

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
www.flsb.uscourts.gov

In re:

Chapter 11

PALM BEACH FINANCE PARTNERS, L.P.,
a Delaware limited partnership, *et al.*,¹

Case No. 09-36379-BKC-PGH

Jointly Administered

Debtors.

**SUMMARY OF TWELTH POST-CONFIRMATION APPLICATION FOR
ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES INCURRED BY KINETIC PARTNERS (CAYMAN) LTD., AS
CONSULTANT FOR GEOFFREY VARGA, THE LIQUIDATING TRUST MONITOR
FOR PALM BEACH FINANCE II, L.P. FOR THE PERIOD OF JULY 1, 2014
THROUGH OCTOBER 31, 2014**

1. Name of applicant: Kinetic Partners (Cayman) Ltd.
2. Role of applicant: Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P.
3. Name of certifying professional: Geoffrey E. Varga
4. Date case filed: November 30, 2009
5. Date of application for employment: December 27, 2010
6. Date of order approving employment: January 27, 2011, *nunc pro tunc* to November 1, 2010
7. Date of Disclosure of Compensation (FRBP 2016): N/A
8. Date of this Application: December 19, 2014
9. Dates of Services Covered: July 1, 2014 through October 31, 2014

¹ The address and last four digits of the taxpayer identification number for each of the Debtors follows in parenthesis: (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).

Fees Requested

10. Total fees requested for this period	\$60,617.50
11. Balance remaining in fee retainer account, not yet awarded	\$0.00
12. Fees paid or advanced for this period, by other sources	N/A
13. Net Amount of Fees Requested	\$60,617.50

Expenses Requested

14. Total expense reimbursement requested	\$1,135.12
15. Balance remaining in expense retainer account, not yet received	N/A
16. Expenses paid or advanced for this period, by other sources	N/A
17. Net Amount of Expense Reimbursements Requested	\$1,135.12

- 18. Gross award requested for this period (#10 + #14)** \$
- 19. Net award requested for this period (#13 + #17)** \$61,752.62
- 20. If Final Fee Application, amounts of net awards requested in interim Applications, but not previously awarded (total from History of Fees and Expenses):**
- 21. Final fee and expense award requested (#20 + #21)**

History of Fees and Expenses

1. Dates, sources, and amounts of retainers received: N/A
2. Dates, sources and amounts of third party payments received during the period:

Dates	Sources	Amounts	Fees or Costs?	Description	<u>Period</u>
8/28/14	Barry E. Mukamal, as Liq. Trustee	\$3,582.00	Fees	18% due by Palm Beach Finance Partners, L.P.	July 2014
8/28/14	Barry E. Mukamal, as Liq. Trustee	\$16,318.00	Fees	82% due by Palm Beach Finance II, L.P.	July 2014
11/25/14	Barry E. Mukamal, as Liq. Trustee	\$3,120.77	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	August 2014
11/25/14	Barry E. Mukamal, as Liq. Trustee	\$14,216.85	Fees & Costs	82% due by Palm Beach Finance II, L.P.	August 2014
11/25/14	Barry E. Mukamal, as Liq. Trustee	\$2,837.25	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	September 2014
11/25/14	Barry E. Mukamal, as Liq. Trustee	\$12,925.25	Fees & Costs	82% due by Palm Beach Finance II, L.P.	September 2014
Pending	Barry E. Mukamal, as Liq. Trustee	\$1,575.45	Fees	18% due by Palm Beach Finance Partners, L.P.	October 2014
Pending	Barry E. Mukamal, as Liq. Trustee	\$7,177.05	Fees	82% due by Palm Beach Finance II, L.P.	October 2014

3. Prior fee and expense awards:

Date Requested	Application	Order	Fees Awarded	Expenses Awarded
3/15/2011	First Post Confirmation Application	Order Approving First Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2010 through January 31, 2011 [ECF No. 633], dated April 13, 2011	\$35,065.00	\$0.00
8/1/2011	Second Post Confirmation Application	Order Approving Second Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of February 1, 2011 through June 30, 2011 [ECF No. 736], dated September 1, 2011	\$156,654.25	\$10.50
12/28/2011	Third Post Confirmation	Order Approving Third Post-Confirmation Application and Awarding Compensation and Reimbursement of	\$157,662.25	\$834.02

	Application	Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2011 through October 31, 2011 [ECF No. 1088], dated February 15, 2012.		
4/30/2012	Fourth Post Confirmation Application	Order Approving Fourth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2011 through February 29, 2012 [ECF NO. 1260], dated May 31, 2012.	\$71,634.50	\$342.16
8/30/2012	Fifth Post Confirmation Application	Order Approving Fifth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2012 through June 30, 2012 [ECF NO. 1430], dated September 26, 2012.	\$51,573.00	\$1,339.76
12/28/2012	Sixth Post Confirmation Application	Order Approving Sixth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2012 through October 31, 2012 [ECF NO. 1691], dated January 30, 2013.	\$52,252.50	\$2,456.28
4/30/2013	Seventh Post Confirmation Application	Order Approving Seventh Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2012 through February 28, 2013 [ECF NO 1861], dated June 5, 2013.	\$68,623.50	\$0.00
8/29/2013	Eighth Post Confirmation Application	Order Approving Eighth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2013 through June 30, 2013 [ECF NO. 1977], dated October 2, 2013.	\$36,613.00	\$717.77
12/27/2013	Ninth Post Confirmation Application	Order Approving Ninth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2013 through October 31, 2013 [ECF NO. 2148], dated January 29, 2014.	\$40,904.50	\$4,868.40
4/25/2014	Tenth Post Confirmation Application	Order Approving Tenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd	\$77,743.50	\$751.89

		as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2013 through February 28, 2014 [ECF NO. 2318], dated June 4, 2014.		
8/26/2014	Eleventh Post Confirmation Application	Order Approving Eleventh Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2014 through June 30, 2014 [ECF NO. 2440], dated September 24, 2014.	\$40,972.00	\$2,458.30

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CONSULTANT FOR GEOFFREY VARGA, THE LIQUIDATING TRUST
MONITOR FOR PALM BEACH FINANCE II, L.P. FOR THE
PERIOD OF JULY 1, 2014 THROUGH OCTOBER 31, 2014**

Kinetic Partners (Cayman) Ltd. (the “Firm” or the “Applicant”), as consultant for Geoffrey Varga, in his capacity as the Liquidating Trust Monitor for Palm Beach Finance II, L.P. (the “Monitor”), respectfully makes this application (the “Application”) for entry of an order, pursuant to 11 U.S.C. §330, 331, 503(b)(2), the Confirmation Order¹ and the Liquidating Trust Agreements for the Palm Beach Finance Partners and Palm Beach Finance II Liquidating Trusts, allowing and awarding to the Firm, as an administrative expense, the total amount of \$61,752.62 consisting of fees in the amount of \$60,617.50 and reimbursement for actual and necessary expenses incurred in the amount of \$1,135.12 during the period of July 1, 2014 through October 31, 2014 (the “Application Period”). In the Application Period, a total of 105.70 hours were expended by the Firm in its representation of the Monitor, for an average hourly rate of \$573.49 during the Application Period.

¹ Capitalized terms not defined herein shall have the meaning given such terms in the Plan, as defined below.

Pursuant to Section 7.1.11 of 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 for Palm Beach Offshore, Ltd. and Palm Beach Offshore II, Ltd.* (the “Plan”), and the PBF II Liquidating Trust Agreement authorized thereunder, professionals retained by the Liquidating Trustee and Monitor are authorized to receive monthly interim compensation for fees and expenses incurred in carrying out their duties consistent with the Plan and Liquidating Trust Agreements from Trust Assets of the Liquidating Trusts, as long as: (i) notice of the fees and expenses are provided on a monthly basis to the Liquidating Trustee and U.S. Trustee; (ii) no written objections to the fees and expenses sought are received within 10 business days (if objections to the fees and expenses are timely made and cannot be resolved amicably, the Court is to hear and resolve the objections); and (iii) professionals submit applications to the Court for final approval of reimbursement of fees and expenses previously paid to them, no less than once every four (4) months. The Firm has already received, or expects to receive, payment from the Liquidating Trustee for services rendered to the Monitor during the Application Period and makes this Application to obtain final allowance of the fees and expenses already paid or expected to be paid soon.

I. JURISDICTION

This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334, and the Court’s retained jurisdiction pursuant to the Confirmation Order. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is core pursuant to 28 U.S.C. § 157(b)(2). The statutory predicate for the relief sought herein is sections 330, 331 and 503(b)(2) of the Bankruptcy Code.

II. INTRODUCTION

A. Allocation of Request For Professionals' Fees And Reimbursement of Expenses

In this Application, the Firm requests compensation and reimbursement of expenses in the amount of \$61,752.62 in connection with 105.70 hours worked and expenses incurred on behalf of the Monitor.

B. Retainer Paid To The Firm

None.

C. The Exhibits To This Application

There are a total number of 4 exhibits attached to this Application. The exhibits are as follows:

EXHIBIT NO.

Exhibit 1	Summary of Professional Time
Exhibit 2	Summary of Requested Reimbursement of Expenses
Exhibit 3	Certification
Composite Exhibit 4	Contemporaneous Time and Expense Records

III. BACKGROUND

1. On November 30, 2009 (the "Petition Date"), Palm Beach Finance Partners, L.P. and Palm Beach Finance II, L.P. (the "Debtors") commenced these bankruptcy cases by each filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Florida, West Palm Beach Division.

2. On January 28, 2010, in connection with motions filed by the U.S. Trustee for the Southern District of Florida (the "U.S. Trustee") and Geoffrey Varga, as Joint Official Liquidator

of Palm Beach Offshore, Ltd. and Palm Beach Offshore II, Ltd. (the “JOL”), the Court entered an order granting the motion to appoint a Chapter 11 trustee and directed the U.S. Trustee to appoint a Chapter 11 trustee. On or about January 29, 2010, the U.S. Trustee selected Barry Mukamal as the Chapter 11 trustee of the Debtors (the “Chapter 11 Trustee”). This selection was approved on February 2, 2010 by Order of the Court.

3. On August 27, 2010, the Chapter 11 Trustee and the JOL, as co-plan proponents, filed their Amended Disclosure Statement and First Amended Plan, and, on September 3, 2010, the Plan Proponents filed their Second Amended Disclosure Statement and the Second Amended Plan (the “Plan”).

4. On October 21, 2010, following a hearing on October 19, 2010, the Court entered an order confirming the Plan.

5. Pursuant to the Plan, on the Effective Date of the Plan, the Chapter 11 Trustee, on behalf of the Debtors and the Beneficiaries, executed the Liquidating Trust Agreements thereby establishing the Liquidating Trusts for the estates of each of the Debtors.

6. Pursuant to the Plan, Barry Mukamal was appointed the Liquidating Trustee with the power and authority set forth in the Liquidating Trust Agreements, subject only (in the case of the PBF II Liquidating Trust Agreement) to the power and authority granted to the Monitor in the Plan and the PBF II Liquidating Trust Agreement. Pursuant to the Plan, Geoffrey Varga, as JOL was appointed the Monitor with the power and authority set forth in the PBF II Liquidating Trust Agreement.

7. The PBF II Liquidating Trust Agreement authorizes the Monitor to employ and pay reasonable compensation to attorneys, accountants, appraisers, expert witnesses, insurance

adjusters or other persons whose services, in the sole judgment of the Monitor, may be reasonably necessary or advisable to advise or assist him in the discharge of his duties, or otherwise in the exercise of any powers vested in the Monitor.

8. On December 27, 2010, the Monitor filed the Application to Employ Geoffrey Varga and Kinetic Partners (Cayman) Ltd. as Consultant to the Liquidating Trust Monitor (the “Retention Application”) [ECF. No. 505]. On January 27, 2011, the Court entered an order approving the employment of Geoffrey Varga and Kinetic Partners (Cayman) Ltd., *nunc pro tunc* to November 1, 2010, pursuant to the terms of the Retention Application [ECF No. 555].

9. Pursuant to Section 7.1.11 of the Plan, professionals retained by the Liquidating Trustee and Monitor are authorized to receive monthly interim compensation for fees and expenses incurred in carrying out their duties consistent with the Plan and Liquidating Trust Agreements from Trust Assets of the Liquidating Trusts, as long as: (i) notice of the fees and expenses are provided on a monthly basis to the Liquidating Trustee and U.S. Trustee; (ii) no written objections to the fees and expenses sought are received within 10 business days (if objections to the fees and expenses are timely made and cannot be resolved amicably, the Court is to hear and resolve the objections); and (iii) professionals submit applications to the Court for final approval of reimbursement of fees and expenses previously paid to them, no less than once every four (4) months.

10. On March 15, 2011, the Firm filed its *First Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd, as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2010 Through January 31, 2011*

seeking allowance and payment of fees in the amount of \$35,065.00 (the “First Post-Confirmation Application”) [ECF No. 613]. On April 13, 2011, the Court entered an order granting the First Post-Confirmation Application. [ECF No. 633].

11. On August 1, 2011, the Firm filed its *Second Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd, as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of February 1, 2011 Through June 30, 2011* seeking allowance and payment of fees in the amount of \$156,654.25 and \$10.50 in expenses (the “Second Post-Confirmation Application”) [ECF No. 678]. On September 1, 2011, the Court entered an order granting the Second Post-Confirmation Application. [ECF No. 736].

12. On December 28, 2011, the Firm filed its *Third Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd, as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1 2011 through October 31, 2011* seeking allowance and payment of fees in the amount of \$157,662.25 and \$834.02 in expenses (the “Third Post-Confirmation Application”) [ECF No. 1025]. On February 15, 2012, the Court entered an order granting the Third Post-Confirmation Application. [ECF No. 1088].

13. On April 30, 2012, the Firm filed its *Fourth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd, as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2011 through February 29, 2012* seeking allowance and payment of fees in the amount of \$71,634.50 and \$342.16 in expenses

(the “Fourth Post-Confirmation Application”) [ECF No. 1221]. On May 31, 2012, the Court entered an order granting the Fourth Post-Confirmation Application. [ECF No. 1260].

14. On August 30, 2012, the Firm filed its *Fifth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2012 through June 30, 2012* seeking allowance and payment of fees in the amount of \$51,573.00 and \$1,339.76 in expenses (the “Fifth Post-Confirmation Application”) [ECF No. 1381]. On September 26, 2012, the Court entered an order granting the Fifth Post-Confirmation Application. [ECF No. 1430].

15. On December 28, 2012, the Firm filed its *Sixth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period July 1, 2012 through October 31, 2012* seeking allowance and payment of fees in the amount of \$52,252.50 and \$2,456.28 in expenses (the “Sixth Post-Confirmation Application”) [ECF No. 1585]. On January 30, 2013 the Court entered an order granting the Sixth Post-Confirmation Application [ECF No. 1691].

16. On April 30, 2013, the Firm filed its *Seventh Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period November 1, 2012 through February 28, 2013* seeking allowance and payment of fees in the amount of \$68,623.50 (the “Seventh Post-

Confirmation Application”) [ECF No. 1824]. On June 5, 2013 the Court entered an order granting the Seventh Post-Confirmation Application [ECF No. 1861].

17. On August 29, 2013 the Firm filed its *Eighth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period March 1, 2013 through June 30, 2013* seeking allowance and payment of fees in the amount of \$36,613.00 and \$717.77 in expenses (the “Eighth Post-Confirmation Application”) [ECF No. 1932]. On October 2, 2013 the Court entered an order granting the Eighth Post-Confirmation Application [ECF No. 1977].

18. On December 27, 2013 the Firm filed its *Ninth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period July 1, 2013 through October 31, 2013* seeking allowance and payment of fees in the amount of \$40,904.50 and \$4,868.40 in expenses (the “Ninth Post-Confirmation Application”) [ECF No. 2076]. On January 29, 2014 the Court entered an order granting the Ninth Post-Confirmation Application [ECF No. 2148].

19. On April 25, 2014 the Firm filed its *Tenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period November 1, 2013 through February 28, 2014* seeking allowance and payment of fees in the amount of \$77,743.50 and \$751.89 in expenses

(the “Tenth Post-Confirmation Application”) [ECF No. 2257]. On June 4, 2014 the Court entered an order granting the Tenth Post-Confirmation Application [ECF No. 2318].

20. On August 26, 2014 the Firm filed its *Eleventh Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period March 1, 2014 through June 30, 2014* seeking allowance and payment of fees in the amount of \$40,972.00 and \$2,458.30 in expenses (the “Eleventh Post-Confirmation Application”) [ECF No. 2407]. On September 24, 2014 the Court entered an order granting the Eleventh Post-Confirmation Application [ECF No. 2440].

21. Pursuant to Section 7.1.11 of the Plan, on August 7, 2014, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period July 1, 2014 through July 31, 2014 in the amount of \$19,900.00 (\$19,900.00 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. To date, \$19,900.00 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor from July 1, 2014 through July 31, 2014.

22. Pursuant to Section 7.1.11 of the Plan, on September 10, 2014, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period August 1, 2014 through August 31, 2014 in the amount of \$17,337.62 (\$16,232.50 for fees and \$1,105.12 for expenses). No objection to the requested fees was lodged. Accordingly, \$17,337.62 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for August 1, 2014 through August 31, 2014.

23. Pursuant to Section 7.1.11 of the Plan, on October 13, 2014, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period September 1, 2014 through September 30, 2014 in the amount of \$15,762.50 (\$15,732.50 for fees and \$30.00 for expenses). No objection to the requested fees or costs was lodged. \$15,762.50 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for September 1, 2014 through September 30, 2014.

24. Pursuant to Section 7.1.11 of the Plan, on November 11, 2014, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period October 1, 2014 through October 31, 2014 in the amount of \$8,752.50 (\$8,752.50 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. Accordingly, \$8,752.50 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for October 1, 2014 through October 31, 2014.

25. By this Application, the Firm seeks final allowance of payments already received and to be received for services rendered to the Monitor and expenses incurred in representing the Monitor during this twelfth post-effective date period of July 1, 2014 through October 31, 2014 in the amount of \$61,752.62.

IV. SERVICES RENDERED BY THE FIRM TO THE ESTATE

During the Application Period, the Firm frequently conferred with the Liquidating Trustee and his counsel regarding pending issues, the status of matters, as well as overall litigation strategy regarding the numerous adversary proceedings filed by the Liquidating Trustee. These communications often took the form of bi-weekly status calls. These calls involved the Monitor and his counsel as well as the Liquidating Trustee and his counsel.

During this period, the Firm reviewed pleadings and orders prepared by the Liquidating Trustee's counsel related to the M&I, Fulbright and GECC cases. Further, the Firm also continually reviewed the Petters docket.

During this period, the Firm participated in conference calls with the Monitor's and the Liquidating Trustee's respective counsel to discuss the cases against GECC, Fulbright and M&I Bank and strategy related thereto.

During this period, the Firm participated in meetings and conference calls with the Monitor's and the Liquidating Trustee's respective counsels to discuss the sale of a limited partner's position and the due diligence expert. Additionally, the Firm searched for and provided the Liquidating Trustee's counsel with documents relating to the due diligence expert's report.

During the Application Period, the Firm prepared monthly fee statements for submission to the Liquidating Trustee and U.S. Trustee as contemplated by the Plan and Liquidating Trust Agreements. Also as contemplated by the Plan and Liquidating Trust Agreements, the Firm prepared and submitted its eleventh post-confirmation fee application and appeared telephonically at a hearing on the same.

V. ALLOWANCE AND EVALUATION OF SERVICES RENDERED BY THE FIRM

Section 330(a) of the Bankruptcy Code provides, in relevant part:

- (a)(1) After notice to the parties in interest and the United States trustee and a hearing, and subject to sections 326, 328, and 329, the court may award to a trustee, an examiner, a professional person employed under Section 327 or 1103—
 - (A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and

- (B) reimbursement for actual, necessary expenses.
- (2) The court may, on its own motion or on the motion of the United States Trustee, the United States Trustee for the District or Region, the trustee for the estate, or any other party in interest, award compensation that is less than the amount of compensation that is requested.
- (3) In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—
 - (A) the time spent on such services;
 - (B) the rates charged for such services;
 - (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
 - (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
 - (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.
- (4)(A) Except as provided in subparagraph (B), the court shall not allow compensation for —
 - (i) unnecessary duplication of services; or
 - (ii) services that were not —
 - (I) reasonably likely to benefit the Debtors' estate; or
 - (II) necessary to the administration of the case.
- (B) In a chapter 12 or chapter 13 case in which the Debtors is an individual, the court may allow reasonable compensation to the Debtors' attorney for representing the interests of the Debtors in connection with the bankruptcy case based on a consideration of the benefit and necessity

of such services to the Debtors and the other factors set forth in this section.

- (5) The court shall reduce the amount of compensation awarded under this section by the amount of any final compensation awarded under §331, and, if the amount of such final compensation exceeds the amount of compensation awarded under this section, may order the return of the excess to the estate.
- (6) Any compensation awarded for the preparation of a fee application shall be based on the level and skill reasonably required to prepare the application.

The Applicant believes that the requested fee of \$61,752.62 for 105.70 hours worked is reasonable considering the factors to be applied under 11 U.S.C. §330(a)(1) and the factors enumerated in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974), made applicable to bankruptcy proceedings by *In re First Colonial Corp. of America*, 544 F.2d 1291 (5th Cir. 1977) as follows:

- a. The time and labor required;
- b. The novelty and difficulty of the questions presented;
- c. The skill required to perform the services properly;
- d. The preclusion of other employment due to acceptance of the case;
- e. The customary fee for similar work in the community;
- f. Whether the fee is fixed or contingent;
- g. Time limitations imposed by the client or by the circumstances;
- h. The amount involved and the results obtained;
- i. The experience, reputation and ability of the professional;
- j. The undesirability of the case;
- k. The nature and length of the professional relationship with the client;

- l. Awards in similar cases;
- m. Whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title; and
- n. Whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed.

Consideration of Section 330(a) and *The First Colonial* Factors

The foregoing description of the services rendered by the Firm during the Application Period, together with the more detailed description of time expended and services rendered set forth in the attached exhibits, describe the nature and extent of the professional services rendered by the Firm during the Application Period for the benefit of the bankruptcy estates.

The Firm's professionals possess a great deal of experience along with the skills and knowledge necessary to professionally and efficiently handle many of the issues arising in these bankruptcy cases. Specifically, Geoffrey Varga, the Monitor, is a Member of the Firm and leads the Firm's Insolvency and Corporate Recovery practices in both New York and the Cayman Islands. He is a Chartered Accountant and has over 18 years of professional experience, the majority of which has been focused in the area of restructuring and insolvency. He is a licensed Canadian insolvency practitioner and has worked on large, international insolvency engagements in the United States, the Cayman Islands, Canada and New Zealand. Mr. Varga's average hourly billing rate during the Application Period was \$750.00.

Ann Gittleman is a Certified Public Accountant, Certified in Financial Forensics, a Certified Insolvency and Restructuring Advisor and an attorney with over 13 years of experience in forensic accounting and litigation obtained from a Big 4 firm and a prominent New York City

law firm. Ms. Gittleman has extensive experience in dealing with complex securities litigations, bankruptcy issues, financial reporting fraud, misappropriation of assets, auditor malpractice and internal investigations. Ms. Gittleman's average hourly billing rate during the Application Period was \$625.00.

Whenever possible, the Firm delegated work on the Monitor's legal matters to more junior personnel who have lower billing rates than Mr. Varga and Ms. Gittleman. Given the foregoing, the average billing rate for the Firm's consulting services to the Monitor during the application period is \$573.49 per hour.

The services rendered by the Firm were necessary to achieve the Monitor's goals and responsibilities at the time the services were rendered. Moreover, the services performed by the Firm were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed.

With regard to the remaining *First Colonial* factors, the Firm's fees were fixed; the Firm was not precluded from other employment due to the acceptance of representation on behalf of the Monitor in these cases; the cases were not undesirable; and the Firm, as Mr. Varga's direct employer, has previously assisted Mr. Varga in his various roles as court-appointed liquidator of offshore entities such as the Offshore Funds. Finally, the award requested by the Firm in this application is similar to awards made by this and other courts in similar cases.

VI. CONCLUSION

For the foregoing reasons, the Firm respectfully requests that the Court enter an Order allowing and awarding the Firm, as an administrative expense, \$60,617.50 for services rendered by the Firm in connection with representation of the Monitor for the period of time

from July 1, 2014 through October 31, 2014 and \$1,135.12 for reimbursement of actual and necessary expenses incurred by the Firm, for a total of \$61,752.62.

Dated: December 19, 2014

Respectfully submitted,

KINETIC PARTNERS (CAYMAN) LTD.
*Consultants for Geoffrey Varga, as the
Liquidating Trust Monitor for Palm Beach
Finance II, L.P.*

By: 

Geoffrey Varga
The Harbour Centre
42 North Church Street
P.O. Box 10387
Grand Cayman, KY1-1004
Cayman Islands
P: 345.623.9900

Exhibit 1**Summary of Professional Time**

<u>NAME</u>	<u>AVG. RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Ann E. Gittleman	\$625.00	49.20	\$30,750.00
Geoffrey E. Varga	\$750.00	22.60	\$16,950.00
Kathryn Lattner	\$425.00	19.00	\$8,075.00
Jenna O'Brien	\$325.00	14.90	\$4,842.50
Totals:		105.70	\$60,617.50

Exhibit 2

Summary of Requested Reimbursement of Expenses

KINETIC EXPENSES	
Sundry Expenses	\$354.87
Travel/Air/Ferry/Park	\$780.25
Total:	\$1,135.12

Exhibit 3

Certification

Affidavit in Support of Certification

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

Geoffrey E. Varga, being duly sworn, deposes and says:

I am over the age of 18 years old and have personal knowledge of the matters set forth in this affidavit. I make this affidavit in support of the application (the "Application") for entry of an order, pursuant to 11 U.S.C. §§ 330, 331, 503(b)(2), allowing and awarding to Kinetic Partners (Cayman) Ltd. (the "Firm"), as an administrative expense, fees and costs incurred in connection with the Firm's representation of the Monitor, as such term is defined in the Plan.

I am the person at the Firm responsible for the representation of the Monitor in these cases and, as such, I am designated by the Firm as the professional with responsibility in these cases for compliance with the "Guidelines for Fee Applications for Professionals in the Southern District of Florida in Bankruptcy Cases" (the "Guidelines").

I have read the Application. The Application complies with the Guidelines, and the fees and expenses sought fall within the Guidelines, except as may be specifically noted in this Affidavit and described in the Application.

The fees and expenses sought are billed at rates and in accordance with practices customarily employed by the Firm and generally accepted by the Firm's clients.

In seeking reimbursement for the expenditures described on Exhibit 2, the Firm is seeking reimbursement only for the actual expenditure and has not marked up the actual cost to provide a profit or to recover the amortized cost of investment in staff time or equipment or capital outlay.

In seeking reimbursement for any service provided by a third party, the Firm is seeking reimbursement only for the amount actually paid by the Firm to the third party.

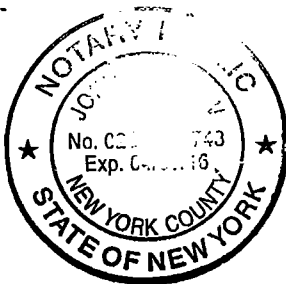
The following are the variances with the provisions of the Guidelines, the date of each court order approving the variance, and the justification for the variance: Not applicable.

FURTHER AFFIANT SAITH NAUGHT.



GEOFFREY E. VARGA

Sworn to before me this
19 day of December, 2014


Notary Public

Composite Exhibit 4

Contemporaneous Time and Expense Records

Schedule A
Kinetic Partners (Cayman) Ltd. -- July 2014 - October 2014 Detail Time Entries (PB I & II)

