

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<p>In re:</p> <p>CANO HEALTH, INC., <i>et al.</i>,</p> <p style="text-align: center;">Debtors.<sup>1</sup></p>	<p>Chapter 11</p> <p>Case No. 24-10164 (KBO)</p> <p>(Jointly Administered)</p> <p><b>Hearing Date: October 10, 2024 at 9:30 a.m. (ET)</b> <b>Obj. Deadline: September 3, 2024 at 4:00 p.m. (ET)</b></p>
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**SUMMARY OF FINAL FEE APPLICATION OF PAUL HASTINGS LLP,  
CO-COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,  
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM FEBRUARY 22, 2024 THROUGH JUNE 28, 2024**

Name of Applicant:	Paul Hastings LLP
Authorized to provide professional services to:	Official Committee of Unsecured Creditors of Cano Health, Inc., <i>et al.</i>
Date of retention:	April 11, 2024, effective as of February 22, 2024 [Docket No. 631]
Period for which compensation and reimbursement are sought:	February 22, 2024 through and including June 28, 2024 (the “ <b>Application Period</b> ”)
Amount of compensation sought as actual, reasonable, and necessary for the Application Period:	\$5,357,830.50 <sup>2</sup>
Amount of expense reimbursement sought as actual, reasonable, and necessary for the Application Period:	\$19,883.75
This is a:	<input type="checkbox"/> monthly <input type="checkbox"/> interim <input checked="" type="checkbox"/> final application

<sup>1</sup> The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

<sup>2</sup> This amount includes an estimate of \$50,000 for fees and expenses estimated to be incurred following the Effective Date in connection with the preparation and prosecution of fee applications for services rendered in the Chapter 11 Cases.

**PRIOR MONTHLY FEE APPLICATIONS**

<b>Monthly Fee Period, Application Docket No., and Date Filed</b>	<b>CNO Docket No. and Date Filed</b>	<b>Total Fees Requested</b>	<b>Total Expenses Requested</b>	<b>Fees Paid</b>	<b>Expenses Paid</b>	<b>Unpaid Fees</b>	<b>Unpaid Expenses</b>
02/22/24 – 03/31/24 Docket No. 753 05/01/24	Docket No. 872 05/22/24	\$1,801,284.50	\$2,496.77	\$1,801,284.50	\$2,496.77	\$0.00	\$0.00
04/01/24 – 04/30/24 Docket No. 987 06/07/24	Docket No. 1153 06/28/24	\$1,501,764.50	\$1,723.43	\$1,501,764.50	\$1,723.43	\$0.00	\$0.00
05/1/24 – 05/31/24 Docket No. 1298 08/07/24	N/A	\$1,322,343.50	\$7,682.95	\$0.00	\$0.00	\$1,322,343.50	\$7,682.95
06/1/24 – 06/28/24 Docket No. 1306 08/09/24	N/A	\$682,438.00	\$7,980.60	\$0.00	\$0.00	\$682,438.00	\$7,980.60
<b>TOTAL:</b>		\$5,307,830.50	\$19,883.75	\$3,303,049.00	\$4,220.20	\$2,004,781.50	\$15,663.55

**PRIOR INTERIM FEE APPLICATION**

<b>Interim Fee Period, Application Docket No., and Date Filed</b>	<b>Order Docket No.</b>	<b>Total Fees Requested</b>	<b>Total Expenses Requested</b>	<b>Fees Allowed and Paid</b>	<b>Expenses Allowed and Paid</b>	<b>Unpaid Fees</b>	<b>Unpaid Expenses</b>
02/22/24 – 04/30/24 Docket Nos. 1016 and 1038 06/14/24 06/17/24	Docket No. 1257	\$3,303,049.00	\$4,220.20	\$3,303,049.00	\$4,220.20	\$0.00	\$0.00

