

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA**

IN RE:) CHAPTER 7
) BANKRUPTCY NO. 08-2751
AGRIPROCESSORS, INC.,)
)
Debtor.)

**THIRTEENTH INTERIM APPLICATION OF ATTORNEYS FOR
CHAPTER 7 TRUSTEE JOSEPH SARACHEK (ELDERKIN & PIRNIE, PLC)
FOR ATTORNEYS' FEES & EXPENSES**

Elderkin & Pirnie, PLC (“Applicant”), pursuant to 11 U.S.C. Section 331, hereby requests an Order approving the attorneys’ fees and expenses incurred in connection with this Chapter 7 case on behalf of Trustee Joseph E. Sarachek. In support thereof Applicant respectfully represents:

1. Applicant is an attorney of record for Trustee Joseph E. Sarachek (“Trustee”) in the above-named case, and has acted as such during all of the proceedings to date.

2. Elderkin & Pirnie, PLC is a law firm with members who specialize in bankruptcy cases and is recognized as a firm whose members handle complex financial matters. Those firm members with such special expertise have performed all of the work done for the Trustee in this case or have directed and supervised work performed by other attorneys or paraprofessionals. A brief professional biography of each of the persons in the firm performing services described in this application is attached as Exhibit “A.”

3. Applicant has expended time in the form of attorney and professional services. This time has been itemized on records which reflect on a day-to-day basis the work performed by each attorney or paraprofessional during the period covered by this application. Copies of the time records are attached as Exhibit “B.” A list setting forth the letter designations, name, employment category, and normal hourly rate charges attributable to each individual performing the services rendered herein, is attached as Exhibit “C.”

4. Counsel has advanced on behalf of the client certain expenses as shown on Exhibit “B,” which expense advancements were made directly in connection with this case and were necessary in connection with counsel’s representation of the Debtor.

5. This interim application includes fees in the amount of \$386,457.50 and expenses (\$698.21) and advances (\$587.12) in the amount of \$1,285.33, totaling \$387,742.83 for the 19-month period October 1, 2014, through April 30, 2016, that have not been previously applied for or approved. Pursuant to Bankruptcy Rule 2016(a), the undersigned states the Chapter 7 fees and expenses approved by the Court in the twelve (12) previous Applications are as follows:

Application	Attorneys’ Fees	Expenses	Total	Fee Approved
1 st Interim	\$112,798.50	\$2,534.45	\$115,332.95	\$115,332.95
2 nd Interim	\$146,305.50	\$2,802.46	\$149,107.96	\$149,107.96 *
3 rd Interim	\$171,617.50	\$4,985.50	\$176,603.00	\$176,603.00
4 th Interim	\$138,204.50	\$4,192.37	\$142,396.87	\$142,396.87
5 th Interim	\$180,337.00	\$3,881.54	\$184,218.54	\$184,218.54
6 th Interim	\$314,344.50	\$1,650.51	\$315,995.01	\$315,995.01
7 th Interim	\$344,107.50	\$15,341.05	\$359,448.55	\$359,448.55
8 th Interim	\$299,734.50	\$35,702.70	\$335,437.20	\$335,437.20
9 th Interim	\$475,876.50	\$43,488.71	\$519,365.21	\$466,365.21**
10 th Interim	\$364,898.00	\$49,667.89	\$414,565.89	\$414,565.89
11 th Interim	\$574,453.50	\$74,180.82	\$648,634.32	\$648,634.32
12 th Interim	\$830,198.50	\$73,892.26	\$904,090.76	\$904,090.76***

* Denotes a 20% “holdback” in payment even though the full amount was allowed;

** Counsel for the Trustee wrote-off fees in the amount of \$53,000.00;

*** Denotes a \$30,000 “holdback” in payment that may be considered for approval in the final fee application, and a write-off of fees in the amount of \$61,172.75 and expenses of \$4,303.82

The undersigned counsel certifies that not all previously ordered fees for applications one through twelve have been paid because the estate has not yet collected sufficient funds. Approximately \$1.3 million in approved fees remain unpaid. All fees paid or to be paid have come from funds on hand that the Trustee, in his discretion, has paid to Applicant.

6. Work on this case, during the time represented by this application, has involved extensive action by the firm and several of its attorneys and support staff in furtherance of the

Trustee's attempts to recover avoidable transfers and to finish the liquidation of assets and the assessment of claims. Applicant's work for the Trustee may be summarized as follows:

Counsel for the Trustee continued to perform all of the general representation functions that the Trustee required in the execution of his duties in this case. The vast majority of the work, however, was concentrated in the prosecution of avoidance actions against various parties. That work required counsel to complete the discovery process, prepare for trials, conduct trials, negotiate settlements of those matters not going to trial, obtain court approval of settlements, and collection efforts for judgments obtained.

A few matters have proceeded to trial and in all but one matter, Wahls/Garnavillo, the Trustee obtained judgment against the defendant. For those judgments, and others previously obtained, the Trustee's counsel has engaged in substantial efforts to collect against those defendants. Success has been mixed to date, but the estate has made some substantial recoveries and is continuing the effort.

The single most significant matter that required substantial effort during the period of this application was the preference action against Luana Savings Bank. After receiving the Court's extensive ruling awarding the estate a judgment in excess of \$1.5 million, counsel reviewed the ruling and advised the Trustee regarding the prospects of increasing the award upon appeal. After consideration of the various options, Trustee directed counsel to appeal. Luana Savings Bank cross-appealed but opted to proceed in the District Court. The District Court Affirmed and the Bank appealed to the Eighth Circuit. The Trustee has now cross-appealed. Much of counsels' time for this application was devoted to the filing and prosecuting of that appeal. Additionally, counsel spent considerable time in the preparation for trial of the avoidance action against Hilgar, Ltd. before reaching a substantial settlement for the estate.

Counsel for the Trustee continued to prosecute the unresolved matters while also negotiating reasonable settlements based upon information provided by Defendants or obtained through the discovery process. The present application covers a greater time period than any prior application. This is due, in part, to a recognition that the Trustee would not have sufficient funds on hand to pay the ordered fees until decisions had been rendered and judgments collected.

7. Counsel represents that all of the work represented by this application was done for the benefit of the bankruptcy estate, with the knowledge and approval of the Trustee and that no action was undertaken which counsel thought was unnecessary or of no value to the estate. Further, to the extent possible, counsel has attempted to avoid unnecessary duplication of effort by the personnel involved and has, whenever possible, adhered to the principle that each task should be assigned to the attorney or paraprofessional person who is capable of performing the work for the lowest cost.

8. Applicant requests that the Court approve the allowance requested in this application and authorize the Trustee to pay any allowance from available funds.

WHEREFORE, Applicant requests that the Court, pursuant to 11 U.S.C. Section 331, enter appropriate orders awarding compensation for services rendered (\$386,457.50) and expenses advanced (\$1,285.33) in the total amount of \$387,742.83 for the October 1, 2014, through April 30, 2016 period and authorize the Trustee to pay that amount from available funds.

Respectfully submitted,

/s/ Dan Childers

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ATTORNEYS FOR CHAPTER 7 TRUSTEE