

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

In re:

SUGARFINA INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 19-11973 (MFW)
(Jointly Administered)

Objection Deadline: October 28, 2019 at 4:00 p.m. (ET)

**FIRST MONTHLY FEE APPLICATION OF FORCE 10 PARTNERS, LLC,
FINANCIAL ADVISOR TO THE DEBTORS, FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM SEPTEMBER 6, 2019 THROUGH SEPTEMBER 30, 2019**

Force 10 Partners, LLC, financial advisor to Sugarfina, Inc., a Delaware corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby submits its monthly fee application (the “Application”) for entry of an order pursuant to section 331 of title 11 of the United States Code, 11 U.S.C. §§101 *et seq.* as amended (the “Bankruptcy Code”) and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals* (Docket No. 198), granting interim allowance of 80% of fees in the amount of \$97,439.60 and 100% of expenses in the amount of \$2,458.33 for the period from September 6, 2019 through September 30, 2019 (the “Compensation Period”), and in support thereof, Force Ten Partners, LLC respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C §1334.

This is a core proceeding pursuant to 28 U.S.C. §157(b)(2).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

2. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§1408 and 1409.

3. The statutory predicate for the relief sought herein are sections 327(a), 330, and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-2.

BACKGROUND

4. On September 6, 2019, the Debtors filed their respective voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code.

5. On September 24, 2019, the Debtors filed its *Application for an Order Authorizing the Retention and Employment of Force 10 Partners LLC as Financial Advisor Effective Nunc Pro Tunc to the Petition Date* (the "Retention Application") (Docket No. 141) pursuant to the terms of its engagement letter dated as of September 6, 2019, a copy of which was attached to the Retention Application as Exhibit B.

6. On October 10, 2019, the Court entered an *Order Authorizing the Debtors to Retain and Employ Force 10 Partners LLC as Financial Advisor Effective Nunc Pro Tunc to the Petition Date* (Docket No. 326), which authorized the Debtors to pay and reimburse Force 10 Partners in accordance with the Retention Application.

RELIEF REQUESTED

7. By this Monthly Fee Application, Force 10 Partners requests interim allowance of 80% of its fees and reimbursement of 100% of expenses incurred during the Compensation Period in connection with the services provided to the Debtors.

I. Itemization of Services Rendered by Force 10:

A. The following is a list of individuals and their respective titles that provided services during the Statement Period. It includes information regarding their respective billing

rates and the total number of hours spent by each individual providing services during the Statement Period for which Force 10 Partners seeks compensation.

SUMMARY

Professional	Position / Dept.	Hours	Hourly Rate	Total Charge
A. Meislik	Partner	114.8	650.00	\$70,232.50
B. Weiss	Partner	8.0	650.00	5,200.00
R. Gaglani	Associate	120.5	395.00	46,254.50
E. Sprague	Staff	0.5	225.00	112.50
Total		243.8		\$121,799.50

Travel time for A. Meislik and R. Gaglani billed at 50% of hourly rate.

Task Category	Total Amount Billed
Asset Disposition	\$31,655.00
Attend Hearing/Trial	1,950.00
Business Operations	46,601.50
Cash Collateral / Cash Flow Forecasting	25,675.00
DIP Financing	3,120.00
Fee & Employment Application	975.00
Litigation Support	260.00
Meetings of Creditors	650.00
Reporting / Financial Analysis	4,727.50
SOFA / Schedule Preparation	455.00
Travel Time	5,730.50
Total	\$121,799.50

B. The time records of Force 10 consisting of a daily breakdown of the time spent by each person on each day, and detail as to the disbursements incurred, are attached as **Exhibit A** to this Statement.

II. Itemization of Expenses Incurred by Force 10:

A. The disbursements incurred by Force 10 Partners for this Statement are as follows:

Expense Category	Total Expenses
Airfare	\$964.57
Information Technology	470.58

Expense Category	Total Expenses
Transportation	463.51
Lodging	382.90
Mileage	94.31
Meals	67.26
Parking	13.00
Other	2.20
Total	\$2,458.33

B. The detail expense records incurred by Force 10 are attached as **Exhibit B** to this Statement.

III. Accordingly, the amount of compensation and expenses payable for this Statement Period is \$124,257.83, which is calculated as follows:

Total Fees for Services Rendered During Statement Period	\$121,799.50
Total Expenses	2,458.33
TOTAL	\$124,257.83

WHEREFORE, pursuant to the Interim Compensation Order, Force 10 requests payment of 80% of its compensation in the amount of (i) \$121,799.50 on account of actual, reasonable and necessary professional services rendered to the Debtors by Force 10 and (ii) reimbursement of actual and necessary costs and expenses in the amount of \$2,458.33 incurred on behalf of the Debtors by Force 10.

WHEREFORE, pursuant to the Interim Compensation Order, Force 10 requests payment of compensation in the total amount of \$99,897.93 (representing 80% of the total fees (\$97,439.60) billed and 100% of the expenses (\$2,458.33)) incurred on behalf of the Debtors by Force 10.

Dated: October 17, 2019
Newport Beach, California

Respectfully submitted,

By: /s/ Adam Meislik
Adam Meislik
Partner, Force 10 Partners