**SUMMARY OF BILLING BY  
PROFESSIONAL DURING APPLICATION PERIOD**

Name, Position	Year of First Admission, Department	Fees Billed	Hours Billed	Hourly Rate Billed <sup>3</sup>
<b>Partners</b>				
Bassett, Nicholas	2007, Financial Restructuring	\$37,250.50	20.30	\$1,835.00
Cota, Alex	2012, Financial Restructuring	\$20,445.50	10.30	\$1,985.00
Gilad, Erez	2001, Financial Restructuring	\$1,383,690.00	658.90	\$2,100.00
Gilad, Erez (travel, bill at ½ rate)	2001, Financial Restructuring	\$6,300.00	6.00	\$1,050.00
Hansen, Kris	1996, Financial Restructuring	\$210,220.00	91.40	\$2,300.00
Hong, David	2002, Financial Restructuring	\$24,614.00	12.40	\$1,985.00
Kelly, Brian	2001, Financial Restructuring	\$143,313.50	78.10	\$1,835.00
Lindsay, Peter	2003, Life Sciences and Healthcare	\$2,752.50	1.50	\$1,835.00
Meier, Peter	1995, Complex Litigation & Arbitration	\$43,273.00	21.80	\$1,985.00
<b>Partner Total:</b>		<b>\$1,871,859.00</b>	<b>900.70</b>	
<b>Of Counsel</b>				
Montefusco, Ryan	2012, Financial Restructuring	\$1,080,400.00	584.00	\$1,850.00
Silber, Gary	2011, Tax	\$59,385.00	32.10	\$1,850.00
Traxler, Katherine A.	1990, Financial Restructuring	\$9,520.00	8.50	\$1,120.00
<b>Of Counsel Total:</b>		<b>\$1,149,305.00</b>	<b>624.60</b>	
<b>Associates</b>				
Catalano, Kristin	2021, Financial Restructuring	\$452,077.50	381.50	\$1,185.00
Childers, Matthew	2022, Private Equity	\$15,070.50	15.30	\$985.00
Farmer, Will	2018, Financial Restructuring	\$348,890.00	251.00	\$1,390.00
Grabis, Maria	2016, Financial Restructuring	\$89,280.00	64.00	\$1,395.00
McMillan, Jillian	2019, Financial Restructuring	\$523,439.00	404.20	\$1,295.00
Sikes, Alison	2019, Financial Restructuring	\$13,240.50	9.70	\$1,365.00
Teague, Molly	2023, Complex Litigation & Arbitration	\$11,859.00	13.40	\$885.00
Thomas, Schlea	2022, Financial Restructuring	\$450,046.50	456.90	\$985.00
Yu, Annie	2024, Financial Restructuring	\$302,050.50	341.30	\$885.00
<b>Associate Total:</b>		<b>\$2,205,953.50</b>	<b>1,937.30</b>	

<sup>3</sup> Paul Hastings did not change the hourly rates of its timekeepers in the Debtors' chapter 11 cases.

<b>Name, Position</b>	<b>Year of First Admission, Department</b>	<b>Fees Billed</b>	<b>Hours Billed</b>	<b>Hourly Rate Billed<sup>3</sup></b>
<b>Paraprofessionals</b>				
Magzamen, Michael	Financial Restructuring	\$65,088.00	115.20	\$565.00
Negron, Jeff	Finance	\$15,625.00	25.00	\$625.00
<b>Paraprofessional Total:</b>		<b>\$80,713.00</b>	<b>140.20</b>	
<b>Post-Effective Date Fees for Preparation and Prosecution of Fee Applications:</b>		<b>\$50,000.00</b>		
<b>Total:</b>		<b>\$5,357,830.50</b>	<b>3,602.80</b>	
<b>Blended Hourly Rate:</b>		<b>\$1,473</b>		

**SUMMARY OF COMPENSATION BY  
PROJECT CATEGORY DURING APPLICATION PERIOD**

<b>Task Code and Project Category</b>	<b>Hours Billed</b>	<b>Fees Sought</b>
B110 Case Administration	388.60	\$526,232.50
B112 Committee Meetings and Communications	167.70	\$247,609.00
B115 Debtor Communications and Meetings	235.10	\$359,321.00
B121 General Pleadings Review	68.60	\$82,188.50
B130 Asset Dispositions and Sales	23.90	\$39,277.00
B140 Relief from Stay/Adequate Protection Matters	21.10	\$28,826.50
B150 Creditor Meetings and Communications	5.90	\$7,522.00
B155 Court Hearings	50.40	\$72,388.00
B160 Fee/Employment Applications for Committee Professionals	167.80	\$185,718.00
B165 Fee/Employment Applications for Other Professionals	12.50	\$21,726.00
B180 Estate Claims/Avoidance Action Analysis	105.70	\$126,984.50
B185 Assumption/Rejection of Leases and Contracts	12.90	\$18,748.50
B190 Other Contested Matters	0.10	\$88.50
B191 General Litigation and Discovery	995.50	\$1,492,677.50
B195 Non-Working Travel	6.00	\$6,300.00
B210 Business Operations	113.60	\$184,228.50
B211 Financial Reports (Monthly Operating Reports, Schedules, and SoFAs)	1.20	\$1,127.00
B230 DIP Financing/Cash Collateral	292.50	\$431,369.50
B240 Tax Matters	19.60	\$35,720.50
B310 Claims Analysis and Objections	58.50	\$89,735.00
B320 Plan and Disclosure Statement	855.60	\$1,350,042.50
<b>Total:</b>	<b>3,602.80</b>	<b>\$5,307,830.50</b>
<b>Post-Effective Date Fees for Preparation and Prosecution of Fee Applications</b>		<b>\$50,000.00</b>
<b>Total:</b>		<b>\$5,357,830.50</b>

