

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

AN GLOBAL LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 23-11294 (JKS)

(Jointly Administered)

Re: Docket No. 1412

**SUPPLEMENTAL DECLARATION OF KENNETH A. SMITH, FORMERLY
OF HANCOCK ASKEW & CO., LLP IN SUPPORT OF FINAL APPLICATION
OF HANCOCK ASKEW & CO., LLP FOR COMPENSATION FOR
SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES AS
TAX ADVISOR TO THE DEBTORS AND DEBTORS IN POSSESSION FOR
THE FINAL PERIOD DECEMBER 15, 2023 THROUGH APRIL 30, 2025**

I, Kenneth A. Smith, hereby declare, pursuant to 28 U.S.C. § 1746, as follows:

1. I am a Principal Emeritus of Baker Tilly Advisory Group, LP (“Baker Tilly”), an independent member of Baker Tilly International. I was a Partner of Hancock Askew & Co., LLP (“Hancock”) prior to Baker Tilly’s acquisition of Hancock. I provide this declaration on behalf of Hancock in support of the *Final Application of Hancock Askew & Co., LLP for Compensation for Services Rendered and for Reimbursement of Expenses as Tax Advisor to the Debtors and Debtors in Possession for the Final Period December 15, 2023 Through April 30, 2025* [Docket No. 1412] (the “Application”),² and in response to certain comments received from the Court in connection

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number or registration number in the applicable jurisdiction, are: AN Global LLC (5504); AgileThought, Inc. (2509); 4th Source, LLC (7626); AgileThought Brasil Servicos de Consultoria Em Software (01-20); AgileThought Digital Solutions, S.A.P.I. de C.V. (3KR0); AgileThought México S.A. de C.V. (7E46); AgileThought, LLC (7076); AGS Alpama Global Services USA, LLC (0487); AN Extend, S.A. de C.V. (1D80); AN Evolution, S. de R.L. de C.V. (7973); AN UX, S.A. de C.V. (7A42); Cuarto Origen, S. de R.L. de C.V. (0IQ9); Entrepids México, S.A. de C.V. (OCYA); Facultas Analytics, S.A.P.I. de C.V. (6G37); Faktos Inc., S.A.P.I. de C.V. (3LLA); IT Global Holding LLC (8776); Tarnow Investment, S.L. (No Tax ID); and Anzen Soluciones, S.A. de C.V. (No Tax ID). The Debtors’ headquarters are located at 222 W. Las Colinas Boulevard, Suite 1650E, Irving, Texas 75039.

² Capitalized terms not defined herein shall have the meanings given to them in the Application.



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with the Application. In particular, the Court raised questions regarding, among other things: (i) certain time entries for which the corresponding narrative was insufficient, (ii) certain potentially transient timekeepers that billed less than 5 hours, and (iii) certain time entries for which the amount broken out in parentheses in the narrative did not match the total fees requested.

2. To address the Court's concerns with respect to the narratives that were deemed insufficient, Hancock has provided supplemental narratives attached hereto as **Exhibit A**. For the convenience of the Court and parties in interest, a redline reflecting the changes to the applicable narratives is attached hereto as **Exhibit B**.

3. With respect to the potential transient billers, once Hancock was engaged, the team had less than six weeks to prepare the federal consolidated income tax returns as well as all the state income tax returns for numerous Debtor entities.³ During the first half of January of 2024, Hancock enlisted the assistance of its complimentary workforce team to do some foundational set up work for the tax returns, including entering the beginning balances from the 2022 tax returns prepared by BDO into Hancock's tax preparation software for the 2023 returns. A large group of professionals was required to complete the process in a short time frame, and once the 2022 data was entered, their work was completed. Additionally, various individuals billed short amounts of time conducting a variety of tasks that supported the core engagement team. Additional detail, along with a collection of brief explanations of the work performed by each potentially transient biller, is attached hereto as **Exhibit C**.

³ The work for which Hancock was engaged included the preparation of two federal income tax returns, including one that was a consolidated income tax return with four U.S. subsidiaries, 18 controlled foreign corporations, one disregarded entity, a foreign bank account report listing the financial institution and account information for thirty-eight bank accounts, plus twenty-eight state income tax returns, all of which needed to have pro forma information and prior year balances entered into the software before the current year tax return could be started.

4. Finally, Hancock has agreed to a voluntary reduction in the aggregate amount of \$620.00 in connection with one time entry which did not include a narrative, certain time entries for which the total amount requested for each such entry exceeded the time broken out in parentheses in the narrative for the corresponding time entry, and one biller that Hancock acknowledges as transient.⁴ Accordingly, after the reduction of \$620.00, Hancock respectfully requests allowance be made to it in the sum of \$573,155.34 as compensation for necessary professional services rendered for the Final Fee Period, and the sum of \$135.49 as reimbursement of actual and necessary costs and expenses incurred for the Final Fee Period, and requests such other and further relief as the Court may deem just and proper.

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, information and belief.

Date: November 21, 2025

/s/ Kenneth A. Smith

Kenneth A. Smith

⁴ These reductions are acknowledged in the applicable exhibits hereto.

EXHIBIT A

Supplemental Narratives

Timekeeper/Date	Hours/Fee	Narrative
Henderson 9/19/2024	0.50 hours \$185.00	Review the trial balances of the controlled foreign corporations for purposes of the preparation of the international forms 5471
Ireland 10/11/2024	0.25 hours \$71.25	Assisted Abe Orvalle in the import of the trial balances of each of the U.S. subsidiaries and answered questions with Abe.
Ireland 10/18/2024	3.1 hours \$883.50	Prepare the Retained Earnings reconciliation along with the taxable income reconciliation to support the schedules in the tax return.
Ireland 10/24/2024	1.5 hours \$427.50	Continue working on proving out taxable income to support the tax return.
Ireland 10/28/2024	3.25 hours \$926.25	Work on AgileThought Inc taxable income support for tax return.
Ireland 10/30/2024	1.0 hours \$285.00	Preparing federal taxable income workpapers to support the tax return.
Ireland 11/1/2024	0.35 hours \$99.75	Review the Tarnow Investment SL trial balance on a call with Chris Hines
Ireland 11/5/2024	1.75 hours \$498.75	Working in the tax preparation software on producing the federal tax return and supporting workpapers
Ireland 11/7/2024	2.3 hours \$655.50	Working in the tax preparation software on producing the federal tax return
Ireland 11/18/2024	2 hours \$570.00	Working in the tax preparation software on producing the federal tax return, and specifically on the IRC Sec. 163(j) interest limitation calculation
Ireland 11/19/2024	2 hours \$570.00	Working on updates to the supporting workpaper at TX01
Ireland 11/22/2024	2 hours \$570.00	Working in the tax preparation software on producing the federal tax return, and specifically on the intangibles and related tax amortization expense.
Ireland 11/25/2024	2.6 hours \$741.00	Working in the tax preparation software on producing the federal tax return, and specifically on the fixed assets and related depreciation expense and the intangibles and related tax amortization expense.

Pendilla 12/27/2024	0.25 hours \$92.50	Call with Evan Butcher to help him regarding the state of PA specific depreciation laws and adjustment to federal tax depreciation.
Ireland 1/22/2025	2.00 hours \$590.00	Work on the IRC Sec 163(j) interest limitation calculations as well as the book-tax differences and Schedule M-1 updates
Chivington 1/27/2025	1.00 hours \$375.00	Reviewing the combined State income tax returns
Ireland 1/31/2025	4.45 hours \$1,312.75	Working with Chris Hines on importing the trial balances of the controlled foreign corporations, the import template, mapping the data for the preparation of the forms 5471 for each of the CFCs
Ireland 2/19/2025	0.75 hours \$221.25	Research the entities 1001, 3005 to determine if they will be included in the 2024 tax returns, as certain entities were set up outside of the U.S. filing group
Ireland 2/21/2025	1.00 hours \$295.00	Go over trial balance updates for balance sheet accounts not converting updates and input data for the form 5471 for entity 1001
Tuley 3/3/2025	0.25 hours \$71.25	Go over with Cecilia Ireland the changes to the gain on sale workpapers
Tuley 3/6/2025	0.25 hours \$71.25	Email to Cecilia to respond to questions that arose in her review of my work.
Tuley 12/4/2024	2 hours \$450.00	STRICKEN AND SUBJECT TO VOLUNTARY REDUCTION OF FEES IN THE AMOUNT OF \$450.00
Smith 9/18/2024	1.50 hours \$660.00	Planning meeting to discuss preparation of the forms 5471 and use of preparation templates from BDO (1.0), timeline and specific staffing for the international tax section. Discussed various staff members, and schedules in light of the deadline; follow up call with Mark Fenaughty to discuss availability of Ethan Goodman to be dedicated to the project for at least 2 weeks before Oct 15 deadline (.15); follow up on seventh application of fees for August and email application to Potter Anderson (.1) THE \$110.00 DISCREPANCY IN THE ADDITION OF THE PARENTHESES FOR THIS ENTRY WILL BE STRICKEN AND SUBJECT TO VOLUNTARY REDUCTION.

EXHIBIT B

Supplemental Narratives Redline

Timekeeper/Date	Hours/Fee	Narrative
Henderson 9/19/2024	0.50 hours \$185.00	intl-TBs Review the trial balances of the controlled foreign corporations for purposes of the preparation of the international forms 5471
Ireland 10/11/2024	0.25 hours \$71.25	tb, Assisted Abe Orvalle in the import of the trial balances of each of the U.S. subsidiaries and answered questions with Abe.
Ireland 10/18/2024	3.1 hours \$883.50	RE-recon, TI-recon Prepare the Retained Earnings reconciliation along with the taxable income reconciliation to support the schedules in the tax return.
Ireland 10/24/2024	1.5 hours \$427.50	Continue working on proving out taxable income to support the tax return.
Ireland 10/28/2024	3.25 hours \$926.25	AT Work on AgileThought Inc taxable income support for tax return.
Ireland 10/30/2024	1.0 hours \$285.00	Preparing federal taxable income workpapers to support the tax return.
Ireland 11/1/2024	0.35 hours \$99.75	tarnwo-TB Review the Tarnow Investment SL trial balance on a call with Chris Hines
Ireland 11/5/2024	1.75 hours \$498.75	federal Working in the tax preparation software on producing the federal tax return and supporting workpapers
Ireland 11/7/2024	2.3 hours \$655.50	Working in the tax preparation software on producing the federal tax return
Ireland 11/18/2024	2 hours \$570.00	Working in the tax preparation software on producing the federal, 163j tax return, and specifically on the IRC Sec. 163(j) interest limitation calculation
Ireland 11/19/2024	2 hours \$570.00	tx01 Working on updates to the supporting workpaper at TX01
Ireland 11/22/2024	2 hours \$570.00	fed, Working in the tax preparation software on producing the federal tax return, and specifically on the intangibles and related tax amortization expense.
Ireland 11/25/2024	2.6 hours \$741.00	fed, FA Working in the tax preparation software on producing the federal tax return, and specifically on the fixed assets and related depreciation expense and the intangibles and

		<u>related tax amortization expense.</u>
Pendilla 12/27/2024	0.25 hours \$92.50	<u>Call with evan on PA Evan Butcher to help him regarding the state of PA specific depreciation laws and adjustment to federal tax depreciation.</u>
Ireland 1/22/2025	2.00 hours \$590.00	163j, m <u>Work on the IRC Sec 163(j) interest limitation calculations as well as the book-tax differences and Schedule M-1 updates</u>
Chivington 1/27/2025	1.00 hours \$375.00	<u>Reviewing the combined state review State income tax returns</u>
Ireland 1/31/2025	4.45 hours \$1,312.75	<u>Working with Chris Hines on importing the trial balances of the controlled foreign corporations, the import template, mapping the data for the preparation of the forms 5471 for each of the CFCs</u>
Ireland 2/19/2025	0.75 hours \$221.25	entities 1001, 3005 <u>Research the entities 1001, 3005 to determine if they will be included in the 2024 tax returns, as certain entities were set up outside of the U.S. filing group</u>
Ireland 2/21/2025	1.00 hours \$295.00	<u>Go over trial balance updates for balance sheet accounts not converting updates and input data for the form 5471 for entity 1001, foreign</u>
Tuley 3/3/2025	0.25 hours \$71.25	<u>Go over wwith Cecilia Ireland the changes to the gain on sale workpapers</u>
Tuley 3/6/2025	0.25 hours \$71.25	<u>Email to Cecilia to respond to questions that arose in her review of my work.</u>
Tuley 12/4/2024	2 hours \$450.00	NO NARRATIVE <u>STRICKEN</u>

EXHIBIT C

Potential Transient Biller Explanations

Potential Transient Biller Explanations

1. **Namrata Katrodiya** provided timely assistance in entering into Hancock's tax preparation software the beginning balances in the 2023 tax return from the 2022 tax return prepared by BDO.
2. **Nikhil Lalwani** also provided timely assistance in entering into Hancock's tax preparation software the beginning balances into the 2023 state income tax return from the 2022 tax return prepared by BDO.
3. **Palmer, Kristen** assisted in the set up of state income tax supporting workpapers.
4. **Sarvaiya, Akshay** provided timely assistance in entering into our tax preparation software the beginning balances in the 2023 tax return from the 2022 tax return prepared by BDO.
5. **Bhosale, Vitthal**, a manager, provided timely assistance in helping review with work of entering into Hancock's tax preparation software the beginning balances in the 2023 tax return from the 2022 tax return prepared by BDO.
6. **Shekhawat, Pradeep**, provided timely assistance in entering into Hancock's tax preparation software the beginning balances into the 2023 state income tax return from the 2022 tax return prepared by BDO.
7. **Kasula, Raju**, a manager, provided timely assistance in helping review with work of entering into Hancock's tax preparation software the beginning balances in the 2023 tax return from the 2022 tax return prepared by BDO.
8. **Leonard, Stephen** is Hancock's managing tax partner, who provided key information to the law firm in the retention application.
9. **Petrino, Catherine**, manager, assisted the engagement team in the complex process setting up the tax preparation software to electronically filing the tax returns, which were due February 15, 2024.
10. **Evans, C.J.** is a business property tax specialist, and was involved in assisting in the preparation of a relatively small property tax filing in Hillsborough County, FL. He directed and assisted a staff member, Hieu Nguyen, also a property tax specialist, who prepared the tax return.
11. **Nguyen, Hieu** is a property tax specialist who prepared a small Hillsborough County, FL business property tax return.

12. **McCann, Catherine**, provided some on-time assistance to the engagement team on a one-time basis
13. **Sharma, Suman** assisted in some discrete fixed asset/depreciation reports in the tax return.
14. **Touchstone, Blake** – *transient biller* (**THIS BILLER'S TOTAL FEE OF \$60 IS STRICKEN AND SUBJECT TO VOLUNTARY REDUCTION IN ITS ENTIRETY**).