

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

-----X
 In re : Chapter 11
 :
 Laboratory Partners, Inc., *et al.*,¹ : Case No. 13-12769 (PJW)
 :
 Debtors. : (Jointly Administered)
 :
 -----X **Objections Due: February 24, 2014 at 4:00 p.m. (ET)**

**FIRST MONTHLY APPLICATION OF DUFF & PHELPS SECURITIES, LLC AS
INVESTMENT BANKER TO THE DEBTORS FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
OCTOBER 25, 2013 THROUGH DECEMBER 31, 2013**

Name of Applicant: Duff & Phelps Securities, LLC

Authorized to Provide Professional Services to: Debtors and Debtors-In-Possession

Date of Retention: November 26, 2013 *nunc pro tunc* to October 25, 2013

Period for which compensation is sought: October 25, 2013 through December 31, 2013

Amount of Interim Compensation sought as actual, reasonable and necessary: \$66,666.67²

Amount of Interim Expense Reimbursement sought as actual, reasonable and necessary: \$17,980.06

This is an: x interim final application

The total time expended for fee application preparation is approximately n/a hours and the corresponding compensation requested is approximately \$n/a

¹ The Debtors and the last four digits of their taxpayer identification numbers are as follows: Laboratory Partners, Inc. (3376), Kilbourne Medical Laboratories, Inc. (9849), MedLab Ohio, Inc. (9072), Suburban Medical Laboratory, Inc. (0859), Biological Technology Laboratory, Inc. (4370), Terre Haute Medical Laboratory, Inc. (1809), and Pathology Associates of Terre Haute, Inc. (6485). Certain of the Debtors do business as MEDLAB. The Debtors' mailing address for notice in these cases is: 671 Ohio Pike, Suite K, Cincinnati, OH 45245.

² Per the Engagement Letter, Debtors shall pay monthly fees beginning 30 days from the effective date of the Engagement Letter dated October 22, 2013. Fees requested in this Application are prorated for the period of November 21, 2013 through November 30, 2013, based on a monthly fee of \$50,000.

If this is not the first application filed, disclose the following for each prior application:

DATE FILED	PERIOD COVERED	REQUESTED FEES/EXPENSES	APPROVED FEES/EXPENSES
n/a			

TIME DETAIL BY PROFESSIONAL**LABORATORY PARTNERS, INC., *et al.*****(Case No. 13-12769 (PJW))****October 25, 2013 Through December 31, 2013**

Professional	Title	October	November	December	Total
Brian Cullen	Managing Director	5.00	9.00	8.00	22.00
Jim Hesburgh	Managing Director	50.50	51.00	20.00	121.50
Mark Catania	Director	33.50	130.00	64.00	227.50
Jordan Lampos	Associate	26.50	88.00	14.20	128.70
Samarjit Singh	Associate	26.00	106.00	50.00	182.00
Michael Lim	Analyst	55.00	154.50	35.50	245.00
		191.50	529.50	183.70	926.70

EXPENSE SUMMARY**LABORATORY PARTNERS, INC., *et al.*****(Case No. 13-12769 (PJW))****October 25, 2013 Through December 31, 2013**

Category	October	November	December	Total
Airfare	\$0.00	\$0.00	\$0.00	\$0.00
Hotels	0.00	0.00	0.00	0.00
Business Meals	0.00	461.73	62.63	524.36
Miscellaneous	0.00	0.00	0.00	0.00
Professional Services	14,997.10	991.20	1,451.40	17,439.70
Telephone/Internet	0.00	16.00	0.00	16.00
Transportation/Parking	0.00	0.00	0.00	0.00
Total	\$14,997.10	\$1,468.93	\$1,514.03	\$17,980.06

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In re	:	
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Laboratory Partners, Inc., <i>et al.</i> , ¹	:	Case No. 13-12769 (PJW)
	:	
Debtors.	:	(Jointly Administered)
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INVESTMENT BANKER TO THE DEBTORS FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
OCTOBER 25, 2013 THROUGH DECEMBER 31, 2013**

Duff & Phelps Securities, LLC (“D&P”), investment banker to the debtors and debtors-in-possession (the “Debtors”) in the above-captioned bankruptcy cases, hereby submits its first monthly fee application (the “Application”) for allowance of compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred in connection with such services from October 25, 2013 through and including December 31, 2013 (the “Compensation Period”) pursuant to sections 327(a) and 328(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rules 2014-1 and 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), and the *Order Pursuant to Bankruptcy Code Sections 105(a) and 331, Bankruptcy Rule 2016, and Local Bankruptcy Rule 2016-2 Establishing Procedures For Interim Compensation and Reimbursement of Expenses of Professionals*

¹ The Debtors and the last four digits of their taxpayer identification numbers are as follows: Laboratory Partners, Inc. (3376), Kilbourne Medical Laboratories, Inc. (9849), MedLab Ohio, Inc. (9072), Suburban Medical Laboratory, Inc. (0859), Biological Technology Laboratory, Inc. (4370), Terre Haute Medical Laboratory, Inc. (1809), and Pathology Associates of Terre Haute, Inc. (6485). Certain of the Debtors do business as MEDLAB. The Debtors’ mailing address for notice in these cases is: 671 Ohio Pike, Suite K, Cincinnati, OH 45245.

(D.I. 145) (the “Compensation Order”).² In support of this Application, D&P respectfully represents as follows:

BACKGROUND

1. On October 25, 2013 (the “Petition Date”), the Debtors commenced their bankruptcy cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

2. The Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. No trustee or examiner has yet been appointed in these cases. On November 7, 2013, the Office of the United States Trustee appointed an official committee of unsecured creditors in these cases.

D&P’S RETENTION

4. On October 25, 2013, the Debtors engaged D&P as investment banker to the Debtors in connection with these bankruptcy cases. On November 26, 2013, this Court entered the *Order Approving Debtors’ Application for Order (I) Authorizing And Approving Employment and Retention of Duff & Phelps Securities, LLC as Debtors’ Investment Banker Nunc Pro Tunc to October 25, 2013; and (II) Waiving Certain Information Requirements of Del. Bankr. L.R. 2016-2* (D.I. 142) (the “Retention Order”).

COMPENSATION ORDER

5. The Court entered the Compensation Order on November 26, 2013. The Compensation Order sets forth the procedures for interim compensation and reimbursement of expenses for Professionals in these cases.

² Capitalized terms used but not defined herein have the meaning ascribed to them in the Compensation Order.

6. In particular, the Compensation Order provides that a Professional may file and serve a Monthly Fee Application with the Court on or after the fifteenth (15th) day of each month following the month for which compensation is sought. Provided that there are no objections to such Monthly Fee Application filed within twenty days after the service of the Monthly Fee Application, the Professional may file a certificate of no objection (the “Certificate of No Objection”) with the Court.

7. Upon the filing of a Certificate of No Objection, the Debtors are authorized to pay such Professional 80 percent of the fees and 100 percent of the expenses requested in such Monthly Fee Application. If a partial objection to the Monthly Fee Application is filed, then the Debtors are authorized to pay 80 percent of the fees and 100 percent of the expenses not subject to an objection.

COMPENSATION REQUEST

8. By this Application, D&P seeks allowance, on an interim basis, of (i) compensation for services rendered on behalf of the Debtors during the Application Period in the amount of \$66,666.67, and (ii) reimbursement of reasonable and necessary expenses incurred during the Application Period in connection with the rendition of such services in the amount of \$17,980.06.

9. With respect to these amounts, as of the date of this Application, D&P has received no payments.

10. During the Compensation Period, the Debtors relied heavily on D&P to provide the financial and marketing services to aid in effectuating an orderly going concern sale of the Debtors’ businesses. D&P’s services during the Compensation Period included, among other things: (a) Reviewing and analyzing the financial and operating statements of the Debtors; (b) preparing, revising, or updating a list or lists of potential purchasers and presenting it to the

Debtors; (c) assisting the Debtors in preparing descriptive material to be provided to potential parties to a Transaction; (d) assisting the Debtors in preparing a virtual data room to provide to potential parties to a Transaction and (e) contacting potential purchasers to solicit their interest in any Transaction.

11. Annexed hereto as Exhibit A is a detailed statement of the services rendered during the Compensation Period for which D&P seeks payment. Annexed hereto as Exhibit B is a detailed statement of expenses paid during the Compensation Period.

12. No agreement or understanding exists between D&P and any other person for the sharing of compensation received or to be received for services rendered in or in connection with these cases.

13. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies to the best of his or her information, knowledge, and belief that this Application complies with that Rule as applicable.

WHEREFORE, D&P respectfully requests that this Court (a) allow D&P (i) interim compensation in the amount of \$66,666.67 for actual, reasonable, and necessary professional services rendered on behalf of the Debtors during the Compensation Period; and (ii) interim reimbursement in the amount of \$17,980.06 for actual, reasonable, and necessary expenses incurred during the Compensation Period; (b) authorize the Debtors to pay to D&P the amount of \$71,313.40, which is equal to the sum of 80% (\$53,333.34) of D&P's allowed interim compensation and 100% of D&P's expenses; and (c) grant such other and further relief as is just and proper.

Dated: February 3, 2014

Duff & Phelps Securities, LLC



Brian Cullen
55 East 52nd Street, 31st Floor,
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*Investment Banker to the Debtors and
Debtors-In-Possession*