

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-EPK

Debtors.

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Jointly Administered

**SUMMARY OF TWENTY-FIRST POST-CONFIRMATION APPLICATION FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED BY DUFF & PHELPS (CAYMAN) LTD. FORMERLY KNOWN AS KINETIC PARTNERS (CAYMAN) LTD.<sup>2</sup>, AS CONSULTANT FOR GEOFFREY VARGA, THE LIQUIDATING TRUST MONITOR FOR PALM BEACH FINANCE II, L.P. FOR THE PERIOD OF JULY 1, 2017 THROUGH OCTOBER 31, 2017**

1. Name of applicant: Duff & Phelps (Cayman) Ltd.
2. Role of applicant: Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P.
3. Name of certifying professional: Geoffrey E. Varga
4. Date case filed: November 30, 2009
5. Date of application for employment: December 27, 2010
6. Date of order approving employment: January 27, 2011, *nunc pro tunc* to November 1, 2010
7. Date of Disclosure of Compensation (FRBP 2016): N/A
8. Date of this Application: December 22, 2017

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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).

<sup>2</sup> On May 28, 2015 the Court ordered the approval of the second supplemental disclosure which advises that on January 6, 2015 Duff & Phelps acquired Kinetic Partners.

9. Dates of Services Covered: July 1, 2017 through October 31, 2017

**Fees Requested**

10. Total fees requested for this period	\$10,668.00
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>\$10,668.00</b>

**Expenses Requested**

14. Total expense reimbursement requested	\$0.00
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>\$0.00</b>

**18. Gross award requested for this period (#10 + #14) \$10,668.00**

**19. Net award requested for this period (#13 + #17) \$10,668.00**

**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>
Pending	Barry E. Mukamal, as Liq. Trustee	\$275.22	Fees	18% due by Palm Beach Finance Partners, L.P.	July 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$1,253.78	Fees	82% due by Palm Beach Finance II, L.P.	July 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$376.11	Fees	18% due by Palm Beach Finance Partners, L.P.	August 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$1,713.39	Fees	82% due by Palm Beach Finance II, L.P.	August 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$564.75	Fees	18% due by Palm Beach Finance Partners, L.P.	September 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$2,572.75	Fees	82% due by Palm Beach Finance II, L.P.	September 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$704.16	Fees	18% due by Palm Beach Finance Partners, L.P.	October 2017
Pending	Barry E. Mukamal, as Liq. Trustee	\$3,207.84	Fees	82% due by Palm Beach Finance II, L.P.	October 2017

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 Application	Order Approving Second Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd., as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of February 1, 2011 through June 30, 2011 [ECF No. 736], dated September 1, 2011	\$156,654.25	\$10.50

12/28/2011	Third Post Confirmation 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 Application	Order Approving Ninth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2013 through October 31, 2013 [ECF NO. 2148], dated January 29, 2014.	\$40,904.50	\$4,868.40
4/25/2014	Tenth Post	Order Approving Tenth Post-Confirmation Application	\$77,743.50	\$751.89

	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.		
8/26/2014	Eleventh Post Confirmation Application	Order Approving Eleventh Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Kinetic Partners (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2014 through June 30, 2014 [ECF NO. 2440], dated September 24, 2014.	\$40,972.00	\$2,458.30
12/19/14	Twelfth Post Confirmation Application	Order Approving Twelfth 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, 2014 through October 31, 2014 [ECF NO. 2532], dated January 16, 2015.	\$60,617.50	\$1,135.12
4/23/2015	Thirteenth Post Confirmation Application	Order Approving Thirteenth 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, 2014 through February 28, 2015 [ECF NO. 2625], dated May 28, 2015.	\$76,537.50	\$30.00
8/26/2015	Fourteenth Post Confirmation Application	Order Approving Fourteenth 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, 2015 through June 30, 2015 [ECF NO. 2727], dated October 16, 2015.	\$104,320.50	\$4,034.07
12/28/15	Fifteenth Post Confirmation Application	Order Approving Fifteenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2015 through October 31, 2015 [ECF NO. 2827], dated January 22, 2016.	\$89,547.00	\$975.47
4/28/16	Sixteenth Post Confirmation Application	Order Approving Sixteenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2015 through February 29, 2016 [ECF NO. 2941], dated	\$84,481.00	\$859.77

