

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
) Chapter 11
)
FIRST GUARANTY MORTGAGE)
CORPORATION, *et al.*,¹) Case No. 22-10584 (CTG)
)
) (Jointly Administered)
Debtors.)
_____)

Objection Deadline: January 11, 2023 at 4:00 p.m. (prevailing Eastern time)
Hearing Date: January 26, 2023 at 3:00 p.m. (prevailing Eastern time)

FIRST AND FINAL APPLICATION FOR COMPENSATION OF
STRATEGIC MORTGAGE FINANCE GROUP, LLC
AS INVESTMENT BANKER TO THE DEBTORS
FOR THE PERIOD FROM SEPTEMBER 8, 2022 THROUGH NOVEMBER 6, 2022

Name of Applicant:	Strategic Mortgage Finance Group, LLC
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	September 28, 2022, effective as of September 8, 2022
Period for which Compensation and Reimbursement is Sought:	September 8, 2022 to November 6, 2022
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$295,000
Amount of Expenses Sought as Actual, Reasonable and Necessary:	\$0
Total Compensation and Expenses Requested:	\$295,000

This is a: monthly interim x final application.

PRIOR MONTHLY APPLICATIONS FILED

None.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: First Guaranty Mortgage Corporation (9575); and Maverick II Holdings, LLC (5621). The Debtors' mailing address is 5800 Tennyson Parkway, Suite 450, Plano, TX 75024.



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Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the “Bankruptcy Rules”), and the Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered August 2, 2022 [Docket No. 268] (the “Administrative Order”), Strategic Mortgage Finance Group, LLC (“STRATMOR” or the “Firm”), investment banker for the debtors (the “Debtors”), hereby submits its first and final application for compensation and for reimbursement of expenses for the period from September 8, 2022 to November 6, 2022 (the “Application”).

By this Application, STRATMOR seeks final allowance of compensation in the amount of \$295,000 for the period September 8, 2022 to November 6, 2022 (the “Final Period”).

In support of this Application, STRATMOR respectfully represents as follows:

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: First Guaranty Mortgage Corporation (9575); and Maverick II Holdings, LLC (5621). The Debtors' mailing address is 5800 Tennyson Parkway, Suite 450, Plano, TX 75024.

Background

A. General Background

1. On June 30, 2022 (the “Petition Date”), the Debtors commenced these cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued in the possession of their property and have continued to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors’ chapter 11 cases. On July 14, 2022, the Office of the United States Trustee appointed an official committee of unsecured creditors in these chapter 11 cases (the “Committee”).

2. 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).

B. STRATMOR’s Retention

3. The retention of STRATMOR, as investment banker for the Debtors, was approved effective as of September 8, 2022 by this Court’s *Order Pursuant to U.S.C. §§ 327 and 328(a), Fed. Bankr. P. 2014 and 5002, and Local Rules 2014-1 and 2016-2 Authorizing Retention and Employment of STRATMOR as Investment Banker to the Debtors, Effective September 8, 2022* [Docket No. 490] (the “Retention Order”). The Retention Order authorized STRATMOR to provide the following services to the Debtors:

- a) marketing for sale certain remaining assets of the Debtors, including, but limited to: the “shell” entity containing Fannie Mae and Freddie Mac Seller/Servicer licenses; State licenses used by the Debtors to operate their business (collectively, the “Assets”);
- b) identifying prospective buyers and managing the process to solicit bids for review by the Debtors and assist in the process through closing of the transaction as outlined in the Sale Procedure Motion;
- c) assisting in the development and distribution of selected information,

documents and other materials, including, if appropriate, advising the Debtors in the preparation of an offering memorandum;

- d) assisting the Debtors in evaluating indications of interest and proposals regarding any transaction(s) from current and / or potential lenders, equity investors, acquirers and / or strategic partners;
- e) assisting the Debtors with the negotiation of any transaction(s), including participation in negotiations with creditors and other parties involved in any transaction(s);
- f) providing expert advice and testimony regarding financial matters related to any transaction(s), if necessary;
- g) attending meetings of the Board of Directors, creditor groups, official constituencies and other interested parties, as the Debtors and STRATMOR mutually agree; and
- h) providing such other investment banking services as may be agreed upon by STRATMOR and the Debtors.

