

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11

:

THQ INC., *et al.*, : Case No. 12 - 13398 (MFW)

:

Debtors.¹ : Jointly Administered

:

: Hearing Date: February 4, 2013 at 11:30 a.m. (ET)

: Objection Deadline: January 23, 2013 at 4:00 p.m. (ET)

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**DEBTORS' MOTION FOR ENTRY OF AN ORDER
ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

The above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) hereby submit this motion (the “**Motion**”) for entry of an order, substantially in the form attached hereto as Exhibit A, establishing procedures for interim compensation and reimbursement of expenses of attorneys and other retained professionals in these chapter 11 cases (the “**Chapter 11 Cases**”). In support of this Motion, the Debtors respectfully represent:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtor’s taxpayer identification number are as follows: THQ Inc. (1686); Volition, Inc. (4944); THQ Digital Studios Phoenix, Inc. (1056); THQ Wireless Inc. (7991); and Vigil Games, Inc. (8651). The Debtors’ principal offices are located at 29903 Agoura Road, Agoura Hills, CA 91301.

2. The statutory predicates for the relief requested herein are sections 105(a) and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”).

BACKGROUND

3. On December 19, 2012 (the “**Petition Date**”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to manage their financial affairs as debtors in possession.

4. On January 3, 2013, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”) [Docket No. 80]. No trustee or examiner has been appointed in these cases.

5. Information regarding the Debtors’ history and business operations, capital structure and primary secured indebtedness, and the events leading up to the commencement of these Chapter 11 Cases can be found in the *Declaration of Brian J. Farrell in Support of the Debtors’ Chapter 11 Petitions and Requests for First Day Relief* [Docket No. 2].

RELIEF REQUESTED

6. By separate applications, the Debtors will be seeking authorization to employ (i) Gibson, Dunn & Crutcher LLP as co-counsel; (ii) Young Conaway Stargatt & Taylor, LLP as co-counsel; (iii) FTI Consulting, Inc. as financial advisor; and (iv) Centerview Partners LLC as investment banker. The Debtors may need to retain other professionals during these Chapter 11 Cases. In addition, it is anticipated that the Creditors’ Committee will file an

application to retain counsel and, possibly, other professionals to assist it in fulfilling its obligations in these Chapter 11 Cases.

7. By this Motion, the Debtors request the entry of an order authorizing and establishing procedures for the compensation and reimbursement of court-approved professionals (each a “**Professional**” and, collectively, the “**Professionals**”) on a monthly basis on terms comparable to the procedures established in other large chapter 11 cases. Such an order will streamline the professional compensation process and enable the Court, and all other parties, to more effectively monitor the professional fees incurred in these Chapter 11 Cases.

8. Specifically, the Debtors propose that, except as otherwise provided in an order of the Court authorizing the retention of a particular Professional, the payment of compensation and reimbursement of expenses of the Professionals be governed by the following procedures (collectively, the “**Compensation Procedures**”):

(a) No earlier than the 15th day of each calendar month following the month for which compensation is sought, each Professional seeking interim allowance of its fees and expenses may file an application (including the relevant time entry, description, and expense detail) with the Court pursuant to section 331 of the Bankruptcy Code for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (a “**Monthly Fee Application**”), and serve a copy of the Monthly Fee Application, by email or overnight delivery, upon each of the following parties (each a “**Notice Party**” and, collectively, the “**Notice Parties**”):

- i. THQ Inc., 29903 Agoura Road, Agoura Hills, California 91301, Attn: Ed Kaufman, the Debtors;
- ii. Gibson, Dunn & Crutcher LLP, 333 South Grand Avenue, Los Angeles, California 90071, Attn: Oscar Garza, Esq. and Jeffrey C. Krause, Esq., proposed co-counsel for the Debtors;
- iii. Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Michael R. Nestor, Esq. and M. Blake Cleary, Esq., proposed co-counsel for the Debtors;

- iv. the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Jane M. Leamy, Esq.;
- v. Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Adam G. Landis, Esq., Kerri K. Mumford, Esq., and J. Landon Ellis, Esq., proposed co-counsel to the Creditors' Committee;
- vi. Andrews Kurth LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Paul N. Silverstein, Esq., proposed co-counsel to the Creditors' Committee;
- vii. Buchalter Nemer, 1000 Wilshire Boulevard, Suite 1500, Los Angeles, California 90017, Attn: William S. Brody, Esq., counsel for Wells Fargo Capital Finance, LLC ("**Wells Fargo**");
- viii. Richards, Layton & Finger, P.A. One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: John H. Knight, Esq., counsel for Wells Fargo;
- ix. DLA Piper LLP, 919 North Market Street, 15th floor, Wilmington, Delaware 19801, Attn: Gregg M. Galardi, Esq., and 203 North LaSalle Street, Suite 1900, Chicago, Illinois 60601-1293, Attn.: Matt Murphy, Esq., counsel to Clearlake Capital Group, L.P. ("**Clearlake**"); and
- x. counsel to any other statutory committee appointed in these Chapter 11 Cases (each such committee a "**Committee**").

