

RIKER DANZIG SCHERER HYLAND & PERRETTI LLP

Joseph L. Schwartz, Esq. (JS-5525)
Tara J. Schellhorn, Esq. (TS-8155)
Headquarters Plaza, One Speedwell Avenue
Morristown, New Jersey 07962-1981
Telephone: (973) 538-0800
Facsimile: (973) 538-1984
jschwartz@riker.com
tschellhorn@riker.com

-and-

PACHULSKI STANG ZIEHL & JONES LLP

Bradford J. Sandler (NJ Bar No. BS-1367)
Robert J. Feinstein (admitted *pro hac vice*)
780 Third Avenue, 34th Floor
New York, New York 10017
Telephone: (212) 561-7700
Facsimile: (212) 561-7777
bsandler@pszjlaw.com
rfeinstein@pszjlaw.com

Proposed Counsel to the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:	Chapter 11
FRANK THEATRES BAYONNE/SOUTH COVE, LLC, <i>et al.</i> ,	Case No. 18-34808 (SLM)
Debtors.	Jointly Administered

**APPLICATION FOR ORDER PURSUANT TO 11 U.S.C. §§ 328 AND 1103,
FED. R. BANKR. P. 2014, AND LOCAL RULE 2014-1, AUTHORIZING AND
APPROVING THE EMPLOYMENT AND RETENTION OF PACHULSKI STANG
ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS *NUNC PRO TUNC* TO JANUARY 3, 2019**

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors in possession (the “Debtors”) hereby submits its application (the “Application”) for the entry of an order authorizing and approving the employment of Pachulski

Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”) as counsel to the Committee in connection with the Debtors’ chapter 11 cases (the “Cases”) *nunc pro tunc* to January 3, 2019, pursuant to sections 328(a) and 1103(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of New Jersey (the “Local Rules”). In support of the relief sought in the Application, the Committee submits the (i) Declaration of Bradford J. Sandler, a partner of the Firm (the “Sandler Declaration”), attached hereto as Exhibit A and incorporated herein by reference, and (ii) the Declaration of the Committee chair, attached hereto as Exhibit B and incorporated herein by reference. In further support of the Application, the Committee respectfully states as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory bases for the relief requested herein are sections 328 and 1103 of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1.

Background

4. On December 19, 2018 (the “Petition Date”), each of the Debtors filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code. The Debtors are

operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Cases.

5. On January 3, 2019, the Office of the United States Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The Committee consists of the following five (5) members: (i) Vistar Corporation; (ii) Blacksburg AFP Partners LLC; (iii) South Cove Development IV, LLC; (iv) Roadside Attractions, LLC; and (v) KRG Parkside II, LLC. *See Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 96].

6. On January 3, 2019, the Committee voted to retain PSZJ as its lead counsel along with Riker Danzig Scherer Hyland Perretti LLP (“Riker”) as its New Jersey counsel, subject to Court approval. Both Riker Danzig and PSZJ will coordinate closely to minimize the duplication of the legal services provided to the Committee by each firm and meet the scope of the services for which each firm is retained to provide.

7. The Firm has approximately 65 attorneys with a practice concentrated on corporate reorganizations, bankruptcy, litigation and commercial matters. The Firm’s attorneys have extensive experience representing creditors’ committees, debtors, creditors, trustees and others in a wide variety of bankruptcy cases. Attorneys of the Firm have extensive experience representing creditors’ committees in complex chapter 11 cases in this District and others, including Ashley Stewart Holdings, Inc. (D. N.J.), 155 Route 10 Associates, Inc. (D. N.J.), and Pennsylvania Fashions, Inc. (D. N.J.). Based on these facts, the Committee believes that the Firm is well-qualified to render the services as described below.

Relief Requested

8. By this Application, the Committee respectfully requests that the Court enter an order, substantially in the form annexed hereto as Exhibit C, pursuant to sections 328(a) and 1103(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1, authorizing the Committee to employ and retain the Firm as its counsel in these Cases. The Committee seeks to retain the Firm *nunc pro tunc* to January 3, 2019, because the Firm began providing services to the Committee as of such date. The Committee believes that such *nunc pro tunc* retention is appropriate in these Cases because the Committee required effective representation prior to such time as a retention application could be submitted to the Court due to the exigencies of these Cases, and the Firm has been providing services to the Committee since January 3, 2019.

Services to be Rendered

9. Subject to further order of this Court, the Firm is expected to render, among other services, the following services to the Committee:
- a. Assisting, advising and representing the Committee in its consultations with the Debtors regarding the administration of these Cases;
 - b. Assisting, advising and representing the Committee with respect to the Debtors' retention of professionals and advisors with respect to the Debtors' business and these Cases;
 - c. Assisting, advising and representing the Committee in analyzing the Debtors' assets and liabilities, investigating the extent and validity of liens and participating in and reviewing any proposed asset sales, any asset dispositions, financing arrangements and cash collateral stipulations or proceedings;
 - d. Assisting, advising and representing the Committee in any manner relevant to reviewing and determining the Debtors' rights and obligations under leases and other executory contracts;

- e. Assisting, advising and representing the Committee in investigating the acts, conduct, assets, liabilities and financial condition of the Debtors, the Debtors' operations and the desirability of the continuance of any portion of those operations, and any other matters relevant to the Cases or to the formulation of a plan;
- f. Assisting, advising and representing the Committee in connection with any sale of the Debtors' assets;
- g. Assisting, advising and representing the Committee in its participation in the negotiation, formulation, or objection to any plan of liquidation or reorganization;
- h. Assisting, advising and representing the Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- i. Assisting, advising and representing the Committee in the evaluation of claims and on any litigation matters, including avoidance actions; and
- j. Providing such other services to the Committee as may be necessary in these Cases.

No Adverse Interest and Disclosure of Connections

10. The Committee believes that PSZJ does not hold or represent any interest that is adverse to the Committee and the Debtors' estates and does not hold or represent any interest adverse to and has no connection with the Committee, the Debtors, its creditors or any party in interest herein in the matters upon which PSZJ is to be retained, except as set forth in the Sandler Declaration.

11. Other than as set forth in the Sandler Declaration, neither PSZJ nor any of its attorneys has any connection with any party in interest, or their attorneys or accountants, in these Cases.

12. Except as provided for in the Sandler Declaration, to the best of the Committee's knowledge, neither PSZJ, nor any of its attorneys, holds or represents any interest adverse to the Committee or the Debtors' estates in the matters on which they are to be retained. The Committee submits that its proposed employment of PSZJ is in the best interests of the Committee and its members.

13. To the best of the Committee's knowledge, and except as disclosed in the Sandler Declaration, PSZJ has had no other prior connection with the Debtors, their creditors, or any other party in interest. Upon information and belief, PSZJ does not hold or represent any interest adverse to the Debtors' estates, the Committee, or the creditors the Committee represents in the matters upon which it has been and is to be engaged.

14. PSZJ represents creditors' committees in many other bankruptcy cases, the members of which (together with other creditors of such cases) may be creditors of the Debtors or members of the Committee. However, PSZJ will not represent any members of those committees with respect to any claims that they may have collectively or individually against the Debtors.

15. Similarly, PSZJ may represent, or may have represented, debtors, creditors' committees, or trustees in cases or proceedings against creditors of the Debtors that are unrelated to these Cases.

Professional Compensation

16. Subject to Court approval in accordance with section 330(a) of the Bankruptcy Code and any applicable orders of this Court and the guidelines established by the

Office of the United States Trustee, compensation will be payable to PSZJ on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by PSZJ. The current standard hourly rates for professionals and paralegals presently designated to represent the Committee are:

- | | | |
|-----|------------|---------------------------------|
| (a) | Partners | \$725.00 to \$1,395.00 per hour |
| (b) | Counsel | \$650.00 to \$1,095.00 per hour |
| (c) | Associates | \$575.00 to \$695.00 per hour |
| (d) | Paralegals | \$375.00 to \$395.00 per hour |

17. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals may from time to time serve the Committee in connection with the matters described herein.

18. The hourly rates set forth above are PSZJ's standard hourly rates for work of this nature. These rates are set at a level designed to fairly compensate PSZJ for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is PSZJ's policy to charge its clients in all areas of practice for all other out-of-pocket expenses incurred in connection with the client's case. The expenses charged to clients include, Court filing fees, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document retrieval, photocopying and scanning charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by PSZJ to outside copying services for use in mass mailings, travel expenses, expenses for working meals, computerized research, transcription costs, as well as non-ordinary overhead expenses such as

secretarial and other overtime. PSZJ will charge the Committee for these expenses in a manner and at rates consistent with charges made generally to PSZJ's other clients. PSZJ believes that it is more appropriate to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

Notice

19. In accordance with Fed. R. Bankr. P. 2014 and D.N.J. LBR 2014-1, the Committee has served notice of this Application on: (i) the Office of the United States Trustee for the District of New Jersey, One Newark Center, Suite 2100, Newark, NJ 07102; (ii) counsel to the Debtors, Lowenstein Sandler LLP, One Lowenstein Drive, Roseland, New Jersey 07068, Attention: Kenneth A. Rosen, Esq., Joseph J. DiPasquale, Esq., Eric S. Chafetz, Esq., and Michael Papandrea, Esq.; (iii) counsel for Elm Park Capital Management, LLC and certain affiliates, Neligan LLP, Republic Center, 325 N. St. Paul, Suite 3600, Dallas, Texas 75201, Attention: Patrick J. Neligan, Jr., Esq. and John D. Gaither, Esq.; (iv) counsel for Seacoast Capital Partners III, L.P. and certain affiliates, Dorsey & Whitney LLP, 300 Crescent Court, Suite 400, Dallas, TX 75201, Attention: Larry Makel, Esq. and Eric Lopez Schnabel, Esq., (v) counsel for Benefit Street Partners and certain affiliates, Moore & VanAllen, 100 North Tryon Street, Suite 4700, Charlotte, NC 28202-4003, Attention: Alan Pope, Esq.; (vi) the Internal Revenue Service, 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016; (vii) the New Jersey Division of Taxation Compliance and Enforcement - Bankruptcy Unit, 50 Barrack Street, 9th Floor, Trenton, NJ 08695; (viii) the Office of the Attorney General of the State of New Jersey, Division of Law, Richard J. Hughes Justice Complex, 25 Market Street,

Trenton, NJ 08625; (ix) the Office of the United States Attorney, Peter Rodino Federal Building, 970 Broad Street, Suite 700, Newark, NJ 07102; and (x) all parties that have requested to receive notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Committee respectfully submits that such service constitutes good and sufficient notice under the circumstances and that no further notice is necessary.

No Prior Request

20. No previous application for the relief requested herein has been made to this or any other court.

CONCLUSION

WHEREFORE, for all the foregoing reasons, the Committee respectfully requests entry of an order substantially in the form attached hereto as Exhibit C, authorizing the Committee to employ and retain PSZJ as counsel, *nunc pro tunc* to January 3, 2019 and granting such other and further relief as is just and proper.

Dated: January 28, 2019

**THE OFFICIAL COMMITTEE OF FRANK
THEATRES BAYONNE/SOUTH COVE, LLC,
*et al.***

/s/ Brad Boe

Vistar Corporation

By: Brad Boe

Solely in Vistar's capacity as Chair of the Official Committee of Unsecured Creditors of Frank Theatres Bayonne/South Cove, LLC, *et al.*, and not in any other capacity

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Joseph L. Schwartz, Esq. (JS-5525)
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Morristown, New Jersey 07962-1981
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Proposed Counsel to the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

FRANK THEATRES BAYONNE/SOUTH
COVE, LLC, *et al.*,

Debtors.

Chapter 11

Case No. 18-34808 (SLM)

Jointly Administered

**DECLARATION OF COMMITTEE CHAIR IN SUPPORT OF
APPLICATION FOR ORDER PURSUANT TO 11 U.S.C. §§ 328 AND 1103, FED. R.
BANKR. P. 2014, AND LOCAL BANKRUPTCY RULE 2014-1, AUTHORIZING AND
APPROVING THE EMPLOYMENT AND RETENTION OF PACHULSKI STANG
ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS NUNC PRO TUNC TO JANUARY 3, 2019**

Brad Boe declares under penalty of perjury as follows:

1. I, Brad Boe, am the Director of Credit of Vistar Corporation (“Vistar”).

Vistar was elected Chair of the Official Committee of Unsecured Creditors (the “Committee”)

appointed in the bankruptcy cases (the “Cases”) of the above-captioned debtors (collectively the “Debtors”). I am an authorized representative of Vistar and am authorized to submit this declaration (the “Declaration”) on behalf of the Committee in support of the *Application for Order Pursuant to 11 U.S.C §§ 328 and 1103, Fed. R. Bankr. P. 2014, and Local Rule 2014-1, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to January 3, 2019* (the “Application”) on behalf of the Committee.¹

The Committee’s Selection of PSZ&J as Counsel

2. Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”) is proposed to serve as counsel to the Committee. The Committee recognizes that a review process is necessary in managing counsel to ensure that bankruptcy professionals are subject to the same scrutiny and accountability as professionals in non-bankruptcy engagements. The review process utilized by the Committee here assessed potential committee counsel based on their expertise in the relevant legal issues and in similar proceedings.

3. On January 3, 2019, the Office of the United States Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The Committee consists of the following five (5) members: (i) Vistar Corporation; (ii) Blacksburg AFP Partners LLC; (iii) South Cove Development IV, LLC; (iv) Roadside Attractions, LLC; and (v) KRG Parkside II, LLC. *See Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 96].

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

4. On January 3, 2019, the Committee voted to retain PSZJ as its lead counsel, and Riker Danzig Scherer Hyland Perretti LLP (“Riker”) as its New Jersey counsel, subject to Court approval. The Committee is advised that PSZJ and Riker will work closely together in providing services to the Committee, and will make every effort not to duplicate services for the Committee. In addition to PSZJ and Riker, the Committee considered several other law firms as counsel. The Committee believes that PSZJ’s and Riker’s extensive experience in corporate reorganizations, both out-of-court and under chapter 11 of the Bankruptcy Code, makes them well qualified to represent the Committee in these Cases in an efficient and timely manner. Thus, the Committee decided to retain PSZJ and Riker as the Committee’s counsel during these chapter 11 cases.

Rate Structure

5. In my capacity as Chair and authorized representative of the Committee, I am responsible, along with the other committee members, for supervising counsel. PSZJ has informed the Committee that its rates are consistent between bankruptcy representations, including related transactional and litigation services. PSZJ has informed the Committee that its current hourly rates apply to non-bankruptcy services, if any, provided by the Firm, unless a contingent fee, mixed contingent fee, flat fee, or blended rate arrangement is agreed upon. The Committee has been informed that the Firm does not have different billing rates and terms for non-bankruptcy engagements.

Cost Supervision

6. The Committee will approve any prospective budget and staffing plan that may be filed by PSZJ prior to it being filed, recognizing that, in the course of a large chapter 11 case like these Cases, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Committee and PSZJ. The members of the Committee further recognize that it is their responsibility to closely monitor the billing practices of their counsel to ensure the fees and expenses paid by the estates remain consistent with the Committee's expectations and the exigencies of the Cases. The Committee will continue to review the invoices that PSZJ regularly submits.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: January 28, 2019

**THE OFFICIAL COMMITTEE OF FRANK
THEATRES BAYONNE/SOUTH COVE, LLC,
*et al.***

/s/ Brad Boe

Vistar Corporation
By: Brad Boe

Solely in Vistar's capacity as Chair of the Official
Committee of Unsecured Creditors of Frank
Theatres Bayonne/South Cove, LLC, *et al.*, and not
in any other capacity

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Proposed Counsel to the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

FRANK THEATRES BAYONNE/SOUTH
COVE, LLC, *et al.*,

Debtors.

Chapter 11

Case No. 18-34808 (SLM)

Jointly Administered

**DECLARATION OF BRADFORD J. SANDLER IN SUPPORT OF
APPLICATION FOR ORDER PURSUANT TO 11 U.S.C. §§ 328 AND 1103, FED. R.
BANKR. P. 2014, AND LOCAL BANKRUPTCY RULE 2014-1, AUTHORIZING AND
APPROVING THE EMPLOYMENT AND RETENTION OF PACHULSKI STANG
ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS NUNC PRO TUNC TO JANUARY 3, 2019**

I, BRADFORD J. SANDLER, declare under penalty of perjury as follows:

1. I am a partner in the firm of Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”), with offices located at 919 North Market Street, 17th Floor, Wilmington, Delaware 19801, and have been duly admitted to practice law in the state of New Jersey. I am authorized to submit this declaration (the “Declaration”) in support of the *Application for Order Pursuant to 11 U.S.C §§ 328 and 1103, Fed. R. Bankr. P. 2014, and Local Rule 2014-1, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to January 3, 2019* (the “Application”).¹

2. Neither I, the Firm, nor any partner, of counsel, or associate thereof, insofar as I have been able to ascertain, has any connection with the Debtors, their creditors or any other parties in interest herein, their respective attorneys and accountants, the U.S. Trustee, or any person employed in the office of the U.S. Trustee, except as set forth herein.

Disclosure of Connections

3. Section 1103(b) of the Bankruptcy Code does not incorporate the general “disinterestedness” standard of section 327(a) of the Bankruptcy Code. However, Bankruptcy Rule 2014 requires that an application for employment under section 1103 disclose all connections with the Debtors, the estates, the professionals, and the U.S. Trustee. The Firm, therefore, discloses its known connections herein.

4. The Firm has made the following investigation of disinterestedness prior to submitting this Declaration. The Firm has undertaken a full and thorough review of its

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

computer database, which contains the names of clients and other parties interested in particular matters. The Firm requires all of its professionals, before accepting the representation of a new client, or the representation of an existing client in a new matter, to perform a conflicts check through the Firm's database and to enter conflict information regarding new clients or new matters into that database. Thus, a review of said computerized database should reveal any and all actual or potential conflicts of interest with respect to any given representation. In particular, an employee of the Firm, under my supervision, entered the names of creditors and parties in interest provided by the Debtors, attached hereto as Schedule 1, in the Firm's database with respect to the Firm's conflict check in these Cases.

5. Based on the results of the Firm's search of its database, it appears that PSZJ does not hold or represent any interest adverse to and has no connection with the Debtors herein, their creditors, the U.S. Trustee or any party in interest herein in the matters upon which PSZJ is to be retained. In an abundance of caution, PSZJ discloses the following connections to these cases:

a. The Firm has and continues to represent Vistar Corporation, a member of the Committee, and its affiliates in matters wholly unrelated to these Cases. The Firm is not representing and will not represent Vistar in these cases.

b. The Firm represents the Official Committee of Unsecured Creditors of The Weinstein Company Holdings LLC *et al.* ("TWC") in TWC's bankruptcy proceedings in the United States Bankruptcy Court for the District of Delaware. On information

and belief, TWC is an unsecured creditor of the Debtors. The Firm is not representing the TWC committee and will not represent the TWC committee in these cases.

c. The Firm is representing the Adeptus post-confirmation litigation trust (the "Trust") pending in the United States Bankruptcy Court for the Northern District of Texas, which representation is wholly unrelated to the Debtors. The trustee of the Trust is Drivetrain LLC. On information and belief, the Debtors' independent board of director members, David Mack, is affiliated with Drivetrain LLC. The Firm is not representing and will not represent Drivetrain LLC or Mr. Mack in these cases.

6. PSZJ and its attorneys may represent and, in the future, will likely represent creditors and other parties in interest of the Debtors in connection with matters wholly unrelated to the Debtors and these Cases. At this time, the Firm is not aware of any such representations other than as set forth above. If the Firm identifies any further such representations, the Firm shall make further disclosures as may be appropriate at that time.

7. Further, PSZJ represented, represents, and, in the future, will likely represent many committees in matters wholly unrelated to the Debtors and these Cases, whose members may be creditors and/or committee members in these Cases. The Firm, however, is not representing any of those entities in these Cases.

8. The Firm has represented, represents, and, in the future, will likely represent debtors, creditors' committees, and other parties in cases unrelated to the Debtors and these Cases wherein one or more of the firms or professionals involved in these cases

representing the Debtors or other parties-in-interest serve as or will serve as professionals in those other cases.

9. To the extent applicable, PSZJ is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code in that the Firm, its partners, of counsel, and associates:

- (a) are not creditors, equity security holders or insiders of the Debtors;
- (b) are not and were not, within two (2) years before the Petition Date, a director, officer, or employee of the Debtors; and
- (c) do not have an interest materially adverse to the interests of the Debtors’ estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason, except as disclosed herein.

Compensation

10. The Firm has received no retainer from the Debtors or the Committee, nor has the Firm received any payment or promise of payment, during the one-year period prior to the Petition Date on this engagement. No compensation has been paid or promised to be paid from a source other than the Debtors’ estate in these Cases on this engagement. No promises have been received by the Firm nor by any partners, of counsel or associates thereof as to compensation in connection with these Cases other than in accordance with the provisions of the Bankruptcy Code. The Firm has no agreement with any other entity to share with such entity any compensation received by the Firm in connection with these Cases, except among the

partners, of counsel, and associates of the Firm. Neither the Committee nor its members (or any of their representatives) are or will be liable for fees or costs incurred by the Firm in its representation of the Committee.

11. Subject to Court approval in accordance with section 330(a) of the Bankruptcy Code and any applicable orders of this Court, compensation will be payable to PSZJ on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by PSZJ. The current standard hourly rates for professionals and paralegals presently designated to represent the Committee are:

(a)	Partners	\$725.00 to \$1,395.00 per hour
(b)	Counsel	\$650.00 to \$1,095.00 per hour
(c)	Associates	\$575.00 to \$695.00 per hour
(d)	Paralegals	\$375.00 to \$395.00 per hour

12. The hourly rates set forth above are the Firm's standard hourly rates for work of this nature, which are subject to adjustment from time to time. These rates are set at a level designed to fairly compensate the Firm for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. These rates are subject to periodic adjustments to reflect economic and other conditions. It is the Firm's policy to charge its clients in all areas of practice for all other out-of-pocket expenses incurred in connection with the client's case. The expenses charged to clients include, Court filing fees, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document retrieval, photocopying and scanning charges, charges for mailing supplies (including, without limitation,

envelopes and labels) provided by the Firm to outside copying services for use in mass mailings, travel expenses, expenses for working meals, computerized research, transcription costs, as well as non-ordinary overhead expenses such as secretarial and other overtime. The Firm will charge the Committee for these expenses in a manner and at rates consistent with charges made generally to the Firm's other clients and in accordance with the guidelines set forth in Local Rule 2014-1, and all amendments and supplemental standing orders of the Court. The Firm believes that it is more appropriate to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

13. Subject to Court approval, the Committee may seek to retain various professionals during the pendency of these Cases. PSZJ intends to work closely with all professionals retained by the Committee to ensure that there is no unnecessary duplication of services performed or charged to the Debtors' estate.

Attorney Statement Pursuant to Fee Guidelines

14. The following is provided in response to the request for additional information set forth in Paragraph D.1 of the U.S. Trustee 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 "Fee Guidelines"), to the extent such Fee Guidelines apply in these Bankruptcy Cases.

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?

Response: No.

Question: Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?

Response: No.

Question: If you represented the client in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have changed post-petition, explain the difference and the reasons for the difference.

Response: Not applicable.

Question: Has your client approved your prospective budget and staffing plan, and, if so, for what budget period?

Response: As Committee counsel, PSZ&J and Riker Danzig anticipate that the budget for Committee professionals will be governed by the line item set forth for Committee professionals in any order that may be entered approving the *Debtors' Motion for Interim and Final Orders (I) Authorizing Use of Cash Collateral Pursuant to 11 U.S.C. § 363 (II) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 361 and 363 (III) Authorizing the Debtors to Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105(a), 362 and 364(c) and (d), (IV) Granting Liens and Superpriority Claims to the DIP Lenders Pursuant to 11 U.S.C. § 364(c), (V) Modifying the Automatic Stay, and (VI) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001* [Docket No. 15], subject to any rights that the Committee may have to object if an agreement cannot be reached between the Debtors and the Committee. The Committee and its professionals reserve all rights to seek approval of Committee professional fees.

15. PSZJ intends to make a reasonable effort to comply with the Office of the United States Trustee's requests for information and additional disclosures as set forth in the Fee Guidelines, to the extent applicable in these Bankruptcy Cases, both in connection with this Application and in the interim and final fee applications to be filed by PSZJ in these Bankruptcy Cases. As to these Cases and any other case in which PSZJ may be involved, PSZJ reserves all rights regarding the scope, application, and enforceability of the 2013 UST Guidelines.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing
is true and correct.

Dated: January 28, 2019

/s/ Bradford J. Sandler

Bradford J. Sandler

Schedule 1

Debtors

Frank Entertainment Group, LLC
Frank Management, LLC
Frank Entertainment Rock Hill, LLC
Revolutions of Saucon Valley LLC
Frank Hospitality Saucon Valley LLC
Revolutions at City Place, LLC
Frank Entertainment PSL LLC
Frank All Star Theatres, LLC
Frank Theatres, LLC
Frank Theatres Montgomeryville, LLC
Frank Theatres Towne, LLC
Frank Theatres Rio, LLC
Frank Theatres Bayonne/South Cove, LLC
Frank Theatres York, LLC
Frank Hospitality York, LLC
Galleria Cinema, LLC
Frank Theatres Delray, LLC
Frank Theatres Parkside Town Commons, LLC
Frank Theatres Kingsport LC
Frank Theatres Blacksburg LLC
Frank Theatres Mt. Airy, LLC
Frank Theatres Southern Pines, LLC
Frank Theatres Sanford, LLC
Frank Theatres Shallotte, LLC

Senior/DIP Lenders:

Elm Park Credit Opportunities Fund, L.P.
Elm Park Credit Opportunities Fund (Canada), L.P.
Business Development Corporation of America
Benefit Street Partners SMA-K-LP
Landmark Wall SMA L.P.
Benefit Street Partners Debt Fund IV L.P.
Benefit Street Partners Debt Fund IV Master (Non-US) L.P.
Benefit Street Partners SMA C L.P.
Benefit Street Partners SMA LM L.P.
Providence Debt Fund III Master (Non-US) L.P.
Providence Debt Fund III L.P.

Second Lien Lenders

Seacoast Capital Partners III, L.P.
Business Development Corporation of America
Benefit Street Partners SMA-K-LP
Landmark Wall SMA L.P.

Benefit Street Partners Debt Fund IV L.P.
Benefit Street Partners Debt Fund IV Master (Non-US) L.P.
Benefit Street Partners SMA C L.P.
Benefit Street Partners SMA LM L.P.
Providence Debt Fund III Master (Non-US) L.P.
Providence Debt Fund III L.P.

Officers, Directors and Equity Holders

Seacoast Capital Partners III, L.P.
54th Street Equity Holdings, Inc.
Providence Debt Fund III L.P.
BSP Acquisition Holdings LP
Benefit Street Partners Debt Fund IV L.P.
BSP TCAP Pooled Holdings LLC
BSP Landmark Acquisition Holdings LP
Benefit Partners SMA-K-L.P.
Benefit Street Partners SMA LM L.P.
BSP 4 Acquisition Holdings 2 LP
David Mack (Independent Director)
Bruce Frank (CEO)
Robert J. Reynolds (Manager)
Frank Entertainment Companies, LLC (Member)
Energy Hardward Holdings, Inc.
FEC Holdings, LLC
BSP 3 Acquisition Holdings LP

Landlords

South Cove Development LLC
Blacksburg APF Partners, LLC
KRG/PRISA II Parkside, LLC
Cityplace Retail, LLC
KRG/Atlantic Delray Beach, LLC
Firstrun LLC
GSPC, Ltd.
KRG New Hill Place, LLC
Fort Henry Mall Owner, LLC
Water Tower Associates
30 West Pershing, LLC
Rio Mall, LLC
JTL Rock Hill, LLC
Posh Properties No. 32, Bowlarama Limited Partnership
Frank Investments, Inc.
Queensgate Partners, LP

Professionals Representing the Debtors

Lowenstein Sandler LLP

Moss Adams LLC
Paragon Entertainment Holdings, LLC
Pat Neligan/Jon Gaither of Neligan LLP - Senior lenders' counsel
Larry Makel and Eric Schnabel at Dorsey & Whitney – Counsel for Seacoast
Alan Pope at Moore Van Allen - Counsel for the Benefit Street entities
Prime Clerk, LLC

Top 30 Creditors

Kite Realty Group, LP
JTL Rock Hill, LLC
IMAX Corporation
Staples Credit Plan
First Run LLC
Frank Investments, Inc.
Roadside Attractions
Deluxe Echostar LLC
Sysco of South East Florida
Bonita Marie International
Entertainment Supply & Supply Technologies, LLC
Entertainment Studios Motion Pictures, LLC
Balacksburg APF Partners LLC
Cinema Scene Marketing
Vistar Corporation
The Weinstein Company, LLC
Saucon Valley Square Condo Association
The ICEE Company
A24 Films LLC
Card Services
Direct TV
Florida Power and Light
Water Tower Square Associates
Visa Entertainment Solutions US Ltd.
Sidley Austin LLP
Bestson Enterprises
Relativity Media
Strong Technical Services, Inc.
Sysco Virginia LLC
Oracle America, Inc.

Office of the United States Trustee and Staff

Michael Artis
Peter J. D'Auria
David Gerardi
Ivette Gerhard
Rosemarie Giles
Tia Green

Mitchell B. Hausman
Martha Hildebrandt
Joseph C. Kern
Daniel C. Kropiewnicki
Lauren Bielskie
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Francyne D. Arendas
Michael Artis
Peter J. D'Auria
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Tia Green
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Joseph C. Kern
Daniel C. Kropiewnicki
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Jeffrey Sponder
Fran B. Steele
James Stives
Maria Suppa
Benjamin Teich
William J. Ziemer
Brenda J. Naughton

District of New Jersey Bankruptcy Court Judges and Staff

Honorable Kathryn C. Ferguson
Honorable Rosemary Gambardella
Honorable Michael B. Kaplan
Honorable Christine M. Gravelle
Honorable Andrew B. Altenburg, Jr.
Honorable Vincent F. Papalia
Honorable John K. Sherwood
Honorable Jerrold N. Poslusny, Jr.
Honorable Stacey L. Meisel
Andrea C. Saavedra
Erica Mannix
Lucy Veloz-Jimenez

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-1(b)

RIKER, DANZIG, SCHERER, HYLAND &
PERRETTI LLP
Joseph L. Schwartz (JS-5525)
Tara J. Schellhorn (TS-8155)
Headquarters Plaza, One Speedwell Avenue
Morristown, NJ 07962-1981
Telephone: (973) 583-0800
jschwartz@riker.com
tschellhorn@riker.com

-and-

PACHULSKI STANG ZIEHL & JONES LLP
Bradford J. Sandler (NJ Bar No. BS-1367)
Robert J. Feinstein (admitted *pro hac vice*)
780 Third Avenue, 34th Floor
New York, NY 10017
bsandler@pszjlaw.com
rfeinstein@pszjlaw.com

*Proposed Counsel for the Official Committee of
Unsecured Creditors*

In re:

FRANK THEATRES BAYONNE/SOUTH
COVE, LLC, *et al.*,

Debtors.

Chapter 11

Case No. 18-34808 (SLM)

(Jointly Administered)

**ORDER AUTHORIZING AND APPROVING THE RETENTION OF PACHULSKI
STANG ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS NUNC PRO TUNC TO JANUARY 3, 2019**

The relief set forth on the following pages, numbered two (2) through and including four (4), is
hereby **ORDERED**.

Page: 2

Debtors: Frank Theatres Bayonne/South Cove, LLC, et al.

Case No.: 18- 34808 (SLM)

Caption: Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones
LLP as Counsel to the Official Committee of Unsecured Creditors *Nunc Pro Tunc* to
January 3, 2019

Upon consideration of the *Application for Order Pursuant to 11 U.S.C. §§ 328 and 1103, Fed. R. Bankr. P. 2014, and Local Rule 2014-1, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors Nunc Pro Tunc to January 3, 2019* (the “Application”);¹ and upon consideration of the Declarations of Bradford J. Sandler and the Committee Chair filed in support of the Application; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the Court having the power to enter a final order consistent with Article III of the United States Constitution; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Application is in the best interests of the Debtors’ estates, its creditors and other parties-in-interest; and the Committee having provided adequate and appropriate notice of the Application under the circumstances; and after due deliberation and good and sufficient cause appearing therefor; and it appearing to the Court that the Application should be approved,

IT IS HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. The Official Committee of Unsecured Creditors (the “Committee”) is

hereby authorized to retain and employ PSZJ as counsel to the Committee *nunc pro tunc* to

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

Page: 3

Debtors: Frank Theatres Bayonne/South Cove, LLC, et al.

Case No.: 18- 34808 (SLM)

Caption: Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones
LLP as Counsel to the Official Committee of Unsecured Creditors *Nunc Pro Tunc* to
January 3, 2019

January 3, 2019. PSZJ's address is: Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue,
34th Floor, New York, New York 10017-2024.

3. PSZJ shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' Cases in compliance with the applicable provisions of the Bankruptcy Code, including section 330 of the Bankruptcy Code, the Bankruptcy Rules, and any applicable procedures and orders of this Court.

4. PSZJ is authorized to render professional services to the Committee as described in the Application. PSZJ shall make reasonable efforts to avoid unnecessary duplication of services provided by any of the Committee's other retained professionals in these Cases.

5. PSZJ shall provide ten (10) business days' notice to the Debtors and the U.S. Trustee before any increases in the rates set forth in the Application or Sandler Declaration and shall file such notice with the Court.

6. The Committee and PSZJ are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

[remainder of page intentionally left blank]

Page: 4

Debtors: Frank Theatres Bayonne/South Cove, LLC, et al.

Case No.: 18- 34808 (SLM)

Caption: Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones
LLP as Counsel to the Official Committee of Unsecured Creditors *Nunc Pro Tunc* to
January 3, 2019

8. This Court shall retain jurisdiction with respect to all matters arising from
or related to the implementation of this Order.

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