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Proposed Counsel for Debtor and Debtor in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re: : **Chapter 11**
:
HOPEMAN BROTHERS, INC., : **Case No. 24-32428 (KLP)**
:
Debtor. :
:
:
:

MOTION OF THE DEBTOR FOR ENTRY OF AN ORDER (I) ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS AND (II) GRANTING RELATED RELIEF

Hopeman Brothers, Inc., the debtor and debtor in possession in the above-captioned chapter 11 case (the “Debtor”), respectfully represents as follows in support of this motion (the “Motion”):

RELIEF REQUESTED

1. The Debtor hereby seeks entry of an order:
 - (a) establishing procedures for interim compensation and reimbursement of expenses of professionals; and
 - (b) granting related relief.
2. A proposed form of order granting the relief requested herein is annexed hereto as

Exhibit A (the “Interim Compensation Order”).



JURISDICTION AND VENUE

3. The United States Bankruptcy Court for the Eastern District of Virginia (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984. This is a core proceeding pursuant to 28 U.S.C. § 157, and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a), 330, and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 2016-1 of the Local Rules of the United States Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Local Rules”)

BACKGROUND

5. On June 30, 2024 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court commencing this chapter 11 case.

6. The Debtor continues to manage its business as debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee has been appointed in this chapter 11 case.

7. Additional information regarding the Debtor’s business and the circumstances leading to the commencement of this chapter 11 case is set forth in detail in the *Declaration of Christopher Lascell in Support of Chapter 11 Petition and First Day Pleadings of Hopeman Brothers, Inc.* [Docket No. 8] (the “First Day Declaration”), which is fully incorporated herein by reference.

RETENTION OF PROFESSIONALS

8. To efficiently manage the proceedings of this chapter 11 case, the Debtor requires the assistance of certain professionals. Accordingly, the Debtor has either filed contemporaneously herewith, or anticipates on filing in the near term, applications to retain the following professionals (collectively, the “Debtor’s Professionals”), including, but not limited to: (a) Hunton Andrews Kurth LLP, as restructuring counsel, (b) Stout Risius Ross, LLC, as financial advisor, (c) Blank Rome, LLP, as special insurance counsel, and (d) Courington, Kiefer, Sommers, Marullo & Matherne, L.L.C., as special asbestos counsel. The Debtor may seek to retain other professionals pursuant to section 327 of the Bankruptcy Code during the course of this chapter 11 case as the need arises. Moreover, any statutory committee of unsecured creditors appointed in the chapter 11 case (the “Creditors’ Committee”) will also seek to retain counsel or other professionals to represent them in connection with this chapter 11 case (collectively, and together with the Debtor’s Professionals, the “Retained Professionals”).

THE PROPOSED COMPENSATION PROCEDURES

9. The Debtor believes that establishing orderly procedures for payment of the Retained Professionals will streamline the administration of this chapter 11 case and otherwise promote efficiency for the Court, the United States Trustee for the Eastern District of Virginia (the “U.S. Trustee”), and other parties in interest. A streamlined process for fee applications is in the best interest of the Debtor because it will facilitate efficient review of, and enable parties to more effectively monitor, the Retained Professionals’ fees and expenses incurred in this chapter 11 case while saving the Debtor unnecessary administrative expenses.

10. Accordingly, the Debtor requests that the Court authorize and establish procedures for the interim compensation and reimbursement of Retained Professionals on terms comparable to procedures approved in other chapter 11 cases in this District and that are set forth in Bankruptcy

Local Rule 1075-1 and Article VI.F.5 of the “Procedures for Complex Chapter 11 Cases in the Eastern District of Virginia” (the “Complex Case Procedures”). Specifically, the Debtor proposes that, except as otherwise provided in an order of the Court authorizing the retention of a particular Retained Professional, Retained Professionals be permitted to seek interim payment of compensation and reimbursement of expenses in accordance with the following procedures (the “Compensation Procedures”):