**SUMMARY OF EXPENSE**  
**REIMBURSEMENT FOR APPLICATION PERIOD**

<b>Category</b>	<b>Amount</b>
Articles and Publications	\$13.96
Lodging	\$1,646.70
Computer Search	\$5,484.21
In-house Black and White Reproduction Charges	\$181.52
In-house Color Reproduction Charges	\$257.50
Outside Professional Services	\$11,244.03
Meals	\$10.89
Parking	\$17.00
Vendor Expense	\$42.58
Taxi/Ground Transportation	\$985.36
<b>Total:</b>	<b>\$19,883.75</b>

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

CANO HEALTH, INC., *et al.*,  
Debtors.<sup>1</sup>

Chapter 11

Case No. 24-10164 (KBO)

(Jointly Administered)

Hearing Date: October 10, 2024 at 9:30 a.m. (ET)

Obj. Deadline: September 3, 2024 at 4:00 p.m. (ET)

**FINAL FEE APPLICATION OF PAUL HASTINGS LLP, CO-COUNSEL  
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM FEBRUARY 22, 2024 THROUGH JUNE 28, 2024**

Paul Hastings LLP (“**Paul Hastings**”), co-counsel to the Official Committee of Unsecured Creditors (the “**Committee**”) appointed in the chapter 11 cases (the “**Chapter 11 Cases**”) of Cano Health, Inc. and the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), hereby submits this application (the “**Application**”), pursuant to (i) sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), (ii) Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), (iii) Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), and (iv) the *Order Pursuant to 11 U.S.C. §§ 105(a), 330, and 331 and Fed. R. Bankr. P. 2016 (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, (II) Granting Related Relief* [Docket No. 243] (the “**Interim Compensation**

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<sup>1</sup> The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

**Order**”),<sup>2</sup> seeking entry of an order granting allowance and payment, on a final basis, of compensation for services rendered in the amount of \$5,357,830.50 and reimbursement of expenses incurred in the amount of \$19,883.75 for the period from February 22, 2024 through and including June 28, 2024 (the “**Application Period**”). In support of this Application, Paul Hastings respectfully represents as follows:

**PRELIMINARY STATEMENT**

1. As co-counsel to the Committee, Paul Hastings was instrumental in maximizing recoveries for the benefit of general unsecured creditors. Despite initially being faced with an extremely compressed chapter 11 plan timeline, Paul Hastings, through a combination of effective advocacy and impactful narrowly-tailored discovery efforts, obtained a moderate extension of the case timeline and succeeded in negotiating a global settlement with the Debtors and their secured lenders that substantially increased recoveries to non-RSA general unsecured creditors and facilitated the Debtors’ prompt emergence from bankruptcy.

2. Specifically, pursuant to the settlement, non-RSA general unsecured creditors were separately classified and entitled to receive their *pro rata* share of: (a) MSP Recovery Proceeds (approximately \$5.6 million in net cash proceeds from the liquidation of certain shares in MSP Recovery, Inc. held by the Debtors as of the Petition Date); (b) 100% of the interests in a Litigation Trust that was assigned certain causes of action against (among others) certain of the Debtors’ former officers and directors; and (c) incremental cash (capped at \$1 million in the aggregate), from a combination of one or more of the following: (i) cash proceeds from pre-effective date sales of *de minimis* assets (subject to a cap of \$350,000); (ii) cash proceeds from the post-effective date sale of certain specified pharmacy equipment; and (iii) up to \$1 million in

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<sup>2</sup> Each capitalized term that is not defined herein shall have the meaning ascribed to such term in the Interim Compensation Order.

first-out dollars from the net proceeds resulting from certain litigation. As a result of this settlement (based on the Debtors' claim estimates in their disclosure statement), recoveries to non-RSA general unsecured creditors were substantially increased (subject to the Committee's determination to reallocate certain amounts to the Litigation Trust).

3. Also, pursuant to the settlement, holders of Allowed Convenience Claims were entitled to receive an up-front cash distribution, which resulted in a substantial number of all non-RSA general unsecured creditors receiving a significant cash distribution soon after the Effective Date.

4. In addition to negotiating the global settlement, among other things, Paul Hastings (a) successfully negotiated improvements to the terms of the Debtors' debtor-in-possession financing, thereby ensuring the Chapter 11 Cases were properly funded while at the same time preserving the interests of general unsecured creditors, (b) facilitated a moderate extension of the case timeline that afforded the parties additional time to engage in settlement discussions (which ultimately resulted in a global resolution without the need for protracted litigation), (c) conducted informal discovery and identified potentially valuable estate claims and causes of action against various non-debtors that were assigned to the Litigation Trust for the benefit of non-RSA general unsecured creditors, and (d) negotiated complex arrangements with the Debtors to allocate various costs, rights and responsibilities post-Effective Date as between the Litigation Trust and the Reorganized Debtors and to otherwise implement the global settlement.

5. In addition to the foregoing services, Paul Hastings spent significant time assisting the Committee in connection with numerous other tasks related to the monitoring of these Chapter 11 Cases for the benefit of the Committee, and performed these and other services in an economic, effective and efficient manner, commensurate with the complexity and

importance of the issues involved. Such services were necessary for, and beneficial to, the Debtors' estates and the administration of the Chapter 11 Cases.

6. For these reasons, and as further demonstrated below, Paul Hastings submits that the fees and expenses incurred by Paul Hastings throughout these Chapter 11 Cases were fair and reasonable, and Paul Hastings respectfully requests that the Court grant this Application and allow the compensation and reimbursement of expenses incurred by Paul Hastings during the Chapter 11 Cases on a final basis.

### **JURISDICTION AND VENUE**

7. The Court has jurisdiction to consider the Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

8. Pursuant to Local Rule 9013-1(f), Paul Hastings consents to entry of a final judgment or order with respect to this Application if it is determined that the Court would lack Article III jurisdiction to enter such final order or judgment absent consent of the parties.

9. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-2.

### **BACKGROUND**

#### **A. The Chapter 11 Cases**

10. On February 4, 2024 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

#### **B. Appointment of Committee**

11. On February 21, 2024, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed the Committee as follows: (i) CD Support LLC;

(ii) Second Wave Delivery Systems, LLC; (iii) Navina Technologies Ltd.; (iv) 2380-90 NW 7 Street LLC; and (v) 107 Commercial Property LLC. *See Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 154].

12. On April 11, 2024, the Court entered the *Order Authorizing and Approving the Retention and Employment of Paul Hastings LLP as Counsel to the Official Committee of Unsecured Creditors, Effective as of February 22, 2024* [Docket No. 631], authorizing the Committee's retention and employment of Paul Hastings as counsel to the Committee, *nunc pro tunc* to February 22, 2024.

### **C. Compensation Procedures**

13. The Interim Compensation Order sets forth the procedures for interim and final compensation and reimbursement of expenses incurred by estate-retained professionals in the Chapter 11 Cases. Specifically, the Interim Compensation Order provides that on or after the last day of each calendar month following the month for which compensation is sought, or as soon as reasonably practicable thereafter, each Retained Professional (as defined therein) may file an application for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month and serve such application on certain notice parties (the "**Monthly Fee Application**"). Provided there are no objections to the Monthly Fee Application filed within twenty (20) days after service thereof, a Retained Professional may file a certificate of no objection with the Court with respect to the unopposed portion of the compensation and expenses requested, after which the Debtors are authorized and directed to pay such Retained Professional eighty percent (80%) of the fees and one-hundred percent (100%) of the expenses requested in the Monthly Fee Application.

14. The Interim Compensation Order also provides that at three-month intervals, each of the Retained Professionals shall file a quarterly fee application (each an "Interim Fee

Application”) for interim approval of compensation and reimbursement of expenses sought in the Monthly Fee Applications served during such quarterly period. Pursuant to the Interim Compensation Procedures Order, Interim Fee Applications are required to be filed on or before the 45<sup>th</sup> day (or the next business day) following the end of each quarterly period.<sup>3</sup>

15. In accordance with the Interim Compensation Order, Paul Hastings submitted monthly and interim fee applications for services rendered in the Chapter 11 Cases. Paul Hastings incorporates by reference herein each of its monthly fee applications filed during the Application Period together with all corresponding certifications of no objection [Docket Nos. 753, 872, 987, 1153, 1298, and 1306].

16. Paul Hastings also submitted, on June 14, 2024, its *First Interim Application of Paul Hastings LLP, Co-Counsel to the Official Committee of Unsecured Creditors, for Compensation and Reimbursement of Expenses* [Docket Nos. 1016 and 1038] (together, the “**First Interim Fee Application**”) for services rendered from February 22, 2024 through April 30, 2024. On July 22, 2024, the Court entered an order [Docket No. 1257] approving the First Interim Fee Application.

#### **D. Plan**

17. On June 28, 2024, the Court entered an order [Docket No. 1148] confirming the *Modified Fourth Amended Joint Chapter 11 Plan of Reorganization of Cano Health, Inc. and Its Affiliated Debtors* [Docket No. 1125] (together with all exhibits and schedules thereto, the “**Plan**”). The effective date of the Plan occurred later that same date on June 28, 2024 (the “**Effective Date**”).

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<sup>3</sup> For efficiency, and to avoid duplicative pleadings, Paul Hastings intends for this Application to cover and address the firm’s services during the Chapter 11 Cases, including those provided during the second interim period from May 1, 2024 through June 28, 2024, and requests relief from the Interim Compensation Order in that regard.

18. Pursuant to Section 2.2 of the Plan, final fee applications are required to be filed with the Court no later than forty-five (45) days after the Effective Date.

**RELIEF REQUESTED**

19. By this Application, Paul Hastings seeks final allowance and payment of compensation for professional services rendered during the Application Period in the amount of \$5,357,830.50<sup>4</sup> and reimbursement of actual and necessary expenses incurred during the Application Period in the amount of \$19,883.75.

