

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

[www.flsb.uscourts.gov](http://www.flsb.uscourts.gov)

In re:

Chapter 11

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

Case No. 09-36379-BKC-PGH

Jointly Administered

Debtors.

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**SUMMARY OF ELEVENTH 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 MARCH 1, 2014  
THROUGH JUNE 30, 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: August 26, 2014
9. Dates of Services Covered: March 1, 2014 through June 30, 2014

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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	\$40,972.00
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>\$40,972.00</b>

**Expenses Requested**

14. Total expense reimbursement requested	\$2,458.30
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>\$2,458.30</b>

**18. Gross award requested for this period (#10 + #14) \$43,430.30**

**19. Net award requested for this period (#13 + #17) \$43,430.30**

**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:

<b>Dates</b>	<b>Sources</b>	<b>Amounts</b>	<b>Fees or Costs?</b>	<b>Description</b>	<b><u>Period</u></b>
5/23/14	Barry E. Mukamal, as Liq. Trustee	\$1,031.49	Fees	18% due by Palm Beach Finance Partners, L.P.	March 2014
5/23/14	Barry E. Mukamal, as Liq. Trustee	\$4,699.01	Fees	82% due by Palm Beach Finance II, L.P.	March 2014
7/14/14	Barry E. Mukamal, as Liq. Trustee	\$2,379.77	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	April 2014
7/14/14	Barry E. Mukamal, as Liq. Trustee	\$10,841.14	Fees & Costs	82% due by Palm Beach Finance II, L.P.	April 2014
7/14/14	Barry E. Mukamal, as Liq. Trustee	\$3,280.95	Fees	18% due by Palm Beach Finance Partners, L.P.	May 2014
7/14/14	Barry E. Mukamal, as Liq. Trustee	\$14,946.55	Fees	82% due by Palm Beach Finance II, L.P.	May 2014
Pending	Barry E. Mukamal, as Liq. Trustee	\$1,125.25	Fees & Costs	18% due by Palm Beach Finance Partners, L.P.	June 2014
Pending	Barry E. Mukamal, as Liq. Trustee	\$5,126.14	Fees & Costs	82% due by Palm Beach Finance II, L.P.	June 2014

3. Prior fee and expense awards:

<b>Date Requested</b>	<b>Application</b>	<b>Order</b>	<b>Fees Awarded</b>	<b>Expenses Awarded</b>
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	Order Approving Second Post-Confirmation Application and Awarding Compensation and	\$156,654.25	\$10.50

	Application	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		
12/28/2011	Third Post Confirmation Application	Order Approving Third 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, 2011 through October 31, 2011 [ECF No. 1088], dated February 15, 2012.	\$157,662.25	\$834.02
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	Order Approving Ninth Post-Confirmation Application and Awarding Compensation and Reimbursement of	\$40,904.50	\$4,868.40

	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, 2013 through October 31, 2013 [ECF NO. 2148], dated January 29, 2014.		
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 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.	\$77,743.50	\$751.89

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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 MARCH 1, 2014 THROUGH JUNE 30, 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 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 \$43,430.30 consisting of fees in the amount of \$40,972.00 and reimbursement for actual and necessary expenses incurred in the amount of \$2,458.30 during the period of March 1, 2014 through June 30, 2014 (the “Application Period”). In the Application Period, a total of 69.10 hours were expended by the Firm in its representation of the Monitor, for an average hourly rate of \$592.94 during the Application Period.

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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.

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 \$43,430.30 in connection with 69.10 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. Pursuant to Section 7.1.11 of the Plan, on April 15, 2014, 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, 2014 through March 31, 2014 in the amount of \$5,730.50 (\$5,730.50 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. To date, \$5,730.50 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor from March 1, 2014 through March 31, 2014.

21. Pursuant to Section 7.1.11 of the Plan, on May 12, 2014, 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, 2014 through April 30, 2014 in the amount of \$13,220.91 (\$11,391.50 for fees and \$1,829.41 for expenses). No objection to the requested fees was lodged. Accordingly, \$13,220.91 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for April 1, 2014 through April 30, 2014.

22. Pursuant to Section 7.1.11 of the Plan, on June 6, 2014, 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, 2014 through May 31, 2014 in the amount of \$18,227.50 (\$18,227.50 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. Accordingly, \$18,227.50 has been paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for May 1, 2014 through May 31, 2014.

23. Pursuant to Section 7.1.11 of the Plan, on July 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 June 1, 2014 through June 30, 2014 in the amount of \$6,251.39 (\$5,622.50 for fees and \$628.89 for expenses). No objection to the requested fees or costs was lodged. \$6,251.39 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for June 1, 2014 through June 30, 2014.

24. 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 eleventh post-effective date period of March 1, 2014 through June 30, 2014 in the amount of \$43,430.30.

#### **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 clawback litigation strategy and the due diligence expert.

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 tenth 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 \$43,430.30 for 69.10 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 \$610.00.

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 \$592.94 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, \$40,972.00 for services rendered by the Firm in connection with representation of the Monitor for the period of time from March 1, 2014 through June 30, 2014 and \$2,458.30 for reimbursement of actual and necessary expenses incurred by the Firm, for a total of \$43,430.30.

Dated: August 26, 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**

<b><u>NAME</u></b>	<b><u>AVG. RATE</u></b>	<b><u>HOURS</u></b>	<b><u>AMOUNT</u></b>
Ann E. Gittleman	\$610.00	35.20	\$21,802.00
Geoffrey E. Varga	\$750.00	19.50	\$14,625.00
Jenna O'Brien	\$310.00	13.30	\$4,253.50
Janelle Murphy	\$265.00	1.10	\$291.50
	<b>Totals:</b>	<b>69.10</b>	<b>\$40,972.00</b>

**Exhibit 2**

**Summary of Requested Reimbursement of Expenses**

<b>KINETIC EXPENSES</b>	
Sundry Expenses	\$752.75
Travel/Air/Ferry/Park	\$1,705.55
<b>Total:</b>	<b>\$2,458.30</b>

**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.

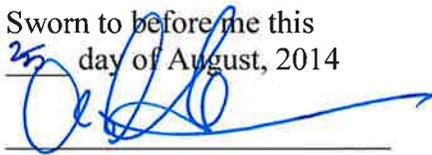
The following are the variances with the provisions of the Guidelines, the date of each court order approving the variance, and the justification for the variance: Not applicable.

FURTHER AFFIANT SAITH NAUGHT.



\_\_\_\_\_  
GEOFFREY E. VARGA

Sworn to before me this  
25 day of August, 2014



\_\_\_\_\_  
Notary Public

**ANN E. GITTLEMAN**  
**NOTARY PUBLIC-STATE OF NEW YORK**  
Qualified in Nassau County  
My Commission Expires October 29, 2017

**Composite Exhibit 4**

**Contemporaneous Time and Expense Records**

## Kinetic Partners (Cayman) Ltd. -- March 1, 2014 - June 30, 2014 Detail Time Entries (PB I &amp; II)

Date	Category	Staff	Time	Rate	Fees	Description
3/5/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	Emails re clawback settlements
3/6/2014	Litigation Consulting-General	AEG	1.20	595.00	714.00	Review of the docket and report to Trust Monitor.
3/7/2014	Fee Preparation	AEG	0.40	595.00	238.00	Review the fee application and provide comments.
3/7/2014	Fee Preparation	JGO	0.80	295.00	236.00	Prepare invoice for February 2014
3/10/2014	Fee Preparation	JGO	0.80	295.00	236.00	Review Kinetic's and LKLSG's Feb 2014 fees and costs on behalf of the Monitor
3/10/2014	Litigation Consulting-General	GEV	0.20	750.00	150.00	Emails re estate bills; related review
3/11/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	Emails re estate bills; related review
3/13/2014	Litigation Consulting-General	AEG	1.80	595.00	1,071.00	Review of the docket in preparation for meeting with Trustee.
3/13/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	Emails re Ashton hearing
3/14/2014	Litigation Consulting-General	AEG	1.00	595.00	595.00	Meeting with Trustee and counsel to discuss various litigations at the onshore level for TM.
3/14/2014	Litigation Consulting-General	GEV	1.00	750.00	750.00	Biweekly status call with counsel re ongoing litigation and Petter bankruptcy
3/18/2014	Fee Preparation	JGO	0.70	295.00	206.50	Review payment received and invoice allocation
3/27/2014	Litigation Consulting-General	AEG	2.20	595.00	1,309.00	Review of the docket to report to Trust Monitor
4/2/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	Emails re doc server
4/3/2014	Litigation Consulting-General	AEG	1.80	625.00	1,125.00	Review status of the docket to report to TM.
4/4/2014	Litigation Consulting-General	AEG	1.30	625.00	812.50	Call with Trustee and counsel to discuss an update on the case.
4/4/2014	Litigation Consulting-General	GEV	1.50	750.00	1,125.00	Biweekly update call with trustee (1.3); draft letter to Thomas (.2)
4/8/2014	Fee Preparation	JGO	0.60	325.00	195.00	Prepare March 2014 invoice
4/8/2014	Litigation Consulting-General	GEV	0.70	750.00	525.00	Review settlement matters
4/9/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	Review of invoices
4/10/2014	Litigation Consulting-F&J	GEV	0.80	750.00	600.00	Call with MRB re FJ deposition (.6); review of related docs (.2)
4/11/2014	Litigation Consulting-General	AEG	2.20	625.00	1,375.00	Review of the docket for an update on the status of the matter and report to the TM
4/14/2014	Litigation Consulting-General	AEG	1.80	625.00	1,125.00	Review of the PB and Petters dockets.
4/14/2014	Fee Preparation	JGO	0.60	325.00	195.00	Review and send March invoice
4/21/2014	Fee Preparation	JGO	3.00	325.00	975.00	Draft the 10th fee application (3)
4/22/2014	Fee Preparation	JMU	1.10	265.00	291.50	Meeting with JO to discuss the Fee Application process and to discuss the tasks needed to be performed for the completion of the application before it could be detail reviewed (.3) □ □ Reviewed 10th Fee Application prepared by Jenna Gordish as a detail review to check for consistency, accuracy of data and calculations, grammar, and spelling (.8)
4/22/2014	Fee Preparation	JGO	1.30	325.00	422.50	Revise the 10th fee application for all comments and ensure signatures and notary (1) Meet with JM to discuss process and information to review. (.3)
4/23/2014	Litigation Consulting-GECC	GEV	0.20	750.00	150.00	Email re GE litigation
4/25/2014	Fee Preparation	AEG	0.60	625.00	375.00	Review and provide comments on the fee application.
4/25/2014	Litigation Consulting-General	AEG	1.80	625.00	1,125.00	Review file and docket for call with Trustee. (.6) Call with Trustee and counsel to obtain and update on the status of the bankruptcy and related cases. (1.2)
4/28/2014	Litigation Consulting-GECC	AEG	1.20	625.00	750.00	Review of the GECC decision.
4/29/2014	Litigation Consulting-General	GEV	0.10	750.00	75.00	KBC settlement matters
5/1/2014	Litigation Consulting	GEV	0.10	750.00	75.00	Emails re DD expert
5/6/2014	Litigation Consulting	AEG	0.80	625.00	500.00	Review the docket
5/7/2014	Litigation Consulting	AEG	2.00	625.00	1,250.00	Review docket and related matters.
5/7/2014	Fee Preparation	JGO	0.70	325.00	227.50	Prepare April invoice
5/8/2014	Litigation Consulting	AEG	2.60	625.00	1,625.00	Review file for call with Trustee (1.0): Call with Trustee and counsel to discuss ongoing matters. (1.0); Review file for due diligence expert (.6)
5/9/2014	Litigation Consulting	AEG	0.80	625.00	500.00	Review docket and cases based upon discussions.
5/13/2014	Litigation Consulting	AEG	2.20	625.00	1,375.00	Review the docket for an update on the case to the trust monitor.
5/14/2014	Litigation Consulting	GEV	0.70	750.00	525.00	Meeting re Petters
5/20/2014	Litigation Consulting	GEV	0.60	750.00	450.00	Emails re deposition prep; doc review; call with BM re GE lit support; related emails
5/21/2014	Litigation Consulting	AEG	1.90	625.00	1,187.50	Review docket to suggest to counsel ways to assist.
5/21/2014	Litigation Consulting	GEV	0.20	750.00	150.00	Call with MRB re GE lit support
5/22/2014	Litigation Consulting	JGO	1.50	325.00	487.50	Call with MRB regarding Offshore investor Interest. (.5) Correspondence and review regarding settlement (1)
5/23/2014	Litigation Consulting	AEG	2.00	625.00	1,250.00	Review file in prep for call with counsel. Call with counsel and Trustee to discuss onshore matters and report to Trust Monitor.
5/24/2014	Litigation Consulting-F&J	GEV	1.50	750.00	1,125.00	Review of Fulbright related emails
5/26/2014	Litigation Consulting-F&J	GEV	2.50	750.00	1,875.00	Travel to Miami for Fulbright prep
5/27/2014	Litigation Consulting-F&J	GEV	7.50	750.00	5,625.00	Meeting with MRB re Fulbright prep; travel from Mia; emails with RS re letters to PBC
6/2/2014	Fee Preparation	JGO	1.40	325.00	455.00	Discussion with JM regarding invoicing and categories (.7) Review invoice and create outline for charge codes (.7)
6/3/2014	Fee Preparation	JGO	1.60	325.00	520.00	Attend Palm Beach Finance 10th post confirmation fee application hearing and review order (1) Create May invoice (.6)
6/3/2014	Fee Preparation	GEV	1.20	750.00	900.00	Fee application hearing participation (1) general file matters (.2)
6/6/2014	Fee Preparation	JGO	0.30	325.00	97.50	Review final May invoice
6/16/2014	Litigation Consulting	GEV	0.20	750.00	150.00	Emails re litigation
6/18/2014	Litigation Consulting-M&I	AEG	1.60	625.00	1,000.00	Review M&I docket for discussion with trustee
6/20/2014	Litigation Consulting	AEG	4.00	625.00	2,500.00	Review file in preparation for call with trustee (1.2); call with trustee and counsel to discuss case and report to TM (1.0); review case dealing with in pari delicto (1.8)
		<b>Total</b>	<b>69.10</b>		<b>\$ 40,972.00</b>	

