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*Counsel to the Official Committee  
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**In re:**

**TUESDAY MORNING CORPORATION,  
*et al.*,<sup>1</sup>**

**Debtors.**

§  
§ **Chapter 11**  
§  
§ **Case No. 20-31476-HDH-11**  
§  
§ **Jointly Administered**  
§

**WINSTEAD PC'S FIRST AND FINAL FEE APPLICATION FOR  
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES**

**A HEARING WILL BE CONDUCTED ON THIS MATTER  
ON THURSDAY, MARCH 18, 2021, AT 1:30 P.M., AT THE  
EARL CABELL FEDERAL BUILDING, 1100 COMMERCE  
STREET, 14TH FLOOR, COURTROOM #3, DALLAS,  
TEXAS. 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**

<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Tuesday Morning Corporation (8532) ("TM Corp."); TMI Holdings, Inc. (6658) ("TMI Holdings"); Tuesday Morning, Inc. (2994) ("TMI"); Friday Morning, LLC (3440) ("FM LLC"); Days of the Week, Inc. (4231) ("DOTW"); Nights of the Week, Inc. (7141) ("NOTW"); and Tuesday Morning Partners, Ltd. (4232) ("TMP"). The location of the Debtors' service address is 6250 LBJ Freeway, Dallas, Texas 75240.

**THE BANKRUPTCY COURT BY MARCH 9, 2021. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.**

**Fee Application Cover Sheet**

<b>Final Fee Application of:</b>	Winstead PC
<b>Capacity:</b>	Texas Co-Counsel to the Official Committee of Equity Security Holders of Tuesday Morning Corporation
<b>Time Period Covered:</b>	October 6, 2020 through December 31, 2020
<b>Bankruptcy Petition Filed</b>	May 27, 2020
<b>Date of Retention:</b>	Effective October 6, 2020 pursuant to the <i>Order Granting Application to Employ Winstead PC as Texas Co-Counsel to the Official Committee of Equity Security Holders as of October 6, 2020</i> [Docket No. 1724]
<b>Status of Case:</b>	Confirmed Chapter 11 Plan
<b>Type of Fee Statement</b>	Final Fee Application
<b><u>Amount of Fees Requested:</u></b>	\$63,773.50
<b>Amount of Expense Requested:</b>	\$6,075.29
<b>Amount of Other (Fee Application Expense) Requested:</b>	\$8,500
<b><u>TOTAL COMPENSATION REQUESTED:</u></b>	\$78,348.79
<b><u>Reductions:</u></b>	
<b>Voluntary fee reductions:</b>	\$0
<b>Expense reductions:</b>	\$0
<b><u>TOTAL REDUCTIONS:</u></b>	\$0
<b>Draw Down Requested:</b>	\$0
<b>Retainer Received:</b>	\$0
<b>Previous Draw Down(s):</b>	\$0
<b>Remaining Retainer (now):</b>	\$0

<b>Requested Draw Down:</b>	\$0
<b>Retainer Remaining (after):</b>	\$0
<b>Total Compensation Paid Pursuant to a Monthly Fee Statement But Not Yet Allowed:</b>	<b>\$37,529.22</b>
<b>Total Fees Paid Pursuant to a Monthly Fee Statement But Not Yet Allowed:</b>	\$31,989.60
<b>Total Expenses Paid Pursuant to a Monthly Fee Statement Order But Not Yet Allowed:</b>	\$5,539.62
<b><u>EXPENSE DETAIL:</u></b>	
Copies - per page cost and total:	\$.10 ( per page) / \$8.80 (total)
Fax - per page cost and total:	\$0
External Mailing	\$5,139.62
Printing Charges	\$8.80
Binding Expense	\$4.29
Transcripts	\$306.00
Courier	\$16.58
<i>Pro Hac Vice</i> Fees	\$600.00
<b><u>TOTAL EXPENSES REQUESTED:</u></b>	<b>\$6,075.29</b>
<b><u>Attorney Hourly Rates</u></b>	
<b>Highest Rate:</b>	\$725.00
<b>Total Hours Billed:</b>	115
<b>Blended Rate:</b>	\$531.51
<b><u>Paralegal Hourly Rates</u></b>	
<b>Highest Rate:</b>	\$265.00
<b>Total Hours Billed:</b>	10
<b>Blended Rate:</b>	\$265.00

/s/ Rakhee V. Patel  
Signature

February 15, 2021  
Date

**TO THE HONORABLE HARLIN D. HALE, CHIEF UNITED STATES BANKRUPTCY JUDGE:**

Winstead PC ("Winstead" or "Applicant"), Texas co-counsel to the Official Committee of Equity Security Holders of Tuesday Morning Corporation (the "Equity Committee") appointed in the Chapter 11 cases of the above-captioned debtor and debtors-in-possession (collectively, the "Debtors"), files this its *First and Final Fee Application for Compensation and for Reimbursement of Expenses* (the "Application") pursuant to 11 U.S.C. §§ 328, 330 and 1103, Rules 2002 and 2016 of the Federal Rules of Bankruptcy Procedure, Local Rules 2016-1 and 2020-1, the United States Trustee Fee Guidelines – Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses by Attorneys in Larger Chapter 11 Cases (the "UST Guidelines"), the *Order Granting Debtors' Motion to Establish Procedures for Interim Compensation and Reimbursement of Expenses for Case Professionals* [Docket No. 453] (the "Monthly Compensation Order") entered on July 14, 2020, and the *Order Granting Application to Employ Winstead PC as Texas Co-Counsel to the Official Committee of Equity Security Holders as of October 6, 2020* [Docket No. 1724] ("Retention Order"), entered on December 1, 2020.

**I. JURISDICTION**

1. The United States District Court for the Northern District of Texas (the "District Court") has jurisdiction over the subject matter of this Application pursuant to 28 U.S.C. § 1334. The District Court's jurisdiction has been referred to this Court pursuant to 28 U.S.C. § 157 and the *District Court's Miscellaneous Order No. 33, Order of Reference of Bankruptcy Cases and Proceedings Nunc Pro Tunc* dated August 3, 1984. This is a core matter pursuant to 28 U.S.C. § 157(b), which may be heard and finally determined by this Court.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. This Application is made pursuant to Sections 328(a), 330, and 1103 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

## **II. RELIEF REQUESTED**

4. Winstead asks this Court to enter an order: (i) granting approval of all fees and expenses incurred by Winstead in these cases from October 6, 2020 through December 31, 2020 (the "Application Period") in the total amount of **\$78,348.79** of which **\$63,773.50** represents attorneys' and paraprofessionals' fees for services rendered, **\$6,075.29** constitutes reimbursable expenses incurred, and **\$8,500.00** represents fees and expenses in connection with the preparation of this Application; (ii) allowing compensation and reimbursement of all sums requested pursuant to the attached fee statements (defined herein as **Exhibit "E"**) for the Application Period; and (iii) authorizing the allowed fees and expenses.

## **III. FACTUAL BACKGROUND**

5. On May 27, 2020 (the "Petition Date"), the Debtors each filed voluntary petitions for relief under the Bankruptcy Code commencing the above-captioned jointly-administered cases (the "Chapter 11 Cases").

6. The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to Bankruptcy Code Sections 1107 and 1108.

7. On October 5, 2020, the United States Trustee (the "U.S. Trustee") appointed the Equity Committee. The members of the Equity Committee, as originally constituted, were: (i) Kevin Barnes; (ii) Osmium Capital Partners; (iii) Milestone Capital Management; (iv) Alexander Keoleian; and (v) Adam Gui. *See* Docket No. 1151. The current members of the Equity Committee are: (i) Milestone Capital Management; (ii) Alexander Keoleian; and (iii) Adam Gui (the "Members").

8. On October 6, 2020, the Equity Committee selected Winstead as its proposed Texas co-counsel, subject to the Court's approval.

9. On November 4, 2020, the Equity Committee filed the *Application for Order Authorizing the Employment and Retention of Winstead PC as Texas Co-Counsel to the Official Committee of Equity Security Holders of Tuesday Morning Corporation as of October 6, 2020* [Docket No. 1488] (the "Retention Application"), seeking to employ and retain Winstead as its Texas co-counsel, effective as of October 6, 2020.

10. The Retention Application was approved by the Court on December 1, 2020, and the Retention Order was entered on December 1, 2020. The Retention Order states that the Equity Committee was authorized to employ and retain Winstead effective as of October 6, 2020.

11. On July 14, 2020, the Court entered the Monthly Compensation Order. Pursuant to the Monthly Compensation Order, the Court established a procedure for interim compensation and reimbursement of disbursements for professionals appointed in these Chapter 11 Cases. In particular, the Court authorized the service, via e-mail, to certain notice parties of monthly statements by professionals appointed in the Chapter 11 Cases (including professionals employed by the Equity Committee) (the "Monthly Fee Statement") and payment by the Debtors of such fees and expenses, less a 20% holdback of the fees, in the absence of an objection made within ten (10) days of service of the relevant monthly statement. As of the date of this filing, \$37,529.22 of fees and expenses have been paid to Winstead pursuant to the Monthly Compensation Order (\$37,529.22 for the months of October and November). Winstead did not file a Monthly Fee Statement for the month of December.

12. On December 23, 2020, the Court entered the *Order Confirming the Revised Second Amended Joint Plan of Reorganization of Tuesday Morning Corporation, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1913] (the "Confirmation Order"). The *Revised Second Amended Joint Plan of Reorganization of Tuesday Morning Corporation, et al., Pursuant to Chapter 11 of the Bankruptcy Code* (the "Plan") went effective on December 31, 2020 (the "Effective Date"), as stated by the Debtors on the *Notice of Effective Date of Revised Second Amended Joint Plan of Reorganization of Tuesday Morning Corporation, et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1934].

#### IV. SUMMARY OF SERVICES OF APPLICANT

13. Winstead hereby seeks this Court's approval for compensation of professional services and reimbursement of expenses for the Application Period. Winstead has performed legal services in connection with the Chapter 11 Cases, expending a total of **125** hours of attorney and paraprofessional time. The reasonable value for the services rendered by Winstead, as Texas co-counsel for the Equity Committee in the Chapter 11 Cases, is **\$63,773.50**. In addition, Winstead has incurred reasonable out-of-pocket expenses totaling **\$6,075.29** resulting in a grand total of fees and expenses of **\$69,848.79**.

14. A summary of the fees requested and amounts paid pursuant to the Monthly Compensation Order is attached as **Exhibit "A"** and is incorporated herein by reference.

15. A statement of the time spent by each professional is attached as **Exhibit "B"** and is incorporated herein by reference.

16. A statement of the time spent according to categories of service rendered is attached as **Exhibit "C"** and is incorporated herein by reference.

17. A statement of the expenses by category is attached as **Exhibit "D"** and is incorporated herein by reference.

18. A detailed statement of (a) the time spent according to categories of service rendered and an itemization of costs, (b) the date the services were performed, (c) the amount of time spent on those services, (d) the identity and capacity of each person performing the services and the hourly rate(s) for each person for whom compensation is sought, and (e) the expenses incurred is attached as **Exhibit "E"** and is incorporated herein by reference.

19. In addition to the final allowance of fees and expenses described herein, Winstead estimates that the cost of preparing and serving this Application and serving the Other Equity Committee Professionals (as hereinafter defined) applications for compensation will total approximately \$8,500.00. Invoices and/or evidence supporting the fees and expenses incurred in preparing the Application will be made available upon request or at the hearing on this Fee Application. Such fees are reasonable and supported under the factors set forth below.

20. Below is a general description of the services rendered by category with the time spent and fee charged.

#### **Case Administration - B110**

21. These services included the ordinary services rendered to the Equity Committee in connection with administering the Chapter 11 Cases, including: correspondence and meetings with the Equity Committee and Other Equity Committee Professionals (as hereinafter defined), upon the request of counsel to the Equity Committee, Pachulski Stang Ziehl & Jones, LLP ("PSZJ"); participating in Equity Committee conference calls; assisting the Equity Committee by drafting *Pro Hac Vice* Motions and Orders for PSZJ and drafting Notices of Appearance for Winstead and PSZJ attorneys. The hours and fees billed in this category are:



HOURS BILLED	TOTAL
18.00	\$8,036.50

**Asset Disposition - B130**

22. These services included *de minimis* time related to correspondence with counsel for certain creditors related to a potential equity transaction. The hours and fees billed in this category are:

HOURS BILLED	TOTAL
.30	\$205.50

**Relief from Stay/Adequate Protection - B140**

23. These services included time related to attending a hearing on a motion to lift stay related to state court litigation. The hours and fees billed in this category are:

HOURS BILLED	TOTAL
1.10	\$706.50

**Meetings of and Communication with Creditor - B150**

24. These services included time related to assisting PSZJ with potential motions related to Equity Committee operations. The hours and fees billed in this category are:

HOURS BILLED	TOTAL
1.90	\$965.00

**Fee/Employment Applications - B160**

25. These services included time related to drafting, amending, filing, and analyzing issues related to applications to employ Winstead as Texas co-counsel for the Equity Committee. Winstead assisted with drafting, amending, filing, and analyzing issues related to the application to employ PSZJ as counsel to the Equity Committee and PJ Solomon, L.P. and PJ Solomon

Securities, LLC (collectively, "Solomon") as financial advisor and investment banker to the Equity Committee. PSZJ and Solomon are collectively referred to herein as the "Other Equity Committee Professionals." Winstead drafted and transmitted monthly fee statements for October and November in accordance with the Monthly Compensation Order and assisted the Other Equity Committee Professionals with their Monthly Fee Statements. Winstead also attending hearings related to the retention of certain professionals. The hours and fees billed in this category are:

<b>HOURS BILLED</b>	<b>TOTAL</b>
35.10	\$15,376.00
	\$8,500 (Fee Application Expense)
Total	\$23,876.00

**Assume/Reject of Leases & Contracts – B185**

26. These services included attending a short hearing related to the exercise of a lease option. The hours and fees billed in this category are:

<b>HOURS BILLED</b>	<b>TOTAL</b>
.30	\$135.00

**Other Contested Matters - B190**

27. These services included assisting PSZJ with potential objections to the application to employ the Debtors' second investment banker, Piper Sandler & Co., and assisting PSZJ with respect to the so-called trade claimants' committee statements to creditors, including attending a hearing related to the enforcement of the disclosure statement, drafting the Witness and Exhibit List related to the same, assisting with the ultimate resolution with the so-called trade claimants'

committee issues, and drafting a joinder in support of the same.<sup>2</sup> The hours and fees billed in this category are:

HOURS BILLED	TOTAL
10.70	\$6,037.00

**Business Operations - B210**

28. These services included attending a hearing on a motion to allow a late-filed claim. The hours and fees billed in this category are:

HOURS BILLED	TOTAL
2.90	\$1,305.00

**Plan and Disclosure Statement - B320<sup>3</sup>**

29. These services included supporting PSZJ related to the Plan and related disclosure statement, including assisting with the Equity Committee's position on the applicable interest rate payable to unsecured creditors and the research and brief related to the same. These services also include assisting PSZJ with drafting the Witness and Exhibit List related to the plan confirmation hearing, assisting PSZJ with preparing for and attending the hearing related to the solicitation of the Plan and disclosure statement; assisting with the Equity Committee letter in support of the Plan, assisting PSZJ with, and individually, preparing for and representing the Equity Committee at the hearing to approve the disclosure statement and the hearing to confirm the Plan. Winstead also assisted PSZJ with the issues raised by the U.S. Trustee's objections to the Plan and the operations of the Equity Committee. Winstead drafted a motion to seal certain

<sup>2</sup> Certain time related to the so-called trade claimants' committee issues is included under Section B320 as there was significant overlap with issues related to the disclosure statement. This time could also be included under Section B190.

