

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

In re:	Chapter 11
Zosano Pharma Corporation, <sup>1</sup>	Case No. 22-10506 (JKS)
Debtor.	<b>Objection Deadline: November 28, 2022 at 4:00 p.m. (ET)</b> <b>Hearing Date: December 7, 2022 at 1:00 p.m. (ET)</b>

**FIRST INTERIM FEE APPLICATION OF SIERRACONSTELLATION PARTNERS,  
LLC FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT  
OF EXPENSES INCURRED AS FINANCIAL ADVISOR TO THE DEBTOR  
AND DEBTOR-IN-POSSESSION FOR THE PERIOD FROM  
JUNE 1, 2022 THROUGH AUGUST 31, 2022**

Name of Applicant:	SierraConstellation Partners, LLC
Authorized to Provide Professional Services to:	Debtor-in-Possession
Date of Retention:	Retention Order Entered on July 7, 2022, Effective as of the Petition Date
Period for which Compensation and Reimbursement is Sought:	June 1, 2022 – August 31, 2022
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$205,281.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$0.00
This is a(n):	First Interim

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<sup>1</sup> The business address and the last four (4) digits of the Debtor's federal tax identification number is Zosano Pharma Corporation, 34790 Ardentech Court, Fremont, California 94555 (8360).

**SUMMARY OF MONTHLY FEE APPLICATIONS FOR INTERIM FEE PERIOD**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested</b>		<b>Approved</b>		<b>Certification of No Objection</b>
		<b>Fees</b>	<b>Expenses</b>	<b>Fees</b>	<b>Expenses</b>	
9/10/2022	6/1/2022 – 6/30/2022	\$128,134.00	\$0.00	\$102,507.20	\$0.00	DE 230 Filed on 10/8/2022
9/10/2022	7/01/2022 – 7/31/2022	\$42,715.00	\$0.00	\$34,172.00	\$0.00	DE 229 Filed on 10/8/2022
9/10/2022	8/01/2022 – 8/31/2022	\$34,432.00	\$0.00	\$27,545.60	\$0.00	DE 228 Filed on 10/8/2022

**SUMMARY OF ANY OBJECTIONS TO MONTHLY FEE APPLICATIONS**

None.

**COMPENSATION BY INDIVIDUAL**

<b>Name of Professional Person</b>	<b>Position</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Lawrence Perkins	CEO	\$785	5.1	\$4,004.00
Bill Partridge	Managing Director	\$640	108.6	\$69,504.00
John Halloran	Director	\$445	95.8	\$42,631.00
Rob Shenfeld	Director of Property Management	\$555	2.2	\$1,222.00
Ahmed Shamsi	Senior Associate	\$350	251.2	\$87,920.00
<b>Total</b>			<b>462.9</b>	<b>\$205,281.00</b>
Blended Rate: <b>\$443.46</b>				

**COMPENSATION BY PROJECT CATEGORY**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Asset Sales/ Financial Process Support	72.3	\$38,266.00
Business Operations, Cash Management & CRO Support	107.4	\$45,889.00
Case Administration	162.7	\$65,799.00
Court Filings/Pleadings, Plan and Disclosure Statement	85	\$39,543.00
Court Hearing/341 Meetings/Preparation & Attendance at Hearings	9.4	\$5,719.00
Invoices, Fees, and Retention Applications	26.1	\$10,065.00

**EXPENSE SUMMARY**

None.

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

In re:

Zosano Pharma Corporation,<sup>1</sup>

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**Objection Deadline: November 28, 2022 at 4:00 p.m. (ET)  
Hearing Date: December 7, 2022 at 1:00 p.m. (ET)**

**FIRST INTERIM FEE APPLICATION OF SIERRACONSTELLATION PARTNERS,  
LLC FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT  
OF EXPENSES INCURRED AS FINANCIAL ADVISOR TO THE DEBTOR AND  
DEBTOR-IN-POSSESSION FOR THE PERIOD FROM  
JUNE 1, 2022 THROUGH AUGUST 31, 2022**

SierraConstellation Partners, LLC (“SCP” or the “Applicant”) hereby submits its first interim application (the “Application”) seeking (a) the interim allowance of fees in the amount of \$205,281.00 for the period from June 1, 2022 through and including August 31, 2022 (the “Interim Fee Period”), and (b) payment of the unpaid portion of the compensation for services rendered by SCP during the Interim Fee Period. In support of the Application, SCP respectfully represents as follows:

**Statement of Jurisdiction**

1. This Court has jurisdiction to hear the Application pursuant to the provisions of 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. § 1408. This proceeding involves the administration of the estate and is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (B).

