

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>In re:</b>	§
	§ <b>Chapter 11</b>
<b>CBL &amp; ASSOCIATES</b>	§ <b>Case No. 20-35226 (DRJ)</b>
<b>PROPERTIES, INC., et al.,</b>	§
	§ <b>(Jointly Administered)</b>
<b>Debtors.<sup>1</sup></b>	§

**SUMMARY OF THIRD INTERIM FEE APPLICATION OF WEIL,  
GOTSHAL & MANGES LLP, ATTORNEYS FOR DEBTORS, FOR INTERIM  
ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED  
AND REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES INCURRED  
FROM MAY 1, 2021 THROUGH AND INCLUDING JULY 31, 2021**

<b>Name of Applicant:</b>	Weil, Gotshal & Manges LLP	
<b>Applicant’s Role in Case:</b>	Attorneys for Debtors and Debtors in Possession	
<b>Docket No. of Employment Order:</b>	Docket No. 743 (December 30, 2020)	
<b>Interim Application (X) No. <u>3rd</u></b>		
<b>Final Application ( )</b>		
	<b>Beginning Date</b>	<b>End Date</b>
<b>Time Period Covered by this Application for which interim compensation has not previously been awarded:</b>	05/01/21	07/31/21
<b>Were the services provided necessary to the administration of or beneficial at the time rendered toward the completion of the case? YES</b>		
<b>Were the services performed in a reasonable amount of time commensurate with the complexity, importance and nature of the issues addressed? YES</b>		
<b>Is the requested compensation reasonable based on the customary compensation charged by comparably skilled practitioners in other non-bankruptcy cases? YES</b>		
<b>Do expense reimbursements represent actual and necessary expenses incurred? YES</b>		
<b>Compensation Breakdown for Time Period Covered by this Application</b>		
<b>Total professional fees requested in this Application</b>	\$3,370,289.00	
<b>Total professional hours covered by this Application:</b>	3,154.70	

<sup>1</sup> A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/CBLProperties>. The Debtors’ service address for the purposes of these chapter 11 cases is 2030 Hamilton Place Blvd., Suite 500, Chattanooga, Tennessee 37421.

<b>Average hourly rate for professionals:</b>	\$1,068.34
<b>Total paraprofessional fees requested in this Application:</b>	\$60,559.50
<b>Total paraprofessional hours covered by this Application:</b>	165.20
<b>Average hourly rate for paraprofessionals:</b>	\$366.58
<b>Total fees requested in this Application:</b>	\$3,430,848.50
<b>Total expense reimbursements requested in this Application:</b>	\$24,096.11
<b>Total fees and expenses requested in this Application:</b>	\$3,454,944.61
<b>Total fees and expenses awarded in all prior Applications:</b>	\$12,571,807.74
<b><u>Plan Status:</u></b>	
<ul style="list-style-type: none"> <li>• Confirmed</li> <li>• Confirmation Hearing: August 11, 2021</li> <li>• Confirmation Order: Docket No. 1397</li> <li>• Anticipated Effective Date: November 1, 2021</li> </ul>	
<p><b>Primary Benefits:</b> During the application period, Weil’s professionals helped guide the Debtors through the chapter 11 process by (i) negotiating, drafting, and filing the amended Plan and the related Disclosure Statement; (ii) obtaining Court approval of the Disclosure Statement and solicitation materials; (iii) preparing and filing the chapter 11 case of Laredo Outlet Shoppes, LLC; (iv) continuing negotiations with various property-level lenders; (v) representing the Laredo Debtor in mediation among the Laredo Debtor and U.S. Bank, N.A.; (vi) negotiating, drafting, and filing various documents in the Debtors’ Plan Supplement.</p>	

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re: §  
CBL & ASSOCIATES § Chapter 11  
PROPERTIES, INC., *et al.*, § Case No. 20-35226 (DRJ)  
§  
Debtors.<sup>1</sup> § (Jointly Administered)  
§

