

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

_____))
In re))
))
CD LIQUIDATION CO., LLC f/k/a)
CYNERGY DATA, LLC, *et al.*,¹)
))
Debtors.))
_____))

Chapter 11
Case No. 09-13038 (KG)
Objection Deadline: June 1, 2010 at 4:00 p.m.
Hearing Date: TBD if necessary

**EIGHTH MONTHLY APPLICATION OF JAGER SMITH P.C. FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS COUNSEL
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD
FROM APRIL 1, 2010 THROUGH APRIL 30, 2010**

Name of applicant: Jager Smith P.C.

Authorized to provide professional services to: Official Committee of Unsecured Creditors

Date of retention: effective as of September 10, 2009

Period for which compensation
and reimbursement are sought: April 1, 2010 through
April 30, 2010

Amount of compensation sought
as actual, reasonable, and necessary: \$33,137.50

Amount of expense reimbursement sought
as actual, reasonable and necessary: \$478.73

This is a(n): x monthly interim final application

¹ By its order dated November 18, 2009, the Bankruptcy Court ordered that the caption in these jointly administered cases be changed to reflect changes to the corporate names of Cynergy Data, LLC and Cynergy Prosperity Plus, LLC agreed to as part of the sale of substantially all of their assets during these chapter 11 cases.

PRIOR MONTHLY APPLICATIONS

Date Filed	Period Covered	Requested		Approved (After Filing of Certificate of No Objection)	
		Fees	Expenses	Fees	Expenses
10/26/2009	9/10/2009 – 9/30/2009	\$90,100.00	\$1,542.50	\$90,100.00	\$1,542.50
11/10/2009	10/1/2009 – 10/31/2009	\$108,942.50	\$2,861.08	\$108,942.50	\$2,861.08
12/10/2009	11/1/2009 – 11/30/2009	\$76,840.00	\$1,154.85	\$76,840.00	\$1,154.85
1/12/2010	12/1/2009 – 12/31/2009	\$44,595.00	\$369.10	\$35,676.00	\$369.10
2/12/2010	1/1/2010 – 1/31/2010	\$56,177.50	\$532.21	\$44,942.00	\$532.21
3/18/2010	2/1/2010 – 1/28/2010	\$41,385.00	\$654.18	\$33,108.00	\$654.18
4/12/2010	3/1/2010 – 3/31/2010	\$33,982.50	\$132.04	\$27,186.00	\$132.04

COMPENSATION BY PROFESSIONAL

Name of Professional Person	Position with Applicant and Number of Years in that Position	Hourly Billing Rate	Total Billed Hours	Total Compensation
Bruce F. Smith	Partner since 1978. Member of CT and NY bars since 1970 and MA bar since 1974.	\$500.00	11.20	\$5,600.00
Howard P. Blatchford	Partner since 1998. Member of the MA bar since 1981.	\$400.00	11.90	\$4,760.00
Steven C. Reingold	Partner since 2004. Member of NJ bar since 1993, NY bar since 1994, MA bar since 1999 and NH bar since 2004.	\$400.00	4.50	\$1,800.00
Michael J. Fencer	Partner since 2009. Member of MA bar since 2001.	\$400.00	2.20	\$880.00

Brendan C. Recuperero	Associate Member of the MA bar since 1999.	\$350.00	54.00	\$18,900.00
Vanessa Flavin	Paralegal	\$125.00	4.10	\$512.50
Steven M. Doherty	Paralegal	\$200.00	6.40	\$1,280.00

Total Amount of Fees: \$33,137.50²

Total Number of Hours: 94.30

Blended Hourly Rate: \$351.41

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Asset Analysis and Recovery	74.00	\$26,677.50
Asset Disposition	3.60	\$1,260.00
Case Administration	8.80	\$2,180.00
Fee Applications and Objections	6.20	\$2,200.00
Financing	1.70	\$820.00
Totals:	94.30	\$33,137.50

EXPENSE SUMMARY

Expense Category	Service Provider	Total Expenses
On-Line Legal Research	Westlaw	\$1.76
In-House Copy Charges	N/A	\$35.20
Service of Process	Various Service Providers	\$430.00
Conference Call Service	Lightyear	\$11.77
Total:		\$478.73

² Pursuant to an agreement between Jager Smith and the Committee, Jager Smith's fees in this case are billed monthly at lesser of (i) Jager Smith's customary hourly rates and (ii) a blended hourly rate of \$425. As set forth herein, Jager Smith seeks interim allowance of its fees in the amount of \$33,137.50 because the actual hourly rates do not exceed the blended hourly rate of \$425.00 for the period of April 1, 2010 through April 30, 2010.

UNITED STATES BANKRUPTCY COURT
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In re)	
)	Case No. 09-13038 (KG)
CD LIQUIDATION CO., LLC f/k/a)	
CYNERGY DATA, LLC, <i>et al.</i> ,)	
)	Objection Deadline: June 1, 2010 at 4:00 p.m.
Debtors.)	Hearing Date: TBD if necessary
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EIGHTH MONTHLY APPLICATION OF JAGER SMITH P.C. FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD FROM APRIL 1, 2010 THROUGH APRIL 30, 2010

Jager Smith P.C. (“Jager Smith”) hereby files this *Eighth Monthly Application of Jager Smith P.C. for Compensation for Services Rendered and Reimbursement of Expenses as Counsel to the Official Committee of Unsecured Creditors for the Period from April 1, 2010 through April 30, 2010* (the “Application”), and respectfully requests interim allowance of compensation for the actual, reasonable and necessary attorneys’ fees, and of reimbursement of actual, reasonable and necessary expenses, incurred during the period from April 1, 2010 through April 30, 2010 in connection with its services as counsel to the Official Committee of Unsecured Creditors (the “Committee”) of CD Liquidation Co., LLC, f/k/a Cynergy Data, LLC, Cynergy Data Holdings, Inc. and CD Liquidation Co. Plus, LLC, f//k/a Cynergy Prosperity Plus, LLC (collectively, the “Debtors”), and authorizing payment to Jager Smith as is set forth herein.