2. The predicates for the relief requested herein are: (a) sections 330 and 331 of title 11 of the United States Code §§ 101, *et seq.* (the “Bankruptcy Code”); (b) Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”); (c) Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the

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<sup>1</sup> The business address and the last four (4) digits of the Debtor’s federal tax identification number is Zosano Pharma Corporation, 34790 Ardentech Court, Fremont, California 94555 (8360).

District of Delaware (the “Local Rules”); and (d) the Court’s *Order Establishing Procedures for Monthly, Interim, and Final Compensation and Reimbursement of Expenses of Professionals Retained in this Chapter 11 Case* [Docket No. 100] (the “Interim Compensation Order”), entered June 30, 2022 ((a) through (d) are collectively referred to herein as the “Guidelines”).

### **Procedural History**

#### **A. Background**

3. On June 1, 2022 (the “Petition Date”), the Debtor commenced this case (the “Chapter 11 Case”) by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Court”).

4. The Debtor has continued in possession of its property and is operating and managing its business as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. No request has been made for the appointment of an examiner and no committee has been appointed. On June 22, 2022, Patheon Manufacturing Services filed the *Motion of Patheon Manufacturing Services LLC to Convert Chapter 11 Case to Chapter 7* [Docket No. 65], which motion has been adjourned.

6. On June 30, 2022, the Court entered its Interim Compensation Order.<sup>2</sup>

#### **B. Retention of SCP as Financial Advisor to Debtor**

7. On June 1, 2022, the Debtor retained SCP as its proposed financial advisor in this Chapter 11 Case.

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<sup>2</sup> Beginning on September 19, 2022, SCP has filed and served on the relevant notice parties monthly fee applications (the “Monthly Fee Applications”) consisting of a brief statement as to the fees and costs incurred in the prior month, including the associated detailed time entries, pursuant to the procedures set forth in the Interim Compensation Order. This Application incorporates by reference the First, Second, and Third Monthly Fee Applications submitted for June 2022, July 2022, and August 2022.

8. On June 8, 2022, the Debtor submitted its *Application of the Debtor for Entry of an Order Authorizing the Employment and Retention of SierraConstellation Partners, LLC as Financial Advisor for the Debtor Effective as of The Petition Date* [Docket No. 40] (the “Retention Application”). On July 7, 2022, the Court entered an order [Docket No. 120] granting the Retention Application and authorizing the employment and retention of SCP as financial advisor to the Debtor effective as of June 1, 2022.

9. On September 10, 2022, SCP filed its first Monthly Fee Application for the period spanning from June 1, 2022 through and including June 30, 2022 [Docket No. 189] (the “First Monthly Fee Application”). On October 8, 2022, SCP filed a certificate of no objection to the First Monthly Fee Application [Docket No. 228].

10. On September 10, 2022, SCP filed its second Monthly Fee Application for the period spanning from July 1, 2022 through and including July 31, 2022 [Docket No. 190] (the “Second Monthly Fee Application”). On October 8, 2022, SCP filed a certificate of no objection to the Second Monthly Fee Application [Docket No. 229].

11. On September 10, 2022, SCP filed its third Monthly Fee Application for the period spanning from August 1, 2022 through and including August 31, 2022 [Docket No. 191] (the “Third Monthly Fee Application”). On October 8, 2022, SCP filed a certificate of no objection to the Third Monthly Fee Application [Docket No. 230].

12. Pursuant to this Application, SCP seeks approval of fees in the amount of \$205,281.00 for the Interim Fee Period. During the Interim Fee Period, SCP professionals rendered 464.6 hours of services in the course of representing the Debtor, at a blended rate of \$451.49 per hour.

**Services Rendered During the Interim Fee Period**

13. This Application is the first interim fee application filed by SCP in this Chapter 11 Case.

14. Each of the following is set forth in the invoices attached as “Exhibit A,” respectively, to the First, Second, and Third Monthly Fee Applications: (i) a description of the professional or paraprofessional performing the services; (ii) the date the services were performed; (iii) a detailed description of the nature of the services and the related time expended; and (iv) a summary of the fees and hours of each professional and other timekeepers listed by project category:<sup>3</sup>

**Valuation of Services**

15. SCP expended a total of 464.6 hours in connection with this matter during the Interim Fee Period. A list of the professionals who billed time during the Interim Fee Period is set forth below. The nature of the work performed by the professionals is detailed in the exhibits to First, Second, and Third Monthly Fee Applications.

<b>Name of Professional Person</b>	<b>Position</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Lawrence Perkins	CEO	\$785	5.1	\$4,004.00
Bill Partridge	Managing Director	\$640	108.6	\$69,504.00
John Halloran	Director	\$445	95.8	\$42,631.00
Rob Shenfeld	Director of Property Management	\$555	2.2	\$1,222.00

<sup>3</sup> Pursuant to the U.S. Trustee Guidelines, SCP classified all services performed for which compensation is sought into categories. In doing so, SCP attempted to place the services performed in the category that best relates to the services provided. However, because certain services may relate to one or more categories, time spent on certain tasks may be included in another category.

