

UNITED STATE BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

**D.N.J. LBR 2016-1 FEE APPLICATION COVER SHEET FOR THE
PERIOD SEPTEMBER 2, 2021 THROUGH NOVEMBER 30, 2021**

Debtor:	<u>Aluminum Shapes, L.L.C.</u>	Applicant:	<u>Fox Rothschild LLP</u>
Case No.:	<u>21-16520 (JNP)</u>	Client:	<u>Official Committee of Unsecured Creditors of Aluminum Shapes, L.L.C.</u>
Chapter:	<u>11</u>	Case Filed:	<u>August 15, 2021</u>

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A
CERTIFICATION UNDER PENALTY OF PERJURY
PURSUANT TO 28 U.S.C. SECTION 1746

RETENTION ORDER [D.I. 140] ATTACHED
Attached hereto as **Exhibit A.**

**SECTION 1
FEE SUMMARY**

☒ Interim Fee Application No. 1 or ☐ Final Fee Application

Summary of Amounts Requested for the
Period September 2, 2021 through November 30, 2021 (the "**First Interim Period**").

Fees: \$777,695.40¹
Costs: \$ 6,817.28

	<u>FEES</u>	<u>EXPENSES</u>
Total Previous Fee Requested:	<u>\$777,695.40</u>	<u>\$6,817.28</u>
Total Fees Allowed to Date:	<u>\$622,156.32</u>	<u>\$6,817.28</u>
Total Retainer (If Applicable):	<u>\$0.00</u>	<u>N/A</u>
Total Holdback (If Applicable):	<u>\$155,664.44</u>	<u>\$0.00</u>
Total Received by Applicant:	<u>\$622,030.96</u>	<u>\$6,817.28</u>

¹ Total Interim Fees sought by the within First Interim Fee Application includes a voluntary reduction of \$28,335.10 (fees) in connection with Fox Rothschild's Third Monthly Fee Statement (D.I. 317)

**Summary of Fox Rothschild LLP's Monthly Fee Applications
For Services Rendered and Reimbursement of Expenses for the Interim Period of
September 2, 2021 through and including November 30, 2021**

Date & Docket No.	Filing Period	Requested Fees	Requested Expenses	CNO Date & Docket No.	Fees (80%)	Expenses (100%)	Unapproved Holdback
First Monthly [D.I. 205]	9/02/21 through 9/30/21	\$305,300.00	\$385.72	CNO 250; Efiled 11.9.21	\$244,240.00 [Paid 245,240.00] ²	\$385.72 [Paid]	\$60,060.00
Second Monthly [D.I. 273]	10/1/21 through 10/31/21	\$217,379.50	\$804.74	CNO 298; Efiled 11.29.21	\$173,903.60 [Paid]	\$804.74 [Paid]	\$43,475.90
Third Monthly ³ [D.I.]	11/1/21 through 11/30/20	\$255,015.90	\$5,626.82	CNO 331; Efiled 12.27.21	\$204,012.72 [Paid \$202,887.36]	\$5,626.82 [Paid]	\$52,128.54
Totals for First Interim Fee Application		\$777,695.40	\$6,817.28		\$622,156.32 ⁴	\$6,817.28	\$155,664.44

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² The Debtor inadvertently paid us \$245,240.00 which is \$1,000 more than the 80%.

³ Reflects 10% voluntary reduction of fees.

⁴ Fees paid/received to date: \$622,030.96

SECTION II - Summary of Fox Rothschild LLP's Professional Fees For Services Rendered and Reimbursement of Expenses for the Interim Period of September 2, 2021 through November 30, 2021

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years of Professional Service)	HOURS	RATE	FEE
Michael J. Viscount, Jr., Partner	Partner, Admitted 1981 Financial Restructuring and Bankruptcy	197.6	\$780.00	\$153,348.00
Martha B. Chovanes, Partner	Partner, Admitted 1988 Financial Restructuring and Bankruptcy	210.6	\$755.00	\$159,003.00
Joseph J. DiPasquale, Partner	Partner, Admitted 1994 Financial Restructuring and Bankruptcy	263.9	\$850.00	\$224,315.00
David Restaino, Partner	Partner, Admitted 1990 Litigation	14.2	\$730.00	\$103,66.00
Christopher L. Pizzo, Partner	Partner, Admitted 2020 Corporate	8.3	\$620.00	\$5,146.00
Nevena Simidjiyska, Partner	Partner, Admitted 2007 Corporate	13.7	\$580.00	\$7,946.00
Robert F. Elgidely, Partner	Partner, Admitted 1997 Financial Restructuring and Bankruptcy	75.2	\$580.00	\$43,616.00
Eleanor Vaida Gerhards, Partner	Partner, Admitted 2007 Corporate	29.0	\$530.00	\$15,370.00
Michael R. Herz, Partner	Partner, Admitted 2008 Financial Restructuring and Bankruptcy	172.4	\$510.00	\$87,924.00
Joseph Caneco, Associate	Associate, Admitted 2016 Financial Restructuring and Bankruptcy	125.3	\$440.00	\$55,132.00
Stephanie Slater, Associate	Certified Limited Practice Licensee	63.4	\$335.00	\$22,507.00
Robin I. Solomon, Paralegal	n/a	4.4	\$415.00	\$1,826.00
Kathleen A. Senese, Paralegal	n/a	40.1	\$315.00	\$12,631.50
Shavone Green, Paralegal	n/a	27.6	\$250.00	\$6,900.00
TOTAL FEES		1245.7		\$806,030.50
			Less 10% Voluntary Reduction ⁵	- \$28,335.10
				\$777,695.40

⁵ Total Interim Fees sought by the within First Interim Fee Application includes a voluntary reduction of \$28,335.10 (fees) in connection with Fox Rothschild's Third Monthly Fee Statement (D.I. 317)

Total Request This Application:
Fees Total – Section II, Page 3: \$777,695.40
Disbursements Total – Section III, Page 4: \$ 6,817.28
TOTAL: \$784,512.68

SECTION II - SUMMARY OF SERVICES

Task	Description	Hours	Total
A	Asset Analysis and Recovery	48.7	\$28,723.50
AA	Assumption/Rejection of Leases and Contracts	0.6	\$392.50
B	Asset Disposition	327.8	\$253,497.50
BB	Budgeting (Case)	0.3	\$234.00
C	Business Operations	2.2	\$1,623.00
CA	Court Appearance	21.1	\$15,557.00
D	Case Administration	70.9	\$40,812.50
DD	Non-Working Travel [billed at half rate]	2.0	\$780.00
E	Claims Administration and Objections	6.5	\$3,998.50
EE	Real Estate	0.2	\$156.00
F	Employee Benefits/Pensions	48.3	\$27,892.00
G	Fee/Employment Applications	92.7	\$50,285.50
GG	Reporting	0.1	\$51.00
I	Financing/Cash Collateral	236.5	\$138,382.00
II	Secured Creditor Lien Analysis	38.8	\$22,306.50
J	Litigation (Other than Avoidance Action Litigation)	148.5	\$91,287.00
K	Avoidance Action Litigation	67.9	\$39,309.50
L	Meetings and Communications with Creditors	90.0	\$59,389.50
M	Plan and Disclosure Statement	25.9	\$18,772.50
N	Relief from Stay Proceedings	0.5	\$377.00
O	Regulatory Compliance	13.5	\$10,091.00
R	Business Analysis	0.4	\$340.00
U	Litigation Consulting	2.0	\$1,517.50
Z	Labor Matters and Negotiations	0.3	\$255.00
	SERVICE FEE TOTALS⁶	1245.7	\$806,030.50

⁶ Total Interim Fees sought by the within First Interim Fee Application includes a voluntary reduction of \$28,335.10 (fees) in connection with Fox Rothschild's Third Monthly Fee Statement (D.I. 317)

Invoices itemizing services rendered for the period of September 2, 2021 through and including November 30, 2021 (First Monthly Fee Statement (9/2/2021 – 9/30/2021), Second Monthly Fee Statement (10/1/2021 – 10/31/2021) and Third Monthly Fee Statement (11/1/2021 – 11/30/2021) are attached hereto as **Exhibits B1, B2 and B3**.

