

J. Thomas Beckett, USB #5587
Brian M. Rothschild, USB #15316
PARSONS BEHLE & LATIMER
201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
Telephone: 801.532.1234
Facsimile: 801.536.6111
TBeckett@parsonsbehle.com
BRothschild@parsonsbehle.com
ecf@parsonsbehle.com

Proposed Attorneys for VidAngel, Inc.

Peter K. Stris (Cal. Bar #216226)
Douglas D. Geysler (Cal. Bar #314342)
Victor O’Connell (Cal. Bar #288094)
STRIS & MAHER LLP
725 S Figueroa St. Ste. 1830
Los Angeles, California 90017
Telephone: (213) 995-6800
Facsimile: (213) 261-0299
peter.stris@strismaher.com
douglas.geysler@strismaher.com
victor.oconnell@strismaher.com

Proposed Special Counsel for VidAngel, Inc.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

VIDANGEL, INC.,

Debtor.

Case No. 17-29073

Chapter 11

Judge Kevin R. Anderson

**DECLARATION OF VICTOR O’CONNELL IN SUPPORT
OF MOTION TO EMPLOY STRIS & MAHER LLP AS
SPECIAL COUNSEL UNDER SECTION 327(e) OF THE
BANKRUPTCY CODE**

I, Victor O’Connell, declare:

1. I am an associate of the law firm of Stris & Maher LLP (“**Stris & Maher**”). I make this verified statement pursuant to Fed. R. Bankr. P. 2014 in support of the motion of VidAngel, Inc. (the “**Debtor**”) to employ Stris & Maher LLP as special counsel. I understand that the Debtor is the subject of a pending bankruptcy case.

2. Stris & Maher is a boutique law firm located in Los Angeles, California that specializes in complex business litigation at the trial and appellate levels. Stris & Maher has represented the Debtor in connection with actions in the Central District of California, District of

Utah, and Ninth Circuit Court of Appeals. The claims brought against the Debtor in the district court actions are stayed. Stris & Maher continues to be counsel of record in those actions. As a result of Stris & Maher's experience representing the Debtor, Stris & Maher has acquired extensive knowledge of the Debtor and its business.

3. The Debtor wishes to employ Stris & Maher because the firm has the knowledge, skill, and experience necessary to represent the Debtor in its pending appeal to the Ninth Circuit, where the Debtor is seeking reversal of the district court's order in *Disney Enterprises, Inc., et al v. VidAngel, Inc.*, No. CV 16-04109-AB (PLAx), granting final partial judgment on the Debtor's counterclaims asserted in the action. The pending appeal is captioned *Disney Enterprises, Inc., et al v. VidAngel, Inc.*, No. 17-56665 (9th Cir.) (the "**Appeal**"). If approved by this Court, Stris & Maher would represent the Debtor in the Appeal.

4. To the best of my knowledge and belief, formed after a conflict check of the Debtor's creditors, contract parties, and equity holders in the Debtor's case, Stris & Maher does not have any connections that should be disclosed to the Court. I am unaware of any conflicts that would cause Stris & Maher to lose disinterested status or to hold material interests adverse to the Debtor.

5. Stris & Maher does not represent or hold any interest adverse to the Debtor of the estate with respect to matters on which Stris & Maher will be employed as special counsel and has no current direct or indirect relationship to, connection with, or interest in the Debtor, any of the Debtor's creditors, any other party in interest, or any of their respective attorneys or accountants, the United States Trustee, or any person employed in the office of the United States Trustee.

6. I believe that Stris & Maher is qualified to serve as a professional in the capacity of special counsel, and that the best interests of the Debtor and its creditors would be served if

Stris & Maher is authorized by the Court to be employed as special counsel for the Debtor to handle the Appeal.

7. Subject to approval by the Court, Stris & Maher has agreed to handle the Appeal for a \$75,000 initial flat fee. If Stris & Maher is successful in reversing the district court's dismissal of one or more of the claims being appealed, Stris & Maher will be entitled to an additional success bonus of \$275,000. Douglas Geysler of Stris & Maher will lead the briefing of the Appeal, and if oral argument is scheduled, he will present oral argument for the Debtor.

8. Prior to October 18, 2017 (the "**Petition Date**"), Stris & Maher was paid for work performed on behalf of the Debtor in connection with the following matters:

a. Stris & Maher represented the Debtor in an appeal of a preliminary injunction order to the Ninth Circuit (No. 16-56843). The terms of the engagement provided that Stris & Maher would be paid on an hourly basis at its prevailing hourly rates subject to a 15% discount, with total fees capped at \$700,000. Stris & Maher was paid in full for all work performed on this matter more than 90 days before the Petition Date.

b. Stris & Maher represented the Debtor in district court litigation in the District of Utah (No. 2:14-cv-00160-DN-BCW). The terms of the engagement provided that Stris & Maher would be paid on an hourly basis at its prevailing hourly rates subject to a 15% discount (no cap on fees). Stris & Maher was paid in full for all work performed on this matter more than 90 days before the Petition Date, with one exception. The final payment of \$1,216.79 was made within 90 days of the Petition Date. The \$20,000 retainer the Debtor had deposited with the firm more than 90 days prior to the Petition Date exceeded the amount of this bill.

In connection with these matters, Stris & Maher was also reimbursed for its reasonably incurred expenses. A table containing pertinent billing information about these matters is set forth below.

Invoice No.	Invoice Date	VidAngel Payment Date	Amount
10785	11/7/2016	3/13/2017	\$1,190.00
10839	12/6/2016	2/7/2017	\$5,355.00
10863	1/5/2017	2/7/2017	\$352,254.88
10870	1/9/2017	2/7/2017	\$3,525.50
10918	2/2/2017	3/13/2017	\$302,750.89
10919	2/3/2017	3/13/2017	\$19,162.90
10980	4/19/2017	5/25/2017	\$13,107.00
10982	4/19/2017	5/22/2017	\$48,118.01
11003	5/4/2017	6/6/2017	\$892.50
11099	8/8/2017	8/21/2017	\$1,216.79

9. As of the Petition Date, Stris & Maher holds a total of \$70,000 paid prior to the petition by the Debtor as retainers for its previous engagements. If the Court approves Stris & Maher's appointment as special counsel, Stris & Maher will apply these retainers toward the \$75,000 initial flat fee described above.

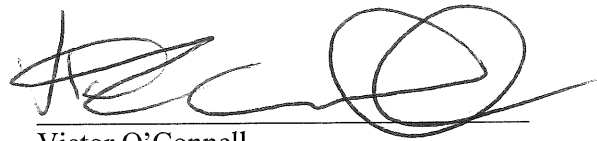
10. Stris & Maher will keep detailed records of any actual and necessary expenses for which it may seek reimbursement from the Debtor. The professionals rendering services will also keep detailed records in connection with their services as required by the Bankruptcy Code.

11. Stris & Maher has not agreed to share compensation that may be awarded to it in this case with any other person, attorney, or entity.

12. In seeking compensation in this case, Stris & Maher will comply with the applicable provisions of the Bankruptcy Code, the Federal Bankruptcy Rules, the Local Bankruptcy Rules, any orders of this Court establishing procedures for compensation of professionals, and guidelines of the Office of the United States Trustee.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that based on the information I have reviewed and the reasonable inquiry I have made, the foregoing statements are true and correct.

Dated: December 15, 2017



Victor O'Connell

PROOF OF SERVICE

I hereby certify that I electronically filed the foregoing Declaration of Victor O'Connell in Support of Motion to Employ Stris & Maher LLP as Special Counsel Under Section 327(e) of the Bankruptcy Code with the Clerk of the Court using the CM/ECF system, which sent notification of such filing to the following:

- J. Thomas Beckett tbeckett@parsonsbehle.com, ecf@parsonsbehle.com;brothschild@parsonsbehle.com;kstankevitz@parsonsbehle.com
- Lev E. Breydo lev.breydo@mto.com
- Laurie A. Cayton tr laurie.cayton@usdoj.gov, James.Gee@usdoj.gov;Lindsey.Huston@usdoj.gov;Suzanne.Verhaal@usdoj.gov
- Michael R. Johnson mjohanson@rqn.com, docket@rqn.com;dburton@rqn.com
- David H. Leigh dleigh@rqn.com, dburton@rqn.com;docket@rqn.com
- Grace S. Pusavat gpusavat@parsonsbehle.com
- Todd J. Rosen todd.rosen@mto.com
- Brian M. Rothschild brothschild@parsonsbehle.com, ecf@parsonsbehle.com
- United States Trustee USTPRegion19.SK.ECF@usdoj.gov

By U.S. Mail - In addition to the parties of record receiving notice through the CM/ECF system, I caused the following parties to be served by U.S. Mail, First-Class, Postage Prepaid, by depositing the document in the mail within 24 hours of the date hereof.

Todd Rosen/Kelly M. Klaus
Munger, Tolles & Olson, LLP
350 South Grand Avenue, 50th Floor
Los Angeles, CA 90071-3426

Dated this 15th day of December, 2017.

PARSONS BEHLE & LATIMER

By: /s/ Grace S. Pusavat

Grace S. Pusavat