

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

In re	X	
	:	Chapter 11
	:	
KABBAGE, INC. d/b/a KSERVICING, <i>et al.</i> ,	:	Case No. 22-10951 (CTG)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
	:	Obj. Deadline: April 18, 2023 at 4:00 p.m. (ET)
	X	Hearing Date: To be determined if any objection filed

**SUMMARY OF FIFTH MONTHLY APPLICATION OF GREENBERG TRAURIG,
LLP, AS SPECIAL COUNSEL TO THE BOARD OF DIRECTORS OF KABBAGE, INC.
d/b/a KSERVICING, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

Name of Applicant:	Greenberg Traurig, LLP
Authorized to Provide Professional Services to:	Board of Directors of Kabbage, Inc.
Date of Retention:	November 2, 2022 (<i>Nunc Pro Tunc</i> to October 3, 2022)
Period for Which Compensation and Reimbursement sought:	February 1, 2023 through February 28, 2023
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$71,730.50
Amount of Compensation for Which Payment is Sought Pursuant to this Application:	\$57,384.40 (80% of fees)
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$0.00
This is a(n): <u> X </u> Monthly <u> </u> Interim <u> </u> Final Application	

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable are: Kabbage, Inc. d/b/a KServicing (3937); Kabbage Canada Holdings, LLC (N/A); Kabbage Asset Securitization LLC (N/A); Kabbage Asset Funding 2017-A LLC (4803); Kabbage Asset Funding 2019-A LLC (8973); and Kabbage Diameter, LLC (N/A). Kabbage is a trademark of American Express used under license; Kabbage, Inc. d/b/a KServicing is not affiliated with American Express. The Debtors' mailing and service address is 925B Peachtree Street NE, Suite 383, Atlanta, GA 30309.

This Application does not include any hours incurred in connection with preparation of this Application.

**COMPENSATION BY PROFESSIONAL
FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

The attorneys who rendered professional services in these chapter 11 cases from February 1, 2023 through February 28, 2023 (the “**Fee Period**”) are:

Name of Professional	Position; Date of Bar Admission; Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
David B. Kurzweil	Shareholder; Member of Georgia Bar since 1987; Member of New York Bar since 2012; Area of expertise: Restructuring and Bankruptcy	\$1,540.00	21.5	\$33,110.00
Dennis A. Meloro	Shareholder; Member of Delaware Bar since 2003. Area of expertise: Restructuring and Bankruptcy	\$1,255.00	1.5	\$1,882.50
Eric J. Howe	Shareholder; Member of the Illinois Bar since 2007; Member of Minnesota Bar since 2013; Area of expertise: Restructuring and Bankruptcy.	\$1,050.00	1.1	\$1,155.00
Matthew A. Petrie	Associate; Member of Florida Bar since 2007; Member of Georgia Bar since 2020; Area of expertise: Restructuring and Bankruptcy	\$870.00	22.8	\$19,836.00
Total for Attorneys:			46.9	\$55,983.50

The paraprofessionals and other non-legal staff who rendered professional services during the Fee Period are:

Name of Paraprofessional and Other Non-Legal Staff	Position; Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
Sandy Bratton	Paralegal; 27 years of experience; Restructuring and Bankruptcy	\$435.00	36.2	\$15,747.00
Total:			36.2	\$15,747.00

The total fees for the Fee Period are:

Professional Categories	Blended Rate	Total Billed Hours	Total Compensation
Shareholders	\$1,499.90	24.1	\$36,147.50
Associates	\$870.00	22.8	\$19,836.00
Paralegals	\$435.00	36.2	\$15,747.00
Total:	\$863.18	83.1	\$71,730.50

COMPENSATION BY PROJECT CATEGORY
FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023

Task Code	Project Category	Total Hours	Total Fees
KS003	Employment and Fee Applications	24.5	\$14,327.00
KS005	Board Governance	44.9	\$44,176.00
KS006	Plan and Disclosure Statement	13.2	\$12,591.50
KS007	Court Hearings	0.5	\$636.00

EXPENSE SUMMARY
FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023

Expense Category	Total Expenses
N/A	\$0.00
Total Disbursements:	\$0.00

PRIOR APPLICATIONS FILED

DATE	PERIOD	DOCKET NO.	FEES	EXPENSES
December 2, 2022 (CNO filed December 27, 2022, Docket No. 377)	October 3, 2022 through October 31, 2022	326	\$84,604.00	\$411.25

