

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

In re:

Chapter 11

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

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

Debtors.

**STEVEN I. FRIED AND CAPITAL FINANCE'S  
FIRST INTERIM POST CONFIRMATION FEE APPLICATION**

1.	Name of Applicant:	<i>Steven I. Fried</i>
2.	Role of Applicant:	<i>Liquidating Trustee's Expert</i>
3.	Name of Certifying Professional:	<i>Steven I. Fried</i>
4.	Date cases filed:	<i>November 30, 2009</i>
5.	Date of order approving employment:	<i>October 13, 2016 [ECF No. 3059] nunc pro tunc to September 23, 2016</i>
<b>IF INTERIM APPLICATION, COMPLETE 6, 7 AND 8 BELOW:</b>		
6.	Period for this Application:	<i>September 9, 2016 through October 31, 2016</i>
7.	Amount of Compensation Sought:	\$ 33,280.00
8.	Amount of Expenses Reimbursement Sought:	\$ 0.00
<b>IF FINAL APPLICATION, COMPLETE 9 AND 10 BELOW:</b>		
9.	Total Amount of Compensation Sought during case:	N/A
10.	Total Amount of Expense Reimbursement Sought During Case	N/A

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

11.	Amount of Original Retainer (s) Please disclose both Fee Retainer and Cost Retainer if such a Retainer has been received:	\$	0.00
12.	Current Balance of Retainer (s) remaining:	\$	0.00
13.	Last monthly operating report filed (Month/Year and ECF No.):	PBF September 2016 [ECF No. 3063] PBF II September 2016 [ECF No. 99, Case 09-36396]	
14.	If case is Chapter 11, current funds in the Chapter 11 estate:	PBF PBFII	\$10,653,381.33 \$30,373,513.31
15.	If case is Chapter 7, current funds held by Chapter 7 trustee:		N/A

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In re:

Chapter 11

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

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

Debtors.

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**FIRST INTERIM POST CONFIRMATION FEE APPLICATION FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION OF STEVEN I. FRIED AND CAPITAL  
FINANCE AS EXPERTS TO CHAPTER 11 LIQUIDATING TRUSTEE**

Steven I. Fried (“*Mr. Fried*”) and the firm Capital Finance (“*Capital*”, and together with Mr. Fried, the “*Applicant*”), having been approved by this Court as expert consultants for the Chapter 11 Liquidating Trustee, Barry E. Mukamal (“*Trustee*”), applies for interim compensation of fees for services rendered in this Chapter 11 proceeding between September 9, 2016 through October 31, 2016. This application is filed pursuant to 11 U.S.C. § 331 and Bankruptcy Rule 2016, and meets all of the requirements set forth in the Guidelines incorporated in Local Rule 2016-1(B)(1). In support of the application, Mr. Fried states as follows:

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

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

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

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

4. On October 13, 2016, this Court entered an Order [ECF No. 3059] authorizing the Liquidating Trustee's retention of Steven I. Fried and Capital Finance as expert consultants to the Liquidating Trustee, *nunc pro tunc* to September 23, 2016.

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

6. Article 7 of the Plan provides:

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

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

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

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

7. This application is submitted for the allowance and payment to Mr. Fried and Capital Finance in the total amount of \$33,280 for fees incurred between September 9, 2016 and October 31, 2016.

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

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

9. Mr. Fried rendered varied services as expert on behalf of the Liquidating Trustee for the period of time from September 9, 2016 through October 31, 2016. Applicant is requesting \$33,280 in professional fees for services rendered. Mr. Fried logged a total of 52 hours during the time period for which fees were required in this fee application.

10. Mr. Fried devoted 52 hours, for a total of \$33,280, towards the review of documents and other case materials in order to perform certain analyses and independent evaluation relating to certain lending and related issues and litigation.

## **II. REQUEST FOR COMPENSATION**

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

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

12. The transcribed time records and details of services rendered by Applicant are attached hereto as Exhibit 3. Mr. Fried has devoted 52 hours in time in providing services to the Liquidating Trustee between September 9, 2016 through October 31, 2016.

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

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

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

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

Exhibit "4" - Fee Application Summary Chart.

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

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

15. The Liquidating Trustee retained Mr. Fried as an advisor providing consulting services and possible expert testifying services in contested matters or one or more adversary proceedings commenced by the Liquidating Trustee on issues relating to litigation and lending-related issues, as well as other related or similar analyses that the Liquidating Trustee deems necessary.

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

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

**VI. PRECLUSION FROM OTHER EMPLOYMENT**

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

**VII. CUSTOMARY FEE**

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

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

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

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

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

21. A copy of Mr. Fried's *curriculum vitae* is attached to the Liquidating Trustee's Application to Employ Steven I. Fried and Capital Finance [ECF No. 3045], and is incorporated herein by reference.

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

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

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

23. The amount requested by Applicant is reasonable in terms of awards in cases of similar magnitude and complexity. The compensation which Mr. Fried is requesting comports with the mandate of the Bankruptcy Code, which directs that services be evaluated in light of comparable services performed in non-bankruptcy cases in the community. The fees requested by Mr. Fried in the amount of \$33,280 for 52 hours of services is entirely appropriate.

24. Applicant considers the reasonable value of services rendered to this estate to be not less than \$33,280 for services rendered for the Fee Period.

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

25. The Liquidating Trustee requests that 18% of the fee awarded be allocated to Palm Beach Finance Partners, L.P. ("**PBF**") and 82% of the fee awarded be allocated to Palm Beach Finance II, L.P. ("**PBF II**"). Section 1.76, entitled "Pro Rata Allocation Formula," of the Second Amended Joint Plan of Liquidation dated September 3, 2010 [ECF No. 245] provides for a *pro rata* allocation formula derived from the Compiled Financial Statements, dated April 30, 2008, for each of the Debtors by Kaufman Rossin & Co. The data contained therein supports an 18%/82% allocation between PBF and PBF II, respectively, based upon the total assets of each entity as of the date of such compilations. Based on the circumstances and since the services provided by Applicant



were performed on behalf of and benefitted both estates, the Liquidating Trustee believes that this formula is the proper methodology to allocate certain fees and expenses between the two estates, as indicated below:

<b>Estate / Percentage</b>	<b>Fees</b>	<b>Costs</b>
Palm Beach Finance Partners, L.P. (18%)	\$5,990.40	\$0.00
Palm Beach Finance II. L.P. (82%)	\$27,289.60	\$0.00
<b>TOTAL FEES AND COSTS:</b>	<b>\$33,280.00</b>	<b>\$0.00</b>

**WHEREFORE**, Steven I. Fried and Capital Finance respectfully request allowance of the full compensation sought under this application. Mr. Fried requests this Court to award a total of \$33,280 for fees incurred between September 9, 2016 and October 31, 2016, approve the allocation of fees between the estates, and for such other and further relief this Court deems just and proper.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**CERTIFICATION**

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

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

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

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

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

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

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

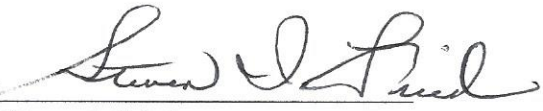
8. In seeking reimbursement for a service which the Applicant justifiably purchased or contracted for from a third party, the Applicant is requesting reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor.

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

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

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

Steven I. Fried  
4400 Bayou Blvd., Suite 6  
Pensacola, FL 32503

By:   
Steven I. Fried

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

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

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

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

<b>Name</b>	<b>Title</b>	<b><u>Year Licensed</u></b>	<b><u>Total Hours</u></b>	<b><u>Hourly Rate</u></b>	<b><u>Total Fees</u></b>
Steven I. Fried			52.00	\$640.00	\$ 33,280.00
Blended Hourly Rate				\$640.00	
<b>Total Fees</b>			52.00		\$ 33,280.00

**EXHIBIT "1-B"**

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

<b>Professional Services</b>				
	<b>Name</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
	Steven I. Fried	\$640.00	52.00	\$ 33,280.00
<b>CATEGORY TOTALS:</b>			<b>52.00</b>	<b>\$ 33,280.00</b>

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

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

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



# Invoice

Date	Invoice #
10/31/2016	27826

Intelligent Management Solutions, Inc.  
4400 Bayou Blvd., Suite 6  
Pensacola, FL 32503

## Bill To

Meland Russin & Budwick  
Attn: Solomon Genet, Esq.  
3200 Southeast Financial Center  
200 South Biscayne Blvd.  
Miami, FL 33131

Terms	Due Date	Project	Client Mgr.	Recruiter	Placement
Net 30	11/30/2016	10509 Mukamal v. General Electric Capital	Bradley Crabbe	Roxette Busani	3958
Description			Hours	Rate	Amount
Expert Witness Services of Steven I. Fried in the matter Barry E. Mukamal, in his capacity as liquidating trustee of The Palm Beach Finance Partners Liquidating Trust and Palm Beach Finance II Liquidating Trust v. General Electric Capital Corporation			52	640.00	33,280.00
For the period of 09/09/16 - 10/19/16 - Please see attached detail					

We appreciate your prompt payment.

\$33,280.00

## Contact Us:

Pensacola, FL (850) 473-2500  
Toll Free (877) 838-8464  
invoices@ims-expertservices.com  
www.ims-expertservices.com

## Wire Payment Information:



## Payments/Credits

\$0.00

## Total This Invoice

\$33,280.00



HOURS	EXP.	DESCRIPTION
2.50 N/C	SIF	
.50 N/C	SIF	
1.25	SIF	
7.50	SIF	
5.25	SIF	
7.25	SIF	
1.75	SIF	
7.00	SIF	
7.00	SIF	
1.00	SIF	
6.00	SIF	
8.00	SIF	
52.00		Total Hours

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

<b>Invoicing Date:</b>	<b>Billing Period:</b>	<b>Fees and expenses requested:</b>	<b>Amount paid absent objection:</b>
10/31/2016	September 9, 2016 throughOctober 31, 2016	\$ 33,280.00	\$ 33,280.00