

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: Zosano Pharma Corporation, ¹ Debtor.	Chapter 11 Case No. 22-10506 (JKS) Obj. Deadline: December 19, 2022 at 4:00 p.m. Hearing Date: TBD if objection filed
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COVER SHEET FOR:
FOURTH MONTHLY 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 SEPTEMBER 1, 2022 THROUGH AND INCLUDING SEPTEMBER 30, 2022

Name of Applicant: SierraConstellation Partners, LLC

Authorized to Provide Professional Services to: Debtor and Debtor in Possession

Date of Retention: Retention Order Entered July 7, 2022,
Nunc Pro Tunc to June 1, 2022

Period for Which Compensation and Reimbursement is Sought: September 1, 2022 – September 30, 2022

Amount of Compensation Sought as Actual, Reasonable, and Necessary: \$9,733.00
(80%=\$7,786.40)
(20%=\$1,946.60)

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: \$0.00

Blended Hourly Rate for All Timekeepers: \$495.00

Number of Professionals Included in this Application: 2

This is a(n): ___ interim **X** monthly ___ final fee application.

¹ 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).

This Application does not include any hours incurred in connection with preparation of this Application.

SUMMARY OF PRIOR MONTHLY FEE APPLICATIONS

Date Filed and Docket No.	Period Covered	Requested		Approved	
		Fees	Expenses	Fees (80%)	Expenses (100%)
9/9/22 [D.I. 189]	6/1/22-6/30/22	\$128,134.00	\$0.00	\$102,507.20	\$0.00
9/9/22 [D.I. 190]	7/1/22-7/31/22	\$42,715.00	\$0.00	\$34,172.00	\$0.00
9/10/22 [D.I. 191]	8/1/22-8/30/22	\$34,432.00	\$0.00	\$27,545.60	\$0.00

COMPENSATION BY INDIVIDUAL

Name of Professional Person	Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Bill Partridge	Managing Director	\$640	5.2	\$3,328.00
Ahmed Shamsi	Senior Associate	\$350	18.3	\$6,405.00
Total			23.5	\$9,733.00
Blended Rate: \$495.00				

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Business Operations, Cash Management & CRO Support	14.7	\$6,334.00
Case Administration	3.5	\$1,457.00
Court Filings/Pleadings, Plan and Disclosure Statement	0.6	\$297.00
Invoices, Fees, and Retention Applications	4.7	\$1,645.00

EXPENSE SUMMARY

None.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:

Zosano Pharma Corporation,¹

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

Obj. Deadline: December 19, 2022 at 4:00 p.m.
Hearing Date: TBD if objection filed

FOURTH MONTHLY 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 SEPTEMBER 1, 2022 THROUGH AND INCLUDING SEPTEMBER 30, 2022

SierraConstellation Partners, LLC (“SCP”), financial advisor to the above-captioned debtor and debtor in possession (the “**Debtor**”) hereby submits its fourth monthly application (the “**Application**”) seeking (a) the allowance of fees in the amount of \$9,733.00 and reimbursement of expenses in the amount of \$0.00 for the period from September 1, 2022 through and including September 30, 2022 (the “**Fee Period**”), for total compensation and reimbursement of expenses in the amount of \$0.00, and (b) payment of \$7,786.40 (80% of the allowed fees) and reimbursement of \$0.00 (100% of allowed expenses), for an aggregate total payment of \$7,786.40 as compensation for services rendered and reimbursement of expenses incurred by SCP during the Fee Period upon the filing of a certificate of no objection. 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 District of Delaware (the “**Local Rules**”); and (d) the Court’s *Order Establishing Procedures for the 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 July 7, 2022 ((a) through (d) are collectively referred to herein as the “**Guidelines**”).

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 this 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 a trustee or examiner. No official committee of unsecured creditors has been appointed.

6. On June 30, 2022, the Court entered the Interim Compensation Order.

Retention of SCP

7. On July 7, 2022, the Court entered an order [Docket No. 120] authorizing the employment and retention of SCP as financial advisor to the Debtor *nunc pro tunc* to June 1, 2022.

¹ 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 Services Rendered

8. This Application is the fourth monthly fee application filed by SCP in this Chapter 11 Case. In connection with the professional services described below, by this Application, SCP seeks interim approval and allowance of compensation in the amount of \$9,733.00 for the Fee Period, and payment of \$7,786.40 (80% of the allowed fees) and reimbursement of \$0.00 (100% of allowed expenses), for an aggregate total payment of \$7,786.40 for the Fee Period upon the filing of a certificate of no objection.

9. The majority of services rendered by SCP during the Fee Period as financial advisor to the Debtor are summarized below. Each of the following is set forth in the detail attached as “Exhibit A,”: (i) a description of the professional 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 listed by project category (which applicable categories are set forth below). Specifically, SCP rendered the following services during the Fee Period as financial advisor to the Debtor:

(a) **Category: Business Operations, Cash Management & CRO Support**

Fees: \$6,334.00 Hours: 14.7

This category includes services relating to work on cash flow forecasts and reconciliations and related communications.