<sup>3</sup> Certain time related to the so-called trade claimants' committee issues is included under Section B190. This time could also be included under Section B320. Time related to assisting PSZJ with drafting a joinder to the motion to enforce the disclosure statement and attended the motion for sanctions related to the so-called trade claimants' committee's actions is included under this Section B320.

of the exhibits offered by the U.S. Trustee in connection with his objection to the Plan. Winstead also attended the hearings on the rights' offering contemplated by the Plan. The hours and fees billed in this category are:

<b>HOURS BILLED</b>	<b>TOTAL</b>
54.70	\$31,007.00

## **V. REQUEST FOR ALLOWANCE**

30. Pursuant to Section 330 of the Bankruptcy Code, a bankruptcy court may allow reasonable compensation for actual, necessary professional services rendered by a professional in the case, determining the reasonableness of the compensation based upon the nature, extent, and value of such services. Similarly, a bankruptcy court may allow the reimbursement of actual, necessary expenses incurred by a professional in connection with the rendition of such services. Specifically, Section 330 provides in pertinent part:

**(a) (1)** After notice to the parties in interest and the United States Trustee and a hearing, and subject to Sections 326, 328, and 329, the court may award to a trustee, a consumer privacy ombudsman appointed under Section 332, an examiner, an ombudsman appointed under Section 333, or a professional person employed under Section 327 or 1103—

**(A)** reasonable compensation for actual, necessary services rendered by the trustee, examiner, ombudsman, professional person, or attorney and by any paraprofessional person employed by any such person; and

**(B)** reimbursement for actual, necessary expenses.

...

**(3)** In determining the amount of reasonable compensation to be awarded to an examiner, trustee under Chapter 11, or professional person, the court 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)(1) and (3). In considering the reasonableness of fees requested under Section 330, the Fifth Circuit has traditionally used the lodestar method, whereby the lodestar is calculated by multiplying the number of hours reasonably spent on the work by the prevailing hourly rate in the community and then adjusted upward or downward based upon the factors listed in Section 330(a)(3) and in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). See *In re Cahill*, 428 F.3d 536, 539-40 (5th Cir. 2005); see also *Peele v. Cunningham (In re Texas Securities, Inc.)*, 218 F.3d 443, 445 (5th Cir. 2000); *Donaldson Lufkin & Jenrette Secs. Corp. v. National Gypsum Co. (In re National Gypsum Co.)*, 123 F.3d 861, 863 (5th Cir. 1997); *In re First Colonial Corp. of America*, 544 F.2d 1291, 1298-99 (5th Cir. 1977), *cert. denied*, 431 U.S. 904 (1977).

## **VI. OBJECTIVE FACTORS AFFECTING COMPENSATION**

31. The fee-setting process providing for the recovery of attorneys' fees begins with an examination of the nature and extent of the services rendered or what is referred to as the "time spent" standard. In other words, a measure of the quantum of the services must precede

the determination of the value of these services.<sup>4</sup> **Exhibit "B"** to this application sets forth a summary of hours billed by professional and the rates billed. **Exhibit "C"** to this application sets forth a summary of hours billed per category. **Exhibit "D"** to this application sets forth a summary of expenses billed per category. **Exhibit "E"** provides detail for all of the time for which compensation is sought by Winstead, broken down by month and day, and explains the hours by each attorney who provided services in these cases and the requested rate of compensation. It is submitted that **Exhibits "B," "C," "D," and "E"** allow the Court to examine the services that Winstead has provided, the attorneys and paraprofessionals who have actually worked on these cases, the amount of time spent performing each such task or assignment, and the reasonable compensation for these services.

## VII. SUBJECTIVE FACTORS AFFECTING COMPENSATION

32. In an attempt to establish an objective basis for determining the amount of compensation that is reasonable for attorneys' services pursuant to Section 330 of the Bankruptcy Code, the Fifth Circuit has instructed the lower courts that they must explain the findings and reasons on which an award of professional fees is based. *See In re First Colonial Corp. of America*, 544 F.2d 1291 (5th Cir. 1977), *cert. denied*, 431 U.S. 904 (1977).

33. To aid the lower courts, the *First Colonial* court applied the factors originally set forth in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). The *Johnson* factors to be considered in determining the "reasonableness" of attorneys' fees are delineated below, and Winstead's compliance therewith, if applicable, is described following each factor:

34. The following subjective *Johnson* factors are offered for consideration:

- Time and the labor required. Winstead attorneys and paraprofessionals have expended **125** hours providing necessary and reasonable services incident to

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<sup>4</sup> *See In re First Colonial Corp. of America*, 544 F. 2d 1291 (5th Cir. 1977) *cert. denied*, 97 S. Ct. 1696 (1977).

its representation of Debtors for the Application Period. The total value of this time is **\$63,773.50**.

- The novelty and difficulty of the questions. These cases presented several novel and/or difficult issues in varying degrees, including issues related to the applicable interest rate payable to unsecured creditors and the rights offering contemplated by the Plan. It was necessary for Winstead to analyze these problems in the light of applicable laws and seek resolution based on such laws with the objective of achieving a result that would benefit the Equity Committee.
- The skill requisite to perform the legal services properly. Ms. Rakhee V. Patel, a shareholder of Winstead, was a bankruptcy law clerk for Chief Judge Harlin D. Hale and a bankruptcy law clerk for Retired Judge Robert C. McGuire. Ms. Patel is a regular speaker at legal seminars on commercial bankruptcy and author of various bankruptcy-related articles. Ms. Patel is recognized by various national and local publications, including Chambers USA, for her bankruptcy work. Joseph J. Wielebinski, a shareholder of Winstead, is a distinguished bankruptcy practitioner with over 30 years of bankruptcy experience. Ms. Annmarie Chiarello, an associate at Winstead, has practiced bankruptcy law for over five years. Mr. Steffen Sowell was a bankruptcy law clerk for the Chief Judge Bill Parker until joining Winstead's restructuring and bankruptcy group in 2020. Winstead also utilized a paralegal, Ms. Allison Jurecko Pross, to perform tasks commensurate with Ms. Pross' legal skills. Ms. Pross is a well-organized, efficient paralegal with

over 15 years of experience as a certified paralegal and over 20 years' experience in the legal industry. Ms. Pross has worked in multiple areas of the law, including bankruptcy, construction, civil litigation, labor and employment, and real estate. A copy of Ms. Pross' resume is attached hereto as **Exhibit "F."**

- The preclusion of other employment by attorneys due to acceptance of this case. No other employment was precluded due to these cases.
- The customary fee. **Exhibits "B," "C," and "E"** and the Summary to this Application set forth the hourly rate at which compensation is requested. These rates are no greater, and in many cases considerably less, than those being charged by attorneys for other major parties-in-interest in this or other bankruptcy cases in this district. Winstead and other similar firms customarily charge these rates for equivalent services. Winstead's blended hourly rate for all domestic timekeepers during calendar year 2020 is \$472.52. Winstead's blended hourly rate for all domestic timekeepers in which timekeepers collectively billed at least 10% of the hours to bankruptcy cases during calendar year 2020 is \$520.71.
- Whether the fee is fixed or contingent. The fee in the Chapter 11 Cases is not contingent upon the outcome of any particular issue or adversary proceeding.
- Time limitations imposed by the client or other circumstances. Time constraints have been significant in the Chapter 11 Cases as shown by the time records attached hereto as **Exhibit "E."** The Equity Committee was



appointed late in the Chapter 11 Cases and thus was required to move quickly to achieve a positive outcome for its constituents.

- The experience, reputation and ability of the attorneys. Applicant submits that Ms. Patel and Mr. Wielebinski enjoy excellent reputations as learned and experienced bankruptcy law specialists and practitioners. Ms. Chiarello and Mr. Sowell are experienced bankruptcy associates.
- The "undesirability" of the case. This factor is not relevant in the Chapter 11 Cases.
- The nature and length of the professional relationship with the client. Winstead did not have a relationship with the Equity Committee prior to the Chapter 11 Cases. Winstead represented Kevin Barnes, a former member of the Equity Committee, and certain other parties who were equity holders in the Debtors at the time, in a limited capacity, as further described by the Retention Application.
- Awards in similar cases. Winstead represents and would demonstrate that the compensation for the services rendered and expenses incurred in connection with these cases is not excessive and is commensurate with or below the compensation sought or ordered in similar cases under the Bankruptcy Code. Winstead's fee request is based upon normal hourly charges that Winstead charges clients of the firm. Taking into consideration the time and labor spent and the nature and extent of the representation, Winstead believes the allowance requested herein is reasonable.

- Additional consideration. The Court, in *First Colonial Corp. of America, supra*, stated that two additional considerations should be considered by the Court:
  - The policy of the Bankruptcy Code that estates be administered as efficiently as possible. It is the policy of Winstead to assign work to professionals who have the degree of expertise and specialization to perform efficiently and properly the services required and to utilize legal assistants whenever appropriate. This practice has been followed to date in the Chapter 11 Cases and will be followed in the future.
  - The Bankruptcy Code does not permit the award of duplicate fees or compensation for non-legal services. There has been no unnecessary or unavoidable duplication of legal services, and there have been no non-legal services performed by this firm for which legal fees have been charged.

#### VIII. EXPENSES

35. It has been necessary for Winstead to incur out-of-pocket expenses in connection with its representation of Debtors in the Chapter 11 Cases. Careful records of these expenditures have been maintained, and the expenses incurred for the period are shown in **Exhibits "D" and "E."** All of these expenses are reasonable and necessary, and Winstead believes itself to be entitled to reimbursement for such expenses in the total sum of **\$6,075.29.**

### **IX. AVERAGE HOURLY RATE**

36. Winstead seeks compensation for **125** hours of professional and paraprofessional time for a total fee of **\$63,773.50**, which represents an average hourly rate of **\$510.19** for professional and paraprofessional time.

### **X. REASONABLENESS OF WINSTEAD'S FEES**

37. Winstead's representation of the Equity Committee was time intensive during certain periods of the Application Period. Winstead accepted this engagement without certainty that all of its fees and expenses would be paid and is charging a fixed hourly rate for services performed, subject to approval by this Court.

38. Winstead represents that the fees and expenses requested herein are fair and reasonable in connection with the services provided. The rates charged by Winstead are competitive and customary for the degree of skill and expertise necessary for cases of this type and are consistent with, or below, rates charged by other counsel with similar experience in the Northern District of Texas.

39. The work Winstead performed during its representation herein has been beneficial to the Equity Committee as set forth above. Taking into consideration the time and labor spent, the nature and extent of the representation, and the results obtained in this proceeding, Winstead believes the allowance prayed for herein is reasonable and just.

### **XI. PREPARATION OF THIS FEE APPLICATION**

40. In addition to the fees and expenses incurred during the Application Period, Winstead requests approval of its fees and expenses in connection with: (i) the preparation, filing, and service of this Application; (ii) the preparation, filing, and service of the Other Equity Committee Professionals' compensation application; and (iii) preparing for and attending the

hearings on the final fee applications in the bankruptcy case (the "Fee Application Compensation"). As stated above, Winstead estimates that the Fee Application Compensation will total approximately \$8,500.00. An invoice evidencing the Fee Application Compensation will be provided to the Court and other parties at the hearing on this Application.

## **XII. SUMMARY**

41. Applicant is seeking an award of compensation for **125** hours of attorneys' and paraprofessionals' time for services furnished to the Equity Committee during the Application Period in the total amount of **\$63,773.50** plus **\$8,500.00** for preparation of this Application, plus reimbursement of expenses in the amount of **\$6,075.29**, for a total of fees and expenses in the amount of **\$78,348.79**.

42. **Exhibits "A," "B," "C," "D," and "E"** to this Application detail how time was spent, as well as how the requested compensation has been calculated. The amounts sought are fair and reasonable compensation in light of all the circumstances.

## **XIII. NOTICE**

43. Notice of this Application has been provided to the Office of the U.S. Trustee. Additionally, Notice of Filing of this Application and Notice of the Hearing on this Application (the "Notice") will be provided to the parties included on the Debtors' Master Service List, pursuant to the Electronic Filing Procedures in this District and mailed to the parties listed on the Complex Service List (as of December 11, 2020) as authorized by the *Order Granting Chapter 11 Complex Case Treatment* [Docket No. 96]. The Notice provides that parties may obtain copies of this Application via request to Winstead by mail or e-mail. Winstead submits that, in light of the nature of the relief requested, no other or further notice need be given.

#### **XIV. REQUEST FOR RELIEF**

44. For these reasons, Winstead respectfully asks this Court to enter an order: (i) granting approval of all fees and expenses incurred by Winstead in these cases during the Application Period in the amount of **\$69,848.79** of which **\$63,773.50** represents fees for services rendered, and **\$6,075.29** constitutes reimbursable expenses; (ii) allowing compensation for preparation of this Application of **\$8,500.00**; (iii) authorizing and directing the Debtors to pay Winstead **\$40,819.57**, the remaining legal fees and expenses as the Debtors have paid Winstead **\$37,529.22**, pursuant to the Monthly Compensation Order; (iv) allowing compensation and reimbursement of all sums requested pursuant to the fee statements attached as **Exhibit "E"** for the Application Period; and (v) authorizing immediate payment of the allowed unpaid fees and expenses.

**DATED: February 15, 2021.**

Respectfully submitted,

**WINSTEAD PC**

By: /s/ Rakhee V. Patel

Rakhee V. Patel -SBT #00797213

Annmari Chiarello- SBT #24097496

500 Winstead Building

2728 N. Harwood Street

Dallas, Texas 75201

Telephone: (214) 745-5400

Facsimile: (214) 745-5390

rpatel@winstead.com

achiarello@winstead.com

-and-

**PACHULSKI STANG ZIEHL & JONES LLP**

Robert J. Feinstein (admitted *pro hac vice*)

Bradford J. Sandler (admitted *pro hac vice*)

Shirley S. Cho (admitted *pro hac vice*)

Judith Elkin (SBT #06522200)  
Steven W. Golden (SBT# 24099681)  
780 Third Avenue, 34th Floor  
New York, New York 10017  
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sgolden@pszjlaw.com

*Counsel to the Official Committee of Equity  
Security Holders*

**CERTIFICATE OF SERVICE**

I hereby certify that on February 16, 2021 notice of this document will be electronically mailed to the parties that are registered or otherwise entitled to receive electronic notices in this case pursuant to the Electronic Filing Procedures in this District and the Notice will be mailed to the parties listed on the attached Complex Service List (as of December 11, 2020).

/s/ Annmarie Chiarello

One of Counsel

**PROOF OF TRANSMITTAL TO THE U.S. TRUSTEE**

The undersigned declares, under the penalty of perjury, that on February 16, 2021, I caused to be served a true and correct copy of the forgoing pleading to the United States Trustee for the Northern District of Texas, Dallas Division, via First Class, United States Mail, to the United States Trustee, 1100 Commerce Street, Room 976, Dallas, Texas 75242.

/s/ Annmarie Chiarello

One of Counsel

**CERTIFICATE OF COMPLIANCE**

I, Rakhee V. Patel, certify on February 15, 2021, that I have read the foregoing application and, to the best of my knowledge, information and belief, formed after reasonable inquiry, the compensation and expense reimbursement sought is in conformity with the *Guidelines for Compensation and Expenses Reimbursement of Professionals in Chapter 11 Cases*, excepted as specifically noted herein. Further, I certify that the compensation and expense reimbursement requested in this Application are billed at rates in accordance with practices no less favorable than those customarily employed by Winstead PC and generally accepted by clients of Winstead PC.

Winstead did not agree to any variations from, or alternatives to its standard or customary billing rates, fees, or terms for services pertaining to this engagement that were provided during the Application Period. Winstead did not have a budget related to this engagement. No professionals included in this Application varied their hourly rate based on the geographic location of the Chapter 11 Cases. This Application does not include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices, which would not be compensable outside of bankruptcy, with the exception of reasonable fees related to preparing the Monthly Fee Statements and this Application. This Application includes *de*

*minimis* time or fees related to reviewing time records to redact any privilege or confidential information. This Application does not include any rate increases since Winstead's retention.

/s/ Rakhee V. Patel

One of Counsel



**Exhibit "A"****Interim Compensation Paid**

	<b>October and November Monthly Statement</b>	<b>Total Interim Compensation Paid, but Not Yet Allowed</b>
<b>Total Fees Requested:</b>	\$31,989.60	\$31,989.60
<b>Total Expenses Requested:</b>	\$5,539.62	\$5,539.62
<b>Total Fees Outstanding:</b>	\$7,997.40	\$7,997.40
<b>Total Disbursements Paid:</b>	\$37,529.22	<b>\$37,529.22</b>

**Exhibit "B"****Attorney/Other Professional Summary**

<b>Name</b>	<b>Position</b>	<b>Practice Group</b>	<b>Year Admitted (Texas)</b>	<b>Hourly Billing Rate</b>	<b>Total Hours Billed</b>	<b>Total Fees</b>
Rakhee V. Patel	Shareholder	Business Restructuring/ Bankruptcy	1996	\$685.00	43.10	\$29,523.50
Joseph J. Wielebinski	Shareholder	Business Restructuring/ Bankruptcy	1983	\$725.00	1.40	\$1,015.00
Annmarie Chiarello	Associate	Business Restructuring/ Bankruptcy	2015	\$450.00	61.00	\$27,450.00
Steffen Sowell	Associate	Business Restructuring/ Bankruptcy	2017	\$330.00	9.50	\$3,135.00
<b>Total Attorney Hours and Fees:</b>					<b>115.00</b>	<b>\$61,123.50</b>
<b>Blended Attorney Hourly Rate:</b>						<b>\$531.51</b>
<b>Blended Shareholder Hourly Rate:</b>						<b>\$686.26</b>
<b>Blended Associate Hourly Rate:</b>						<b>\$433.83</b>

<b>Name</b>	<b>Position</b>	<b>Department</b>	<b>Hourly Billing Rate</b>	<b>Total Hours Billed</b>	<b>Total Fees</b>
Allison Jurecko Pross	Paralegal	Litigation	\$265.00	10	\$2,650.00
<b>Total Paraprofessional &amp; Other Staff Hours and Fees:</b>					<b>10</b>
<b>Blended Paraprofessional and &amp; Other Staff Hourly Rate:</b>					<b>\$265.00</b>

**Exhibit "C"**  
**Compensation by Project Category**

<b>Task Code</b>	<b>Project Category</b>	<b>Total Hours Billed</b>	<b>Total Fees</b>
B110	Case Administration	18.00	\$8,036.50
B120	Asset Analysis and Recovery	0	\$0
B130	Asset Disposition	.30	\$205.50
B140	Relief from Stay/Adequate Protection Proceedings	1.10	\$706.50
B150	Meetings of and Communications with Creditors	1.90	\$965.00
B160	Fee/Employment Applications	35.10	\$15,376.00
B180	Fee/Employment Objections	0	\$0
B185	Assumption/Rejection of Leases and Contracts	.30	\$135.00
B190	Other Contested Matters	10.70	\$6,037.00
B210	Business Operations	2.90	\$1,305.00
B220	Employee Benefits/Pensions	0	\$0
B230	Financing, and Cash Collections	0	\$0
B240	Tax Issues	0	\$0
B250	Real Estate	0	\$0
B255	Valuation/Appraisal of Assets	0	\$0
B260	Board of Directors Matters	0	\$0
B310	Claims Administration and Objections	0	\$0
B320	Plan and Disclosure Statement, including Business Plan	54.70	\$31,007.00
<b>TOTAL:</b>		<b>125</b>	<b>\$63,773.50</b>

**Exhibit "D"**  
**Expense Summary**

<b>Expense</b>	<b>Amount</b>
External Printing and Mailing	\$5,139.62
Printing Charges	\$8.80
Binding Expense	\$4.29
Transcripts	\$306.00
Courier Fees	\$16.58
<i>Pro Hac Vice</i> Fees	\$600.00
<b>TOTAL:</b>	<b>\$6,075.29</b>

**Exhibit "E"**  
**Fee Statements**

**WINSTEAD**

Austin | Charlotte | Dallas | Fort Worth | Houston | New York | San Antonio | The Woodlands

2728 N. Harwood Street  
Suite 500  
Dallas, TX 75201

December 11, 2020

OFFICIAL COMMITTEE OF EQUITY INTEREST  
HOLDERS OF TUESDAY MORNING CORPORATION  
C/O KEVIN BARNES  
[REDACTED]Invoice #: 2945875  
Client #: 65279  
Matter #: 1**RE: TUESDAY MORNING BANKRUPTCY**

Billing Attorney: Rakhee Patel

For Professional Services Rendered Through November 30, 2020:

**PROFESSIONAL SERVICES**

B110 Case Administration

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/02/20	AJP	B110	Prepare analysis of Tuesday Morning bankruptcy pleadings.	4.00	265.00	1,060.00
10/06/20	AC	B110	Draft pro hacs and notices of appearance.	1.20	450.00	540.00
10/06/20	AJP	B110	Prepare Motions for Admission Pro Hac Vice; prepare Notices of Appearance.	1.00	265.00	265.00
10/07/20	AC	B110	Attention to ECF filing pleadings and pro hacs (.1); finalize notice of appearance (.2); draft witness and exhibit list (.2).	.50	450.00	225.00
10/07/20	AJP	B110	Prepare ECF Notification Packages for pro hac'd Lawyers.	1.00	265.00	265.00
10/08/20	AC	B110	Finalize witness and exhibit list for Piper hearing.	.30	450.00	135.00
10/08/20	RVP	B110	Correspondence with B. Sandler and S. Golden (.2); telephone conference with B. Sandler and S. Golden (.6).	.80	685.00	548.00
10/08/20	AJP	B110	Communications with Annmarie Chiarello regarding pro hac motions.	.40	265.00	106.00
10/12/20	AC	B110	Call with equity committee (intro call and Piper retention).	1.00	450.00	450.00
10/12/20	RVP	B110	Prepare for and attend kickoff call with equity committee.	1.00	685.00	685.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/12/20	JW	B110	Review materials for Committee call (.3); attend Committee call to review status and materials related to the sale and plan process (.7).	1.00	725.00	725.00
10/13/20	AC	B110	Review B. Sandler pro hac (.1).	.10	450.00	45.00
10/19/20	AC	B110	Review final pro hac order.	.10	450.00	45.00
10/26/20	AJP	B110	Prepare Motion for Admission Pro Hac Vice for Beth Levine.	.20	265.00	53.00
10/28/20	AJP	B110	Finalize Pro Hac Vice Motion for Beth Levine; file same.	.60	265.00	159.00
11/05/20	RVP	B110	Review and revise [REDACTED] motion, including brief legal research regarding [REDACTED] (1.3); correspondence with EC counsel regarding same (.2); telephone conference with S. Cho regarding same (.5).	2.00	685.00	1,370.00
11/16/20	AC	B110	Finalize notice of hearing.	.30	450.00	135.00
11/19/20	RVP	B110	Receipt and review of correspondence from L. Lambert regarding constitution of committee (.1); telephone conference with K. Barnes (.3); telephone conference with B. Sandler (.3).	.70	685.00	479.50

TOTAL TASK

\$ 7,290.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
JW	Joseph Wielebinski	1.00	725.00	725.00
RVP	Rakhee Patel	4.50	685.00	3,082.50
AC	Annmarie Chiarello	3.50	450.00	1,575.00
AJP	Allison Jurecko Pross	7.20	265.00	1,908.00
<b>TOTALS</b>		<b>16.20</b>		<b>\$ 7,290.50</b>

B130 Asset Disposition

Date	Tkpr	Task	Description	Hours	Rate	Amount
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Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/19/20	RVP	B130	Telephone conference with L. Strubeck.	.30	685.00	205.50

TOTAL TASK \$ 205.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	.30	685.00	205.50
<b>TOTALS</b>		<b>.30</b>		<b>\$ 205.50</b>

B150 Mtgs of and Communications with Creditor

Date	Tkpr	Task	Description	Hours	Rate	Amount
11/05/20	AC	B150	Find local precedent for [REDACTED] motion.	.60	450.00	270.00
11/05/20	AC	B150	Research related to potential [REDACTED] motion.	.90	450.00	405.00
11/05/20	JW	B150	Review and approve [REDACTED] and email R. Patel on same.	.40	725.00	290.00

TOTAL TASK \$ 965.00

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
JW	Joseph Wielebinski	.40	725.00	290.00
AC	Annmarie Chiarello	1.50	450.00	675.00
<b>TOTALS</b>		<b>1.90</b>		<b>\$ 965.00</b>