SECTION III - SUMMARY OF DISBURSEMENTS

Description	Amount
Courtcall / Court Solutions (Court hearing attendance telephonically)	\$250.00
CSC (lien analysis)	\$485.15
Court Filings (including <i>pro hac</i> filings)	\$188.30
Court Report (Transcription Services)	\$4128.60
Deposition Transcripts	\$55.20
Photocopying No. of Pages (4687); Rate per Page \$0.20	\$937.40
Postage Charges	240.16
Postage Certified Charges	\$119.44
Messenger / FedEx	\$199.57
Miscellaneous Fee (Covid test required to attend auction)	\$89.00
Outside Vendor (retrieval of entity documents)	\$44.70
Research (Westlaw)	\$79.76
DISBURSEMENTS TOTAL	\$6,817.28

A statement itemizing out-of-pocket expenses incurred for the period of September 2, 2021 through and including November 30, 2021 is attached hereto as **Exhibit C**.

**SECTION IV
CASE HISTORY**

(1) Date case filed: August 15, 2021 (the “**Petition Date**”)

(2) Chapter under which case commenced: Chapter 11

(3) Date of Retention: September 2, 2021⁷

If limit on number of hours or other limitations to retention, set forth: n/a

(4) Summarize in brief the benefits to the estate and attach supplements as needed:⁸

These services include, but are not limited to the following:

Asset Analysis and Recovery (A): 48.7 hours; \$28,723.50

Among other services, this project code includes services related to work of Fox attorneys to (1) identify assets of the estate including claims and potential claims against lenders, officers, directors, investors and other insiders, (2) understand the nature and extent of the assets of the estate to be sold during the case, and (3) assessment of consideration being offered by potential purchasers. Fox attorneys also incurred time reviewing D&O management liability policy coverage, including discussions with Debtor’s counsel regarding same.

Asset Disposition (B): 327.8 hours; \$253,497.50

In connection with the ongoing efforts of the Debtor to market and sell its assets under the Bid Procedures approved by the Court, Fox presented recommendations and updates to the Committee and engaged extensively with other interested parties, including the Debtor, the DIP Lender and the Stalking Horse in connection with amendments to the bid procedures, the APA and other documents for the purpose of allowing for negotiation with a possible strategic purchaser. Fox also reviewed and analyzed environmental issues effecting the sale of the assets of the Debtor and advised and updated the Committee and sale professionals with respect thereto

Among other services, this project code includes (1) negotiation of changes to the asset purchase agreement with the stalking horse and proposed procedures for bidding at an auction of substantially all of the Debtor’s assets, (2) support for the Committee in briefing and at hearings to address objections to the proposed sale

⁷ The Retention Order (D.I. 140) is submitted herewith as **Exhibit A**.

⁸ The Invoices submitted hereto as **Exhibits B1, B2 and B3** include detailed time entries summarizing the professional services rendered by Fox Rothschild LLP as counsel to the Official Committee of Unsecured Creditors of Aluminum Shapes, L.L.C. (“**Committee**”).

procedures, and later objections to the sale as proposed, (3) assessment of bidders and competing bids and related decision making in consultation with the Debtor and secured lender relating to extending milestones related to the Sale, (4) active involvement in auction scheduling and procedures negotiations, (5) attendance and active participation as a consultation party at the Auction that resulted in the ultimate sale of substantially all of the assets of the estate for \$32 million dollars.

Assumption / Rejection of Leases and Contracts (AA): 0.6 hours; \$392.50

Among other services, this project code includes Fox's work on behalf of the Creditors' Committee related to the Debtor's rejection of several agreements. In addition, Fox attorneys responded to numerous inquiries from contract counterparties seeking further information about adequate assurances and the intentions of the Debtor with regard to assumption and assignment.

