

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re: ) Case No. 10 B 26881  
)  
CORUS BANKSHARES, INC., ) Chapter 11  
)  
Debtor. ) Judge Pamela S. Hollis

ORDER ENTERING FINDINGS OF FACT AND CONCLUSIONS OF LAW  
AWARDING TO KILPATRICK STOCKTON LLP, COUNSEL TO THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS, ALLOWANCE AND PAYMENT OF  
FINAL APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF  
EXPENSES [EOD # 731]

TOTAL FEES REQUESTED:	\$ 1,051,281.80	TOTAL COSTS REQUESTED:	\$ 39,668.62
TOTAL FEES REDUCED:	\$ 2,801.50	TOTAL COSTS REDUCED:	\$ 59.01
TOTAL FEES ALLOWED:	\$ 1,048,480.30	TOTAL COSTS ALLOWED:	\$ 39,609.61

**TOTAL FEES AND COSTS ALLOWED: \$ 1,088,089.91**

THE COURT HAS UNDERLINED THE ATTACHED TIME AND EXPENSE ENTRIES WHICH HAVE BEEN DISALLOWED IN WHOLE OR IN PART. THE BASIS FOR EACH DISALLOWANCE IS DISCLOSED BY THE NUMERICAL NOTATION WHICH APPEARS NEXT TO EACH HIGHLIGHTED ENTRY. THE NUMERICAL NOTATIONS REFER TO THE ENUMERATED PARAGRAPHS BELOW.

**(3) Unreasonable Time**

The court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. In re Pettibone, 74 B.R. 293, 406 (Bankr. N.D. Ill. 1987) (“The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project . . . . An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate.” In re Wildman, 72 B.R. 700, 713 (Bankr. N.D. Ill. 1987) (same).

**(4) Insufficient Description**

The court denies the allowance of compensation for the following task since the description of the time entry fails to identify in a reasonable manner the service rendered. In re Pettibone, 74 B.R. 293, 301 (Bankr. N.D. Ill. 1987) (“A proper fee application must list each activity, its date, the attorney who performed the work, a description of the nature and substance of the work performed, and the time spent on the work. [Citation omitted.] Records which give no

explanation of the activities performed are not compensable.”); In re Wildman, 72 B.R. 700, 708-709 (Bankr. N.D. Ill. 1987) (same).

**(5) Duplication of Services**

The court denies the allowance of compensation for services that duplicate those of another professional or paraprofessional. See 11 U.S.C. § 330(a)(4)(A)(i). Also, when more than one attorney appears in court on a motion or argument or for a conference, no fee should be sought for non-participating counsel. In re Pettibone, 74 B.R. 293, 307 (Bankr. N.D. Ill. 1987) (“A debtor’s estate should not bear the burden of duplication of services. If found in the record, such duplication shall be disallowed by the court as unnecessary.”).

**(6) Meal Expenses**

The court denies the allowance of reimbursement of this meal expense. In re Convent Guardian Corp., 103 B.R. 937, 942 (Bankr. N.D. Ill. 1989) (“[I]t is highly unlikely that counsel could prove that the meal expenses were reasonably necessary for the proper representation of the debtor. . . . If the attorney were not working on the case, he would still have to eat. Accordingly, the court finds that, except in very limited circumstances, local meals are not reasonably necessary for the proper representation of the client.”).

IT IS SO ORDERED.

ENTERED:

Date: DEC 01 2011

  
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PAMELA S. HOLLIS  
United States Bankruptcy Judge

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
07/25/2011	TCM	Review liquidation analysis and projections (1.3); conference with Robbin Rahman and email Jeff Gettlemen regarding disclosure statement comments (.2); conference with Lynn Fowler regarding tax issues (.2); call with Andy Scruton regarding projections (.3); call with debtor's professionals regarding same (1.0); review Robbin Rahman email regarding FDIC (.1); email Steve Cimalore regarding IT fee issue (.1); telephone conference Alan Solow regarding FDIC objection (.2); exchange with Leah Eisenberg regarding IT fee issue in WaMu (.1); research regarding new CEO (.4); review revised disclosure statement language (.2); conference with Robbin Rahman regarding plan issue (.2); review further revised disclosure statement language and with Robbin Rahman regarding same (.2).	4.50	3,262.50
07/26/2011	TCM	Telephone conference with Andy Scruton regarding plan issues (.2); exchange with La Asia Canty regarding hearing materials (.1); <u>call with Kinetic (.2)</u> ; exchanges with Shane Ramsey and Robbin Rahman regarding plan issues (.3); review plan revisions (.3); telephone conference with FTI regarding plan issues (.2); review email with projections (.2); email exchanges with David Seligman regarding same (.2); further conference with Andy Scruton regarding projections (.2); call with Kenetic and Kirkland & Ellis regarding projections (.7); voicemail to Robbin Rahman regarding same (.1); exchanges with Gene Davis regarding meeting (.1); conference with Robbin Rahman and exchange regarding plan language (.2); exchange with Andy Scruton regarding same (.1); review email regarding Vik Ghei bio changes (.1); review hearing agenda (.1); exchange with Andy Scruton regarding projections (.1); review revised disclosure statement and email David Seligman regarding same (.5); various exchanges with Robbin Rahman and Jeff Gettlemen regarding filings (.3); review all projections and analysis regarding same (.7).	4.90	3,552.50
				(4) (- \$145.00)
07/26/2011	RR	Draft and revise email to counsel for debtors regarding net free cash issue (.2); telephone conference with debtors regarding same (.2); research regarding pension claims (.6); draft and revise email to S. Motter regarding same (.2); telephone conference with T. Meyers regarding same (.1); review and revise definition of net free cash (.5); telephone conference with counsel for debtors regarding revisions to plan and disclosure statement and PBGC settlement (.4); review and respond to email from S. Motter regarding PBGC settlement (.2); review and analyze revised plan and disclosure statement (.8); draft and revise email to T. Meyers regarding certain issues related to same (.1).	3.10	1,302.00

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
07/28/2011	TCM	Review Andy Scruton email to David Seligman regarding disclosures (.1); email David Seligman regarding same (.1); conferences and emails with Robbin Rahman regarding hearing issues (.3); prepare for hearing (1.0); travel to and from court and attend disclosure statement hearing (including conferences with counsel before and after hearing) (2.5); various exchanges regarding disclosure statement and committee letter (.2); review revisions to letter and exchanges with Robbin Rahman regarding same (.2); review FTI proposed language (.1); review revised disclosure statement (.3); exchanges with Robbin Rahman regarding disclosure statement order and review same (.3); work on committee letter and revised filings (.5).	5.60	4,060.00
07/28/2011	RR	Telephone conference with T. Meyers regarding issues for hearing (.2); review indenture documents regarding interest on fees and draft and revise email regarding same (.8); <u>attend and participate in disclosure statement hearing via telephone</u> (1.1); review and revise memo to T. Meyers regarding indenture trustee fees (.8); review and revise plan support letter per comments of FTI (.5); telephone conference with T. Meyers, FTI and other committee members regarding approval of same (.6); draft and revise email to committee regarding same (.2); review and analyze filed exhibits and order for solicitation (.6); draft and revise email to T. Meyers regarding same (.1); telephone conference with counsel for debtors regarding same (.2).	5.10	2,142.00
				(S) (- \$462.00)
07/29/2011	RR	Draft and revise emails to committee regarding approved disclosure statement order and related pleadings (.2); draft and revise emails to FTI regarding same (.1); draft and revise emails to debtors regarding same (.1).	0.40	168.00
07/29/2011	TCM	Deal with execution of committee letter and with Robbin Rahman regarding same (.2); further review of plan issues (.5).	0.70	507.50
07/31/2011	TCM	Review research on indenture trustee fee issues (.4); review final documents (.7).	1.10	797.50
		<b>Task Subtotal</b>	<b>82.30</b>	<b>45,710.00</b>

**B210 - Plan and Disclosure Statement Summary**

<i>Summary</i>	<i>Timekeeper Name</i>	<i>Hours</i>	<i>Rate/Hour</i>	<i>Amount</i>
SAE	Stephen A. Edwards	1.90	550.00	1,045.00
LEF	Lynn E. Fowler	0.70	650.00	455.00
TCM	Todd C. Meyers	35.20	725.00	25,520.00

