

Objection Deadline: February 2, 2009 at 4:00 p.m. (prevailing Eastern Time)
Hearing Date (if necessary): February 6, 2009 at 10:00 a.m. (prevailing Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09-10244 (RDD)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
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**DEBTORS' MOTION TO ESTABLISH PROCEDURES
FOR INTERIM MONTHLY COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the “**Debtors**”) respectfully represent:

Background and Jurisdiction

1. On January 15, 2009 (the “**Petition Date**”), each Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy**”

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

Code”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

2. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the Affidavit of David W. Montgomery, Chief Financial Officer of Star Tribune, which is incorporated herein by reference.

3. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

4. By this motion (the “**Motion**”), the Debtors request, pursuant to sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a), that the Court establish an orderly, regular process for allowance and payment of compensation and reimbursement for attorneys and other professionals whose services are authorized by this Court pursuant to sections 327 or 1103 of the Bankruptcy Code and who will be required to file applications for allowance of compensation and reimbursement of expenses pursuant to sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) (each, a “**Retained Professional**”). In addition, the Debtors seek entry of an order establishing a procedure for reimbursement of reasonable out-of-pocket expenses incurred by members of any statutory committees appointed in these cases.

Retention of Professionals

5. Either contemporaneously with, or prior to the filing of this Motion, the Debtors have filed motions seeking approval to employ, as Retained Professionals, (a) Davis Polk & Wardwell, as attorneys to represent them in these chapter 11 cases, (b) Blackstone Advisory Services L.P. as financial advisor, (c) Curtis, Mallet-Prevost, Colt & Mosle LLP, as conflicts counsel, (d) The Garden City Group, Inc., as claims and noticing agent and (e) Jones Day as special labor counsel. The Debtors may need to retain additional Retained Professionals in connection with the continued prosecution of the chapter 11 cases.² In addition, an official committee of unsecured creditors (the “**Creditors’ Committee**”) may be appointed in these cases, and will likely retain counsel and other professionals to represent it.

Proposed Compensation & Reimbursement Procedures

6. Pursuant to section 331 of the Bankruptcy Code, all retained professionals are entitled to submit applications for interim compensation and reimbursement of expenses every 120 days, or more often if the court permits. Section 331 of the Bankruptcy Code provides, in part, as follows:

A trustee, an examiner, a debtor’s attorney, or any professional person employed under section 327 or 1103 of this title may apply to the court not more than once every 120 days after an order for relief in a case under this title, or more often if the court permits, for such compensation for services rendered before the date of such an application or reimbursement for expenses incurred before such date as is provided under section 330 of this title.

11 U.S.C. § 331.

² Other professionals may be retained in accordance with the Debtors’ Motion Authorizing the Debtors to Employ Ordinary Course Professionals, *Nunc Pro Tunc* to the Petition Date (the “**Ordinary Course Professionals Motion**”). If the Ordinary Course Professionals Motion is granted, such professionals will not need to file individual retention applications and will, subject to monthly and aggregate caps, be paid in full each month without interim or final fee applications. As set forth in the Ordinary Course Professionals Motion, any ordinary course professional seeking payment of fees and disbursements exceeding the monthly or aggregate cap will be obligated to file a monthly statement with respect to such excess amount.

Further, section 105(a) of the Bankruptcy Code authorizes a bankruptcy court to issue any order “that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” Thus, this Court has ample authority to enter an order authorizing the interim monthly compensation and reimbursement of expenses procedures requested herein.

7. The Debtors seek approval of procedures that accord with the standing General Order of the Bankruptcy Court for the Southern District of New York, signed on March 21, 2008 by Chief Judge Stuart M. Bernstein, establishing procedures for monthly compensation and reimbursement of expenses of professionals (“**the Interim Compensation General Order**”), and pursuant to sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

