

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION  
[www.flsb.uscourts.gov](http://www.flsb.uscourts.gov)

In re:

Chapter 11

PALM BEACH FINANCE PARTNERS, L.P.,  
PALM BEACH FINANCE II, L.P.<sup>1</sup>

Case No. 09-36379-EPK  
Case No. 09-36396-EPK  
(Jointly Administered)

Debtors.

**JEROME M. HESCH'S FIRST INTERIM  
POST CONFIRMATION FEE APPLICATION**

1. Name of Applicant:	<i>Jerome M. Hesch, Esq.</i>
2. Role of Applicant:	<i>Liquidating Trustee's Expert</i>
3. Name of Certifying Professional:	<i>Jerome M. Hesch, Esq.</i>
4. Date cases filed:	<i>November 30, 2009</i>
5. Date of order approving employment:	<i>April 5, 2017 [ECF No. 3201] nunc pro tunc to March 9, 2017</i>
<b>IF INTERIM APPLICATION, COMPLETE 6, 7 AND 8 BELOW:</b>	
6. Period for this Application:	<i>March 9, 2017 through June 30, 2017</i>
7. Amount of Compensation Sought:	\$ 9,108.00
8. Amount of Expenses Reimbursement Sought:	\$ 0.00
<b>IF FINAL APPLICATION, COMPLETE 9 AND 10 BELOW:</b>	
9. Total Amount of Compensation Sought during case:	N/A
10. Total Amount of Expense Reimbursement Sought During Case	N/A

<sup>1</sup>The address and last four digits of the taxpayer identification number for each of the Debtors are as follows:  
(i) Palm Beach Finance Partners, L.P., 3601 PGA Blvd., Suite 301, Palm Beach Gardens, FL 33410, TIN 9943; and (ii) Palm Beach Finance II, L.P., 3601 PGA Blvd., Suite 301, Palm Beach Gardens, FL 33410, TIN 0680.

11.	Amount of Original Retainer (s) Please disclose both Fee Retainer and Cost Retainer if such a Retainer has been received:	\$	0.00
12.	Current Balance of Retainer (s) remaining:	\$	0.00
13.	Last monthly operating report filed (Month/Year and ECF No.):	PBF July 2017 [ECF No. 3286] PBF II July 2017 [ECF No. 113, Case 09-36396]	
14.	If case is Chapter 11, current funds in the Chapter 11 estate:	PBF PBFII	\$11,956,963.38 a/o 6/30/17 \$39,830.699.52 a/o 6/30/17
15.	If case is Chapter 7, current funds held by Chapter 7 trustee:		N/A

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In re:

Chapter 11

PALM BEACH FINANCE PARTNERS, L.P.,  
PALM BEACH FINANCE II, L.P.<sup>2</sup>

Case No. 09-36379-EPK  
Case No. 09-36396-EPK  
(Jointly Administered)

Debtors.

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**FIRST INTERIM POST CONFIRMATION FEE APPLICATION FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION TO JEROME M. HESCH AS EXPERT TO  
CHAPTER 11 LIQUIDATING TRUSTEE**

Jerome M. Hesch (“**Mr. Hesch**” or “**Applicant**”), having been approved by this Court as expert consultant for the Chapter 11 Liquidating Trustee, Barry E. Mukamal (“**Trustee**”), applies for interim compensation of fees and reimbursement of expenses for services rendered in this Chapter 11 proceeding between March 9, 2017 through June 30, 2017. This application is filed pursuant to 11 U.S.C. § 331 and Bankruptcy Rule 2016, and meets all of the requirements set forth in the Guidelines incorporated in Local Rule 2016-1(B)(1). In support of the application, Mr. Hesch states as follows:

1. On November 30, 2009, Palm Beach Finance Partners, L.P. (the “**Debtor**”) filed its Voluntary Petition for relief under chapter 11 of the United States Bankruptcy Code [ECF No. 1]. On December 1, 2009, this case was jointly administered with the estate of *In re Palm Beach Finance II, L.P.*, Case No. 09-36396-PGH [ECF No. 19].

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<sup>2</sup>The address and last four digits of the taxpayer identification number for each of the Debtors are as follows: (i) Palm Beach Finance Partners, L.P., 3601 PGA Blvd., Suite 301, Palm Beach Gardens, FL 33410, TIN 9943; and (ii) Palm Beach Finance II, L.P., 3601 PGA Blvd., Suite 301, Palm Beach Gardens, FL 33410, TIN 0680.

2. On January 28, 2010, the Court entered the Agreed Order Directing Appointment of Chapter 11 Trustee and denying the United States Trustee's Motion to Convert Cases to Cases under Chapter 7 [ECF No. 100].

3. On January 29, 2010, the United States Trustee appointed the Liquidating Trustee as Trustee in both estates [ECF No. 107].

4. On April 4, 2017, this Court entered an Order [ECF No. 3201] authorizing the Liquidating Trustee's retention of Jerome M. Hesch as expert consultant to the Liquidating Trustee, *nunc pro tunc* to March 9, 2017.

5. At the confirmation hearing held on October 19, 2010, the Court confirmed the *Second Amended Joint Plan of Liquidation of Barry Mukamal, as Chapter 11 Trustee of Palm Beach Finance Partners, L.P. and Palm Beach Finance II, L.P. and Geoffrey Varga, as Joint Official Liquidator of Palm Beach Offshore, Ltd., and Palm Beach Offshore II, Ltd.*, dated September 3, 2010 [ECF No. 245] (the "**Plan**") in the above referenced jointly administered bankruptcy proceeding. The Plan defines Confirmation Date as "the date on which the Bankruptcy Court enters the Confirmation Order on its docket". The Order Confirming Second Amended Joint Liquidating Chapter 11 Plan [ECF No. 444] (the "**Confirmation Order**") was entered on the Court's docket on October 21, 2010.

6. Article 7 of the Plan provides:

7.1.4 *PBF Liquidating Trust Management.* Barry Mukamal shall be PBF Liquidating Trustee with the power and authority set forth in the PBF Liquidating Trust Agreement.

7.1.5 *PBF Liquidating Trust Structure.* As more fully set forth in the PBF Liquidating Trust Agreement, the PBF Liquidating Trustee shall oversee and direct the PBF Liquidating Trust's operations and activities, including the retention of counsel.

7.1.7 *PBF II Liquidating Trust Monitor.* Geoffrey Varga, as Joint Official Liquidator for Offshore Funds shall be the PBF II Liquidating Trust Monitor with the power and authority set forth in the PBF II Liquidating Trust Agreement.

7.1.11 *Compensation of Professionals Retained by the Liquidating Trustees and the PBF II Liquidating Trust Monitor.* Professionals retained by the PBF II Liquidating Trust Monitor and the Liquidating Trustee shall be entitled to monthly interim compensation for fees and expenses incurred in carrying out their duties consistent with the Plan and the Liquidating Trust Agreements; provided, however, that the PBF II Liquidating Trust Monitor or the Liquidating Trustee shall provide to the other, and the United States Trustee, notice of such requested fees and expenses on a monthly basis. Following such notice, if no objections to the fees and expenses set forth in the monthly statement are received in writing within 10 business days, 100% of such professional's fees and expenses shall be paid. Notice of objections to such fees and expenses shall be made via e-mail and/or facsimile. If objections to the fees and expenses are made and cannot be resolved, such objections will be heard and resolved by the Bankruptcy Court. Any such fees and expenses shall be payable from the Trust Asset of the Liquidating Trusts. The PBF II Liquidating Trust Monitor and the Liquidating Trustee shall, no less frequently than once every four (4) months, submit applications to the Bankruptcy Court for final approval of reimbursement of fees and expenses paid to their professionals.

7. This application is submitted for the allowance and payment to Mr. Hesch in the amount of \$9,108.00 for fees incurred between March 9, 2017 and June 30, 2017.

8. All of the services rendered by the Applicant were performed for and on behalf of the Liquidating Trustee.

#### **I. SUMMARY OF SERVICES RENDERED**

9. Mr. Hesch rendered varied services as expert on behalf of the Liquidating Trustee for the period of time from March 9, 2017 through June 30, 2017. Applicant is requesting \$9,108.00 in professional fees for services rendered. Mr. Hesch logged a total of 13.8 hours during the time period for which fees were required in this fee application.

10. Mr. Hesch devoted 13.8 hours, for a total of \$9,108.00, for professional services in connection with the Trustee's action against The National Christian Foundation, Inc. Adversary Case No. 11-2940-EPK ("*NCF Adversary*").

## **II. REQUEST FOR COMPENSATION**

11. Pursuant to the decisions of the United States Court of Appeals for the Fifth Circuit in In re First Colonial Corp. of America, 544 F.2d 1291 (5th Cir. 1977); and In re Johnson v. Georgia Highway Express, Inc., 488 F.2d 714 (5th Cir. 1974), the applicant requests that this Court consider the following factors in determining the amount of compensation that is reasonable for the applicant's services in this case.

## **III. TIME AND LABOR REQUIRED**

12. The transcribed time records and details of services rendered by Applicant are attached hereto as Exhibit 3. To preserve work product and maintain confidentiality, the records are redacted. Unredacted records have been shared with the Office of the U.S. Trustee and if the Court so requests, may be filed under seal. Mr. Hesch has devoted 13.8 hours in time in providing services to the Liquidating Trustee between March 9, 2017 through June 30, 2017.

13. The exhibits attached to this application, pursuant to the Guidelines, are:

Exhibits "1-A" and "1-B" - Summary of Professional and Paraprofessional Time

Exhibit "2" - Summary of Requested Reimbursement of Expenses for this Time Period Only.

Exhibit "3" - The applicant's complete time records, in chronological order, by activity code category (if applicable), for the time period covered by this application. The requested fees are itemized to the tenth of an hour.

Exhibit "4" - Fee Application Summary Chart.

14. Mr. Hesch records the time expended in the rendition of professional services for the Liquidating Trustee by recording a detailed description of such professional services rendered.

**IV. NOVELTY AND DIFFICULTY OF THE ISSUES AND QUESTIONS PRESENTED**

15. The Liquidating Trustee retained Mr. Hesch as an advisor providing consulting services in connection with the NCF Adversary, evaluate the expert report of Bruce R. Hopkins, as well as other services on related issues that the Liquidating Trustee deems necessary.

**V. SKILL REQUISITE TO PERFORM THE LEGAL SERVICES PROPERLY**

16. Mr. Hesch has the requisite experience, seniority and skills necessary to effectively and efficiently meet the requirements of the tasks required. Mr. Hesch believes he has demonstrated the requisite, substantial expertise to skillfully provide the services required.

**VI. PRECLUSION FROM OTHER EMPLOYMENT**

17. Though Mr. Hesch has devoted time as consultant for the Liquidating Trustee as more fully set forth in Exhibit 3, Mr. Hesch has not been forced to decline other matters as a result of accepting this employment.

**VII. CUSTOMARY FEE**

18. The hourly rate charged is Mr. Hesch's customary fee for services of the type rendered herein.

**VIII. TIME LIMITATIONS IMPOSED BY THE CLIENT  
OR THE CIRCUMSTANCES**

19. Mr. Hesch has not been required to expend considerable time within short periods.

**IX. THE EXPERIENCE, REPUTATION AND ABILITY OF THE PROFESSIONALS**

20. Applicant has substantial experience in the type of services required under this engagement. The quality of work performed by Mr. Hesch in this proceeding attests to his experience, reputation and ability.

21. Jerome M. Hesch is a tax and estate planning consultant for lawyers throughout the country. A Former tax partner with the national law firm of Greenberg Traurig (Miami, Florida), Mr. Hesch is a member of the America College of Trust and Estate Counsel (ACTEC), and an Adjunct Professor at the University of Miami School of Law (Graduate Programs in Estate Planning and Taxation) and Florida International University School of Law.

22. An accomplished author, Mr. Hesch has published numerous articles, several Tax Management Portfolios, and co-authored a law school casebook on Federal Income Taxation, now in its third edition.

#### **X. THE UNDESIRABILITY OF THE CASE**

23. Mr. Hesch does not deem these cases to be undesirable and is honored to have been retained by the Liquidating Trustee.

#### **XI. APPLICABLE LEGAL STANDARD**

24. The amount requested by Applicant is reasonable in terms of awards in cases of similar magnitude and complexity. The compensation which Mr. Hesch is requesting comports with the mandate of the Bankruptcy Code, which directs that services be evaluated in light of comparable services performed in non-bankruptcy cases in the community. The fees requested by Mr. Hesch in the amount of \$9,108.00 for 13.8 hours of services is entirely appropriate.

