

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
:
AKORN, INC., *et al.*,¹ : Case No. 20-11177 (KBO)
:
Debtors. : (Jointly Administered)
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:
Obj. Deadline: October 5, 2020 at 4:00 p.m. (ET)
Hearing Date: October 21, 2020 at 10:00 a.m. (ET)
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FIRST INTERIM APPLICATION
OF GRANT THORNTON LLP FOR PAYMENT OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD MAY 20, 2020 THROUGH JULY 31, 2020

Name of Applicant: Grant Thornton LLP
Authorized to Provide Professional Services to: Debtors and Debtors in Possession
Date of Retention: Retention Order entered on June 23, 2020, *Nunc Pro Tunc* to May 20, 2020 [Docket No. 221]
Period for which compensation and reimbursement are sought: May 20, 2020 through July 31, 2020
Amount of compensation sought as actual, reasonable, and necessary: \$395,603.45
Amount of expense reimbursement sought as actual, reasonable, and necessary: \$0.00
This is a(n): ____monthly X interim ____final application

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors' service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.



**SUMMARY OF PRIOR FEE APPLICATIONS
DURING THE FIRST INTERIM PERIOD
MAY 20, 2020 THROUGH JULY 31, 2020:**

Date Filed / Docket No.	Period Covered	Total Amount Requested		Total Amount Paid to Date		Certificate of No Objection	Amount Outstanding
		Fees	Expenses	Fees	Expenses		
7/22/2020 Docket No. 367	5/20/2020 – 6/30/2020	\$186,652.25	\$0.00	\$0.00	\$0.00	8/13/2020 Docket No. 449	\$186,652.25
8/25/2020 Docket No. 568	7/1/2020 – 7/31/2020	\$208,951.20	\$0.00	\$0.00	\$0.00		\$208,951.20
Totals:		\$395,603.45	\$0.00	\$0.00	\$0.00		\$395,603.45

Summary of Any Objections to Monthly Fee Applications: None.

Compensation and reimbursement sought in this First Interim Fee Application not yet paid:
\$395,603.45

**COMPENSATION BY PROFESSIONAL
MAY 20, 2020 THROUGH JULY 31, 2020**

Professional	Title	Group	Hourly Rate	Hours	Fees
Adams, Evan Joseph	Manager	National Tax Office	610	1.3	793.00
Agarwala, Deepak	International Resource	National Tax Office - INDUS	220	7.8	1,705.00
Auclair, David B	Partner / Principal	National Tax Office	815	0.7	570.50
Bank, Catherine Lindsey	Associate	TEP	290	52.2	15,130.00
Berezin, David L	Partner / Principal	Tax Reporting & Advisory	815	43.2	35,167.25
Berry, Michael	Senior Manager	M&A Tax Services	695	3.0	2,085.00
Brady, Joshua T.	Partner / Principal	National Tax Office	815	1.3	1,059.50
Cavanaugh, Jennifer L	Partner / Principal	Professional Standards	815	1.5	1,222.50
Cordonnier, Caleb Michael	Senior Manager	National Tax Office	695	0.3	208.50
Cruz, Juan C	Senior Manager	Strategic Solutions	575	1.0	575.00
Daniel, Russell	Partner / Principal	M&A Tax Services	815	8.6	7,009.00
Dayton, Roderick P.	Senior Associate	Strategic Solutions	350	221.3	77,455.00
Dee, Julie A	Partner / Principal	Privately Held Business	815	1.8	1,467.00
Delfino, Lara	Senior Associate	TEP	450	18.5	8,325.00
Eichinger, Jeffrey R	Senior Manager	SALT	695	0.5	347.50
Ensinger, Bethany L	Manager	Tax Reporting & Advisory	380	9.9	3,762.00
Fairbanks, Gregory A	Managing Director	National Tax Office	815	0.5	407.50
Farmer, David Arthur	Senior Associate	TEP	450	18.4	8,280.00
Fasel, William J.	Managing Director	Strategic Solutions	650	111.2	72,280.00
Groberski, Scott E	Managing Director	SALT	760	5.0	3,800.00
Hruskocy, Adam	Senior Manager	SALT	348	4.9	1,705.20
Hughes, Laura Michael	Manager	M&A Tax Services	610	35.7	21,777.00
Iles, Kevin	Senior Associate	TEP	225	56.5	12,712.50
Jansen, Lauren Ziolo	Senior Manager	Tax Reporting & Advisory	435	28.9	12,571.50
Jansen, Lauren Ziolo	Senior Manager	Tax Reporting & Advisory	695	22.7	15,776.50
Joseph, Brandon M	Senior Manager	International Tax Services	695	2.2	1,529.00
Kang, Piljung	Associate	TEP	145	22.0	3,190.00
Kay, Sharon A	Partner / Principal	National Tax Office	815	2.8	2,282.00
Keith, Bryan D	Managing Director	National Tax Office	815	1.0	815.00
Kelly, Thomas J.	Managing Director	National Tax Office	760	0.4	304.00
Kinsey, Joann Garnet	Senior Associate	TEP	450	36.0	16,200.00
Kiruba, Evangelin	International Resource	National Tax Office - INDUS	220	17.0	3,740.00
Kumar, Nithin	International Resource	National Tax Office - INDUS	220	16.0	3,520.00
Lenahan, Abigail A	Associate	TEP	290	1.1	319.00
Park, Su Jean	Associate	TEP	290	6.2	1,792.50
Patton, William Christopher	Associate	TEP	290	0.3	87.00
Pomis, Brian M	Partner / Principal	SALT	815	2.1	1,711.50
Poulos, Peter	Partner / Principal	Tax Practice Policy and Quality	815	0.3	244.50
Ravi, Rajitha	International Resource	National Tax Office - INDUS	220	14.0	3,080.00
Russell, McKenna	Associate	TEP	290	0.5	145.00
Shi, Debbie Dingyi	Manager	Strategic Federal Tax Services	610	12.6	7,686.00
Shukla, Amith	International Resource	National Tax Office - INDUS	220	5.0	1,100.00
Siamis, Lauren Marie	Senior Manager	Strategic Solutions	575	4.1	2,357.50
Suttora, John C	Partner / Principal	National Tax Office	815	35.6	29,014.00
Suttora, John C	Partner / Principal	National Tax Office	510	2.2	1,122.00
Suttora, John C	Managing Director	National Tax Office	760	1.6	1,216.00
Trivedi, Shamik	Senior Manager	National Tax Office	435	0.5	217.50
Witherspoon, Sara	Associate	TEP	290	12.6	3,654.00
Yesnowitz, Jamie C	Partner / Principal	SALT	815	1.0	815.00
Total					392,333.45

The following professionals worked on an engagement on a fixed fee basis.

Professional	Title		Hourly Rate	Hours	Fees
Eichinger, Jeffrey R	Senior Manager	SALT	FF	2.2	595.60
Lucas-Nihei, Jeffrey	Associate	TEP	FF	6.8	1,838.64
Stingley, Angela LeeHelena	Senior Associate	TEP	FF	3.1	835.76
Total Fixed Fee					3,270.00
Total All					395,603.45

*Note that some Professionals have provided services under multiple Scopes of Work at different hourly rates and as such are listed multiple times.

FIRST INTERIM FEE APPLICATION EXPENSE SUMMARY
MAY 20, 2020 THROUGH JULY 31, 2020

Expense Category	Expense
Airfare	-
Ground Transportation	-
Lodging	-
Meals	-
Other	-
Total	-

Expense Category	Expense
Airfare	-
Ground Transportation	-
Lodging	-
Meals	-
Other	-
Total	-

FIRST INTERIM FEE APPLICATION COMPENSATION BY MATTER
MAY 20, 2020 THROUGH JULY 31, 2020

Description	Total Hours	Total Compensation
Engagement Planning, Supervision and Administration	60.8	36,204.00
Preparation of Fee Application and Monthly Statements	34.0	17,111.00
Preparation and Review of Information Requests and Related Data	11.9	4,304.50
Analysis and Preparation of Monthly Operating Results	0.5	325.00
Preparation and Analysis of Bankruptcy Schedules and Statements	189.8	78,400.00
Prepare for and Attend Court Hearings	7.1	4,255.00
Prep and Participation in Debtor Management Meetings	33.3	17,956.50
Meetings with Other Parties / Advisors / Stakeholders	7.1	4,525.00
Review/Analyze Real Property Leases and Executory Contracts	0.2	70.00
Advise/Review Plan of Reorg and Disclosure Statement	1.2	780.00
Accounting Support, Emergence Accounting & SEC Issues	37.9	15,311.70
Sales and Use Tax Return Preparation and Compliance Services	12.1	3,270.00
Sales and Use Tax Examination Assistance	11.0	4,099.50
Tax Provision Preparation Services	74.5	33,415.75
Debt Restructuring Tax Consulting and Modeling	86.7	44,958.00
Retention, Conflict Checks and Confidentiality Agreements	3.5	1,825.00
UNICAP Tax Consulting	101.4	40,222.00
R&D Tax Consulting	1.8	1,467.00
Tax Compliance Consulting	184.4	84,793.50
Vendor & Customer Management	6.6	2,310.00
Total	865.8	395,603.45

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AKORN, INC., <i>et al.</i> , ¹	:	Case No. 20-11177 (KBO)
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Debtors.	:	(Jointly Administered)
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	:	Obj. Deadline: October 5, 2020 at 4:00 p.m. (ET)
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**FIRST INTERIM APPLICATION
OF GRANT THORNTON LLP FOR PAYMENT OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD MAY 20, 2020 THROUGH JULY 31, 2020**