8. The proposed procedures are similar to the procedures established in many other complex cases in this district. *See, e.g., In re Bally Total Fitness of Greater New York*, Case No. 08-14818 (BRL) (Bankr. S.D.N.Y. Dec. 3, 2008); *In re Frontier Airlines, Inc.*, Case No. 08-11297 (RDD) (Bankr. S.D.N.Y. Apr. 10, 2008); *In re Ziff Davis Media*, Case No. 08-10768 (BRL) (Bankr. S.D.N.Y. Mar. 5, 2008); *In re Wellman, Inc.*, Case No. 08-10595 (SMB) (Bankr. S.D.N.Y. Feb. 22, 2008); *In re PLVTZ, Inc.*, Case No. 07-13532 (REG) (Bankr. S.D.N.Y. Nov. 8, 2007); *In re Dana Corp.*, Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Mar. 29, 2006); *In re Calpine Corp.*, Case No. 05-60200 (BRL) (Bankr. S.D.N.Y. Jan. 21, 2006); *In re Delta Air Lines, Inc.*, Case No. 05-17923 (PCB) (Bankr. S.D.N.Y. Sept. 14, 2005); *In re Worldcom, Inc.*, Case No. 02-13533 (AJG) (Bankr. S.D.N.Y. Jul. 21, 2002); *In re Global Crossing Ltd.*, Case No. 02-40188 (REG) (Bankr. S.D.N.Y. Jan. 28, 2002); *In re Enron Corp.*, Case No. 01-16034 (AJG) (Bankr. S.D.N.Y. 2001); *In re Bethlehem Steel Corp.*, Case Nos. 01-15288 through 01-15302, 01-15308 through 01-15315 (BRL) (Bankr. S.D.N.Y. 2001).

9. The Debtors propose that the payment of compensation and reimbursement of expenses of Retained Professionals be structured as follows:

(a) On or before the 20th day of each month following the month for which compensation is sought, each Retained Professional seeking compensation under an order approving this Motion will serve a monthly statement (the “**Monthly Statement**”), by hand or overnight delivery, on (i) Star Tribune Holdings Corporation, 425 Portland Avenue, South Minneapolis, Minnesota, Attn: Randy M. Lebedoff, (ii) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (iii) attorneys for any official committee of unsecured creditors appointed in these cases and (iv) the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”), 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto (collectively, the “**Service Parties**”).

(b) Because (i) this Motion is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code and (ii) professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules, the Monthly Statement shall not be filed with the Court and a courtesy copy need not be delivered to chambers.

(c) Each Monthly Statement shall contain a list of the individuals and their respective titles (e.g., attorney, accountant or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual and a reasonably detailed breakdown of the disbursements incurred. No

Retained Professional should seek reimbursement of an expense that would not be allowed pursuant to the Court's Administrative Orders dated June 24, 1991 and April 21, 1995 or the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330. Moreover, each Monthly Statement should contain contemporaneously maintained time entries for each individual in increments of tenths of an hour, except where otherwise ordered by the Court.

(d) Each Service Party receiving a Monthly Statement shall have at least 15 days after its receipt to review it. If any Service Party has an objection to the compensation or reimbursement sought in a particular Monthly Statement, he or she shall, by no later than the 35th day following the month for which compensation is sought, serve upon the Retained Professional whose Monthly Statement is objected to, and upon the other persons designated in paragraph (a) above to receive Monthly Statements, a written "Notice of Objection to Fee Statement" (hereinafter referred to as an "**Objection**") setting forth the nature of the objection and the amount of fees or expenses at issue.

(e) After the 35th day following the month for which compensation is sought, the Debtors shall promptly pay 80% of the fees and 100% of the expenses identified in each Monthly Statement to which no Objection has timely been served in accordance with paragraph (d) above.

(f) If the Debtors receive an Objection from one or more of the parties listed herein to a particular Monthly Statement, they shall withhold payment of that portion of the Monthly Statement to which the Objection is directed and promptly pay the

remainder of the fees and disbursements in the percentages set forth in paragraph (e) above.

(g) If the parties to an Objection are able to resolve their dispute following the timely service of an Objection and if the party whose Monthly Statement was objected to serves on all of the parties listed in paragraph (a) a statement indicating that the Objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay, in accordance with paragraph (e), that portion of the Monthly Statement no longer subject to an Objection.

(h) All Objections not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be heard by the Court in accordance with paragraph (k) below.

(i) The service of an Objection in accordance with paragraph (d) above shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any basis, whether or not raised in the Objection. Furthermore, the decision by any party not to object to a Monthly Statement shall not constitute a waiver of any kind nor prejudice that party's right to object to any fee application subsequently made by any party to the Court in accordance with the Bankruptcy Code.

(j) Approximately every 120 days (but not less frequently than every 150 days), each Retained Professional shall, in accordance with General Order M-242, as amended by General Order M-269 (each of which can be found at www.nysb.uscourts.gov), (a) file with the Court and (b) serve on the Service Parties, an application for interim or final (as the case may be) Court approval and allowance,

pursuant to sections 330 and 331 of the Bankruptcy Code, of the compensation and reimbursement of expenses requested. For the avoidance of doubt, the Retained Professional's Monthly Statements in connection with such fee applications need not be filed with the Court but should be served on the Court three days before the hearing date fixed in paragraph 9(k) below.

