

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

In re:

SGR WINDDOWN, INC., *et al.*,Debtors.¹

Chapter 11

Case No. 19-11973 (MFW)
(Jointly Administered)**Objection Deadline: December 9, 2019 at 4:00 p.m. (ET)**

**SUMMARY OF SECOND MONTHLY FEE APPLICATION OF
MORRIS JAMES, LLP, CO-COUNSEL TO THE DEBTORS, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR
THE PERIOD FROM OCTOBER 1, 2019 THROUGH OCTOBER 31, 2019**

Name of Applicant:

Morris James LLPAuthorized to Provide
Professional Services to:Debtors

Date of Retention:

September 6, 2019Period for which compensation
and reimbursement is sought:October 1, 2019 through October 31, 2019Amount of Compensation sought as
actual, reasonable and necessary
legal services rendered:\$144,299.50Amount of Expense Reimbursement
sought as actual, reasonable and
necessary:\$10,413.98This is a(n): X monthly ___ interim ___ final application

Dated Filed	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
11/5/2019 [D.I. 347]	September 6, 2019 – September 30, 2019	\$173,350.50	\$759.30	\$138,680.40	\$759.30

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) SGR Winddown, Inc. (4356), (2) SGR Winddown International, LLC (1254) and (3) SGR Canada Winddown Legacy, Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

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

In re:

SGR WINDDOWN, INC., *et al.*,
Debtors.¹

Chapter 11

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

Objection Deadline: December 9, 2019 at 4:00 p.m. (ET)

**SECOND MONTHLY FEE APPLICATION OF MORRIS JAMES, LLP,
CO-COUNSEL TO THE DEBTORS, FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR
THE PERIOD FROM OCTOBER 1, 2019 THROUGH OCTOBER 31, 2019**

Morris James LLP, co-counsel 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 \$144,299.50 and 100% of expenses in the amount of \$10,413.98 for the period from October 1, 2019 through October 31, 2019 (the “Compensation Period”), and in support thereof, Morris James LLP 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) SGR Winddown, Inc. (4356), (2) SGR Winddown International, LLC (1254) and (3) SGR Canada Winddown Legacy, 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 19, 2019, the Debtors filed the *Motion for Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Motion”) (Docket No. 107).

6. On September 24, 2019, the Debtors filed its *Application for Entry an Order Authorizing and Approving the Employment of Morris James LLP as Counsel to the Debtors Nunc Pro Tunc to the Petition Date* (the “Retention Application”) (Docket No. 139).

7. On October 3, 2019, the Court entered an *Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals* (the “Interim Compensation Order”) (Docket No. 198).

8. On October 10, 2019, the Court entered an *Order Granting Application for Entry an Order Authorizing and Approving the Employment of Morris James LLP as Counsel to the Debtors Nunc Pro Tunc to the Petition Date* (Docket No. 235).

RELIEF REQUESTED

9. Attached hereto as **Exhibit A** is a full and detailed statement describing the services rendered by each professional and paraprofessional at Morris James during the Compensation Period.

10. The total sum due to Morris James for professional services rendered on behalf the Debtors during for the Compensation Period is \$144,299.50. Morris James submits that the professional services it rendered on behalf of the Debtors during this time were reasonable and necessary.

11. Morris James incurred \$10,413.98 of expenses during the Compensation Period. A chart detailing the specific disbursements are attached hereto as **Exhibit B**.

12. The undersigned hereby attests that she has reviewed the requirements of Local Rule 2016-1 and this Application conforms to such requirements, including that travel time was not billed at more than half rate and copying charges were only \$.10 per page.

WHEREFORE, Morris James hereby requests pursuant to the procedures allowed in the Interim Compensation Order: (i) allowance of compensation for necessary and valuable professional services rendered to the Debtors in the amount of \$144,299.50 and reimbursement of expenses in the amount of \$10,413.98 for the period from October 1, 2019 through October 31, 2019; (ii) payment in the total amount of \$125,853.58 (representing 80% of the total fees (\$115,439.60) billed and 100% of the expenses \$10,413.98 incurred during the Application Period); and (iii) such other relief as this Court deems just and proper.

DATED: November 27, 2019

MORRIS JAMES LLP

/s/ Brya M. Keilson

Brya M. Keilson, Esquire (DE Bar No. 4643)

Eric J. Monzo, Esquire (DE Bar No. 5214)

500 Delaware Avenue, Suite 1500

Wilmington, DE 19801

Telephone: (302) 888-6800

Facsimile: (302) 571-1750

E-mail: bkeilson@morrisjames.com

E-mail: emonzo@morrisjames.com

and

SHULMAN BASTIAN LLP

Alan J. Friedman, Esquire

Ryan O'Dea, Esquire

100 Spectrum Center Drive, Suite 600

Irvine, CA 92618

Telephone: (949) 427-1654

Facsimile: (949) 340-3000

E-mail: afriedman@shbllp.com

E-mail: rodea@shbllp.com

Counsel to the Debtors and Debtors in Possession

CERTIFICATION

STATE OF DELAWARE :
 : SS
COUNTY OF NEW CASTLE :

I, Brya M. Keilson, hereby certifies and states as follows:

- a) I am senior counsel of the firm Morris James LLP.
- b) I have personally performed or am familiar with the services rendered by Morris James LLP, as co-counsel to the Debtors.
- c) I have reviewed the foregoing Fee Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Local Rule 2016-2, and submit that the Fee Application complies with such Rule.

November 27, 2019

/s/ Brya M. Keilson
Brya M. Keilson