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**The following constitutes the order of the Court.****Signed: November 18, 2024**

Charles Novack  
U.S. Bankruptcy Judge*Attorneys for the Debtors and  
Debtors in Possession***UNITED STATES BANKRUPTCY COURT****NORTHERN DISTRICT OF CALIFORNIA****SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California  
corporation, *et al.*,<sup>1</sup>

Debtors.

Lead Case No. 24-10545 (CN)

Chapter 11 (Jointly Administered)

**ORDER GRANTING MOTION OF  
DEBTORS TO ESTABLISH  
PROCEDURES FOR INTERIM  
COMPENSATION AND  
REIMBURSEMENT OF EXPENSES  
OF PROFESSIONALS****Date:** November 8, 2024**Time:** 11:00 a.m.**Place:** United States Bankruptcy Court  
1300 Clay Street, Courtroom 215  
Oakland, CA 94612

<sup>1</sup> The last four digits of LeFever Mattson's tax identification number are 7537. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>. The address for service on the Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621.



Upon consideration of the *Motion of Debtors to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Motion”),<sup>2</sup> filed by the above-captioned debtors and debtors in possession (the “Debtors”); the Court having reviewed the Motion and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the “Hearing”); and the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “Bankruptcy Local Rules”); (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors; and good and sufficient cause having been shown;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted.
2. Except as may otherwise be provided by orders of this Court authorizing the retention of specific professionals, all Retained Professionals and members of the Committee may seek interim payment of compensation and reimbursement of expenses in accordance with the following Interim Compensation Procedures:

***Monthly Fee Statements***

- (a) On or after the 15th day of each calendar month, following the month for which compensation is sought, each Retained Professional seeking interim allowance of its fees and reimbursement of expenses may file a monthly statement, which will include the appropriate time entry and description and expense detail, with the Court for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (a “Monthly Fee Statement”). Retained Professionals may submit the first Monthly Fee Statement, covering the period from the LeFever Mattson Petition Date or the Windscape Petition Date, as applicable to such Retained Professional, through October 31,

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<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

2024 (so long as no appeal of an order approving this Motion has been taken), on or after November 15, 2024.

(b) Each Retained Professional shall serve a copy of such Monthly Fee Statement on the following parties (collectively, the “Notice Parties”), service by electronic mail being acceptable:

(1) The Debtors c/o LeFever Mattson, 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621 (Attn: Mark Bennett) and DSI Consulting, 333 South Grand Avenue, Los Angeles, CA 90071 (Attn: Bradley D. Sharp) bsharp@dsiconsulting.com;

(2) The Office of the United States Trustee for Region 17, 450 Golden Gate Avenue, 5th Floor, Suite #05-0153, San Francisco, CA 94102 (Attn: Jared Day, Esq.), jared.a.day@usdoj.gov;

(3) The attorneys for the Debtors, Keller Benvenuti Kim LLP, 425 Market Street, 26th Floor, San Francisco, CA 94105 (Attn: Thomas B. Rupp, Esq.), trupp@kbbkllp.com; and

(4) The attorneys for the Committee, Pachulski Stang Ziehl & Jones LLP, One Sansome Street, 34th Floor, Suite 3430, San Francisco, CA 94104 (Attn: Jason H. Rosell), jrosell@pszj.com.

(c) Any Retained Professional that fails to file a Monthly Fee Statement for a particular month or months may subsequently submit a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months. All Monthly Fee Statements will comply with the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees for the Northern District of California*, dated February 19, 2014 (the “Local Guidelines”) and any other applicable order in the Chapter 11 Cases.

(d) Any objection to a Monthly Fee Statement must be made by the 10th 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”).

(e) To object to a Monthly Fee Statement, a party must (i) file a written objection with the Court by the Objection Deadline and (ii) serve the objection upon the affected Retained Professional and the Notice Parties by the Objection Deadline.

(f) Upon the expiration of the Objection Deadline, a Retained Professional may file a certificate of no objection (a “CNO”) with the Court with respect to any fees and expenses not subject to objection. After a Retained Professional files a CNO, the Debtors will pay the Retained Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Statement that are 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 unable to reach a consensual resolution, the Retained Professional may (i) request that the Court approve the amounts subject to objection or (ii) forego 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.

*Interim Fee Applications*

- (h) At four-month intervals or such other interval designated by the Court, Retained Professionals may 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 filed during the preceding interim period, including any amounts held back pursuant to these procedures (the “Interim Fee Period”). The initial Interim Fee Period will include the period from the LeFever Mattson Petition Date or Windscape Petition Date, as applicable to the retained professional, through December 31, 2024.
- (i) Retained Professionals will file their Interim Fee Applications by the 45th day, or the next business day if such day is not a business day, following the end of each Interim Fee Period.
- (j) The Interim Fee Application will include a brief description identifying the following:
- (1) the Monthly Fee Statements that are the subject of the request;
  - (2) the amount of fees and expenses requested;
  - (3) the amount of fees and expenses paid to date or subject to an unresolved objection;
  - (4) the deadline to file objections to the Interim Fee Application (“Additional Objections”);
  - (5) any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, or the Local Guidelines.
- (k) Additional Objections to any Interim Fee Application will be filed and served upon the affected Retained Professional and the Notice Parties within the time allowed by B.L.R. 9014-1(c)(2).
- (l) Each Retained Professional will serve its Interim Fee Application and final fee application upon the Notice Parties. Each Retained Professional will serve a notice of hearing on its Interim Fee Application and final fee application on the Notice Parties and all parties that have requested notice in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. The Debtors may serve an omnibus notice of hearing on the Retained Professionals’ Interim Fee Applications in lieu of separate notices of hearing. The hearing on any Interim Fee Application will be noticed pursuant to B.L.R. 9014-1(c)(2). No further notice shall be necessary.
- (m) If no Objections are pending and no Additional Objections are timely filed, the Court may grant an Interim Fee Application without a hearing.
- (n) A pending objection to compensation or reimbursement of any Retained Professional does not disqualify a Retained Professional from future compensation or reimbursement.

- (o) Any Retained Professional that fails to file a Monthly Fee Statement or an Interim Fee Application when due or permitted will not receive further interim compensation or reimbursement until the Retained Professional submits any outstanding Monthly Fee Statements or Interim Fee Applications. There are no other penalties for failing to file a Monthly Fee Statement or Interim Fee Application.
- (p) 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. All fees and expenses paid to Retained Professionals under these Interim Compensation Procedures are subject to disgorgement until final allowance by the Court.
- (q) 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 pursuant to sections 327 or 1103 of the Bankruptcy Code.
- (r) The attorneys for the Committee may, in accordance with the Interim Compensation Procedures, collect and submit statements of expenses, with supporting vouchers, from members of the Committee (excluding third-party counsel fees); *provided that* these reimbursement requests must comply with the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and the Local Guidelines.

3. The Debtors shall include all payments to Retained Professionals on their monthly operating reports, detailed so as to state the amount paid to each Retained Professional.

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

5. The Debtors shall serve a copy of this Order on each of the Retained Professionals.

6. Notice of hearings to consider Interim Fee Applications and final fee applications shall be limited to the Notice Parties and any party who files a notice of appearance and requests notice in the Chapter 11 Cases.

7. Nothing contained in the Motion or this Order is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection of any

1 agreement, contract, lease, program, or policy between the Debtors and any third party under  
2 section 365 of the Bankruptcy Code.

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

5 9. The Debtors are hereby authorized to take such actions and to execute such  
6 documents as may be necessary to implement the relief granted by this Order.

7 10. The Court retains exclusive jurisdiction with respect to all matters arising from or  
8 related to the implementation, interpretation, and enforcement of this Order.

9 \*\* END OF ORDER \*\*

10 APPROVED AS TO FORM:

11 TRACY HOPE DAVIS  
12 UNITED STATES TRUSTEE

13 By: /s/ Jared A. Day  
14 Jared A. Day  
15 Trial Attorney for United States Trustee  
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*All Registered ECF Participants*