In support of this Application, Jager Smith respectfully states as follows:

Procedural History

1. On September 1, 2009, each of the Debtors filed a *Voluntary Petition* for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”). Since the Petition Date, the Debtors have continued in the possession of their assets and in the management of their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code until October 26, 2009, on which date they conveyed substantially all of their assets to Cynergy Holdings, LLC.
2. On September 10, 2009, the Office of the United States Trustee appointed the Committee. Thereafter, the Committee selected Jager Smith to serve as the Committee's counsel and Ashby & Geddes (“Ashby”) to serve as the Committee’s Delaware counsel.
3. On September 18, 2009, the Committee applied to this Court [Docket No. 126] for the approval of the employment of Jager Smith (“Motion to Employ”) in this case pursuant to Section 1103(a) of the Bankruptcy Code, Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), effective as of September 10, 2009. Jager Smith received no retainer in connection with this case. On October 20, 2009, the Court entered an order [Docket No. 298] authorizing the Committee’s retention of Jager Smith effective as of September 10, 2009, a copy of which is submitted herewith as Exhibit A.
4. On September 15, 2009, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members* (the “Compensation Order”) [Docket No. 107], providing that professionals employed in this case may request monthly compensation and reimbursement of expenses, and further providing interested parties with an opportunity to object to such requests. The Compensation Order

provides that in the event that no party in interest objects to such a request within twenty days after service thereof, the Debtors are authorized to pay 80% of the compensation and 100% of the expenses requested in such monthly application.

Jurisdiction and Venue

5. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(a) and 157(a). This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue of the Debtors' cases and this matter in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are Section 331 of the Bankruptcy Code, Bankruptcy Rule 2016, and Local Rule 2016-2.

Description of Services Rendered and Expenses Incurred

6. The professional services rendered by Jager Smith on behalf of the Committee during the period covered by this Application are described in detail in the daily time records maintained by Jager Smith in the ordinary course of business, copies of which are submitted herewith as Exhibit B-1 to Exhibit B-5.

7. Pursuant to an agreement between Jager Smith and the Committee, Jager Smith's fees in this case are billed monthly at the lesser of (i) Jager Smith's customary hourly rates and (ii) a blended hourly rate of \$425.

8. In order to assist the Court in its review of the compensation sought herein, Jager Smith has divided its time entries into the following task categories, in accordance with Local Rule 2016-2(c):

a. *Asset Analysis and Recovery*: Jager Smith has included in this category time spent reviewing, analyzing, and investigating potential claims belonging to the Debtors' estates and developing its litigation strategy concerning the same. Jager Smith has also included in this

category time spent in connection with numerous pending examination requests under Local Rule 2004-1 and reviewing documents produced pursuant to such requests. This category also includes time spent communicating and negotiating with counsel to John Martillo and Marcelo Paladini concerning entry of an agreed-to form of order in connection with the Committee's omnibus motion for authorization to conduct examinations of certain individuals under Rule 2004. This category also includes time spent in connection with preparing the Committee's second omnibus motion for authorization to conduct examinations of certain accounting and auditing firms under Rule 2004. The total compensation requested for professional services rendered in this category at Jager Smith's customary hourly rates for the period covered by this Application is \$26,677.50. The detailed time entries for those professional services are submitted herewith as Exhibit B-1.

b. *Asset Disposition*: Jager Smith has included in this category time spent reviewing the post-closing impact of the Debtors' sale of substantially all of their assets and the release of amounts held in escrow for satisfaction of cure amounts. This category also includes time spent reviewing the purchaser's motion to enforce the terms of the order authorizing the sale of substantially all of the Debtors' assets. The total compensation requested for professional services rendered in this category at Jager Smith's customary hourly rates for the period covered by this Application is \$1,260.00. The detailed time entries for those professional services are submitted herewith as Exhibit B-2.

c. *Case Administration*: Jager Smith has included in this category, among other things, time spent updating its web site page dedicated to this case in furtherance of the Committee's duties under Section 1102 of the Bankruptcy Code. Jager Smith has also included time spent reviewing hearing agendas and participating in telephonic status hearings concerning

the objection to Harris Bank, N.A. cure amount. The total compensation requested for professional services rendered in this category at Jager Smith's customary hourly rates for the period covered by this Application is \$2,180.00. The detailed time entries for those professional services are submitted herewith as Exhibit B-3.

d. *Fee Applications and Objections:* Jager Smith has included in this category time spent complying with the Compensation Order and preparing its seventh monthly fee statement and its second interim fee application. The total compensation requested for professional services rendered in this category at Jager Smith's customary hourly rates for the period covered by this Application is \$620.00. The detailed time entries for those professional services are submitted herewith as Exhibit B-4.

e. *Financing:* Jager Smith has included in this category time spent reviewing and commenting on the Debtors' proposed amended cash collateral budget. The total compensation requested for professional services rendered in this category at Jager Smith's customary hourly rates for the period covered by this Application is \$250.00. The detailed time entries for those professional services are submitted herewith as Exhibit B-5.

f.

