

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR
MIAMI-DADE COUNTY, FLORIDA

COMPLEX BUSINESS LITIGATION
DIVISION

In re:

CRYSTAL CRUISES LLC, a California
limited liability company,

Case No. 2022-002742-CA-01
Lead Case

CRYSTAL HOLDINGS U.S., LLC, a
Delaware limited liability company,

Case No. 2022-002757-CA-01

CRYSTAL AIRCRUISES, LLC, a Florida
limited liability company, and

Case No. 2022-002758-CA-01

To: Assignors,

(Jointly Administered Cases)

MARK C. HEALY,

Assignee.

**MOTION FOR APPROVAL AND PAYMENT OF FEES OF ASSIGNEE, MARK C.
HEALY FOR THE PERIOD OF FEBRUARY 10, 2022 THROUGH AUGUST 11, 2022**

**NOTICE OF OPPORTUNITY TO OBJECT
TO CREDITORS AND OTHER INTERESTED PARTIES:**

PLEASE TAKE NOTICE that, pursuant to Fla Stat. § 727.111(4), the Assignee may pay the fees and expenses of the Assignee as set forth herein, and the Court may consider these actions without further notice unless a party in interest files an objection before the hearing set to consider this motion. If you object to the relief requested in this paper, you must file your objection with the Miami-Dade County Clerk of the Court at 73 W. Flagler Street, Room 133, Miami, FL 33130, and serve a copy on the Assignee's counsel, Paul Steven Singerman, Esq. and Samuel Jason Capuano, Esq., Berger Singerman LLP, 1450 Brickell Avenue, Suite 1900, Miami, FL 33131, and any other appropriate person. If you do not file an objection within the time permitted, the Assignee and the Court will presume that you do not oppose the granting of the relief requested in the paper.

Mark C. Healy (“Assignee” or “Applicant”), solely in his capacity as the Assignee for the benefit of creditors of Crystal Cruises LLC, Crystal Holdings U.S. LLC, and Crystal AirCruises LLC (collectively, the “Assignors”), pursuant to Florida Statutes §§ 727.102, 727.109(1), (10) and (15), and § 727.111(4), and the Court’s *Order Granting Assignee’s Motion for Entry of an Order: (1) Approving Noticing Procedures, (2) Approving Proof of Claim Forms; and (3) Extending Deadline to Serve Notice of Assignment* (the “Notice Procedures Order”) entered on March 3, 2022, files this motion (the “Motion”) for approval and payment of interim fees to the Assignee in the amount of \$1,688,168.33, which represents 10% of the \$16,881,683.31 in receipts during the period of February 10, 2022 through August 11, 2022 (the “Application Period”), and in support thereof states as follows:

1. On February 10, 2022, the Assignor executed and delivered, and the Assignee accepted, irrevocable assignments for the benefit of creditors to the Assignee (collectively, the “Assignments”). On February 11, 2022 (the “Petition Date”), a *Petition Commencing Assignment for the Benefit of Creditors* was filed by the Assignee for each of the Assignors, thereby commencing the following assignment for the benefit of creditors cases pursuant to Section 727 of the Florida Statutes, in this Court: *In re Crystal Cruises LLC*, Case No. 2022-002742-CA-01, *In re Crystal Holdings U.S. LLC*, Case No. 2022-002757-CA-01, and *In re Crystal Aircruises LLC*, Case No. 2022-002758-CA-01 (collectively, the “Assignment Cases”).

2. Prior to the Petition Date, the Assignors were engaged in the travel and entertainment business, including operating ocean, river, and expedition cruises and conducting related activities around the world.

3. From February 10, 2022 through August 11, 2022, through the sale of the assets of the Assignors, the Assignee generated \$13,899,093.59 in receipts. In addition, the Assignee

collected an additional \$2,982,589.72, representing monies in bank accounts, interest income, refunds, accounts receivable collections, and other receipts.

4. As a result of the extensive efforts by the Assignee, along with Assignee's counsel, the Assignee successfully marketed and negotiated the sale of assets of the assignment estate of Crystal Cruises, LLC ("Assignment Estate") including, *inter alia*, assets on board the Crystal Symphony, Serenity, and Endeavor vessels, as well as other Assignment Estate assets, through two separate court-approved sales, each of which involved complex cross-border maritime, corporate, and insolvency issues including the necessity of negotiating the complex deals against the backdrop of separate admiralty sales and other proceedings affecting the vessels upon which many of the assets were located.

5. On June 22, 2022, the Assignee filed the *Assignee's Motion (I) to Approve Sale of Assets, (II) Approve Asset Purchase Agreement and Related Documents, (III) to Shorten Notice Period, and (IV) for Other Related Relief* (the "First Sale Motion") seeking authorization to sell various assets of the Assignment Estate, including, *inter alia*, intangible assets including Crystal Cruises' customer database, internet domain names, social media accounts and physical assets relating to the Crystal Serenity and Crystal Symphony vessels, including inventory in a storage unit in Rotterdam in the Netherlands, marketing materials located in a storage unit in Fort Lauderdale, Florida, inventory, medical supplies, cash, and other items onboard the Crystal Serenity and Crystal Symphony vessels, and other assets, to Crystal Cruises, Ltd., an international business governed by the laws of the Commonwealth of the Bahamas, for the purchase price of \$13,000,000. Following a hearing, on July 1, 2022, the Court entered an order granting the First Sale Motion and approving the sale therein, and the sale closed shortly thereafter.

6. On July 6, 2022, the Assignee filed the *Assignee's Motion (I) to Approve Sale of Assets on Board the Crystal Endeavor Vessel, (II) Approve Asset Purchase Agreement and Related Documents, (III) to Shorten Notice Period, and (IV) for Other Related Relief* (the "Second Sale Motion" and, collectively with the First Sale Motions, the "Sale Motions") seeking authorization to sell assets on board the Crystal Endeavor vessel (the "Endeavor"), including certain inventory and other items, in addition to cash on board the Endeavor, to Endeavor Holdings Limited, a company incorporated under the laws of the Isle of Man, for the purchase price of \$828,884.09. Following a hearing on July 13, 2022, the Court entered an order granting the Second Sale Motion and approving the sale therein, and the sale closed shortly thereafter.

7. The Assignee has also spent substantial time and resources during the Application Period analyzing chargeback requests and challenging improper chargeback requests submitted by customers of the Assignor with credit card companies. This analysis benefits the Assignment Estates in preserving the reserves as potential assets of the Assignment Estates and ensuring that creditors of the Assignment Estates are not paid twice or for improper chargeback requests.

8. As of August 2, 2022, the cash balance in the Assignment Estate is \$15,283,569.94 (the "Estate Funds").

9. During the Application Period, in addition to negotiating and completing the aforementioned sales, the Assignee has also performed many other necessary services for the benefit of the Assignment Estates including, without limitation, the following:

(a) Reviewing voluminous documents and analyzing the assets of the Assignment Estates;

(b) Secured the Assignors' facilities including all of the IT assets including assets at the company's off site colocation data center facility;

- (c) Removed and relocated records of the Assignors to a secure location;
- (d) Attended meeting and conferences with government agencies and consultants related to, *inter alia*, assets in foreign jurisdictions and consumer claims;
- (e) Designed a custom claims process to deal with specific issues related to consumer and vendor claims in these cases;
- (f) Received and responded to thousands of emails and phone calls related to consumer and vendor claims questions;
- (g) Attended meetings and conferences with representatives of credit card companies to various specific and global credit card related issues;
- (h) Collecting and reviewing in excess of 12,000 filed proofs of claims of creditors;
- (i) Conducting discussions with Assignee's counsel regarding operation and budget issues, claims filed in the Assignment Cases, issues pertaining to intellectual property and other case related matters;
- (j) Reviewing invoices, making disbursements, reconciling the bank accounts and preparing the interim report of receipts and disbursements;
- (k) Identifying and engaging with potential purchasers of the assets of the Estates and collaborating with Assignee's counsel regarding the potential sale of the assets of the Estates;
- (l) Negotiating the sale of assets related to the ships and intangible assets totaling \$13,828,884.09 ;

(m) Assisting in due diligence in connection with the sale of the assets of the Estates and reviewing and discussing the two Asset Purchase Agreements and related schedules and exhibits prepared by Assignee's counsel;

(n) conducting discussions regarding performance data, continued operations, claims and tax issues, and other case related matters;

(o) preparing for and attending status calls with the Assignee's team to discuss the Assignee's efforts to market and sell Crystal Cruises' assets;

(p) communicating with creditors and the Assignee's team to discuss the status of these Assignment Cases and various related matters;

(q) assisting with the preparation of the First Sale Motion and Second Sale Motion and proposed order approving the Sale;

(r) preparing for and attending the hearings to consider the First Sale Motion and the Second Sale Motion, held on July 1, 2022 and July 13, 2022, respectively, as well as several other court hearings;

(s) conducting discussions following the entry of the order approving the First Sale Motion and Second Sale Motion, assisting with the preparation of related closing documents, and communicating with the Assignee's counsel regarding closing issues; and

(t) preparing for and attending the examination of the Assignors;

(u) assisted in preparing motions for approval of payment of the fees of the Assignee and his professionals.

10. The foregoing list represents only a selection of the activities performed by the Assignee in these cases for the benefit of the Assignment Estates.

11. The Applicant requests an award of fees in the amount of \$1,688,168.33, which represents 10% of the \$16,881,683.31 in receipts for the period of February 10, 2022 through August 11, 2022. Attached hereto as **Exhibit “A”** is the Assignee’s *Interim Report for the Period Ending August 11, 2022*, which provides a breakdown of the estate’s total receipts of \$16,881,683.31 from February 10, 2022 through August 11, 2022.

12. Florida Statute § 727.109(10) provides the Court authority to “[a]pprove reasonable fees and the reimbursement of expenses for the assignee and all professional persons retained by the assignee. . .”

13. The usual, customary, and appropriate rate of compensation for an assignee in an Assignment for the Benefit of Creditors proceeding is 10% of the estate’s receipts. Accordingly, the requested fee is customary, reasonable, and appropriate based upon the circumstances of these Assignment Cases and the results obtained by the Assignee.

WHEREFORE, the Assignee respectfully requests that this Court enter an Order, in the form attached hereto as **Exhibit “B”**, (i) granting the Motion; (ii) approving the Applicant’s request for compensation for services rendered in the amount of \$1,688,168.33, representing 10% of the total receipts for the period of February 10, 2022 through August 11, 2022; (iii) authorizing the payment to the Assignee of \$1,688,168.33 representing the fees requested herein; and (iv) granting such other and further relief as the Court deems just and proper.

Dated: August 19, 2022

BERGER SINGERMAN LLP
Co-Counsel for Assignee
1450 Brickell Avenue, Suite 1900
Miami, FL 33131
Telephone: (305) 755-9500
Facsimile: (305) 714-4340

By: /s/ Samuel J. Capuano
Paul Steven Singerman
Florida Bar No. 378860
singerman@bergersingerman.com
Samuel J. Capuano
Florida Bar No. 90946
scapuano@bergersingerman.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing was served via the Florida Court's e-Filing Portal on August 19, 2022 to all parties that have entered an appearance in this case; on counsel for the Assignors, Adam Losey, Esq., Losey PLLC, 1420 Edgewater Drive, Orlando, FL 32804, via email to alosey@losey.law; via email to cbl44@jud11.flcourts.org pursuant to CBL Rule 2.2; and via e-mail to all creditors and interested parties on the e-mail service list pursuant to the Notice Procedures Order.

By: /s/ Samuel J. Capuano
Samuel J. Capuano

EXHIBIT A

Crystal Cruises LLC
Case No.:2022-002742-CA-01
Interim Report for the Period Ending
August 11, 2022

Receipts

Interest Income	\$	3,704.86
Accounts Receivable	\$	710.05
Recovery Bank Accounts	\$	2,973,371.50
Refunds	\$	3,876.66
Sale of Assets	\$	13,899,093.59
Settlement	\$	71.05
Bank/Credit Card Charges	\$	30.00
Commissions	\$	825.60

Total Receipts **\$ 16,881,683.31**

Disbursements

Asset Recovery	\$	9,737.99
Auto Expense	\$	4,676.06
Bank/Credit Card Charges	\$	30.00
Computer/Technology Service	\$	262,717.76
Contract Labor	\$	435,437.62
FedEx & Delivery	\$	393.95
Legal Advertising	\$	629.76
Maintenance	\$	538.48
Marketing Expense	\$	555.38
Moving Expense	\$	3,743.75
Office Expense	\$	2,143.13
Payroll	\$	120,019.52
Postage, Photocopies, Fax	\$	23,077.04
Professional Fees	\$	4,403.99
Records & Data Management	\$	46,051.60
Retainers for Attorneys Fees	\$	112,000.00
Returned Checks/Chargebacks	\$	2,724.80
Storage Fees	\$	458,166.25
Surety Bond	\$	30,570.00
Telephone	\$	19,486.23
Travel Expense	\$	13,133.01
Utilities	\$	17,185.66
Warehouse Expense	\$	603.30

Total Disbursements **\$ 1,568,025.28**

Total in Bank Account **\$ 15,313,658.03**

EXHIBIT "A"

EXHIBIT B
(Proposed form of Order)

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Assignors,
To:

(Jointly Administered Cases)

MARK C. HEALY,

Assignee.

**ORDER GRANTING MOTION FOR APPROVAL AND
PAYMENT OF FEES OF ASSIGNEE, MARK C. HEALY
FOR THE PERIOD FEBRUARY 10, 2022 THROUGH AUGUST 11, 2022**

THIS CAUSE came before the Court upon the *Motion for Approval and Payment of Fees of Assignee, Mark C. Healy for the Period February 10, 2022 Through August 11, 2022* (the “Motion”), filed on negative notice by Mark C. Healy (the “Assignee”), solely in his capacity as the Assignee for the benefit of creditors of Crystal Cruises LLC, Crystal Holdings U.S. LLC, and Crystal AirCruises LLC (collectively, the “Assignors”), pursuant to which the Assignee seeks compensation in the amount of \$1,688,168.33, which represents 10% of the \$16,881,683.31 in receipts during the period of February 10, 2022 through August 11, 2022. The Court, having considered the Motion and the record in this proceeding, noting that no objections to the Motion

have been filed, finding that notice of the Motion was sufficient, and good cause appearing, it is hereby

ORDERED that:

1. The Motion is **GRANTED**.
2. The Assignee is awarded fees in the amount of \$1,688,168.33, representing 10% of the total receipts for the period of February 10, 2022 through August 11, 2022.
3. The Assignee is authorized to pay to the Assignee the sum of \$1,688,168.33, representing the fees awarded to the Assignee herein.
4. In making the foregoing award, the Court finds that the amounts awarded represent reasonable compensation for actual and necessary services rendered by the Assignee for the benefit of the assignment estates.

DONE AND ORDERED in Chambers, at Miami-Dade County, Florida on this ___ day of _____, 2022.

HONORABLE ALAN FINE
Circuit Court Judge

Copies furnished to:

Counsel of record