THIRD INTERIM FEE APPLICATION OF  
WEIL, GOTSHAL & MANGES LLP, ATTORNEYS FOR DEBTORS, FOR  
INTERIM ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES  
RENDERED AND REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES  
INCURRED FROM MAY 1, 2021 THROUGH AND INCLUDING JULY 31, 2021

IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN 21 DAYS FROM THE DATE YOU WERE SERVED WITH THIS APPLICATION. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE APPLICATION AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

Weil, Gotshal & Manges LLP (“Weil”), counsel to CBL & Associates Properties, Inc. (“CBL”) and its debtor affiliates, as debtors and debtors in possession (the “Debtors”) hereby files its third application (the “Application”) for interim allowance of compensation for professional services performed by Weil during the period commencing May 1, 2021 through and including July 31, 2021 (the “Compensation Period”) in the amount of \$3,430,848.50, and for reimbursement of its actual and necessary expenses in the amount of \$24,096.11 incurred during the Compensation Period, and respectfully represents as follows:

**Preliminary Statement**

1. During the Compensation Period, Weil’s professionals helped guide the Debtors through the chapter 11 process, including, among other things, by (i) negotiating,

<sup>1</sup> A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/CBLProperties>. The Debtors’ service address for the purposes of these chapter 11 cases is 2030 Hamilton Place Blvd., Suite 500, Chattanooga, Tennessee 37421.

drafting, and filing the Debtors' *Third Amended Joint Chapter 11 Plan of CBL & Associates Properties, Inc. and Its Affiliated Debtors* (Docket Nos. 1126, 1163) (the "**Plan**")<sup>2</sup> and the related *Disclosure Statement for Amended Joint Chapter 11 Plan of CBL & Associates Properties, Inc. and its Affiliated Debtors* (Docket Nos. 1127, 1164) (the "**Disclosure Statement**"); (ii) negotiating, drafting, and filing various documents in the *Plan Supplement for Third Amended Joint Chapter 11 Plan of CBL & Associates Properties, Inc. and Its Debtor Affiliates* (Docket No. 1315, as amended by Docket Nos. 1322, 1324, 1380) (the "**Plan Supplement**"); (iii) obtaining Court approval of the Disclosure Statement and solicitation materials; (iv) preparing and filing the chapter 11 case of Laredo Outlet Shoppes, LLC (the "**Laredo Debtor**"); (v) continuing negotiations with various property-level lenders; (vi) coordinating, leading, and representing the Laredo Debtor in mediation among the Laredo Debtor and U.S. Bank, N.A. ("**U.S. Bank**").

2. The services performed and expenses incurred by Weil during the Compensation Period were actual and necessary to preserve and protect the value of the Debtors' estates and minimize any negative impact of the restructuring. Given the circumstances of these chapter 11 cases and the speed and efficiency with which they have been administered thus far, Weil's charges for services performed and expenses incurred are reasonable and appropriate under applicable standards. Weil respectfully requests that the Court grant the Application and allow interim compensation for professional services performed and reimbursement for expenses incurred.

### **Relief Requested**

3. This Application has been prepared in accordance with sections 330(a) and 331 of title 11 of the Bankruptcy Code, Rule 2016 of the Bankruptcy Rules, Rule 2016-1 of

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

the Local Bankruptcy Rules for the Southern District of Texas (the “**Local Rules**”), *Court Procedures for David R. Jones United States Bankruptcy Judge* (the “**Court Procedures**”), the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013* (the “**UST Fee Guidelines**,” and, collectively, with the Court Procedures, the “**Fee Guidelines**”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (Docket No. 350) (the “**Interim Compensation Order**”).

4. The Debtors request approval of Weil’s Application. A proposed form of order granting the relief requested herein is attached hereto as **Exhibit A** (the “**Proposed Order**”).

#### **Jurisdiction**

5. The Court has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

#### **Background**

6. Beginning on November 1, 2020 (the “**Petition Date**”), the Debtors each commenced with this Court a voluntary case under the Bankruptcy Code.

7. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1.

8. On November 13, 2020, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”). No trustee or examiner has been appointed in these chapter 11 cases.

9. On August 11, 2021, the Court confirmed the Debtors’ Plan and entered the *Proposed Findings of Fact, Conclusions of Law, and Order (I) Confirming Third Amended Joint Chapter 11 Plan of CBL & Associates Properties, Inc. and Its Affiliated Debtors and (II) Granting Related Relief* (Docket No. 1397).

10. Additional information regarding the Debtors’ business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the First Day Declaration.

#### **Debtors’ Retention of Weil**

11. On November 30, 2020, the Debtors filed the *Application of Debtors for Authority to Retain and Employ Weil, Gotshal & Manges LLP as Attorneys for Debtors Effective as of Petition Date* (Docket No. 286) (the “**Retention Application**”).

12. On December 30, 2020, the Court entered an order approving the Retention Application (Docket No. 743) (the “**Retention Order**”). The Retention Order authorizes Weil to provide the following services to the Debtors:

- a. take all necessary action to protect and preserve the Debtors’ estates, including the prosecution of actions on the Debtors’ behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved, and the preparation of objections to claims filed against the Debtors’ estates;
- b. prepare on behalf of the Debtors, as debtors in possession, all necessary motions, applications, answers, orders, reports and other papers in connection with the administration of the Debtors’ estates;
- c. take all necessary actions in connection with any chapter 11 plan and related disclosure statement and all related documents, and such further

actions as may be required in connection with the administration of the Debtors' estates;

- d. if necessary, take all appropriate actions in connection with the sale of the Debtors' assets pursuant to section 363 of the Bankruptcy Code, or otherwise; and
- e. perform all other necessary legal services in connection with the prosecution of these chapter 11 cases; provided, however, that to the extent Weil determines that such services fall outside the scope of services historically or generally performed by Weil as lead debtors' counsel in a bankruptcy case, Weil will file a supplemental declaration.

(Retention Order ¶ 2).

**Summary of Professional Compensation  
and Reimbursement of Expenses Requested**

13. Weil seeks interim allowance of compensation for professional services performed during the Compensation Period in the amount of \$3,430,848.50 and for reimbursement of expenses incurred in connection with the rendition of such services in the amount of \$24,096.11. During the Compensation Period, Weil attorneys and paraprofessionals expended a total of 3,319.90 hours in connection with the necessary services performed.

14. There is no agreement or understanding between Weil 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. During the Compensation Period, Weil received no payment or promises of payment from any source other than the Debtors for services rendered, or to be rendered, in any capacity whatsoever in connection with the matters covered by this Application.

15. Prior to the Petition Date, the Debtors paid fee advances to Weil for professional services to be performed and expenses to be incurred in connection with its representation of the Debtors and in preparation of the Debtors seeking relief under chapter 11.

Based on a reconciliation of all charges and expenses through the date of this Application, the balance of the fee advance as of the date of this Application is \$772,405.98.

16. The fees charged by Weil in these cases are billed in accordance with Weil's existing billing rates and procedures in effect from time to time during the Compensation Period. The rates Weil charges for the services rendered by its professionals and paraprofessionals in these chapter 11 cases are no greater than the rates Weil charges for professional and paraprofessional services rendered in comparable bankruptcy and non-bankruptcy related matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable bankruptcy and non-bankruptcy matters in a competitive national legal market.

#### **Supporting Documents**

17. Attached hereto as **Exhibit B** is the Certification of Alfredo R. Pérez (the "**Pérez Certification**") regarding Weil's compliance with the Fee Guidelines.

18. Attached hereto as **Exhibit C** is a schedule of all Weil attorneys and paraprofessionals who have performed services for the Debtors during the Compensation Period, the capacities in which each individual is employed by Weil, the department in which each individual practices, the hourly billing rate charged by Weil for services performed by such individuals, the year in which each attorney was first licensed to practice law, where applicable, and the aggregate number of hours expended in this matter and fees billed in connection therewith (the "**Schedule of Professional Fees**").

19. Weil maintains computerized records of the time spent by all Weil attorneys and paraprofessionals in connection with the prosecution of these chapter 11 cases. Attached hereto as **Exhibit D** is a schedule of Weil's computerized time records billed during the



Compensation Period using project categories hereinafter described in the format specified by the Fee Guidelines (the “**Time Records**”).

20. Attached hereto as **Exhibit E** is an itemized schedule of the expenses for which Weil is seeking reimbursement and a summary specifying the categories of expenses included in the schedule and the total amount for each such expense category (the “**Expenses**”)

21. Attached hereto as **Exhibit F** is a summary and comparison of the aggregate blended hourly rates billed by Weil’s New York and Texas timekeepers to non-bankruptcy matters during the preceding year on a rolling 12-month basis ending August 31, 2021, and the blended hourly rates billed to the Debtors during the Compensation Period (the “**Blended Rate Comparison Chart**”).

22. Attached hereto as **Exhibit G** is a budget prepared in connection with Weil’s representation of the Debtors during the Compensation Period (the “**Budget**”).

23. Attached hereto as **Exhibit H** is a summary of Weil’s staffing plan for the Compensation Period (the “**Staffing Plan**”).

24. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, Weil reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application to the Court.

**Summary of Services Performed by  
Weil During Compensation Period**

25. During the Compensation Period, Weil devoted substantial resources and rendered significant professional services to, among other things, prosecute, negotiate, and solicit the Plan and Disclosure Statement and negotiate various Plan Supplement documents and negotiate with property-level lenders. The following is a summary of some of the significant

professional services rendered by Weil during the Compensation Period, organized in accordance with Weil's internal time-tracking system, and broken down by project or task codes:

a. Case Administration (Case Calendar and WIP) (Task Code 006)

Fees: \$39,818.50; Total Hours: 62.40

- Prepared and continually updated case calendar and comprehensive work-in-process list for the Debtors' and internal use; and
- Responded to a large volume of emails, calls, and correspondence related to the chapter 11 cases, including with respect to the work streams, issues, and matters described in this Application.

b. Chapter 11 Plan/Confirmation (Task Code 007)

Fees: \$1,077,076.50; Total Hours: 1,006.40

- Drafted, negotiated, and filed the Plan;
- Drafted and negotiated definitive documents in connection with the Plan, including various credit facility and indenture documents;
- Coordinated with the Debtors and the Debtors' other advisors regarding the the Plan;
- Drafted and conducted research on confirmation order, memorandum of law in support of confirmation of the Plan, and declarations in support of confirmation of the Plan;
- Reviewed, analyzed, and conducted research relating to objections to confirmation of the Plan, and corresponded and negotiated with various creditors and parties in interest to resolve objections to confirmation of the Plan and to negotiate confirmation order language;
- Prepared for, and participated in, numerous telephone conferences with the Debtors, the Ad Hoc Bondholder Group, the Bank Lenders, the Creditors' Committee, and additional parties in interest related to the Plan;
- Conducted research regarding various potential chapter 11 issues in connection with the Plan, including issues relating to the terms and confirmation of the Plan; and
- Negotiated, drafted, and filed various documents included the Plan Supplement.

c. Corporate Governance/Securities (Task Code 008)

Fees: \$188,641.00; Total Hours: 180.50

- Advised and participated in numerous meetings and calls with the Debtors' senior management regarding the chapter 11 cases, including strategy related to the Debtors' Disclosure Statement and Plan issues, and various corporate governance issues;
- Drafted minutes, resolutions, and other corporate governance documents; and
- Advised the Debtors regarding certain issues relating to their compliance with the Securities and Exchange Commission rules and regulations, including drafting and filing various Form 8-Ks and Form 10-Qs in connection with the Plan and other issues.

d. Disclosure Statement/Solicitation/Voting (Task Code 011)

Fees: \$400,734.00; Total Hours: 416.60

- Drafted, filed, and obtained Court approval of the Disclosure Statement;
- Communicated with the Debtors and their other advisors regarding information to be included in the Disclosure Statement and the exhibits thereto, including liquidation analysis, valuation analysis, and financial projections;
- Reviewed, analyzed, and drafted response to objections to the approval of the Disclosure Statement and solicitation materials and procedures;
- Negotiated with objectors to resolve Disclosure Statement objections;
- Coordinated with Epiq Corporate Restructuring, LLC on solicitation of the Disclosure Statement, Plan, and other solicitation materials, including the mailing of Release Opt Out Forms, in accordance with the Disclosure Statement Order and solicitation procedures; and
- Communicated with the Ad Hoc Bondholder Group, the Bank Lenders, the Creditors' Committee, and other parties regarding the Debtors' Disclosure Statement.

e. General Case Strategy (Including Client/Team Calls) (Task Code 015)

Fees: \$230,959.00; Total Hours: 231.10

- Conducted numerous meetings, conferences and teleconferences regarding the status and administration of the Debtors' chapter 11 cases, various business-related issues and general case strategy, and various work streams regarding the matters described in this Application; and

- Prepared for and participated in regular virtual meetings and on teleconferences with the Debtors' management team and the Debtors' other advisors to discuss case strategy and coordination, Court filings and hearings, transaction negotiations, the Plan, and numerous other case issues and pending matters.

f. Hearings and Court Matters (Task Code 016)

Fees: \$144,931.50; Total Hours: 171.70

- Prepared for and represented the Debtors at hearings to approve the Disclosure Statement and certain other motions, including the motion to extend automatic stay to certain directors and officers, the Debtors' objection to the motion requesting appointment of official committee of preferred equity holders, and first-day motions for the Laredo Debtor; and
- Prepared, filed, and arranged service of various motions, notices, and documents, including agendas, witness and exhibit lists, proposed orders, and certificates of no objection to avoid the expense of hearings on uncontested matters.

g. Real Property/Real Estate Lease Issues (Task Code 020)

Fees: \$330,628.00; Total Hours: 300.70

- Drafted, filed, and obtained approval of *Motion of Debtors to Further Extend Time to Assume or Reject Unexpired Leases of Nonresidential Real Property* (Docket Nos. 1145, 1253);
- Communicated internally and with the Debtors and their advisors regarding various real property issues, including tenant, lease, and mortgage issues;
- Communicated and conferred with counsel to certain property-level lenders, and negotiated and drafted waiver and/or settlement agreements between the Debtors and certain property-level lenders regarding loans on certain of the Debtors' real property;
- Communicated and negotiated a settlement with lender to the Volusia Mall, LLC property and drafted a motion to approve the same; and
- Prepared and filed the *Notice of Classification of Property-Level Guarantee Claims* (Docket No. 1316).

h. Retention/Fee Applications: Weil (Task Code 024)

Fees: \$50,706.50; Total Hours: 66.80

- Drafted and filed the second interim fee application, related declaration, and other documents in connection with Weil's retention; and
- Prepared monthly fee statements in accordance with U.S. Trustee Guidelines and the Interim Compensation Order.

i. Tax Issues (Task Code 027)

Fees: \$325,055.00; Total Hours: 260.30

- Reviewed, analyzed, and drafted tax-related sections of the Plan, Disclosure Statement, and Plan Supplement documents, including the Exit Credit Facility and Restructuring Transaction Steps;
- Analyzed and conducted research on certain tax issues in connection with Plan, Disclosure Statement, and Plan Supplement;
- Communicated internally regarding the tax implications of the Plan and related transactions; and
- Drafted memorandum to advise the Company regarding various tax issues related to the chapter 11 cases.

j. US Trustee/Monthly Operating Report (Task Code 030)

Fees: \$53,038.50; Total Hours: 53.90

- Assisted the Debtors and their professionals with preparation of the Debtors' monthly operating reports;
- Prepared and submitted reports for certain U.S. Trustee reporting requirements and in compliance with various first-day orders; and
- Reviewed, analyzed, and drafted and filed objection to motion requesting appointment of official committee preferred holders.

k. Laredo Debtor (Task Code 032)

Fees: \$318,138.50; Total Hours: 300.10

- Conducted diligence in preparation for drafting and filing the chapter 11 petition and related pleadings for the Laredo Debtor;
- Drafted, filed, and obtained Court approval of various first day orders for the Laredo Debtor;
- Negotiated with U.S. Bank regarding various issues in the case, including the use of cash collateral and related budget;

- Coordinated and represented the Laredo Debtor in mediation among the Laredo Debtor and U.S. Bank over the chapter 11 case;
- Drafted the Laredo Debtor's mediation statement;
- Upon reaching a settlement in mediation, drafted and filed *Joint Motion of Debtor Laredo Outlet Shoppes, LLC and U.S. Bank for Entry of an Order Approving (I) Settlement Agreement and (II) Agreed Dismissal of Chapter 11 Case* (Docket No. 1332);
- Assisted the Laredo Debtor and coordinated with its advisors to prepare, review, revise, and file the Laredo Debtor's schedules of assets and liabilities and statements of financial affairs; and
- Prepared for and participated in virtual meetings and on teleconferences with the Laredo Debtor's management team to discuss case strategy and coordination, Court filings and hearings, negotiations, and numerous other case issues and pending matters.

26. In addition to the foregoing, Weil prepared, on behalf of the Debtors, all necessary motions, applications, orders, responses, and other papers in support of positions taken by the Debtors.

27. The foregoing professional services were necessary and appropriate to the administration of the Debtors' chapter 11 cases. The professional services performed by Weil were in the best interests of the Debtors and their stakeholders. Compensation for such services is commensurate with the complexity, importance and nature of the issues and tasks that were involved in these cases. All of Weil's professional services were performed skillfully and efficiently.

28. The professional services performed by Weil's partners, counsel, associates, and paraprofessionals were rendered by the Restructuring, Corporate, Litigation, and Tax, Benefits & Executive Compensation Departments predominantly in the New York and Houston offices. Weil has a preeminent Restructuring practice and enjoys a national reputation for its expertise in financial reorganizations and restructurings of distressed entities.

29. The professional services performed by Weil on behalf of the Debtors during the Compensation Period required an aggregate expenditure of approximately 3,319.90 hours by Weil's partners, counsel, associates, and paraprofessionals. Of the aggregate time expended, approximately 1,259.20 recorded hours were expended by partners and counsel of Weil, approximately 1,895.50 recorded hours were expended by associates, and approximately 165.20 recorded hours were expended by paraprofessionals of Weil. Of the 28 Weil associates who billed time, only 9 billed fewer than 15 hours to this matter. Of the 7 Weil paraprofessionals who billed time, only 3 billed fewer than 15 hours to this matter during the Compensation Period.

30. During the Compensation Period, Weil billed the Debtors for time expended by attorneys based on hourly rates ranging from \$630.00 to \$1,795.00 per hour for attorneys. Allowance of compensation in the amount requested would result in a blended hourly billing rate for Weil attorneys in this Application of approximately \$1,068.34 (based on 3,154.70 recorded hours for attorneys at Weil's billing rates in effect at the time of the performance of services).

**Actual and Necessary Disbursements of Weil**

31. As set forth in **Exhibit E** attached hereto, Weil has disbursed \$24,096.11 as expenses incurred in providing professional services during the Compensation Period. These expenses are reasonable and necessary and were essential to the overall administration of these cases.

32. With respect to photocopying expenses, in compliance with the Fee Guidelines and Local Rule 2016-1, Weil charges all of its clients \$0.10 per black-and-white page; Weil charges \$0.50 per color page. With respect to legal research, Weil does not charge more than the actual cost. Each of these categories of expenses does not exceed the maximum

rate set by the Fee Guidelines or the Local Rules. These charges are intended to cover Weil's direct operating costs, which costs are not incorporated into Weil's hourly billing rates. Only clients who actually use services of the types set forth in Exhibit E are separately charged for such services. The effect of including such expenses as part of the hourly billing rates would impose that cost upon clients who do not require extensive photocopying and other facilities and services. The amount of the standard photocopying charge is intended to allow Weil to cover the related expenses of its photocopying service. A determination of the actual expenses per page for photocopying, however, is dependent on both the volume of copies and the total expenses attributable to photocopying on an annual basis.

33. On certain occasions, overnight delivery of documents and other materials was required as a result of circumstances necessitating the use of such express services. These disbursements are not included in Weil's overhead for the purpose of setting billing rates. Weil has made every effort to minimize its disbursements in these cases. The actual expenses incurred in providing professional services were those that were absolutely necessary, reasonable, and justified under the circumstances to serve the needs of the Debtors and their estates and creditors.

**Requested Compensation Should Be Allowed**

34. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. Section 330(a)(1) of the Bankruptcy Code provides that a Court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered [and] reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1).

35. The Court of Appeals has held that the six factors found in section 330(a)(3) of the Bankruptcy Code are to be considered when awarding compensation to



professionals. *See In re Crager*, 691 F.3d 671, 676 (5th Cir. 2012). Specifically, under section 330 of the Bankruptcy Code, courts “shall consider the nature, the extent, and the value of such services, taking into account all relevant factors,” including—

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

36. In the instant case, Weil submits that the services for which it seeks compensation and the expenditures for which it seeks reimbursement in this Application were necessary for and beneficial to the preservation and maximization of value for all stakeholders and to the orderly administration of the Debtors’ estates. The compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest.

37. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the issues and tasks involved. Not only were Weil’s professional services performed skillfully and efficiently, but whenever possible, Weil

sought to minimize the cost of its services to the Debtors by utilizing talented junior attorneys and paraprofessionals to handle the more routine aspects of case administration. In addition, groups of the same Weil attorneys were utilized for similar tasks in these cases to minimize the costs of intra-Weil communication and education about the Debtors' circumstances. As described above, the complexity of these cases required the use of specialists in tax, banking and finance, capital markets, real estate, employee benefits, and other areas to achieve the progress the Debtors have reached thus far in these chapter 11 cases.

38. In sum, the services rendered by Weil were necessary and beneficial to the Debtors' estates and were consistently performed in a timely manner commensurate with the types of issues involved in these chapter 11 cases. Accordingly, approval of the compensation for professional services and reimbursement of expenses sought in this Application is warranted.

**Notice**

39. Notice of this Application will be provided in accordance with the procedures set forth in the Interim Compensation Order. The Debtors respectfully submit that no further notice is required.

40. No previous request for the relief sought herein has been made by Weil or the Debtors to this or any other Court.

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**Conclusion**

41. Weil respectfully requests that the Court award interim allowance of Weil's compensation for professional services rendered during the Compensation Period in the amount of \$3,454,944.61, consisting of \$3,430,848.50 representing 100% of fees incurred during the Compensation Period, and reimbursement in the amount of \$24,096.11 representing 100% of actual and necessary expenses incurred during the Compensation Period, and that such allowance be without prejudice to Weil's right to seek additional compensation for services performed and expenses incurred during the Compensation Period in the event such fees and expenses were not processed at the time of this Application and grant such other and further relief as is proper and just.

Dated: September 14, 2021  
Houston, Texas

/s/ Alfredo R. Pérez  
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-and-

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**Certificate of Service**

I hereby certify that on September 14, 2021, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Alfredo R. Pérez  
Alfredo R. Pérez