

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

In re:	) Chapter 11
	)
VYAIR MEDICAL, INC., <i>et al.</i> , ¹	) Case No. 24-11217 (BLS)
	)
	) (Jointly Administered)
Debtors.	)
	) Obj. Deadline: 11/1/24 at 4:00 p.m. (ET)
	) Hrg. Date: 12/11/24 at 11:00 a.m. (ET)
	) Related to Docket Nos. 402, 592
	)

**SUMMARY OF FIRST INTERIM FEE APPLICATION OF
MCDERMOTT WILL & EMERY LLP, COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE
PERIOD FROM JUNE 28, 2024 THROUGH AUGUST 31, 2024**

Name of Applicant:	McDERMOTT WILL & EMERY LLP
Authorized to provide professional services to:	Official Committee of Unsecured Creditors of Vyaire Medical, Inc., <i>et al.</i>
Date of retention:	July 30, 2024, effective June 28, 2024
Period for which compensation and reimbursement are sought:	June 28, 2024 through August 31, 2024
Amount of compensation sought as actual, reasonable, and necessary:	\$1,275,870.40
Amount of expense reimbursement sought as actual, reasonable, and necessary:	\$4,959.70
Amount of compensation approved as actual, reasonable, and necessary:	\$591,192.00 ²

The last four digits of Debtor Vyair Medical, Inc.'s federal tax identification number are 6495. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor's federal tax identification number may be obtained on the website of the Debtors' claims and noticing agent at <https://omniagentsolutions.com/Vyair>. The location of Debtor Vyair Medical, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is 26125 North Riverwoods Boulevard, Mettawa, Illinois, USA 60045.

² If no objections are received by October 22, 2024 to McDermott Will & Emery LLP's second monthly fee application [Docket No. 592], an additional \$429,504.32 in fees will be approved.

Amount of expense reimbursement
approved as actual, reasonable,
and necessary:

\$3,295.01³

Amount of holdback fees sought:⁴

\$255,174.08

This is an:

Interim Fee Application

SUMMARY OF MONTHLY FEE APPLICATIONS FOR INTERIM FEE PERIOD

MONTHLY FEE APPLICATION			REQUESTED FEES AND EXPENSES		APPROVED FEES AND EXPENSES		HOLDBACK
Application Docket No. Date Filed	CNO Date Filed Docket No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees (80%)	Approved Expenses (100%)	Fees Holdback (20%)
First Monthly D.I. 402 8/21/24	9/16/24 D.I. 525	6/28/24- 7/31/24	\$738,990.00	\$3,295.01	\$591,192.00	\$3,295.01	\$147,798.00
Second Monthly D.I. 592 10/1/24	N/A	8/1/24- 8/31/24	\$536,880.40	\$1,664.69	<i>Pending</i>	<i>Pending</i>	\$107,376.08
Total			\$1,275,870.40	\$4,959.70	\$591,192.00	\$3,295.01	\$255,174.08

³ If no objections are received by October 22, 2024 to McDermott Will & Emery LLP's second monthly fee application [Docket No. 592], an additional \$1,664.69 in expenses will be approved.

⁴ Applicant seeks allowance of the 20% holdback for its first and second monthly fee applications [Docket Nos. 402, 592].

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF VYAIRE MEDICAL, INC., *ET AL.*
SUMMARY OF BILLING BY PROFESSIONAL
JUNE 28, 2024 THROUGH AUGUST 31, 2024**

Name of Professional Person	Date of Bar Admission	Position with the Applicant and Practice Area	Hourly Billing Rate⁵	Total Billed Hours	Total Compensation
Kristin K. Going	2002	Partner; Corporate Advisory	\$1,750	86.9	\$152,075.00
David R. Hurst	1998	Partner; Corporate Advisory	\$1,750	140.9	\$246,575.00
James R. Ravitz	1998	Partner; Healthcare	\$1,700	8.9	\$15,130.00
Darren Azman	2011	Partner; Corporate Advisory	\$1,650	40.6	\$66,990.00
Maris J. Kandestin	2004	Partner; Corporate Advisory	\$1,650	179.4	\$296,010.00
William Hadler	2008	Partner; Corporate Advisory	\$1,575	16.2	\$25,515.00
Kelly D. Newsome	2015	Partner; White Collar & Securities	\$1,525	103.6	\$157,990.00
Riley Orloff	2015	Partner; Corporate Advisory	\$1,525	17.4	\$26,535.00
Deanna D. Boll	1998	Counsel; Corporate Advisory	\$1,395	7.3	\$10,183.50
Kevin M. Regan	2018	Partner; Trial	\$1,350	21.5	\$29,025.00
Nick W. Greiner	2018	Associate; Corporate Advisory	\$1,245	7.0	\$8,715.00
Carole Wurzelbacher	2015	Associate; Corporate Advisory	\$1,245	122.3	\$152,263.50
Kristin E. Schwam	2020	Associate; White Collar & Securities	\$1,200	50.2	\$60,240.00