		June 10, 2016.		
8/29/16	Seventeenth Post Confirmation Application	Order Approving Seventeenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2016 through June 30, 2016 [ECF NO. 3040], dated September 23, 2016.	\$75,835.00	\$0.00
12/27/16	Eighteenth Post Confirmation Application	Order Approving Eighteenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of July 1, 2016 through October 31, 2016 [ECF NO. 3166], dated September 23, 2016.	\$21,050.50	\$0.00
4/28/17	Nineteenth Post Confirmation Application	Order Approving Nineteenth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of November 1, 2016 through February 28, 2017 [ECF NO. 3244], dated May 24, 2017.	\$16,311.50	\$0.00
8/28/17	Twentieth Post Confirmation Application	Order Approving Twentieth Post-Confirmation Application and Awarding Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd as Consultant for Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period of March 1, 2017 through June 30, 2017 [ECF NO. 3354], dated October 5, 2017.	\$9,799.50	\$247.63

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**TWENTY-FIRST POST-CONFIRMATION APPLICATION FOR ALLOWANCE AND  
PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
INCURRED BY DUFF & PHELPS (CAYMAN) LTD. FORMERLY KNOWN AS  
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, 2017 THROUGH OCTOBER 31, 2017**

Duff & Phelps (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 \$10,668.00 consisting of fees in the amount of \$10,668.00 and reimbursement for actual and necessary expenses incurred in the amount of \$0.00 during the period of July 1, 2017 through October 31, 2017 (the “Application Period”). In the Application Period, a total of 16.40 hours were expended by the Firm in its representation of the Monitor, for an average hourly rate of \$650.49 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 \$10,668.00 in connection with 16.40 hours worked and expenses incurred on behalf of the Monitor.

### B. **Retainer Paid To The Firm**

None.

### C. **The Exhibits To This Application**

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

#### **EXHIBIT NO.**

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

## III. BACKGROUND

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21. On December 19, 2014 the Firm filed its *Twelfth 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, 2014 through October 31, 2014* seeking allowance and payment of fees in the amount of \$60,617.50 and \$1,135.12 in expenses (the “Twelfth Post-Confirmation Application”) [ECF No. 2518]. On January 16, 2015 the Court entered an order granting the Twelfth Post-Confirmation Application [ECF No. 2532].

22. On April 23, 2015 the Firm filed its *Thirteenth 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, 2014 through February 28, 2015* seeking allowance and payment of fees in the amount of \$76,537.50 and \$30.00 in expenses (the

“Thirteenth Post-Confirmation Application”) [ECF No. 2589]. On May 28, 2015 the Court entered an order granting the Thirteenth Post-Confirmation Application [ECF No. 2625].

23. On August 26, 2015 the Firm filed its *Fourteenth 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, 2015 through June 30, 2015* seeking allowance and payment of fees in the amount of \$104,320.50 and \$4,034.07 in expenses (the “Fourteenth Post-Confirmation Application”) [ECF No. 2690]. On October 16, 2015 the Court entered an order granting the Fourteenth Post-Confirmation Application [ECF No. 2727].

24. On December 28, 2015 the Firm filed its *Fifteenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period July 1, 2015 through October 31, 2015* seeking allowance and payment of fees in the amount of \$89,547.00 and \$975.47 in expenses (the “Fifteenth Post-Confirmation Application”) [ECF No. 2798]. On January 22, 2016 the Court entered an order granting the Fifteenth Post-Confirmation Application [ECF No. 2827].

25. On April 28, 2016 the Firm filed its *Sixteenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period November 1, 2015 through February 29, 2016* seeking allowance and payment of fees in the amount of \$84,481.00 and \$859.77 in expenses (the



“Sixteenth Post-Confirmation Application”) [ECF No. 2891]. On June 10, 2016 the Court entered an order granting the Sixteenth Post-Confirmation Application [ECF No. 2941].

26. On August 29, 2016 the Firm filed its *Seventeenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period March 1, 2016 through June 30, 2016* seeking allowance and payment of fees in the amount of \$75,835.00 and \$0.00 in expenses (the “Seventeenth Post-Confirmation Application”) [ECF No. 3010]. On September 23, 2016 the Court entered an order granting the Seventeenth Post-Confirmation Application [ECF No. 3040].

27. On December 27, 2016 the Firm filed its *Eighteenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period July 1, 2016 through October 31, 2016* seeking allowance and payment of fees in the amount of \$21,050.50 and \$0.00 in expenses (the “Eighteenth Post-Confirmation Application”) [ECF No. 3124]. On February 2, 2017 the Court entered an order granting the Eighteenth Post-Confirmation Application [ECF No. 3166].

28. On April 28, 2017 the Firm filed its *Nineteenth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period November 1, 2016 through February 28, 2017* seeking allowance and payment of fees in the amount of \$16,311.50 and \$0.00 in expenses (the

“Nineteenth Post-Confirmation Application”) [ECF No. 3211]. On May 24, 2017 the Court entered an order granting the Nineteenth Post-Confirmation Application [ECF No. 3244].

29. On August 28, 2017 the Firm filed its *Twentieth Post-Confirmation Application for Allowance and Payment of Compensation and Reimbursement of Expenses Incurred by Duff & Phelps (Cayman) Ltd., as Consultant to Geoffrey Varga, the Liquidating Trust Monitor for Palm Beach Finance II, L.P. for the Period March 1, 2017 through June 30, 2017* seeking allowance and payment of fees in the amount of \$9,799.50 and \$247.63 in expenses (the “Twentieth Post-Confirmation Application”) [ECF No. 3338]. On October 5, 2017 the Court entered an order granting the Twentieth Post-Confirmation Application [ECF No. 3354].

30. Pursuant to Section 7.1.11 of the Plan, on August 9, 2017, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period July 1, 2017 through July 31, 2017 in the amount of \$1,529.00 (\$1,529.00 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. To date, \$1,529.00 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor from July 1, 2017 through July 31, 2017.

31. Pursuant to Section 7.1.11 of the Plan, on September 16, 2017, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period August 1, 2017 through August 31, 2017 in the amount of \$2,089.50 (\$2,089.50 for fees and \$0.00 for expenses). No objection to the requested fees was lodged. Accordingly, \$2,089.50 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for August 1, 2017 through August 31, 2017.

32. Pursuant to Section 7.1.11 of the Plan, on October 6, 2017, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period September 1, 2017 through September 30, 2017 in the amount of \$3,137.50 (\$3,137.50 for fees and \$162.40 for expenses). No objection to the requested fees was lodged. Accordingly, \$3,137.50.90 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for September 1, 2017 through September 30, 2017.

33. Pursuant to Section 7.1.11 of the Plan, on November 7, 2017, the Firm submitted to the Liquidating Trustee and the U.S. Trustee its invoice for services rendered to the Monitor for the period October 1, 2017 through October 31, 2017 in the amount of \$4,912.00<sup>2</sup> (\$4,912.00 for fees and \$0.00 for expenses). No objection to the requested fees or costs was lodged. Accordingly, \$4,912.00 will be paid to the Firm for services rendered to, or expenses incurred on behalf of, the Monitor for October 1, 2017 through October 31, 2017.

34. 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 twenty-first post-effective date period of July 1, 2017 through October 31, 2017 in the amount of \$10,668.00.

#### **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

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<sup>2</sup> The original invoice submitted on November 7, 2017 to the Liquidating Trustee and the U.S. Trustee for services rendered to the Monitor for the period October 1, 2017 through October 31, 2017 was in the amount of \$4,389.00 (\$4,389.00 for fees and \$0.00 for expenses). As a result of the Liquidating Trustee expressing some concerns with a few time entries on the October invoice, the Liquidating Trust Monitor revised the October invoice to resolve the Liquidating Trustee concerns and thereby reduced the invoice amount by \$477.00.

Trustee. These communications often took the form of status calls. These calls involved the Monitor and his counsel as well as the Liquidating Trustee and his counsel.

During this period, the Firm participated in conference calls with the Monitor's and the Liquidating Trustee's respective counsel to discuss distributions and strategy related thereto. Further, the Firm also continually reviewed the Palm Beach and Petters docket.

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 twentieth post-confirmation fee application.

**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 \$10,668.00 for 16.40 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 \$795.00.

Ann Gittleman is a Certified Public Accountant, Certified in Financial Forensics, a Certified Insolvency and Restructuring Advisor and an attorney with over 15 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 \$695.00.

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 \$375.00 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, \$10,668.00 for services rendered by the Firm in connection with representation of the Monitor for the period of time from July 1, 2017 through October 31, 2017 and \$0.00 for reimbursement of actual and necessary expenses incurred by the Firm, for a total of \$10,668.00.



Dated: December 22, 2017

Respectfully submitted,

**DUFF & PHELPS (CAYMAN) LTD.**

*Consultants for Geoffrey Varga, as the  
Liquidating Trust Monitor for Palm Beach  
Finance II, L.P.*

By:  \_\_\_\_\_

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Grand Cayman, KY1-1004  
Cayman Islands  
P: 345.623.9900

**Exhibit 1****Summary of Professional Time**

<b><u>NAME</u></b>	<b><u>RATE</u></b>	<b><u>HOURS</u></b>	<b><u>AMOUNT</u></b>
Geoffrey E. Varga	\$795.00	0.70	\$556.50
Ann E. Gittleman	\$695.00	13.20	\$9,174.00
Jenna O'Brien	\$375.00	2.50	\$937.50
	<b>Totals:</b>	<b>16.40</b>	<b>\$10,668.00</b>

**Exhibit 2**

**Summary of Requested Reimbursement of Expenses**

<b>DUFF &amp; PHELPS EXPENSES</b>	
Expenses	\$0.00
<b>Total:</b>	<b>\$0.00</b>

**Exhibit 3**

**Certification**



**Composite Exhibit 4**

**Contemporaneous Time and Expense Records**

Schedule A  
 Duff & Phelps (Cayman) Ltd. -- July 2017 Detail Time Entries (PB I & II)

<u>Date</u>	<u>Category</u>	<u>Staff</u>	<u>Time</u>	<u>Rate</u>	<u>Fees</u>	<u>Description</u>
07/10/17	Litigation Consulting	Gittleman, Ann	1.00	695.00	695.00	Review of various court filings
07/24/17	Litigation Consulting	Gittleman, Ann	1.20	695.00	834.00	Review of the docket
				Total Fees	1,529.00	

Schedule A  
 Duff & Phelps (Cayman) Ltd. -- August 2017 Detail Time Entries (PB I & II)

<u>Date</u>	<u>Category</u>	<u>Staff</u>	<u>Time</u>	<u>Rate</u>	<u>Fees</u>	<u>Description</u>
08/01/17	Litigation Consulting	Varga, Geoff	0.10	795.00	79.50	Emails with counsel
08/09/17	Litigation Consulting	Gittleman, Ann	1.20	695.00	834.00	Review of the docket
08/23/17	Fee Application	O'Brien, Jenna	2.00	375.00	750.00	Prepare fee application
08/25/17	Litigation Consulting	Varga, Geoff	0.20	795.00	159.00	Call re distribution
08/28/17	Litigation Consulting	Varga, Geoff	0.10	795.00	79.50	Emails re PBFII distribution matters
08/28/17	Fee Application	O'Brien, Jenna	0.50	375.00	187.50	Finalize fee application
				<b>Total Fees</b>	<b>2,089.50</b>	



**Schedule A**  
**Duff & Phelps (Cayman) Ltd. -- September 2017 Detail Time Entries (PB I & II)**

<u>Date</u>	<u>Category</u>	<u>Staff</u>	<u>Time</u>	<u>Rate</u>	<u>Fees</u>	<u>Description</u>
<b>Fees</b>						
09/04/17	Litigation Consulting	Gittleman, Ann	1.80	695.00	1,251.00	Review of the docket
09/11/17	Litigation Consulting	Gittleman, Ann	0.80	695.00	556.00	Review of the docket for petters matter
09/18/17	Litigation Consulting	Gittleman, Ann	1.80	695.00	1,251.00	Review of the Petters docket
09/20/17	Litigation Consulting	Varga, Geoff	0.10	795.00	79.50	Emails re fee app matters and updates
				<b>Total Fees</b>	<b>3,137.50</b>	

**Schedule A**  
**Duff & Phelps (Cayman) Ltd. -- October 2017 Detail Time Entries (PB I & II)**

<u>Date</u>	<u>Category</u>	<u>Staff</u>	<u>Time</u>	<u>Rate</u>	<u>Fees</u>	<u>Description</u>
<u>Fees</u>						
10/02/17	Litigation Consulting	Gittleman, Ann	1.20	695.00	834.00	Review of the Petters docket
10/11/17	Litigation Consulting	Varga, Geoff	0.20	795.00	159.00	Expense review
10/12/17	Litigation Consulting	Gittleman, Ann	1.20	695.00	834.00	Review of the Petters Docket
10/16/17	Litigation Consulting	Gittleman, Ann	1.20	695.00	834.00	Review of the Petters docket
10/23/17	Litigation Consulting	Gittleman, Ann	1.80	695.00	1,251.00	Review of the Petters docket
				<b>Total Fees</b>	<b>3,912.00</b>	