Avoidance Action Litigation (K): 67.9 hours; \$39,309.50

Among other services, this project code includes Fox's inquiry of the Debtor's management and professionals to understand the extent and amount of preference claims and is in addition to efforts to assess and understand avoidance and other estate actions recorded under asset analysis & recovery. Additionally, Fox prepared a stipulation by which the Debtor granted the Committee derivative standing by consent to pursue three (3) adversary complaints seeking lien avoidance of the Judgment liens and disallowance or determination of the underlying claims and related relief, and Fox prepared and filed a number of avoidance complaints to avoid security interests of alleged lienholders. Fox also reviewed the avoidance complaints filed by the Debtor against additional parties.

This project code also includes Fox's preparation and filing of a complaint challenging the validity of a portion of Tiger Finance LLC's lien.

Further, Fox investigated the validity, extent and priority of asserted prepetition liens against the Debtor's property by parties other than the secured lender.

Budgeting (Case) BB: 0.3 hours; \$234.00

Fox provided information to the Debtor relating to the anticipated budget for its services.

Business Analysis (R): 0.4 hours; \$340.00

Fox reviewed the Debtor's cash flow forecasts.

Business Operations (C): 2.2 hours; \$1,623.00

Among other services, this project code includes Fox's review and analysis of the Debtor's motion to enter into premium financing agreement and budget limitations with respect to same and the review of the Debtor's monthly operating reports and budgets. With respect thereto, Fox attorneys counseled the Committee and related professionals in matters related to the Debtor's required Chapter 11 reporting requirements.

Case Administration (D): 70.9 hours; \$40,812.50

Among other services, this project code includes Fox's filing of initial appearances, preparing and overseeing the execution of Committee Bylaws, and work to understand the Debtor's first day motions and applications.

This project code also includes Fox's attention to various case administration services that were required and/or necessary for the effective and efficient administration of these chapter 11 cases on behalf of the Committee, including weekly calls with Debtor's counsel, Obermayer, and with the Committee's financial advisor, BRG. Fox paraprofessionals kept the Fox team abreast of critical dates, the status of pending motions and applications before the Court, and other work in progress, and advised on general day-to-day issues that arose during this compensation period.

Claims Administration and Objections (E): 6.5 hours; \$3,998.50

Among other services, this project code includes review by Fox attorneys of Debtor's schedules and statements of affairs to identify the claims against the estate, the claims register, and reviewing certain claims to determine whether they are subject to challenge, and working with the Debtor to establish a claims bar date for administrative claims. Further, Fox attorneys and paraprofessionals fielded and responded to numerous inquiries from creditors and other parties in interest in these cases regarding the preparation and filing of proofs of claim.

Court Appearance (CA): 21.1 hours; \$15,557.00

This project code includes Fox attorneys' preparation for and attendance at required Court hearings, included many contested hearings in Bankruptcy Court.

Employee Benefits / Pensions (F): 48.3 hours; \$27,892.00

This project code includes Fox attorneys' review of issues such as severance, retention, and Debtor's request for a approval of a KEIP and KERP as well as significant time negotiating with Debtor concerning the terms of the KEIP and KERP and the Committee's ultimate preparation and filing of an objection to the KEIP.

Fee/Employment Applications (F): 48.3 hours; \$27,892.00

Among other services, this project code includes Fox's preparation of and/or attention to the filing and service of its retention application and certificate in support thereof as counsel to the Official Committee of Unsecured Creditors. Fox also consulted with and assisted the financial advisor to the Committee in preparing and filing its retention application. Fox reviewed other retention applications that were filed.

This task code also includes time to draft and file Fox's first, second, and third monthly fee statements, and time to (to date) required to prepare Fox's first interim fee application.

This project code also includes Fox's review of Debtor's pleadings concerning the retention of its professionals and where appropriate, negotiation of such retention terms as well as review of retention and payment applications for ordinary course professionals.

Financing / Cash Collateral (I): 236.5 hours; \$138,382

Among other services, this project code includes review, negotiation and objection by Fox attorneys to Debtor's motions for use of cash collateral and for approval of DIP Financing of secured lender and related orders and budgets. In connection with the DIP Financing Motion of Debtor, defaults called by the DIP Lender, and amendments requested by the Debtor. Fox spearheaded the negotiations with the secured lender to resolve the various objections thereto resulting in significant revisions to the DIP Order and the Bid Procedures for the benefit of the Debtor's unsecured creditors.

Labor Matters and Negotiations (Z): 0.3 hours; \$255.00

The project category includes the review of the Debtor's collective bargaining agreement.

Litigation (Other than Avoidance Action Litigation) (J): 148.5 hours; \$91,289.00

Among other services, Fox investigated potential claims against the officers and directors of the Debtor. Fox reviewed pleadings, documents and the proceedings related to aluminum dumping litigation brought by the government against other entities with some connection to the Debtor; investigated Debtor's insurance policies available for litigation claims and timing of notice of claims required to the insurance companies; commenced a detailed factual investigation of potential claims; and prepared a notice of claims which was sent to the Debtor to put the carriers on notice of potential claims covered by D&O insurance. Fox also prepared informal discovery to Debtor's officers and directors and negotiated with Debtor's counsel with respect thereto.

Also included in this project category is Fox's review of the litigation brought by the Debtor against Concrete Support Systems and ULTI PRO.

Litigation Consulting (U): 2.0 hours \$1,517.50

The project code includes Fox's services to review and comments on first day orders, in particular to review and address/ follow up on the payment of unpaid prepetition employee withholding.

Meetings and Communications with Creditors (L): 90.0 hours; \$59,389.50

Among other services, Fox attorneys organized and conducted weekly meetings with the members of the Official Committee of Unsecured Creditors, prepared for and attended the Debtor's section 341 meeting of creditors, and throughout the case communicated with the members of the committee and other creditors concerning issues in the case and strategies to pursue. In conjunction therewith, Fox prepared agendas for Committee meetings and minutes of Committee meetings.

Non-Working Travel (DD): 2.0 hours; \$780.00

Fox attorneys were required to travel to and from the auction of the Debtor's assets. Charges for this project code are billed at 50% of the billing professionals' regular hourly rate [total: \$1,560.00 - reduced by 50%].

Plan and Disclosure Statement (M): 25.9 hours; \$18,772.50

The Committee prepared a draft Joint Debtor and Committee Liquidating Plan and Disclosure Statement for review and comment by the Debtor, which it presented to Debtor's counsel in early December.

Real Estate (EE): 0.2 hours; \$156.00

Review of the funding arrangements for ongoing remediation of Debtor's real property and adjacent real property sold in 2019.

Regulatory Compliance (O): 13.5 hours; \$10,091.00

Among other services, Fox reviewed and analyzed the potential environmental issues associated with the sale of the Debtor's property, including a review of NJDEP information; assessment of current remediation activities; discussion with Debtor's environmental attorneys with respect to additional sampling required for PFAS testing; review of results of testing, and communication with Fox team with respect thereto.

Relief From Stay Proceedings (N): 0.5 hours; \$337.00

This category contains time required of the Committee to address matters relating to the termination or continuation of the automatic stay under Section 362.

Reporting (GG): 0.1 hours; \$51.00

This category contains time for the review of Debtor's August monthly operating report.

Secured Creditor Lien Analysis (II): 38.8 hours; \$22,306.50

This project code includes Fox attorneys' time to review and analyze the validity and extent of the lien of the secured lender, Tiger Finance.

(5) Anticipated Distribution to Creditors:

Administration Expenses:	100%
Secured Creditors:	100%
Priority Creditors:	100%
General Unsecured Creditors:	Unknown at this time.

(6) Final Disposition of Case and Percentage of Dividend Paid to Creditors (if applicable): Final disposition of case and dividend are unknown at this time.

I certify under penalty of perjury that the above is true.

Date: January 7, 2021

/s/ Michael J. Viscount, Jr.

Michael J. Viscount, Jr.