Monthly Fee Statements

- a. On or before the 21st day of each calendar month following the month for which compensation is sought, or as soon as is practicable thereafter, each Retained Professional seeking interim allowance of its fees and expenses shall file with the Court a monthly fee statement (a “Monthly Fee Statement”).
- b. Each Retained Professional that files a Monthly Fee Statement shall serve a copy of such Monthly Fee Statement on the following parties (collectively, the “Fee Notice Parties”) by hand, overnight delivery or email:
 - i. the Debtor, Hopeman Brothers, Inc., 6 Auburn Court, Unit 3, Brookline, Massachusetts 02446, Attn: Christopher Lascell;
 - ii. proposed counsel for the Debtor, Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (Attn: Tyler P. Brown (tpbrown@HuntonAK.com) and Henry P. (Toby) Long, III (hlong@HuntonAK.com)) and Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Joseph P. Rovira (josephrovira@HuntonAK.com) and Catherine A. Rankin (crankin@HuntonAK.com));
 - iii. the Office of the United States Trustee, 701 East Broad Street, Suite 4304, Richmond, VA 23219, Attn: Kathryn R. Montgomery (kathryn.montgomery@usdoj.gov); and
 - iv. counsel for any statutory committee appointed in this chapter 11 case.
- c. Any Retained Professional that fails to file and serve a Monthly Fee Statement for a particular month or months may subsequently file and serve a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months.

- d. The deadline for any Fee Notice Party to object to any Monthly Fee Statement shall be the 14th day (or the next business day if such day is not a business day) following the date the Monthly Fee Statement is served (the “Objection Deadline”); provided, however, nothing herein should be construed to prevent the U.S. Trustee from seeking, by consent or order, an extension of the Objection Deadline of up to 21 days following service of a Monthly Fee Statement.
- e. To object to a Retained Professional’s Monthly Fee Statement, the objecting Fee Notice Party must file with the Court a written objection (an “Objection”) setting forth, with specificity, the nature of the objection and the amount of fees or expenses at issue on or before the Objection Deadline and serve the Objection upon the affected Retained Professional and each of the Fee Notice Parties such that each Fee Notice Party actually receives the Objection on or before the Objection Deadline.
- f. Upon the expiration of the Objection Deadline, the Debtor will promptly pay the Retained Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Statement not subject to an Objection.
- g. If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an Objection and the parties are able to resolve the objection, the objecting Fee Notice Party shall file with the Court and serve upon each other Fee Notice Party a statement indicating that the Objection is withdrawn. Thereafter, the Debtor shall promptly pay 80% of the fees and 100% of the expenses of the Monthly Fee Statement no longer subject to an Objection.
- h. If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an Objection and the parties are unable to reach a consensual resolution, the Retained Professional may either (i) file with the Court a response to the Objection, together with a request for payment of any portion of the amounts subject to the Objection, or (ii) forgo payment of such amounts until the next hearing to consider interim or final fee applications, at which time the Court will adjudicate any unresolved Objections.
- i. The filing of an Objection to a Monthly Fee Statement shall not prejudice the objecting Fee Notice Party’s right to object to an Interim Fee Application (as defined below) on any ground whether raised in the Objection or not. Furthermore, failure by a Fee Notice Party to object to a Monthly Fee Statement shall not constitute a waiver of any kind nor prejudice that Fee Notice Party’s right to object to any Interim Fee Application subsequently filed by a Retained Professional.

Interim Fee Applications

- a. Commencing with applications covering the period from the Petition Date through the last day of the month that is two months following the end of the month in which the petitions were filed, and at three-month intervals thereafter, Retained Professionals shall file with the Court an application (an “Interim Fee Application”) for interim approval and allowance of compensation and reimbursement of expenses sought by such Retained Professional in its Monthly Fee Statements, including any amounts requested in Monthly Fee Statements but yet unpaid, filed during the preceding interim period (each such period, an “Interim Fee Period”). The initial Interim Fee Period will include the period from the Petition Date through August 31, 2024.
- b. Retained Professionals shall file their applicable Interim Fee Applications on or before the 45th day, or the next business day if such day is not a business day, following the end of each Interim Fee Period.
- c. The Interim Fee Application shall include a brief description identifying the following:
 - i. the Monthly Fee Statements that are the subject of the request;
 - ii. the amount of fees and expenses requested;
 - iii. the amount of fees and expenses paid to date or subject to an Objection;
 - iv. the deadline for parties to file Objections to the Interim Fee Application (such Objections, the “Additional Objections”); and
 - v. any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Local Rules.
- d. Additional Objections to any Interim Fee Application shall be filed with the Court and served upon the affected Retained Professional and each of the Fee Notice Parties so as to be actually received by the Retained Professional and each Fee Notice Party on or before the 21st (or the next business day if such day is not a business day), following service of the applicable Interim Fee Application.
- e. The Debtor may request that the Court schedule a hearing on Interim Fee Applications at least once every three months or at such other intervals as the Court deems appropriate. If no Objections are pending and no Additional Objections are timely filed, the Court may approve and allow an Interim Fee Application without a hearing. Upon allowance by the Court of a Retained Professional’s Interim Fee Application, the Debtor shall be authorized to promptly pay such Retained Professional all requested fees

(including any holdback from prior Monthly Statements not subject to a pending Objection) and expenses not previously paid.

- f. Each Retained Professional that is an attorney shall make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *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*, in connection with each fee application.
- g. Any Retained Professional unable to file its own Interim Fee Application with the Court shall deliver a fully executed copy to the Debtor's Virginia counsel for filing on the Retained Professional's behalf.
- h. Any Retained Professional that fails to file an Interim Fee Application when due shall be ineligible to receive further monthly or interim payments of fees or expenses with respect to any subsequent period until such time as an Interim Fee Application covering the prior period is filed by the Retained Professional.
- i. A pending Objection to compensation or reimbursement of a Retained Professional does not disqualify the Retained Professional from future compensation or reimbursement.
- j. Neither (i) the payment of, or the failure to pay, in whole or in part, any interim compensation and reimbursement to a Retained Professional nor (ii) the filing of, or failure to file, an Objection will bind any party in interest or the Court with respect to the final allowance of any compensation of fees for services rendered or reimbursement of expenses incurred by a Retained Professional. All fees and expenses paid to Retained Professionals under these Compensation Procedures are subject to disgorgement until final allowance by the Court.
- k. Any member of a statutorily-appointed committee in this chapter 11 case may submit statements of expenses (excluding the fees and expenses of an individual committee member's counsel) and supporting vouchers for reimbursement by the Debtor in accordance with the compensation procedures.
- l. No Retained Professional may serve a Monthly Fee Statement or file an Interim Fee Application until the Court enters an order approving the retention of such professional.

BASIS FOR RELIEF

11. The Bankruptcy Code authorizes compensating the Retained Professionals and establishing the Compensation Procedures. Section 330(a)(1) of the Bankruptcy Code provides

that “the court may award . . . a professional person employed under section 327 or 1103— (A) reasonable compensation for actual, necessary services rendered . . . and, (B) reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1). Bankruptcy Rule 2016(a) provides that any application seeking such compensation or reimbursement shall set forth a “detailed statement of (1) the services rendered, time expended and expenses incurred, and (2) the amounts requested.” Fed. R. Bankr. P. 2016(a).

12. With respect to the Court’s review of any such application, section 330(a)(3) of the Bankruptcy Code provides as follows:

[T]he 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)(3).

13. In addition, the Bankruptcy Code provides for allowance and disbursement of professional compensation on an interim basis. Under section 331 of the Bankruptcy Code, all Retained Professionals are entitled to submit applications for interim compensation and

reimbursement of expenses every 120 days, or more often if the Court permits. Specifically, section 331 of the Bankruptcy Code provides, in relevant part, as follows:

A trustee, an examiner, a debtor's attorney, or any professional person employed under section 327 or 1103 of this title may apply to the court not more than once every 120 days after an order for relief in a case under this title, or more often if the court permits, for such compensation for services rendered before the date of such an application or reimbursement for expenses incurred before such date as is provided under section 330 of this title. After notice and a hearing, the court may allow and disburse to such applicant such compensation or reimbursement.

11 U.S.C. § 331. Absent an order of this Court, section 331 of the Bankruptcy Code limits payment of fees and expenses to Retained Professionals rendering services in this chapter 11 case to three times per year.

14. Bankruptcy Code section 105(a) provides that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Courts may use their discretionary authority under Bankruptcy Code section 105(a) because, while Bankruptcy Code section 331 “expresses the normal rule that interim fee applications may be filed only once every 120 days, it expressly permits the Court, in appropriate circumstances, to permit fee applications to be filed more often.” *In re Mariner Post-Acute Network, Inc.*, 257 B.R. 723, 727 (Bankr. D. Del. 2000).

15. The Compensation Procedures are necessary to ensure that the Retained Professionals are fairly and timely compensated for their services in this case and are not forced to bear undue financial burden or risk caused by delays in payment. *See id.* at 727–28 (“[I]t is likely that the professionals appointed under section 327 are investing huge quantities of time, and therefore receiving payment only once every four months may impose an intolerable burden on them”) (internal quotations omitted). Absent streamlined compensation procedures, the

professional fee application and review process could be exceptionally burdensome on the Debtor, Retained Professionals, the Court, and other parties.

16. The Compensation Procedures also are based on the provisions that are included in the Complex Case Procedures. Specifically, Article VI.F.5 of the Complex Case Procedures provides that each of the provisions included in the Compensation Procedures “may [be] included in an order establishing procedures for interim compensation for services rendered and reimbursement of expenses incurred by Retained Professionals.”

17. Furthermore, courts in this jurisdiction and others have approved relief similar to the relief requested in this motion. *See, e.g., In re Enviva Inc.*, Case No. 24-10453 (BFK) [Docket No. 317] (Bankr. E.D. Va. Apr. 12, 2024); *In re Nordic Aviation Cap. Designated Activity Co.*, Case No. 21-33693 (KRH) [Docket No. 295] (Bankr. E.D. Va. Feb. 3, 2022); *In re Ascena Retail Group, Inc.*, Case No. 20-33113 (KRH) [Docket No. 550] (Bankr. E.D. Va. Sept. 8, 2020); *In re Intelsat S.A.*, Case No. 20-32299 (KLP) [Docket No. 425] (Bankr. E.D. Va. June 30, 2020); *In re Chinos Holdings, Inc.*, Case No. 20-32181 (KLP) [Docket No. 389] (Bankr. E.D. Va. May, 28 2020); *In re Pier 1 Imports Inc.*, Case No. 20-30805 (KRH) [Docket No. 980] (Bankr. E.D. Va. March 17, 2020).

18. In contrast to the four-month default period under section 331 of the Bankruptcy Code, the foregoing proposed Compensation Procedures provide for monthly review, enabling the Debtor to closely monitor the costs of administering this chapter 11 case, maintain appropriate cash flows, and implement efficient cash management procedures. Moreover, these Compensation Procedures also will allow the Court, the U.S. Trustee, and other key parties in interest to monitor the reasonableness and necessity of the compensation and reimbursement sought by the Retained Professionals. Based upon the foregoing, the Debtor believes that the relief requested herein is

necessary, appropriate, and in the best interest of the Debtor's estate, creditors, and all parties in interest, and therefore should be approved.

NOTICE

19. Notice of this Motion will be given to: (a) the Office of the United States Trustee for the Eastern District of Virginia; (b) the 20 law firms with the largest number of asbestos personal injury claims currently pending against the Debtor; (c) the 20 law firms that represent clients with, collectively, the largest unpaid settlement amounts; (d) counsel to the Chubb Settling Insurers; (e) counsel to the Certain Settling Insurers that are parties to the settlement agreement that is the subject of the Certain Settling Insurers Settlement Motion; and (f) all parties who have requested or who are required to receive notice pursuant to Bankruptcy Rule 2002. The Debtor submits that, under the circumstances, no other or further notice is required.

WAIVER OF SEPARATE MEMORANDUM OF POINTS AND AUTHORITIES

20. The Debtor respectfully requests that the Court regard any argument and citations set forth herein as a written memorandum of facts, reasons, and authorities that has been combined with the relief requested herein, as permitted by rule 9013-1(F)(1). Alternatively, the Debtor respectfully requests that the Court waive any requirement set forth in rule 9013-1(F)(1) that this Motion be accompanied by such a written memorandum.

[Remainder of page intentionally left blank]

WHEREFORE the Debtor respectfully requests that the Court enter the Interim Compensation Order granting the relief requested in this Motion and such other and further relief as may be just and proper.

Dated: July 22, 2024
Richmond, Virginia

/s/ Henry P. (Toby) Long, III

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Proposed Counsel for the Debtor and Debtor in Possession

Exhibit A

Interim Compensation Order

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Proposed Counsel for Debtor and Debtor in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re: : **Chapter 11**
:
HOPEMAN BROTHERS, INC., : **Case No. 24-32428 (KLP)**
:
Debtor. :
:
:
:

**ORDER (I) ESTABLISHING PROCEDURES FOR
INTERIM COMPENSATION AND REIMBURSEMENT
OF EXPENSES OF PROFESSIONALS AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)¹ of the above-captioned debtor in the above-captioned chapter 11 case (the “Debtor”), for entry of an order (this “Order”) (i) establishing procedures for interim compensation and reimbursement of expenses of professionals and (ii) granting related relief, all as more fully set forth in the Motion; and the Court having reviewed the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order

¹ Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Motion.

consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in this order, it is hereby

ORDERED, ADJUDGED AND DECREED THAT

1. The Motion is granted.
2. Except as otherwise provided in an order of this Court authorizing the retention of a Retained Professional, Retained Professionals may seek interim payment of compensation and reimbursement of expenses in accordance with the following compensation procedures (the “Compensation Procedures”):

Monthly Fee Statements

- a. On or before the 21st day of each calendar month following the month for which compensation is sought, or as soon as is practicable thereafter, each Retained Professional seeking interim allowance of its fees and expenses shall file with the Court a monthly fee statement (a “Monthly Fee Statement”).
- b. Each Retained Professional that files a Monthly Fee Statement shall serve a copy of such Monthly Fee Statement on the following parties (collectively, the “Fee Notice Parties”) by hand, overnight delivery or email:
 - i. the Debtor, Hopeman Brothers, Inc., 6 Auburn Court, Unit 3, Brookline, Massachusetts 02446, Attn: Christopher Lascell;
 - ii. proposed counsel for the Debtor, Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219 (Attn: Tyler P. Brown (tpbrown@HuntonAK.com) and Henry P. (Toby) Long, III (hlong@HuntonAK.com)) and Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Joseph P. Rovira (josephrovira@HuntonAK.com) and Catherine A. Rankin (crankin@HuntonAK.com));

- iii. the Office of the United States Trustee, 701 East Broad Street, Suite 4304, Richmond, VA 23219, Attn: Kathryn R. Montgomery (kathryn.montgomery@usdoj.gov); and
- iv. counsel for any statutory committee appointed in this chapter 11 case.
- c. Any Retained Professional that fails to file and serve a Monthly Fee Statement for a particular month or months may subsequently file and serve a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months.
- d. The deadline for any Fee Notice Party to object to any Monthly Fee Statement shall be the 14th day (or the next business day if such day is not a business day) following the date the Monthly Fee Statement is served (the “Objection Deadline”); provided, however, nothing herein should be construed to prevent the U.S. Trustee from seeking, by consent or order, an extension of the Objection Deadline of up to 21 days following service of a Monthly Fee Statement.
- e. To object to a Retained Professional’s Monthly Fee Statement, the objecting Fee Notice Party must file with the Court a written objection (an “Objection”) setting forth, with specificity, the nature of the objection and the amount of fees or expenses at issue on or before the Objection Deadline and serve the Objection upon the affected Retained Professional and each of the Fee Notice Parties such that each Fee Notice Party actually receives the Objection on or before the Objection Deadline.
- f. Upon the expiration of the Objection Deadline, the Debtor will promptly pay the Retained Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Statement not subject to an Objection.
- g. If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an Objection and the parties are able to resolve the objection, the objecting Fee Notice Party shall file with the Court and serve upon each other Fee Notice Party a statement indicating that the Objection is withdrawn. Thereafter, the Debtor shall promptly pay 80% of the fees and 100% of the expenses of the Monthly Fee Statement no longer subject to an Objection.
- h. If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an Objection and the parties are unable to reach a consensual resolution, the Retained Professional may either (i) file with the Court a response to the Objection, together with a request for payment of any portion of the amounts subject to the Objection, or (ii) forgo payment of such amounts until the next hearing to consider interim or final fee

applications, at which time the Court will adjudicate any unresolved Objections.

- i. The filing of an Objection to a Monthly Fee Statement shall not prejudice the objecting Fee Notice Party's right to object to an Interim Fee Application (as defined below) on any ground whether raised in the Objection or not. Furthermore, failure by a Fee Notice Party to object to a Monthly Fee Statement shall not constitute a waiver of any kind nor prejudice that Fee Notice Party's right to object to any Interim Fee Application subsequently filed by a Retained Professional.

Interim Fee Applications

- a. Commencing with applications covering the period from the Petition Date through the last day of the month that is two months following the end of the month in which the petitions were filed, and at three-month intervals thereafter, Retained Professionals shall file with the Court an application (an "Interim Fee Application") for interim approval and allowance of compensation and reimbursement of expenses sought by such Retained Professional in its Monthly Fee Statements, including any amounts requested in Monthly Fee Statements but yet unpaid, filed during the preceding interim period (each such period, an "Interim Fee Period"). The initial Interim Fee Period will include the period from the Petition Date through August 31, 2024.
- b. Retained Professionals shall file their applicable Interim Fee Applications on or before the 45th day, or the next business day if such day is not a business day, following the end of each Interim Fee Period.
- c. The Interim Fee Application shall include a brief description identifying the following:
 - i. the Monthly Fee Statements that are the subject of the request;
 - ii. the amount of fees and expenses requested;
 - iii. the amount of fees and expenses paid to date or subject to an Objection;
 - iv. the deadline for parties to file Objections to the Interim Fee Application (such Objections, the "Additional Objections"); and
 - v. any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Local Rules.
- d. Additional Objections to any Interim Fee Application shall be filed with the Court and served upon the affected Retained Professional and each of the Fee Notice Parties so as to be actually received by the Retained Professional

and each Fee Notice Party on or before the 21st (or the next business day if such day is not a business day), following service of the applicable Interim Fee Application.

- e. The Debtor may request that the Court schedule a hearing on Interim Fee Applications at least once every three months or at such other intervals as the Court deems appropriate. If no Objections are pending and no Additional Objections are timely filed, the Court may approve and allow an Interim Fee Application without a hearing. Upon allowance by the Court of a Retained Professional's Interim Fee Application, the Debtor shall be authorized to promptly pay such Retained Professional all requested fees (including any holdback from prior Monthly Statements not subject to a pending Objection) and expenses not previously paid.
- f. Each Retained Professional that is an attorney shall make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the *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*, in connection with each fee application.
- g. Any Retained Professional unable to file its own Interim Fee Application with the Court shall deliver a fully executed copy to the Debtor's Virginia counsel for filing on the Retained Professional's behalf.
- h. Any Retained Professional that fails to file an Interim Fee Application when due shall be ineligible to receive further monthly or interim payments of fees or expenses with respect to any subsequent period until such time as an Interim Fee Application covering the prior period is filed by the Retained Professional.
- i. A pending Objection to compensation or reimbursement of a Retained Professional does not disqualify the Retained Professional from future compensation or reimbursement.
- j. Neither (i) the payment of, or the failure to pay, in whole or in part, any interim compensation and reimbursement to a Retained Professional nor (ii) the filing of, or failure to file, an Objection will bind any party in interest or the Court with respect to the final allowance of any compensation of fees for services rendered or reimbursement of expenses incurred by a Retained Professional. All fees and expenses paid to Retained Professionals under these Compensation Procedures are subject to disgorgement until final allowance by the Court.
- k. Any member of a statutorily-appointed committee in this chapter 11 case may submit statements of expenses (excluding the fees and expenses of an individual committee member's counsel) and supporting vouchers for

reimbursement by the Debtor in accordance with the compensation procedures.

1. No Retained Professional may serve a Monthly Fee Statement or file an Interim Fee Application until the Court enters an order approving the retention of such professional.

3. In each Interim Fee Application and final fee application, all attorneys who have been or are hereafter retained pursuant to sections 327 or 1103 of the Bankruptcy Code shall (a) apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtor's chapter 11 case in compliance with sections 330 and 331 of the Bankruptcy Code and applicable provisions of the Bankruptcy Rules, Bankruptcy Local Rules, and any other applicable procedures and orders of this Court; (b) make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the 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; and (c) shall provide their billing records (detailed time entries and expenses) for the time period covered by each Interim Fee Application and final fee application in LEDES format or other open and searchable electronic data format to (i) the U.S. Trustee, (ii) any fee auditor appointed in the chapter 11 case, and (iii) upon request, to this Court.

4. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

5. Notwithstanding entry of this Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

6. Notwithstanding Bankruptcy Rule 6004, this Order shall be immediately effective and enforceable upon its entry.

7. The requirement under Bankruptcy Local Rule 9013-1(G) to file a memorandum of law in connection with the Motion is waived.

8. The Debtor is authorized to take all action necessary to effectuate the relief granted in this Order.

9. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2024
Richmond, Virginia

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

/s/ Henry P. (Toby) Long, III

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- and -

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Proposed Counsel for the Debtor and Debtor in Possession

**CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Henry P. (Toby) Long, III
Henry P. (Toby) Long, III