(k) The Debtors' attorneys shall obtain dates from the Court for the hearing of fee applications for all Retained Professionals. Approximately one month before the hearing, the Debtors' attorneys shall file a notice with the Court, served upon the U.S. Trustee and all Retained Professionals, that sets forth the time, date and location of the fee hearing, the date by which the fee applications must be filed, the period covered by such application and the objection deadline. Any Retained Professional unable to file its own fee application with the Court shall deliver to the Debtors' attorneys a fully executed copy with original signatures, along with service copies, three days before the filing deadline. The Debtors' attorneys shall file and serve such application.

(l) Any Retained Professional that fails timely to file an application seeking approval of compensation and expenses previously paid under an order approving this Motion shall (i) be ineligible to receive further monthly payments of fees or reimbursement of expenses as provided herein until the filing of an application or further order of the Court and (ii) may be required to disgorge any fees paid since the later of such Retained Professional's retention or last fee application.

(m) The pendency of an application or the entry of a Court order that the prior payment of compensation or the reimbursement of expenses was improper as to a particular Monthly Statement shall not disqualify a Retained Professional from the future

payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court.

(n) Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein shall have any effect on this Court's interim or final allowance of compensation and reimbursement of expenses of any Retained Professional.

(o) The attorney for any official committee may, in accordance with the foregoing procedure for monthly compensation and reimbursement of Retained Professionals, collect and submit for payment statements of expenses, with supporting vouchers, from members of the committee he or she represents; *provided, however*, that these reimbursement requests must comply with this Court's Administrative Orders dated June 24, 1991 and April 21, 1995.

10. The Debtors propose that each Retained Professional whose retention has been approved by the Court as of the Petition Date may seek, in its first Monthly Statement, compensation for work performed and reimbursement for expenses incurred during the period beginning on the Petition Date and ending on January 31, 2009. The first interim fee application for such Retained Professionals shall seek compensation and reimbursement of expenses for the period from the Petition Date through April 30, 2009. All Retained Professionals not retained as of the Petition Date shall serve their first Monthly Statement on the Service Parties for the period from the effective date of their retention through the end of the first full month following the effective date of their retention, and otherwise in accordance with the procedures set forth in this Motion. In accordance with the Interim Compensation General Order, the amount of fees and

disbursements sought by each Retained Professional in its request for compensation and reimbursement of expenses shall be set forth in U.S. dollars.

11. The Debtors propose to include all payments to Retained Professionals on their monthly operating reports, detailed so as to state the amount paid to each Retained Professional. Any party may object to requests for payment made pursuant to an order approving this Motion on the grounds that the Debtors have not timely filed monthly operating reports, have not remained current with their administrative expenses and 28 U.S.C. § 1930 fees, or there exists a manifest exigency.

12. No professional may serve a Monthly Statement or file a fee application until the Court enters an order approving the retention of such professional pursuant to section 327 or 1103 of the Bankruptcy Code.

13. The proposed procedures will enable the Debtors to closely monitor the costs of administration, forecast level cash flows and implement efficient cash management procedures. Moreover, these procedures will also allow the Court and the key parties in interest, including the U.S. Trustee, to insure the reasonableness and necessity of the compensation and reimbursement sought pursuant to such procedures. Therefore, the Debtors request the Court approve the relief requested herein.

14. Based on the foregoing, the Debtors submit that the relief requested is necessary and appropriate, is in the best interests of their estates and creditors, and should be granted in all respects.

Objections

15. The deadline to file an objection (“**Objection**”) to this Motion shall be 4:00 p.m. (prevailing Eastern Time) on February 2, 2009 (the “**Objection Deadline**”). An Objection shall be considered timely only if, on or prior to the Objection Deadline, it is (a) filed with the Court and (b) served upon and actually received by (i) the Office of the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto, (ii) the attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (iii) conflicts counsel for the Debtors, Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, New York 10178, Attn: Steven J. Reisman and Timothy A. Barnes, (iv) the attorneys for any official committee of unsecured creditors then appointed in these cases, (v) the attorneys to the agent for the Debtors’ first lien pre-petition lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude, and (vi) the Debtors’ notice and claim agent, The Garden City Group, Inc., 105 Maxess Road, Melville, New York 11747, Attn: David A. Isaac, Chief Executive Officer.

