

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

OREXIGEN THERAPEUTICS, INC.,

Debtor.¹

Chapter 11

Case No. 18-10518 (KG)

Hearing Date: May 1, 2019 at 10:00 a.m.
(ET)

Objection Deadline: April 22, 2019 at
4:00 p.m. (ET)

**FOURTH INTERIM FEE APPLICATION OF HOGAN LOVELLS US LLP,
AS BANKRUPTCY CO-COUNSEL FOR THE DEBTOR
FOR THE PERIOD DECEMBER 1, 2018 THROUGH FEBRUARY 28, 2019**

In accordance with the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals [Docket No. 171] (the “**Compensation Order**”).² Hogan Lovells US LLP (“**Hogan Lovells**”) hereby submits its **Fourth Interim Fee Application of Hogan Lovells US LLP, As Bankruptcy Co-Counsel For The Debtor For The Period December 1, 2018 Through February 28, 2019** (the “**Application Period**”). **Exhibits A, B, and C** attached hereto, contain certain schedules pursuant to the *Appendix B 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 “**UST Guidelines**”). In addition, Hogan Lovells respectfully states as follows to address the questions set forth under paragraph C.5 of the UST Guidelines:

- a. Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain. **No.**
- b. If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher by 10% or more, did you discuss the reasons for the variation with the client. **The fees are not 10% or higher.**
- c. Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case? **No.**
- d. Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not

¹ The Debtor, along with the last four digits of its federal tax identification numbers, is Orexigen Therapeutics, Inc. (8822).

² Capitalized terms not defined herein are defined in the Compensation Order.



include reasonable fees for preparing a fee application.). If so, please quantify by hours and fees.

John Beck – 1.4 hours = \$1,253.00

Ronald Cappiello –13.9 hrs. = \$5,768.50.

- e. Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees. **No.**
- f. If the fee application includes any rate increases since retention: (i) Did your client review and approve those rate increases in advance? (ii) Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11–458? **(i) In 2019, Hogan Lovells increased its standard rates for all timekeepers pursuant to a Firm-wide rate change. (ii) Yes, Hogan Lovells’ engagement letter with the Debtor informed the Debtor of potential future rate increases, as well as the customary annual rate increase, and the Debtor agreed to accept such future increases.**

Hogan Lovells seeks approval for the following monthly fee applications that were filed in the Application Period:

DATE FILED	PERIOD COVERED	REQUESTED FEES/EXPENSES	APPROVED FEES/EXPENSES
1/18/19 D.I. 930	12/1/18-12/31/18	\$45,253.00/\$437.39	\$36,202.40/\$437.39 CNO filed 2/5/19 D.I. 946
3/05/19 D.I. 961	1/1/19-1/31/19	\$180,802.50/\$927.42	\$144,642.00/\$927.42 CNO filed 3/20/19 D.I. 984
3/20/19 D.I. 976	2/1/19-2/28/19	\$156,360.50/\$409.03	\$125,088.40/\$409.03 <i>Pending</i> <i>Objections due 4/10/19</i>

In accordance with the Compensation Order, Hogan Lovells seeks interim approval of the full amount of the fees and expenses requested in the above-referenced fee applications and payment by the Debtor of the amounts requested in such fee applications in full.

WHEREFORE, Hogan Lovells respectfully requests that the Court enter the order attached hereto as **Exhibit D** and grant Hogan Lovells such other and further relief as is just and proper.

Dated: April 8, 2019
New York, New York

Respectfully submitted,
HOGAN LOVELLS US LLP

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*Co-Counsel to the Debtor and
Debtor in Possession*

CUMULATIVE COMPENSATION SUMMARY BY PROFESSIONAL

Name of Professional Person	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year Admitted to Bar.	Dec.2018 Hourly Billing Rates	Dec. 2018 Total Hours	Dec. 2018 Total Fees	2019 Hourly Billing Rates	Jan 2019 Total Hours	Jan. 2019 Fees	Feb, 2019 Total Hours	Feb. 2019 Total Fees	Grand Total Hours	Total Fees
Christopher R. Donoho, III	Partner at Hogan Lovells since 2010. Joined Lovells LLP in 2007. Member of New York Bar since 1997. Areas of expertise: Business Restructuring and Insolvency.	\$1,245.00	1.60	\$1,992.00	\$1,375.00	11.10	\$15,262.50	3.20	\$4,400.00	15.90	\$21,654.50
Pieter Van Tol	Partner at Hogan Lovells since 2010. Joined Hogan Lovells in 2010. Partner at Lovells, LLP since 2003. Member of the New York Bar since 1990. Areas of expertise: Litigation.	\$1,035.00	0.40	\$414.00	\$1,110.00	2.60	\$3,107.00	2.50	\$2,987.50	5.50	\$6,508.50
Scott Friedman	Partner at Hogan Lovells since 2010. Joined Hogan & Hartson as a Partner in 2002. Member of the New York Bar since 1986. Areas of expertise: Tax.	\$1,095.00			\$1,195.00	4.50	\$5,287.50	4.80	\$5,640.00	9.30	\$10,927.50