**REASONABLE AND NECESSARY SERVICES**

20. Under section 330 of the Bankruptcy Code, the Court may award to a professional employed under section 1103 of the Bankruptcy Code “reasonable compensation for actual, necessary services” rendered by the professional, plus “reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1)(A), (B).

21. In determining the amount of “reasonable compensation” to be awarded to the professional, section 330 of the Bankruptcy Code further provides that the Court shall consider the nature, the extent, and the value of the services, taking into account all the relevant factors, including—

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether 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;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity,

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<sup>4</sup> Paul Hastings has included in this amount an estimate of \$50,000 for post-effective date fees and expenses estimated to be incurred in connection with the preparation and prosecution of fee applications for services rendered during the Application Period.

importance, and nature of the problem, issue, or task addressed;

- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

22. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, Paul Hastings respectfully submits that the amounts requested in this Application are fair and reasonable.

- (a) ***Time Spent on Services:*** Paul Hastings billed a total of \$5,357,830.50 in fees and 3,602.80 hours for professional and paraprofessional services rendered during the Application Period. As evidenced by this Application, Paul Hastings' professionals and paraprofessionals worked diligently and efficiently without unnecessary duplication of efforts throughout the Application Period. Whenever possible, Paul Hastings sought to minimize the costs of Paul Hastings' services to the Committee by utilizing talented junior attorneys and paraprofessionals to handle the more routine aspects of the assignments. The services were performed in an effective and efficient manner commensurate with the complexity, exigency, and importance of the issues involved.

In addition, Paul Hastings' representation of the Committee required it to balance the need to provide quality services with the need to act quickly and represent the Committee in an effective, efficient, and timely manner. Paul Hastings submits that the hours spent were reasonable given the size and complexity of the chapter 11 cases, the significant, and often urgent, legal and business issues raised, and the numerous pleadings filed in these Chapter 11 Cases.

As noted above, the Committee retained Cole Schotz as co-counsel. Cole Schotz has performed many services for the Committee in a cost-effective manner. Paul Hastings, Cole Schotz and the Committee's financial advisor have coordinated each firm's respective responsibilities in connection with the representation of the Committee to avoid duplication of effort and advise the Committee in an efficient manner.

- (b) ***Rates Charged for Such Services:*** The fees charged by Paul Hastings in these Chapter 11 Cases are billed in accordance with Paul Hastings' existing billing rates and procedures in effect during the Application Period.
- (c) ***Services Performed Were Necessary to Administration of, or Beneficial to, the Chapter 11 Cases:*** As demonstrated above, the services rendered by Paul Hastings during these Chapter 11 Cases were instrumental in facilitating a global settlement with the Debtors and their secured lenders, which obviated the need for complex and protracted litigation and facilitated the rapid emergence from chapter 11.
- (d) ***Services Performed Within Reasonable Amount of Time Commensurate with Complexity, Important and Nature of Tasks:*** Paul Hastings tasked knowledgeable attorneys to research, analyze, and advise the Committee on difficult and complex issues implicated by the Chapter 11 Cases during the Application Period. Most notably, Paul Hastings, together with the Committee and their other advisors, investigated complex issues in connection with, among others, the Debtors' DIP financing, use of cash collateral, the nature, scope and perfection of the secured lenders' liens, the valuation of the Debtors' assets, the investigation of estate claims and causes of action, the analysis of various claims asserted against the Debtors' estates, and the formulation and prosecution of the Debtors' chapter 11 plan and disclosure statement.
- (e) ***Requisite Skill and Experience:*** Paul Hastings is consistently recognized as a top tier law firm in the field of creditors' rights, business reorganizations, and liquidations under chapter 11. Paul Hastings professionals have actively represented debtors, creditors, and official committees in a number of the nation's largest chapter 11 cases. Paul Hastings' extensive experience enables it to perform the services described herein competently and expeditiously. In addition to its expertise in the area of corporate reorganization, due to the nature and complexity of the issues presented during these Chapter 11 Cases, Paul Hastings was required to call upon the expertise of its attorneys in other practice areas, including litigation, corporate, regulatory matters, tax and real estate. Paul Hastings believes that its recognized expertise in the areas of financial restructuring and corporate reorganization, its ability to draw from highly experienced professionals in other areas of Paul Hastings' practice, and its creative and commercial approach to the resolution of issues has contributed to the effective administration of these Chapter 11 Cases and benefited the Debtors, their estates and their unsecured creditors. Additionally, Paul Hastings' strong working relationship with the legal and financial advisors to other parties-in-interest enabled Paul Hastings to work with such advisors towards a swift, consensual resolution of some of the salient issues in these Chapter 11 Cases.

