

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

|                                                |   |                                                        |
|------------------------------------------------|---|--------------------------------------------------------|
|                                                | X |                                                        |
|                                                | : |                                                        |
| <b>In re</b>                                   | : | <b>Chapter 11</b>                                      |
|                                                | : |                                                        |
| <b>KABBAGE, INC. d/b/a KSERVICING, et al.,</b> | : | <b>Case No. 22-10951 (CTG)</b>                         |
|                                                | : |                                                        |
| <b>Debtors.<sup>1</sup></b>                    | : | <b>(Jointly Administered)</b>                          |
|                                                | : |                                                        |
|                                                | X | <b>Obj. Deadline: April 18, 2023 at 4:00 p.m. (ET)</b> |

**SUMMARY OF FIFTH MONTHLY FEE STATEMENT OF WEIL, GOTSHAL &  
MANGES LLP FOR PAYMENT OF COMPENSATION AND REIMBURSEMENT OF  
EXPENSES FOR PERIOD FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

|                                                                              |                                                         |
|------------------------------------------------------------------------------|---------------------------------------------------------|
| Name of Applicant:                                                           | <u>Weil, Gotshal &amp; Manges LLP</u>                   |
| Authorized to Provide Professional Services to:                              | <u>Debtors and Debtors in Possession</u>                |
| Date of Retention:                                                           | <u>October 21, 2022 effective as of October 3, 2022</u> |
| Period for which compensation and reimbursement are sought:                  | <u>February 1, 2023 through February 28, 2023</u>       |
| Amount of compensation sought as actual, reasonable, and necessary:          | <u>\$1,247,495.20 (80% of \$1,559,369.00)</u>           |
| Amount of expense reimbursement sought as actual, reasonable, and necessary: | <u>\$13,426.43</u>                                      |

This is a(n): X monthly \_\_\_ interim \_\_\_ final application

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<sup>1</sup> 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.

**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  | DEPARTMENT    | YEAR ADMITTED <sup>1</sup> | HOURLY BILLING RATE <sup>2</sup> | TOTAL BILLED HOURS | TOTAL COMPENSATION |
|----------------------------|-----------|---------------|----------------------------|----------------------------------|--------------------|--------------------|
| Goldring, Stuart J.        | Partner   | Tax           | 1984                       | \$2,095.00                       | 12.20              | \$25,559.00        |
| Slack, Richard W.          | Partner   | Litigation    | 1987                       | \$1,695.00                       | 29.20              | \$49,494.00        |
| Slack, Richard W.          | Partner   | Litigation    | 1987                       | \$847.50†                        | 6.00               | \$5,085.00         |
| Sullivan, Kevin J.         | Partner   | Corporate     | 1994                       | \$1,595.00                       | 4.50               | \$7,177.50         |
| Tsekerides, Theodore E.    | Partner   | Litigation    | 1994                       | \$1,395.00                       | 27.60              | \$44,022.00        |
| Smith, Jason A.B.          | Partner   | Corporate     | 1998                       | \$1,750.00                       | 2.80               | \$4,900.00         |
| Freeman, Danek A.          | Partner   | Corporate     | 1999                       | \$1,750.00                       | 3.90               | \$6,825.00         |
| Westerman, Gavin           | Partner   | Corporate     | 2004                       | \$1,725.00                       | 7.70               | \$13,282.50        |
| Arthur, Candace            | Partner   | Restructuring | 2010                       | \$1,695.00                       | 89.70              | \$152,041.50       |
| Hwangpo, Natasha           | Partner   | Restructuring | 2014                       | \$1,575.00                       | 140.40             | \$221,130.00       |
| Margolis, Steven M.        | Counsel   | Tax           | 1990                       | \$1,425.00                       | 11.90              | \$16,957.50        |
| Bonk, Cameron Mae          | Counsel   | Litigation    | 2016                       | \$1,375.00                       | 61.50              | \$84,562.50        |
| Guthrie, Hayden            | Counsel   | Corporate     | 2017                       | \$1,400.00                       | 4.20               | \$5,880.00         |
| Friedman, Julie T.         | Associate | Restructuring | 2003                       | \$775.00                         | 16.40              | \$12,710.00        |
| Ruocco, Elizabeth A.       | Associate | Restructuring | 2017                       | \$1,275.00                       | 24.70              | \$31,492.50        |
| Bentley, Chase A.          | Associate | Restructuring | 2018                       | \$1,345.00                       | 180.20             | \$242,369.00       |
| Bentley, Chase A.          | Associate | Restructuring | 2018                       | \$672.50†                        | 3.00               | \$2,017.50         |
| Friedman, Jonathan R.      | Associate | Restructuring | 2019                       | \$1,170.00                       | 58.00              | \$67,860.00        |
| Kleiner, Adena             | Associate | Corporate     | 2020                       | \$1,170.00                       | 25.00              | \$29,250.00        |
| Parker-Thompson, Destiney  | Associate | Restructuring | 2020                       | \$910.00                         | 7.50               | \$6,825.00         |
| McMillan, Jillian A.       | Associate | Restructuring | 2021                       | \$1,170.00                       | 118.10             | \$138,177.00       |
| Ham, Hyunjae               | Associate | Restructuring | 2021                       | \$1,065.00                       | 13.90              | \$14,803.50        |
| Jones, Taylor              | Associate | Restructuring | 2022                       | \$1,065.00                       | 112.60             | \$119,919.00       |
| Ollestad, Jordan Alexandra | Associate | Litigation    | 2022                       | \$1,065.00                       | 89.10              | \$94,891.50        |

<sup>1</sup> \* – Not Yet Admitted to Practice

<sup>2</sup> † – Non-working travel is billed at 50% of regular hourly rates.

|                            |           |               |      |          |                 |                       |
|----------------------------|-----------|---------------|------|----------|-----------------|-----------------------|
| Shah, Bastian              | Associate | Tax           | 2022 | \$910.00 | 6.50            | \$5,915.00            |
| Suarez, Ashley             | Associate | Restructuring | 2022 | \$910.00 | 52.90           | \$48,139.00           |
| Bertens, Erin              | Associate | Corporate     | *    | \$750.00 | 4.80            | \$3,600.00            |
| Castillo, Lauren           | Associate | Restructuring | *    | \$750.00 | 130.90          | \$98,175.00           |
| <b>Total for Attorneys</b> |           |               |      |          | <b>1,245.20</b> | <b>\$1,553,060.50</b> |

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           | DEPARTMENT    | HOURLY BILLING RATE | TOTAL BILLED HOURS | TOTAL COMPENSATION |
|----------------------------------------------------|--------------------|---------------|---------------------|--------------------|--------------------|
| Haiken, Lauren C.                                  | Litigation Support | LSS           | \$465.00            | 9.50               | \$4,417.50         |
| Mason, Kyle                                        | Paralegal          | Restructuring | \$310.00            | 6.10               | \$1,891.00         |
| <b>Total:</b>                                      |                    |               |                     | <b>15.60</b>       | <b>\$6,308.50</b>  |

The total fees for the Fee Period are:

| PROFESSIONALS                               | BLENDED RATE      | TOTAL BILLED HOURS | TOTAL COMPENSATION    |
|---------------------------------------------|-------------------|--------------------|-----------------------|
| Partners and Counsel                        | \$1,585.95        | 401.60             | \$636,916.50          |
| Associates                                  | \$1,085.99        | 843.60             | \$916,144.00          |
| Paraprofessionals and Other Non-Legal Staff | \$404.39          | 15.60              | \$6,308.50            |
| <b>Blended Attorney Rate</b>                | <b>\$1,247.24</b> |                    |                       |
| <b>Total:</b>                               |                   | <b>1,260.80</b>    | <b>\$1,559,369.00</b> |

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

| <b>TASK CODE</b> | <b>PROJECT CATEGORY</b>                                     | <b>TOTAL BILLED HOURS</b> | <b>TOTAL COMPENSATION</b> |
|------------------|-------------------------------------------------------------|---------------------------|---------------------------|
| 001              | Administrative Expense Claims                               | 34.10                     | \$42,190.00               |
| 003              | AmEx Transaction Investigation                              | 43.70                     | \$44,018.50               |
| 004              | Asset Disposition/363 Asset Sales                           | 91.20                     | \$107,047.00              |
| 006              | Bar Date and Claims Matters                                 | 23.80                     | \$23,119.50               |
| 007              | Borrower Matters                                            | 3.10                      | \$3,175.50                |
| 008              | Case Administration (WIP List & Case Calendar)              | 17.60                     | \$16,447.50               |
| 009              | Chapter 11 Plan/Plan Confirmation/Implementation            | 467.50                    | \$578,931.50              |
| 010              | Corporate Governance/Securities                             | 86.70                     | \$109,152.50              |
| 011              | Customer (incl. Partner Banks)/Vendor/Supplier Matters      | 1.10                      | \$1,548.50                |
| 013              | Disclosure Statement/Solicitation/Voting                    | 46.20                     | \$43,217.50               |
| 014              | Employee Matters                                            | 12.60                     | \$17,987.00               |
| 015              | Exclusivity                                                 | 0.10                      | \$75.00                   |
| 016              | Executory Contracts/Leases/Real Prop/Other 365 Matters      | 9.00                      | \$12,049.00               |
| 017              | General Case Strategy (incl Team and Client Calls)          | 92.20                     | \$113,345.50              |
| 019              | Hearings and Court Matters                                  | 4.40                      | \$6,583.00                |
| 020              | Insurance and Letters of Credit Matters                     | 3.00                      | \$4,785.00                |
| 021              | Non-bankruptcy Litigation (incl. CUBI Dispute)              | 109.00                    | \$149,430.50              |
| 022              | Non-working Travel                                          | 9.00                      | \$7,102.50                |
| 025              | Retention/Billing/Fee Applications: OCP                     | 7.00                      | \$6,775.50                |
| 026              | Retention/Fee Applications: Non-Weil Professionals          | 3.60                      | \$4,114.00                |
| 027              | Retention/Fee Applications: Weil                            | 33.90                     | \$31,417.00               |
| 028              | Secured Creditors Issues/Meetings/Comms (excl. Settlements) | 4.00                      | \$5,932.00                |
| 029              | Settlements (including 9019 matters)                        | 69.10                     | \$102,797.50              |
| 031              | Tax Matters                                                 | 7.80                      | \$11,177.00               |
| 033              | US Trustee/MORs/2015.3 Reports                              | 4.10                      | \$4,063.50                |
| 035              | Servicing Transfer                                          | 77.00                     | \$112,887.00              |
| <b>TOTAL</b>     |                                                             | <b>1,260.80</b>           | <b>\$1,559,369.00</b>     |

**EXPENSE SUMMARY**  
**FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

| <b>EXPENSE CATEGORY</b> | <b>AMOUNT</b>      |
|-------------------------|--------------------|
| Computerized Research   | \$10,972.82        |
| Duplicating             | \$20.10            |
| Meals                   | \$200.00           |
| Transportation          | \$1,084.38         |
| Travel                  | \$1,149.13         |
| <b>TOTAL</b>            | <b>\$13,426.43</b> |

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

|                                                |   |                                                        |
|------------------------------------------------|---|--------------------------------------------------------|
|                                                | X |                                                        |
|                                                | : |                                                        |
| <b>In re</b>                                   | : | <b>Chapter 11</b>                                      |
|                                                | : |                                                        |
| <b>KABBAGE, INC. d/b/a KSERVICING, et al.,</b> | : | <b>Case No. 22-10951 (CTG)</b>                         |
|                                                | : |                                                        |
| <b>Debtors.<sup>1</sup></b>                    | : | <b>(Jointly Administered)</b>                          |
|                                                | : |                                                        |
|                                                | X | <b>Obj. Deadline: April 18, 2023 at 4:00 p.m. (ET)</b> |

**FIFTH MONTHLY FEE STATEMENT OF  
WEIL, GOTSHAL & MANGES LLP FOR PAYMENT OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR  
PERIOD FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023**

Weil, Gotshal & Manges LLP (“**Weil**” or the “**Firm**”), attorneys for Kabbage, Inc. d/b/a KServicing. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), hereby files its fifth monthly fee statement (this “**Fee Statement**”) for payment of compensation for professional services rendered to the Debtors 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*

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<sup>1</sup> 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 Fee Statement, Weil 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].<sup>2</sup>

4. This Court authorized Weil’s retention as attorneys for the Debtors pursuant to the *Order Authorizing Retention and Employment of Weil, Gotshal & Manges LLP As Attorneys For Debtors Effective as of Petition Date* [Docket No. 137] (the “**Retention Order**”), entered on October 21, 2022.

5. On March 15, 2023, the Court entered the *Order Confirming Amended Joint Chapter 11 Plan of Liquidation of Kabbage, Inc. (d/b/a KServicing) and its Affiliated Debtors* [Docket No. 680].

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<sup>2</sup> Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the *Amended Joint Chapter 11 Plan of Liquidation of Kabbage, Inc. (d/b/a KServicing) and its Affiliated Debtors* [Docket No. 627] (the “**Plan**”).

**Jurisdiction**

6. 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.

7. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Fee Statement 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.

**Summary of Professional Compensation  
and Reimbursement of Expense Requested**

8. By this Fee Statement, Weil requests allowance and payment of \$1,247,495.20 (80% of \$1,559,369.00) as compensation for professional services rendered to the Debtors during the Fee Period and allowance and payment of \$13,426.43 as reimbursement for actual and necessary expenses incurred by Weil during the Fee Period. All services for which compensation is requested by Weil were performed for or on behalf of the Debtors.

9. During the Fee Period, Weil received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Fee Statement. There is no agreement or understanding between Weil and any other person, other than members of Weil, for the sharing of compensation to be received for services rendered in these Chapter 11 Cases.

10. The fees charged by Weil in these Chapter 11 Cases are billed in accordance with its existing billing rates and procedures in effect during the Fee Period, and in accordance with the Retention Order.

11. Weil maintains computerized records of the time spent by all Weil attorneys, paraprofessionals, and other non-legal staff in connection with the Firm's representation of the Debtors. Annexed hereto as **Exhibit A** are copies of Weil's itemized time records for professionals, paraprofessionals, and other non-legal staff performing services for the Debtors during the Fee Period. Weil's time records comply with the requirements set forth in Local Rule 2016-2 and the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* (the "**Guidelines**"), including the use of itemized time entries and separate matter numbers for different project types, as hereinafter described in greater detail.

### **Summary of Services**

12. The following is a summary of the significant professional services rendered by Weil during the Fee Period. This summary is organized in accordance with the internal system of task codes set up by Weil at the outset of these Chapter 11 Cases.<sup>3</sup> If a task code does not appear below, then Weil did not bill significant time for that task code during the Fee Period, but may bill time for that task code in the future. Certain services performed may overlap between, or appropriately be allocated to, more than one task code.

a. Administrative Expense Claims (Task Code 001)  
Fees: \$42,190.00; Total Hours: 34.10

- Drafted, reviewed, revised, and finalized the *Debtors' Objection to the Motion of the Juneau Group, LLC for Allowance of*

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<sup>3</sup> **Exhibit A** annexed hereto provides a more detailed description of the services provided during the Fee Period, and reference should be made thereto for a complete recitation of such services.

*Administrative Expense Claim Pursuant to Section 503(b)(9) of the Bankruptcy Code* [Docket No. 547]; and

- Prepared for hearing on Juneau Group, LLC's motion for allowance of an administrative claim.

b. AmEx Transaction Investigation (Task Code 003)

Fees: \$44,018.50; Total Hours: 43.70

- Drafted, reviewed, revised, and finalized *Motion of Debtors Pursuant to Federal Rule of Bankruptcy Procedure 2004 for Production of Documents from Financial Technology Partners LP and FTP Securities LLC* [Docket No. 576];
- Drafted, reviewed, revised, and finalized *Declaration of Theodore E. Tsekerides in Support of Motion of Debtors Pursuant to Federal Rule of Bankruptcy Procedure 2004 for Production of Documents from Financial Technology Partners LP and FTP Securities LLC* [Docket No. 577];
- Reviewed and summarized document production related to the AmEx investigation.; and
- Corresponded with FT Partners regarding lack of adequate production.

c. Asset Disposition/363 Asset Sales (Task Code 004)

Fees: \$107,047.00; Total Hours: 91.20

- Reviewed and analyzed documents related to the sale of the Debtors' legacy loans, and drafted, reviewed, and revised legacy loans purchase agreement;
- Drafted, reviewed, and revised participation interest sale agreement;
- Researched legal issues in connection with asset sale motions and plans with sale processes;
- Conferred with Weil team and Debtors' advisors related to the sale of the Debtors' legacy loans;
- Drafted, reviewed, and revised PPPLF loan transfer agreement; and
- Drafted, reviewed, and revised nondisclosure agreements with potential purchasers related to legacy loan sale.

d. Chapter 11 Plan/Plan Confirmation/Implementation (Task Code 009)  
Fees: \$578,931.50; Total Hours: 467.50

