

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION

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In re:

Chapter 11

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

Case No. 09-36379-BKC-PGH

Jointly Administered

Debtors.

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**SUMMARY OF FIFTH POST-CONFIRMATION APPLICATION FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
INCURRED BY REED SMITH LLP, AS COUNSEL 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**

1. Name of applicant: Reed Smith LLP
2. Role of applicant: Counsel for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P.
3. Name of certifying professional: Edward J. Estrada, Esq.
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: August 30, 2012
9. Dates of Services Covered: March 1, 2012 through June 30, 2012

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<sup>1</sup> 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	\$59,173.11
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
<b>13. Net Amount of Fees Requested</b>	<b>\$59,173.11</b>

**Expenses Requested**

14. Total expense reimbursement requested	\$4,142.90
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
<b>17. Net Amount of Expense Reimbursements Requested</b>	<b>\$4,142.90</b>
18. Gross award requested for this period (#10 + #14)	\$63,316.01
<b>19. Net award requested for this period (#13 + #17)</b>	<b>\$63,316.01</b>
<b>20. If <u>Final</u> Fee Application, amounts of net awards requested in interim Applications, but <u>not previously awarded</u> (total from History of Fees and Expenses):</b>	
<b>21. Final fee and expense award requested (#20 + #21)</b>	<b>\$63,316.01</b>

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	Period
5/16/2012	Barry E. Mukamal, as Liq. Trustee	\$2,670.22	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	March 2012
5/16/2012	Barry E. Mukamal, as Liq. Trustee	\$12,164.36	Fees & Costs	82% due by Palm Beach Finance II, L.P.	March 2012
6/11/2012	Barry E. Mukamal, as Liq. Trustee	\$2,633.79	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	April 2012
6/11/2012	Barry E. Mukamal, as Liq. Trustee	\$11,998.35	Fees & Costs	82% due by Palm Beach Finance II, L.P.	April 2012
7/16/2012	Barry E. Mukamal, as Liq. Trustee	\$2,844.79	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	May 2012
7/16/2012	Barry E. Mukamal, as Liq. Trustee	\$12,959.58	Fees & Costs	82% due by Palm Beach Finance II, L.P.	May 2012
8/14/2012	Barry E. Mukamal, as Liq. Trustee	\$3,248.09	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	June 2012
8/14/2012	Barry E. Mukamal, as Liq. Trustee	\$14,796.83	Fees & Costs	82% due by Palm Beach Finance II, L.P.	June 2012

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 Reed Smith LLP, as Counsel 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. 632], dated April 13, 2011	\$60,863.25	\$0.00
7/28/2011	Second Post Confirmation Application	Order Approving Second Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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. 735], dated September 1, 2011	\$175,210.16	\$1,287.58
12/28/2011	Third Post Confirmation	Order Approving Third Post-Confirmation Application and Awarding Compensation and	\$224,929.12	\$6,530.13

	Application	Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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. 1089], dated February 15, 2012		
4/30/2012	Fourth Post Confirmation Application	Order Approving Second Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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. 1258], dated June 1, 2012.	\$101,540.99	\$2,075.12

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**FIFTH POST-CONFIRMATION APPLICATION FOR ALLOWANCE AND  
PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
INCURRED BY REED SMITH LLP, AS COUNSEL 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**

Reed Smith LLP (the “Firm” or the “Applicant”), as counsel 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 Order<sup>1</sup> 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 \$63,316.01<sup>2</sup>, consisting of fees in the amount of \$59,173.11 and reimbursement for actual and necessary expenses incurred in the amount of \$4,142.90 during the period of March 1, 2012 through June 30, 2012 (the “Application Period”). In the Application Period, a total of 157.5 hours were expended by the Firm in its representation of the Monitor, for an average hourly rate of \$375.70 during the Application Period.

Pursuant to Section 7.1.11 of the *Second Amended Joint Plan of Liquidation of Barry*

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<sup>1</sup> Capitalized terms not defined herein shall have the meaning given such terms in the Plan, as defined below.  
<sup>2</sup> The Firm is requesting \$59,173.11 in fees as a 25% discount from \$78,897.50. *See* ¶ 8.

*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 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.

## **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. Request For Attorneys' Fees And Reimbursement of Expenses

In this Application, the Firm requests compensation and reimbursement of expenses in the amount of \$63,316.01 in connection with 157.5 hours worked on behalf of the Monitor.

### B. Retainer Paid To The Firm

None.

### C. The Exhibits To This Fee 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 and Paraprofessional 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. The Plan provides that the Monitor's general counsel is Reed Smith LLP and Levine Kellogg Lehman Schneider & Grossman LLP ("Levine Kellogg"). Further, the professionals at those firms shall be compensated at 75% as to Reed Smith and 100% as to Levine Kellogg of the firm's respective standard billing rates, respectively.

9. On December 27, 2010, the Monitor filed the Application to Employ Edward J. Estrada of Reed Smith LLP as General Counsel to Geoffrey Varga, as Liquidating Trust Monitor (the "Retention Application") [ECF. No. 504]. On January 27, 2011, the Court entered an order approving the employment of Edward Estrada, Esq. and Reed Smith LLP, *nunc pro tunc* to November 1, 2010, pursuant to the terms of the Retention Application [ECF No. 556].

10. 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.

11. On March 15, 2011, the Firm filed its *First Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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* seeking allowance and payment of fees in the amount of \$60,863.25 (the “First Post-Confirmation Application”) [ECF No. 611]. On April 13, 2011, the Court entered an order granting the First Post-Confirmation Application [ECF No. 632].

12. On July 28, 2011, the Firm filed its *Second Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of February 1, 2010 Through June 30, 2011* seeking allowance and payment of fees in the amount of \$175,210.16 and expenses in the amount of \$1,287.58 (the “Second Post-Confirmation Application”) [ECF No. 673]. On September 1, 2011, the Court entered an order granting the Second Post-Confirmation Application [ECF No. 735].

13. On December 28, 2011, the Firm filed its *Third Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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* seeking allowance and payment of fees in the amount of \$224,929.12 and expenses in the amount of \$6,530.13 (the “Third Post-Confirmation Application”) [ECF No. 1024]. On February 15, 2012, the Court entered an order granting the Third Post-Confirmation Application [ECF No. 1089].

14. On April 30, 2012, the Firm filed its *Fourth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Reed Smith LLP, as Counsel 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* seeking allowance and payment of fees in the amount of \$101,540.99 and expenses in the amount of \$2,075.12 (the "Fourth Post-Confirmation Application") [ECF No. 1219]. On June 1, 2012, the Court entered an order granting the Fourth Post-Confirmation Application [ECF No. 1258].

15. Pursuant to Section 7.1.11 of the Plan, on April 16, 2012, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period March 1, 2012 through March 31, 2012 in the amount of \$14,834.58 (\$14,759.62 for fees and \$74.96 for expenses). No objection to the requested fees or costs was lodged. Accordingly, \$14,834.58 has been paid to the Firm for services rendered to, and costs incurred on behalf of, the Monitor from March 1, 2012 through March 31, 2012.

16. Pursuant to Section 7.1.11 of the Plan, on May 15, 2012, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period April 1, 2012 through April 30, 2012 in the amount of \$14,632.14 (\$14,467.87 for fees and \$164.27 for expenses). No objection to the requested fees or costs was lodged. Accordingly, \$14,632.14 has been paid to the Firm for services rendered to, and costs incurred on behalf of, the Monitor from April 1, 2012 through April 30, 2012.

17. Pursuant to Section 7.1.11 of the Plan, on June 15, 2012, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period May 1, 2012 through May 31, 2012 in the amount of \$15,804.37 (\$15,651.75 for fees

and \$152.62 for costs). No objection to the requested fees or costs was lodged. Accordingly, \$15,804.37 has been paid to the Firm for services rendered to, and costs incurred on behalf of, the Monitor from May 1, 2012 through May 31, 2012.

18. Pursuant to Section 7.1.11 of the Plan, on July 13, 2012, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period June 1, 2012 through June 30, 2012 in the amount of \$18,044.92 (\$14,293.87 for fees and \$3,751.05 for costs). No objection to the requested fees or costs was lodged. Accordingly, \$18,044.92 has been paid to the Firm for services rendered to, and costs incurred on behalf of, the Monitor from June 1, 2012 through June 30, 2012.

19. By this Application, the Firm seeks final allowance of payments already received for services rendered to the Monitor and expenses incurred in representing the Monitor during this fifth post-effective date period of March 1, 2012 through June 30, 2012 in the amount of \$63,316.01.

#### **IV. SERVICES RENDERED BY THE FIRM TO THE ESTATE**

Although more fully set forth in the detailed time entries attached hereto as Exhibit 4, representative legal services rendered by the Firm to the Monitor during the Application Period are as follows:

During the Application Period, the Firm frequently conferred with the Liquidating Trustee's counsel regarding the status of actions against various litigation targets and settlements of the same, as well as overall litigation strategy. These communications often took the form of the bi-weekly status calls that were begun pre-confirmation and continue post-Effective Date. These calls involved the Monitor and his counsel as well as the Liquidating Trustee and his

counsel. Additionally, the Edward Estrada participated in an in-person meeting during the Application Period to discuss pending issues, the status of litigation matters and strategy going forward.

During the Application Period, the Firm conferred with the Liquidating Trustee's counsel regarding draft complaints against potential defendants. Additionally, the Firm reviewed and commented on motions to dismiss and other substantive filings filed by the clawback action defendants. The Firm conferred with the Liquidating Trustee regarding bar orders, settlement agreements, mediation procedures in connection with the resolution of certain adversary proceedings, and additionally participated in certain mediations. Edward Estrada participated in-person in a mediation in Texas.

The Firm also closely monitored the multitude of litigations pending in connection with the Petters bankruptcy cases as the same may impact these estates. The Firm prepared comprehensive summaries of these actions and counseled the Monitor with respect to the same.

During the Application Period, the Firm prepared monthly fee statements for submission to 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 its fourth 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 \$63,316.01 for 157.5 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 legal services properly;
- d. The preclusion of other employment by the attorney 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 attorneys;
- 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 to the Monitor 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 to the Monitor for the benefit of the bankruptcy estate during the Application Period.

Edward J. Estrada is the Partner at the Firm with principal responsibility for the representation of the Monitor as counsel in these cases and for supervision of legal services rendered to the Monitor. Mr. Estrada concentrates his practice in the areas of bankruptcy litigation, creditor's rights, bankruptcy reorganizations, and commercial litigation and has been licensed to practice law since 1998. Whenever possible, the Firm delegated work on the Monitor's legal matters to Associates and Paralegals of the Firm who have lower billing rates than Partners of the Firm. It is noteworthy, however, that, as set forth in the Plan, the



professional fees charged during the Application Period reflect a 25% discount from rates typically charged by the Firm for similar work. Given the foregoing, the blended billing rate for the Firm's legal services to the Monitor during the Application Period is \$375.70 per hour.

The Monitor's legal matters demanded considerable legal skills in the areas of bankruptcy, creditor's rights, litigation and business law. The Firm's attorneys enjoy an excellent reputation for their abilities in the areas of bankruptcy, creditor's rights, and complex commercial litigation in the legal community, and the Firm's billing rates reflect customary billing rates in the legal community for legal services similar to the services rendered by the Firm to the Monitor in these cases.

With respect to additional factors enumerated in section 330(a) of the Bankruptcy Code, the legal services rendered by the Firm were necessary to achieve the Monitor's goals and legal obligations at the time the services were rendered. Moreover, the legal 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 and the matter is not undesirable. Reed Smith has represented the Monitor in other matters previously and represented Mr. Varga in his capacity as court-appointed JOL in these Bankruptcy Cases and in the court-administered liquidation of other offshore entities. Such representations also involve appearances before U.S. Bankruptcy Courts. Finally, the award requested by the Firm in this Application is similar to awards made by this Bankruptcy Court 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, \$59,173.11 for legal services rendered by the Firm in connection with representation of the Monitor for the period of time from March 1, 2012 through June 30, 2012 and \$4,142.90 for reimbursement of actual and necessary expenses incurred by the Firm, for a total of \$63,316.01.

Dated: August 30, 2012

Respectfully submitted,

REED SMITH LLP

By: /s/ Edward J. Estrada  
Edward J. Estrada, Esq.  
599 Lexington Avenue, 22<sup>nd</sup> Floor  
Telephone: 212-521-5400  
Facsimile: 212-521-5450  
E-mail: [eestrada@reedsmith.com](mailto:eestrada@reedsmith.com)

**Exhibit 1****Summary of Professional and Paraprofessional Time**

<b><u>NAME, DEPARTMENT AND LOCATION</u></b>	<b><u>YEAR LICENSED</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>AMOUNT</u></b>
Edward J. Estrada, Financial Industry, New York	1998	\$790.00	41.4	\$32,706.00
<b>Total Partners:</b>			<b>41.4</b>	<b>\$32,706.00</b>
Christopher A. Lynch, Financial Industry, New York	2004	\$620.00	7.4	\$4,588.00
Nicole K. O'Sullivan, Financial Industry, New York	2009	\$465.00	41.9	\$15,712.50
Lillian C. Worthley, Financial Industry, New York	pending	\$375.00	36.6	\$19,398.00
<b>Total Associates</b>			<b>85.9</b>	<b>\$39,698.50</b>
Lawson Huynh, Financial Industry, New York	n/a	\$215.00	24.6	\$5,289.00
William J. Jarboe, Financial Industry, New York	n/a	\$215.00	5.6	\$1,204.00
<b>Total Paraprofessionals:</b>			<b>30.2</b>	<b>\$6,493.00</b>
<b>Total Professional and Paraprofessional Time:</b>			<b>157.5 hours</b>	
<b>Gross Professional and Paraprofessional Fees:</b>			<b>\$78,897.50</b>	
<b>Less 25%</b>			<b>(\$19,724.38)</b>	
<b>Net Professional and Paraprofessional Fees:</b>			<b>\$59,173.11</b>	
<b>(Post Discount) Blended Hourly Rate:</b>			<b>\$375.70</b>	

**Exhibit 2**

**Summary of Requested Reimbursement of Expenses**

<b>REED SMITH EXPENSES</b>	
PACER	\$488.48
Duplication	\$30.90
Meals	\$15.72
Airfare	\$3,577.80
Courtcall	\$30.00
<b>Total:</b>	<b>\$4,142.90</b>

**Exhibit 3**

**Affidavit in Support of Certification**

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

Edward J. Estrada, 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 Reed Smith LLP (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 Partner 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.

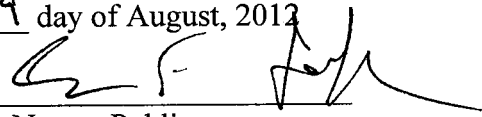
In seeking reimbursement for the expenditures described on Exhibit 2, the Firm is seeking reimbursement only for the actual expenditure and has not marked up the actual cost to provide a profit or to recover the amortized cost of investment in staff time or equipment or capital outlay.

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 SAYEST NAUGHT.

  
\_\_\_\_\_  
EDWARD J. ESTRADA

Sworn to before me this  
29 day of August, 2012  
  
\_\_\_\_\_  
Notary Public

**EVAN F. JAFFE**  
Notary Public, State of New York  
No. 01JA6196006  
Commission Expires 11/03/2012

**Composite Exhibit 4**

**Contemporaneous Time and Expense Records**



599 Lexington Avenue  
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Geoffrey Varga  
Kinetic Partners  
42 North Church Street  
PO Box 10387  
George Town, Grand Cayman KY1 1004  
Cayman Islands

April 12, 2012

Client/Matter Contact: Geoff Varga  
**Re: Trust Monitor - PBF I and PBF II**

Invoice Number: 2252763  
Client Number: 505162  
Matter Number: 60003

For Professional Services Rendered Through March 31, 2012

#### TIME DETAIL

Date	Name	Narrative	Hours
03/01/12	Huynh	Review and circulate Petters related court filings for attorney review, review and provide attorney with proofs of claims	0.70
03/01/12	O'Sullivan	Summary of filings in Petters and related cases.	0.70
03/01/12	Worthley	Summarizing recent filings in the Palm Beach case	1.60
03/02/12	Estrada	Group status and strategy call (50%)	0.70
03/02/12	O'Sullivan	Palm Beach status call and f/u regarding same (50%).	0.70
03/02/12	Estrada	Research of [REDACTED] issue	1.60
03/05/12	Huynh	Review and circulate Petters related filings for attorney review	0.60
03/05/12	Lynch	Review KBC reply brief (1/2).	0.20
03/05/12	Lynch	Review filings in Petters case impacting Onshore Funds' claims into those estates (1/2).	0.40
03/07/12	Huynh	Review and create adversary proceedings chart for attorney review	1.70
03/07/12	Lynch	Consider implications of [REDACTED] [REDACTED] (.30); Research regarding [REDACTED] (.30) (1/2).	0.60
03/08/12	Huynh	Review and circulate Petters related case filings for attorney review	0.70
03/08/12	Worthley	Drafting weekly docket summary for N. O'Sullivan review	2.10



505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
April 12, 2012Invoice Number 2252763  
Page 2**TIME DETAIL**

Date	Name	Narrative	Hours
03/12/12	Huynh	Review and circulate Petters related filings for attorney review	0.30
03/12/12	Estrada	Comments on [REDACTED] letter	0.70
03/13/12	Worthley	Summary of docket	1.30
03/13/12	Lynch	Review motions to withdraw reference.	0.30
03/13/12	Estrada	Review of current claims and [REDACTED]	2.40
03/13/12	O'Sullivan	Review filings in Petters and related cases, summarize and circulate.	0.70
03/14/12	Estrada	Status and strategy call w/ B. Mukamal and M. Budwick	0.90
03/14/12	O'Sullivan	Review Reed Smith February invoices; draft letter re: same. Review Kinetic invoices.	0.70
03/15/12	Huynh	Review and circulate Petters related court filings for attorney review	0.80
03/15/12	O'Sullivan	Call with K. Latti re: Kinetic February invoices. Draft letter and circulate same. Circulate RS February invoices.	1.20
03/16/12	Huynh	Recirculate court filings for attorney review	0.10
03/19/12	Huynh	Review and circulate Petters filings for attorney review	0.60
03/19/12	Worthley	Redacting time entry for fee application	0.90
03/19/12	O'Sullivan	EMAILS WITH J. FELDMAN RE: [REDACTED]	0.40
03/20/12	Estrada	Review status of adversary proceedings and recoveries (50%)	2.30
03/20/12	Lynch	Review filings in PB adversary proceedings.	0.20
03/21/12	Estrada	Review of recoveries and potential for distributions from PCI estates (50%)	2.10
03/22/12	Estrada	Review of [REDACTED] and research (50%)	2.80
03/22/12	Huynh	Review and circulate Petters court filings for attorney review, review and circulate adversary proceedings for attorney review, review and circulate POCs for attorney review	1.20
03/22/12	Lynch	Review [REDACTED] by [REDACTED] (1/2).	0.20
03/22/12	Worthley	Drafting summary of docket reports for N O'Sullivan review	1.70
03/23/12	O'Sullivan	Emails regarding status call scheduling.	0.30
03/25/12	O'Sullivan	Review/summarize filings in Petters and related cases and circulate to team.	0.50

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
April 12, 2012Invoice Number 2252763  
Page 3**TIME DETAIL**

Date	Name	Narrative	Hours
03/26/12	Huynh	Review and circulate Petters related case filings for attorney review	0.70
03/26/12	O'Sullivan	Emails re: Palm Beach status call scheduling.	0.20
03/28/12	Lynch	Review PB Onshore filings (1/2).	0.30
03/29/12	Huynh	Review and circulate Petters related filings for attorney review, review Court of Appeals docket and provide attorney with updates	0.30
03/29/12	Lynch	Review recent filings in Petters cases.	0.20
03/30/12	O'Sullivan	Attend Palm Beach status call and f/u re same (.3) (50%).	0.30
Total Hours			36.90

Time Summary	Hours	Rate	Value
Edward J. Estrada	13.50	at \$ 790.00 =	10,665.00
Nicole K. O'Sullivan	5.70	at \$ 530.00 =	3,021.00
Christopher A. Lynch	2.40	at \$ 620.00 =	1,488.00
Lillian C. Worthley	7.60	at \$ 375.00 =	2,850.00
Lawson Huynh	7.70	at \$ 215.00 =	1,655.50

Total Fees	19,679.50
Less 25% Per Agreement	<u>(4,919.88)</u>
<b>Current Fees</b>	<b>14,759.62</b>

## For Cost Advanced and Expenses Incurred:

PACER	71.36
Duplicating/Printing/Scanning	3.60

Current Disbursements	74.96
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**Total this Invoice** \$ 14,834.58



599 Lexington Avenue  
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Geoffrey Varga  
Kinetic Partners  
42 North Church Street  
PO Box 10387  
George Town, Grand Cayman KY1 1004  
Cayman Islands

May 14, 2012

Client/Matter Contact: Geoff Varga  
Re: **Trust Monitor - PBF I and PBF II**

Invoice Number: 2264964  
Client Number: 505162  
Matter Number: 60003

For Professional Services Rendered Through April 30, 2012

#### TIME DETAIL

Date	Name	Narrative	Hours
04/02/12	Estrada	Review of adversary proceedings filed by Trustee	1.10
04/02/12	Huynh	Review and circulate Petters related court filings for attorney review	0.60
04/03/12	Estrada	Review 7th Circuit McGladrey Opinion	0.30
04/03/12	Worthley	Summary of Palm Beach Dockets	1.10
04/05/12	Huynh	Review and circulate Petters related case filings for attorney review	0.40
04/05/12	Estrada	Review onshore and Petters Minnesota charity; avoidance actions (50%)	0.70
04/06/12	O'Sullivan	Review Petters and related cases and circulate summary of same.	0.80
04/06/12	Worthley	Updating docket summary report	1.50
04/09/12	Huynh	Review and circulate Petters related court filings for attorney review	0.30
04/09/12	Lynch	Review ██████████ research results and office conference with S. Kam regarding the same (50%)	0.30
04/12/12	Huynh	Review and circulate Petters related court filings for attorney review	0.20
04/12/12	O'Sullivan	Attend Palm Beach status call (0.5) (50%). Review Reed Smith March invoices (.5). Email to K. McGill re: missing payment (.2).	1.20

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
May 14, 2012Invoice Number 2264964  
Page 2**TIME DETAIL**

Date	Name	Narrative	Hours
04/16/12	Huynh	Review and circulate Petters related case filings for attorney review	0.80
04/16/12	Worthley	Petters docket summaries	0.50
04/16/12	O'Sullivan	Review Reed Smith March invoices, and circulate for review (.9). Review Petters filings and related dockets (.6).	1.50
04/17/12	O'Sullivan	Emails regarding Palm Beach call scheduling.	0.30
04/17/12	Worthley	Drafting Petters docket summary	1.70
04/18/12	Estrada	Review Petters press report	0.80
04/18/12	O'Sullivan	Review Kinetic March invoices, and circulate for review (.9). Emails regarding PB status call (.4).	1.30
04/19/12	O'Sullivan	Draft/revise Fourth Post-Confirmation Fee Applications for Kinetic and Reed Smith; Communicate with L. Worthley re: same. (1.2). Review Petters docket and related case, summarize and circulate to team (1.1). Emails regarding February payments (.3).	2.60
04/19/12	Huynh	Review and circulate Petters related court filings for attorney review	0.70
04/19/12	Worthley	Drafting 4th fee application for N. O'Sullivan review	1.40
04/19/12	Worthley	Drafting docket summary	0.80
04/20/12	Worthley	Drafting fourth fee application	0.30
04/20/12	Lynch	Revise summary of proceedings in FL BK court.	0.10
04/21/12	Worthley	Drafting fourth fee application	2.50
04/22/12	Worthley	Drafting fourth fee application for Kinetic	2.50
04/23/12	Huynh	Review and circulate Petters related court filings for attorney review	0.20
04/23/12	O'Sullivan	Draft/revise Kinetic and Reed Smith 4th Post-Confirmation Fee Applications.	2.40
04/23/12	Worthley	Redacting invoices for Fourth Post-Confirmation fee application	2.20
04/25/12	O'Sullivan	Attend Palm Beach status call and follow-up regarding same (.5) (50%).	0.50
04/25/12	Estrada	Group status call (50%)	0.50
04/26/12	Worthley	Making final redactions to Fourth Post Fee Application	1.30
04/26/12	Huynh	Review and circulate Petters related court filings for attorney review	0.30

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
May 14, 2012Invoice Number 2264964  
Page 3**TIME DETAIL**

Date	Name	Narrative	Hours
04/26/12	O'Sullivan	Prepare Kinetic and Reed Smith's Fourth Post Confirmation Fee Applications. Circulate same.	4.30
04/30/12	O'Sullivan	Draft/revise Reed Smith and Kinetic Fourth Post-Confirmation Fee Applications.	3.20
04/30/12	Huynh	Review and circulate Petters related court filings for attorney review	0.40
Total Hours			41.60

Time Summary

	Hours	Rate	Value
Edward J. Estrada	3.40	at \$ 790.00 =	2,686.00
Nicole K. O'Sullivan	18.10	at \$ 530.00 =	9,593.00
Christopher A. Lynch	0.40	at \$ 620.00 =	248.00
Lillian C. Worthley	15.80	at \$ 375.00 =	5,925.00
Lawson Huynh	3.90	at \$ 215.00 =	838.50

Total Fees	19,290.50
Less 25% Per Agreement	<u>(4,822.63)</u>
<b>Current Fees</b>	<b>14,467.87</b>

## For Cost Advanced and Expenses Incurred:

PACER	116.72
Duplicating/Printing/Scanning	17.55
General Expense Telephonic Court Appearance Fee - Ed Estrada	30.00

Current Disbursements 164.27

**Total this Invoice****\$ 14,632.14**



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Geoffrey Varga  
Kinetic Partners  
42 North Church Street  
PO Box 10387  
George Town, Grand Cayman KY1 1004  
Cayman Islands

June 13, 2012

Client/Matter Contact: Geoff Varga  
Re: **Trust Monitor - PBF I and PBF II**

Invoice Number: 2277328  
Client Number: 505162  
Matter Number: 60003

For Professional Services Rendered Through May 31, 2012

**TIME DETAIL**

Date	Name	Narrative	Hours
05/03/12	Estrada	Review claims and litigation of Ritchie and Interlachen (50%)	0.70
05/03/12	Huynh	Review and circulate Petters related court filings for attorney review	0.30
05/03/12	Worthley	Weekly Petters docket summary	2.20
05/04/12	Worthley	Draft Petters docket summary for N. O'Sullivan review	2.00
05/07/12	Estrada	Review of ██████ duties and potential liabilities	1.80
05/07/12	Huynh	Review and compile claims register onto chart for attorney review	2.40
05/07/12	O'Sullivan	Review filings in Petters and circulate summary to team.	0.80
05/07/12	Estrada	Review ██████ summary Judgment decision (50%)	0.60
05/07/12	Worthley	Updating docket summary with recent filings	0.50
05/07/12	Huynh	Review and circulate Petters related court filings for attorney review,	0.70
05/08/12	Huynh	Review and compile claims register onto chart for attorney review	0.40
05/08/12	Estrada	Review of ██████ Settlement Terms	0.10
05/08/12	Worthley	In depth summary of Summary judgment order regarding ██████	3.00
05/08/12	O'Sullivan	Emails re: Palm Beach status call.	0.30

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
June 13, 2012Invoice Number 2277328  
Page 2**TIME DETAIL**

Date	Name	Narrative	Hours
05/09/12	O'Sullivan	Review Reed Smith April invoices.	0.40
05/10/12	Huynh	Review and circulate Petters related court filings for attorney review	0.80
05/14/12	Huynh	Review and circulate Petters related court filings for attorney review	0.30
05/14/12	O'Sullivan	Review Reed Smith invoices for April, draft letters regarding same (1.2). Attention to PB status call scheduling (0.3).	1.50
05/15/12	O'Sullivan	Review filings in Petters and related cases and circulate summary to team (.9). Review Kinetic April invoices, draft letter and circulate (1.3).	2.20
05/16/12	Lynch	Review defendant briefings filed in adversary proceedings.	0.50
05/17/12	Huynh	Review and circulate Petters related court filings for attorney review	0.60
05/21/12	Huynh	Review and circulate Petters related court filings for attorney review	0.60
05/21/12	O'Sullivan	Participate in weekly status call with team (.7) (50%)	0.70
05/21/12	Estrada	Group status call and strategy (50%)	0.40
05/22/12	Worthley	Drafting summary of Petters docket for N. O'Sullivan review	1.10
05/22/12	O'Sullivan	Review filings in Petters and related cases and circulate to team.	0.50
05/23/12	Estrada	Preparation for [REDACTED] meeting; review case status for group meeting (50%)	1.30
05/23/12	Huynh	Research and provide attorney with case law for review	1.80
05/24/12	Worthley	Summary of Petters docket	1.90
05/24/12	Estrada	Travel to and from and attendance at meeting with [REDACTED] at [REDACTED]; status conference and meeting (50%)	8.90
05/24/12	Huynh	Review and circulate Petters related court filings for attorney review, review court database for POC filings	0.90
05/29/12	Huynh	Review and circulate Petters related court filings for attorney review	0.70
05/31/12	Lynch	Review filings in PB bankruptcy adversary proceedings.	0.20
05/31/12	Huynh	Review and circulate Petters related court filings for attorney review	0.40
Total Hours			41.50

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
June 13, 2012

Invoice Number 2277328

Page 3

Time Summary

	Hours	Rate	Value
Edward J. Estrada	13.80	at \$ 790.00 =	10,902.00
Nicole K. O'Sullivan	6.40	at \$ 530.00 =	3,392.00
Christopher A. Lynch	0.70	at \$ 620.00 =	434.00
Lillian C. Worthley	10.70	at \$ 375.00 =	4,012.50
Lawson Huynh	9.90	at \$ 215.00 =	2,128.50

Total Fees	20,869.00
Less 25% Per Agreement	<u>(5,217.25)</u>
<b>Current Fees</b>	<b>15,651.75</b>

## For Cost Advanced and Expenses Incurred:

PACER	128.50
Duplicating/Printing/Scanning	8.40
Meal Expense	15.72

Current Disbursements	152.62
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<b><i>Total this Invoice</i></b>	<b><u><u>\$15,804.37</u></u></b>
----------------------------------	----------------------------------



# ReedSmith

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Geoffrey Varga  
Kinetic Partners  
42 North Church Street  
PO Box 10387  
George Town, Grand Cayman KY1 1004  
Cayman Islands

July 13, 2012

Client/Matter Contact: Geoff Varga  
Re: **Trust Monitor - PBF I and PBF II**

Invoice Number: 2289516  
Client Number: 505162  
Matter Number: 60003

For Professional Services Rendered Through June 30, 2012

## TIME DETAIL

Date	Name	Narrative	Hours
06/04/12	Estrada	Review of [REDACTED] impacting [REDACTED] (50%)	1.80
06/04/12	Huynh	Review and circulate Petters related case filings for attorney review	0.40
06/04/12	Worthley	Petters docket summary	1.20
06/05/12	Estrada	Review testifying expert experience	1.40
06/05/12	Huynh	Review court filings for appeals issues	0.20
06/06/12	O'Sullivan	Review filings in Petters and related cases. Summarize and circulate to team.	1.20
06/07/12	Lynch	Review settlement motions re: Kelley, R. Peterson and third party settlements.	0.30
06/07/12	Jarboe	Procure and distribute documents related to [REDACTED]	0.80
06/07/12	Worthley	Discussion with N. O'Sullivan re: Reed Smith Fee letters to Turstees and Kinetics	0.50
06/07/12	Worthley	Petters docket summary	2.00
06/07/12	Jarboe	Review court dockets for substantive filings	2.90
06/11/12	Jarboe	Review court dockets for substantive filings	1.90
06/12/12	Lynch	Review filings in adversary proceedings.	0.20
06/13/12	Estrada	Telephone conference with G. Varga re: [REDACTED] and [REDACTED] (50%)	0.80