(b) **Category: Case Administration**

Fees: \$1,457.00 Hours: 3.5

This category includes services relating to review and preparation of the Debtor’s monthly operating report and related communications.

(c) **Category: Court Filings/Pleadings, Plan and Disclosure Statement**

Fees: \$297.00 Hours: 0.6

This category includes services relating to Debtor's plan confirmation.

(d) Category: Invoices, Fees and Retention Applications

Fees: \$1,645.00 Hours: 4.7

This category includes services relating to the preparation of the SCP's August fee application.

Summary of Expenses

10. During the Fee Period, SCP incurred or disbursed no actual costs and expenses related to this case.

Valuation of Services

11. SCP expended a total of 23.5 hours in connection with this matter during the Fee Period. A list of the professionals who billed time during the Fee Period is set forth below. The nature of the work performed by the professionals is detailed in Exhibit A attached to this Fee Application.

Name of Professional Person	Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Bill Partridge	Managing Director	\$640	5.2	\$3,328.00
Ahmed Shamsi	Senior Associate	\$350	18.3	\$6,405.00
Total			23.5	\$9,733.00

12. 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 Fee Period is \$9,733.00.

13. 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.

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

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

[Signature on next page]

Conclusion

WHEREFORE, SCP respectfully requests that (a) it be allowed compensation in the amount of \$9,733.00 for professional services rendered (80% of which is to be paid upon filing of a certificate of no objection), and reimbursement of expenses in the amount of \$0.00 for the Fee Period; (b) the Court authorize the Debtor to pay SCP any amounts due and owing hereunder in accordance with the Interim Compensation Order; and (c) the Court grant such other and further relief deemed appropriate under the circumstances.

Dated: November 28, 2022

/s/ Lawrence R. Perkins
Lawrence R. Perkins

EXHIBIT A

Summary of SierraConstellation Partners Professional Fees by Consultant
For the Period September 1st through September 30th

<u>Consultant</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
Lawrence Perkins	CEO	\$785	-	\$ -
Bill Partridge	Managing Director	\$640	5.2	\$ 3,328
John Halloran	Director	\$445	-	\$ -
Rob Shenfeld	Director of Project Management	\$555	-	\$ -
Ahmed Shamsi	Senior Associate	\$350	18.3	\$ 6,405
			<u>23.5</u>	<u>\$ 9,733</u>

Summary of SierraConstellation Partners Professional Fees by Activity
For the Period September 1st through September 30th

<u>Activity / Consultant</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
<u>Asset Sales/Financing Process Support</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	-	\$640 \$	-
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	-	\$350 \$	-
	<i>Activity Total</i>	0.00	\$	-
<u>Business Operations, Cash Management & CRO Support</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	4.1	\$640 \$	2,624
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	10.6	\$350 \$	3,710
	<i>Activity Total</i>	14.70	\$	6,334
<u>Case Administration</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	0.8	\$640 \$	512
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	2.7	\$350 \$	945
	<i>Activity Total</i>	3.50	\$	1,457
<u>Court Filings/Pleadings, Plan and Disclosure Statement</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	0.3	\$640 \$	192
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	0.3	\$350 \$	105
	<i>Activity Total</i>	0.60	\$	297
<u>Court Hearing/341 Meetings/Preparation & Attendance at Hearings</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	-	\$640 \$	-
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	-	\$350 \$	-
	<i>Activity Total</i>	0.00	\$	-
<u>Invoices, Fees and Retention Applications</u>				
Lawrence Perkins	CEO	-	\$785 \$	-
Bill Partridge	Managing Director	-	\$640 \$	-
John Halloran	Director	-	\$445 \$	-
Rob Shenfeld	Director of Project Management	-	\$555 \$	-
Ahmed Shamsi	Senior Associate	4.7	\$350 \$	1,645
	<i>Activity Total</i>	4.70	\$	1,645

Summary of SierraConstellation Partners Professional Fees by Professional Service
For the Period September 1st through September 30th