4. In consideration of the services provided by STRATMOR, the Retention Order authorized the Debtors to pay STRATMOR the following compensation (the “Fee and Expense Structure”):

- a) **Monthly Fee.** The Debtors shall make monthly payments to STRATMOR of \$15,000 beginning from the execution of the Engagement Agreement and continuing through the closing of a transaction with a seller (with the first three months paid in advance);
- b) **Transaction Fee.** The Debtors shall pay STRATMOR \$250,000 at Closing of a transaction pursuant to the process set forth in Section II of the Engagement Agreement; and
- c) **Termination Fee.** The Debtors shall pay STRATMOR \$50,000 if qualified bids are received and the Debtors do NOT proceed with a transaction for any reason.

C. The Sale Transaction

5. On September 29, 2022, the Court entered the *Order: (A) Approving Bidding Procedures for One or More Sales or the Sale of Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter Into One or More Stalking Horse Agreements and to Provide Bid Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (F) Granting Related Relief* [Docket No. 499] (the “Bidding Procedures Order”).

6. The Bidding Procedures Order established October 21, 2022 as the deadline (the “Bid Deadline”) for submitting bids for some or all of the Assets. As of the Bid Deadline, three parties submitted bids (the “Bidders”). STRATMOR, at the direction of the Debtors, engaged in follow up discussions with the Bidders in an effort to qualify bids and identify issues related to the bids. As a result of these follow up discussions, pursuant to the Bidding Procedures and the Bidding Procedures Order, the Debtors, in consultation with their advisors and the Committee (as Consultation Party), selected LVS II SPE XXXIV LLC and/or its designee as successful bidder (the “Successful Bidder”). On October 24, 2022, the Debtors filed the *Notice of Successful Bidder and Cancellation of Auction* [Docket No. 598]. A hearing (the “Sale Hearing”) to seek approval of the Sale to the Successful Bidder was originally scheduled for October 31, 2022. Prior to the Sale Hearing, the Successful Bidder asked to adjourn the Sale Hearing to a date to be determined.

7. As of the date hereof, no closing of the Sale or transfer of the IP Assets have occurred.

Description of Services Rendered

8. On September 6, 2022, the Debtors entered into an engagement letter with STRATMOR to provide investment banking services in connection with the sale of the Assets. STRATMOR immediately began its efforts on behalf of the Debtors to sell the Assets to maximize value for the Debtors and their stakeholders.

9. Specifically, since its retention by the Debtors, STRATMOR conducted a thorough market analysis for the Debtors, drafted marketing materials, completed a data room for the Debtors, contacted entities potentially interested in acquiring the Assets, and responded to various inquiries from the Debtors, their advisors, and third parties who might be interested in acquiring the Assets.

10. STRATMOR's marketing efforts in connection with the sale process consisted of, among other things: (i) reviewing its extensive industry database to determine prospects who may be interested in the Assets; (ii) preparing a teaser document and confidential information memorandum (CIM) to provide to prospects; (iii) creating a secured private data room with information related to the Assets; (iv) contacting 65 strategic buyers to solicit interest in a potential sale transaction, and (ii) engaging in substantial discussions with 36 prospects regarding the Assets. Confidentiality agreements were executed by 18 potential buyers, who were provided with due diligence materials and the necessary information upon which they could make a proposal. Substantive follow-up discussions were thereafter had with approximately all potential purchasers, and 35 meetings occurred to discuss potential interest.

Compensation Earned

11. STRATMOR has previously been paid its initial Monthly Fee for three months (\$45,000). Upon closing of the transaction with the Successful Bidder, or upon the alternative reasonable terms the Debtors described below, STRATMOR shall earn a Transaction Fee of \$250,000.

12. An invoice of STRATMOR's requested fees and expenses, that includes detailed descriptions of tasks performed by STRATMOR personnel, is attached hereto as **Exhibit A**.

Basis for Requested Relief

13. The Debtors retained STRATMOR as their investment banker because, among other things, STRATMOR has extensive experience and an excellent reputation in providing high quality services to debtors and creditors in mortgage-related financial restructurings and bankruptcy proceedings. By this Application, STRATMOR requests that the Court approve payment of STRATMOR's fees and expenses on a final basis, regardless upon the closing of the Sale to the Successful Bidder.

14. At all relevant times, STRATMOR has not represented, and does not represent, any party having an interest adverse to these cases. All services for which STRATMOR requests compensation were performed for or on behalf of the Debtors.