<b>Disbursements</b>			
<u>Date</u>	<u>Category</u>	<u>Amount</u>	<u>Description</u>
1/12/2014	Train/Plane/Ferry/Cost of Parking	28.00	Taxi from MIA to hotel
1/12/2014	Train/Plane/Ferry/Cost of Parking	35.10	Taxi to LGA
1/12/2014	Train/Plane/Ferry/Cost of Parking	661.00	Airfare LGA to MIA
1/12/2014	Sundry Expenses	48.88	Dinner in MIA
1/12/2014	Sundry Expenses	228.11	Hotel in MIA
1/13/2014	Train/Plane/Ferry/Cost of Parking	36.90	Taxi from LGA
2/3/2014	Train/Plane/Ferry/Cost of Parking	78.50	Taxi from Home to airport
2/3/2014	Train/Plane/Ferry/Cost of Parking	433.00	Airfare from NYC to FL
2/3/2014	Train/Plane/Ferry/Cost of Parking	25.00	Taxi to airport MIA
2/3/2014	Sundry Expenses	220.89	Hotel FL
2/5/2014	Train/Plane/Ferry/Cost of Parking	34.03	Taxi from airport to home
6/13/2014	Sundry Expenses	30.00	NYPIN03145 Court call
5/22/2014	Train/Plane/Ferry/Cost of Parking	15.63	Taxi to airport
5/22/2014	Train/Plane/Ferry/Cost of Parking	240.72	Travel to meetings - flight
5/26/2014	Train/Plane/Ferry/Cost of Parking	30.84	Taxi to hotel from airport
5/26/2014	Sundry Expenses	224.87	Hotel and accommodation during trip to Miami
5/26/2014	Train/Plane/Ferry/Cost of Parking	44.08	Dinner while on trip to Miami
5/27/2014	Train/Plane/Ferry/Cost of Parking	29.00	Taxi from MRB to airport
5/30/2014	Train/Plane/Ferry/Cost of Parking	13.75	Taxi from airport to home
	<b>Total</b>	<b>\$ 2,458.30</b>	