- (f) ***Compensation is Reasonable Based on Customary Comparable Rates Charged:*** The rates Paul Hastings charged for the services rendered by its professionals and paraprofessionals in these Chapter 11 Cases are comparable to the rates Paul Hastings charges for professional and paraprofessional services rendered in comparable non-bankruptcy related matters. Moreover, when Paul Hastings' restructuring professionals and paraprofessionals work on non-bankruptcy matters, the firm generally charges their standard rate. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non-bankruptcy cases in a competitive national legal market. In addition, the firm's customary hourly rates and rate structure reflect that restructuring and related matters typically involve great complexity, numerous tasks requiring a high level of expertise, and severe time pressures, as is the case here.

**APPLICATION'S COMPLIANCE WITH U.S. TRUSTEE GUIDELINES**

23. This Application was prepared in accordance with (a) Local Rule 2016-2, (b) the United States 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*, adopted on June 11, 2013 (the "U.S. Trustee Guidelines"),<sup>5</sup> and (c) the Interim Compensation Order.

24. Attached hereto as **Exhibits A through C** are schedules requested in the U.S. Trustee Guidelines for services provided during the Application Period.

25. Paul Hastings responds to the questions set forth in Paragraph C.5. of the U.S. Trustee Guidelines for the Application Period as follows:

**Question:** 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?

**Response:** No.

**Question:** If the fees sought in this application as compared to the fees budgeted for the Application Period are higher by 10% or more, did you discuss the reasons for the variation with the client?

**Response:** Not applicable.

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<sup>5</sup> The Committee and Paul Hastings reserve all rights as to the relevance and substantive legal effect of the U.S. Trustee Guidelines with respect to any application for compensation in the Chapter 11 Cases.

**Question:** Have any of the professionals included in this application varied their hourly rate based on the geographic location of the bankruptcy case?

**Response:** No.

**Question:** Does the 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 include reasonable fees for preparing a fee application.) If so, please quantify by hours and fees.

**Response:** Yes. The Application includes approximately 32.6 hours and associated fees of approximately \$35,828.50 related to reviewing or revising time records or invoices for, among other things, ensuring time entries are properly categorized by task code and protecting privileged or confidential information.

**Question:** Does this 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.

**Response:** Yes, as set forth above.

**Question:** If the 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 rates 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?

**Response:** The Application does not include any rate adjustments since Paul Hastings' retention as Committee counsel.

#### **CERTIFICATION OF COMPLIANCE AND WAIVER**

26. The undersigned representative of Paul Hastings certifies that he has reviewed the requirements of Local Rule 2016-2 and that the Application substantially complies with that Local Rule. To the extent that the Application does not comply in all respects with the requirements of Local Rule 2016-2, Paul Hastings believes that such deviations are not material

and respectfully requests that any such requirements be waived.

**NOTICE**

27. Paul Hastings will provide notice of this Application by electronic and first-class mail on the Notice Parties, as defined in the Interim Compensation Order. In light of the nature of the relief requested, Paul Hastings submits that no other or further notice is required.

**CONCLUSION**

28. Based on the foregoing, Paul Hastings respectfully submits that the fees and expenses incurred by Paul Hastings throughout these Chapter 11 Cases were fair and reasonable, and Paul Hastings respectfully requests that the Court grant this Application and allow the compensation and reimbursement of expenses incurred by Paul Hastings during the Chapter 11 Cases on a final basis.

*[Remainder of page intentionally left blank]*

**WHEREFORE**, Paul Hastings respectfully requests the entry of an order (a) allowing, on a final basis, compensation for professional services rendered during the Application Period in the amount of \$5,357,830.50 and reimbursement of actual and necessary expenses incurred during the Application Period in the amount of \$19,883.75, for a total amount of \$5,377,714.25; (ii) authorizing and directing the Debtors to promptly remit payment to Paul Hastings of any allowed but unpaid fees and expenses, including any “hold-back” amounts previously required under the Interim Compensation Procedures Order; and (iii) granting such other and further relief as the Court may deem just and proper.

Dated: August 12, 2024  
New York, New York

**PAUL HASTINGS LLP**

*/s/ Erez Gilad*

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Kristopher M. Hansen (admitted *pro hac vice*)  
Erez Gilad (admitted *pro hac vice*)  
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*Co-Counsel to the Official Committee of  
Unsecured Creditors*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

CANO HEALTH, INC., *et al.*,  
Debtors.<sup>1</sup>

Chapter 11

Case No. 24-10164 (KBO)

(Jointly Administered)

Hearing Date: October 10, 2024 at 9:30 a.m. (ET)

Obj. Deadline: September 3, 2024 at 4:00 p.m. (ET)

**NOTICE OF FINAL FEE APPLICATION OF PAUL HASTINGS LLP, CO-COUNSEL  
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM FEBRUARY 22, 2024 THROUGH JUNE 28, 2024**

**PLEASE TAKE NOTICE** that on August 12, 2024, Paul Hastings LLP filed the *Final Fee Application of Paul Hastings LLP, Co-Counsel to the Official Committee of Unsecured Creditors, for Allowance of Compensation and Reimbursement of Expenses for the Period from February 22, 2024 through June 28, 2024* (the “**Application**”).