<u>Date</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Business Operations, Cash Management & CRO Support				
<i>Bill Partridge</i>				
9/2/2022	Emails regarding business operations and transition	0.30	\$640.00	\$192.00
9/7/2022	Review of materials for transition; emails and calls related to same	0.80	\$640.00	\$512.00
9/8/2022	Review and update cash flow; emails regarding same	0.40	\$640.00	\$256.00
9/8/2022	Review and research unemployment files received in mail	0.70	\$640.00	\$448.00
9/9/2022	Review materials related to transition to liquidating trust	0.50	\$640.00	\$320.00
9/12/2022	Call w/ A. Shamsi re: update on transition items	0.30	\$640.00	\$192.00
9/16/2022	Review of mail, invoices and cash flow	0.50	\$640.00	\$320.00
9/23/2022	Review of company's mail, including invoices and taxes; emails regarding same	0.60	\$640.00	\$384.00
			Bill Partridge Total	\$2,624.00
<i>Ahmed Shamsi</i>				
9/2/2022	Call w/ C. Matthews re: transition open items	0.90	\$350.00	\$315.00
9/8/2022	Correspondence re: cash flow, accounts payable, and MSR	0.50	\$350.00	\$175.00
9/8/2022	Update 13 WCF to account for S. Lo changes	1.90	\$350.00	\$665.00
9/8/2022	Sort through mail received	1.00	\$350.00	\$350.00
9/8/2022	Research and inquire re: AP invoices received from rejected contract counterparties	0.30	\$350.00	\$105.00
9/8/2022	Review and respond to various correspondence including insurance cancellation, 13 WCF, and bank access	0.40	\$350.00	\$140.00
9/11/2022	Organize files and documents re: outstanding items	0.60	\$350.00	\$210.00
9/11/2022	Follow ups and research re: AP invoices received from rejected contract counterparties	0.60	\$350.00	\$210.00
9/12/2022	Call w/ B. Partridge re: update on transition items	0.30	\$350.00	\$105.00
9/12/2022	Call w/ W. Dempsey re: AP inbox access and Box access	0.20	\$350.00	\$70.00
9/12/2022	Call w/ S. Zhang re: transition items	1.40	\$350.00	\$490.00
9/18/2022	Organize invoices and correspondence re: AP and EDD unemployment claims	0.60	\$350.00	\$210.00
9/18/2022	Update 13 WCF actuals and forecast	1.30	\$350.00	\$455.00
9/26/2022	Call w/ Silicon Valley Bank customer service re: deposit permissions	0.30	\$350.00	\$105.00
9/26/2022	Organize and upload mail to Box	0.30	\$350.00	\$105.00
			Ahmed Shamsi Total	\$3,710.00
Case Administration				
<i>Bill Partridge</i>				
9/6/2022	Review of claims and supporting materials and company records	0.30	\$640.00	\$192.00
9/19/2022	Review of MOR; emails regarding same	0.50	\$640.00	\$320.00
			Bill Partridge Total	\$512.00
<i>Ahmed Shamsi</i>				
9/18/2022	Review August MOR and back up files	1.20	\$350.00	\$420.00
9/19/2022	Review S. Zhang responses to MOR questions and do final review	1.50	\$350.00	\$525.00
			Ahmed Shamsi Total	\$945.00
Court Filings/Pleadings, Plan and Disclosure Statement				
<i>Bill Partridge</i>				
9/26/2022	Call w/ A. Shamsi re: plan confirmation	0.30	\$640.00	\$192.00
			Bill Partridge Total	\$192.00
<i>Ahmed Shamsi</i>				
9/26/2022	Call w/ B. Partridge re: plan confirmation	0.30	\$350.00	\$105.00
			Ahmed Shamsi Total	\$105.00
Invoices, Fees and Retention Applications				
<i>Ahmed Shamsi</i>				
9/7/2022	Review August time entries	0.80	\$350.00	\$280.00
9/8/2022	Correspondence re: finalizing MSR for August	0.50	\$350.00	\$175.00
9/8/2022	Prepare and review MSR for August	1.40	\$350.00	\$490.00
9/9/2022	Review GT fee applications for court filing	0.90	\$350.00	\$315.00
9/11/2022	Additional correspondence re: September AP invoices	0.50	\$350.00	\$175.00
9/22/2022	Review Q2 US Trustee fee calculation and make payment	0.60	\$350.00	\$210.00
			Ahmed Shamsi Total	\$1,645.00

Summary of SierraConstellation Partners Expenses by Category
For the Period September 1st through September 30th

<u>Reimbursable Expenses</u>	<u>Amount</u>
NA	\$0.00
<u>Total Expenses</u>	<u>\$0.00</u>

Summary of Sierra Constellation Partners Expenses by Detail
For the Period September 1st through September 30th

<u>Activity</u>	<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Amount</u>
NA				

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

Zosano Pharma Corporation,¹

Debtor.

Chapter 11

Case No. 22-10506 (JKS)

**Obj. Deadline: December 19, 2022 at 4:00 p.m.
Hearing Date: TBD if objection filed**

NOTICE OF 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 *Fourth Monthly Application of SierraConstellation Partners, LLC for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisor to the Debtor and Debtor in Possession for the Period From September 1, 2022 Through and Including September 30, 2022* (the “**Application**”) pursuant to the Court’s *Order Establishing Procedures for Monthly, Interim, and Final Compensation and Reimbursement of Expenses for 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, **December 19, 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 PURSUANT TO THE INTERIM COMPENSATION ORDER, IF NO OBJECTIONS ARE FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES IN THE INTERIM COMPENSATION ORDER, THE DEBTOR WILL BE AUTHORIZED TO PAY 80% OF THE REQUESTED FEES AND EXPENSES WITHOUT FURTHER ORDER OF THE

COURT. ONLY IF AN OBJECTION IS PROPERLY AND TIMELY FILED IN ACCORDANCE WITH THE INTERIM ORDER, WILL A HEARING ON THE APPLICATION BEFORE THE HONORABLE J. KATE STICKLES AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, 5TH FLOOR, COURTROOM NO. 6, WILMINGTON DELAWARE 19801.

Dated: November 28, 2022

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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-and-

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*Counsel for the Debtor
and Debtor-in-Possession*

¹ 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).