All Monthly Fee Applications shall comply with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

- (b) Each Notice Party shall have fourteen (14) days after service of the Monthly Fee Application to object thereto (the "**Objection Deadline**"). If no objections are raised prior to the expiration of the Objection Deadline, the Professional submitting the Monthly Fee Application shall file a certificate of no objection with this Court, after which the Debtors shall be authorized to pay such Professional an amount equal to 80% of the fees and 100% of the expenses identified in each Monthly Fee Application to which no Notice of objection was filed and served in accordance with this paragraph (the "**Maximum Interim Payment**"). If an objection is properly filed, the Debtors shall be authorized to pay the Professional 80% of the fees and 100% of the expenses not subject to an objection (the "**Actual Interim Payment**"). The first Monthly Fee Application submitted by each Professional shall cover the period from the Petition Date through and including January 31, 2013.

- (c) If any Notice Party objects to a Professional's Monthly Fee Application, it must, on or before the expiration of the Objection Deadline, file with this Court and serve on such Professional and each other Notice Party a written objection (an "**Objection**") so as to be received on or before the Objection Deadline. Any such Objection shall identify with specificity the objectionable fees and/or expenses, including the amount of such objected to fees and/or expenses, and the basis for such Objection. Thereafter, the objecting party and the affected professional may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution within twenty-one (21) days after the service of the Objection, the affected Professional may either: (i) file a response to the Objection with this Court, together with a request for payment of the difference, if any, between the Maximum Interim Payment and the Actual Interim Payment made to such Professional (the "**Incremental Amount**"); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time this Court will consider and rule on the Objection if requested by the parties.
- (d) Beginning with the approximate three-month period from the Petition Date and ending on March 31, 2013, and at each three month period thereafter, each Professional shall file with this Court and serve on the Notice Parties an application (an "**Interim Fee Application**") for interim allowance of compensation and reimbursement of expenses sought in the Monthly Fee Applications filed during such three-month period (the "**Interim Fee Period**") pursuant to section 331 of the Bankruptcy Code. The Interim Fee Application must identify the covered Monthly Fee Applications and include any other information requested by this Court or required by the Local Rules. Interim Fee Applications shall be filed with this Court and served on the Notice Parties within forty-five (45) days after the end of the applicable Interim Fee Period. Each Professional shall file its first Interim Fee Application on or before May 15, 2013, and the first Interim Fee Application shall cover the Interim Fee Period from the Petition Date through and including March 31, 2013.
- (e) The Debtors shall request that this Court schedule a hearing on Interim Fee Applications at least once every six (6) months or at other such intervals as this Court deems appropriate.
- (f) The pendency of an Objection to payment of compensation or reimbursement of expenses shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses pursuant to the Compensation Procedures.
- (g) Neither (i) the payment of or the failure to pay, in whole or in part, monthly interim compensation and reimbursement of expenses under the

Compensation Procedures nor (ii) the filing of or the failure to file and Objection to any Monthly Fee Application or Interim Fee Application will bind any party in interest or this Court with respect to the allowance of interim or final applications for compensation for services rendered and reimbursement of expenses of Professionals. All fees and expenses paid to Professionals in accordance with the Compensation Procedures are subject to disgorgement until final allowance by this Court.

9. The Debtors also request that each member of any Committee be permitted to submit statements of expenses (including third-party counsel or advisor expenses of individual Committee members) and supporting vouchers to the respective Committee's counsel, which will collect and submit the Committee members' requests for reimbursement in accordance with the Compensation Procedures. Approval of the Compensation Procedures, however, will not authorize payment of such expenses to the extent that such authorization does not exist under the Bankruptcy Code, applicable Third Circuit law, the Bankruptcy Rules, the Local Rules, or the practices of this Court.