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the Application are required to be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, and served on the following, **so as to be received no later than 4:00 p.m. (ET) on September 3, 2024**:

- (i) the Reorganized Debtors, c/o Cano Health, Inc., 9725 NW 117th Avenue, Suite 200, Miami, FL 33178 (Attn: Eladio Gil (Eladio.Gil@canohealth.com), David Armstrong (David.Armstrong@canohealth.com), Jonathan Biggert (Jonathan.Biggert@canohealth.com), and Kaitlyn Sundt (ksundt@alixpartners.com));
- (ii) counsel to the Reorganized Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153 (Attn: Gary T. Holtzer, Esq. (gary.holtzer@weil.com), Jessica Liou, Esq. (jessica.liou@weil.com), and Matthew P. Goren, Esq. (matthew.goren@weil.com)) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, DE 19801 (Attn: Michael J. Merchant, Esq. (merchant@rlf.com) and Amanda R. Steele, Esq. (steele@rlf.com));

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<sup>1</sup> The last four digits of Cano Health, Inc.’s tax identification number are 4224. A complete list of the Debtors in the chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.kccllc.net/CanoHealth>. The Debtors’ mailing address is 9725 NW 117th Avenue, Miami, Florida 33178.

- (iii) counsel to the Ad Hoc First Lien Group and the DIP Agent, (a) Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, New York 10166 (Attn: Scott J. Greenberg, Esq. (sgreenberg@gibsondunn.com), Michael J. Cohen, Esq. (mcohen@gibsondunn.com), and Christina M. Brown, Esq. (christina.brown@gibsondunn.com)) and (b) Pachulski, Stang, Ziehl & Jones LLP, 919 North Market Street # 1700, Wilmington, Delaware 19801 (Attn: Laura Davis Jones, Esq. (ljones@pszjlaw.com) and James (joneill@pszjlaw.com));
- (iv) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, DE 19801 (Attn: Benjamin A. Hackman, Esq. (Benjamin.A.Hackman@usdoj.gov) and Jon Lipshie, Esq. (Jon.Lipshie@usdoj.gov)); and
- (v) counsel to the Official Committee of Unsecured Creditors, (a) Paul Hastings LLP, 200 Park Avenue, New York, NY 10166 (Attn: Kris Hansen (krishansen@paulhastings.com) and Erez Gilad (erezgilad@paulhastings.com)) and (b) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, DE 19801 (Attn: Justin R. Alberto (jalberto@coleschotz.com)).

**PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE APPLICATION WILL BE HELD ON OCTOBER 10, 2024 AT 9:30 A.M. (ET) BEFORE JUDGE KAREN B. OWENS, UNITED STATES BANKRUPTCY JUDGE OF THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 6TH FLOOR, COURTROOM NO. 3, 824 NORTH MARKET STREET, WILMINGTON, DELAWARE 19801.**

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED BY THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.**

*[Remainder of page intentionally left blank]*

Dated: August 12, 2024  
Wilmington, Delaware

**COLE SCHOTZ P.C.**

*/s/ Justin R. Alberto*

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Seth Van Aalten (admitted *pro hac vice*)  
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*Co-Counsel to the Official Committee of  
Unsecured Creditors*

**EXHIBIT A****CUSTOMARY AND COMPARABLE COMPENSATION DISCLOSURES**

The blended hourly rate for Paul Hastings' timekeepers in its New York, Los Angeles, and Houston offices who billed to non-bankruptcy matters (collectively, the "Non-Bankruptcy Matters")<sup>1</sup> during the twelve-month period beginning on July 1, 2023 and ending on June 30, 2024 was, in the aggregate, approximately \$1,233 per hour. The blended hourly rate for Paul Hastings' timekeepers who billed to the Chapter 11 Cases during the Application Period was approximately \$1,473 per hour. A detailed comparison of these rates follows:

Category of Timekeeper	Blended Hourly Rate	
	Non-Bankruptcy Matters Blended Hourly Rate	Committee Blended Hourly Rate
Partner	\$1,630	\$2,078
Counsel	\$1,479	\$1,840
Associate	\$1,018	\$1,139
Paralegal	\$482	\$576
<b>All Timekeepers Aggregated</b>	<b>\$1,233</b>	<b>\$1,473</b>

<sup>1</sup> It is the nature of Paul Hastings' practice that certain non-bankruptcy engagements require the advice and counsel of professionals and paraprofessionals who work primarily within Paul Hastings' restructuring group. Accordingly, Non-Bankruptcy Matters consist of matters for which Paul Hastings' timekeepers represented a client in matters other than court-approved engagements as counsel for the debtor, the chapter 11 trustee, or an official committee under the Bankruptcy Code. Thus, the Non-Bankruptcy Matters include, in part, time billed by Paul Hastings' timekeepers who work primarily within Paul Hastings' restructuring group.