Name of Professional Person	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year Admitted to Bar.	Dec.2018 Hourly Billing Rates	Dec. 2018 Total Hours	Dec. 2018 Total Fees	2019 Hourly Billing Rates	Jan 2019 Total Hours	Jan. 2019 Fees	Feb, 2019 Total Hours	Feb. 2019 Total Fees	Grand Total Hours	Total Fees
Philip H. Erhlich	Counsel at Hogan Lovells since 2010. Joined Hogan Lovells in 2010. Counsel at Lovells LLP since 2007. Member of the New York Bar since 1987. Areas of expertise: Corporate.	\$875.00	0.50	\$437.50						0.50	\$437.50
Christopher R. Bryant	Counsel at Hogan Lovells since 2014. Joined Hogan Lovells in 2010. Member of the New York Bar since 2001. Areas of expertise: Business Restructuring and Insolvency.	\$860.00	28.70	\$24,682.00	\$935.00	112.40	\$105,094.00	83.60	\$78,166.00	224.70	\$207,942.00
John D. Beck	Senior Associate at Hogan Lovells since 2014. Member of the New York Bar since 2011 and the Texas Bar since 2010. Areas of expertise: Business Restructuring and Insolvency.	\$830.00	3.70	\$3,071.00	\$895.00 \$830.00	19.90 2.50 2018	\$17,810.50 \$2,075.00	26.80	\$23,986.00	52.90	\$46,942.50

Name of Professional Person	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year Admitted to Bar.	Dec.2018 Hourly Billing Rates	Dec. 2018 Total Hours	Dec. 2018 Total Fees	2019 Hourly Billing Rates	Jan 2019 Total Hours	Jan. 2019 Fees	Feb, 2019 Total Hours	Feb. 2019 Total Fees	Grand Total Hours	Total Fees
Catherine Y. Chen	Associate at Hogan Lovells since 2015. Joined Hogan Lovells in 2015. Member of the New York Bar since 2016. Areas of expertise: Tax.	\$625.00				1.80	\$3,314.00	8.40	\$6,132.00	10.20	\$7,446.00
Eric L. Einhorn	Associate at Hogan Lovells since 2017. Joined Hogan Lovells in 2017. Member of the New York Bar since 2018. Areas of expertise: Business Restructuring and Insolvency.	\$495.00	10.70	\$5,296.50	\$590	7.70	\$4,543.00	29.30	\$17,287.00	47.70	\$27,126.50
Sean A. Feener	Associate at Hogan Lovells since 2017. Joined Hogan Lovells in 2017. Member of the New York Bar since 2018. Areas of expertise: Business Restructuring and Insolvency.	\$495.00	5.20	\$2,574.00	\$590	33.80	\$19,942.00	24.90	\$14,691.00	63.90	\$37,207.00

Name of Professional Person	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year Admitted to Bar.	Dec.2018 Hourly Billing Rates	Dec. 2018 Total Hours	Dec. 2018 Total Fees	2019 Hourly Billing Rates	Jan 2019 Total Hours	Jan. 2019 Fees	Feb, 2019 Total Hours	Feb. 2019 Total Fees	Grand Total Hours	Total Fees
Jennifer Y. Lee	Associate at Hogan Lovells since 2018. Joined Hogan Lovells in 2018. Member of the New York Bar since 2019. Areas of expertise: Business Restructuring and Insolvency.	\$495.00			\$530.00	3.40	\$1,802.00			3.40	\$1,802.00
Ronald Cappiello	Senior Paralegal. Joined Hogan Lovells in 2013. Paralegal since 1983. Areas of expertise: Business Restructuring and Insolvency.	\$390.00	17.40	\$6,786.00	\$415	11.00	\$4,565.00	7.40	\$3,071.00	35.80	14,422.00
Total Sub-total:	Chapter 11		68.20	\$45,253.00		210.70	\$180,802.50	190.90	\$156,360.50	469.80	\$382,416.00
Less 50% Discount-Non-Working Travel: (\$00)											
SUBTOTAL: \$382,416.00											
GRAND TOTAL: \$382,416.00											
BLENDED RATE: \$814.00											

CUMULATIVE COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
045803/Matter-000019-Chapter 11		
01-Corporate Governance and Board Matters	6.30	\$6,601.50
02-Meetings and Communications with Creditors	5.30	\$4,583.50
03-Hearings	1.90	1,638.50
04-DIP or Exit Financing	19.70	\$16,341.00
05 Litigation: Contested Matters & Adversary Proceedings	26.60	\$24,461.50
07-Plan and Disclosure Statement	237.40	\$203,641.00
08-Claims Administration and Objections	55.40	\$40,415.00
10-Case Administration	27.60	\$18,479.50
11-Tax	14.20	\$12,669.50
13-Retention of Professionals/Fee Issues (Hogan Lovells)	0.50	\$303.50
16-Retention of Professionals/Others/Objections	1.30	\$1,077.50
17-Monthly Fee Statements and Interim/Final Fee Applications(Hogan Lovells)	33.30	\$16,951.50
21-Employee Matters	2.40	\$2,236.00
22-Government/Regulatory Matters	3.40	\$1,802.00
24-Asset Dispositions/363 Sales	15.10	\$13,892.00
26-Insurance Matters	19.00	\$16,948.50
30-Drafting, Reviewing and Analyzing Pleadings	0.40	\$374.00
Subtotal:	469.80	\$382,416.00
Less 50% discount-Non-Working Travel	---	(\$.00)
GRAND TOTAL:	469.80	\$382,416.00

CUMULATIVE EXPENSE SUMMARY

Expense Category	Service Provider (if applicable)	Total Expenses
Meals/Snacks		\$139.95
Hospitality		\$23.60
Car Service		\$1,250.50
Computer Research	Westlaw	\$41.60
Computer Research	Pacer	\$42.30
Data Storage/Internal		\$48.00
Word Processing		\$181.25
Epiq-Other Case Specific Data Services		\$16.00
Air Freight	Federal Express	\$20.64
Black & White Copies/Printing		\$10.00
Grand Total Expenses		\$1,773.84

Exhibit A

Customary and Comparable Compensation Disclosures

Hogan Lovells' hourly rates for bankruptcy services are comparable to the hourly rates charged in complex chapter 11 cases by comparably skilled bankruptcy attorneys. In addition, Hogan Lovells' hourly rates for bankruptcy services are comparable to the rates charged by Hogan Lovells, and by comparably skilled practitioners in other firms, for complex corporate and litigation matters, whether in court or otherwise, regardless of whether a fee application is required.

The blended hourly rate for all Hogan Lovells timekeepers who worked on these cases is approximately the same as the firm's blended rate for all timekeepers over a Comparable Period (defined below). In particular, the blended hourly rate for all Hogan Lovells timekeepers (including both professionals and paraprofessionals) who billed to matters excluding chapter 11 representations (collectively, the "Non-Chapter 11 Matters")¹ during the 12-month period beginning March 1, 2018 and ending on February 28, 2019 (the "Comparable Period") was, in the aggregate, approximately \$543.00.² By comparison, the blended hourly rate for all Hogan Lovells timekeepers (including both professionals and paraprofessionals) who worked on these cases during the Application Period was, in the aggregate, \$814.00.

The following table shows blended hourly rates by category of professional and paraprofessional (rounded to the nearest dollar) for the Comparable Period:

1 Year Comparison
March 2018 through February 2019

Position at Hogan Lovells	03/18-02/19	03/18-02/19
	Billed for Bankruptcy Only Preceding Year	Billed for Non-Chapter 11 Matters Preceding Year
Partner	751.49	626.62
Counsel	656.34	636.91
Associate	550.31	493.30
Paralegal	218.68	182.63
* All Figures in USD		

¹ It is the nature of Hogan Lovells' practice that certain non-bankruptcy engagements require the advice and counsel of professionals and paraprofessionals who work primarily within Hogan Lovells' Bankruptcy, Restructuring and Insolvency Group. Accordingly, Non-Chapter 11 Matters consist of matters for which Hogan Lovells' timekeepers represented a client in a matter *other than* court-approved chapter 11 representations. The Non-Chapter 11 Matters include time billed by Hogan Lovells' timekeepers who work within Hogan Lovells' Bankruptcy, Restructuring and Insolvency Group.

² Hogan Lovells calculated the blended rate for Non-Chapter 11 Matters by dividing the *total dollar amount* billed by Hogan Lovells timekeepers to Non-Chapter 11 Matters during the Comparable Period by the *total number of hours* billed by such Hogan Lovells timekeepers to Non-Chapter 11 Matters during the same period.

Exhibit B

Interim Application Summary

Cover Sheet of Fee Application (UST Guidelines Exh. E)

Interim Application Summary	
Name of Applicant	Hogan Lovells US LLP
Name of Client	Orexigen Therapeutics, Inc. (Debtor)
Time period covered by Interim Application	December 1, 2018 through February 28, 2019
Total compensation sought during Application Period	\$382,416.00
Total expenses sought during Application Period	\$1,773.84
Petition Date	3/12/18
Retention Date	4/11/18 <i>Nunc Pro Tunc</i> to 3/12/18
Date of order approving employment	4/11/18 [D.I. 174]
Total allowed compensation paid to date	\$2,492,398.15
Total allowed expenses paid to date	\$33,876.56
Total compensation approved by interim order to date	\$2,455,799.75
Total expenses approved by interim order to date	\$33,439.17
Blended rate in the Interim Application for all attorneys	\$847.91
Blended rate in the Interim Application for all timekeepers	\$814.00
Compensation sought in the Interim Application already paid pursuant to a monthly compensation certificate but not yet allowed	\$36,202.40

Expenses sought in the Interim Application already paid pursuant to a monthly compensation certificate but not yet allowed	\$437.39
Number of professionals included in Interim Application	11
If applicable, number of professionals in the Interim Application not included in staffing plan approved by client	5
If applicable, difference between fees budgeted and compensation sought for the Application Period	Under budget by \$105,084.00
Number of professionals billing fewer than 15 hours to the case during the Application Period	6
Are any rates higher than those approved or disclosed at retention	No (as discussed above, standard rates increased in 2019, which was disclosed and approved in engagement letter)

Exhibit C

Budget and Staffing Plan

Application Period Budget

Period Covered	Actual	Forecast	Difference between actual and forecast
December 2018	\$45,253	\$162,500.00	(\$117,247.00)
January 2019	\$180,802.50	\$162,500.00	\$18,302.50
February 2019	\$156,360.50	\$162,500.00	(\$6,139.50)
Total	\$382,416.00	\$487,500.00	(\$105,084.00)

Application Period Staffing Plan

Category of Timekeeper	Number of Timekeepers Expected to Perform Work Across Matters During the Budget Period	Number of Timekeepers Actually Performing Work During the Budget Period	Projected Average Hourly Rate	Actual Average Hourly Rate
Partner	2	3	\$1,285.00	\$1,226.66
Associate	4	7	\$752.50	\$743.57
Other Professionals	1	1	\$415.00	\$415.00
Aggregate Attorney Average			\$930.00	\$888.50
Aggregate Non-Attorney Average			\$415.00	\$415.00

Exhibit D

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

OREXIGEN THERAPEUTICS, INC.,

Debtor.¹

Chapter 11

Case No. 18-10518 (KG)

**ORDER GRANTING FOURTH INTERIM FEE APPLICATION
OF HOGAN LOVELLS US LLP, AS BANKRUPTCY CO-COUNSEL FOR THE
DEBTOR FOR THE PERIOD DECEMBER 1, 2018 THROUGH FEBRUARY 28, 2019**

Upon consideration of the Fourth Interim Fee Application (the “Interim Application”) of Hogan Lovells US LLP (“Hogan Lovells”), Bankruptcy Co-Counsel for the above captioned Debtor for the period from December 1, 2018 through and including February 28, 2019; and upon consideration of the monthly fee applications subject to the Request (the “Monthly Fee Applications”); the Court having reviewed the Interim Application and the Monthly Fee Applications; and finding that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and determining that proper and adequate notice has been given and that no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

1. The Interim Application is GRANTED.

¹ The Debtor, along with the last four digits of its federal tax identification numbers, is Orexigen Therapeutics, Inc. (8822).

2. Hogan Lovells is allowed compensation and reimbursement of expenses for the period and in the amounts set forth in its Interim Application, subject to the filing of a final fee application by Hogan Lovells.

3. The Debtor is authorized and directed to disburse to Hogan Lovells payment in the amount of the difference between (a) 100% of the total fees and expenses set forth in the Monthly Fee Applications and (b) the actual interim payments received by Hogan Lovells for fees and expenses under the Monthly Fee Applications, as set forth in the Interim Application.

4. The Debtor is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.

5. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

6. This Order shall be effective immediately upon entry.

Dated: _____, 2019

THE HONORABLE KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE