

**FILED**  
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**SEP 27 2011**  
U.S. BANKRUPTCY COURT  
NEWARK, N.J.  
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**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**D.N.J. LBR 2016-1, FEE APPLICATION COVER SHEET**

<b>IN RE:</b>	<u>Allied Health Care Services, Inc. ("Allied"); Charles K. Schwartz ("Schwartz")</u>	<b>APPLICANT:</b>	<u>Wiss &amp; Company, LLP</u>
<b>CASE NO.</b>	<u>10-35561 (MS); 10-38816 (MS)</u>	<b>CLIENT:</b>	<u>Eric R. Perkins, Esq. Chapter 7 Trustee</u>
<b>CHAPTER:</b>	<u>7</u>	<b>CASE FILED:</b>	<u>August 19, 2010; September 17, 2010</u>

**COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION  
UNDER PENALTY OF PERJURY, PURSUANT TO 28 U.S.C. SECTION 1746.**

**RETENTION ORDER(S) ATTACHED**

**SECTION I**

**FEE SUMMARY**

INTERIM FEE APPLICATION NO. 1 OR FINAL FEE APPLICATION

	<u>FEES</u>	<u>EXPENSES</u>
TOTAL PREVIOUS FEE REQUESTED:	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL FEES ALLOWED TO DATE:	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL RETAINER (IF APPLICABLE):	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL HOLDBACK (IF APPLICABLE):	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL RECEIVED BY APPLICANT	\$ <u>-0-</u>	\$ <u>-0-</u>

<b>NAME OF PROFESSIONAL &amp; TITLE</b>	<b>YEARS OF PROFESSIONAL SERVICE</b>	<b>HOURS</b>	<b>RATE</b>	<b>FEES</b>
1. Anthony R. Calascibetta	30	188.80	\$375.00	\$70,800.00
2. Edward Townsend	38	17.20	375.00	6,450.00
3. Kevin Kerrigan	29	2.00	375.00	750.00
4. Robert J. Wright	15	1,131.80	265.00	299,927.00
5. Anne Patracuolla	26	3.00	265.00	795.00
6. Susannah Prill	15	190.60	225.00	42,885.00
7. Krystopher Domyslawski	5	94.20	225.00	21,195.00
8. Frank Calabrese	3	4.10	225.00	922.50
9. Shelley Kennon	2	47.90	150.00	7,185.00
10. Michael Kennedy	2	17.00	145.00	2,465.00
11. Eugene Pupkov	4	10.00	145.00	1,450.00
12. Lauren Schmitz	2	92.30	140.00	12,922.00
13. Katelyn Blose	1	181.00	140.00	25,340.00
14. Jeff Gatarz	1	24.60	140.00	3,444.00
15. John Dutcher	1	51.20	140.00	7,168.00
16. Caitlin Guzzi	1	18.50	140.00	2,590.00
17. Steve Jaworski	1	10.40	105.00	1,092.00
18. Brittany Bodine	6	16.20	75.00	1,215.00
19. Jamie Schwartz	1	22.00	75.00	1,650.00
20. Angie Torres	1	22.20	75.00	1,665.00
21. John Carmano	1	15.80	75.00	1,185.00
22. Rebecca Moy	1	22.00	75.00	1,650.00
<b>Fee Totals</b>		<b>2,182.80</b>		<b>514,745.50</b>
<b>Less: Travel time adjustment (1/2)</b>				<b>(2,502.50)</b>
<b>Total Adjusted Fees</b>				<b>512,243.00</b>
<b>Disbursements</b>				<b>1,104.11</b>
<b>Total Fee Application</b>				<b>\$513,347.11</b>

**SECTION II**  
**SUMMARY OF SERVICES**

<b>SERVICES RENDERED</b>	<b>HOURS</b>	<b>FEE</b>
a) Asset Analysis and Recovery	23.40	\$ 5,701.00
b) Asset Disposition		
c) Business Operations		
d) Case Administration	135.80	39,912.00
e) Claims Administration and Objections	202.10	54,719.00
f) Employee Benefits/Pensions	61.90	16,726.50
g) Fee/Employment Applications	5.60	1,484.00
h) Fee/Employment Objections		
i) Financing		
j) Litigation (Other than Avoidance Action Litigation)		
k) Avoidance Action Litigation		
l) Meeting of Creditors		
m) Plan and Disclosure Statement		
n) Relief from Stay Proceedings		
o) Regulatory Compliance		
p) Travel	18.60	5,005.00
q) Accounting/Auditing		
r) Business Analysis		
s) Corporate Finance and Valuation		
t) Data Analysis – Bank Statement Analysis	900.30	199,549.50
u) Litigation Consulting		
v) Reconstruction Accounting		
w) Tax Issues	393.00	106,461.50
x) Other (specify category):		
Create notice list, Debtor's Schedules	106.00	22,840.00
Record retention, storage and search for financial records	336.10	62,347.00
<b>SERVICES TOTAL:</b>	<b>2,182.80</b>	<b>\$514,745.50</b>

**SECTION II  
SUMMARY OF SERVICES**

Summary of Services	Hours	Fees
(1) Meetings with Chapter 7 Trustee, Counsel to Chapter 7 Trustee, and Allied's staff relating to accounts receivable, operations, deposits, sale of business, record retention and other case matters. Coordination and discussions with the Trustee, counsel to the Trustee and counsel to former accountants regarding turnover of emails and documents.	135.80	\$39,912.00
(2) Reviewed Allied's accounts receivable software package for patient/customer sales details. Reviewed collections of accounts receivable; opened and reviewed mail; reviewed deposit information; reconciled and discussed collections with former employees of Allied. Meeting with representatives of former competitor of Allied relating to its acquisition and continuation of business and maintenance of customer / patient care list. Reviewed and delivered customer records to former competitor/acquirer of business.	23.40	5,701.00
(3) Summarized information for preparation of 2007 amended Federal and State tax returns for Allied and Schwartz, including supporting schedules and workpapers. Summarized information for preparation of 2009 Federal and State tax returns for Allied and Schwartz, including supporting schedules and workpapers. Summarized information for 2010 Federal and State tax returns for Allied and Schwartz, including supporting schedules and work papers. Preparation of Federal and State tax return extensions and power of attorney forms. Research performed relating to the tax effect of certain transactions, including research regarding fraudulent transactions and Bulk Sale Notice pertaining to sale of properties. Reviewed financial transactions of Allied and Schwartz. Reviewed tax transcripts received from taxing authorities relating to tax filings, payments and refunds.	393.00	106,461.50
(4) Reviewed and analyzed claims for both Allied and Schwartz. Participated in conference calls and meetings with creditors and / or their counsel regarding the status of their claims. Reviewed numerous loans,	202.10	54,719.00

<p>leases and payment reports supplied by creditors as supplemental submissions to their claims. Attended meetings and settlement discussions with representative from Sun National Bank, counsel to Sun National Bank, the Trustee and counsel to the Trustee and reviewed documents provided by Sun National Bank. Reviewed emails, agreements and other documents from former business associates of Allied and Schwartz.</p>		
<p>(5) Reviewed numerous documents regarding Donner Medical Marketing Company, one of the entities used by Schwartz to perpetrate fraudulent activities including invoices, tax returns and bank statements and other documents for 2004 through 2010. Reviewed numerous documents relating to C&amp;C Financial, an entity set-up by Schwartz to assist in fraudulent activities, including bank statements and other documents for 2004 through 2010.</p>	<p>281.90</p>	<p>68,954.00</p>
<p>(6) Assisted in preparation of Schedules and Statement of Financial Affairs for both Allied and Schwartz, including providing addresses and reviewing Allied's accounts payable records and coordination/discussions with Trustee and counsel to Trustee. Preparation of questions and information for 341 meeting/interview with Schwartz and discussed with the Trustee and counsel to the Trustee.</p>	<p>106.00</p>	<p>22,840.00</p>
<p>(7) Coordinated removal of equipment from Allied's facilities. Review of documents included in numerous file cabinets, offices and stored in basement to identify/locate financial records of Allied and Schwartz. Organized and inventoried records maintained at Allied's offices. Preparation of inventory listings of records stored in boxes; reviewed Allied's computer system and obtained backup of Allied's network; monitored shutdown and removal of Allied's server and computers.</p>	<p>336.10</p>	<p>62,347.00</p>
<p>(8) Summarized bank statements activity for Allied (2006 through 2010) and Schwartz (2007 through 2010), including review of bank account not included on books and records of Allied. Reviewed Allied's QuickBooks files to reconcile disbursements. Reviewed Allied's financial statements and records received from accountants to Allied and Schwartz. Meeting with special investigator retained by Trustee to review disbursement</p>	<p>618.40</p>	<p>130,595.50</p>

information.		
(9) Various meetings and discussions with representatives from Pension Benefit Guaranty Corporation and the consulting firm for the Allied pension plan regarding the pension plan. Reviewed and prepared employee information and pension plan Form 5500 for 2009. Discussions with representatives of investment funds, included in pension plan regarding accounts and account activity. Reviewed insurance information and meeting, discussions and correspondences with insurance broker, the Trustee and counsel to the Trustee.	61.90	16,726.50
(10) Travel time.	18.60	5,005.00
(11) Preparation of first interim fee application.	5.60	1,484.00
<b>TOTAL FEES FOR SERVICES INCURRED</b>	2,182.80	\$514,745.50

**SECTION III**  
**SUMMARY OF DISBURSEMENTS**

<b>DISBURSEMENTS</b>	<b>AMOUNT</b>
a) Computer Assisted Legal Research	
b) Facsimile (with rates) No. of Pages ____ Rate per Page ____ (Max. \$1.00/pg.)	
c) Long Distance Telephone – Paetec Service	\$ 28.00
d) In-House Reproduction No. of Pages _____ Rate per Page _____ (Max. .20/pg.)	
e) Outside Reproduction	
f) Outside Research – Pacer Charges	288.80
g) Filing/Court Fees	
h) Court Reporting	
i) Travel	134.03
j) Courier & Express Carriers (e.g., Federal Express)	595.23
k) Postage	58.05
l) Other (Explain):	
<b>DISBURSEMENTS TOTAL:</b>	<b>\$1,104.11</b>

**SECTION IV**  
**CASE HISTORY**

(NOTE: Items 3 - 6 are not applicable to applications under 11 U.S.C. § 506)

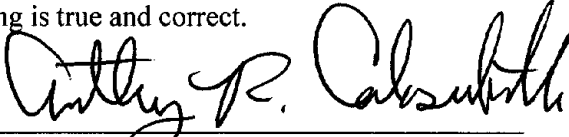
- (1) DATE CASE FILED: August 17, 2010 for Allied Health Care Services Inc.; September 17, 2010 for Charles K. Schwartz
- (2) CHAPTER UNDER WHICH CASE WAS COMMENCED: Allied Health Care Services Inc. - Involuntary Chapter 7 filed on August 19, 2010 and Order for Relief under Chapter 7 entered on September 10, 2010. Charles K. Schwartz – Involuntary Chapter 7 filed on September 17, 2010 and Order for Relief under Chapter 7 entered on October 12, 2010.
- (3) DATE OF RETENTION: Allied Health Care Services Inc. - September 22, 2010, effective date September 10, 2010; Charles K. Schwartz – November 1, 2010, effective date October 12, 2010.  
(ANNEX COPY OF ORDER(S))  
IF LIMIT ON NUMBERS OF HOURS OR OTHER LIMITATIONS TO RETENTION, SET FORTH:
- (4) SUMMARIZE IN BRIEF THE BENEFITS TO THE ESTATE AND ATTACH SUPPLEMENTS AS NEEDED:

Please see attached herewith, particularly paragraph 15.

- (5) ANTICIPATED DISTRIBUTION TO CREDITORS:
- |                                  |         |
|----------------------------------|---------|
| (A) ADMINISTRATION EXPENSES:     | Unknown |
| (B) SECURED CREDITORS:           | Unknown |
| (C) PRIORITY CREDITORS:          | Unknown |
| (D) GENERAL UNSECURED CREDITORS: | Unknown |
- (6) FINAL DISPOSITION OF CASE AND PERCENTAGE OF DIVIDEND PAID TO CREDITOR (IF APPLICABLE):

Unknown.

I certify under penalty of perjury that the foregoing is true and correct.

  
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Anthony R. Calascibetta

September 26, 2011