16. Unless otherwise ordered by the Court, a reply to an Objection may be filed with the Court and served on or before 12:00 p.m. (prevailing Eastern Time) on February 4, 2009.

17. If no Objections are timely filed and served as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order granting the relief requested herein, which order shall be submitted and may be entered with no further notice or opportunity to be heard afforded to any party. If an Objection is timely filed, a hearing will be held at 10:00 a.m. (prevailing Eastern time) on February 6, 2009.

Notice

18. No trustee, examiner or creditors' committee has been appointed in these chapter 11 cases. Pursuant to the Order Establishing Certain Notice, Case Management and Administrative Procedures entered by this Court on January 16, 2009 (the "**Case Management Order**"), the Debtors will serve notice of this Motion on each of (i) the Core Parties, and (ii) the Non-ECF Service Parties (each as defined in the Case Management Order).

No Previous Request

19. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

New York, New York
Dated: January 21, 2009

By: /s/ Marshall S. Huebner
Marshall S. Huebner
Timothy E. Graulich
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*Proposed Counsel to the Debtors
and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: :
: **Chapter 11 Case No.**
:
STAR TRIBUNE HOLDINGS : **09 -10244 (RDD)**
CORPORATION, et al., :
: **(Jointly Administered)**
:
Debtors.¹ :
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**ORDER TO ESTABLISH PROCEDURES FOR INTERIM MONTHLY
COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

Upon the motion (the “**Motion**”)² of Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the “**Debtors**”), pursuant to sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a), for authority to establish procedures for monthly compensation and reimbursement of expenses of professionals retained by order of this Court, as more fully described in the Motion; and upon consideration of the Affidavit of David Montgomery, pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Rules**”) in Support of First Day Motions and Applications, dated as of the Petition Date; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York dated July 10, 1984 (Ward,

¹ The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company.

² Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Motion.

Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the Case Management Order, and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion [and having held a hearing with appearances of parties in interest noted in the transcript thereof (the “**Hearing**”)]; and the Court having determined that the legal and factual bases set forth in the Motion [and at the Hearing] establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the relief requested in the Motion is hereby granted; and it is further

ORDERED that except as may otherwise be provided in orders of the Court authorizing the retention of specific professionals, all Retained Professionals in these cases may seek monthly compensation in accordance with the following procedures:

(a) On or before the 20th day of each month following the month for which compensation is sought, each Retained Professional seeking compensation under this Order will serve a monthly statement (the “**Monthly Statement**”), by hand or overnight delivery, on (i) Star Tribune Holdings Corporation, 425 Portland Avenue, South Minneapolis, Minnesota, Attn: Randy M. Lebedoff, (ii) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (iii) attorneys for any official committee of unsecured creditors appointed in these cases; and (iv) the Office of the United States

Trustee for the Southern District of New York (the “**U.S. Trustee**”), 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Brian Masumoto (collectively, the “**Service Parties**”).

(b) Because (i) this Order is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code and (ii) professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, the Monthly Statement shall not be filed with the Court and a courtesy copy need not be delivered to chambers.

(c) Each Monthly Statement shall contain a list of the individuals and their respective titles (e.g., attorney, accountant, or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual and a reasonably detailed breakdown of the disbursements incurred. No Retained Professional should seek reimbursement of an expense that would not be allowed pursuant to the Court’s Administrative Orders dated June 24, 1991 and April 21, 1995 or the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330. Moreover, each Monthly Statement should contain contemporaneously maintained time entries for each individual in increments of tenths of an hour, except where otherwise ordered by the Court.

(d) Each Service Party receiving a Monthly Statement shall have at least 15 days after its receipt to review it. If any Service Party has an objection to the compensation or reimbursement sought in a particular Monthly Statement, he or she

shall, by no later than the 35th day following the month for which compensation is sought, serve upon the Retained Professional whose Monthly Statement is objected to, and upon the other persons designated in paragraph (a) above to receive Monthly Statements, a written “Notice of Objection to Fee Statement” (hereinafter referred to as an “**Objection**”) setting forth the nature of the objection and the amount of fees or expenses at issue.

(e) After the 35th day following the month for which compensation is sought, the Debtors shall promptly pay 80% of the fees and 100% of the expenses identified in each Monthly Statement to which no Objection has timely been served in accordance with paragraph (d) above.

(f) If the Debtors receive an Objection from one or more of the parties listed herein to a particular Monthly Statement, they shall withhold payment of that portion of the Monthly Statement to which the Objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (e) above.

