

TROUTMAN PEPPER LOCKE LLP

Dabney J. Carr (VSB No. 28679)
1001 Haxall Pt.
Richmond, VA 23219
Telephone: (804) 697-1200

Leslie A. Davis (admitted *pro hac vice*)
Michael T. Carolan (*pro hac vice* motion pending)
401 9th Street, NW
Washington, DC 20004
Telephone: (202) 274-2950

*Counsel for Century Indemnity Company and Westchester
Fire Insurance Company*

WHITE AND WILLIAMS LLP

Patricia B. Santelle (admitted *pro hac vice*)
1650 Market Street
One Liberty Place, Suite 1800
Philadelphia, PA 19103
Telephone: (215) 864-7000

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

HOPEMAN BROTHERS, INC.,

Debtor.

:
: **Chapter 11**
:
: **Case No. 24-32428 (KLP)**
:
:
:
:

**CHUBB INSURERS' OBJECTION TO SIXTH MONTHLY FEE STATEMENT OF FTI
CONSULTING, INC. FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD FROM FEBRUARY 1, 2025 THROUGH FEBRUARY 28, 2025**

Century Indemnity Company and Westchester Fire Insurance Company (together, the "Chubb Insurers"), parties in interest, object to the Sixth Monthly Fee Statement of FTI Consulting, Inc. for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred for the Period from February 1, 2025 Through February 28, 2025, Dkt. No. 652 (the "Sixth Monthly FTI Application").

1. The Chubb Insurers object to the Sixth Monthly FTI Application on the same grounds as (a) the Chubb Insurers' Objections to the Fifth Monthly Fee Statement of FTI



Consulting, Inc. for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred for the Period from January 1, 2025 Through January 31, 2025 (Dkt. No. 644) (“the “FTI Fifth Monthly Fee Application Objection”) and (b) the Chubb Insurers’ Objection to Seventh Monthly Fee Statement of Morgan, Lewis & Bockius LLP as Special Insurance Counsel to the Official Committee of Unsecured Creditors for Allowance of Compensation for Service Rendered and Reimbursement of Expenses Incurred for the Period of February 1, 2025 Through February 28, 2025 (Dkt. No. 645) (the “MLB Fee Application Objection”). Accordingly, the Chubb Insurers incorporate by reference as though fully set forth herein the entirety of the FTI Fifth Monthly Fee Application Objection and the MLB Fee Application Objection, except with respect to the specific hours and amounts subject to objection, in support of the Chubb Insurers’ Objections to the Sixth Monthly FTI Fee Application.

2. The Chubb Insurers further object to the Sixth Monthly FTI Fee Application because it is devoid of information sufficient to permit the Court or any other party to determine if the services “were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title. . . .” 11 U.S.C. § 330(a)(3). Apparently hoping to mask the fact that FTI personnel spent nearly 130 hours during February on efforts related to the § 524(g) plan that was being negotiated between the Committee and the Debtor, the Sixth Monthly FTI Fee Application is replete with vague and duplicative entries from which it is impossible to tell if “the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed” 11 U.S.C. § 330(a)(3)(D).

3. For example, the Sixth Monthly FTI Fee Application contains twenty-two (22) entries in Task Category 16 for work “review[ing]” “revis[ing]” or “prepar[ing]” a “meditation

presentation re: mediation – related issues” or the “mediation presentation for mediation.” *See* Dkt. No. 652 at Ex. C. Another *eighty-three* (83) entries in Task Categories 16 and 21 relate to FTI’s “Analysis related to mediation matters.” *Id.* When billing entries are largely duplicative, such as these, the Court cannot possibly determine whether the work performed by FTI was necessary, commensurate to the nature of the problem, issue, or task addressed, or performed in a reasonable amount of time. FTI’s request for reimbursement as to each of these entries in Tasks 16 and 21 in the Sixth Monthly FTI Fee Application should be denied on this basis alone. *See, e.g., In re C & J Oil Co., Inc.*, 81 B.R. 398, 403 (Bankr. W.D. Va. 1987) (“it is necessary that counsel keep contemporaneous time records of services rendered which are detailed and reveal the substance necessary for the bankruptcy court to make an informed ruling on whether the services were of value to the administration of the estate and to make an adequate assessment of the reasonableness of the time spent on such services.”).

4. According to the Sixth Monthly FTI Fee Application, FTI billed a total of 146.3 hours from February 1 through February 28, 2025. *See* Dkt. No. 652, Ex. A. FTI spent 128.8 hours, totaling \$123,964 in fees, for work on Tasks 16 and 21 pertaining to “mediation matters,” “mediation – related issues,” and an “ongoing analysis related to mediation matters.” *Id.*, Ex. C, Task Category 16 and Task Category 21. Since the Chubb Insurers were not involved in the mediation after the single session on January 22, 2025, the only “mediation” efforts that occurred in February 2022 relate only to the putative § 524(g) plan that is reflected in the Plan Term Sheet that was filed with the Court on March 7, 2025. *See* Dkt. No. 595-1, ¶¶ 3,6; Dkt. No. 609, Ex. B. FTI’s mediation-related work in February 2025 thus could only have pertained to the patently non-confirmable § 524(g) plan contemplated by the Plan Term Sheet. The Chubb Insurers object to

allowance of those fees because they were incurred for services that were not “reasonably likely to benefit the debtor’s estate.” 11 U.S.C. § 330(a)(4)(A).

CONCLUSION

For the reasons set forth above, in the FTI Fifth Monthly Fee Application Objection, and in the MLB Fee Application Objection, the Sixth Monthly FTI Fee Application should be disallowed in the amount set forth in Paragraph 4.

Dated: April 28, 2025

Respectfully submitted,

/s/ Dabney J. Carr

Dabney J. Carr (VSB No. 28679)
TROUTMAN PEPPER LOCKE LLP
1001 Haxall Pt.
Richmond, VA 23219
Telephone: (804) 697-1200
Dabney.carr@troutman.com

Leslie A. Davis (admitted *pro hac vice*)
Michael T. Carolan (*pro hac vice*
motion pending)
Troutman Pepper Locke LLP
401 9th Street, NW
Washington, DC 20004
Telephone: (202) 274-2958
Leslie.davis@troutman.com

-and-

Patricia B. Santelle (admitted *pro hac vice*)
White and Williams LLP
1650 Market Street
One Liberty Place, Suite 1800
Philadelphia, PA 19103
Telephone: (215) 864-7000
santellep@whiteandwilliams.com

*Counsel for Century Indemnity
Company and Westchester Fire
Insurance Company*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on April 28, 2025, a true and correct copy of the foregoing Objection to Sixth Monthly Fee Statement of FTI Consulting, Inc. for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred for the Period from February 1, 2025 through February 28, 2025 was served upon all parties receiving electronic notice through the Court's ECF notification system.

/s/ Dabney J. Carr

Dabney J. Carr