UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

FEE APPLICATION COVER SHEET

Debtor: Duro Dyne Nat'l Corp.

Case No.: 18-27963

Chapter: 11

Applicant: Caplin & Drysdale, Chartered

Client: Official Committee of Asbestos Claimants

Case Filed: September 7, 2018

SECTION 1
FEE SUMMARY

☒ Interim Fee Application No. 1 or ☐ Final Fee Application

	FEES	EXPENSES
Total Previous Fee Requested:	$	$
Total Fees Allowed To Date:	$	$
Total Retainer (If Applicable)	$ 12,115.90	$
Total Holdback (If Applicable)	$	$
Total Received By Applicant	$	$

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years Of Professional Service)	HOURS	RATE	FEE
1. Ann C. McMillan - Member	1984	33.7	$800	$26,960.00
2. Kevin C. Maclay - Member	1994	57.3	$715	$40,218.75
3. James P. Wehner - Member	1997	172.4	$700	$117,880.00
4. Jeffrey A. Liesemer - Member	1993	196.7	$700	$130,620.00
5. Jeanna Rickards-Koski - Of Counsel	2005	11.9	$540	$6,426.00
6. Andrew Sackett - Of Counsel	2005	16.6	$540	$8,964.00
7. Kevin M. Davis - Associate	2010	64.9	$465	$30,178.50
8. Caroline E. Parke - Associate	2016	40.7	$305	$12,413.50
9. Cecilia Guerrero - Paralegal	N/A	19.9	$310	$6,169.00
10. Brigette A. Wolverton - Paralegal	N/A	29.6	$265	$7,844.00
11.				

Fee Totals: $387,673.75

Disbursements Totals: $7,543.25

Total Fee Application $395,217.00

SECTION II
SUMMARY OF SERVICES

SERVICES RENDERED	HOURS	FEE
a) **Asset Analysis and Recovery:** Identification and review of potential assets including causes of action and non-litigation recoveries.		
b) **Asset Disposition** Sales, leases, abandonment and related transaction work.		
c) **Avoidance Action Litigation** Preference and fraudulent transfer litigation.		
d) **Business Operations** Issues related to debtor-in-possession operating in chapter 11 such as employee, vendor, tenant issues and other similar problems.		
e) **Case Administration** Coordination and compliance activities, including preparation of statement of financial affairs, schedules, list of contracts, United States Trustee interim statements and operating reports; contacts with the United States Trustee; general creditor inquires.	12.4	$4,325
f) **Claims Administration and Objections** Specific claim inquiries; bar date motions; analyses, objections and allowance of claims.		
g) **Employee Benefits/Pensions** Review issues such as severance, retention, 401K coverage and continuance of pension plan.		
h) **Fee/Employment Applications** Preparations of employment and fee applications for self or others; motions to Establish interim procedures.	110.2	$57,122
i) **Fee/Employment Objections** Review of an objections to the employment and fee applications of others.		
j) **Financing** Matters under 361, 363 and 364 including cash collateral and secured clams; loan document analysis.		
k) **Litigation** Other than Avoidance Action Litigation (there should be a separate category established for each major matter).	271.3	$181,592
l) **Meetings of Creditors** Preparing for and attending the conference of creditors, the 341(a) meeting and other creditors' committee meetings.	14.7	$10,590.50
m) **Plan and Disclosure Statement** Formulation, presentation and confirmation; compliance with the plan confirmation order, related orders and rules; disbursement and case closing activities, except those related to allowance and objections to allowance of claims.	204.8	$123,423.50

SERVICES RENDERED	HOURS	FEE
n) **Relief from Stay Proceedings** Matters relating to termination or continuation of automatic stay under 362.		
o) **Accounting/Auditing** Activities related to maintaining and auditing books of account, preparation of financial statements and account analysis.		
p) **Business Analysis** Preparation and review of company business plan; development and review of strategies; preparation and review of cash flow forecasts and feasibility studies.		
q) **Corporate Finance** Review financial aspects of potential mergers, acquisitions and disposition of company or subsidiaries.		
r) **Data Analysis** Management information systems review, installation and analysis, construction, maintenance and reporting of significant case financial data, lease rejection, claims, etc.		
s) **Litigation Consulting** Providing consulting and expert witness services related to various bankruptcy matters such as insolvency, feasibility, avoiding actions; forensic accounting, etc.		
t) **Reconstruction Accounting** Reconstructing books and records from past transactions and brining accounting current.		
u) **Tax Issues** Analysis of tax issues and preparation of state and federal tax returns.		
v) **Valuation** Appraise or review appraisals of assets.		
w) **Travel Time**	30.3	$10,620.75
SERVICE TOTALS:	634.7	$387,673.75

SECTION III
SUMMARY OF DISBURSEMENTS

DISBURSEMENTS	AMOUNT
a) **Filing Fees** Payable to Clerk of Court.	
b) **Computer Assisted Legal Research** Westlaw, Lexis and a description of manner calculated.	$2,579.10
c) **Pacer Fees** Payable to the Pacer Service Center for search and/or print.	
d) **Fax** Include per page fee charged.	
e) **Case Specific Telephone/Conference Call Charges** Exclusive of overhead charges.	37.00
f) **In-house Reproduction Services** Exclusive of overhead charges.	
g) **Outside Reproduction Services** Including scanning services.	
h) **Other Research** Title searches, UCC searches, Asset searches, Accurint.	
i) **Court Reporting** Transcripts.	$1,703
j) **Travel** Mileage, tolls, airfare, parking.	$3,221
k) **Courier & Express Carriers** Overnight and personal delivery.	
l) **Postage**	$0.47
m) **Other (specify)** eDiscovery	$2.28
DISBURSEMENTS TOTAL:	$7,543.25

I certify under penalty of perjury that the above is true.

Date: 12/14/2018

/s/ James P. Wehner
Signature

rev. 10/1/15

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UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

In re:	:	Case No. 18-27963-MBK
DURO DYNE NATIONAL CORP., *et al.*,	:	Chapter 11
Debtors.[1]	:	Jointly Administered

FIRST INTERIM FEE APPLICATION OF CAPLIN & DRYSDALE, CHARTERED FOR ALLOWANCE OF FEES AND REIMBURSEMENT OF EXPENSES

This Application is also submitted as a *monthly compensation request* in accordance with the procedures proposed by the Debtors in the Debtors' Motion for Entry of an Administrative Fee Order Establishing Certain Procedures for Allowance of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court, filed Nov. 15, 2018 (Dkt. No. 273) and the Debtors' Supplement thereto, filed Nov. 30, 2018 (Dkt. No. 303), and in anticipation of the Court's entry of the Proposed Orders attached thereto.

TO: THE HONORABLE MICHAEL B. KAPLAN,
UNITED STATES BANKRUPTCY JUDGE

Caplin & Drysdale, Chartered ("**Caplin & Drysdale**" or the "**Firm**"), as counsel for the Official Committee of Asbestos Claimants (the "**Committee**"), hereby submits this First Interim Application for Allowance of Compensation (the "**Application**") in accordance with Sections 328,

[1] The "**Debtors**" in these chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are Duro Dyne National Corp. (4664), Duro Dyne Machinery Corp. (9699), Duro Dyne Corporation (3616), Duro Dyne West Corp. (5943), and Duro Dyne Midwest Corp. (4662).

330, 331, 503(b)(2), and 507(a)(2) of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, and Rule 2016-1 of the Local Rules for the Bankruptcy Court for the District of New Jersey, for professional services rendered by the Firm for the period commencing September 26, 2018 through and including November 30, 2018 (the "**Compensation Period**"), and for reimbursement of its actual and necessary expenses incurred during the Compensation Period. In support of this Application, Caplin & Drysdale respectfully represents as follows:

BACKGROUND

1. On September 7, 2018, the Debtors each filed a petition for relief under chapter 11 of the Bankruptcy Code, commencing the above-captioned chapter 11 cases. The largest creditor constituency in these bankruptcy cases consists of holders of claims for personal injury or wrongful death arising from exposure to asbestos or asbestos-containing products.

2. On September 27, 2018, the Office of the United States Trustee notified the Court that, on September 26, 2018, it had appointed the Committee pursuant to 11 U.S.C. § 1102 (Dkt. No. 107). All of the Committee's members are individuals who hold current claims against one or more of the Debtors for personal injury or wrongful death resulting from exposure to asbestos or asbestos-containing products.

3. On November 8, 2018, this Court entered its Order Authorizing the Employment and Retention of Caplin & Drysdale, Chartered, as the Committee's Counsel, Effective *Nunc Pro Tunc* as of September 26, 2018 (Dkt. No. 258).

4. On November 16, 2018, the Debtor filed the Second Amended Prenegotiated Plan of Reorganization (Dkt. No. 279) (the "**Plan**"), of which the Committee is a co-proponent. The other co-proponents of the Plan are the Debtors and the legal representative for future asbestos claimants.

5. On November 20, 2018, this Court entered its Order (Dkt. No. 289) approving the Second Amended Disclosure Statement for the Plan (the "**Disclosure Statement**") and the proposed solicitation and voting procedures.

6. This Court has set a hearing on the proposed confirmation of the Plan for March 6-8, 2019.

7. By this Application, Caplin & Drysdale seeks interim allowance of compensation for services rendered and reimbursement of expenses incurred during the Compensation Period. The following is a summary of the significant professional services rendered on the Committee's behalf during the Compensation Period. The full breadth of the services Caplin performed during the Compensation Period is reflected in the time records annexed hereto as **Exhibit A**.

SUMMARY OF PROFESSIONAL SERVICES RENDERED AND EXPENSES INCURRED

8. The Firm seeks interim allowance of compensation for professional services rendered to the Committee during the Compensation Period in the total amount of $387,673.75. In addition, Caplin seeks approval for reimbursement of expenses incurred in connection with such services in the aggregate amount of $7,543.25. During the Compensation Period, the Firm's attorneys and paraprofessionals expended a total of 643.7 hours for which compensation is requested. The fees charged by the Firm in this case are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period.

9. During the Compensation Period, Caplin & Drysdale provided legal services to the Committee in connection with a broad range of matters, including the following:

a. *Case Administration* (Task Code .04). The Firm spent time working with counsel for the other Plan proponents and internally on general case matters, hearings, and status issues, and conferring about and reviewing the fee procedures papers

proposed by the Debtors. Caplin & Drysdale expended 9.0 hours totaling $3,424.00 in fees for this category of services rendered.

b. *Litigation* (Task Code .10). Caplin & Drysdale spent time reviewing, and researching issues related to, objections filed by the U.S. Trustee and certain insurers to the appointment of the legal representative for future asbestos personal injury claimants, the U.S. Trustee's and certain insurers' objections to the Plan and Disclosure Statement, and certain insurers' motion to lift the automatic stay, as well as preparing related responses. Caplin & Drysdale conferred and worked with counsel for other Plan proponents regarding these motions and related issues. The Firm expended 271.30 hours totaling $181,592.00 in fees for this category of services rendered.

c. *Plan & Disclosure Statement* (Task Code .11). Throughout this case, Caplin & Drysdale has worked with the other Plan proponents to achieve a timely confirmation of the Plan. These efforts have included analyzing and discussing issues relating to approval of the Disclosure Statement and proposed solicitation procedures, and related issues bearing on confirmation. This category also includes reviewing Plan-related insurance issues with special insurance counsel; researching issues bearing on the Committee's confirmation strategies; developing strategies for the Plan and related materials; and conferring internally about these matters. The Firm expended 204.8 hours totaling $123,423.50 in fees for this category of services rendered.

d. *Committee Meetings/Conferences* (Task Code .15). This category reflects time spent by Caplin & Drysdale communicating with Committee members and

attending telephonic Committee calls as well as preparing memoranda and other materials for Committee members. The Firm expended 14.7 hours totaling $10,590.50 in fees for this category of services rendered.

e. *Travel* (Task Code .16). This category includes nonworking time spent by Caplin & Drysdale attorneys traveling to hearings, meetings, or depositions in Trenton or Newark, NJ, and back to Washington, D.C. Such time is billed at one-half an attorney's usual hourly rate. Caplin & Drysdale expended 30.30 hours totaling $10,620.75 in fees for this category of services rendered.

f. *Docket Review & Control* (Task Code .17). This category reflects time spent organizing and maintaining the case filing system and docket review for the bankruptcy case. Caplin & Drysdale expended 3.40 hours totaling $901.00 in fees for this category of services rendered.

g. *Retention Applications-Others* (Task Code .19). This category reflects time spent by the Firm's professionals and paraprofessionals preparing and reviewing retention applications and related papers for the Committee's local counsel and financial advisor. Caplin & Drysdale's professionals also reviewed and commented on the draft retention papers for the Committee's special insurance recovery counsel. The Firm also communicated with those professionals, with the U.S. Trustee's office, and internally regarding their proposed retention. Caplin & Drysdale expended 28.0 hours totaling $15,077.00 in fees for this category of services rendered.

h. *Retention Applications-Self* (Task Code .20). This category reflects time spent by Caplin & Drysdale for the preparation of its own retention application and related

papers. Caplin & Drysdale also communicated internally and with the U.S. Trustee's office regarding the Firm's proposed retention. The Firm's professionals and paraprofessionals expended 82.2 hours totaling $42,045.00 in fees for this category of services rendered

10. The Firm's invoices and time entries detail the time expended by each professional and paraprofessional and on each matter, and are attached to the First Interim Fee Application Cover Sheet as **Exhibit A**. As shown on that exhibit, the Firm devoted 643.7 hours to this case during the Compensation Period, for total fees in the amount of $387,673.75. Such information is also reflected on the Fee Application Cover Sheet submitted simultaneously herewith.

WHEREFORE, for the reasons set forth above and substantiated in the accompanying materials, Caplin & Drysdale respectfully requests the entry of an order approving this Application in its entirety and awarding the Firm $395,217.00 in compensation for services rendered and reimbursement of expenses.

Dated: December 14, 2018

By: */s/ James P. Wehner*

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