

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 7
)	
marchFIRST, INC., <i>et al.</i> ,)	Case No. 01-24742
)	
Debtors.)	Substantively Consolidated
)	
)	Hon. A. Benjamin Goldgar
)	

COVER SHEET FOR APPLICATION FOR FINAL ATTORNEYS' FEES

NAME OF APPLICANT:	Maxwell Law Group, LLC, special counsel to the Trustee (f/k/a Maxwell & Potts, LLC)
AUTHORIZED TO PROVIDE PROFESSIONAL SERVICES TO:	Andrew J. Maxwell, Chapter 7 Trustee
DATE OF ORDER AUTHORIZING APPLICANT'S EMPLOYMENT:	December 13, 2001 (retroactive to July 16, 2001)
PERIOD FOR WHICH COMPENSATION IS SOUGHT:	May 1, 2017 to end of case
AMOUNT OF FEES SOUGHT:	\$11,420.00
AMOUNT OF EXPENSE REIMBURSEMENT SOUGHT:	\$44.05
AMOUNT OF FEES AND EXPENSES PREVIOUSLY ALLOWED:	Fees previously allowed: \$5,856,194.16 Expenses previously allowed: \$66,220.32

DATE: January 30, 2019

/s/ Andrew J. Maxwell

Andrew J. Maxwell
Maxwell Law Group
3010 N. California Ave.
Chicago, Illinois 60618
312/368-1138

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 7
)	
marchFIRST, INC., <i>et al.</i> ,)	Case No. 01-24742
)	
Debtors.)	Substantively Consolidated
)	
)	Hon. A. Benjamin Goldgar

**TWENTY-EIGHTH APPLICATION FOR ALLOWANCE OF FINAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES**

Andrew J. Maxwell, and Maxwell Law Group, LLC¹ (collectively "Applicant"), special counsel to the Trustee, pursuant to 11 U.S.C. §330 and Federal Rule of Bankruptcy Procedure 2016, submits this Twenty-Eighth Application for Allowance of Final Compensation and Reimbursement of Expenses ("Application"), and represents to the Court as follows:

INTRODUCTION

1. On April 12, 2001 (the "Petition Date"), the Debtors filed voluntary petitions for relief under the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Delaware Court").
2. On April 26, 2001, the Debtors moved to convert their cases to cases under Chapter 7 and the Delaware Court entered an order converting the cases that same day.
3. On April 26, 2001, the United States Trustee appointed an interim Chapter 7 Trustee (the "Delaware Trustee") who began administration of the estate.

¹ Maxwell Law Group is the successor to Maxwell & Potts, LLC. Andrew J. Maxwell (sometimes referred to as "Maxwell" or "Trustee"), the Trustee in these cases, is a member of Applicant. In this Application, compensation is sought for legal services by Maxwell. Maxwell reserves the right to withdraw that request if he would be required to file a time detail of trustee services which he no longer maintains on a regular basis.

4. The Delaware Court entered a Memorandum Order dated July 10, 2001, transferring these Chapter 7 cases to this court. On July 16, 2001, after the transfer of these cases, the United States Trustee appointed Maxwell as the Chapter 7 Trustee. Maxwell became the permanent case trustee in the case in August 2001.

5. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

BACKGROUND

6. Applicant's employment as special counsel to the Trustee was approved by this Court by order dated December 13, 2001 (the "Employment Order"). Pursuant to the Employment Order, Applicant's employment was made retroactive to July 16, 2001, the date of the Trustee's appointment in the Debtors' cases. Applicant was employed to represent the Trustee with respect to certain litigation, real estate, and other matters, including but not limited to matters as to which Trustee's then general counsel, the Mayer Brown law firm, had an actual or potential conflict of interest, and matters which could be more economically handled by Applicant instead of the Trustee's general counsel or other firm with higher billing rates. As the case has progressed, most of the remaining general legal work in these cases has been done by Applicant.²

7. This is Applicant's twenty-eighth application for allowance of compensation and reimbursement of expenses and covers the period from May 1, 2017, to January 2019 (calculated as

² Trustee's general counsel's role has been concluded in an effort to reduce administrative expenses by using attorneys with lower billing rates. The Mayer Brown law firm, general counsel from the beginning of Trustee's involvement, submitted a final fee application in fall 2010 which was granted by this Court. To the best of Trustee's knowledge, Mayer Brown is no longer performing any services on behalf of Trustee in connection with these bankruptcy cases.

the end of legal services on the cases) (the “Application Period”).³ This Application also seeks the Court to allow as final all previous interim allowances of fees and reimbursement of expenses.

8. All fees for which allowance is sought were incurred in connection with Applicant's representation of the estate and were actual, reasonable and necessary for the effective assistance of the Trustee in connection with his administration of the cases.

9. At all times during Applicant's representation of the Trustee, Applicant was disinterested and neither represented nor held an interest adverse to the estate with respect to matters on which Applicant was employed.

³ Applicant's previous interim allowances of fees and expenses have been as follows:

Fee App.	Period Covered	Order Date	Fees Allowed	Exp. Allowed
First	1/16/02 - 2/28/03	7/24/03	\$ 96,145.50	\$2,315.52
Second	3/1/03 - 6/30/03	10/9/03	\$204,354.50	\$3,043.85
Third	7/1/03 - 11/30/03	4/15/04	\$291,119.50	\$5,675.72
Fourth	12/1/03 - 4/30/04	7/29/04	\$304,232.50	\$6,048.31
Fifth	5/1/04 - 7/31/04	12/2/04	\$178,482.50	\$2,264.89
Sixth	8/1/04 - 12/31/04	4/7/05	\$282,077.50	\$2,596.26
Seventh	1/1/05 - 4/30/05	6/30/05	\$238,385.00	\$4,056.95
Eighth	5/1/05 - 8/31/05	12/1/05	\$256,587.50	\$5,104.76
Ninth	9/1/05 - 3/31/06	8/3/06	\$330,201.00	\$5,336.42
Tenth	4/1/06 - 10/31/06	2/15/07	\$397,698.50	\$4,206.75
Eleventh	11/1/06 -3/31/07	7/19/07	\$336,121.00	\$3,388.51
Twelfth	4/01/07-6/30/07	12/13/07	\$130,884.50	\$2,419.81
Thirteenth	7/1/07-12/31/07	9/11/08	\$355,639.00	\$7,977.49
Fourteenth	1/1/08-3/31/08	1/14/09	\$204,503.00	\$ 222.90
Fifteenth	4/1/08-9/30/08	6/17/09	\$397,533.00	\$3,414.60
Sixteenth	10/1/08-12/31/08	12/16/09	\$145,870.00	\$ 852.41
Seventeenth	1/1/09-1/31/09	4/14/10	\$ 57,780.00	\$ 214.81
Eighteenth	2/1/09-7/31/09	8/11/10	\$307,125.00	\$2,033.31
Nineteenth	8/01/09-10/31/10	12/16/10	\$138,846.16	\$ 914.16
Twentieth	11/01/10-2/28/10	04/14/11	\$166,438.50	\$1,700.96
Twenty-first	3/01/10-10/31/10	11/17/11	\$298,284.75	\$ 948.42
Twenty-Second	11/01/10-6/30/11	4/18/12	\$268,874.25	\$ 301.14
Twenty-third	7/1/2011-12/31/2011	10/11/12	\$158,463.50	\$ 173.18
Twenty-fourth	1/1/12-9/30/12	5/22/13	\$152,664.50	\$ 264.67
Twenty-fifth	10/1/12-5/31/14	12/14/15	\$ 70,141.50	\$ 124.82
Twenty-Sixth	6/1/2014 –5/31/2016	10/17/2016	\$ 33,903.00	\$ 595.26
Twenty-Seventh	6/1/2016-4/30/2017	6/7/2017	\$ 53,838.50	\$ 24.44

10. Applicant certifies under penalty of perjury that no agreement or understanding exists between Applicant and any other person for sharing of compensation prohibited by the Bankruptcy Code.

RELIEF REQUESTED

11. At this time, Applicant requests additional allowance and authorization for Trustee to pay \$11,420.00 in compensation for legal services performed by Applicant on behalf of the estate for the Application Period and reimbursement of actual and necessary expenses incurred during such period in the amount of \$44.05.⁴

12. During the period covered by this Application, most of the services performed were in regard to compensation applications for various professionals, including Applicant and Gray Hunter Stenn (“GHS”) accountants, both interim applications and later final applications, and revisions to each of the final applications as the end of the case extended; final fee applications on behalf of special counsel Karl Barth, paid on a contingent fee basis concerning the Healthx settlement, and on behalf of 363 Group, paid on a success fee determined by the sale price of equity positions disposed of at a profit; preparation of a final declaration and draft order for the Trustee’s final fee application and review of that application; completion of, after Court approval, the settlement of the Healthx matter for \$750,000; completion of the sale of, with Court approval, the remaining equity positions; and efforts to preserve the assets of the estate by seeking approval of limited or publication notice for the Notice of Final Report (“NFR”) in order to avoid unnecessary

⁴ There are certain costs, most particularly the specific Westlaw billings and the Pacer account charges for this case, that are not included in this fee application. Similarly, Applicant has not specifically sought to recover the substantial expenditures he made through his insurance coverage which benefitted the estate (approximately \$95,007 on account of the CIT claim in May 2007). That is in addition to the more difficult to quantify are the subsequently higher professional liability insurance premiums he paid (and the non-renewed policies) personally as a result of making the claim to his professional liability insurer, to defend him from baseless claims brought by a claimant in this case seeking to gain an advantage in the estate (CIT lost at every court level).

expenses mailing a large document unlikely to be read; and other efforts to finally conclude certain aspects of the administration of the case.⁵ Applicant also continued to prosecute the motion to abandon records and the computer server, first presented in early 2017 in an effort to reduce storage costs for the estate, resulting in authorization to destroy the computer server and to destroy pre-petition records. The services performed by Applicant on the behalf of the estate during the Application are generally described below.

The applications for compensation were prepared by Applicant on behalf of the particular service providers because those entities were regular participants in bankruptcy matters and were less familiar with the procedure required to obtain compensation. The approval of the settlement of Healthx, after it had been mediated at JAMS and the settlement documented between the estate and Healthx' counsel, was prepared and presented by Applicant. In addition to preparing and presenting the application to sell the equity positions, Applicant assisted 363 Group to negotiate with the various interested parties regarding what could be sold and the manner in which it could be sold, and consulted with 363 Group regarding possible disposition of other equity positions that might have either some value or could be a source of potential liability to the estate if not disposed of.

Applicant initially advised the Trustee regarding the manner in which the estate could potentially limit notice of the NFR in light of the proposed cost of processing and serving the more than 200 page report to several thousand persons, including over two thousand of whom would receive no further distribution from the estate by virtue of the previous order of this Court

⁵ The claims "register" was maintained by Donlin Recano in New York until its services were terminated in or about December 2016, and a copy of the claims register provided to the Clerk of the Court in this district (part of the effort to finalize administration of the case). There were originally approximately \$1.3 billion dollars in claims asserted in these cases. Applicant's and others' efforts have reduced those claims to less than one-sixth of that amount and all of the claims have been finally determined.

in 2014. After initial discussions with the UST, Applicant researched and then drafted a motion to authorize limited or publication notice of the NFR. Presentation of that motion was delayed by revisions to the TFR and the Trustee obtaining more specific cost estimates of the various forms of notice of the NFR. After filing the motion, Applicant prepared and circulated revised proposed orders to the UST seeking to reach agreement on a form of order to propose to the Court. After initial presentation of the motion and colloquy with the Court about the relief that might be accorded, Applicant advised the Trustee regarding more specific publications and website costs that should be obtained and also revised the form of the NFR for publication and circulated the revisions to the UST. After the continued hearing on the motion to limit notice, Applicant again revised the NFR to conform with the Court's comments and circulated that revision and a revised proposed order to the UST for comment and discussed both with the UST to obtain its agreement. After that agreement, Applicant filed the proposed order for review and revision by the Court, resulting in a final order and the NFR that Trustee could submit for publication when the UST finishes its review of the amended TFR submitted November 14, 2018

In general, Applicant has assisted Trustee in his efforts to complete administration of the estate and resolve issues raised in the draft final reports to the U.S. Trustee ("UST") submitted in early December 2016, and the revised TFRs submitted in May and December 2017, and the amended TFR November 14, 2018, and has continued to provide information and documentation to the UST to the extent legal analysis has been requested or needed to clarify items.

13. Attached to the copy of this Application filed with the Court as an exhibit is an itemized statement ("Time Detail") of the legal services rendered by Applicant during the

Application Period.⁶ The Time Detail contains a detailed description of the legal services rendered, identifies the person who performed each of those services, and sets forth the hourly rates of each person and the amount charged for each service performed. The time expended is sub-divided in the Time Detail into categories of services as follows:

- (1) Employment of Professionals, Agents and Employees: services rendered to obtain authorization for Trustee's compensation of Applicant and other professionals, limited review and evaluation of fees and expenses claimed by other professionals as requested by Trustee, and seeking allowance and authorization for payment of fees and expenses incurred for Applicant and other professionals as requested;
- (2) General: services rendered on general administrative matters and services not amenable to categorization within other categories or covering more than one category of service, including the motion to limit notice of the NFR and related services; and
- (3) Liquidate Personal Property: services rendered regarding the motion to abandon records and the computer server

15. Applicant's personnel⁷ who rendered legal services, the billable time expended by each, and each person's hourly rate(s) during the Application Period is set forth in the time detail attached hereto.⁸

⁶ A copy of the exhibit Time Detail has been filed with the Clerk of the Court and is available for inspection and/or copying in the Clerk's Office or on the Court's website, www.ilnb.uscourts.gov, by use of a PACER account, and on the website to be provided in the NFR.

⁷ Billing Codes:

Andrew J. Maxwell (AJM), attorney
Jaclyn Smith (JHS), attorney
Vikram R. Barad (VRB), attorney
Kathleen M. McGuire (KMM), attorney
Nicole A. Elipas (NAE), attorney
Timothy J. McGonegle (TJM or TM), attorney
Elizabeth Sullivan (ES), legal assistant
Michelle A. Seay (MAS), legal assistant
Christian Capo (CJC), Legal assistant
Staff Rate (SR), attorney (The "Staff Rate" is for services performed by attorneys but which arguably could have been performed by a paralegal at a lower billing rate, therefore a paralegal billing rate was charged for those services),
Vito Cifaldi (VC), clerk

16. Attached and made a part of the Time Detail is an itemized statement of the actual and necessary expenses incurred by the Applicant during the Application Period, which total the sum of \$44.05, for which allowance and reimbursement is also sought. Each expense for which reimbursement is sought was actually and necessarily incurred in order to assist the Trustee in his administration of these estates.

17. Based on the nature, extent and value of services performed by the Applicant during both is Application Period and during the entire case, the excellent results achieved, and the costs of comparable services, the compensation and reimbursement of expenses sought are fair and reasonable. Applicant requests allowance of the additional fees and reimbursement of expenses and final allowance of this and all previously allowed interim fees and expenses.

18. Applicant believes this Application and the detailed statement attached hereto comport with applicable caselaw and local Bankruptcy Rule 5082-1 regarding compensation of professionals. In re Continental Illinois Securities Litigation, 962 F.2d 566 (7th Cir. 1992); In re Convent Guardian Corp., 103 B.R. 937 (Bankr.N.D.Ill. 1989); In re Pettibone Corporation, 74 B.R. 293 (Bankr.N.D.Ill. 1987); and In re Wildman, 72 B.R. 700 (Bankr.N.D.Ill. 1987).

NOTICE

19. Trustee will provide at least 21 days' notice of this Application and the Trustee's Final Report ("TFR") as part of the Trustee's Notice of Final Report ("NFR").⁹ Trustee requests that the form and manner of notice given be approved and that further notice be waived.

⁸ Because of changes in personnel at Applicant, Maxwell has performed and billed for more legal services in this Application than in the past but has attempted to carefully bill only legal services that should fairly be compensated as legal work.

⁹ Pursuant to the Trustee's application to limit notice, this Court is expected to enter its order regarding limiting notice for the NFR in or about January 2019. A docket number and date are not provided because it was not known at the time this application was updated for the amended TFR.

WHEREFORE, Andrew J. Maxwell and Maxwell Law Group pray this Court to enter an Order substantially in the form attached hereto allowing final compensation and reimbursement of expenses to it and authorizing the Trustee to pay to Applicant at this time from funds of the Debtors' estates all allowed compensation and expenses, that this and all previously allowed compensation and expenses be deemed final, and to grant such further relief as this Court deems just and fair.

Respectfully submitted,
Maxwell Law Group, LLC

BY: /s/ Andrew J. Maxwell
One of its attorneys

Andrew J. Maxwell
Maxwell Law Group
3010 N. California Ave.
Chicago, Illinois 60618
312/368-1138