Ahmed Shamsi	Senior Associate	\$350	251.2	\$87,920.00
<b>Total</b>			<b>462.9</b>	<b>\$205,281.00</b>

16. The above hourly rates are SCP's normal hourly rates for work of this character. The reasonable value of the services rendered by SCP to the Debtor during the Interim Fee Period is \$205,281.00.

17. In accordance with the factors expressed in section 330 of the Bankruptcy Code, the amounts requested herein for compensation and expense reimbursement are fair and reasonable given: (a) the complexity of this Chapter 11 Case, (b) the time expended by the professionals at SCP, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code.

18. SCP hereby certifies that (i) it has reviewed the requirements of Local Rule 2016-2 and (ii) this Application complies with such rule.

19. SCP has provided a copy of this Application to the Notice Parties (as defined in paragraph 2.a. of the Interim Compensation Order).

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**Conclusion**

WHEREFORE, SCP respectfully requests that (a) it be allowed compensation in the amount of \$205,281.00 for professional services rendered for the Interim Fee Period; (b) the Court authorize the Debtor to pay SCP any unpaid portion for the Interim Fee Period on an interim basis; and (c) the Court grant such other and further relief deemed appropriate under the circumstances.

Dated: November 3, 2022

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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

In re:

Zosano Pharma Corporation,<sup>1</sup>

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**Ref Docket No.** \_\_\_\_

**ORDER APPROVING FIRST INTERIM FEE APPLICATION OF  
SIERRACONSTELLATION PARTNERS, LLC FOR COMPENSATION  
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES  
INCURRED AS FINANCIAL ADVISOR TO THE DEBTOR AND  
DEBTOR-IN-POSSESSION FOR THE PERIOD FROM  
JUNE 1, 2022 THROUGH AUGUST 31, 2022**

Upon the *First Interim Fee Application of SierraConstellation Partners, LLC for Compensation for Services Rendered and Reimbursement of Expenses Incurred as Financial Advisor to the Debtor for the Period From June 1, 2022 Through August 31, 2022* (the “First Interim Application”);<sup>2</sup> and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b) and this Court having jurisdiction to enter a final order consistent with Article III of the United States Constitution; and venue of this Chapter 11 Case; and the First Interim Application in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the First Interim Application has been given and that no other or further notice is necessary; and any objections to this First Interim

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Interim Application.

Application having been overruled or resolved; and any hearing (the “Hearing”) to consider the relief requested in the First Interim Application; and after due deliberation thereon,

**IT IS HEREBY ORDERED THAT:**

1. The First Interim Application is GRANTED as set forth herein.
2. SCP’s fees of \$205,281.00 for the period of June 1, 2022 through August 31, 2022, are allowed on an interim basis.
3. The Debtor is authorized and directed to disburse to SCP any unpaid portion of such allowed fees and expenses.
4. SCP is hereby granted an administrative expense claim for all allowed amounts set for herein and in the First Interim Application.

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

In re:

Zosano Pharma Corporation,<sup>1</sup>

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**Objection Deadline: November 28, 2022 at 4:00 p.m. (ET)  
Hearing Date: December 7, 2022 at 1:00 p.m. (ET)**

**NOTICE OF INTERIM FEE APPLICATION**

**PLEASE TAKE NOTICE** that SierraConstellation Partners, LLC, financial advisor to the above-captioned debtor and debtor in possession (the “**Debtor**”), has on the date hereof filed the *First Interim Application of SierraConstellation Partners, LLC for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisor to the Debtor for the Period From June 1, 2022 Through and August 31, 2022* (the “Application”) pursuant to the Court’s *Order Establishing Procedures for Monthly, Interim, and Final Compensation and Reimbursement of Expenses of Professionals Retained in This Chapter 11 Case* [Docket No. 100] (the “Interim Compensation Order”).

**PLEASE TAKE FURTHER NOTICE** that any response or objection to the Application must be filed with the Court on, or prior to, **November 28, 2022 at 4:00 p.m. (prevailing Eastern Time)** and served on the Notice Parties as defined in the Interim Compensation Order.

**PLEASE TAKE FURTHER NOTICE** that a hearing to consider the Application will be held before the Honorable J. Kates Stickles, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5<sup>th</sup> Floor, Courtroom No. 6, Wilmington, Delaware 19801, on **December 7, 2022 at 1:00 p.m. (prevailing Eastern Time)**.

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<sup>1</sup> The business address and the last four (4) digits of the Debtor’s federal tax identification number is Zosano Pharma Corporation, 34790 Ardentech Court, Fremont, California 94555 (8360).

Dated: November 3, 2022  
Wilmington, Delaware

Respectfully submitted,

**GREENBERG TRAURIG, LLP**

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