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
08/10/2011	TCM	Analyze injunction issues (.6); conference with Al Lurey regarding same (.2).	0.80	580.00
08/12/2011	TCM	Continue injunction analysis.	0.50	362.50
08/15/2011	TCM	Email Tricadia counsel regarding D&O issues.	0.10	72.50
08/20/2011	TCM	Exchange with Tricadia counsel regarding litigation status.	0.10	72.50
08/22/2011	TCM	Email Robbin Rahman regarding SEC filings (.1); conference with Al Lurey regarding injunction (.1); review pleadings regarding possible injunction action (.7); review analysis of board minutes (1.2).	2.10	1,522.50
08/23/2011	LSC	Research, retrieve, and transmit documents with respect to the Colonial plan and confirmation for use in Corus.	0.50	110.00
08/23/2011	RR	Draft and revise email to T. Meyers regarding class action.	0.10	42.00
08/23/2011	TCM	Email exchange with Robbin Rahman regarding injunction action (.1); further work on same (.3).	0.40	290.00
08/24/2011	TCM	Conferences with Robbin Rahman regarding injunction action and work on same.	0.60	435.00
08/24/2011	RR	Telephone conference with T. Meyers regarding class action settlement and related matters (.3); review class action settlement regarding mechanics of same (.8); draft and revise email to T. Meyers regarding deadlines and milestones for same (.4); draft and revise draft demand letter regarding enjoining settlement (1.7); telephone conference with T. Meyers regarding same (.2); draft and revise motion for derivative standing regarding same (1.1).	4.50	1,890.00
08/25/2011	RR	Review and revise demand letter regarding class action settlement (.9); draft and revise email to T. Meyers regarding same (.1); draft and revise motion for derivative standing (3.4).	4.40	1,848.00
08/26/2011	RR	Draft and revise motion for derivative standing.	1.60	672.00
08/26/2011	TCM	<u>Work on injunction possibility.</u> (4) (-\$290.00)	0.40	290.00
08/26/2011	LSC	Retrieve, print, and transmit pleadings for T. Meyers for use in Corus.	0.20	44.00

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
09/23/2011	RR	Review and analyze confirmation brief, declaration and proposed order (1.6); draft and revise email to Committee regarding same (.1); draft and revise email to debtor regarding status of settlement with FDIC (.1); telephone conferences with counsel for Debtor regarding additional confirmation issues (.4); draft and revise email to Committee summarizing status of various issues (.3).	2.50	1,050.00
09/23/2011	TCM	Work on various plan issues.	1.00	725.00
09/25/2011	TCM	Review FDIC stipulation (.1); review hearing agenda (.1); review Robbin Rahman email regarding ballots (.1).	0.30	217.50
09/26/2011	TCM	Review plan revisions (.2); conferences with Robbin Rahman regarding same (.2); review revised supplement (.1); review motion (.1); email exchanges and telephone conference with Gene Davis regarding status (.3); additional conferences with Robbin Rahman regarding open issues (.2); email exchanges with Robbin Rahman regarding effective date and review plan regarding same (.2); conference with Robbin Rahman regarding order and review comments to same (.2); review confirmation order (.3); email exchanges with David Seligman regarding litigation trustee (.1); review and analyze final ballot report and conference with Robbin Rahman regarding same (.3); additional exchanges with Robbin Rahman regarding voting issues (.2); email exchange with Robbin Rahman regarding amended plan (.1); review additional plan changes (.2).	2.70	1,957.50
09/26/2011	RR	Review and revise plan and related exhibits in advance of confirmation hearing (3.8); telephone conferences with counsel for debtor regarding same (.5); telephone conferences with T. Meyers regarding same (.3).	4.60	1,932.00
09/27/2011	TCM	Review hearing agenda (.1); analyze ballots (.3); review confirmation brief (.5); prepare for hearing (1.0); travel to and from court and attend hearing (2.0).	3.90	2,827.50
09/27/2011	RR	Review and respond to emails of T. Meyers in preparation for confirmation hearing (.6); conference with M. Cordasco regarding same (.4); attend and participate in pre-confirmation hearing conferences with counsel for Debtors and other interested parties (1.0); <u>attend and participate in plan confirmation hearing (.6); travel to and from court (1.0)</u>	3.60	1,512.00
				(-672.00)
09/30/2011	TCM	Review Jeff Gettleman email regarding pension plan termination (.1); telephone conference with Vik Ghei regarding status (.3); email Robbin Rahman regarding communication to creditor designee (.1).	0.50	362.50
09/30/2011	SGR	Teleconference with Holdco regarding status.	0.30	109.50

by the Debtor with respect to the D&O Policies; (c) the Debtor's public filings with respect to insurance issues.

### **THE ESTIMATED COMPENSATION AND EXPENSES**

44. As set forth above, this Application includes a request for the final allowance and payment of the Estimated Compensation and Expenses in the amount of \$5,000. Kilpatrick Townsend estimates that such amount will be necessary to allow Kilpatrick Townsend to adequately prepare for the hearing on this Application, travel from Atlanta, Georgia to Chicago, Illinois by air, including one night's hotel stay and attend such hearing.

45. In particular, the Estimated Compensation and Expenses are estimated to total \$5,150, calculated as follows: (a) it is anticipated that Mr. Meyers will require approximately two hours preparing for the hearing (2 hours x \$725/hr = \$1,450), (b) it is anticipated that travel time to and from Chicago, Illinois via airplane will be approximately three hours each way (6 hours x \$362.50/hr = \$2,175); (c) hotel, airfare and ground transportation (consistent with previous experience) will total approximately \$800; and (d) the hearing will last approximately one hour (1 hour x \$725 = \$725). Kilpatrick Townsend would not incur the Estimated Fees and Expenses but for the need to prepare and file this Application and appear in person at the hearing on this Application. The Estimated Fees and Expenses should, therefore, be part of the amounts awarded in this Application.

### **COMPLIANCE WITH APPLICABLE LAWS AND RULES REGARDING FEE AND EXPENSE APPLICATIONS**

46. Section 330 of the Bankruptcy Code provides, in relevant part:

(a)(1) After notice . . . the court may award to . . . a professional person employed under section 327 or 1103—

- (A) reasonable compensation for actual, necessary services rendered by ... such person; and
- (B) reimbursement for actual, necessary expenses.

Summary	Timekeeper Name	Hours	Rate/Hour	Amount
LSC	La Asia S. Canty	2.10	220.00	462.00
	<b>Task Subtotal</b>	<b>45.40</b>		<b>21,271.00</b>

**B310 - Travel Time**

Date	Initials	Description	Hours	Amount
10/10/2011	TCM	Travel to Chicago for hearing (bill at half rate).	2.80	1,015.00
10/11/2011	TCM	Travel to Atlanta (bill at half rate).	2.80	1,015.00
		<b>Task Subtotal</b>	<b>5.60</b>	<b>2,030.00</b>

**B310 - Travel Time Summary**

Summary	Timekeeper Name	Hours	Rate/Hour	Amount
TCM	Todd C. Meyers	5.60		
	<b>Task Subtotal</b>	<b>5.60</b>		

**All Tasks Summary**

Summary	Timekeeper Name	Hours	Rate/Hour	Amount
TCM	T. C. Meyers	16.40	725.00	11,890.00
TCM	T. C. Meyers	5.60	362.50	2,030.00
RR	Robbin Rahman	47.50	420.00	19,950.00
LSC	La Asia S. Canty	27.60	220.00	6,072.00
	<b>Totals</b>	<b>97.10</b>		<b>\$39,942.00</b>

**Other Charges:**

09/26/2011	Airfare expense of Todd C. Meyers for a trip to Chicago on Sep 26-27, 2011.			605.40
09/26/2011	Hotel expense of Todd C. Meyers for a trip to Chicago on 26 Sep 2011.			275.81
09/26/2011	Taxi/Cabs expense of Todd C. Meyers on Sep 26-27 2011.			96.00
09/26/2011	Meal expense(s) of Todd C. Meyers on Sep 26-27 2011 (w/Steve Cimalore of Wilmington Trust).			118.02
09/26/2011	Airfare expense of Robbin Rahman for a trip to Chicago on 26 Sep 2011 - 27 Oct 2011.			568.40
09/26/2011	Meal expense of Robbin Rahman on 26 Sep 2011 - 27 Sep 2011.			77.55

6 (-\$59.01)