15. As a direct result of STRATMOR's efforts, the Debtors were able to identify a Successful Bidder. STRATMOR's resources, capabilities, and experience were crucial to achieving successful results in this chapter case. STRATMOR worked closely with the Debtors, its management, and its other advisors, becoming well acquainted with, among other things, the Debtors' assets and all potential liabilities. Further, after receipt of initial expressions of interest

from potential purchasers, STRATMOR worked extensively with all bidders to respond to due diligence requests and to refine bids to meet the requirements of the bid procedures.

16. Notwithstanding the fact that the IP Assets have not yet been transferred to the Successful Bidder, the Debtors assert that the Sale should be deemed “closed” for purposes of approving STRATMOR’s Transaction Fee in these cases. Pursuant to the STRATMOR Engagement Agreement, STRATMOR is entitled to its Transaction Fee upon (a) the closing of transaction to the Successful Bidder or (b) a closing of a transaction within 12 months to an entity “identified and qualified by STRATMOR during this search engagement....” As of the Effective Date of the Debtors’ confirmed Plan, the IP Assets have not yet been transferred and remain property of the Debtors. The Confirmation Order provides that “title to the IP-Related Assets shall remain with the Debtors until they are either sold pursuant to the Bidding Procedures Order and Sale Motion or transferred to the Liquidating Trust.” *See Findings of Fact, Conclusions of Law, and Order (I) Approving Disclosures on a Final Basis and (II) Confirming the Amended Combined Disclosure Statement and Chapter 11 Plan of First Guaranty Mortgage Corporation and Debtor Affiliate* [Docket No. 671] (the “Confirmation Order”) at ¶11. Because the Debtors and/or the Liquidating Trust have no continuing business or need for the IP Assets, only two outcomes of the Debtors’ sale efforts remain logical: either (a) the Debtors close the sale to the Successful Bidder by transferring the IP Assets pursuant to the Bidding Procedures and proposed sale order, or (b) the Debtors transfer the IP Assets to the Liquidating Trust, and the Liquidating Trust immediately monetizes the IP Assets by following up with the same interested parties that STRATMOR qualified as bidders (but whom were not deemed the Successful Bidder through the process outlined in the Bidding Procedures Order).

In either case, STRATMOR will ultimately earn its Transaction Fee for its service to the estate in these cases.

17. Given the results obtained, STRATMOR respectfully submits that the services for which it seeks compensation were necessary for, beneficial to, and in the best interests of, the Debtors. STRATMOR further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors.

18. STRATMOR has endeavored to represent the Debtors in the most efficient manner possible. Moreover, STRATMOR has endeavored to coordinate with the other professionals involved in this case so as to minimize any duplication of effort and to minimize fees and expenses to the Debtors.

19. STRATMOR has received no payment and no promises for payment from any source other than from the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between STRATMOR and any other person other than the partners of STRATMOR for the sharing of compensation to be received for services rendered in these cases.

20. Section 328(a) of the Bankruptcy Code provides the trustee, or a committee appointed under section 1102, with the court's approval, may employ or authorize the employment of a professional person under section 327 or 1103, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis. 11 U.S.C. § 328(a). Section 328 also says:

The court may allow compensation different from the compensation provided under such terms and conditions after the conclusion of such employment, if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.

11 U.S.C. § 328(a).

21. The professional services performed provided in this case by STRATMOR were appropriate and necessary. They were in the best interests of the Debtors and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional services were performed in an appropriately expeditious and efficient manner. Further, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by STRATMOR is fair and reasonable given (a) the complexity of the case, (b) the time expended, (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 the Bankruptcy Code.

WHEREFORE, STRATMOR respectfully requests that the Court enter an order, in the form attached hereto, providing that a final allowance be made to STRATMOR in the sum of \$295,000 as compensation for necessary professional services rendered; and that the Debtor be authorized to pay to STRATMOR the outstanding amount of such sums immediately and without considering of the timing of the closing of the Sale transaction; and for such other and further relief as may be just and proper.

Dated: December 21, 2022

Strategic Mortgage Finance Group, LLC

/s/ Garth Graham

Garth Graham
Senior Partner

CERTIFICATION

Garth Graham, hereby certifies:

- a) I am a senior partner of the applicant, Strategic Mortgage Finance Group, LLC
- b) I am familiar with the work performed on behalf of the Debtor by the professionals of Strategic Mortgage Finance Group, LLC
- c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Del. Bankr. LR 2016-2 and the Administrative Order signed on or about August 2, 2022, and submit that the Application substantially complies with such Rule and Order, to the extent that Strategic Mortgage Finance Group, LLC's compliance therewith has not been waived as set forth in the Retention Order.

/s/ Garth Graham
Garth Graham

EXHIBIT A

STRATMOR INVOICE



Invoice

P.O. Box 271452
Littleton, CO 80127

Date	Invoice #
12/8/2022	9607

Bill To:

First Guaranty Mortgage Corp
Attn: Aaron Samples
5800 Tennyson Parkway
Plano, TX 75024

P.O. No.**Terms**

Due on receipt

Description	# Hours/Qty	Rate	Amount
Sell Side Transaction - Success Fee Invoice 6713UF for upfront fee dated 9/8/22 for \$45,000 -- Paid \$45,000 on 10/17/22 Invoice 9422 dated 9/30/22 for \$15,000 -- Used portion of upfront fee (\$30,000 remaining) Invoice 9523 dated 10/31/22 for \$15,000 -- Used portion of upfront fee (\$15,000 remaining) Invoice 9603 dated 11/30/22 for \$15,000 -- Used remaining balance of upfront fee		250,000.00	250,000.00

ACH and Wire Instructions
First Citizens Bank
Address: 1601 28th St., Boulder, CO 80301
Routing Number: 102089644
ABA Wiring #: 053100300
Account Number: 009560168945

Total \$250,000.00

Payments/Credits \$0.00

Balance Due \$250,000.00

Day	STRATMOR Employee	Hours	Activities
9/12/2022	Garth Graham	1	Initial meeting (0.5), Research (0.5)
	David Hrobon	0.5	Initial meeting (0.5)
	Sarah Houser	0.5	Initial meeting (0.5)
9/13/2022	Garth Graham	2.5	Kick-off meeting (0.5), Prospect list creation and review (2)
	David Hrobon	1.75	Kick-off meeting (0.5), Prospect list creation and review (1.25)
	Sarah Houser	1.5	Kick-off meeting (0.5), Prospect list creation and review (1)
9/14/2022	Garth Graham	2.5	Prospect communication (2), Recurring meeting (0.5)
	David Hrobon	1.25	Prospect communication (0.75), Recurring meeting (0.5)
	Sarah Houser	1.5	Prospect list management (1), Recurring meeting (0.5)
9/15/2022	Garth Graham	4	Prospect communication (3.5), Meeting to review teaser and prospects (0.5)
	David Hrobon	0.5	Meeting to review teaser and prospects (0.5)
	Sarah Houser	1.5	Prospect list management (1), Meeting to review teaser and prospects (0.5)
9/16/2022	Garth Graham	5	Prospect communication (3), Prospect meeting (0.5), Recurring meeting (0.5)
	David Hrobon	1	Prospect meeting (0.5), Recurring meeting (0.5)
	Sarah Houser	2.5	Prospect communication (1), Prospect list management (0.5), Prospect meeting (0.5), Recurring meeting (0.5)
9/18/2022	Garth Graham	2	Prospect communication (2)
9/19/2022	Garth Graham	4	Prospect communication (1.5), Data review (1), Prospect meeting (1), Recurring meeting (0.5)
	David Hrobon	0.5	Recurring meeting (0.5)
	Sarah Houser	1.5	Prospect meeting (1), Recurring meeting (0.5)
9/20/2022	Garth Graham	4	Prospect communication (3), Prospect discussion - internal (1)
	David Hrobon	1	Prospect discussion - internal (1)
	Sarah Houser	1	Prospect discussion - internal (1)
9/21/2022	Garth Graham	4	Data review (3), Recurring meeting (0.5)
	David Hrobon	2	Prospect communication (1), Recurring meeting (0.5)
	Sarah Houser	2.5	CIM presentation (2), Recurring meeting (0.5)
9/22/2022	Garth Graham	2	CIM presentation (2)
	David Hrobon	1	CIM presentation (1)
	Sarah Houser	1.5	CIM presentation (1.5)
	Mike Mayer	1	Data analysis (1)
9/23/2022	Garth Graham	4	CIM presentation (3.5), Recurring meeting (0.5)
	David Hrobon	0.5	Recurring meeting (0.5)
	Sarah Houser	1.75	CIM presentation (1.25), Recurring meeting (0.5)
	Mike Mayer	1	Data analysis (1)
9/26/2022	Garth Graham	1	Prospect communication (0.5), Recurring meeting (0.5)
	David Hrobon	1	Prospect communication (0.5), Recurring meeting (0.5)
	Sarah Houser	2	Prospect list management (1), CIM presentation (0.5), Recurring meeting (0.5)
	Mike Mayer	1	Data analysis (1)
9/27/2022	Garth Graham	2	Sale procedure meeting (1), CIM presentation (1)
	David Hrobon	1.5	Sale procedure meeting (1), CIM presentation (1)
	Sarah Houser	1.5	Sale procedure meeting (1), Prospect list management (0.5)
	Mike Mayer	1	Data analysis (1)
9/28/2022	Garth Graham	2.5	CIM presentation (1), Prospect communication (1), Recurring meeting (0.5)
	David Hrobon	1.5	CIM presentation (1), Recurring meeting (0.5)
	Sarah Houser	1.5	CIM presentation (1), Recurring meeting (0.5)
9/29/2022	Garth Graham	4	Prospect communication (4)
	David Hrobon	1.5	Prospect communication (1.5)
	Sarah Houser	1.5	Prospect list management (1.5)
9/30/2022	Garth Graham	4	Prospect meeting (1), CIM presentation (1), Prospect communication (1.5), Recurring meeting (0.5)
	David Hrobon	1.5	Prospect meeting (1), Recurring meeting (0.5)
	Sarah Houser	2.75	Prospect meeting (1), Prospect list management (1.25), Recurring meeting (0.5)
10/2/2022	Garth Graham	2	Prospect communication (2)
10/3/2022	Garth Graham	4	Meeting with Dentons (1), Prospect meeting (0.5), Prospect communications (2), Recurring meeting (0.5)
	David Hrobon	2.5	Meeting with Dentons (1), Prospect meeting (0.5), Prospect communications (0.5), Recurring meeting (0.5)
	Sarah Houser	2.5	Meeting with Dentons (1), Prospect meeting (0.5), Prospect communications (0.5), Recurring meeting (0.5)
10/4/2022	Garth Graham	4	Prospect meeting (1), Prospect communication (2)
	David Hrobon	1.5	Prospect meeting (1), Prospect communication (0.5)
	Sarah Houser	2	Prospect meeting (1), Prospect list management (1)
10/5/2022	Garth Graham	2	Prospect communication (1.5), Recurring meeting (0.5)
	David Hrobon	2	Prospect communication (1.5), Recurring meeting (0.5)
	Sarah Houser	2	Prospect communication (1.5), Recurring meeting (0.5)
10/6/2022	Garth Graham	4	Prospect meetings (2.5), Prospect communication (1.5)
	David Hrobon	2.5	Prospect meetings (2.5)
	Sarah Houser	2	Prospect meetings (2)
10/7/2022	Garth Graham	2	Prospect communication (1), Recurring meeting (0.5), DIP Lender meeting (0.5)
	David Hrobon	2	Prospect communication (1), Recurring meeting (0.5), DIP Lender meeting (0.5)
	Sarah Houser	2.75	Prospect communication and list management (1.75), Recurring meeting (0.5), DIP Lender meeting (0.5)
10/10/2022	Garth Graham	4	Prospect meeting (1), Prospect communication (2.5), Recurring meeting (0.5)
	David Hrobon	1.5	Prospect meeting (1), Recurring meeting (0.5)
	Sarah Houser	2.75	Prospect meeting (1), Prospect list management (1.25), Recurring meeting (0.5)
10/11/2022	Garth Graham	4.5	Review Stalking Horse Bid (1), Prospect meeting (2), Prospect communication (1.5)
	David Hrobon	3.75	Review Stalking Horse Bid (1), Prospect meeting (2), Prospect communication (0.75)
	Sarah Houser	3	Review Stalking Horse Bid (1), Prospect meeting (2)
10/12/2022	Garth Graham	5	Stalking Horse Meeting (0.5), Recurring meeting (0.5), DIP Lender meeting (1), Prospect communication (3)
	David Hrobon	4	Stalking Horse Meeting (0.5), Recurring meeting (0.5), DIP Lender meeting (1), Prospect communication (2)
	Sarah Houser	2.5	Stalking Horse Meeting (0.5), Recurring meeting (0.5), DIP Lender meeting (1), Prospect list management (0.5)