B160 Fee/Employment Applications

Date	Tkpr	Task	Description	Hours	Rate	Amount
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Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/07/20	RVP	B160	Receipt and review of correspondence from S. Golden regarding indemnification provisions in estate professional retention and prepare response to same (.4).	.40	685.00	274.00
10/10/20	RVP	B160	Telephone conference with L. Strubeck.	.30	685.00	205.50
10/23/20	AC	B160	Draft employment application.	1.50	450.00	675.00
10/26/20	AC	B160	Draft application to employ Winstead.	3.20	450.00	1,440.00
10/28/20	AC	B160	Respond to PSZJ questions regarding fee application procedure.	.40	450.00	180.00
10/28/20	AJP	B160	Start working schedule for employment application.	.40	265.00	106.00
10/29/20	AC	B160	Revise employment application.	.40	450.00	180.00
10/29/20	AJP	B160	Assist with preparation of schedules for employment application.	1.80	265.00	477.00
11/02/20	RVP	B160	Prepare revisions to Application to Employ Winstead and declarations in support.	1.30	685.00	890.50
11/03/20	AC	B160	Finalize Tuesday Morning employment application.	2.70	450.00	1,215.00
11/03/20	AC	B160	Review and finalize PSZJ and PJS retention.	1.70	450.00	765.00
11/03/20	RVP	B160	Review and revise draft application to employ Winstead PC and Patel declaration.	.40	685.00	274.00
11/04/20	AC	B160	Revise employment application.	.80	450.00	360.00
11/04/20	RVP	B160	Continued revision to Winstead retention application.	.30	685.00	205.50
11/05/20	AC	B160	Revise Winstead declaration related to employment application.	.60	450.00	270.00
11/05/20	AC	B160	Review PSZJ amended Schedule 1.	.30	450.00	135.00
11/06/20	AC	B160	Revise Schedule 1 with additional disclosures.	.30	450.00	135.00
11/06/20	RVP	B160	Finalize Winstead retention papers.	.60	685.00	411.00
11/10/20	RVP	B160	Prepare for and attend hearing on fee applications.	.70	685.00	479.50
11/12/20	AC	B160	Draft notices for three committee applications.	1.00	450.00	450.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
11/16/20	SS	B160	Draft Fee Statement and Proposed Order to be filed on behalf of Winstead PC as attorneys for the Official Committee of Equity Security Holders in the Tuesday Morning Bankruptcy, No. 20-31476.	3.50	330.00	1,155.00
11/22/20	SS	B160	Continued updates and drafting of Interim Fee Statement Template.	3.50	330.00	1,155.00
11/24/20	SS	B160	Updated charts and language in the Fee Application.	2.50	330.00	825.00
11/25/20	AC	B160	Begin drafting CNOs for employment applications.	.30	450.00	135.00
11/25/20	AC	B160	Draft Tuesday Morning employment CNOs.	1.00	450.00	450.00
11/25/20	RVP	B160	Correspondence to PSZJ regarding retention applications and form of order.	.10	685.00	68.50
11/30/20	AC	B160	Finalize forms of order for all OEC employment applications.	.80	450.00	360.00

TOTAL TASK

\$ 13,276.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	4.10	685.00	2,808.50
AC	Annmarie Chiarello	15.00	450.00	6,750.00
SS	Steffen Sowell	9.50	330.00	3,135.00
AJP	Allison Jurecko Pross	2.20	265.00	583.00
<b>TOTALS</b>		<b>30.80</b>		<b>\$ 13,276.50</b>

B185 Assumption/Rejection of Leases/Contracts

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/20/20	AC	B185	Attend hearing on lease option motion.	.30	450.00	135.00

TOTAL TASK

\$ 135.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
AC	Annmarie Chiarello	.30	450.00	135.00
<b>TOTALS</b>		<b>.30</b>		<b>\$ 135.00</b>

B190 Other Contested Matters

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/07/20	AC	B190	Correspondence and research related to Piper retention (.6).	.60	450.00	270.00
10/13/20	AC	B190	Review Tuesday Morning Piper objection (.3); review UST Piper objection (.4).	.70	450.00	315.00
10/13/20	RVP	B190	Receipt and review of correspondence from L. Lambert and prepare responses to same (.3); telephone conference with S. Golden (.1); receipt and review of correspondence from S. Golden, including draft objections to Application to Employ Piper Sandler and responses to same (.6); telephone conference with B. Sandler (.4); prepare for and participate in hearing on Application to Employ Piper Sandler (1.9).	3.30	685.00	2,260.50

TOTAL TASK

\$ 2,845.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	3.30	685.00	2,260.50
AC	Annmarie Chiarello	1.30	450.00	585.00
<b>TOTALS</b>		<b>4.60</b>		<b>\$ 2,845.50</b>

B210 Business Operations

Date	Tkpr	Task	Description	Hours	Rate	Amount
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Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
11/23/20	AC	B210	Attend Hearing on late-filed proof of claim.	2.90	450.00	1,305.00

TOTAL TASK \$ 1,305.00

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
AC	Annmarie Chiarello	2.90	450.00	1,305.00
<b>TOTALS</b>		<b>2.90</b>		<b>\$ 1,305.00</b>

## B320 Plan and Disclosure Stmt (Business Plan)

Date	Tkpr	Task	Description	Hours	Rate	Amount
10/12/20	RVP	B320	Analysis of [REDACTED]	.30	685.00	205.50
10/13/20	AC	B320	Research related [REDACTED] (1.5); prepare for and attend telephonic hearing (1.7).	3.20	450.00	1,440.00
10/14/20	AC	B320	Research related to Plan issues.	.70	450.00	315.00
10/23/20	AC	B320	Draft memo regarding [REDACTED]	1.10	450.00	495.00
10/23/20	RVP	B320	Correspondence from L. Lambert (.1); correspondence from B. Sandler and response to same (.3); prepare for and attend telephone conference with UST, Debtor counsel, UCC counsel and Equity Committee counsel (.8).	1.20	685.00	822.00
10/27/20	AC	B320	Revise plan-related memo.	1.30	450.00	585.00
10/30/20	RVP	B320	Telephone conference with K. Barnes.	.50	685.00	342.50
11/11/20	RVP	B320	Research regarding confirmation standards.	.60	685.00	411.00
11/12/20	AC	B320	Research related to plan interest rate.	4.20	450.00	1,890.00
11/12/20	RVP	B320	Prepare for and attend hearing on Motion to Authorize Backstop Agreement and Approve Rights Offering Procedures.	1.50	685.00	1,027.50
11/16/20	AC	B320	Review amended disclosure statement.	.20	450.00	90.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

Date	Tkpr	Task	Description	Hours	Rate	Amount
11/16/20	AC	B320	Review amended plan.	.40	450.00	180.00
11/16/20	AC	B320	Draft witness and exhibit list for disclosure statement hearing.	.30	450.00	135.00
11/16/20	AC	B320	Finalize witness and exhibit list and comment for disclosure statement hearing.	.80	450.00	360.00
11/16/20	AC	B320	Attend disclosure statement hearing.	3.00	450.00	1,350.00
11/16/20	RVP	B320	Telephone conferences with B. Sandler regarding disclosure statement hearing (.8); revisions to statement on disclosure statement and equity committee support letter and approve for filing (.8); prepare for and attend disclosure statement hearing and motion to approve backstop and rights offering (3.9); prepare revisions to equity committee support letter and correspondence with B. Sandler and S. Cho addressing same (.3).	5.80	685.00	3,973.00
11/23/20	RVP	B320	Attend hearing on extension of exclusivity and ABL extension motion.	.50	685.00	342.50

TOTAL TASK

\$ 13,964.00

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	10.40	685.00	7,124.00
AC	Annmarie Chiarello	15.20	450.00	6,840.00
<b>TOTALS</b>		<b>25.60</b>		<b>\$ 13,964.00</b>

TOTAL PROFESSIONAL SERVICES

\$ 39,987.00

**EXPENSES**

E102 Outside printing

Description	Amount
11/03/20 Advance For Copy Service - Mainstay Legal - Mailout - 11/03/20	5,139.62

Matter: 1 - TUESDAY MORNING BANKRUPTCY

December 11, 2020

Invoice #: 2945875

## E112 Court Fees

	Description	Amount
10/08/20	Advance For Filing Fees - Phillip Lamberson - Filing Fee Filing fees for two (2) pro hac vice motions - 10/08/2020	200.00
10/15/20	Advance For Filing Fees - Phillip Lamberson - Filing Fee Filing fee for pro hac vice motion - 10/15/2020	100.00
10/30/20	Advance For Filing Fees - Phillip Lamberson - Filing Fee Filing fee for Pro Hac Vice Motion - 10/30/2020	100.00