- Drafted, reviewed, and revised *Debtors' (I) Memorandum of Law in Support of Confirmation of Amended Joint Chapter 11 Plan of Liquidation of Kabbage, Inc. (d/b/a KServicing) and its Affiliated Debtors and (II) Omnibus Reply to Objections Thereto* [Docket No. 637], including issues surrounding releases;
- Drafted, reviewed, and revised *Order Confirming Amended Joint Chapter 11 Plan of Liquidation of Kabbage, Inc. (d/b/a KServicing) and its Affiliated Debtors* [Docket No. 655-1];
- Participated on calls with Debtors' advisors, the U.S. Trustee, and counsel to various creditors and other stakeholders regarding the Plan, Plan Supplement, and Confirmation Order;
- Responded to Plan-related questions and comments from the Debtors, the Debtors' advisors, the U.S. Trustee, the Reserve Bank, and other stakeholders;
- Conducted tax analyses for post-effective date wind down entity;
- Drafted, reviewed and revised Plan Supplement documents [Docket Nos. 561, 611, 630];
- Reviewed, analyzed, and responded to objections to confirmation of the Debtors' joint chapter 11 plan of liquidation;
- Drafted, reviewed, and revised declarations in support of confirmation of amended joint chapter 11 plan of liquidation [Docket Nos. 633, 634, 636]; and
- Reviewed materials and corresponded with Debtors and Debtors' advisors and with certain stakeholders regarding the selection of a wind down officer, and prepared for and conducted wind down officer interviews.

e. Corporate Governance / Securities (Task Code 010)  
Fees: \$109,152.50; Total Hours: 86.70

- Prepared materials and presentations for Board meetings regarding the chapter 11 cases;
- Attended the Debtors' Board meetings regarding the chapter 11 cases and prepared minutes thereof;

- Corresponded with the Board and its counsel to provide regular updates and answer questions therefrom; and
  - Corresponded with the Board's counsel regarding critical updates and ongoing workstreams to, among other things, avoid duplication of services.
- f. Disclosure Statement / Solicitation / Voting (Task Code 013)  
Fees: \$43,742.50; Total Hours: 46.90
- Drafted, reviewed, revised, and finalized *Debtors' Objection for Temporary Disallowance of Claims Filed by Cole Ratias Solely for Voting Purposes* [Docket No. 536];
  - Corresponded with claims agent regarding voting and solicitation;
  - Corresponded with creditors and other stakeholders regarding voting stipulations; and
  - Drafted, reviewed, revised, and finalized voting stipulations and related orders disallowing certain claims solely for voting purposes [Docket Nos. 537, 538].
- g. General Case Strategy (incl. Team and Client Calls) (Task Code 017)  
Fees: \$113,345.50; Total Hours: 92.20
- Communicated with the Debtors, members of the various Weil teams, and other advisors regarding case strategy, pending and upcoming matters, filings, key dates, and deadlines;
  - Participated on regular update calls with the Debtors and their other advisors regarding chapter 11 cases process, strategy, priority workstreams, and timeline;
  - Drafted, reviewed, and revised internal trackers of workstreams and critical dates; and
  - Drafted, reviewed, and revised calendar and communications identifying key workstreams and matters for the upcoming week for KServicing management.
- h. Non-Bankruptcy Litigation (incl. CUBI Dispute) (Task Code 021)  
Fees: \$149,430.50; Total Hours: 109.00
- Drafted, reviewed, and revised *Debtors' Reply in Further Support of Motion of Debtors for Entry of an Order Enforcing*

*the Settlement Order and the Settlement Agreement Between KServicing and Customers Bank* [Docket No. 670].

- Corresponded with the Debtors and the Debtors' advisors regarding the Customers Bank settlement payment dispute;
- Researched and analyzed issues related to Customers Bank settlement payment dispute;
- Researched and analyzed complaint filed by putative class action plaintiffs in *Carr et al. v. Kabbage, Inc.* Case No. 22-cv-02149 (N.D. Ga. Mar. 30, 2022);
- Sought discovery and responded to discovery requests related to the Customers Bank settlement payment dispute; and
- Attended numerous discovery meet and confers with counsel to Customers Bank.

i. Retention/Fee Applications: Weil (Task Code 027)

Fees: \$31,417.00; Total Hours: 33.90

- Drafted, reviewed, and revised *Summary of Fourth Monthly Fee Statement of Weil, Gotshal & Manges LLC for Payment of Compensation and Reimbursement of Expenses for Period January 1, 2022 Through January 31, 2022*;
- Drafted, reviewed, revised, and finalized *First Interim Application of Weil, Gotshal & Manges LLP for Payment of Compensation and Reimbursement of Expenses for Period October 3, 2022 Through December 31, 2022* [Docket No. 530];
- Reviewed fee invoices for compliance with United States Trustee guidelines; and
- Drafted, reviewed, and revised monthly budget for February.

j. Settlements (including 9019 matters) (Task Code 029)

Fees: \$102,797.50; Total Hours: 69.10

- Corresponded with the Debtors and the Debtors' advisors, creditors, and other stakeholders regarding settlement proposals with various parties;
- Drafted, reviewed, and revised settlement proposal for the U.S. Small Business Administration, the U.S. Department of Justice, and Cross River Bank;

- Analyzed and researched related to claims held by the U.S. Department of Justice; and
- Drafted 9019 motions related to settlements with governmental entities and Cross River Bank.

k. Servicing Transfer (Task Code 035)

Fees: \$112,887.00; Total Hours: 77.00

- Corresponded with Weil team, the Debtors, and various parties regarding the loan servicing transition plan;
- Reviewed and analyzed documents and correspondence related to the transitioning of the Debtors' loan servicing obligations;
- Discussed and conferred with Weil team, the Debtors, CUBI, CRB, the Reserve Bank, and AmEx regarding servicing documents in AmEx's control and/or possession;
- Drafted, reviewed, and revised loan servicing transition plan and updates for each alternative servicer; and
- Prepared for and attended KServicing transition task force working group meetings.

13. The foregoing professional services performed by Weil were necessary and appropriate to the administration of these Chapter 11 Cases and were in the best interests of the Debtors' estates and their stakeholders. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, and tasks involved. The professional services were performed skillfully and efficiently.

**Actual and Necessary Disbursements**

14. Weil requests allowance of actual and necessary expenses incurred during the Fee Period in the aggregate amount of \$13,426.43. Annexed hereto as **Exhibit B** is a list of Weil's itemized actual and necessary expenses. Weil's disbursement policies pass through all out-of-pocket expenses at actual cost or an estimated actual cost when the actual cost is difficult to determine. For example, with respect to duplication charges, Weil charges \$0.10 per black and

white page and \$0.50 per color page because the actual cost is difficult to determine. Similarly, as it relates to computerized research, Weil believes that it does not make a profit on that service as a whole, although the cost of any particular search is difficult to ascertain. Other reimbursable expenses (whether the service is performed by Weil in-house or through a third-party vendor) include, but are not limited to, overtime meals, deliveries, travel, and local transportation.

#### **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 Fee Statement, or Weil 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, Weil reserves the right to request additional compensation for such services and reimbursement of such expenses in a future fee statement.

#### **Notice**

16. Notice of this Fee Statement 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.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE Weil respectfully requests (a) interim allowance of compensation for professional services rendered to the Debtors during the Fee Period in the amount of \$1,559,369.00 for actual and necessary costs, and for expenses incurred by Weil during the Fee Period in the amount of \$13,426.43; (b) that, in accordance with the Interim Compensation Order, the Debtors pay Weil a total of \$1,260,921.63 consisting of \$1,247,495.20 (representing 80% of the total amount of fees allowed) and \$13,426.43 (representing 100% of the expenses allowed), if no objections are timely filed and Weil 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 and reimbursement of actual and necessary expenses incurred be without prejudice to Weil's right to seek such further compensation for the full value of services performed and expenses incurred; and (d) that the Court grant Weil such other and further relief as is just.

Dated: March 29, 2023  
New York, New York

/s/ Candace M. Arthur

WEIL, GOTSHAL & MANGES LLP  
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*Attorneys for Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

|                                                |   |                                |
|------------------------------------------------|---|--------------------------------|
|                                                | X |                                |
|                                                | : |                                |
| <b>In re</b>                                   | : | <b>Chapter 11</b>              |
|                                                | : |                                |
| <b>KABBAGE, INC. d/b/a KSERVICING, et al.,</b> | : | <b>Case No. 22-10951 (CTG)</b> |
|                                                | : |                                |
| <b>Debtors.<sup>1</sup></b>                    | : | <b>(Jointly Administered)</b>  |
|                                                | : |                                |
|                                                | X |                                |

**DECLARATION OF CANDACE M. ARTHUR**

I, Candace M. Arthur, hereby declare the following under penalty of perjury:

1. I am a member with the applicant firm, Weil, Gotshal & Manges LLP (“Weil” or the “Firm”), and have been admitted to appear before this Court, by order dated October 4, 2022 [Docket No. 29].

2. I have personally performed many of the legal services rendered by Weil as counsel to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by the lawyers, paraprofessionals, and other non-legal staff in the Firm.

3. I have reviewed the foregoing Fee Statement, 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 Statement complies with such rule.

Dated: March 29, 2023  
New York, New York

/s/ Candace M. Arthur  
Candace M. Arthur

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<sup>1</sup> 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.