

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

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:
In re : Chapter 11
:
Orexigen Therapeutics, Inc.¹ : Case No. 18-10518 (KG)
:
Debtor. :
:
: **Objection Deadline: Jan. 4, 2019 at 4:00 p.m. (ET)**
: **Hearing Date: Jan. 25, 2019 at 11:00 a.m. (ET)**
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**THIRD INTERIM APPLICATION OF BERKELEY RESEARCH GROUP, LLC FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS DURING THE PERIOD
FROM SEPTEMBER 1, 2018 THROUGH NOVEMBER 30, 2018**

Name of Applicant: Berkeley Research Group, LLC

Authorized to Provide Professional Services to: The Official Committee of Unsecured Creditors (the "Committee")

Date of Retention: May 15, 2018 *nunc pro tunc* to March 27, 2018

Period for which Compensation and reimbursement is sought: September 1, 2018 through November 30, 2018

Amount of compensation sought as actual, reasonable and necessary: \$8,178.50

Amount of expense reimbursement sought as actual, reasonable and necessary: \$0.00²

This is an: ___ monthly X interim ___ final application

The total time expended for fee application preparation is approximately 5.0 hours and the corresponding compensation requested is approximately \$1,393.00.

¹ The last four digits of the Debtor's federal tax identification number, are 8822.

² The date listed for expenses contained in Exhibit B does not necessarily reflect the date on which the expense was actually incurred by Applicant.



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Attachment A - Prior Applications Filed:

<i>Application</i>		<i>Requested</i>		<i>CNO</i>	<i>Paid</i>		<i>Unpaid</i>
Date Filed/ Docket No.	Period Covered	100% Total Fees	100% Expenses	Date Filed/ Docket No.	Fees	Expenses	Fees and Expenses
7/26/2018 Dkt No. 631	3/27/2018 - 5/31/2018	\$233,353.00	\$2,102.00	8/22/2018 Dkt No. 702	\$186,682.40	\$2,102.00	\$46,670.60
10/16/2018 Dkt No. 631	6/1/2018- 8/31/2018	\$67,095.00	\$767.25	10/31/2018 Dkt No. 809	\$53,676.00	\$767.25	\$13,419.00

Orexigen Therapeutics, Inc.**Berkeley Research Group, LLC****Attachment B: Fees By Professional**

For the Period 9/1/2018 through 11/30/2018

Professional	Title	Billing Rate	Hours	Fees
M. Haverkamp	Case Assistant	\$195.00	3.9	\$760.50
R. Cohen	Associate	\$295.00	15.4	\$4,543.00
S. Tajuddin	Director	\$575.00	5.0	\$2,875.00
Total			24.3	\$8,178.50
Blended Rate				\$336.56

Orexigen Therapeutics, Inc.**Berkeley Research Group, LLC****Attachment C: Fees By Task Code**

For the Period 9/1/2018 through 11/30/2018

Task Code	Hours	Fees
05. Professional Retention Fee Application Preparation	5.0	\$1,393.00
11. Claim Analysis/Accounting	17.4	\$5,693.00
19. Cash Flow/Cash Management Liquidity	1.2	\$690.00
27. Plan of Reorganization/Disclosure Statement	0.7	\$402.50
Total	24.3	\$8,178.50
Blended Rate		\$336.56

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Orexigen Therapeutics, Inc. ¹	:	Case No. 18-10518 (KG)
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COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
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COMMITTEE OF UNSECURED CREDITORS DURING THE PERIOD
FROM SEPTEMBER 1, 2018 THROUGH NOVEMBER 30, 2018**

Berkeley Research Group, LLC (“BRG”), financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtor and debtor-in-possession (collectively, the “Debtor”), hereby submits its third interim fee application (the “Application”) for an order pursuant to sections 105(a), 330 and 331 chapter 11 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 for the United States Bankruptcy Court of the District of Delaware (the “Local Rules”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Order”), entered April 17, 2018, and the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, effective January 30, 1996 (the “U.S. Trustee Guidelines”) seeking (a) the allowance of reasonable compensation for professional services rendered by BRG

¹ The last four digits of the Debtor's federal tax identification number, are 8822.

to the Committee during the period from September 1, 2018 through November 30, 2018 (the “Fee Period”) and (b) reimbursement of actual and necessary charges and disbursements incurred by BRG during the Fee Period in the rendition of required professional services on behalf of the Committee. In support of this Application, BRG represents as follows:

JURISDICTION

1. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over 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. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

2. The statutory bases for the relief requested herein are sections 105(a), 330, 331, and 503(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

BACKGROUND

3. On March 12, 2018 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Court (the “Case”). The Debtor is authorized to continue to operate its business and manage its properties as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this case.

4. On March 27, 2018, 2017 (the “Formation Date”), the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed three of the Debtor’s unsecured creditors to serve as members of the Committee. The Committee is presently comprised of the following members: (i) Wilmington Savings Fund Society, FSB as Indenture Trustee, (ii) McKesson, Specialty Health, and (iii) Young & Rubicam, LLC.

5. On the Formation Date, the Committee selected BRG to serve as its financial advisor. The Committee has also selected Irell & Manella LLP and Elliott Greenleaf P.C. (together, “Counsel”) to serve as its counsel and Delaware counsel respectively. On May 15, 2018, the Court entered an order approving the retention of BRG *nunc pro tunc* to March 27, 2018.

FEE PROCEDURES ORDER

6. On April 17, 2018, this Court signed the Interim Compensation Order. Pursuant to the Interim Compensation Order, on or after the fifteenth (15) day of each full calendar month (the “Fee Filing Period”) following the month for which compensation and reimbursement is sought (the “Compensation Period”), each Professional seeking interim compensation may file with the Court a monthly application (each a “Monthly Fee Application”) pursuant to section 331 of the Bankruptcy Code for interim approval and allowance of compensation for services rendered and reimbursement of expenses during the Compensation Period. Each Notice Party shall have fourteen (14) days after service of a Monthly Fee Application to review the Monthly Fee Application and object thereto (the “Objection Deadline”). Upon the expiration of the Objection Deadline, if no objections have been filed, the Professional shall file a certificate of no objection and the Debtor shall then be authorized to pay such Professional eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Monthly Fee Application not subject to an objection.

SUMMARY OF SERVICES RENDERED

7. BRG is a global strategic advisory and expert consulting firm that provides independent expert testimony, litigation and regulatory support, authoritative studies, strategic advice, advisory services relating to restructuring and turnaround, due diligence, valuation, and capital markets, and document and data analytics to major law firms, Fortune 500 corporations, government agencies, and regulatory bodies around the world.

8. Since being retained by the Committee, BRG has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the unsecured creditors of the Debtor's estate. BRG respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and have directly benefited the creditor constituents represented by the Committee and have contributed to the effective administration of these cases.

9. BRG submits that the interim fees applied for herein for professional services rendered in performing services for the Committee in this proceeding are fair and reasonable in view of the time spent, the extent of work performed, the nature of the Debtor's capitalization structure and financial condition, the Debtor's financial accounting resources and the results obtained. BRG's fees typically are based on the actual hours charged at BRG's standard hourly rates, which are in effect when the services are rendered

10. BRG expended an aggregate of 24.3 hours, substantially all of which was expended by the professional staff of BRG. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task. A small staff was utilized to optimize efficiencies and avoid redundant efforts. The staff of the Debtor or its advisors has been utilized where practical and prudent.

11. BRG believes that there has been no duplication of services between BRG and any other consultants or accountants to the bankruptcy estate.

12. BRG's approach is to utilize senior, experienced personnel and to encourage the Debtor to provide the staff-level support and analysis to minimize total cost. In addition, BRG's per diem rates for professionals of comparable experience, are at or below those of firms we consider our competitors. We believe that the compensation in this Application is based on the

customary compensation charged by comparably skilled professionals in cases other than cases under Title 11.

13. Because BRG's core staff consists of senior professionals who performed a vast amount of the work, time spent communicating internally and reviewing the work product of junior associates was kept to a minimum.

14. No agreement or understanding exists between BRG and any other person for the sharing of compensation received or to be received for services rendered in connection with the chapter 11 cases, except for internal agreements among employees and contractors of BRG regarding the sharing of revenue or compensation. Neither BRG nor any of its employees or contractors has entered into an agreement or understanding to share compensation with any entity as described in Bankruptcy Rule 2016.

15. BRG's travel time policy is to not charge such time to a client unless productive work is performed during the travel period. In this engagement, non-productive travel time is not being charged to the Debtor.

16. BRG's time records for the Fee Period are attached hereto as **Exhibit A**. These records include daily time logs describing the time spent by each BRG professional and administrative-level person in these cases.

17. BRG also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services. No expenses were incurred during the Fee Period.

18. The general summary of the services rendered by BRG during the Fee Period based on tasks and number of hours is set forth below.

Professional Retention/ Fee Application Preparation – Task Code 05

19. Time charged to this task code relates to the preparation and review of BRG's second interim fee application.

20. BRG has expended 5.0 hours on this category for a fee of \$1,393.00.

Claim Analysis/ Accounting – Task Code 11

21. Time charged to this task code relates to BRG's analysis of claims on the Debtor, including pre-petition secured notes and other securities, in order to advise the Committee regarding these matters and development of appropriate case strategies. Time was also spent reconciling claims objected to by the Debtor to claims filed and scheduled.

22. BRG has expended 17.4 hours on this category for a fee of \$5,693.00.

Cash Flow/ Cash Management Liquidity – Task Code 19

23. This task code relates to time spent by BRG reviewing post-sale cash flow detail.

24. BRG has expended 1.2 hours on this category for a fee of \$690.00.

Plan of Reorganization/ Disclosure Statement – Task Code 27

25. Time charged to this task code primarily relates to time spent by BRG reviewing the Plan documents.

26. BRG has expended 0.7 hours on this category for a fee of \$402.50.

ACTUAL AND NECESSARY EXPENSES

27. BRG incurred no actual out-of-pocket expenses in connection with the rendition of the professional services to the Committee during the Fee Period.

28. The disbursements and expenses have been incurred in accordance with BRG's normal practice of charging clients for expenses clearly related to and required by particular matters. Such expenses were often incurred to enable BRG to devote time beyond normal office

hours to matters, which imposed extraordinary time demands. BRG has endeavored to minimize these expenses to the fullest extent possible.

29. BRG's billing rates do not include charges for photocopying, telephone and facsimile charges, computerized research, travel expenses, "working meals," secretarial overtime, postage and certain other office services, because the needs of each client for such services differ. BRG believes that it is fairest to charge each client only for the services actually used in performing services for such client. BRG has endeavored to minimize these expenses to the fullest extent possible.

30. In providing a reimbursable service such as copying or telephone, BRG does not make a profit on that service. In charging for a particular service, BRG does not include in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment or capital outlay. In seeking reimbursement for service which BRG justifiably purchased or contracted for from a third party, BRG requests reimbursement only for the amount billed to BRG by such third party vendor and paid by BRG to that vendor.

NOTICE AND NO PRIOR APPLICATION

31. Notice of this application has been given to (a) the Debtor; (b) co-counsels to the Debtor; (c) counsel to the DIP Administrative Agent; (d) counsel to certain of the DIP Lenders; (e) counsel to the Committee and (f) the Office of the U.S. Trustee. In light of the nature of the relief requested herein, BRG submits that no further or other notice is required.

32. With respect to these amounts, as of the date of the Application, BRG has received no payments, and no previous application for the relief sought herein has been made to this or any other Court.

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WHEREFORE, BRG respectfully requests: (a) that it be allowed on an interim basis fees in the amount of \$8,178.50 for reasonable, actual and necessary services rendered by it on behalf of the Committee during the Fee Period; (b) that the Debtor be authorized and directed to immediately pay to BRG the amount of \$8,178.50 which is equal to the sum of 100% of BRG's fees and 100% of BRG's expenses incurred during the Fee Period, and (c) and granting such other and further relief as the Court may deem just and proper.

Dated: 12/20/2018
Washington, DC

BERKELEY RESEARCH GROUP, LLC

/s/ Peter Chadwick
Peter Chadwick
Managing Director
1800 M Street, Second Floor
Washington, DC 20036
202-909-2800

Financial Advisor to the Official Committee of
Unsecured Creditors

Orexigen Therapeutics, Inc.**Berkeley Research Group, LLC****Exhibit A: Time Detail**

For the Period 9/1/2018 through 11/30/2018

Date	Professional	Hours	Description
05. Professional Retention Fee Application Preparation			
10/8/2018	M. Haverkamp	0.4	Prepared second interim fee application.
10/10/2018	M. Haverkamp	0.3	Prepared second interim application.
10/12/2018	M. Haverkamp	0.4	Prepared second interim fee application.
10/14/2018	M. Haverkamp	2.3	Prepared second interim fee application.
10/15/2018	S. Tajuddin	1.1	Edited 2nd interim fee application.
10/15/2018	M. Haverkamp	0.5	Edited second interim fee application.
Task Code Total Hours		5.0	
11. Claim Analysis/Accounting			
9/26/2018	R. Cohen	2.0	Analyzed claims to see if there are any that need to be objected to.
9/26/2018	S. Tajuddin	0.8	Analyzed claims listing.
9/27/2018	R. Cohen	2.0	Analyzed claims to determine if any claims have the potential to be objected to.
9/27/2018	S. Tajuddin	0.7	Analyzed claims filed.
9/28/2018	S. Tajuddin	0.5	Analyzed claims listing.
9/29/2018	R. Cohen	2.9	Analyzed proof of claim documents for completeness and potential to be objected to.
10/4/2018	R. Cohen	2.0	Prepared a presentation regarding the claims investigation.
10/5/2018	R. Cohen	2.0	Prepared charts for the claims investigation presentation.
10/8/2018	R. Cohen	1.0	Updated claims investigation presentation with comments from the team.
10/16/2018	R. Cohen	0.5	Updated analysis of claims with information provided by the Debtors' advisors (EY).
10/18/2018	R. Cohen	1.0	Prepared a list of all general unsecured claims and their values to calculate the total general unsecured claims pool.

Berkeley Research Group, LLC

Invoice for the 9/1/2018 - 11/30/2018 Period

Date	Professional	Hours	Description
11. Claim Analysis/Accounting			
10/19/2018	R. Cohen	1.0	Analyzed general unsecured claims to determine an estimate for the size of the general unsecured claims pool.
10/22/2018	R. Cohen	0.7	Provided UCC Counsel with information on certain claims of interest to them.
10/23/2018	R. Cohen	0.3	Compared the Debtor's estimate of the claims pool with BRG's calculation to confirm the amount of the claims pool.
Task Code Total Hours		17.4	
19. Cash Flow/Cash Management Liquidity			
10/12/2018	S. Tajuddin	1.2	Reviewed cash flows and claims details.
Task Code Total Hours		1.2	
27. Plan of Reorganization/Disclosure Statement			
9/28/2018	S. Tajuddin	0.7	Reviewed Plan documents.
Task Code Total Hours		0.7	
Total Hours		24.3	

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VERIFICATION

PETER CHADWICK, pursuant to 28 U.S.C. § 1746, declares as follows:

a) I am a Managing Director at the applicant firm, Berkeley Research Group, LLC, and am authorized to submit this verification on behalf of BRG.

b) I have personally performed or supervised many of the professional services rendered by BRG as financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) and am familiar with the work performed on behalf of the Committee by the professionals and other persons in the firm.

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.

d) All services for which compensation is requested by BRG were professional services performed for and on behalf of the Committee and not on behalf of any other person.

¹ The last four digits of the Debtor's federal tax identification number, are 8822.

e) I have reviewed the requirements of Local Rule 2016-2 and certify to the best of my information, knowledge and belief that this application complies with Local Rule 2016-2.

f) I certify under penalty of perjury that the foregoing is true and correct.

Executed on 12/20/2018

/s/ Peter Chadwick
Peter Chadwick