TOTAL EXPENSES \$ 5,539.62

TOTAL THIS INVOICE \$ 45,526.62

**WINSTEAD**

Austin | Charlotte | Dallas | Fort Worth | Houston | New York | San Antonio | The Woodlands

2728 N. Harwood Street  
Suite 500  
Dallas, TX 75201

December 11, 2020

OFFICIAL COMMITTEE OF EQUITY INTEREST  
HOLDERS OF TUESDAY MORNING CORPORATION  
C/O KEVIN BARNES

Invoice #: 2945875  
Client #: 65279  
Matter #: 1

**REMITTANCE ADVICE**

**RE: TUESDAY MORNING BANKRUPTCY**

Billing Attorney: Rakhee Patel

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**BALANCE DUE THIS INVOICE**

**\$ 45,526.62**

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Please return this advice with payment to:

WINSTEAD PC | ATTORNEYS  
ATTN: Accounts Receivable  
2728 N. Harwood St., Suite 500  
Dallas, Texas 75201-1743

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

T [REDACTED]

[REDACTED]

[REDACTED]



2728 N. Harwood Street  
Suite 500  
Dallas, TX 75201

February 11, 2021

OFFICIAL COMMITTEE OF EQUITY INTEREST  
HOLDERS OF TUESDAY MORNING CORPORATION  
C/O KEVIN BARNES  
4030 S. WHITEHORSE ROAD, #408  
MALVERN, PA 19432

Invoice #: 2951808  
Client #: 65279  
Matter #: 1

**RE: TUESDAY MORNING BANKRUPTCY**

Billing Attorney: Rakhee Patel

For Professional Services Rendered Through December 31, 2020:

**PROFESSIONAL SERVICES**

B110 Case Administration

Date	Tkpr	Task	Description	Hours	Rate	Amount
12/01/20	RVP	B110	Review of amended committee appointments.	.20	685.00	137.00
12/20/20	AC	B110	Review Cia Mackle pro hac vice.	.50	450.00	225.00
12/21/20	AC	B110	Draft John Morris pro hac vice.	.50	450.00	225.00
12/21/20	AJP	B110	Prepare Pro Hac Vice Motion for Cia Mackle.	.60	265.00	159.00

TOTAL TASK \$ 746.00

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	.20	685.00	137.00
AC	Annmarie Chiarello	1.00	450.00	450.00
AJP	Allison Jurecko Pross	.60	265.00	159.00
<b>TOTALS</b>		<b>1.80</b>		<b>\$ 746.00</b>

B140 Relief from Stay/Adequate Protection

Date	Tkpr	Task	Description	Hours	Rate	Amount
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Matter: 1 - TUESDAY MORNING BANKRUPTCY

February 11, 2021  
Invoice #: 2951808

Date	Tkpr	Task	Description	Hours	Rate	Amount
12/02/20	AC	B140	Attend stay hearing.	.20	450.00	90.00
12/02/20	RVP	B140	Correspondence with B. Sandler and S. Cho regarding hearing (.1); prepare for and attend hearing on lift stay motion (.8).	.90	685.00	616.50

TOTAL TASK

\$ 706.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	.90	685.00	616.50
AC	Annmarie Chiarello	.20	450.00	90.00
<b>TOTALS</b>		<b>1.10</b>		<b>\$ 706.50</b>

## B160 Fee/Employment Applications

Date	Tkpr	Task	Description	Hours	Rate	Amount
12/01/20	AC	B160	Follow up regarding employment orders and 12-1 hearing.	.20	450.00	90.00
12/01/20	RVP	B160	Review of certificates of no objection to retention applications.	.10	685.00	68.50
12/07/20	RVP	B160	Receipt and review of retention orders.	.10	685.00	68.50
12/08/20	AC	B160	Begin drafting monthly fee statement.	.40	450.00	180.00
12/08/20	AC	B160	Draft interim fee statement.	1.10	450.00	495.00
12/09/20	AC	B160	Assist PSZJ with monthly fee statement.	.10	450.00	45.00
12/09/20	RVP	B160	Correspondence with S. Cho regarding monthly fee statements.	.10	685.00	68.50
12/11/20	AC	B160	Draft interim fee statement.	1.00	450.00	450.00
12/15/20	AC	B160	Serve PSZJ monthly fee statement.	.10	450.00	45.00
12/15/20	RVP	B160	Prepare for and attend Ernst & Young employment hearing.	.40	685.00	274.00
12/18/20	AC	B160	Review PJS monthly fee statement.	.70	450.00	315.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

February 11, 2021  
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TOTAL TASK

\$ 2,099.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	.70	685.00	479.50
AC	Annmarie Chiarello	3.60	450.00	1,620.00
<b>TOTALS</b>		<b>4.30</b>		<b>\$ 2,099.50</b>

B190 Other Contested Matters

Date	Tkpr	Task	Description	Hours	Rate	Amount
12/08/20	AC	B190	Revise joinder to debtor's motion to enforce DS.	1.30	450.00	585.00
12/08/20	AC	B190	Draft witness and exhibit list for 12-9 trade creditor committee motion.	.80	450.00	360.00
12/09/20	AC	B190	Attend hearing on disclosure statement enforcement motion.	1.10	450.00	495.00
12/14/20	AC	B190	Review joinder to trade creditor 9019 (trade claimant issue).	.50	450.00	225.00
12/14/20	RVP	B190	Review and comment on joinder to trade creditor 9019.	.80	685.00	548.00
12/15/20	AC	B190	Finalize trade creditor 9019 joinder.	.50	450.00	225.00
12/15/20	RVP	B190	Review and approve final draft joinder in trade creditor 9019 Motion and witness and exhibit list.	.60	685.00	411.00
12/16/20	RVP	B190	Prepare for and attend hearing on trade creditors 9019 motion.	.50	685.00	342.50

TOTAL TASK

\$ 3,191.50

**SERVICES SUMMARY**

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	1.90	685.00	1,301.50
AC	Annmarie Chiarello	4.20	450.00	1,890.00
<b>TOTALS</b>		<b>6.10</b>		<b>\$ 3,191.50</b>

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## B320 Plan and Disclosure Stmt (Business Plan)

Date	Tkpr	Task	Description	Hours	Rate	Amount
12/01/20	RVP	B320	Review of trade creditor objection and plan.	.80	685.00	548.00
12/03/20	RVP	B320	Receipt and review of correspondence from J. Chavez regarding ad hoc trade committee cease and desist letter (.3); receipt and review of errata and review of plan (.3).	.50	685.00	342.50
12/07/20	RVP	B320	Receipt and review of motions to enforce order approving disclosure statement and motion for sanctions.	.80	685.00	548.00
12/08/20	RVP	B320	Review and revise draft joinder to motion to enforce disclosure statement order and for sanctions (.8); receipt and review of filed joinders (UCC and JPMC) (.5); receipt and review of witness and exhibit lists (.2).	1.50	685.00	1,027.50
12/09/20	RVP	B320	Attend Motion for Sanctions hearing (1.6); correspondence with J. Randles (WSJ) (.1).	1.70	685.00	1,164.50
12/16/20	AC	B320	Review confirmation objections.	.30	450.00	135.00
12/16/20	RVP	B320	Receipt and review of objections to confirmation and UCC statement on appropriate rate of interest and brief analysis of same.	1.80	685.00	1,233.00
12/18/20	AC	B320	Finalize and file witness and exhibit list (confirmation).	.90	450.00	405.00
12/18/20	RVP	B320	Receipt and review of correspondence from S. Cho regarding confirmation brief.	.10	685.00	68.50
12/19/20	RVP	B320	Review of initial draft of confirmation brief and brief research and analysis of same.	1.80	685.00	1,233.00
12/20/20	AC	B320	Review plan brief and related declaration.	1.60	450.00	720.00
12/21/20	AC	B320	Review confirmation brief.	.40	450.00	180.00
12/21/20	AC	B320	Finalize brief in support of plan.	.50	450.00	225.00
12/21/20	AC	B320	Review and finalize declaration in support of confirmation.	.30	450.00	135.00
12/21/20	AC	B320	Call regarding confirmation hearing.	.10	450.00	45.00

Matter: 1 - TUESDAY MORNING BANKRUPTCY

February 11, 2021  
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Date	Tkpr	Task	Description	Hours	Rate	Amount
12/21/20	RVP	B320	Review of final draft of confirmation brief (.6); telephone conferences with S. Cho and B. Sandler (.4).	1.00	685.00	685.00
12/22/20	AC	B320	Attend confirmation hearing.	6.00	450.00	2,700.00
12/22/20	AC	B320	Draft sealing motion and order related to exhibits admitted at confirmation hearing.	.40	450.00	180.00
12/22/20	RVP	B320	Prepare for and attend confirmation hearing.	6.80	685.00	4,658.00
12/23/20	AC	B320	Finalize sealing motion related to UST confirmation exhibits.	.50	450.00	225.00
12/28/20	AC	B320	Revised sealing order based on changes requested by the Court (confirmation exhibits).	.50	450.00	225.00
12/29/20	AC	B320	Review confirmation order.	.20	450.00	90.00
12/30/20	AC	B320	Call with CRD regarding sealing motion.	.20	450.00	90.00
12/30/20	AC	B320	Finalize sealing order and transmit exhibits related to same.	.30	450.00	135.00
12/31/20	AC	B320	Review confirmation transcript.	.10	450.00	45.00

TOTAL TASK

\$ 17,043.00

#### SERVICES SUMMARY

Init	Timekeeper	Hours	Rate	Total
RVP	Rakhee Patel	16.80	685.00	11,508.00
AC	Annmarie Chiarello	12.30	450.00	5,535.00
<b>TOTALS</b>		<b>29.10</b>		<b>\$ 17,043.00</b>

TOTAL PROFESSIONAL SERVICES

\$ 23,786.50

#### EXPENSES

E101 Copying

Description	Amount
Reproduction Costs	8.80

Matter: 1 - TUESDAY MORNING BANKRUPTCY

February 11, 2021  
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## E107 Delivery Services/Messengers

Description	Amount
Delivery Service	16.58

## E112 Court Fees

Description	Amount
12/22/20 Advance For Filing Fees for pro hac vice motions (2) - 12/22/2020	200.00

## E116 Trial Transcripts

Description	Amount
12/31/20 Advance For Transcript - Kathy Rehling - Transcript of 12-22-20 Confirmation Hearing	306.00

## E124 Other

Description	Amount
Binding Expense	4.29

TOTAL EXPENSES \$ 535.67

TOTAL THIS INVOICE \$ 24,322.17

**WINSTEAD**

Austin | Charlotte | Dallas | Fort Worth | Houston | New York | San Antonio | The Woodlands

2728 N. Harwood Street  
Suite 500  
Dallas, TX 75201

February 11, 2021

OFFICIAL COMMITTEE OF EQUITY INTEREST  
HOLDERS OF TUESDAY MORNING CORPORATION  
C/O KEVIN BARNES

Invoice #: 2951808  
Client #: 65279  
Matter #: 1

**REMITTANCE ADVICE**

**RE: TUESDAY MORNING BANKRUPTCY**

Billing Attorney: Rakhee Patel

**BALANCE DUE THIS INVOICE**

**\$ 24,322.17**

Please return this advice with payment to:

WINSTEAD PC | ATTORNEYS  
ATTN: Accounts Receivable  
2728 N. Harwood St., Suite 500  
Dallas, Texas 75201-1743

[REDACTED]

[REDACTED]

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**Exhibit "F"**  
**Allison Jureko Pross Resume**

Allison Jurecko Pross, CP  
Certified Paralegal



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**Education:** Liberty University- Bachelor's Degree in Paralegal Studies  
(Summer 2017)

National Association of Legal Assistants- Certified Legal Assistant-  
(2005)

Del Mar Collage, Associates in Applied Science- Paralegal Studies  
(Corpus Christi, Texas 1997)

**Capabilities:** Data Base Management (Summation, Concordance, and Disco)  
AIA Contract Documents  
Legal Research (Accurint, and Lexis)  
Personal Computer (Windows 2010, Excel 2010, PowerPoint 2010, Word  
2010, Outlook 2010, Adobe Acrobat X Pro, Simplifile, UltiPro, WebTime,  
PACER, Texas File, and File and Service Express)

**Experience:**

**2005/Present Winstead PC- Certified Paralegal**

Responsibilities include assisting attorneys with construction related lawsuits including preparation of pleadings and discovery requests. Assist construction attorneys with transactional related construction issues including drafting and tracking legal documents pertaining to transactions. Prepare contracts in the AIA software system. Assist litigation attorneys in preparing for hearings and trial, maintain calendars of upcoming deadlines. Perform legal research. Review client documents for production. General document review. Prepare PowerPoint presentations. Assist attorneys, paralegals, and secretaries in Texas e-filing system.

**2003/2005 Winstead PC- Legal Assistant**

Maintain client files, Update case management system, Update pleadings and discovery boards, Assist Paralegals in participation of trial.

**1999/2003 Winstead PC- File Clerk/Central Records**

Close client files in AS400, Assist secretaries with day to day filing.

**1997/1998 Capelo & Bargas- Legal Receptionis**

Answered multi-line telephone system and scheduled appointments for clients

**References** Available Upon Request



**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

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**In re:**

**TUESDAY MORNING CORPORATION,  
*et al.*,<sup>6</sup>**

**Debtors.**  
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**Chapter 11**

**Case No. 20-31476-HDH-11**

**Jointly Administered**

**ORDER GRANTING WINSTEAD PC'S FIRST AND FINAL FEE APPLICATION FOR  
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES**

Upon consideration of Winstead PC's First and Final Fee Application for Compensation and for Reimbursement of Expenses [Docket No. \_\_\_\_](the "Fee Application")<sup>7</sup> filed by Winstead PC (the "Applicant") in its capacity as Texas co-counsel to the Official Committee of Equity Security Holders of Tuesday Morning Corporation (the "Equity Committee") appointed in the Chapter 11 cases of the above-captioned debtor and debtors-in-possession and having considered

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<sup>6</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Tuesday Morning Corporation (8532) ("TM Corp."); TMI Holdings, Inc. (6658) ("TMI Holdings"); Tuesday Morning, Inc. (2994) ("TMI"); Friday Morning, LLC (3440) ("FM LLC"); Days of the Week, Inc. (4231) ("DOTW"); Nights of the Week, Inc. (7141) ("NOTW"); and Tuesday Morning Partners, Ltd. (4232) ("TMP"). The location of the Debtors' service address is 6250 LBJ Freeway, Dallas, Texas 75240.

<sup>7</sup> Capitalized terms not defined herein shall have the meaning ascribed to such term by the Fee Application.

the evidence, arguments of counsel, and response, if any, this Court is of the opinion that the Fee Application should be granted on a final basis. It is therefore:

**ORDERED** that the Fee Application is **GRANTED** on a final basis in the total sum of **\$69,848.79**, of which **\$63,773.50**, represents attorneys' and paraprofessionals' fees for services rendered and **\$6,075.29** constitutes reimbursable expenses incurred by the Applicant for the period beginning October 6, 2020 through December 31, 2020; and it is further

**ORDERED** that fees and expenses up to the amount of **\$8,500.00** incurred in connection with the preparation of the Fee Application are hereby approved; and it is further

**ORDERED** that as the Debtors have paid the Applicant \$37,529.22 pursuant to the Monthly Compensation Order, the Debtors are authorized and directed to pay to pay the Applicant **\$40,819.57**, the remaining legal fees and expenses approved herein, in according to the terms of the Plan.

**### END OF ORDER ###**

Submitted by:

/s/ Annmarie Chiarello

Rakhee V. Patel – SBT #00797213

Annmarie Chiarello – SBT #24097496

**WINSTEAD PC**

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Dallas, Texas 75201

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achiarello@winstead.com

-and-

Robert J. Feinstein (admitted *pro hac vice*)  
Bradford J. Sandler (admitted *pro hac vice*)  
Shirley S. Cho (admitted *pro hac vice*)  
Judith Elkin (SBT #06522200)  
Steven W. Golden (SBT #24099681)

**PACHULSKI STANG ZIEHL & JONES  
LLP**

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*Counsel for the Official Committee of Equity Security Holders*