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
July 13, 2012Invoice Number 2289516  
Page 2**TIME DETAIL**

Date	Name	Narrative	Hours
06/14/12	Huynh	Review and circulate Petters related court updates	0.30
06/14/12	Lynch	Review filings in adversary proceedings	0.30
06/15/12	Estrada	Review [REDACTED] and [REDACTED]	1.90
06/15/12	Lynch	Review Reed Smith and Kinetic May 2012 invoices and prepare and transmit cover letters concerning the same.	1.70
06/15/12	Lynch	Attend weekly status call with team (.40); [REDACTED] cases including [REDACTED] and [REDACTED] as [REDACTED] [REDACTED] (.50).	0.90
06/15/12	Estrada	Status and strategy call with team	0.60
06/15/12	Worthley	Summarizing Petters docket for O'Sullivan Reivew	2.30
06/18/12	Lynch	Review docket and update calendar regarding claims objection deadline; internal communications regarding the same	0.20
06/18/12	O'Sullivan	Review filings in Petters and related cases and circulate summary to team.	1.20
06/18/12	Huynh	Review and circulate Petters related case filings for attorney review	0.30
06/19/12	Estrada	Review substantive consolidate arguments [REDACTED] [REDACTED]	0.90
06/21/12	Huynh	Review and circulate Petters related court filings for attorney review	0.70
06/21/12	Worthley	Weekly summary of Petters dockets	1.80
06/21/12	Estrada	Review [REDACTED] and potential recoveries	1.20
06/22/12	O'Sullivan	Attend bi-weekly status call and f/u with E. Estrada regarding same (50%).	0.40
06/22/12	Estrada	Review professionals' fee applications; review call summaries	1.20
06/25/12	Huynh	Review and circulate Petters related court filings for attorney review	0.80
06/26/12	O'Sullivan	Review filings in Petters and related cases, summarize and circulate to team.	2.80
06/27/12	Estrada	Review of [REDACTED] issues and strategy	0.90
06/28/12	Huynh	Review and circulate Petters related court filings for attorney review	0.40
06/28/12	Lynch	Review Petters case filings; review order and decision regarding withdrawing reference in [REDACTED]	0.30

505162 Palm Beach Offshore Investors

Reed Smith LLP

60003 Trust Monitor - PBF I and PBF II  
July 13, 2012

Invoice Number 2289516

Page 3

**TIME DETAIL**

Date	Name	Narrative	Hours
06/29/12	O'Sullivan	Review filings in Petters and related cases.	0.80
Total Hours			37.50

Time Summary	Hours	Rate	Value
Edward J. Estrada	10.70	at \$ 790.00 =	8,453.00
Nicole K. O'Sullivan	6.40	at \$ 530.00 =	3,392.00
Christopher A. Lynch	3.90	at \$ 620.00 =	2,418.00
Lillian C. Worthley	7.80	at \$ 375.00 =	2,925.00
William J. Jarboe	5.60	at \$ 215.00 =	1,204.00
Lawson Huynh	3.10	at \$ 215.00 =	666.50

Total Fees	19,058.50
Less 25% Per Agreement	<u>(4,764.63)</u>
<b>Current Fees</b>	<b>14,293.87</b>

## For Cost Advanced and Expenses Incurred:

PACER	171.90
Duplicating/Printing/Scanning	1.35
Air Travel Expense Airfare - Edward J. Estrada, May 10, 201 Travel between New York and Dallas for client meetings AMERICAN 00170599172026	1,857.60
Air Travel Expense Travel Agent Fee - Edward J. Estrada, Ma Travel between New York and Dallas for client meetings AGNT FEE 89005747637564	7.00
Air Travel Expense Airfare - Edward J. Estrada, May 10, 201 Client Air Fare for travel between New York and Dallas for meetings AMERICAN 00170599172273	1,713.20

Current Disbursements	3,751.05
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<b>Total this Invoice</b>	<b><u>\$ 18,044.92</u></b>
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