Day	STRATMOR Employee	Hours	Activities
10/13/2022	Garth Graham	4.5	Prospect meeting (1), Prospect communication (3.5)
	David Hrobon	2.5	Prospect meeting (1), Prospect communication (1.5)
	Sarah Houser	2.5	Prospect meeting (1), Prospect communication (1.5)
10/14/2022	Garth Graham	4	Prospect communication (2), Recurring meeting (0.5), Document preparation (1.5)
	David Hrobon	2.5	Prospect communication (2), Recurring meeting (0.5)
	Sarah Houser	2.5	Prospect communication (2), Recurring meeting (0.5)
10/16/2022	Garth Graham	2	Prospect communication (2)
10/17/2022	Garth Graham	4.5	Prospect communication (4), Recurring meeting (0.5)
	David Hrobon	2	Prospect communication (1.5), Recurring meeting (0.5)
	Sarah Houser	2	Prospect communication (1.5), Recurring meeting (0.5)
10/18/2022	Garth Graham	4	Prospect meeting (1), Prospect communication (3)
	David Hrobon	1.5	Prospect meeting (1), Prospect communication (0.5)
	Sarah Houser	1.5	Prospect meeting (1), Prospect list management (0.5)
10/19/2022	Garth Graham	6	Prospect communication (3), Document preparation (2.5), Recurring meeting (0.5)
	David Hrobon	1.5	Document preparation (1), Recurring meeting (0.5)
	Sarah Houser	2	Document preparation (1.5), Recurring meeting (0.5)
10/20/2022	Garth Graham	6	Document preparation (3), Prospect communication (2), Meeting to review bids (1)
	David Hrobon	2	Document preparation (1), Meeting to review bids (1)
	Sarah Houser	2.5	Document preparation (2), Prospect list management (0.5)
10/21/2022	Garth Graham	3	Recurring meeting (0.5), Discussion meeting (0.5), Document preparation (2)
	David Hrobon	1	Recurring meeting (0.5), Discussion meeting (0.5)
	Sarah Houser	1.5	Recurring meeting (0.5), Document preparation (1)
10/23/2022	Garth Graham	2	Document preparation (2)
10/24/2022	Garth Graham	0.75	Recurring meeting (0.75)
	David Hrobon	0.75	Recurring meeting (0.75)
	Sarah Houser	0.75	Recurring meeting (0.75)
10/25/2022	Sarah Houser	0.75	Data analysis (0.75)
10/26/2022	Garth Graham	2.5	Communications (2), Recurring meeting (0.5)
	David Hrobon	1.25	Communications (0.75), Recurring meeting (0.5)
	Sarah Houser	1.25	Communications (0.75), Recurring meeting (0.5)
10/27/2022	Garth Graham	2	Communications (1.5), Discussion meeting (0.5)
	David Hrobon	0.5	Discussion meeting (0.5)
	Sarah Houser	0.5	Discussion meeting (0.5)
10/28/2022	Garth Graham	1	Recurring meeting (0.5), Discussion meeting (0.5)
	David Hrobon	1	Recurring meeting (0.5), Discussion meeting (0.5)
	Sarah Houser	1	Recurring meeting (0.5), Discussion meeting (0.5)
10/30/2022	Garth Graham	0.5	Communications (0.5)
10/31/2022	Garth Graham	0.5	Communications (0.5)
11/2/2022	Garth Graham	0.5	Communications (0.5)
	Sarah Houser	0.25	Document preparation (0.25)
11/3/2022	Garth Graham	0.5	Communications (0.5)
	Total Hours	245	

EXHIBIT B

PROPOSED ORDER

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

In re:

FIRST GUARANTY MORTGAGE
CORPORATION, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-10584 (CTG)

(Jointly Administered)

**ORDER GRANTING FIRST AND FINAL APPLICATION FOR COMPENSATION OF
STRATEGIC MORTGAGE FINANCE GROUP, LLC
AS INVESTMENT BANKER TO THE DEBTORS
FOR THE PERIOD FROM SEPTEMBER 8, 2022 THROUGH NOVEMBER 6, 2022**

Strategic Mortgage Finance Group, LLC (“STRATMOR”), as investment banker for the Debtors (the “Debtors”) in the above-captioned cases, filed its First and Final Application for Compensation and for Reimbursement of Expenses for the Period from September 8, 2022 through November 6, 2022 (the “Final Application”). The Court has reviewed the Final Application and finds that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) notice of the Final Application, and any hearing on the Final Application, was adequate under the circumstances; and (c) all persons with standing have been afforded the opportunity to be heard on the Final Application. Accordingly, it is hereby

ORDERED that the Final Application is GRANTED, on a final basis. Upon the closing of the sale to the Successful Bidder, the Debtor in the above case may pay STRATMOR the sum of \$295,000 as compensation for necessary professional services rendered for the period September 8, 2022 to November 6, 2022, less any amounts previously paid; and

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: First Guaranty Mortgage Corporation (9575); and Maverick II Holdings, LLC (5621). The Debtors' mailing address is 5800 Tennyson Parkway, Suite 450, Plano, TX 75024.