**EXHIBIT B**

**BUDGET AND STAFFING PLAN FOR APPLICATION PERIOD**

**BUDGET****Period Covered:** February 22, 2024 through June 28, 2024

<b>Task Code and Project Category</b>	<b>Estimated Hours</b>	<b>Estimated Fees<sup>1</sup></b>	<b>Hours Billed</b>	<b>Fees Sought</b>
B110 Case Administration	385	\$567,105	388.60	\$526,232.50
B112 Committee Meetings and Communications	175	\$257,775	167.70	\$247,609.00
B115 Debtor Communications and Meetings	240	\$353,520	235.10	\$359,321.00
B121 General Pleadings Review	70	\$103,110	68.60	\$82,188.50
B130 Asset Dispositions and Sales	25	\$36,825	23.90	\$39,277.00
B140 Relief from Stay/Adequate Protection Matters	25	\$36,825	21.10	\$28,826.50
B150 Creditor Meetings and Communications	10	\$14,730	5.90	\$7,522.00
B155 Court Hearings	50	\$73,650	50.40	\$72,388.00
B160 Fee/Employment Applications for Committee Professionals	160	\$235,680	167.80	\$185,718.00
B165 Fee/Employment Applications for Other Professionals	15	\$22,095	12.50	\$21,726.00
B180 Estate Claims/Avoidance Action Analysis	105	\$154,665	105.70	\$126,984.50
B185 Assumption/Rejection of Leases and Contracts	15	\$22,095	12.90	\$18,748.50
B190 Other Contested Matters	5	\$7,365	0.10	\$88.50
B191 General Litigation and Discovery	1,000	\$1,473,000	995.50	\$1,492,677.50
B195 Non-Working Travel	6	\$4,419	6.00	\$6,300.00
B210 Business Operations	120	\$176,760	113.60	\$184,228.50
B211 Financial Reports (Monthly Operating Reports, Schedules, and SoFAs)	2	\$2,946	1.20	\$1,127.00
B230 DIP Financing/Cash Collateral	300	\$441,900	292.50	\$431,369.50
B240 Tax Matters	25	\$36,825	19.60	\$35,720.50
B310 Claims Analysis and Objections	60	\$88,380	58.50	\$89,735.00
B320 Plan and Disclosure Statement	875	\$1,288,875	855.60	\$1,350,042.50
<b>Total:</b>	<b>3,668</b>	<b>\$5,398,545</b>	<b>3,602.80</b>	<b>\$5,307,830.50</b>

<sup>1</sup> The budgeted fees are based on a blended hourly rate of \$1,473 for the Paul Hastings timekeepers that were expected to work on the Chapter 11 Cases during the Application Period, with the exception of non-working travel for which Paul Hastings charges one-half a timekeeper's customary hourly rate.

**STAFFING PLAN****Period Covered:** February 22, 2024 through June 28, 2024

<b>Category of Timekeeper (using categories maintained by the firm)</b>	<b>Number of Timekeepers Expected to Work on Matter During Budget Period</b>	<b>Anticipated Average Hourly Rate for Budget Period</b>	<b>Actual Number of Timekeepers Who Worked on Matter During Budget Period</b>	<b>Average Hourly Rate for Budget Period</b>
Partner	8	\$1,855	8	\$1,854
Of Counsel	3	\$1,485	3	\$1,485
Associate	9	\$1,250	9	\$1,252
Paraprofessional	2	\$595	2	\$595

**EXHIBIT C****SUMMARY OF APPLICATION**

Name of Applicant	Paul Hastings LLP
Name of Client	Official Committee of Unsecured Creditors
Period covered by this Application	February 22, 2024 through June 28, 2024
Total compensation sought for the Application Period	\$5,357,830.50 <sup>1</sup>
Total expenses sought for the Application Period	\$19,883.75
Petition Date	February 4, 2024
Retention Date	February 22, 2024
Date of order approving employment	April 11, 2024 [Docket No. 631]
Total compensation approved by interim order to date	\$3,303,049.00
Total expenses approved by interim order to date	\$4,220.20
Total allowed compensation paid to date pursuant to interim order	\$3,303,049.00
Total allowed expenses paid to date pursuant to interim order	\$4,220.20
Blended rate in the Application Period for all attorneys	\$1,510
Blended rate in the Application Period for all timekeepers	\$1,473
Compensation sought for the Application Period already paid pursuant to a monthly compensation order but not yet allowed	\$0.00
Expenses sought for the Application Period already paid pursuant to a monthly compensation order but not yet allowed	\$0.00
Number of professionals included for the Application Period	20
If applicable, number of professionals for the Application Period not included in staffing plan approved by client	N/A
If applicable, difference between fees budgeted and compensation sought for the Application Period	(\$90,714.50)
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

<sup>1</sup> Paul Hastings has included in this amount an estimate of \$50,000 for post-effective date fees and expenses estimated to be incurred in connection with the preparation and prosecution of fee applications for services rendered during the Application Period.