December 29, 2022 (CNO filed January 20, 2023, Docket No. 476)	November 1, 2022 through November 30, 2022	392	\$38,666.50	\$0.00
January 30, 2023 (CNO filed February 22, 2023, Docket No. 564)	December 1, 2022 through December 31, 2022	494	\$99,826.00	\$0.00
March 3, 2023 (CNO filed March 24, 2023, Docket No. 727)	January 1, 2023 through January 31, 2023	604	\$71,917.50	\$0.00

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KABBAGE, INC. d/b/a KSERVICING, et al.,	:	Case No. 22-10951 (CTG)
	:	
Debtors.¹	:	(Jointly Administered)
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	X	Obj. Deadline: April 18, 2023 at 4:00 p.m. (ET)

**FIFTH MONTHLY APPLICATION OF GREENBERG TRAURIG, LLP, AS SPECIAL
COUNSEL TO THE BOARD OF DIRECTORS OF KABBAGE, INC. d/b/a
KSERVICING, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

Greenberg Traurig, LLP (“**Greenberg Traurig**”), special counsel to the Board of Directors of Kabbage, Inc. d/b/a/ KServicing (the “**Board**”), hereby files its fifth monthly application (the “**Application**”) for allowance and payment of compensation for professional services rendered to the Board and for reimbursement of actual and necessary expenses incurred in connection therewith for the period commencing February 1, 2023 through and including February 28, 2023 (the “**Fee Period**”), pursuant to sections 105(a), 330, and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 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 Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable are: Kabbage, Inc. d/b/a KServicing (3937); Kabbage Canada Holdings, LLC (N/A); Kabbage Asset Securitization LLC (N/A); Kabbage Asset Funding 2017-A LLC (4803); Kabbage Asset Funding 2019-A LLC (8973); and Kabbage Diameter, LLC (N/A). Kabbage is a trademark of American Express used under license; Kabbage, Inc. d/b/a KServicing is not affiliated with American Express. The Debtors’ mailing and service address is 925B Peachtree Street NE, Suite 383, Atlanta, GA 30309.

Expenses of Professionals [Docket No. 136] (the “**Interim Compensation Order**”). In support of this Application, Greenberg Traurig respectfully represents as follows:

Background

1. On October 3, 2022 (the “**Petition Date**”), the Debtors each commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code (the “**Chapter 11 Cases**”). The Debtors are authorized to continue to operate their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in these Chapter 11 Cases.

2. Pursuant to Bankruptcy Rule 1015(b), the Chapter 11 Cases are being jointly administered under the above captioned case.

3. Additional information regarding the Debtors’ business, capital structure, and the circumstances leading to the commencement of these Chapter 11 Cases is set forth in the *Declaration of Deborah Rieger-Paganis in Support of Debtors’ Chapter 11 Petitions and First Day Relief* [Docket No. 13] (the “**First Day Declaration**”).

4. On November 2, 2022, the Court entered the *Order Authorizing Debtors to Employ and Retain Greenberg Traurig, LLP as Special Counsel to the Board of Directors of Kabbage, Inc. d/b/a KServicing Effective as of the Petition Date* [Docket No. 197] authorizing the Debtors to retain Greenberg Traurig as special counsel to the Board.

Jurisdiction

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. Pursuant to Local Rule 9013-1(f), Greenberg Traurig consents to the entry of a final order by the Court in connection with this Application to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

Compensation Paid and its Source

7. No agreement or understanding exists between GT and any third person for the sharing of compensation, except as allowed by Section 504(b) and Bankruptcy Rule 2016 with respect to sharing of compensation between and among partners at GT. All services for which compensation is requested hereunder were rendered at the request of and solely on behalf of the Board and not on behalf of any other entity.

Summary of Services

8. This Application is the fifth monthly fee application filed by Greenberg Traurig in these cases. In connection with the professional services described below, by this Application, Greenberg Traurig seeks compensation in the amount of \$71,730.50 for the Fee Period.

9. The services rendered during this Fee Period by Greenberg Traurig professionals and paraprofessionals (the “**Professionals**”) are described below. The Professionals in these cases have all been involved in some capacity with drafting, reviewing/revising, and filing of various documents with this Court, advising the Board with respect to various matters involving these cases, and performing various services as described within this Application.

10. Each of the following is set forth in the invoice attached hereto as **Exhibit A**: (i) a description of the professional or paraprofessional performing the services; (ii) the date the services were performed; (iii) a detailed description of the nature of the services and the related time expended; and (iv) a summary of the fees and hours of each professional and other timekeepers listed by project category (which applicable categories are set forth below).