Grant Thornton LLP (“**Grant Thornton**”) as provider of tax and advisory services to Akorn, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), hereby files its first interim fee application (this “**Interim Fee Application**”) for: (a) interim allowance and payment of compensation for professional services rendered to the Debtors during the period from May 20, 2020 to and including July 31, 2020 (the “**Interim Compensation Period**”) in the amount of \$395,603.45; and (b) reimbursement of actual and necessary expenses incurred during the Interim Compensation Period in connection with such services in the amount of \$0.00, pursuant to sections 105(a), 330, and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Akorn, Inc. (7400); 10 Edison Street LLC (7890); 13 Edison Street LLC; Advanced Vision Research, Inc. (9046); Akorn (New Jersey), Inc. (1474); Akorn Animal Health, Inc. (6645); Akorn Ophthalmics, Inc. (6266); Akorn Sales, Inc. (7866); Clover Pharmaceuticals Corp. (3735); Covenant Pharma, Inc. (0115); Hi-Tech Pharmacal Co., Inc. (8720); Inspire Pharmaceuticals, Inc. (9022); Oak Pharmaceuticals, Inc. (6647); Olta Pharmaceuticals Corp. (3621); VersaPharm Incorporated (6739); VPI Holdings Corp. (6716); and VPI Holdings Sub, LLC. The location of the Debtors’ service address is: 1925 W. Field Court, Suite 300, Lake Forest, Illinois 60045.

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 Expenses of Professionals* (Docket No. 218) (the “**Interim Compensation Order**”). In support of this Interim Fee Application, Grant Thornton respectfully represents as follows:

JURISDICTION AND VENUE

1. 1. The United States Bankruptcy Court for the Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for relief requested herein are sections 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 Bankruptcy Rules for the District of Delaware (the “Local Bankruptcy Rules”), and the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals dated June 23, 2020 (the “Interim Compensation Order”) [Docket No. 218].

BACKGROUND

4. On May 20, 2020, (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, thereby commencing the above-captioned Chapter 11 Cases (the “Chapter 11 Cases”).

5. The Debtors are authorized to continue operating their businesses and managing their properties as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.
6. No trustee or examiner has been appointed in these Chapter 11 Cases.
7. On June 3, 2020, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Committee [Docket No. 125].

GRANT THORNTON’S RETENTION

8. On June 3, 2020, the Debtors filed its *Debtors’ Application for Entry of an Order Authorizing the Retention and Employment of Grant Thornton LLP as Tax and Advisory Consultant Effective as of the Petition Date* (the “Retention Application”) [Docket No. 132].
9. On June 23, 2020, the Bankruptcy Court entered the *Order Authorizing the Debtors to Retain and Employ Grant Thornton LLP as Tax, Valuation and Financial Reporting Consultants Effective as of the Petition Date* (the “Retention Order”) [Docket No. 219].
10. The Retention Order authorized Grant Thornton to be compensated pursuant to the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and the Interim Compensation Order.

RELIEF REQUESTED

11. By this Interim Fee Application, Grant Thornton requests interim allowance of compensation for services rendered to the Debtors during the Interim Compensation Period. In total, Grant Thornton requests interim allowance of \$395,603.45 in compensation for services rendered by Grant Thornton during the Interim Compensation Period, and \$0.00 in reimbursement of actual and necessary expenses

incurred by Grant Thornton in connection with such services during the Interim Compensation Period.

12. Time records reflecting the services provided to the Debtors by Grant Thornton during the Interim Compensation Period are attached to Grant Thornton's monthly fee statements previously filed with respect to the Interim Compensation Period (Docket Nos. 367 and 568). During the Interim Compensation Period, Grant Thornton professionals spent approximately 865.8 hours providing services to the Debtors.
13. The fees charged by Grant Thornton have been billed in accordance with the Retention Order and the Engagement Letters and are comparable to those fees charged by Grant Thornton for professional services rendered in connection with similar chapter 11 cases and non-bankruptcy matters.
14. Grant Thornton submits that such fees are reasonable based upon the customary compensation charged by similarly skilled practitioners in comparable bankruptcy cases and non-bankruptcy matters.
15. Grant Thornton incurred no certain necessary expenses during the Interim Compensation Period for which it is entitled to reimbursement under the Retention Order and the Engagement Letters. The total expenses incurred during the Interim Compensation Period are \$0.00, as set out in both the First and Second Monthly Fee Statements of Grant Thornton LLP.

CERTIFICATION OF COMPLIANCE

16. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that, to the best of his knowledge, information, and belief, this Application complies with that rule.

WHEREFORE, Grant Thornton requests (a) interim allowance and payment of compensation for professional services rendered to the Debtors during the Interim Compensation Period in the amount of \$395,603.45; and (b) reimbursement of actual and necessary expenses incurred during the Interim Compensation Period in connection with such services in the amount of \$0.00.

Dated: September 14, 2020

/s/ Bill Fasel

Bill Fasel
Managing Director
Grant Thornton LLP
171 North Clark Street
Chicago IL 60601

*Tax, Advisory, Valuation and Financial Reporting
Consultant to the Debtors-in-Possession*