

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

AGFEED USA, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 13-11761 (BLS)

Jointly Administered

**Objection Deadline: May 1, 2014 @ 4:00 p.m.**

**EIGHTH MONTHLY APPLICATION OF LOWENSTEIN SANDLER LLP  
AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM  
FEBRUARY 1, 2014 THROUGH FEBRUARY 28, 2014**

**Name of Applicant:**

**Lowenstein Sandler LLP  
65 Livingston Avenue  
Roseland, New Jersey 07068  
Telephone: 973.597.2500**

**Authorized to provide  
professional services to:**

**The Official Committee of Unsecured Creditors**

**Date of Retention:**

**September 9, 2013, effective as of July 23, 2013**

**Period for which compensation  
and reimbursement is sought:**

**February 1, 2014 through February 28, 2014**

**Amount of Compensation sought  
as actual, reasonable and necessary:**

**\$57,700.00<sup>2</sup>**

<sup>1</sup> The Debtors, and the last four digits of their federal tax identification numbers are: AgFeed USA, LLC (8748); AgFeed Industries, Inc. (7168); TS Finishing, LLC (8748); New York Finishing, LLC (8748); Pork Technologies, L.C. (2076); New Colony Farms, LLC (9246); Heritage Farms, LLC (8141); Heritage Land, LLC (8129); Genetics Operating, LLC (1921); M2P2 Facilities, LLC (8748); MGM, LLC (8748); M2P2 General Operations, LLC (8748); New Colony Land Company, LLC (5834); M2P2 AF JV, LLC (8748); Midwest Finishing, LLC (8748); and Genetics Land, LLC (1921). The location of the corporate headquarters for AgFeed Industries, Inc. is 100 Bluegrass Commons Blvd., Suite 310, Hendersonville, Tennessee 37075. The location of the corporate headquarters for the remaining Debtors is 510 South 17<sup>th</sup> Street, Suite 104, Ames, Iowa 50010.

<sup>2</sup> As set forth in greater detail herein, this amount is net of a Blended Rate Limitation discount (defined below) in the amount of \$5,121.75 and net of a No Charge Time discount (defined below) in the amount of \$429.00.

**Less 20% Holdback per procedures  
for interim compensation and  
reimbursement of expenses** **\$ 11,540.00**

**TOTAL OF FEES** **\$ 46,160.00**

**Amount of Expense Reimbursement  
sought as actual, reasonable and  
necessary:** **\$ 1,081.89**

**This is a(n):** **Eighth Monthly Fee Application**

**PRIOR APPLICATION HISTORY**

Date Filed	Period Covered	Requested		Monthly Statements		Certificate of No Objection / Signed Order
		Fees 100%	Expenses	Fees 80%	Expenses	
10/03/2013 Docket No. 406	7/23/2013 - 7/31/2013	\$101,200.00	\$1,724.25	\$80,960.00	\$1,724.25	11/05/2013 Docket No. 557
10/28/2013 Docket No. 521	8/01/2013 - 8/31/2013	\$284,750.00	\$1,924.69	\$227,800.00	\$1,924.69	12/5/2013 Docket No. 663
11/05/2013 Docket No. 552	9/01/2013 - 9/30/2013	\$129,600.00	\$2,346.49	\$103,680.00	\$2,346.49	12/5/2013 Docket No. 663
11/15/2013 Docket No. 587 First Interim	7/23/2013 - 9/30/2013	\$515,550.00	\$5,995.43			12/19/2013 Docket No. 713
12/06/2013 Docket No. 668	10/01/2013-10/31/2013	\$51,802.00	\$844.59	\$41,441.60	\$844.59	12/30/2013 Docket No. 740
1/14/2014 Docket No. 777	11/01/2013-11/30/2013	\$104,250.00	\$1,093.14	\$83,400.00	\$1,093.14	2/12/2014 Docket No. 877
2/14/2014 Docket No. 852	12/01/2013-12/31/2013	\$85,550.00	\$1,012.79	\$68,440.00	\$1,012.79	03/04/2014 Docket No. 939
02/14/2014 Docket No. 887 Second Interim	10/01/2013 - 12/31/13	\$241,602.00	\$2,950.52			03/05/2014 Docket No. 943
03/25/2014 Docket No. 976	01/01/2014 - 01/31/2014	\$34,457.00	\$1,853.12	\$27,565.60	\$1,853.12	

**ATTACHMENT TO EIGHTH MONTHLY FEE APPLICATION**

Name of Professional	Year Admitted	Hours Spent	Hourly Rate	Charge
Nathan, Bruce S.	1980	19.20	\$780.00	\$14,976.00
Prol, Jeffrey D.	1989	24.50	670.00	16,415.00
*Prol, Jeffrey D. - Travel Time	1989	4.50	335.00	1,507.50
Wheeler, Timothy R.	2003	45.60	535.00	24,396.00
*Wheeler, Timothy R. - Travel Time	2003	5.50	267.50	1,471.25
De Leo, Anthony	2013	0.70	300.00	210.00
Williams, Beth L.	2010	3.40	390.00	1,326.00
Claussen, Diane	N/A	12.00	210.00	2,520.00
<b>TOTAL FEES</b>		<b>115.40</b>		<b>\$62,821.75</b>
<b>Blended Rate</b>				<b>544.39</b>

\*Reflects 50% rate reduction due to non-working travel time

**COMPENSATION BY PROJECT CATEGORY**

<b>Task</b>	<b>Task Description</b>	<b>Hours</b>	<b>Fees</b>
B110	Case Administration	0.50	\$248.50
B150	Meetings of and Communication with Creditors	11.50	6,307.00
B160	Fee/Employment Applications	19.80	7,419.00
B165	Employment and Retention Applications - Others	2.70	1,616.00
B170	Fee/Employment Objections	1.60	1,030.00
B175	Fee Applications and Invoices - Others	7.10	3,912.50
B190	Assumption/Rejection of Leases and Contracts	0.60	370.00
B210	Other Contested Matters (excluding assumption/rejection motions)	0.10	53.50
B195	Non-Working Travel	10.00	2,978.75
B210	Business Operations	1.10	735.50
B310	Claims Administration and Objections	38.00	23,757.00
B310A	Claims Administration and Objections	2.10	1,270.50
B320	Plan and Disclosure Statement (including Business Plan)	19.20	12,396.00
B430A	Court Hearings	0.60	362.00
B440	Schedules and Statements	0.50	365.50
	<b>Total</b>	<b>115.40</b>	<b>\$ 62,821.75</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Amount</b>
Telecommunications	145.86
Travel	936.03
<b>Total Disbursements</b>	<b>\$1,081.89</b>

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

AGFEED USA, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 13-11761 (BLS)

Jointly Administered

**Objection Deadline: May 1, 2014 @ 4:00 p.m.**

**EIGHTH MONTHLY APPLICATION OF LOWENSTEIN SANDLER LLP AS  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD OF  
FEBRUARY 1, 2014 THROUGH FEBRUARY 28, 2014**

TO: THE HONORABLE BRENDAN LINEHAN SHANNON,  
UNITED STATES BANKRUPTCY JUDGE:

Lowenstein Sandler LLP (“Applicant” or “Lowenstein Sandler”), as counsel to the Official Committee of Unsecured Creditors (the “Committee”), appointed in the chapter 11 cases of AgFeed USA, LLC, *et al.*, the above captioned debtors and debtors in possession (collectively, the “Debtors”), submits its eighth monthly application (the “Application”) for allowance of compensation and reimbursement of expenses for the period of February 1, 2014 through February 28, 2014. By this Application, pursuant to the Interim Compensation Order (defined below), Lowenstein Sandler seeks a monthly allowance of compensation in the amount of

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<sup>1</sup> The Debtors, and the last four digits of their federal tax identification numbers are: AgFeed USA, LLC (8748); AgFeed Industries, Inc. (7168); TS Finishing, LLC (8748); New York Finishing, LLC (8748); Pork Technologies, L.C. (2076); New Colony Farms, LLC (9246); Heritage Farms, LLC (8141); Heritage Land, LLC (8129); Genetics Operating, LLC (1921); M2P2 Facilities, LLC (8748); MGM, LLC (8748); M2P2 General Operations, LLC (8748); New Colony Land Company, LLC (5834); M2P2 AF JV, LLC (8748); Midwest Finishing, LLC (8748); and Genetics Land, LLC (1921). The location of the corporate headquarters for AgFeed Industries, Inc. is 100 Bluegrass Commons Blvd., Suite 310, Hendersonville, Tennessee 37075. The location of the corporate headquarters for the remaining Debtors is 510 South 17<sup>th</sup> Street, Suite 104, Ames, Iowa 50010.

\$57,700.00, which reflects a \$5,121.75 discount in accordance with the Blended Rate Limitation (defined below), and \$429.00 discount for No Charge Time (defined below). Applicant seeks payment of \$46,160.00 (80% of the allowed fees) for the Fee Period (defined below) upon filing a certificate of no objection and/or resolution of any objections. Applicant also seeks expense reimbursement in the amount of \$1,081.89. In support of this Application, Lowenstein Sandler respectfully states as follows:

### **BACKGROUND**

1. On July 15, 2013 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief (the “**Chapter 11 Cases**”) under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors continue to operate their businesses and manage their properties as debtors in possession.

2. No trustee or examiner has been appointed in the Chapter 11 Cases.

3. On July 23, 2013, the Office of the United States Trustee (the “**U.S. Trustee**”) appointed the Committee pursuant to section 1102(a) of the Bankruptcy Code. On the same day, the Committee selected Lowenstein Sandler to serve as its counsel and Greenberg Traurig, LLP to serve as its co-counsel.

4. On August 19, 2013, the U.S. Trustee filed the *Notice of Appointment of Creditors’ Committee Amended August 19, 2013* [Docket No. 159].

5. On August 21, 2013, the Court entered the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (“**Interim Compensation Order**”) [Docket No. 176].

6. On September 9, 2013, the Court entered the *Order Authorizing the Employment and Retention of Lowenstein Sandler LLP as Counsel to the Official Committee of Unsecured Creditors effective as of July 23, 2013* (“**Retention Order**”) [Docket No. 288].

7. Through the Application, Lowenstein Sandler seeks allowance of compensation for professional services rendered for and on behalf of the Committee for the period beginning February 1, 2014 through February 28, 2014 (“**Fee Period**”). A detailed description of services rendered during the Fee Period is annexed hereto as **Exhibit “A”**. A schedule of disbursements incurred during the Fee Period is annexed hereto as **Exhibit “B”**.

8. During the Fee Period, Applicant spent significant time addressing ongoing issues in connection with claims settlements and preparing for and attending a claims reconciliation mediation session with Judge Cahill, addressing ongoing issues in connection with the Debtors’ proposed draft plan of liquidation and related disclosure statement. Further, Applicant spent time reviewing various omnibus objections to claims and supporting documents filed by the Debtors. Finally, Applicant frequently communicated with the members of the Committee, by telephone and e-mail, to discuss the Debtors’ business operations and chapter 11 strategies. Applicant has rendered professional services as counsel to the Committee as requested and as necessary and appropriate in furtherance of the Committee’s duties and functions in these Chapter 11 Cases.

9. In preparing this Application, Lowenstein Sandler employed the following methodology for allocating legal charges between the individual Debtor estates of AgFeed USA and AgFeed Industries (see chart below). First, Lowenstein Sandler reviewed the time narratives from the Fee Period and categorized each included time entry as (i) AgFeed USA; (ii) AgFeed Industries; or (iii) Both, depending upon which Debtor estate (or both estates) benefited from the services provided. Next, Lowenstein Sandler totaled the corresponding charges for the time entries in each of the three categories. Finally, Lowenstein Sandler assigned 50% of the charges in the “Both” category to AgFeed USA and 50% to AgFeed Industries. The resulting totals revealed an allocation of 32.70% of charges to AgFeed USA and 67.30% of charges to AgFeed Industries, which percentages Lowenstein Sandler also applied to the Blended Rate Discount and requested expense reimbursement. Lowenstein Sandler submits that the described protocol is

both accurate and efficient, and provides for a fair and reasonable fee allocation between the individual debtor estates of AgFeed USA and AgFeed Industries.

	<b>AgFeed USA</b>	<b>AgFeed Industries</b>	<b>Both</b>	<b>Total</b>
<b>Category Sub-Totals:</b>	\$1,542.50	\$23,338.00	\$37,941.25	\$ 62,821.75
<b>Allocated Sub-Totals:<sup>2</sup></b>	\$20,513.12	\$42,308.63	\$ -	\$ 62,821.75
<b>Allocated Blended Rate Discount:</b>	\$1,674.81	\$3,446.94	\$ -	\$ (5,121.75)
<b>Allocated Monthly Fees Totals:</b>	\$18,867.90	\$38,832.10		\$ 57,700.00
<b>Allocated Expenses:</b>	\$353.78	\$728.11		\$ 1,801.89
<b>Allocated Totals:</b>	<b>\$ 19,221.68</b>	<b>\$ 39,560.21</b>		<b>\$ 58,781.89</b>

#### SUMMARY OF SERVICES BY PROJECT CATEGORY

10. The services rendered by Applicant during the Fee Period can be grouped into the following categories:

<b>Task</b>	<b>Task Description</b>	<b>Hours</b>	<b>Fees</b>
B110	Case Administration	0.50	\$248.50
B150	Meetings of and Communication with Creditors	11.50	6,307.00
B160	Fee/Employment Applications	19.80	7,419.00
B165	Employment and Retention Applications - Others	2.70	1,616.00
B170	Fee/Employment Objections	1.60	1,030.00
B175	Fee Applications and Invoices - Others	7.10	3,912.50
B185	Assumption/Rejection of Leases and Contracts	0.60	370.00
B190	Other Contested Matters (excluding assumption/rejection motions)	0.10	53.50
B195	Non-Working Travel	10.00	2,978.75
B210	Business Operations	1.10	735.50

<sup>2</sup> As described above, the Allocated Sub-Totals of AgFeed USA and AgFeed Industries each include 50% of the total charges included in the "Both" category – an additional \$18,970.63.



B310	Claims Administration and Objections	38.00	23,757.00
B310A	Claims Administration and Objections	2.10	1,270.50
B320	Plan and Disclosure Statement (including Business Plan)	19.20	12,396.00
B430A	Court Hearings	0.60	362.00
B440	Schedules and Statements	0.50	365.50
	<b>Total</b>	<b>115.40</b>	<b>\$ 62,821.75</b>

### VALUATION OF SERVICES

11. Attorneys and paraprofessionals employed by Applicant have expended a total of 115.40 hours in connection with this matter during the Fee Period detailed below. In addition to the Blended Rate Limitation discount of \$5,121.75 described below, the Applicant expended an additional 1.10 hours of attorney time billable to the Committee at \$429.00 that Lowenstein Sandler did not include in its requested fees and wrote off (the “**No Charge Time**”). The No Charge Time entries on Schedule A are designated “n/c” and are billed at \$0.00. As a result of the reductions set for herein, Lowenstein Sandler has provided a 8.77% discount of its time charges.

Name of Professional	Year Admitted	Hours Spent	Hourly Rate	Charge
Nathan, Bruce S.	1980	19.20	\$780.00	\$14,976.00
Prol, Jeffrey D.	1989	24.50	670.00	16,415.00
*Prol, Jeffrey D. - Travel Time	1989	4.50	335.00	1,507.50
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*Wheeler, Timothy R. - Travel Time	2003	5.50	267.50	1,471.25
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<b>TOTAL FEES</b>		<b>115.40</b>		<b>\$62,821.75</b>
<b>Blended Rate</b>				<b>544.39</b>

\*Reflects 50% rate reduction due to non-working travel time

12. The nature of the work performed by these persons is fully set forth in **Exhibit “A”**. The hourly rates set forth above are Applicant’s current hourly rates for work of this nature. While these rates are set at a level designed to fairly compensate Applicant for its work and to cover fixed and routine overhead expenses, as set forth in paragraph 14 of the *Application for an Order Pursuant to 11 U.S.C. §§ 328(a) and 1103(a) Authorizing and Approving the Employment and Retention of Lowenstein Sandler LLP as Counsel to the Official Committee of Unsecured Creditors Effective as of July 23, 2014* (the “**Retention Application**”) [Docket No. 164], the Committee requested, and Applicant voluntarily agreed, to cap its blended hourly rate for these Chapter 11 Cases only. Based upon this agreement with the Committee, in the event that Applicant’s monthly blended rate (the “**Blended Rate**”), computed by dividing the total fees for a calendar month by the total number of hours incurred during that month, exceeds \$500 per hour, Applicant agrees to adjust its requested fees for that month to equal the total number of hours incurred that month multiplied by \$500 (the “**Blended Rate Limitation**”). To the extent that the Blended Rate Limitation requires Applicant to reduce its monthly fee request in any month, Applicant may recover any difference between the actual fees incurred during such month and the Blended Rate Limitation for that month, from any prior or subsequent month in which the actual billed fees, at normal hourly billers’ rates, are less than the Blended Rate Limitation for that month, up to the cap of such differential (i.e., the difference between the Blended Rate Limitation and the actual fees billed for such month).

13. During the Fee Period, Applicant’s Blended Rate was \$544.39 per hour (\$62,821.75 divided by 115.40 hours), which triggered the application of the Blended Rate Limitation. Accordingly, the reasonable value for services rendered by Applicant to the Committee during the Fee Period of \$62,821.75<sup>3</sup> less the Blended Rate Limitation discount of \$5,121.75, yields a total fee request of \$57,700.00, which amount is subject to a holdback of 20% pursuant to the Interim Compensation Order governing these cases until an interim fee

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<sup>3</sup> The aggregate total of \$62,821.75 is net of the No Charge Time discount in the amount of \$429.00.

application encompassing the Fee Period is prepared. Applicant reserves all rights to recover the Blended Rate Limitation discount of \$5,121.75, together with Blended Rate discount amounts applied in prior fee periods totaling \$47,271.75<sup>4</sup> in a subsequent month in which the total of actual billed fees is less than the Blended Rate Limitation for that month, up to the cap of such differential.

14. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the cost of comparable services other than in a case under this title.

### **DISBURSEMENTS**

15. Applicant incurred reasonable and necessary out-of-pocket expenses in the sum of \$1,081.89 in connection with rendering legal services to the Committee during the Fee Period. A description of the expenses is set forth in **Exhibit "B"**. Such disbursements include computerized legal research, telecommunications and travel expenses. Applicant has sought to utilize the most cost efficient method of communication consistent with the necessary time constraints. Westlaw and Lexis charges represent computerized legal research facility charges for computer assisted research. Use of Westlaw and Lexis greatly enhances legal research and access to case law from all jurisdictions, and is cost efficient, saving substantial attorney research time. The disbursements are itemized in the annexed schedule. These disbursements were necessary to effectively render legal services in these cases.

16. Annexed hereto as **Exhibit "C"**, and made part hereof, is a Certification of Bruce S. Nathan, Esq. submitted pursuant to section 504 of the Bankruptcy Code.

17. During the course of these cases, Applicant has incurred and paid its actual and necessary disbursements and expenses.

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<sup>4</sup> Lowenstein Sandler has applied the following Blended Rate discount amounts in prior fee periods: July \$1,334.75, August \$22,518.25, September \$8,892.00, November \$8,211.25, December \$5,785.00, and January \$530.50, totaling \$47,271.75.

18. This is the Applicant's eighth monthly application pursuant to the Interim Compensation Order that was entered on August 21, 2013. Applicant has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases, and there is no agreement or understanding between Applicant and any other person, other than members of the Applicant, for the sharing of compensation to be received for services rendered in these cases. No prior application has been made to this or any other Court for this Fee Period or for the allowance of fees and disbursements sought herein.

**WHEREFORE**, Applicant respectfully requests the Court grant the Application and allow Applicant's eighth monthly fees in the amount of \$57,700.00, less a twenty percent (20%) holdback in the amount of \$11,540.00 for a total fee request in the amount of \$46,160.00 for professional services rendered to and on behalf of the Committee during the Fee Period, plus reimbursement of its actual, reasonable, and necessary expenses incurred in connection with services rendered during the Fee Period in the sum of \$1,081.89, and that it be granted such other and further relief as the Court may deem just and proper.

Dated: April 11, 2013

Respectfully submitted,

By:     /s/Bruce N. Nathan    

**LOWENSTEIN SANDLER LLP**

Jeffrey D. Prol, Esq.

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*Co-Counsel to the Official Committee of Unsecured  
Creditors of Agfeed USA, LLC, et al.*

-and-

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Creditors of Agfeed USA, LLC, et al.*