Specifically, Greenberg Traurig rendered the following services during the Fee Period as counsel to the Board:

a) Fee/Employment Applications (KS003)

Fees: \$14,327.00; Hours: 24.5

This category includes services related to drafting, reviewing, revising, and finalizing Greenberg Traurig's fourth monthly and first interim fee applications.

b) Board and Corporate Governance (KS005)

Fees: \$44,176.00; Hours: 44.9

This category includes services related to analyzing certain corporate governance issues, reviewing materials and presentations prepared for the Board, attending meetings of the Board, participating in wind down officer interviews and discussions regarding acceptable candidates, reviewing minutes of meetings of the Board, and monitoring case pleadings and important deadlines for the Board.

c) Plan and Disclosure Statement (KS006)

Fees: \$12,591.50; Hours: 13.2

This category includes services related to reviewing and analyzing the Plan and Disclosure Statement and related documents, Plan confirmation negotiations involving stakeholders, wind down planning, and attention to additional disclosures.

d) Court Hearings (KS007)

Fees: \$636.00 Hours: 0.5

This category includes services relating to preparing for and attending hearings.

Summary of Expenses

11. During the Fee Period, Greenberg Traurig did not incur or disburse costs and expenses related to these cases, and therefore no reimbursement of expenses is sought by this Application.

Valuation Of Services

12. Greenberg Traurig expended a total of 83.1 hours in connection with this matter during the Fee Period. A list of the Professionals who billed time during the Fee Period is set forth below. The nature of the work performed by the Professionals is detailed in **Exhibit A** of this Application.

Professional	Hourly Rate	Hours
David B. Kurzweil	\$1,540.00	21.5
Dennis A. Meloro	\$1,255.00	1.5
Eric J. Howe	\$1,050.00	1.1
Matthew A. Petrie	\$870.00	22.8
Sandy Bratton	\$435.00	36.2

The above hourly rates are Greenberg Traurig's normal hourly rates for work of this character. The reasonable value of the services rendered by Greenberg Traurig to the Board during the Fee Period is \$71,730.50.

13. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested herein for compensation is fair and reasonable given (a) the complexity of these cases, (b) the time expended by the attorneys and paraprofessionals at Greenberg Traurig, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

14. Greenberg Traurig hereby certifies that (i) it has reviewed the requirements of Local Rule 2016-2 and (ii) this Application complies with such rule.

Reservation of Rights

15. To the extent time or disbursement charges for services rendered or disbursements incurred relate to the Fee Period but were not processed prior to the preparation of this Application, or Greenberg Traurig has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Fee Period, Greenberg Traurig reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

Notice

16. Notice of this Application will be provided in accordance with the Interim Compensation Order on the Fee Notice Parties (as defined in the Interim Compensation Order). No further notice is required.

Conclusion

WHEREFORE Greenberg Traurig respectfully requests (a) interim allowance of compensation for professional services rendered to the Debtors during the Fee Period in the amount of \$71,730.50 for actual and necessary costs; (b) that, in accordance with the Interim Compensation Order, the Debtors pay Greenberg Traurig a total of \$57,384.40 (representing 80% of the total amount of fees allowed) if no objections are timely filed and Greenberg Traurig files a certificate of no objection with the Court in accordance with the Interim Compensation Order; (c) that the interim allowance of such compensation for professional services rendered be without prejudice to Greenberg Traurig's right to seek such further compensation for the full value of services performed and expenses incurred; and (d) that the Court grant Greenberg Traurig such other and further relief as is just.

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Dated: March 29, 2023

Respectfully submitted,

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

Anthony W. Clark (DE Bar No. 2051)

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– and –

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*Counsel to the Board of Directors of Kabbage, Inc.
d/b/a KServicing*

CERTIFICATION OF COMPLIANCE WITH LOCAL RULE 2016-2

I, David B. Kurzweil, declare, pursuant to 28 U.S.C. § 1746, under penalty of perjury:

1. I am a shareholder in the applicant firm, Greenberg Traurig, LLP, and have been admitted to the bar of the States of Georgia and New York.
2. I have personally performed some of the legal services rendered by Greenberg Traurig, LLP as counsel to the Board and am generally familiar with all other work performed on behalf of the Board by the lawyers and paraprofessionals in the firm.
3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed the requirements of Rule 2016-2 of the Local Rules of Practice and Procedure of the United States Bankruptcy Court for the District of Delaware and submit that the Application complies with such requirements.

Dated: March 29, 2023

/s/ David B. Kurzweil

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