Date	Category	Staff	Time	Rate	Fees	Description
Fees						
7/1/2014	Litigation Consulting	AEG	1.80	625.00	1,125.00	Review the docket and review important recent court decisions (1.8)
7/2/2014	Litigation Consulting	AEG	2.00	625.00	1,250.00	Prepare for call with counsel. (0.9); Call with counsel and trustee to discuss matter. (1.1)
7/3/2014	Litigation Consulting	GEV	1.10	750.00	825.00	Bi-weekly status call with Trustee and counsel
7/7/2014	Litigation Consulting	KL2	2.00	425.00	850.00	Read RR email on recent filings and review docket for an update on the status of the case
7/9/2014	Administration	KL2	0.20	425.00	85.00	Correspondence with RR on new contact details for BM
7/9/2014	Fee Preparation	JGO	2.00	325.00	650.00	Prepare Palm Beach June 2014 Invoice (.8) Review incoming cash and allocation for prior invoices (1.2)
7/15/2014	Litigation Consulting-FJ	GEV	0.10	750.00	75.00	Emails re FJ litigation
7/18/2014	Litigation Consulting	AEG	3.00	625.00	1,875.00	Preparation for call w/trustees, trust monitors and counsels (1.5); call with trustees, trust monitors and counsels (1.5).
7/18/2014	Litigation Consulting	GEV	1.50	750.00	1,125.00	Biweekly status call with trustee and counsel; litigation status
7/24/2014	Litigation Consulting-FJ	GEV	11.00	750.00	8,250.00	Travel to Mia for FJ mediation; participation in FJ mediation; discussions regarding other ongoing litigation
7/25/2014	Litigation Consulting-FJ	GEV	3.00	750.00	2,250.00	Travel from FJ mediation
7/28/2014	Litigation Consulting	KL2	0.80	425.00	340.00	Review files and reports received from RR
7/31/2014	Litigation Consulting	AEG	1.80	625.00	1,125.00	Review docket for updates on case
7/31/2014	Litigation Consulting-FJ	GEV	0.10	750.00	75.00	Sign off on FJ settlement
8/4/2014	Litigation Consulting	KL2	1.50	425.00	637.50	Email correspondence on document search for Meland (.3), begin search for documents requested (1.2)
8/5/2014	Litigation Consulting	JGO	1.40	325.00	455.00	Multiple correspondence and research for an interest in the PBO estate.
8/6/2014	Litigation Consulting	AEG	2.50	625.00	1,562.50	Review file in preparation for meeting with the Trustee. (2) call with KL to discuss details of document production (.5)
8/6/2014	Litigation Consulting	KL2	2.50	425.00	1,062.50	Call with JW from Meland on document request (.3), continue search for necessary documents (.5), call with AG to discuss details of document production (.5), Begin reviewing documents received from counsel on various cases - M&I, F&J, etc (1), review of confi agreement (.2)
8/6/2014	Fee Preparation	JGO	0.80	325.00	260.00	Prepare July Invoice
8/7/2014	Litigation Consulting	AEG	2.80	625.00	1,750.00	Review docket for call with Trustee (1.7) Call with counsel, Trustee and TM to discuss status of matters. (1.1)
8/7/2014	Litigation Consulting	GEV	1.10	750.00	825.00	Biweekly call with Trustee and counsel re ongoing litigation and Petters related matters
8/8/2014	Fee Preparation	JGO	0.60	325.00	195.00	Review KP and RR invoices
8/12/2014	Litigation Consulting	KL2	0.20	425.00	85.00	Call with JO to discuss release of documents re KBC sale
8/12/2014	Litigation Consulting	JGO	0.70	325.00	227.50	Review Acknowledgment and Agreement to be Bound (.3) Call with Josh Marcus regarding KBC sale (.2) Call with KL to discuss release of documents re KBC sale (.2)
8/16/2014	Litigation Consulting	GEV	0.10	750.00	75.00	Sign off on seal motion
8/20/2014	Fee Preparation	KL2	1.60	425.00	680.00	Begin preparing 11th fee app for Trust Monitor
8/20/2014	Litigation Consulting	GEV	0.30	750.00	225.00	Review ongoing matters
8/21/2014	Fee Preparation	KL2	4.00	425.00	1,700.00	Continue prep of fee application and related time summaries for 11th fee app
8/22/2014	Litigation Consulting	AEG	2.80	625.00	1,750.00	Review file for meeting with Trustee (1.8). Meeting with Trustee and counsel. (1)
8/22/2014	Fee Preparation	JGO	2.50	325.00	812.50	Review and provide comments on the 11th fee app
8/22/2014	Litigation Consulting	GEV	1.00	750.00	750.00	Biweekly call with trustee and counsel
8/25/2014	Fee Preparation	KL2	1.00	425.00	425.00	Review finalized fee application for submission to US Bankruptcy Court
8/25/2014	Fee Preparation	JGO	0.90	325.00	292.50	Finalize KP's 11th fee application
8/26/2014	Litigation Consulting	AEG	1.20	625.00	750.00	Review the docket on ongoing matters - report to TM
8/26/2014	Fee Preparation	JGO	0.50	325.00	162.50	Update KP's 11th fee application
8/27/2014	Litigation Consulting	AEG	1.20	625.00	750.00	Review the docket on ongoing matters - report to TM
8/27/2014	Litigation Consulting	GEV	0.50	750.00	375.00	Call re KBC PBO interest
8/29/2014	Litigation Consulting	KL2	1.00	425.00	425.00	Searches for documents for JW at Meland
9/2/2014	Litigation Consulting	AEG	1.20	625.00	750.00	Review of the docket to report to the TM.
9/2/2014	Fee Preparation	JGO	0.70	325.00	227.50	Bank reconciliation for payments received
9/3/2014	Litigation Consulting	AEG	0.80	625.00	500.00	Review of the docket to report to the TM.
9/3/2014	Litigation Consulting	GEV	0.10	750.00	75.00	Media coverage review
9/4/2014	Litigation Consulting	AEG	2.20	625.00	1,375.00	Review of the docket
9/5/2014	Fee Preparation	JGO	0.80	325.00	260.00	Prepare Onshore August 2014 Invoice
9/9/2014	Fee Preparation	KL2	0.20	425.00	85.00	Review monthly invoices and letters
9/9/2014	Fee Preparation	JGO	0.50	325.00	162.50	Review final invoice letters and send confirmation
9/10/2014	Litigation Consulting	AEG	2.80	625.00	1,750.00	Review file for call with Trustee. (1.8); Call with Trustee and counsel. (1.0)
9/10/2014	Litigation Consulting	KL2	1.00	425.00	425.00	Review email from JW on document request and begin searching for and pulling related documents
9/11/2014	Litigation Consulting	AEG	1.80	625.00	1,125.00	Review of the docket (1.8)
9/11/2014	Litigation Consulting	KL2	3.00	425.00	1,275.00	Continue searches for documents and prepare email to JW and send relevant documents
9/12/2014	Litigation Consulting	GEV	0.30	750.00	225.00	Call re sale of KBC interest

9/16/2014	Litigation Consulting	AEG	2.20	625.00	1,375.00	Review of the docket for an update to the case.
9/16/2014	Fee Preparation	JGO	0.70	325.00	227.50	Payment and bill reconciliation
9/18/2014	Litigation Consulting	AEG	1.80	625.00	1,125.00	Review of the docket for an update to the case.
9/18/2014	Litigation Consulting-M&I	GEV	0.20	750.00	150.00	Emails re M&I action; related documents
9/22/2014	Litigation Consulting-M&I	AEG	2.80	625.00	1,750.00	Review MI motion to dismiss and discussion with TM.
9/22/2014	Litigation Consulting-M&I	GEV	0.50	750.00	375.00	Emails re letter to BMO
9/23/2014	Fee Preparation	AEG	0.80	625.00	500.00	Court Call - Fee Application hearing.
9/23/2014	Fee Preparation	JGO	1.10	325.00	357.50	Prepare (.1) and attend court hearing for fee application (.8) Review orders (.2)
9/24/2014	Litigation Consulting	AEG	2.50	625.00	1,562.50	Review docket and prepare for call with Trustee and counsel. (2.4) Update with GV (.1)
9/24/2014	Litigation Consulting	GEV	0.10	750.00	75.00	Update of weekly meeting with AG
10/3/2014	Litigation Consulting - M&I	AEG	2.00	625.00	1,250.00	Review of the docket and M&I motions
10/6/2014	Litigation Consulting - M&I	AEG	2.20	625.00	1,375.00	Continue to review the M&I motions and comments.
10/9/2014	Litigation Consulting	AEG	1.80	625.00	1,125.00	Review of the docket.
10/13/2014	Litigation Consulting	AEG	3.20	625.00	2,000.00	Review file for call with Trustee and Trust Monitor. (2.2) Call with Trustee and Trust Monitor to discuss the status of the onshore litigations. (1)
10/13/2014	Fee Preparation	JGO	1.70	325.00	552.50	Prepare September 2014 invoice (.9) review letters for RR and KP (.8)
10/13/2014	Litigation Consulting	GEV	1.00	750.00	750.00	Biweekly update call with trustee and counsel
10/15/2014	Litigation Consulting	AEG	2.00	625.00	1,250.00	Review of the docket.
10/31/2014	Litigation Consulting	GEV	0.60	750.00	450.00	Biweekly call with Trustee and counsel
				Total Fees	\$ 60,617.50	
Disbursements						
7/18/2014	Train/Plane/Ferry/Cost of Parking				638.00	Airfare to MIA for FJ mediation
7/24/2014	Train/Plane/Ferry/Cost of Parking				52.50	Taxi to NY airport (FJ mediation)
7/24/2014	Train/Plane/Ferry/Cost of Parking				25.00	Taxi to MIA (FJ mediation)
7/24/2014	Train/Plane/Ferry/Cost of Parking				25.00	Taxi from MIA (FJ mediation)
7/24/2014	Sundry Expenses				324.87	Hotel charge (FJ mediation)
7/25/2014	Train/Plane/Ferry/Cost of Parking				39.75	Taxi from NY airport (FJ Mediation)
9/30/2014	Sundry Expenses				30.00	NYPIN03271 - Court Call
				Total Disbursements	\$ 1,135.12	