25. Applicant considers the reasonable value of services rendered to this estate to be not less than \$9,108.00 for services rendered for the Fee Period.

#### **XII. ALLOCATION BETWEEN DEBTORS' ESTATES**

26. The Liquidating Trustee requests that 18% of the fee awarded be allocated to Palm Beach Finance Partners, L.P. ("**PBF**") and 82% of the fee awarded be allocated to Palm Beach Finance II, L.P. ("**PBF II**"). Section 1.76, entitled "Pro Rata Allocation Formula," of the Second



Amended Joint Plan of Liquidation dated September 3, 2010 [ECF No. 245] provides for a *pro rata* allocation formula derived from the Compiled Financial Statements, dated April 30, 2008, for each of the Debtors by Kaufman Rossin & Co. The data contained therein supports an 18%/82% allocation between PBF and PBF II, respectively, based upon the total assets of each entity as of the date of such compilations. Based on the circumstances and since the services provided by Applicant were performed on behalf of and benefitted both estates, the Liquidating Trustee believes that this formula is the proper methodology to allocate certain fees and expenses between the two estates, as indicated below:

<b>Estate / Percentage</b>	<b>Fees</b>	<b>Costs</b>
Palm Beach Finance Partners, L.P. (18%)	\$1,639.44	\$0.00
Palm Beach Finance II. L.P. (82%)	\$7,468.56	\$0.00
<b>TOTAL FEES AND COSTS:</b>	<b>\$9,108.00</b>	<b>\$0.00</b>

**WHEREFORE**, Jerome M. Hesch respectfully requests allowance of the full compensation sought under this application. Applicant requests this Court to award \$9,108.00 for fees incurred between March 9, 2017 and June 30, 2017, approve the allocation of fees between the estates, and for such other and further relief this Court deems just and proper.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**CERTIFICATION**

1. I (the "Applicant") am the professional with responsibility in these cases for compliance with the current Mandatory Guidelines on Fees and Disbursements For Professionals In The Southern District of Florida Bankruptcy Cases (the "Guidelines").

2. I have read the Applicant's application for compensation and reimbursement of costs (the "Application").

3. To the best of my knowledge, information, and belief formed after reasonable inquiry, the Application complies with the Guidelines.

4. To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines, except as specifically noted in this Certificate and described in the Application.

5. Except to the extent that fees or disbursements are prohibited or restricted by the Guidelines, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by the Applicant and generally accepted by the Applicant's clients.

6. In providing a reimbursable service or disbursement (other than time charged for paraprofessionals and professionals), the Applicant does not make a profit on that service or disbursement (except to the extent that any such profit is included within the permitted allowable amounts set forth in the Guidelines for photocopies and facsimile transmission).

7. In charging for a particular service or disbursement, the Applicant does not include in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission).

8. In seeking reimbursement for a service which the Applicant justifiably purchased or contracted for from a third party, the Applicant is requesting reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor.

9. The trustee, the examiner (if any), the chairperson of each official committee (if any), the debtor, the U.S. Trustee, and their respective counsels, will be mailed, simultaneously with the filing of the Application with the Court, a complete copy of the Application (including all relevant exhibits).

10. The following are the variances with the provisions of the Guidelines, the date of the specific Court approval of such departure, and the justification for the departure: None.

**I HEREBY CERTIFY** that the foregoing is true and correct.

Jerome M. Hesch  
21113 N.E. 38<sup>th</sup> Avenue  
Aventura, FL 33180

By: 

Jerome M. Hesch

**I HEREBY CERTIFY** that, pursuant to that certain Order Authorizing Professionals Employed by the Liquidating Trustee and Monitor to Provide Notice of their Post Confirmation Fee Applications for Compensation in Summary Form [ECF No. 648], a Notice of Filing, which will include a Certificate of Service for the foregoing, will be filed at a later date.

s/ Michael S. Budwick  
Michael S. Budwick, Esquire  
Fla. Bar No. 938777  
[mbudwick@melandrussin.com](mailto:mbudwick@melandrussin.com)  
MELAND RUSSIN & BUDWICK, P.A.  
3200 Southeast Financial Center  
200 South Biscayne Boulevard  
Miami, Florida 33131  
Telephone: (305) 358-6363  
Telecopy: (305) 358-1221

**EXHIBIT "1-A"****Summary of Professional and Paraprofessional Time  
Total per Individual for this Period Only**

[If this is a final application, and does not cumulate fee details from prior interim applications, then a separate Exhibit 1-A showing cumulative time summary from all applications is attached as well.]

<b>Name</b>	<b>Title</b>	<b><u>Year Licensed</u></b>	<b><u>Total Hours</u></b>	<b><u>Hourly Rate</u></b>	<b><u>Total Fees</u></b>
Jerome M. Hesch			13.80	\$660.00	\$ 9,108.00
Blended Hourly Rate				\$660.00	
<b>Total Fees</b>			13.80		\$ 9,108.00

**EXHIBIT "1-B"**

**Summary of Professional and Paraprofessional Time  
by Activity Code Category for this Time Period Only**

<b>Professional Services</b>				
	<b>Name</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
	Jerome M. Hesch	\$660.00	13.80	\$ 9,108.00
<b>CATEGORY TOTALS:</b>			<b>13.80</b>	<b>\$ 9,108.00</b>

EXHIBIT "2"  
Summary of Requested Reimbursement Of Expenses  
for this Time Period Only

[If this is a final application which does not cumulate prior interim applications, a separate summary showing cumulative expenses for all applications is attached as well]

1.	Filing Fees	\$ 0.00
2.	Process Service Fees	\$ 0.00
3.	Witness Fees	\$ 0.00
4.	Court Reporter & Transcripts	\$ 0.00
5.	Lien and Title Searches	\$ 0.00
6.	Photocopies (in-house copies) ( copies @ 15¢)	\$ 0.00
7.	Photocopies (outside copies)	\$ 0.00
8.	Postage	\$ 0.00
9.	Overnight Delivery Charges	\$ 0.00
10.	Outside Courier/Messenger Services	\$ 0.00
11a.	Long Distance (a) Telephone Charges	\$ 0.00
11b.	Long Distance (b) Conference Calls	\$ 0.00
12.	Long Distance Fax Transmission @ \$1.00/pg.	\$ 0.00
13.	Computerized Research	\$ 0.00
14.	Out of Southern District of Florida Travel A. Transportation B. Lodging C. Meals	\$ 0.00
15.	Other - travel time	\$ 0.00
<b>TOTAL "GROSS" AMOUNT OF REQUESTED DISBURSEMENTS</b>		<b>\$ 0.00</b>

Jerome Hesch, Esq.  
 21113 NE 38<sup>th</sup> Avenue  
 Aventura, Florida 33189  
[jhesch62644@gmail.com](mailto:jhesch62644@gmail.com)

Date: August 18, 2017

To: Liquidating Trustee, Barry Mukamal  
 Palm Beach Finance Partners, L.P.  
 Palm Beach Finance II, L.P.

DATE	DESCRIPTION	HOURS
02.21.17		No Charge
02.28.17		.80
03.02.17		(1) .30 (2) .50
03.21.17		.50
03.25.17		2.60
04.26.17		.60
04.26.17		3.60
04.27.17		.60
04.27.17		1.40
04.28.17		1.40
04.29.17		1.20
04.30.17		.30
06.26.17		No Charge
	TOTAL HOURS:	<u>13.80</u>
	Billable Rate: \$660 per hour	
	<b>INVOICE AMOUNT:</b>	<b>\$9,108.00</b>



FEE APPLICATION SUMMARY CHART												
REQUEST					APPROVAL				PAID		HOLDBACK	
Date Filed	ECF #	Period Covered	Fees Requested	Expenses Requested	Date Order Entered	ECF #	Fees Approved	Expenses Approved	Fees Paid	Expenses Paid	Fees Holdback	Expenses Holdback
N/A												
TOTALS:			\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

<b>Invoicing Date:</b>	<b>Billing Period:</b>	<b>Fees and expenses requested:</b>	<b>Amount paid absent objection:</b>
8/18/2017	March 9, 2017 - June 30, 2017	\$ 9,108.00	\$ 9,108.00