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

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

In re:)	
)	Chapter 11
)	
FIRST GUARANTY MORTGAGE)	Case No. 22-10584 (CTG)
CORPORATION, <i>et al.</i> , ¹)	
)	(Jointly Administered)
Debtors.)	
)	

Objection Deadline: January 11, 2023 at 4:00 p.m. (prevailing Eastern time)
Hearing Date: January 26, 2023 at 3:00 p.m. (prevailing Eastern time)

**NOTICE OF FIRST AND FINAL APPLICATION FOR COMPENSATION OF
STRATEGIC MORTGAGE FINANCE GROUP, LLC
AS INVESTMENT BANKER TO THE DEBTORS
FOR THE PERIOD FROM SEPTEMBER 8, 2022 THROUGH NOVEMBER 6, 2022**

TO: (a) the Office of the United States Trustee; (b) counsel to LVS II SPE XXXIV LLC; and
(c) any party that has requested notice pursuant to Bankruptcy Rule 2002

PLEASE TAKE NOTICE THAT on December 21, 2022, the above-captioned debtors and debtors in possession (the “Debtor”) filed the *First and Final Application for Compensation of Strategic Mortgage Finance Group, LLC as Investment Banker to the Debtors for the Period From September 8, 2022 through November 6, 2022* (the “Application”) with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801 (the “Bankruptcy Court”). A copy of the Application is attached hereto.

PLEASE TAKE FURTHER NOTICE that any response or objection to the entry of an order with respect to the relief sought in the Application must be filed with the Bankruptcy Court on or before **January 11, 2023 at 4:00 p.m. prevailing Eastern time.**

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are: First Guaranty Mortgage Corporation (9575); and Maverick II Holdings, LLC (5621). The Debtors’ mailing address is 5800 Tennyson Parkway, Suite 450, Plano, TX 75024.

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the response or objection upon: (i) counsel to the Debtors and Tanya Meerovich, Liquidating Trustee, FGMC Liquidating Trust, Dentons US LLP, 601 S. Figueroa Street, #2500, Los Angeles, CA 90017, Attn: Samuel R. Maizel, Esq. (samuel.maizel@dentons.com) and Tania M. Moyron, Esq. (tania.moyron@dentons.com) and Pachulski, Stang, Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, Attn: Laura Davis Jones, Esq. (ljones@pszjlaw.com), Timothy P. Cairns, Esq. (tcairns@pszjlaw.com), and Mary F. Caloway, Esq. (mcaloway@pszjlaw.com); (ii) counsel to LVS II SPE XXXIV LLC, Greenberg Traurig, LLP (Attn: Nancy Peterman (PetermanN@gtlaw.com), John D. Elrod (ElrodJ@gtlaw.com), Joseph Davis (DavisJ@gtlaw.com), and Danny Duerdoth (duerdothD@gtlaw.com); and (iii) the Office of The United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Benjamin Hackman, Esq. (benjamin.a.hackman@usdoj).

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE MOTION WILL BE HELD ON JANUARY 26, 2023 AT 3:00 P.M. (EASTERN TIME) BEFORE THE HONORABLE CRAIG T. GOLDBLATT, UNITED STATES BANKRUPTCY COURT JUDGE, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, 3RD FLOOR, COURTROOM NO. 7, WILMINGTON, DELAWARE 19801.

Dated: December 21, 2022

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Laura Davis Jones

Laura Davis Jones (DE Bar No. 2436)
Timothy P. Cairns (DE Bar No. 4228)
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, Delaware 19899 (Courier 19801)
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-and-

DENTONS US LLP

Samuel R. Maizel (*Pro Hac Vice*)
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*Counsel to the Debtors and Debtors in Possession
and Tanya Meerovich, Liquidating Trustee, FGMC
Liquidating Trust*