

Dated: February 2, 2015



*Brenda K. Martin*

Brenda K. Martin, Bankruptcy Judge

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA**

In re:  
SKYMALL, LLC,  
Debtor.

In Proceedings Under Chapter 11  
Case No. 2:15-bk-00679-BKM

Jointly Administered with:  
XHIBIT CORP.,  
XHIBIT INTERACTIVE, LLC,  
FLYREPLY CORP.,  
SHC PARENT CORP.,  
SPYFIRE INTERACTIVE, LLC,  
STACKED DIGITAL, LLC, and  
SKYMALL INTERESTS, LLC.

Jointly Administered with Case Nos.:  
2:15-bk-00680-BKM  
2:15-bk-00682-BKM  
2:15-bk-00684-BKM  
2:15-bk-00685-BKM  
2:15-bk-00686-BKM  
2:15-bk-00687-BKM  
2:15-bk-00688-BKM

This Pleading applies to:  
 All Debtors  
 Specified Debtors

**INTERIM ORDER APPROVING  
EMERGENCY APPLICATION FOR  
ENTRY OF AN ORDER  
AUTHORIZING THE EMPLOYMENT  
AND RETENTION OF COHNREZNICK  
CAPITAL MARKET SECURITIES, LLC  
AS INVESTMENT BANKER  
PURSUANT TO 11 U.S.C. §§ 327 AND  
328**

This matter came before the Court on the *Emergency Application for Entry of an Order Authorizing the Employment and Retention of CohnReznick Capital Market Securities, LLC as*

1 *Investment Banker Pursuant to 11 U.S.C. §§ 327 and 328* [Docket No. 21] (the “**Application**”)<sup>1</sup>  
2 filed by SKYMALL, LLC, *et al.*, the debtors and debtors-in possession (the “**Debtors**”) in the  
3 above-captioned Chapter 11 cases (the “**Bankruptcy Cases**”). In the Application, the Debtors  
4 seek entry of an order under 11 U.S.C. §§ 327, 328, and 1103, authorizing its employment and  
5 retention of CohnReznick Capital Market Securities, LLC (“**CRCMS**”), as investment banker to  
6 the Debtors. The Application is supported by the *Verified Statement in Support of Debtors’*  
7 *Emergency Application for Entry of an Order Authorizing the Employment and Retention of*  
8 *CohnReznick Capital Market Securities, LLC as Investment Banker Pursuant to 11 U.S.C. §§ 327*  
9 *and 328* (the “**Manning Statement**”), attached as Exhibit A to the Application.

10 The United States Trustee (the “**UST**”) filed a preliminary objection to the Application on  
11 January 26, 2015 at Docket No. 27 (the “**Objection**”). An initial hearing was held on the  
12 Application and the Objection on January 27, 2015 (the “**Initial Hearing**”).

13 Having reviewed the Application, the Manning Statement, and the Objection, and having  
14 considered the statements and arguments set forth on the record at the Initial Hearing, the Court  
15 **FINDS AND CONCLUDES** that:

16 A. The Court has jurisdiction over the matters raised in the Application under 28  
17 U.S.C. §§ 157 and 1334.

18 B. Venue of this matter is proper under 28 U.S.C. §§ 1408 and 1409.

19 C. The Application presents a core proceeding under 28 U.S.C. § 157(b)(2).

20 D. Approval of the relief requested in the Application on an interim basis as provided  
21 herein is in the best interests of the Debtors, their estates, their creditors, and other parties-in-  
22 interest.

23 E. Adequate and proper notice of the Application has been given and no other or  
24 further notice is necessary.

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26 <sup>1</sup> Capitalized terms not defined in this Order shall have the meanings ascribed to them in the Application.

1 F. Based upon the representations contained in the Application and the Manning  
2 Statement, CRCMS is “disinterested” within the meaning of 11 U.S.C. §§ 101(14).

3 G. Good and sufficient cause exists for granting the relief requested in the  
4 Application, as set forth herein.

5 H. The Court has reserved its ruling on the following issues (the “**Disputed**  
6 **Issues**”), pending further briefing: (i) whether the indemnification provision set forth in Section 6  
7 of the CRCMS Engagement Agreement will be approved; and (ii) whether CRCMS’s proposed  
8 compensation structure will be subject to a “reasonableness” standard under 11 U.S.C. § 330  
9 rather than the “improvident” standard under 11 U.S.C. § 328.

10 In light of the foregoing:

11 **IT IS ORDERED THAT:**

12 1. The Application is **GRANTED**, on an interim basis, pursuant to 11 U.S.C. §§ 327,  
13 328 and 330.

14 2. The Disputed Issues are reserved for later determination as provided herein.

15 3. The Debtors, as debtors-in-possession, are authorized to retain and employ  
16 CRCMS as their investment banker to perform the services set forth in the Application and this  
17 Interim Order.

18 4. Other than the Disputed Issues, CRCMS will be compensated in accordance with  
19 the procedures set forth in the Application, the Engagement Agreement, and in accordance with  
20 all applicable Bankruptcy Rules, Local Rules, and Orders of this Court, on an interim basis.

21 5. CRCMS’s professionals are authorized to maintain time records, to the best of  
22 their ability, in quarter-hour increments.

23 6. The Debtors are authorized to take all actions necessary to effectuate the relief  
24 granted by this Order.

25 7. The Debtors shall file an additional brief with regard to the Disputed Issues on or  
26 before **February 2, 2015**.