⁵ Except as set forth below, the rate represents the current standard hourly rate of each McDermott attorney and paralegal who rendered legal services.

Name of Professional Person	Date of Bar Admission	Position with the Applicant and Practice Area	Hourly Billing Rate ⁵	Total Billed Hours	Total Compensation
Marissa L. Hill Daley	2017	Associate; Healthcare	\$1,155	12.6	\$14,553.00
Jesse E. Douglas	2020	Associate; Corporate Advisory	\$1,155	27.3	\$31,531.50
Benjamin Glass	2023	Associate; Corporate Advisory	\$925	24.6	\$22,755.00
Rebecca E. Trickey	2022	Associate; Corporate Advisory	\$925	127.1	\$117,567.50
Matthew G. Gibson	N/A	Law Clerk; Trial	\$805	50.5	\$40,652.50
Daniel D. Northrop	N/A	Paralegal; Corporate Advisory	\$745	5.0	\$3,725.00
Edward Y. Kwon	N/A	Technology Project Manager	\$570	5.7	\$3,249.00
Jessica M. Hirshon	N/A	Paralegal; Corporate Advisory	\$565	7.9	\$4,463.50
Nolley M. Rainey	N/A	Paralegal; Corporate Advisory	\$500	27.2	\$13,600.00
Fिताlesh G. Belayneh	N/A	Litigation Technology Data Analyst	\$280	1.5	\$420.00
Andy Garcia	N/A	Litigation Technology Data Analyst	\$280	3.0	\$840.00
Daniel Valentino	N/A	Litigation Technology Data Analyst	\$280	1.5	\$420.00
TOTALS				1,096.1	\$1,501,024.00
Less 15% Client Accommodation⁶					\$225,153.60
ADJUSTED TOTAL					\$1,275,870.40

Blended Rate: \$1,164.01⁷

⁶ As an accommodation to the Committee, McDermott has agreed to discount the amount of its monthly invoices by an amount equal to 15% of the aggregate fees requested in each such invoice.

⁷ The blended rate was calculated by dividing the adjusted total fees sought by the aggregate number of hours worked by McDermott Professionals.

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF VYAIRE MEDICAL, INC., *ET AL.*
COMPENSATION BY PROJECT CATEGORY
JUNE 28, 2024 THROUGH AUGUST 31, 2024**

Project Category	Total Hours	Total Fees
Case Administration	92.1	\$118,945.50
Asset Disposition	258.8	\$363,808.50
Meetings and Communications with Creditors	103.6	\$144,205.50
Court Hearings	61.1	\$88,286.50
Fee and Employment Applications	93.6	\$144,542.00
Assumption/Rejection of Leases	0.8	\$1,228.50
Contested and Litigation-Related Matters	302.8	\$390,587.00
Non-Working Travel	3.2	\$5,600.00
Financing/Cash Collateral	177.9	\$240,070.50
Claims Administration and Objections	1.7	\$2,875.00
Plan/Disclosure Statement	0.5	\$875.00
TOTALS	1,096.1	\$1,501,024.00
Less 15% Client Accommodation⁸		\$225,153.60
ADJUSTED TOTAL		\$1,275,870.40

⁸ As an accommodation to the Committee, McDermott has agreed to discount the amount of its monthly invoices by an amount equal to 15% of the aggregate fees requested in each such invoice.

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF VYAIRE MEDICAL, INC., *ET AL.*
EXPENSE SUMMARY
JUNE 28, 2024 THROUGH AUGUST 31, 2024**

Expense Category	Service Provider (if applicable)	Total Expenses
Outside Service	Reliable	\$4,205.66
Court Filing Fees		\$100.00
Transportation	Various	\$654.04
TOTAL		\$4,959.70

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FOR THE DISTRICT OF DELAWARE**

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Debtors.	)	(Jointly Administered)
	)	Obj. Deadline: 11/1/24 at 4:00 p.m. (ET)
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**FIRST INTERIM FEE APPLICATION OF MCDERMOTT WILL
& EMERY LLP, COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM JUNE 28, 2024 THROUGH AUGUST 31, 2024**

McDermott Will & Emery LLP (the “Applicant” or “McDermott”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Vyair Medical, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby applies (the “Interim Fee Application”), pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (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 *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* [Docket No. 218] (the “Interim

¹ The last four digits of Debtor Vyair Medical, Inc.’s federal tax identification number are 6495. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor’s federal tax identification number may be obtained on the website of the Debtors’ claims and noticing agent at <https://omniagentsolutions.com/Vyair>. The location of Debtor Vyair Medical, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26125 North Riverwoods Boulevard, Mettawa, Illinois, USA 60045.

Compensation Order”),² for allowance of compensation for services rendered and reimbursement of expenses incurred during the interim period from June 28, 2024 through August 31, 2024 (the “Interim Fee Period”), and respectfully represents as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider the Application 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 under 28 U.S.C. § 157(b). Venue of these cases and the Application in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The legal predicates for the relief requested herein are Bankruptcy Code sections 330 and 331, Bankruptcy Rule 2016, and Local Rule 2016-2.

3. McDermott confirms its consent, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with the Application in the event that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

BACKGROUND

A. The Chapter 11 Cases

4. On June 9, 2024 (the “Petition Date”), the Debtors commenced the Chapter 11 Cases by filing petitions for relief under chapter 11 of the Bankruptcy Code with the Court. The Debtors continue to operate their business and manage their properties as debtors and debtors in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Interim Compensation Order.

5. On June 26, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Committee under section 1102(a)(1) of the Bankruptcy Code. *See* Docket No. 121.

B. The Committee’s Retention of McDermott

6. On July 9, 2024, the Committee applied [Docket Nos. 215] to the Court for an order authorizing the Committee to retain and employ McDermott as its counsel, effective as of June 28, 2024. On July 30, 2024, the Court entered an order [Docket No. 336] authorizing such retention.

C. The Interim Compensation Order

7. On July 9, 2024, the Court entered the Interim Compensation Order, which establishes the procedures for interim compensation and reimbursement of expenses in the Chapter 11 Cases.

RELIEF REQUESTED

8. By the Interim Fee Application, Applicant seeks interim approval and allowance of compensation for professional services rendered in the amount of \$1,275,870.40, and reimbursement of actual and necessary expenses incurred in the amount of \$4,959.70, during the Interim Fee Period, including any and all holdbacks. Pursuant to the Interim Compensation Order, and as detailed in the chart below, McDermott filed two monthly fee applications during the Interim Fee Period that have not been heard by the Court for interim approval [Docket Nos. 402, 592] (together, the “Monthly Applications”):

MONTHLY FEE APPLICATION			REQUESTED FEES AND EXPENSES		APPROVED FEES AND EXPENSES		HOLDBACK
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Total			\$1,275,870.40	\$4,959.70	\$591,192.00	\$3,295.01	\$255,174.08

9. In support of this request for the interim allowance of all fees and expenses incurred by Applicant during the Interim Fee Period, McDermott incorporates herein by reference its Monthly Applications.

NOTICE

10. As required under the Interim Compensation Order, notice of the Interim Fee Application will be served on the Application Recipients. In addition, notice of the Interim Fee Application will be served on all parties that have requested notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

NO PRIOR REQUEST

11. No prior request for the relief sought in the Interim Fee Application has been made to this or any other court.

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WHEREFORE, McDermott respectfully requests that the Court enter an Order:

(i) granting the Interim Fee Application and authorizing interim allowance of compensation for professional services rendered in the amount of \$1,275,870.40, and reimbursement for actual and necessary costs incurred in the amount of \$4,959.70, (ii) directing payment by the Debtors of the foregoing amounts, including the 20% holdback of fees, as provided for in the Interim Compensation Order, and (iii) granting such other and further relief as the Court deems just and proper.

Dated: Wilmington, Delaware
October 11, 2024

MCDERMOTT WILL & EMERY LLP

/s/ David R. Hurst

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of Unsecured Creditors*