(g) If the parties to an Objection are able to resolve their dispute following the timely service of an Objection and if the party whose Monthly Statement was objected to serves on all of the parties listed in paragraph (a) a statement indicating that the Objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay, in accordance with paragraph (e), that portion of the Monthly Statement no longer subject to an Objection.

(h) All Objections not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be heard by the Court in accordance with paragraph (k) below.

(i) The service of an Objection in accordance with paragraph (d) above shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any basis, whether or not raised in the Objection. Furthermore, the decision by any party not to object to a Monthly Statement shall not constitute a waiver of any kind nor prejudice that party's right to object to any fee application subsequently made by any party to the Court in accordance with the Bankruptcy Code.

(j) Approximately every 120 days (but not less frequently than every 150 days), each Retained Professional shall, in accordance with General Order M-242, as amended by General Order M-269 (each of which can be found at www.nysb.uscourts.gov) (a) file with the Court and (b) serve on the Service Parties, an application for interim or final (as the case may be) Court approval and allowance, pursuant to sections 330 and 331 of the Bankruptcy Code, of the compensation and reimbursement of expenses requested. For the avoidance of doubt, the Retained Professional's Monthly Statements in connection with such fee applications need not be filed with the Court but should be served on the Court three days before the hearing date fixed in paragraph (k) below.

(k) The Debtors' attorneys shall obtain dates from the Court for the hearing of fee applications for all Retained Professionals. Approximately one month before the hearing, the Debtors' attorneys shall file a notice with the Court, served upon the U.S.

Trustee and all Retained Professionals, that sets forth the time, date and location of the fee hearing, the date by which the fee applications must be filed, the period covered by such application and the objection deadline. Any Retained Professional unable to file its own fee application with the Court shall deliver to the Debtors' attorneys a fully executed copy with original signatures, along with service copies, three days before the filing deadline. The Debtors' attorneys shall file and serve such application.

(l) Any Retained Professional that fails timely to file an application seeking approval of compensation and expenses previously paid under an order approving this Order shall (i) be ineligible to receive further monthly payments of fees or reimbursement of expenses as provided herein until the filing of an application or further order of the Court and (ii) may be required to disgorge any fees paid since the later of such Retained Professional's retention or last fee application.

(m) The pendency of an application or the entry of a Court order that the prior payment of compensation or the reimbursement of expenses was improper as to a particular Monthly Statement shall not disqualify a Retained Professional from the future payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court.

(n) Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein shall have any effect on this Court's interim or final allowance of compensation and reimbursement of expenses of any Retained Professional.

(o) The attorney for any official committee may, in accordance with the foregoing procedure for monthly compensation and reimbursement of Retained

Professionals, collect and submit for payment statements of expenses, with supporting vouchers, from members of the committee he or she represents; provided, however, that these reimbursement requests must comply with this Court's Administrative Orders dated June 24, 1991 and April 21, 1995;

and it is further

ORDERED that each Retained Professional whose retention has been approved by the Court as of the Petition Date may seek, in its first Monthly Statement, compensation for work performed and reimbursement for expenses incurred during the period beginning on the Petition Date and ending on January 31, 2009. The first interim fee application for such Retained Professionals shall seek compensation and reimbursement of expenses for the period from the Petition Date through April 30, 2009. All Retained Professionals not retained as of the Petition Date shall serve their first Monthly Statement on the Service Parties for the period from the effective date of their retention through the end of the first full month following the effective date of their retention, and otherwise in accordance with the procedures set forth in the Motion;

and it is further

ORDERED that the amount of fees and disbursements sought by each Retained Professional shall be set forth in U.S. dollars; and it is further

ORDERED that the Debtors shall include all payments to Retained Professionals on their monthly operating reports, detailed so as to state the amount paid to each Retained Professional;

and it is further

ORDERED that any party may object to requests for payments made pursuant to this Order on the grounds that the Debtors have not timely filed monthly operating reports, have not remained current with their administrative expenses and 28 U.S.C. § 1930 fees, or a manifest

exigency exists by seeking a further order of this Court, otherwise, this Order shall continue and shall remain in effect during the pendency of this case; and it is further

ORDERED that no professional may file a Monthly Statement until the Court enters an order approving the retention of such professional pursuant to section 327 or 1103 of the Bankruptcy Code; and it is further

ORDERED that all time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006.

New York, New York
Dated: _____, 2009

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE