

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

Prodigy Investment Holdings, Inc.,<sup>1</sup>

Reorganized Debtor.

Chapter 11

Case No. 23-11120 (BLS)

Ref. Docket No. 1306

**FEE EXAMINER'S FINAL REPORT REGARDING  
FINAL FEE APPLICATION OF BERKELEY RESEARCH GROUP, LLC**

Rucki Fee Review, LLC (“Rucki Fee Review”), the fee examiner appointed in the above-captioned chapter 11 cases and acting in its capacity as such (the “Fee Examiner”), hereby submits its final report (this “Final Report”) regarding the *Amended Combined Fifth Monthly and Final Application of Berkeley Research Group, LLC for Compensation for Services Rendered and Reimbursement of Expenses Incurred as Financial Advisor to the Official Committee of Unsecured Creditors during the Period from August 29, 2023 through March 13, 2024* (the “Final Fee Application”) [Docket No. 1306] filed by Berkeley Research Group, LLC (the “Firm”).

**BACKGROUND**

1. In performance of its fee and expense review procedures and in preparation of its initial report provided to the Firm (the “Initial Report”) and this Final Report designed to quantify and present factual data relevant to the requested fees, disbursements and expenses contained in the Final Fee Application consistent with its appointment order, Rucki Fee

---

<sup>1</sup> The Reorganized Debtor in this chapter 11 case, along with the last four digits of the Reorganized Debtor’s federal tax identification number, is: Prodigy Investments Holdings, Inc. (9565). The location of the Reorganized Debtor’s service address is: 3350 Virginia St., 2nd Floor, Miami, FL 33133.



Review reviewed the Final Fee Application and all fee applications filed by the Firm in these chapter 11 cases, including each of the billing and expense entries listed in the exhibits to such fee applications, for compliance with section 330 of the Bankruptcy Code, Bankruptcy Rule 2016 and Local Rule 2016-2, as well as the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330—Appendix A* and the Firm's retention order. Certain of the Firm's fee and expense detail, covering the inception of these chapter 11 cases through October 31, 2023, was previously reviewed by Rucki Fee Review and subject to its report for the Firm's first quarterly fee period previously filed on the docket of these chapter 11 cases. This fee and expense detail was not re-reviewed for this Final Report, and the issues raised herein relate to the subsequent fee period except to the extent this Final Report expressly addresses matters relating to the entire final fee period on a cumulative basis.

2. Rucki Fee Review did not prepare informal memos related to the fee applications of the Firm, but instead included its issues and questions in its Initial Report provided to the Firm. Rucki Fee Review thereafter conferred with the Firm regarding the Initial Report, and following such conferral includes its recommendations in this Final Report.

## **DISCUSSION**

3. For the compensation period of August 29, 2023 through March 13, 2024, as set forth in the Final Fee Application, the Firm seeks final bankruptcy court approval in the amount of \$2,595,691.00 as actual, reasonable and necessary fees and for expense reimbursement of \$365.73. This includes \$1,689,921.50 in fees and \$221.44 in expenses that were not previously subject to a report by Rucki Fee Review, and accounts for the \$4,796.00 of fee

reductions previously agreed to with Rucki Fee Review. These total fees and incremental fees also include \$19,881.00 of post-effective date fees incurred in connection with the Firm's final fee application.

4. Although it examines the matter on a case-by-case basis based on the facts and circumstances of each case and each applicant's role within a case (such as whether a firm is responsible for coordinating filing and scheduling of and hearing on multiple professionals' fee applications) regardless of whether any given threshold is exceeded such that fees below its presumptive threshold may be unreasonable and fees above its presumptive threshold may be reasonable, Rucki Fee Review generally does not consider time spent on fee issues to be presumptively unreasonable where less than 7% of total time has been charged for preparing fee applications and addressing fee issues. It applies these guidelines on a cumulative basis. Through the entirety of the final fee period the Firm has charged approximately 91.1 hours and \$32,179.00 in fees relating to the Firm's fee applications on a cumulative basis, including 68.4 hours and \$25,982.50 in pre-effective date fees<sup>2</sup> not previously considered by the Bankruptcy Court on an interim basis. This amounts to approximately 1.2% of the Firm's total cumulative fees through the entirety of the final fee period. Rucki Fee Review considers these fees to be reasonable, necessary and appropriate, subject to the agreed reductions set forth herein (which include all \$225.00 of the fees considered administrative in nature below).

---

<sup>2</sup> The figures in this paragraph exclude \$19,881.00 of post-effective date fees billed by the Firm on account of its Final Fee Application, which also served as the Firm's January 1-March 13 monthly fee application. Inclusive of these fees the Firm has charged approximately 2.0% of its cumulative fees on account of its fee applications.

5. Subject to its prior agreed reductions and the agreed reductions set forth herein, Rucki Fee Review considers the staffing breakdown during the entirety of the final fee period (percentage of hours billed by managing directors, directors, associate directors, senior managing consultants, consultants, senior associates, associates, case managers and case assistants, respectively) to be appropriate, and also considers it appropriate for the period of November 1, 2023-March 13, 2024 not previously subject to a report by Rucki Fee Review. The Firm's blended hourly rate during the entirety of the final fee period was \$823.90 (prior to the application of reductions and excluding post-effective date time and fees), which blended rate is equivalent to a senior managing consultant or situated between a director and associate director (the Firm's second- and third-highest personnel tiers) depending on practice area at the Firm's current standard hourly rates. The Firm's blended hourly rate during the period of November 1, 2023-March 13, 2024 not previously subject to a report by Rucki Fee Review was similar at \$816.97 per hour (despite the Firm's standard hourly rates being subject to an annual periodic adjustment in January 2024, which increased rates Rucki Fee Review considers reasonable) and compares to \$836.92 during the Firm's first quarterly fee period.
  
6. Rucki Fee Review gives additional scrutiny to time entries of those billing fewer than 15 hours in an interim fee period to address if the utilization of such particular persons was necessary for the case. Rucki Fee Review identified four professionals who billed fewer than 15 hours during the fee period of November 1, 2023-March 13, 2024 not previously subject to a report by Rucki Fee Review.<sup>3</sup> After review of these entries and subject to the

---

<sup>3</sup> This excludes three persons who billed under 15.0 hours during the post-effective date period. These same three persons also are excluded from the 17 persons listed as billing incremental fees during the November 1, 2023-March

agreed reductions set forth herein, Rucki Fee Review considers the utilization of each of these persons to be reasonable, necessary and appropriate. All other persons billing fewer than 15 hours in an interim fee period were addressed in Rucki Fee Review's prior report filed on the docket in these chapter 11 cases.

7. With respect to the size of the team utilized by the Firm: 17 professionals were utilized by the Firm during the fee period of November 1, 2023-March 13, 2024, which is the same number of persons as utilized during the Firm's first quarterly fee period. Subject to the agreed reductions set forth herein, Rucki Fee Review considers this appropriate in light of the work required of the Firm during the fee period between November 1, 2023 and March 13, 2024, and believes the Firm's work was well-coordinated with its fellow professionals. The Firm's personnel included dedicated investigatory personnel and operational personnel (some of whom assisted with investigation work), finance and tax specialists, and dedicated fee application personnel.
8. Local Rule 2016-2 provides in section (d) that all fee applications shall include complete and detailed activity descriptions; each activity description shall include the type of activity, each activity description shall include the participants to the activity; each activity description shall include the subject matter and shall be sufficiently detailed to allow the bankruptcy court to determine whether all the time, or any portion thereof, is actual, reasonable, and necessary and shall include a time allotment billed in tenths of an hour and not be "lumped" with other entries. Notwithstanding the Local Rule, and consistent with the practice of certain of the Bankruptcy Court's Judges, Rucki Fee Review does not object

---

13, 2024 period because all post-November 1, 2023 time charged by these three persons was charged during the post-effective date period.

to “lumping” where a single timekeeper bills less than 0.5 hours during an entire day in the aggregate (not multiple lumped 0.5 entries).

9. Rucki Fee Review identified certain entries that it considers lumped or otherwise not fully compliant with the Local Rules for reasons such as not identifying the counterparties to e-mail discussions, which is not an uncommon practice. After conferral with the Firm, the Firm has agreed to a reduction of \$2,000.00 on account of these entries in compromise of Rucki Fee Review’s request.
  
10. Rucki Fee Review identified certain conferences, telephone calls or other matters that were billed inconsistently by the respective professionals, and/or conferences where the counterparty to the conversation did not bill an itemized charge for the discussion. Rucki Fee Review acknowledges that the latter can result from a professional intentionally or inadvertently not billing for a conference that actually occurred, or otherwise not being billed. After discussion with the Firm, the Firm has agreed to a reduction of \$1,720.00 on account of these entries, representing the full amount of the difference in the non-matching entries and no reduction for the entries without a corresponding entry, which Rucki Fee Review considers an appropriate compromise.
  
11. Administrative tasks that are generally not compensable by a non-chapter 11 client or are secretarial in nature are not compensable in chapter 11. Rucki Fee Review identified certain work it considered administrative in nature, and the Firm agreed to a fee reduction of \$225.00 on account of these fees in compromise of Rucki Fee Review’s request, all of which relate to work on fee-related issues.

12. In addition to those other matters referenced herein, Rucki Fee Review requested the Firm reduce certain entries for miscellaneous reasons. After discussion with the Firm, the Firm has agreed to a reduction of \$198.75 on account of these entries in compromise of Rucki Fee Review's request.
13. With respect to the \$19,881.00 requested for fees incurred after the effective date in these chapter 11 cases for work on account of the Final Fee Application: Rucki Fee Review notes that the chapter 11 plan in these cases expressly contemplates that the official committees in these chapter 11 cases would remain in existence after the effective date for the limited purpose of prosecuting final fee applications. Because the review of post-effective date fees and expenses are beyond the scope of Rucki Fee Review's mandate, however, Rucki Fee Review makes no objection or recommendation with respect to these post-effective date fees.
14. The Final Fee Application seeks reimbursement of \$221.44 in expenses not previously subject to a report by Rucki Fee Review for the period from November 1, 2023-March 13, 2024. Rucki Fee Review considers these expense charges to be reasonable, necessary and appropriate. The balance of the Firm's final expense reimbursement request was previously addressed by Rucki Fee Review in its prior reports filed on the docket of these chapter 11 cases.
15. After accounting for the agreed fee reductions of \$4,143.75 noted above, Rucki Fee Review considers the balance of the pre-effective date fees sought in the Final Fee Application reasonable, necessary and appropriate under the circumstances (and as noted above, makes no objection or recommendation on account of post-effective date fees).

**CONCLUSION**

16. Rucki Fee Review recommends the approval of the Final Fee Application in the amount of \$2,571,666.25 with respect to pre-effective date fees and the reimbursement of expenses in the amount of \$365.73, which amounts reflect the reductions agreed to with the Firm set forth herein. Because post-effective date fees and expenses are outside the scope of its mandate, Rucki Fee Review makes no recommendation or objection to the post-effective date fees requested by the Firm in connection with the Final Fee Application. The total requested post-effective date fees would increase the Firm's fees to be approved on a final basis to \$2,591,547.25 if approved by the Bankruptcy Court in full.

Dated: May 30, 2024  
Wilmington, Delaware

Respectfully submitted,

**RUCKI FEE REVIEW, LLC**  
**FEE EXAMINER**

By: /s/ Justin H. Rucki  
Justin H. Rucki  
President of Rucki Fee Review, LLC