10. In addition, the Debtors further request that this Court limit service of the Monthly Fee Applications, Interim Fee Applications, final fee applications, and Hearing Notices (defined below) as follows: (i) the Notice Parties shall be entitled to receive the Monthly Fee Applications, Interim Fee Applications, final fee applications, and notices of any hearing thereon (the "**Hearing Notices**") and (ii) the parties in interest requesting notice pursuant to Bankruptcy Rule 2002 shall be entitled to receive only the Interim Fee Applications and Hearing Notices. Providing notice of fee applications in this manner will permit the parties most active in these Chapter 11 Cases to monitor the fees and expenses incurred by Professionals and will avoid unnecessary duplication and mailing expenses.

11. The Debtors will include all payments made to Professionals in accordance with the Compensation Procedures in its monthly operating reports identifying the

amounts paid to each of the Professionals.

BASIS FOR RELIEF REQUESTED

12. Section 331 of the Bankruptcy Code provides, in relevant 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.

13. Section 105(a) of the Bankruptcy Code provides, in pertinent part, that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). As set forth below, courts have regularly entered orders, in accordance with section 105(a) of the Bankruptcy Code, establishing procedures providing for the interim compensation and expense reimbursement of professionals on a monthly basis. Factors generally considered by the courts in determining whether such relief is warranted include “the size of [the] reorganization cases, the complexity of the issues involved, and the time required on the part of the attorneys for the debtors in providing services necessary to achieve a successful reorganization of the debtors” *In re Int’l Horizons, Inc.*, 10 B.R. 895, 897–98 (Bankr. N.D. Ga. 1981). In considering these factors, courts have determined that interim compensation procedures are appropriate to avoid having professionals fund the debtor’s reorganizing proceedings. *See id.* at 897.

14. The Debtors submit that the Compensation procedures are appropriate and consistent with interim compensation procedures established in other chapter 11 cases in this District. *See, e.g., In re Digital Domain Media Group, Inc.*, Case No. 12-12569 (BLS) (Bankr. D. Del. Oct. 22, 2012); *In re Pemco World Air Services, Inc.*, Case No 12-10799 (MFW) (Bankr.

D. Del. Apr. 3, 2012); *In re Real Mex Rests., Inc.*, Case No. 11-13122 (BLS) (Bankr. D. Del. Nov. 2, 2011); *In re Perkins & Marie Callendar's Inc.*, Case No. 11-11795 (KG) (Bankr. D. Del. July 11, 2011); *In re Allen Family Foods, Inc.*, Case No. 11-11764 (KJC) (Bankr. D. Del. July 13, 2011); *In re Harry & David Holdings, Inc.*, Case No. 11-10884 (MFW) (Bankr. D. Del. Apr. 26, 2011); *In re Summit Bus. Media Holding Co.*, Case No. 11-10231 (P JW) (Bankr. D. Del. Feb. 22, 2011).²

15. Approval of the Compensation Procedures would permit the Court and all other parties to effectively monitor the fees and expenses incurred by the professionals retained in these cases. The Debtors submit that the efficient administration of the Chapter 11 Cases will be significantly aided by establishing the foregoing interim compensation and expense reimbursement procedures. Accordingly the relief sought is in the best interests of the Debtors, their estates and their creditors.

NOTICE

16. Notice of this Motion has been provided to (a) the U.S. Trustee; (b) proposed counsel for the Creditors' Committee; (c) counsel for Wells Fargo; (d) counsel for Clearlake; and (e) those parties who have formally filed a request for notice in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

² The Debtors have not annexed copies of the unreported orders cited herein because of their size. Copies of these orders, however, are available upon request of the Debtors' counsel, including at the hearing to consider the Motion.

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

Dated: January 9, 2013
Wilmington, Delaware



Michael R. Nestor (No. 3526)
M. Blake Cleary (No. 3614)
Jaime Luton Chapman (No. 4936)
YOUNG CONAWAY STARGATT & TAYLOR, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

Oscar Garza (CA No. 149790)
Jeffrey C. Krause (CA No. 94053)
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, CA 90071-1512
Telephone: (213) 229-7000
Facsimile: (213) 229-7520

*Proposed Counsel to the Debtors
and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X
: Chapter 11
In re: :
: Case No. 12-13398 (MFW)
THQ INC., *et al.*, :
: Jointly Administered
Debtors.¹ :
: Hearing Date: February 4, 2013 at 11:30 a.m. (ET)
: Objection Deadline: January 23, 2013 at 4:00 p.m. (ET)
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TO: (A) THE OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (B) COUNSEL TO THE CREDITORS' COMMITTEE; (C) COUNSEL TO WELLS FARGO CAPITAL FINANCE, LLC; (D) COUNSEL TO CLEARLAKE CAPITAL GROUP, L.P.; AND (E) THOSE PARTIES WHO HAVE FORMALLY FILED A REQUEST FOR NOTICE IN THE CHAPTER 11 CASES PURSUANT TO BANKRUPTCY RULE 2002

THQ Inc. ("THQI") along with its affiliated debtors and debtors in possession (collectively, the "Debtors") in the above-referenced chapter 11 cases, have filed the attached **Debtors' Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals** (the "Motion").

Responses, if any, to the relief requested in the Motion must be filed with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **January 23, 2013, at 4:00 p.m. (ET)** (the "Objection Deadline"). At the same time, you must serve a copy of your response upon the undersigned counsel.

A HEARING ON THE RELIEF REQUESTED IN THE MOTION WILL BE HELD ON FEBRUARY 4, 2013 AT 11:30 A.M. (ET) BEFORE THE HONORABLE MARY F. WALRATH, UNITED STATES BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM 4, WILMINGTON, DELAWARE 19801.

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: THQ Inc. (1686); THQ Digital Studios Phoenix, Inc. (1056); THQ Wireless, Inc. (7991); Volition, Inc. (4944); and Vigil Games, Inc. (8651). The Debtors' principal offices are located at 29903 Agoura Road, Agoura Hills, CA 91301.

IF YOU FAIL TO RESPOND TO THE MOTION IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: January 9, 2013
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP



Michael R. Nestor (No. 3526)
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*Proposed Counsel to the Debtors
and Debtors in Possession*

EXHIBIT A
PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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	:	
In re:	:	Chapter 11
	:	
THQ INC., <i>et al.</i> ,	:	Case No. 12-13398 (MFW)
	:	
Debtors. ¹	:	Jointly Administered
	:	
	-----X	RE: Docket No. ____

**ORDER ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

Upon consideration of the motion (the “**Motion**”)² of THQ Inc. and certain of its subsidiaries, as debtors and debtors in possession in the above-captioned Chapter 11 Cases (collectively, the “**Debtors**”), for entry of an order establishing procedures for the interim compensation and reimbursement of expenses of professionals; and the Court having found that it has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of Debtors’ estates, their creditors, and other parties in interest; and notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion and having considered the statements in support of the relief requested therein; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtor’s taxpayer identification number are as follows: THQ Inc. (1686); Volition, Inc. (4944); THQ Digital Studios Phoenix, Inc. (1056); THQ Wireless Inc. (7991); and Vigil Games, Inc. (8651). The Debtors’ principal offices are located at 29903 Agoura Road, Agoura Hills, CA 91301.

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

and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. Except as otherwise provided in an order of this Court authorizing the retention of a particular professional, the Professionals specifically retained pursuant to an order of this Court in these Chapter 11 Cases may seek interim payment of compensation and reimbursement of expenses in accordance with the following procedures (collectively, the “**Compensation Procedures**”):

- (a) No earlier than the 15th day of each calendar month following the month for which compensation is sought, each Professional seeking interim allowance of its fees and expenses may file an application (including the relevant time entry, description, and expense detail) with the Court pursuant to section 331 of the Bankruptcy Code for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (a “**Monthly Fee Application**”), and serve a copy of the Monthly Fee Application, by email or overnight delivery, upon each of the following parties (each a “**Notice Party**” and, collectively, the “**Notice Parties**”):
- i. THQ Inc., 29903 Agoura Road, Agoura Hills, California 91301, Attn: Ed Kaufman, the Debtors;
 - ii. Gibson, Dunn & Crutcher LLP, 333 South Grand Avenue, Los Angeles, California 90071, Attn: Oscar Garza, Esq. and Jeffrey C. Krause, Esq., proposed co-counsel for the Debtors;
 - iii. Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Michael R. Nestor, Esq. and M. Blake Cleary, Esq., proposed co-counsel for the Debtors;
 - iv. the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Jane M. Leamy, Esq.;

- v. Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Adam G. Landis, Esq., Kerri K. Mumford, Esq., and J. Landon Ellis, Esq., proposed co-counsel to the Creditors' Committee;
- vi. Andrews Kurth LLP, 450 Lexington Avenue, New York, New York 10017, Attn: Paul N. Silverstein, Esq., proposed co-counsel to the Creditors' Committee;
- vii. Buchalter Nemer, 1000 Wilshire Boulevard, Suite 1500, Los Angeles, California 90017, Attn: William S. Brody, Esq., counsel for Wells Fargo Capital Finance, LLC ("**Wells Fargo**");
- viii. Richards, Layton & Finger, P.A. One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: John H. Knight, Esq., counsel for Wells Fargo;
- ix. DLA Piper LLP, 919 North Market Street, 15th floor, Wilmington, Delaware 19801, Attn: Gregg M. Galardi, Esq., and 203 North LaSalle Street, Suite 1900, Chicago, IL 60601-1293, Attn.: Matt Murphy, Esq., counsel to Clearlake Capital Group, L.P.; and
- x. counsel to any other statutory committee appointed in these Chapter 11 Cases (each such committee a "**Committee**").

All Monthly Fee Applications shall comply with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

- (b) Each Notice Party shall have fourteen (14) days after service of the Monthly Fee Application to object thereto (the "**Objection Deadline**"). If no objections are raised prior to the expiration of the Objection Deadline, the Professional submitting the Monthly Fee Application shall file a certificate of no objection with this Court, after which the Debtors shall be authorized to pay such Professional an amount equal to 80% of the fees and 100% of the expenses identified in each Monthly Fee Application to which no Notice of objection was filed and served in accordance with this paragraph (the "**Maximum Interim Payment**"). If an objection is properly filed, the Debtors shall be authorized to pay the Professional 80% of the fees and 100% of the expenses not subject to an objection (the "**Actual Interim Payment**"). The first Monthly Fee Application submitted by each Professional shall cover the period from the Petition Date through and including January 31, 2013.
- (c) If any Notice Party objects to a Professional's Monthly Fee Application, it must, on or before the expiration of the Objection Deadline, file with this

Court and serve on such Professional and each other Notice Party a written objection (an “**Objection**”) so as to be received on or before the Objection Deadline. Any such Objection shall identify with specificity the objectionable fees and/or expenses, including the amount of such objected to fees and/or expenses, and the basis for such Objection. Thereafter, the objecting party and the affected professional may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution within twenty-one (21) days after the service of the Objection, the affected Professional may either: (i) file a response to the Objection with this Court, together with a request for payment of the difference, if any, between the Maximum Interim Payment and the Actual Interim Payment made to such Professional (the “**Incremental Amount**”); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time this Court will consider and rule on the Objection if requested by the parties.

- (d) Beginning with the approximate three-month period from the Petition Date and ending on March 31, 2013, and at each three month period thereafter, each Professional shall file with this Court and serve on the Notice Parties an application (an “**Interim Fee Application**”) for interim allowance of compensation and reimbursement of expenses sought in the Monthly Fee Applications filed during such three-month period (the “**Interim Fee Period**”) pursuant to section 331 of the Bankruptcy Code. The Interim Fee Application must identify the covered Monthly Fee Applications and include any other information requested by this Court or required by the Local Rules. Interim Fee Applications shall be filed with this Court and served on the Notice Parties within forty-five (45) days after the end of the applicable Interim Fee Period. Each Professional shall file its first Interim Fee Application on or before May 15, 2013, and the first Interim Fee Application shall cover the Interim Fee Period from the Petition Date through and including March 31, 2013.
- (e) The Debtors shall request that this Court schedule a hearing on Interim Fee Applications at least once every six (6) months or at other such intervals as this Court deems appropriate.
- (f) The pendency of an Objection to payment of compensation or reimbursement of expenses shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses pursuant to the Compensation Procedures.
- (g) Neither (i) the payment of or the failure to pay, in whole or in part, monthly interim compensation and reimbursement of expenses under the Compensation Procedures nor (ii) the filing of or the failure to file and Objection to any Monthly Fee Application or Interim Fee Application will bind any party in interest or this Court with respect to the allowance of

interim or final applications for compensation for services rendered and reimbursement of expenses of Professionals. All fees and expenses paid to Professionals in accordance with the Compensation Procedures are subject to disgorgement until final allowance by this Court.

3. Each member of a Committee shall be permitted to submit statements of expenses and supporting vouchers to the Committee's counsel, which will collect and submit such requests for reimbursement in accordance with the Compensation Procedures; provided, however, that the Committee members' requests for reimbursement of attorneys' fees must be made by separate application and scheduled for hearing upon proper notice.

4. Service of Monthly Fee Applications, Interim Fee Applications, final fee applications, and Hearing Notices is approved as follows: (i) the Notice Parties shall be entitled to receive the Monthly Fee Applications, Interim Fee Applications, final fee applications, and Hearing Notices and (ii) the parties in interest requesting notice pursuant to Bankruptcy Rule 2002 shall be entitled to receive only the Interim Fee Applications and Hearing Notices.

5. All time periods referenced in this order shall be calculated in accordance with Bankruptcy Rule 9006(a).

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

7. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: Wilmington, Delaware
_____, 2013

MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE