

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION

In re:)	First Interim Application for
)	Compensation for
)	Rocky Mountain Advisory as
Polarity TE, Inc.,)	Accounting and Financial Advisors
)	
)	
)	Bankruptcy No. 23-22358
)	(Chapter 11)
Debtor)	
)	

FIRST INTERIM APPLICATION OF ROCKY MOUNTAIN ADVISORY AS
ACCOUNTING AND FINANCIAL ADVISORS FOR THE DEBTOR-IN-POSSESSION
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD JUNE 6, 2023 THROUGH OCTOBER 31, 2023

The application of Rocky Mountain Advisory, LLC (“Applicant”), Accountants and Financial Advisors for the Debtor-in-Possession of the above referenced estate, respectfully represents:

1. On the 6th day of June 2023, the above referenced debtor filed a Chapter 11 proceeding.
2. Pursuant to an Application with the Court your Applicant was employed as Accountants and Financial Advisors for the Debtor-in-Possession.
3. Pursuant to 11 U.S.C. § 328, Applicant makes this application for an allowance for reasonable compensation for services rendered by Applicant in this proceeding from June 6, 2023, through and including October 31, 2023.



4. All services for which Applicant seeks compensation were performed for and on behalf of said bankruptcy estate and not on behalf of any other estate or individual creditor or other person, and no agreement or understanding exists between Applicant and any other persons for division of compensation.

SUMMARY OF SERVICES RENDERED

5. Applicant has rendered professional services to the Debtor-in-Possession including the following:

- a. BUSINESS ANALYSIS – Analyzed cash flow projections and assisted Debtor in preparation of the same for initial financial report.
- b. CASE ADMINISTRATION – Review and sign application documents. Review case filings including financial affairs and schedules. Coordination and meetings with debtor and bankruptcy team on case administration and sale transaction. Assisted Debtor with preparation and coordination of monthly operating reports. Analyzed Debtor's monthly financial reports and assisted with revisions. Assisted Debtor in getting tax firm engaged for tax return compliance and preparation. Advised Debtor on accounting for transactions and presentation of the same. Advised Debtor on various bankruptcy issues.
- c. PLAN & DISCLOSURE STATEMENT – Analyze claims with respect to Plan of Liquidation and drafted liquidation analysis for Plan of Liquidation. Prepared exhibits and schedules in support of Plan of Liquidation.

COMPENSATION PAID AND/OR PROMISED AND ITS SOURCE

6. Your Applicant is holding a retainer of \$20,000.

7. There is no agreement or understanding between your Applicant and any other person for the sharing of the compensation to be received for the services rendered in this case

PERSONNEL

8. The following Rocky Mountain Advisory, LLC personnel billed time in this application. Total time billed by each person by project is included in Exhibit A.

<u>Personnel</u>	<u>Hourly Rate</u>
John Curtis	345
Jennifer Yakumo	250
Saria Ott	240

DISBURSEMENTS

11. Your Applicant has been required to spend \$.70 as Accountant for the Trustee for the period June 6, 2023, through October 31, 2023, for copying documents and for other actual and necessary expenses as outlined in detail on the itemizations of actual expenses attached hereto (Exhibit A). Accordingly, the disbursements for the period June 6, 2023, through October 31, 2023 are \$.70.

EVALUATION OF SERVICES

11. For the period June 6, 2023, through October 31, 2023, your Applicant has rendered services valued at \$21,877.00 as Accountant for the Trustee and Financial Advisor in connection with the above matters. This amount is based on services having been performed by various members of your Applicant's accounting firm

and are itemized in detail on the attached time summary (Exhibit A). Services have been rendered at the reasonable rates identified in the attached time summary.

WHEREFORE, your Applicant prays that it be awarded and paid the sum of \$21,877.00, for compensation for professional services and \$.70 in expenses in this case for a total amount due of \$21,877.70 for the period June 6, 2023, through October 31, 2023. Your Applicant further requests the Court approve and authorize RMA to apply its retainer balance of \$20,000 against the approved fees and expenses, with the remaining balance to be paid by the Debtor.

DATED this 7th day of November 2023.

/s/ John Curtis

John Curtis
Rocky Mountain Advisory, LLC

EXHIBIT A

Rocky Mountain Advisory LLC
15 West South Temple, Suite 500
Salt Lake City, UT 84101
(801) 428-1600



November 03, 2023

Brian Rothschild
Via Electronic Mail
BRothschild@parsonsbehle.com

Invoice Number: 16957
Invoice Period: 06-06-2023 - 10-31-2023

Payment Terms: Net 15

RE: Polarity TE Bankruptcy**Time Details**

Date	Staff Member	Description	Hours	Rate	Amount
<u>Business Analysis</u>					
06-27-2023	JHC	Worked with J. Patterson on cash flow projections and related analyses (.4). Analyzed six month cash flow projections, revised and updated format of projections and provided to J. Patterson for review (1.4). Call with J. Patterson and B. Rothschild on six month projections (.3).	2.10	345.00	724.50
			2.10		724.50
<u>Case Administration</u>					
06-06-2023	JHC	Reviewed application to employ, proposed order and my declaration (.4). Signed and submitted my declaration for employment (.2). Communications with counsel on engagement (.3).	0.90	345.00	310.50
06-08-2023	JHC	Reviewed case filings, including statements of financial affairs and schedules and bankruptcy schedules (1.9). Call with Debtor board and counsel regarding case status and upcoming filing requirements and sale process (.9). Call with US Trustee and counsel for Debtor (.6).	3.40	345.00	1,173.00
06-13-2023	JHC	Prepared and sent email to CFO and team on financial information needed for initial financial report and provided sample forms and documents (.4). Attended update call with legal team and board (.5).	0.90	345.00	310.50
06-14-2023	JHC	Reviewed docket and communicated with counsel on initial debtor interview (.3). Attended initial debtor interview with US Trustee, counsel and CFO (.8).	1.10	345.00	379.50
06-20-2023	JY	Attend team meeting regarding case milestones.	0.60	250.00	150.00
06-20-2023	JHC	Participated in weekly call with bankruptcy team and executive team (.8). Responded to J. Patterson email on initial financial report filing and information needed for the same (.3).	1.10	345.00	379.50
06-27-2023	JHC	Conference call with team on case status, deadlines and issues.	0.40	345.00	138.00

Date	Staff Member	Description	Hours	Rate	Amount
<u>Case Administration</u>					
06-27-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.40	250.00	100.00
06-28-2023	JY	Review the rules for guidance on monthly financial reporting for jointly administered cases (.2). Identify the Debtors' NAICS 4-digit code (.1). Prepare a form template for the monthly operating reports (.2). Communicate with J. Curtis regarding the monthly operating reports (.1). Call with B. Rothschild regarding the monthly operating reports (.1). Edit the form template for the monthly operating reports (.1). Gather fee information from the US Trustee's website (.1). Prepare email to J. Patterson providing the form template, along with information on completing the monthly operating reports and information on the US Trustee's quarterly fees (.5).	1.40	250.00	350.00
07-06-2023	JY	Attend a status meeting with the Debtor's bankruptcy team (.6). Prepare email to J. Curtis to provide information on items discussed in the team status meeting earlier today (.2).	0.80	250.00	200.00
07-10-2023	JY	Prepare email to J. Patterson to follow-up on the June 2023 operating report.	0.10	250.00	25.00
07-11-2023	JY	Attend status meeting with the Debtor's bankruptcy team (.4). Email J. Curtis providing information on the status of the proposed sale to Browser (.2).	0.60	250.00	150.00
07-18-2023	JHC	Conference call with Board and legal team on status of case and various deadlines and key dates (.9). Email communications with team on meeting with buyer (.2).	1.10	345.00	379.50
07-18-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.90	250.00	225.00
07-19-2023	JY	Email J. Patterson providing guidance on preparing operating reports.	0.30	250.00	75.00
07-20-2023	JY	Attend status meeting with the Debtor's bankruptcy team.	0.60	250.00	150.00
07-20-2023	JHC	Call with legal team, board of directors and management team on various case issues.	0.70	345.00	241.50
07-21-2023	JHC	Analyzed monthly operating report and provided comments and requests to J. Patterson and controller (1.2). Prepared various attachments and schedules to monthly operating report (1.9). Email communications and call with J. Patterson and D. Hutchinson on monthly operating report (.7). Prepared and compiled monthly operating report and schedules for filing (.9).	4.70	345.00	1,621.50
07-25-2023	JHC	Call with team on status of closing and various issues in case.	0.40	345.00	138.00
07-25-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.40	250.00	100.00
07-27-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.40	250.00	100.00
07-27-2023	JHC	Attended status update conference call with board and legal team.	0.60	345.00	207.00

Date	Staff Member	Description	Hours	Rate	Amount
<u>Case Administration</u>					
08-01-2023	JHC	Email communications related to status of closing and case.	0.30	345.00	103.50
08-03-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.50	250.00	125.00
08-08-2023	JY	Attend a status meeting with the Debtor's bankruptcy team.	0.70	250.00	175.00
08-08-2023	JHC	Call with team on status of sale and various items, including post-sale management (.5). Arranged for call on post-closing role and followed up with financial team on monthly report (.3).	0.80	345.00	276.00
08-10-2023	JHC	Arranged for meeting on post-closing chief restructuring officer and liquidating agent for Debtor.	0.20	345.00	69.00
08-11-2023	JHC	Reviewed public SEC filings of Polarity to prepare for meeting (.7). Conference call with counsel and J. Patterson on post-sale chief restructuring role and liquidating agent role and related questions (.5).	1.20	345.00	414.00
08-14-2023	JHC	Responded to questions from D. Hutchinson on monthly operating report as to the sale of assets and whether ordinary course (.4). Directed J. Yakumo regarding monthly operating report (.2).	0.60	345.00	207.00
08-15-2023	JY	Analyze email from D. Hutchison regarding the July 2023 operating report and check the attachments for completeness (.3). Prepare email reply requesting copies of the July 2023 bank statements (.1). Process redactions on all the July 2023 bank statements (.2). Analyze the supporting schedules, foot balances, and tie-out figures in the operating report (2.0). Conference with J. Curtis regarding the draft operating report (.1). Outline items to discuss with Debtor's management (.5). Email D. Hutchinson and J. Patterson regarding further information and documents needed for the July 2023 operating report (.7).	4.00	250.00	1,000.00
08-16-2023	JHC	Met with and directed J. Yakumo in preparation of monthly operating report (.3). Reviewed monthly operating report and responded with comments (.9). Submitted monthly operating report to J. Patterson for review and filing (.3). Email communications with J. Patterson on monthly operating report (.2).	1.70	345.00	586.50
08-16-2023	JY	Analyze email from D. Hutchison regarding the July 2023 operating report and communications regarding same (.3). Edit the schedules and report form to incorporate information obtained from D. Hutchison (.7). Compile report and attachments to prepare for filing (.3). Met with J. Curtis regarding the draft report (.1). Edit the report per J. Curtis (.2). Telephone conference with D. Hutchison to discuss the operating report disclosures (.4). Prepare email to J. Patterson transmitting the July 2023 operating report (.1).	2.10	250.00	525.00

Date	Staff Member	Description	Hours	Rate	Amount
<u>Case Administration</u>					
08-17-2023	JY	Conference with J. Curtis regarding the July operating report (.1). Edit the same (.2). Email J. Patterson the draft report. (.1)	0.40	250.00	100.00
08-17-2023	JHC	Reviewed comments and changes to monthly operating report from J. Patterson and responded to the same (.5). Directed J. Yakumo in preparation of monthly operating report (.3). Call with Polarity team on post-closing transition, board transition, chief restructuring officer and other issues (.6). Reviewed board consent document (.2).	1.60	345.00	552.00
08-18-2023	JHC	Email communications with J. Patterson on information for Liquidating Plan (.2). Reviewed counsel communications on board resolution (.2). Reviewed J. Patterson list of outstanding financial and other issues prior to resignation (.5).	0.90	345.00	310.50
08-28-2023	JHC	Reviewed docket for application and motion on chief restructuring officer and other filings (.6). Call with S. Vandertoolen on PwC providing tax services and obtaining mailing matrix to clear independence (.2). Followed up with counsel on obtaining relevant information (.3).	1.10	345.00	379.50
08-29-2023	JHC	Searched for creditor matrix, reviewed the same and provided to S. Vandertoolen of PwC in order to clear independence issues to provide tax services to Debtor.	0.60	345.00	207.00
08-29-2023	JY	Email T. Davis requesting updated financials following the sale of assets.	0.20	250.00	50.00
09-05-2023	JHC	Reviewed 401(k) termination communications and responses to the same (.4). Reviewed motion to be appointed as chief restructuring officer (.4). Responded to S. Vandertoolen and PwC employees regarding information to employ PwC as tax accountants (.3).	1.10	345.00	379.50
09-11-2023	JY	Call with T. Davis regarding the August operating report.	0.20	250.00	50.00
09-14-2023	JY	Examine and redact the Key Bank account statements for August 2023 (.3). Email T. Davis requesting the Chase account statements (.1).	0.40	250.00	100.00
09-14-2023	JHC	Email communications with management and counsel regarding CRO application (.3). Reviewed docket for status of order and reviewed hearing notice (.3).	0.60	345.00	207.00
09-15-2023	JY	Call with T. Davis regarding the status of August bookkeeping and gathering documents for the monthly operating report.	0.30	250.00	75.00
09-15-2023	JHC	Reviewed R. Hague email on financial issues to be resolved in the near term and to prepare for call with financial and legal team.	0.40	345.00	138.00
09-18-2023	JY	Meeting with the Debtor's bankruptcy team to discuss the status of the case (1.1). Examine and redact Chase bank account statements for August 2023 (.2). Analyze Debtor's workbook for the August 2023 operating report and outline items to discuss (.6). Email D. Neilson regarding	2.10	250.00	525.00

Date	Staff Member	Description	Hours	Rate	Amount
<u>Case Administration</u>					
09-18-2023	JHC	the employment of professionals (.1). Email T. Davis providing feedback on the workbook. (.1) Call with R. Hague, financial team and counsel on various current and financial issues for the Debtor and provided comments (.9). Reviewed order and ordinary course payments and searched docket for the same (.5). Reviewed draft monthly operating report information and communicated with J. Yakumo on the same (.4).	1.80	345.00	621.00
09-19-2023	JHC	Calls with PwC on declaration and bankruptcy issues in order to employ PwC and get tax returns prepared by deadline (.5). Reviewed docket and communications regarding ordinary course professionals (.3). Discussed monthly operating report with J. Yakumo and provided comments to accounting team (.3).	1.10	345.00	379.50
09-19-2023	JY	Confer with J. Curtis regarding the operating report (.1). Analyze revised accounting worksheets provided by T. Davis and prepare the August 2023 operating report (.7). Telephone conference with T. Davis to discuss the operating report. (.6)	1.40	250.00	350.00
09-20-2023	JHC	Reviewed emails on excise tax and 401(k) and responded to accounting staff on the same (.4). Reviewed monthly operating report and provided comments and followed up with questions with Debtor (1.4). Searched docket and filings for professional employment approval and responded to Debtor (.4).	2.20	345.00	759.00
09-20-2023	JY	Analyze Debtor's updated accounting worksheets and edit the August 2023 operating report (.6). Prepare summary of assets sold during the month of August (.4) Compile the operating report and all attachments. (.2) Email J. Curtis the operating report for his review (.1).	1.30	250.00	325.00
09-21-2023	JY	Supplement the operating report, then email it to R. Hague for final review (.1). Email B. Rothschild the signed August 2023 operating report (.1).	0.20	250.00	50.00
09-21-2023	JHC	Reviewed updates to monthly operating report and directed J. Yakumo on finalizing, obtaining signature and submitting (.4). Emails with Debtor's accountant on PO Box and Fidelity issues (.3).	0.70	345.00	241.50
09-22-2023	JHC	Followed up on PwC retention for tax preparation (.2). Reviewed docket to confirm monthly operating report filing and followed up with counsel (.3).	0.50	345.00	172.50
09-26-2023	JHC	Follow up with S. Vandertoolen of PwC on information needed for 2022 tax returns preparation and available contacts for assistance with the same.	0.30	345.00	103.50
10-12-2023	JHC	Researched order approving payment of KCC and responded to T. Davis and provided order allowing payment of vendor as ordinary course (.1).	1.10	345.00	379.50

Date	Staff Member	Description	Hours	Rate	Amount
<u>Case Administration</u>					
		7). Cursory review of 2022 tax returns and advised Debtor on inquiries (.4).			
10-17-2023	JHC	Researched approval for Tanner as ordinary course professionals and responded to J. Yakumo and team (.4). Reviewed monthly operating report communications and responded (.2).	0.60	345.00	207.00
10-17-2023	JY	Analyze the draft operating report for the month of September 2023 (.5). Email T. Davis regarding the same (.2). Process redactions on the September 2023 bank statements (.2).	0.90	250.00	225.00
10-18-2023	JY	Call with T. Davis regarding the September operating report (.1). Communicate with S. Ott regarding filed claims (.1).	0.20	250.00	50.00
10-18-2023	JHC	Met with J. Yakumo on monthly operating report and provided comments and changes (.3). Communications with R. Hague and T. Davis on accounting issues (.3).	0.60	345.00	207.00
10-19-2023	JHC	Call with T. Davis on accounting issues and questions related to monthly operating report (.2). Reviewed and provided comments to monthly operating report (.3).	0.50	345.00	172.50
10-19-2023	JY	Analyze the revised financial reporting (.5). Tie-out the detailed schedules to the financial statements (.2). Compile operating report exhibits and complete the report form (.3). Call with T. Davis regarding newly received accounting information and updating recordkeeping (.2). Analyze the second revised set of financial reporting and tie-out the details (.3).	1.50	250.00	375.00
10-20-2023	JY	Compile the revised operating report exhibits and edit the report form (.2). Email R. Hague the same for his review (.1).	0.30	250.00	75.00
			59.00		18,151.00
<u>Plan & Disclosure Statement</u>					
09-22-2023	JY	Meet with S. Ott to provide direction on gathering the filed claims (.1). Call with D. Neilson regarding the plan analysis (.2). Confer with J. Curtis to provide a status update and discuss the analysis to be prepared (.2). Analyze the schedules, filed proof of claims, and prepare a schedule of the same (1.1). Prepare a summary of all allowed claims (.3). Prepare liquidation analysis (.6). Call with T. Davis regarding the remaining assets (.3).	2.80	250.00	700.00
09-22-2023	SO	Research claims registers for the three related cases involving client and print for further analysis.	0.70	240.00	168.00
09-25-2023	JHC	Meeting with J. Yakumo on liquidation analysis for Plan of Liquidation and related issues (.3). Reviewed docket for PwC employment (.2).	0.50	345.00	172.50
09-26-2023	JY	Prepare a follow-up email to T. Davis regarding the list of assets.	0.10	250.00	25.00
			0.40		138.00

Date	Staff Member	Description	Hours	Rate	Amount
<u>Plan & Disclosure Statement</u>					
09-27-2023	JHC	Communications with New Polarity and counsel on payment of claim and related issues.		345.00	
09-29-2023	JY	Call from W. Bogan regarding his claim for services rendered.	0.10	250.00	25.00
10-02-2023	JHC	Reviewed liquidation analysis and directed J. Yakumo on changes and revisions to the same (.8). Responded to employees on claims and claims bar date (.3).	1.10	345.00	379.50
10-02-2023	JY	Gather newly filed claims from CM/ECF and edit the claims analysis worksheets (.3). Examine records provided by T. Davis (.2). Edit the liquidation analysis (.3). Confer with J. Curtis regarding the claim and liquidation analysis estimates (.2). Edit the liquidation analysis per J. Curtis, then forward him for further review (.1). Email D. Neilson regarding the liquidation analysis (.1). E mail D. Marx requesting professional fee estimates (.1). Call from W. Bogan regarding the scheduled claims (.1). Analyze email from D. Marx and edit the liquidation analysis (.2). Email R. Hague requesting tax information (.2).	1.80	250.00	450.00
10-03-2023	JY	Analyze claim information from R. Hague (.1). Email R. Hague requesting clarification (.1). Edit the liquidation analysis (.5). Analyze correspondence regarding employee wage and benefits claims (.1). Edit the liquidation analysis (.2). Edit the liquidation analysis to incorporate input from J. Curtis and R. Hague (.2).	1.20	250.00	300.00
10-03-2023	JHC	Reviewed 2021 tax return for potential tax liability for inclusion in liquidation analysis and followed up with J. Yakumo (.8). Communications with employees on tax returns and needed information (.3).	1.10	345.00	379.50
10-18-2023	SO	Research all proof of claims submitted since last download (.6). Update both cases (x360 and x358) claims registry and proof of claims (.2). Download 19 new proofs and save to network (.3).	1.10	240.00	264.00
			10.90		3,001.50
			Total		21,877.00

Time Summary

Staff Member	Hours	Rate	Amount
Jennifer Yakumo	29.20	250.00	7,300.00
John H. Curtis	41.00	345.00	14,145.00
Saria Ott	1.80	240.00	432.00
Total	72.00		21,877.00

Expense Summary

Expense	Amount
PACER	0.70
Total Expenses	0.70

Total for this Invoice 21,877.70
Total Amount to Pay as of 11-07-2023 21,877.70

Pay by [clicking here](#) or by scanning the QR code



Brian Rothschild
 Via Electronic Mail
 BRothschild@parsonsbehle.com

November 03, 2023

Rocky Mountain Advisory LLC
 15 West South Temple, Suite 500
 Salt Lake City, UT 84101

Invoice Number: 16957
 Invoice Period: 06-06-2023 - 10-31-2023

REMITTANCE COPY

RE: Polarity TE Bankruptcy

Fees	21,877.00
Expenses	0.70
Total for this Invoice	21,877.70
Total Amount to Pay as of 11-07-2023	21,877.70

Project	Balance Due
Polarity TE Bankruptcy	21,877.70
Total Amount to Pay	21,877.70

Open Invoices and Credits

Date	Transaction	Project	Amount	Applied	Balance
11-03-2023	Invoice 16957	Polarity TE Bankruptcy	21,877.70		21,877.70
				Balance	21,877.70

Trust	Amount
Polarity TE Bankruptcy - Retainer	20,000.00
Balance	20,000.00

Pay by [clicking here](#) or by scanning the QR code