11. Jager Smith submits that the reasonable value of the professional services rendered on behalf of the Committee at Jager Smith's customary hourly rates for the period covered by this Application is \$33,137.50 and that those services were reasonably likely to benefit the Debtors' estates, or were otherwise necessary to the administration of the Debtors' cases. As indicated above, Jager Smith's fees in this case are to be billed monthly at the lesser of (i) Jager Smith's customary hourly rates and (ii) a blended hourly rate of \$425. Jager Smith's fees for services rendered at the blended hourly rate of \$425 for the period covered by this Application would be

\$40,077.50. Since the blended hourly rate exceeds Jager Smith's customary hourly rates for the Application period, the blended hourly rate does not apply to this Application. Jager Smith requests interim approval of Jager Smith's fees in the amount of \$33,137.50 (representing the aggregate amount of fees incurred during the period covered by this Application at Jager Smith's customary hourly rates) and authority for the Debtors to pay Jager Smith fees in the amount of \$26,510.00, which amount represents the 80% of \$33,137.50.

12. Jager Smith also requests approval of the actual expenses it incurred on behalf of the Committee during the period covered by this Application in the sum of \$478.73, the details of which are submitted herewith as Exhibit C. The actual expenses billed to or incurred by Jager Smith during the period covered by this Application include those for telephone charges and on-line legal research charges, all of which Jager Smith has billed in a manner and at rates consistent with charges made generally to the firm's other clients. In accordance with Local Rule 2016-2(e)(iii), Jager Smith is charging the amount of \$0.10 per page for photocopies and the amount of \$1.00 per page for outgoing facsimile transmittals.

13. As outlined above, the attorneys and paraprofessionals who worked on this case on behalf of the Committee have various levels of expertise. From time to time these individuals have consulted with each other and other professionals involved in this case with regard to various issues arising therein, which Jager Smith submits is the most efficient manner in which to represent the Committee, as opposed to representation by a single attorney who would then be required to research and familiarize himself or herself with each and every legal issue that arises. The biographies of the attorneys and paraprofessionals who rendered services on behalf of the Committee during the period covered by this Application are submitted herewith as Exhibit D.

WHEREFORE, Jager Smith respectfully requests that the Court enter an order (i) approving Jager Smith's fees and expenses for the period covered by the Application on an interim basis, (ii) allowing payment to Jager Smith in the amount of \$26,510.00 (which amount is 80% of the fees sought in this Application) plus reimbursement in the amount of \$478.73, for total payment of \$26,988.73, and (iii) granting to Jager Smith such other and further relief as the Court deems just and proper.

Dated: May 12, 2010

JAGER SMITH P.C.

/s/ Michael J. Fencer

Bruce F. Smith (admitted *pro hac vice*)

Steven C. Reingold (admitted *pro hac vice*)

Michael J. Fencer (admitted *pro hac vice*)

JAGER SMITH P.C.

One Financial Center

Boston, Massachusetts 02111

telephone: (617) 951-0500

facsimile: (617) 951-2414

email: mfencer@jagersmith.com

CERTIFICATION

I, Michael J. Fencer, hereby certify as follows:

1. I am a partner in the law firm of Jager Smith P.C.
2. I have reviewed the within *Eighth Monthly Application of Jager Smith P.C. for Compensation for Services Rendered and Reimbursement of Expenses as Counsel to the Official Committee of Unsecured Creditors for the Period from April 1, 2010 through April 30, 2010* (the “Application”).
3. I certify, pursuant to Rule 2016-2(f) of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), that I have reviewed the requirements of Local Rule 2016-2, and that to the best of my knowledge, information and belief, the Application complies therewith.

/s/ Michael J. Fencer

Michael J. Fencer

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

_____)	Chapter 11
In re)	
)	Case No. 09-13038 (KG)
CD LIQUIDATION CO., LLC f/k/a)	
CYNERGY DATA, LLC, et al., ¹)	
)	Objection Deadline: June 1, 2010 at 4:00 p.m.
Debtors.)	Hearing Date: TBD if necessary
_____)	

NOTICE OF APPLICATION

To: Fee Application Notices Parties

PLEASE TAKE NOTICE that on May 12, 2010, Jager Smith P.C. (“Jager Smith”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of CD Liquidation Co., LLC, f/k/a Cynergy Data, LLC, Cynergy Data Holdings, Inc. and CD Liquidation Co. Plus, LLC, f/k/a Cynergy Prosperity Plus, LLC (collectively, the “Debtors”), has filed the accompanying *Eighth Monthly Application of Jager Smith P.C. for Compensation for Services Rendered and Reimbursement of Expenses as Counsel to the Official Committee of Unsecured Creditors for the Period from April 1, 2010 through April 30, 2010* (the “Application”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), pursuant to which Jager Smith seeks interim allowance of fees in the amount of \$33,137.50 and reimbursement of expenses in the amount of \$478.73.

PLEASE TAKE FURTHER NOTICE that responses or objections to the Application, if any, are required to be in writing and filed on or before **June 1, 2010 at 4:00 p.m.** (the “Objection Deadline”) with the United States Bankruptcy Court for the District of Delaware, 824

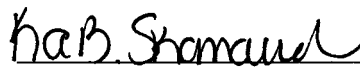
¹ By its order dated November 18, 2009, the Bankruptcy Court ordered that the caption in these jointly administered cases be changed to reflect changes to the corporate names of Cynergy Data, LLC and Cynergy Prosperity Plus, LLC agreed to as part of the sale of substantially all of their assets during these chapter 11 cases.

North Market Street, 3d Floor, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the response or objection upon the following so as to be received on or before the Objection Deadline: (i) Conway MacKenzie, Inc., 1270 Avenue of the Americas, Suite 2340, New York, New York 10020 (Attn: Lorraine B. Ossolinski); (ii) Nixon Peabody LLP, 437 Madison Avenue, New York, New York 10056 (Attention: Dennis J. Drebsky, Esq); (iii) Pepper Hamilton LLP, Hercules Plaza, Suite 5100, 1313 N. Market Street, P.O. Box 1709, Wilmington, Delaware 19899-1709 (Attention: David B. Stratton, Esq., Evelyn J. Meltzer, Esq. And John H. Schanne, II, Esq.); (iv) Jager Smith P.C., One Financial Center, Boston, Massachusetts 02111-2621 (Attention: Brendan C. Recupero, Esq.); (v) Ashby & Geddes, 500 Delaware Avenue, 8th Floor, P.O. Box 1150, Wilmington, Delaware 19899 (Attention: Gregory Alan Taylor, Esq. and Karen B. Skomorucha, Esq.); and (vi) the Office of the United States Trustee, 844 King Street, Room 2313, Wilmington, Delaware 19801 (Attention: Thomas P. Tinker, Esq.).

PLEASE TAKE FURTHER NOTICE that, in the event that there are one or more objection(s) to the Application as filed and served in accordance with the above procedure, a hearing on the Application will be scheduled at the Court's convenience before the Honorable Kevin Gross, United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801.

Dated: May 12, 2010
Wilmington, Delaware

ASHBY & GEDDES, P.A.



Gregory A. Taylor (I.D. No. 4008)
Karen B. Skomorucha (I.D. No. 4759)
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kskomorucha@ashby-geddes.com

- and -

JAGER SMITH P.C.

Bruce F. Smith (admitted *pro hac vice*)
Steven C. Reingold (admitted *pro hac vice*)
Michael J. Fencer (admitted *pro hac vice*)
Brendan C. Recupero (admitted *pro hac vice*)
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*Counsel to the Official Committee of Unsecured
Creditors*

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
CYNERGY DATA, LLC, *et al.*,¹)
) Case No. 09-13038 (KG)
Debtors.) (Jointly Administered)
)
) Related Docket Nos. 126, 140

**ORDER PURSUANT TO 11 U.S.C. §§ 328, 330, AND 1103, AND
FED. R. BANKR. P. 2014 AUTHORIZING THE EMPLOYMENT AND RETENTION
OF JAGER SMITH P.C. AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS *NUNC PRO TUNC* TO SEPTEMBER 10, 2009**

Upon consideration of the application dated September 21, 2009 (the "Application")² of the Official Committee of Unsecured Creditors of the above captioned debtors and debtors in possession (the "Committee"), for an order authorizing the Committee to retain and employ the law firm of Jager Smith P.C. (the "Firm" or "Jager Smith") as counsel *nunc pro tunc* to September 10, 2009 pursuant to sections 328, 330, and 1103 of the Bankruptcy Code, and Bankruptcy Rule 2014; and upon consideration of the Smith Affidavit filed in support thereof; and the Court being satisfied based upon the representations made in the Application and the Smith Affidavit that Jager Smith represents no interest adverse to the Committee or the Debtors' unsecured creditors with respect to matters upon which the Firm is to be engaged, that Jager Smith is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that Jager Smith's employment is necessary and is in the best interests of the Committee and the Debtors' unsecured creditors; and due and adequate notice of the Application having been given; and it

¹ The Debtors are the following entities (with the last four digits of their federal tax identification numbers in parentheses): Cynergy Data, LLC (8677); Cynergy Data Holdings, Inc. (8208); Cynergy Prosperity Plus, LLC (4265). The mailing address for the Debtors is 30-30 47th Avenue, 9th Floor, Long Island City, New York 11101.

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Application.

appearing that no further or other notice is required; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Application is hereby GRANTED.
2. In accordance with section 328 and 1003 of the Bankruptcy Code, the Committee is hereby authorized to retain and employ the law firm of Jager Smith as counsel on the terms set forth in the Application and the Smith Affidavit, effective *nunc pro tunc* to September 10, 2009.
3. Jager Smith shall be entitled to an allowance of compensation and reimbursement of expenses upon the filing and approval of interim and final applications pursuant to the Bankruptcy Code, Bankruptcy Rules, the Local Rules and such other Orders as the Court may direct.
4. The Committee is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.
5. This Court shall retain jurisdiction over any and all matters arising from or related to the interpretation or implementation of this Order.

Dated: Wilmington, Delaware
October 26, 2009

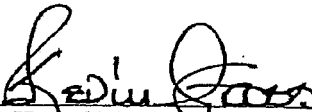

The Honorable Kevin Gross
United States Bankruptcy Court

EXHIBIT B-1

Asset Analysis and Recovery

		Hours
04/01/2010		
SCR	Reviewed documents produced by debtors re: pre-petition matters	2.70
MJF	E-mails re: document requests and 2004 exams	0.20
BCR	Telephone call from Joe Romano re: document requests from Praesti and Naegelle	0.20
BFS	Review debtor's response to document request	0.50
HPB	Review e-mail and objection to document request	0.30
04/02/2010		
SCR	Continued document review	1.80
04/06/2010		
BCR	Telephone calls (several) from Joe Romano at Presti & Naegelle (.2); review discovery from accountants (.5)	0.70
04/07/2010		
BCR	Analysis and review of documents produced by Presti and Naegelle (2.9); conference with B. Smith re: communications with D. Spelfogel (.4); e-mails (several) to D. Spelfogel re: Paladini's 2004 discovery (.3)	3.60
BFS	Telephone conference with Spelfogel re: Paladini	0.50
BFS	Review letter of 1/5 to Paladini counsel requesting documents (.4); review email from Spelfogel re response time (.4); meet with BCR re response (.4)	1.20
04/08/2010		
BCR	Telephone call from Jon-Bernard Swartz re: 2004 motion (.2); e-mail J. B. Swartz re: discovery (.1); attention to correspondence from L. Ossolinsky re: insurance policies and claim periods (.1); review policies (.5); conference with B. Smith re: tail for policies (.2); review employment practices policy (.7)	1.80
BFS	Review revised proposed 2004 order (.3); meet with B. Recupero re: insurance premiums (.2)	0.50

Asset Analysis and Recovery

		Hours
04/09/2010		
BCR	Correspondence (several) re: insurance policies with Lorraine Ossolinski (.2); review policy issues (.3); conference with B. Smith re: analysis of financials by Deloitte (.3); conference with B. Smith re: employment practices policy (.5)	1.30
BFS	Review email from Lorraine re: tail premium on D&O and EPL; email with Tim Hurley re: review of financials (.3)	0.80
BFS	Meet with BCR re help from Deloitte (.3); review email re annual premiums for D&O and EPL from Lorraine (.5); meet with BCR re EPL coverage (.5)	1.30
04/11/2010		
BFS	Telephone conference with Spelfogel re: 2004 requests and orders (.4); review email w/ Spelfogel re: revised order (.3)	0.70
04/12/2010		
BCR	Attention to 2004 issues (1.3); correspondence from J. B. Swartz (.2); conference with M. Fencer re: 2004 issues (.2)	1.70
MJF	Conference with B. Recupero re: 2004 examinations (.2); conference with B. Smith and B. Recupero re: same (.2)	0.40
BFS	Meet with M. Fencer re: discovery issues	0.20
04/13/2010		
BCR	Correspondence (several) with Martillo's counsel re: 2004 order and comment to same (.8); analysis of investigation status and action items (.8); conference with H. Blatchford re: investigation and allocation of resources (1.0); conference with M. Fencer and H. Blatchford re: proposed orders for 2004 discovery (.5); conference with H. Blatchford re: status (.3)	3.40
HPB	Office conference with B. Smith re: status of R 2004 issues (.2); office conference with B. Recupero re: same (.3); office conference with B. Recupero/M. Fencer re: proposed orders (.5); office conference with B. Recupero re: 2004 document requests, case strategy (1.0)	2.00
MJF	Conference with B. Recupero and H. Blatchford re: proposed forms of order	0.50
04/14/2010		
BCR	E-mail (several) to Jon Bernard Swartz re: 2004 exam of Martillo (.4); telephone call to Karen Skomorucha re: form of order for 2004 motion (.1); conference with H. Blatchford re: suggestions to letter (.2)	0.70

Asset Analysis and Recovery

		Hours
HPB	Review e-mails/drafts to/from B. Recupero and Martillo counsel re: proposed R 2004 order (.2); office conference with B. Recupero re: changes/status (.2); office conference with M. Fencer re: R 2004 issues and status (.2)	0.60
MJF	Further conference with H. Blatchford re: 2004 issues	0.20
04/15/2010		
BCR	Revise proposed form of order for 2004 motion (Paladini) (.5); revise form of order for 2004 motion re: Martillo (.4); e-mail D. Spelfogel re: order (.1); e-mail to Karen Skomorucha (several) re: certification of counsel (.3); telephone call to Mike Taylor re: further investigation, issues and litigation support (.2); attention to 2004 motion re: accountants with H. Blatchford (.2)	1.70
HPB	Office conference with B. Recupero re: status of R 2004 motions re; CPA's	0.20
04/16/2010		
BCR	Conference call with Mike Taylor and H. Blatchford re: litigation support role for Deloitte (.8); telephone call to Vin Papalia with H. Blatchford re: document requests to J. H. Cohn (.4); conference with H. Blatchford re: Deloitte (.3)	1.50
HPB	Review R 2004 letters to CPA's (.4); conference call with B. Recupero, M. Taylor, R. Sprague at Deloitte re: R 2004 investigation (.8); office conference with B. Recupero re: Deloitte tasks (.3); conference call with V. Pappalia, Esq. (J. Cohn & Co.) (.4)	1.90
04/20/2010		
BCR	Telephone call from Karen Skomorucha re: counsel certification	0.10
04/21/2010		
BCR	Attention to Motion to Authorize 2004 Examination of Accountants (1.9); conference with H. Blatchford re: 2004 motion (.2)	2.10
HPB	Office conference with B. Recupero re: status of 2004 motion re: CPA's, etc.	0.20
04/22/2010		
BCR	Correspondence from L. Ossolinski re: Martillo redemption agreement and review same (1.1); correspondence to Mike Taylor re: electronic search terms (.2); review electronic search terms (.2); review financial information from Presti and Naegele	

Asset Analysis and Recovery

		Hours
	(2.4); conference with H. Blatchford (several) re: examinations (.4)	4.30
HPB	Office conferences with B. Recupero re: status (2x) (.2); office conference with B. Recupero re: e-discovery issues (.2); e-mail with B. Recupero re: search items issue (.1)	0.50
BFS	Review Ordonez appearance	0.20
04/23/2010		
BCR	Further on Presti & Naegele documents	3.50
HPB	Review e-mail from Deloitte re: search terms for document retrieval and attachment	0.20
04/26/2010		
BCR	Telephone call from Kerry Callaghan re: Capasella Cohen request (.1); review multiple correspondence from Mike Taylor re: searches (.3); analysis of issues re: tax returns and discovery (1.7); analysis of tax refund issue (.6); review 2006 financials (.4)	3.10
04/27/2010		
BCR	Analysis of LR 7026-3 (.5); begin drafting letter to Jon-Bernard Swartz re: e-discovery (.2); attention to correspondence and discovery issues with accountants (.6); analysis of K-1 and audited financials (1.6)	2.90
BFS	Telephone conference with RBM (Vinny) re data services (.5); meet with HPB re status (.4); review documents re settlement (.7)	1.60
HPB	Office conference with B. Smith re: status and investigation issues	0.40
04/28/2010		
VPF	Meet with HPB and BCR re preparation of 2004 subpoenas (.2); prepare subpoenas with exhibits as to Ordonez, Ceballos, Martillo, and Paladini (3.3); telephone call and prepare letter to process server re transmittal of subpoenas for service (.2)	3.70
BCR	Conference with H. Blatchford and V. Flavin re; status and preparation of subpoenas (.3); attention to subpoenas and preparation of same (1.0); conference with V. Flavin re: subpoenas (.2); telephone call from Terry Brown-Edwards re: 2004 exam of A. Ordonez (.3); forward subpoena to Terry Brown-Edwards (.1); further review of documents produced by accountants (3.1); conference with H. Blatchford re: 2004	

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Asset Analysis and Recovery

		Hours	
	issues (.4)	5.40	
HPB	Office conference with B. Recupero re: status of R2004 directors' subpoenas and CPA motion (.4); office conference with B. Recupero/V. Flavin re: subpoena issuance (.3); review e-mails from Deloitte re: witness interviews/FTI report (.2); review e-mail re: Paladini proposal (.1); office conference with B. Smith re: Paladini (.2); office conferences with V. Flavin re: completion of subpoenas (.2)	1.40	
BFS	Attention to Ordonez 2004 subpoenas (.1); conference with H. Blatchford re: subpoenas (.2)	0.30	
 04/29/2010			
BCR	Analysis of LR 7026-3 and applicability to 2004 exam (.9); telephone call to Karen Skomurucha re: 7026-3 and 2004 (.2); revise draft letter to Jon-Bernard Swartz (.3); telephone call from Emily Chou re: return address for subpoena (.2); telephone call from Mike Warner re: same (.1); continued review of accountant information (.9); conference with B. Smith re: issues pertaining to Martillo (.5); conference with H. Blatchford re: discovery (.2); e-mail D. Drebsky (several) re: consent to J. H. Cohn responding to discovery (.3)	3.60	
BFS	Letter to J.H. Cohn re consent to production (.2); email to Martillo counsel re search terms; discuss issue with BCR (.5)	0.70	
HPB	Review B. Recupero draft of correspondence to Martillo's counsel (.2); review Delaware local rule re: e-discovery issue (.2); office conference with B. Recupero re: same (.2); review of FTI reports and associated documents (1.8)	2.40	
 04/30/2010			
BCR	E-mail to D. Spelfogel re: subpoena (.1); e-mail to J. Swartz re: subpoena (.1); further review of accounting information (1.9); conference with H. Blatchford re: discovery issues (.1)	2.20	
BFS	Letter from HPB to Spelfogel re financials	0.30	
HPB	Office conference with B. Recupero re: status of subpoenas (.1); office conference with B. Recupero re: Paladini financial statement issue (.1); e-mail to D. Spelfogel re: financial statement (.1); review of FTI reports and associated documents (1.5)	1.80	
	For Current Services Rendered	74.00	26,677.50

Official Committee of Unsecured Creditors of In

Asset Analysis and Recovery

Page: 6
04/30/2010
Account No: 5593-0001M
Statement No: 50037

		Recapitulation		
<u>Timekeeper</u>		<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Bruce F. Smith		8.80	\$500.00	\$4,400.00
Howard P. Blatchford		11.90	350.00	4,165.00
Steven C. Reingold		4.50	400.00	1,800.00
Brendan C. Recupero		43.80	350.00	15,330.00
Michael J. Fencer		1.30	400.00	520.00
Vanessa Flavin		3.70	125.00	462.50
Total Current Work				26,677.50
Previous Balance				\$26,799.50
04/23/2010	Thank you for your payment.			-2,576.00
Balance Due				<u>\$50,901.00</u>

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
46,042.50	0.00	3,851.50	1,007.00	0.00	0.00

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EXHIBIT B-2

Asset Disposition

		Hours		
04/22/2010				
BCR	Telephone call from Nick Hornberger re: release of reserve funds (.2); attention to release of reserve funds issue (1.5); attention to notice of cure reserve loss (.4)	2.10		
04/23/2010				
BCR	Review motion by Newco re: reserves (.8); conference call with L. Ossolinski re: case status and motion filed by Newco (.5); review notice of cure loss (.2)	1.50		
	For Current Services Rendered	3.60	<u>1,260.00</u>	

		Recapitulation		
<u>Timekeeper</u>		<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Brendan C. Recupero		3.60	\$350.00	\$1,260.00

Total Current Work	1,260.00
Previous Balance	\$2,277.00

04/23/2010	Thank you for your payment.	-632.00
	Balance Due	<u>\$2,905.00</u>

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
1,610.00	0.00	709.00	586.00	0.00	0.00

Case Administration

		Hours	
04/01/2010	BFS	Review agenda of matter scheduled for hearing	0.30
04/05/2010	BCR	Telephonic hearing re: status of Harris cure objection	0.20
	BFS	Review notice of agenda for 4/9 hearing	0.50
04/09/2010	BCR	Telephone status hearing on objection to Harris N.A. cure amount	0.20
04/20/2010	SD	Updated pleadings index and website.	3.80
	BFS	Review notice of cancellation of scheduled matters for 4/23	0.20
04/21/2010	SD	Updated Pleadings Index, imported pleadings into Mailsite.	1.70
	BCR	Correspondence with K. Skomurcha re: cancellation of hearing	0.20
04/26/2010	VPF	update master contact list	0.20
04/27/2010	BCR	Review Notice of Loss	0.20
04/28/2010	VPF	update pleadings on Web	0.20
	BCR	Telephone call from Lorraine Ossolinski re: case status and audit	0.20
04/29/2010	SD	Updates Website.	0.90
		For Current Services Rendered	8.80
			<u>2,180.00</u>

Case Administration

		Recapitulation		
<u>Timekeeper</u>		<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Bruce F. Smith		1.00	\$500.00	\$500.00
Brendan C. Recupero		1.00	350.00	350.00
Vanessa Flavin		0.40	125.00	50.00
Steven Doherty		6.40	200.00	1,280.00
Total Current Work				2,180.00
Previous Balance				\$2,713.30
04/23/2010	Thank you for your payment.			-1,412.00
Balance Due				<u>\$3,481.30</u>

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
2,847.50	0.00	453.80	180.00	0.00	0.00

EXHIBIT B-3

Fee Applications and Objections

		Hours		
04/06/2010				
BCR	Review time entries and begin preparing monthly fee statement	1.30		
04/08/2010				
BCR	Prepare monthly fee statement	0.70		
04/09/2010				
BCR	Further drafting monthly fee statement	1.00		
04/12/2010				
BCR	Finalize seventh monthly fee statement (.9); prepare second interim fee application (1.4); e-mail Karen S. re: fee statement and interim fee application (.2); conference with M. Fencer re: fee application (.1)	2.60		
MJF	Review fee applications (.5); conference with B. Recupero re: same (.1)	0.60		
	For Current Services Rendered	6.20	2,200.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Brendan C. Recupero	5.60	\$350.00	\$1,960.00
Michael J. Fencer	0.60	400.00	240.00

Total Current Work 2,200.00

Previous Balance \$3,355.00

04/23/2010 Thank you for your payment. -1,232.00

Balance Due \$4,323.00

Official Committee of Unsecured Creditors of In

Page: 2
04/30/2010
Account No: 5593-0008M
Statement No: 50042

Fee Applications and Objections

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
2,960.00	0.00	901.00	462.00	0.00	0.00

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EXHIBIT B-4

Financing

		Hours	
04/13/2010			
BFS	Review extension of cash collateral, comparison, wind-down budget, cash collateral budget	1.10	
04/14/2010			
BFS	Meet with MJF re budget issues and review email	0.30	
MJF	Conference with B. Smith re: amendment and extension of cash collateral budget	0.30	
	For Current Services Rendered	1.70	<u>820.00</u>

Recapitulation			
<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Bruce F. Smith	1.40	\$500.00	\$700.00
Michael J. Fencer	0.30	400.00	120.00

Total Current Work 820.00

Previous Balance \$6,244.00

04/23/2010 Thank you for your payment. -4,108.00

Balance Due \$2,956.00

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
1,070.00	0.00	1,460.00	426.00	0.00	0.00

EXHIBIT C

Expenses

03/03/2010	Lightyear-conference call	11.77
03/31/2010	Westlaw Billing: legal research	1.76
04/13/2010	Copy Costs, 324 copies	32.40
04/13/2010	Copy Costs	0.10
04/28/2010	Service of Process	325.00
04/28/2010	Copy Costs, 17 copies	1.70
04/29/2010	Service of Process	105.00
04/29/2010	Copy Costs, 2 copies	0.20
04/29/2010	Copy Costs, 6 copies	0.60
04/29/2010	Copy Costs, 1 copies	0.10
04/29/2010	Copy Costs, 1 copies	0.10
	Total Expenses	<u>478.73</u>
	Total Current Work	478.73
	Previous Balance	\$786.22
04/23/2010	Thank you for your payment.	-654.18
	Balance Due	<u>\$610.77</u>

Past Due Amounts					
<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>121-180</u>	<u>181+</u>
610.77	0.00	0.00	0.00	0.00	0.00

EXHIBIT D

Professionals

Bruce F. Smith, born Orange, New Jersey, 1944. Education: Cornell University (A.B., 1966; J.D., 1969). Phi Kappa Phi; Order of the Coif. Charles Evans Hughes Fellow. Associate Editor, Cornell Law Review, 1968-1969. Law Clerk to the Hon. M. Joseph Blumenfeld, Chief U.S. District Judge, Hartford, Connecticut, 1969-1970. Assistant U.S. Attorney, Civil and Criminal Divisions, Chief, Environmental Litigation Section, Eastern District of New York, 1970-1974. Admitted to practice: 1970, New York, Connecticut, United States District Court, District of Connecticut, Eastern District of New York, Southern District of New York, United States Court of Appeals, Second Circuit; 1974, Massachusetts, United States District Court, District of Massachusetts, United States Court of Appeals, First Circuit; 1998, United States Court of Appeals, Fourth Circuit. Member: Massachusetts Bar Association, Boston Bar Association (Co-Chairman, Bankruptcy Section, Practice and Rules Committee), American Bankruptcy Institute, Turnaround Management Association, Association for Corporate Growth. Practice areas: Insolvency Law, Business Litigation and Environmental Law.

Howard P. Blatchford, Jr., born Gloucester, Massachusetts, 1955. Education: Tufts University (A.B., 1977); Hofstra University (J.D., 1980); Boston University (LL.M., 1997). Admitted to practice: 1981, Massachusetts, United States District Court, District of Massachusetts and United States Court of Appeals, First Circuit; 1984, United States Supreme Court, United States District Court, Southern District of Texas and United States Court of Appeals, Fifth Circuit; 1987, United States Tax Court; 1998, United States Court of Appeals, Fourth Circuit. Member, Board of Editors, Boston Bar Journal, 1989-1993. Adjunct Professor, Northeastern University School of Law, 2001-2003. Member, Zoning Board of Appeals, Gloucester, Massachusetts, 1991-1994. Member: American Bar Association (Litigation and Business Law Sections; Council of Appellate Lawyers), Boston Bar Association, Essex County Bar Association. Practice areas: Commercial Litigation; Appellate Practice.

Steven C. Reingold, born Lynn, Massachusetts, 1968. Education: Rutgers University (B.A., 1990); Boston University School of Law (J.D., 1993). Phi Beta Kappa. Note Editor, Boston University Public Interest Law Journal (1992-1993). Author: *Cause and Prejudice: The Rehnquist Court, Habeas Corpus and Judicial Activism*, 3 B.U. Pub. Int. L.J. 141 (1993). Admitted to practice: 1993, New Jersey and United States District Court, District of New Jersey; 1994, New York; 1995, United States District Court, Southern and Eastern Districts of New York; 1999, Massachusetts and United States District Court, District of Massachusetts; 2004, New Hampshire and United States District Court, District of New Hampshire. Adjunct Professor of Law, New England School of Law, 2000-2002. Member: Massachusetts Bar Association, Boston Bar Association. Practice areas: Commercial Litigation and Bankruptcy.

Michael J. Fencer, born Concord, Massachusetts, 1962. Education: Suffolk University College of Arts and Sciences (B.S. *magna cum laude*, 1997); Suffolk University School of Law (J.D. *cum laude*, 2000). Vice President, Moot Court Honor Board, 1999-2000; Suffolk Jurisprudence Awards, Environmental Law, Secured Transactions. Admitted to Practice: 2001, Massachusetts, United States District Court, District of Massachusetts,

and United States Court of Appeals for the First Circuit. Law Clerk to the Hon. Joel B. Rosenthal, United States Bankruptcy Court, District of Massachusetts, 2000-2001. Member: Massachusetts Bar Association, Boston Bar Association, American Bankruptcy Institute. Practice Areas: Bankruptcy, Commercial Litigation, and Construction Law.

Brendan C. Recupero. born Boston, Massachusetts, 1974. Education: Saint Anselm College (B.A. 1996); Suffolk University School of Law (J.D. *cum laude*, 1999). Managing Editor, Suffolk University Law Review, 1998-1999; Suffolk Jurisprudence Awards, Constitutional Law. Admitted to Practice: 1999, Massachusetts, United States District Court for the District of Massachusetts. Law Clerk to the Hon. William C. Hillman, United States Bankruptcy Court for the District of Massachusetts, 1999-2000. Co-chair of the Newsletter and Information Services Committee, Bankruptcy Law Section, Boston Bar Association. Member: American Bankruptcy Institute, Boston Bar Association, Turnaround Management Association. Practice Areas: Bankruptcy and Commercial Litigation.

Steven Doherty. Education: Elmira College (B.A., 2005); Suffolk University School of Law (J.D., 2009). Admitted to practice: 2009, Massachusetts.

Vanessa Flavin. Education: Boston College (B.A., 2009).

CERTIFICATE OF SERVICE

I, Karen B. Skomorucha, hereby certify that, on May 12, 2010, I caused one copy of the foregoing to be served upon the parties listed below in the manner indicated.

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