); and (iii) Exultancy, Inc.

**SERVICES PROVIDED BY
BAKER & HOSTETLER DURING APPLICATION PERIOD**

9. During the Interim Compensation Period, B&H, in its capacity as counsel for the Committee, undertook the following:
- a. Multiple communications with Debtors' counsel regarding case issues;
 - b. Coordination with Debtors' counsel and counsel to senior secured creditor regarding extensions to the discovery stay and challenge deadline;
 - c. Communications with the Committee regarding case status;
 - d. Discussions and communications with Debtors' counsel regarding status of claims;
 - e. Review, analyze, and revise multiple drafts of proposed Chapter 11 plan and disclosure statement, including several conferences and communications with Debtors' counsel and other professionals regarding plan and disclosure statement;
 - f. Analysis of potential claims for the Committee;
 - g. Analysis of proposed assignment agreement and motion related to Debtors' claims in credit card litigation to maximize value of assets of the Debtors;
 - h. Analysis of docket filings for whether the Committee should act, including, for example, motions and stipulation for relief from the automatic stay;
 - i. Preparation of applications for compensation and/or reimbursement of expenses on behalf of Committee professionals [*See e.g.* Doc. Nos. 767, 790, 819, 839, 850].

MONTHLY APPLICATIONS

10. On April 16, 2021, B&H filed its tenth monthly application for compensation and reimbursement of expenses [Doc. No. 767] (the "Tenth Monthly Application"). By the Tenth Monthly Application, B&H sought approval of compensation of \$3,823.00 for the period of March

1, 2021 through March 31, 2021. On May 4, 2021, the Committee filed a certification of no objection to the Tenth Monthly Application [Doc. No. 790].

11. On May 18, 2021, B&H filed its eleventh monthly application for compensation and reimbursement of expenses [Doc. No. 819] (the “Eleventh Monthly Application”). By the Eleventh Monthly Application, B&H sought approval of compensation of \$12,084.50 for the period of April 1, 2021 through April 30, 2021. On June 3, 2021, the Committee filed a certificate of no objection to the Eleventh Monthly Application [Doc. No. 839].

12. On June 16, 2021, B&H filed its twelfth monthly application for compensation and reimbursement of expenses [Doc. No. 850] (the “Twelfth Monthly Application”). By the Twelfth Monthly Application, B&H sought approval of compensation of \$34,345.50 for the period of May 1, 2021 through May 31, 2021. The deadline to object to the Twelfth Monthly Application is July 1, 2021.

13. Attached as **Exhibits A, B, C-1, C-2, D-1, and D-2** are the charts referenced in *Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under United States Code by Attorneys in Larger Chapter 11 Cases*.

14. The total sum due to B&H for professional services rendered on behalf Committee during for the Interim Compensation Period is \$50,253.00. A chart detailing the fees incurred during the Interim Compensation Period, by professional, is attached as **Exhibit B**. B&H submits that the professional services it rendered on behalf of the Committee during this time were both reasonable and necessary.

15. B&H incurred no expenses during the Interim Compensation Period. A chart providing that B&H incurred no expenses during the Interim Compensation Period is attached hereto as **Exhibit D-2**.

16. The undersigned hereby attests that he has reviewed the requirements of Local Rule 2016-1 and this Application conforms to such requirements, including that travel time was not billed at more than half rate and copying charges were only \$.10 per page.

**ADDITIONAL QUESTIONS FROM THE UST GUIDELINES FOR LARGER
CHAPTER 11 CASES**

17. Pursuant to Appendix B of the UST Guidelines, B&H answers the questions below as follows:

18. Did Applicant agree to any variations from, or alternatives to, Applicants' standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain.

ANSWER: No.

19. If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher than 10% or more, did Applicant discuss the reasons for the variation with the client?

ANSWER: The fees sought did not exceed the fees budgeted by 10% or more in the period covered by this Application.

20. Have any of the professionals in this fee application varied their hourly rate based on the geographic location of the bankruptcy cases?

ANSWER: No.

21. Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.) If so, please quantify by hours and fees.

ANSWER: Baker reviewed each time entry in the billing records submitted with this Application in connection with preparation of the required monthly fee statements as necessary to confirm tasks were allocated to an appropriate task code by each timekeeper and that each task was adequately described as required by the Guidelines and as necessary to facilitate the evaluation of the reasonableness of the fees requested by this Application, and as expressly necessary to preparing interim fee applications.

22. Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.

ANSWER: No.

23. If this fee application includes any rate increases since retention: (i) Did your client review and approve those rate increases in advance? (ii) Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458?

ANSWER: The applicable engagement letter provides that B&H's hourly rates are subject to periodic adjustments in hourly rates and that the client will receive notice of hourly rates adjustments in the monthly invoices for services rendered. Additionally, B&H filed a Notice of Rate Increase (Doc. No. 645) disclosing its firm-wide rate increases for the primary timekeepers on this matter.

[Remainder of Page Left Intentionally Blank]

WHEREFORE, the Committee hereby requests pursuant to the procedures allowed in the Interim Compensation Order: (i) approval of allowance of interim compensation for necessary and valuable legal services rendered by B&H to the Committee in the sum of \$50,253.00³ for the period from March 1, 2021 through May 31, 2021 on an interim basis; (ii) payment of any 20% holdback (\$10,050.60) that was withheld from payment under the monthly fee applications; and (iii) such other and further relief as is just and proper.

Dated: June 30, 2021

BAKER & HOSTETLER LLP

/s/ Andrew V. Layden

Elizabeth A. Green

Andrew V. Layden

200 S. Orange Avenue, Suite 2300

Orlando, FL 32801

Telephone: (407) 649-4000

E-mail: egreen@bakerlaw.com

E-mail: alayden@bakerlaw.com

*Counsel for the Official Committee of
Unsecured Creditors*

³ Pursuant to the Order Approving Stipulation Between Certain Debtors and Merchants Automotive Group Inc. [Doc. No. 169] (“Order”), Merchants Automotive Group Inc. (“Merchants”) has contributed \$20,000.00 to the Unsecured Creditors’ Committee’s (“UCC”) counsel to be earmarked for the allowable fees and costs related to the UCC’s investigation of the recharacterization of the Debtors’ leases with purported lessors, such as Merchants [Doc. No. 169 Ex. A § 3.17(b)]. For the avoidance of doubt, the UCC seeks to have all of its fees and costs identified in this application approved and allowed but intends to satisfy up to \$20,000.00 of its allowed fees and costs from the funds contributed by Merchants under the Order.