

Stephen Karotkin
Martin A. Sosland (*admitted pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors and Debtors in Possession

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

-----X		
	:	
In re	:	Chapter 11
	:	
BB LIQUIDATING INC., et al.,¹	:	Case No. 10-14997 (BRL)
	:	
	:	(Jointly Administered)
Debtors.	:	
-----X		

**SUMMARY SHEETS PURSUANT TO
UNITED STATES TRUSTEE GUIDELINES
FOR REVIEWING APPLICATIONS FOR COMPENSATION
AND REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. § 330**

THIRD INTERIM APPLICATION

<u>NAME OF APPLICANT:</u>	Weil, Gotshal & Manges LLP
<u>TIME PERIOD:</u>	July 1, 2011 through and including November 30, 2011
<u>ROLE IN THE CASE:</u>	Attorneys for the Debtors
<u>CURRENT APPLICATION:</u>	Total Fees Requested: \$955,533.25 Total Expenses Requested: \$45,998.10
<u>PRIOR APPLICATIONS:</u>	First Interim Fee Application [Dkt. No. 1210] Second Interim Fee Applications [Dkt No. 2206]

¹ The Debtors, together with the last four digits of each Debtor's federal tax identification number, are: BB Liquidating Inc. (5102); BB Liquidating Canada Inc. (1269); BB Liquidating Digital Technologies Inc. (9222); BB Liquidating Distribution, Inc. (0610); BB Liquidating GC, Inc. (1855); BB Liquidating Global Services Inc. (3019); BB Liquidating International Spain Inc. (7615); BB Liquidating Investments LLC (6313); BB Liquidating Procurement LP (2546); BB Liquidating Video Italy, Inc (5068); BB Liquidating ML, LLC (5575); BB Liquidating Trading Zone Inc. (8588); and BB Liquidating B2 LLC (5219).

**COMPENSATION BY PROFESSIONAL
JULY 1, 2011 THROUGH NOVEMBER 30, 2011**

NAME OF PROFESSIONAL PARTNERS & OF COUNSELS:	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Baer, Lawrence J.	L-1984	\$780.00	2.30	\$1,794.00
Berz, David	L-1973	\$975.00	1.20	\$1,170.00
Chandler, Todd R.	C-1993	\$925.00	1.10	\$1,017.50
Dicker, Howard B.	C-1990	\$1,000.00	0.30	\$300.00
Friedlander, Gilbert	C-1972	\$925.00	5.50	\$5,087.50
Goldring, Stuart J.	T-1984	\$1,075.00	3.50	\$3,762.50
Himelfarb, P.J.	C-1991	\$850.00	1.00	\$850.00
Horton, William H.	T-1977	\$925.00	0.60	\$555.00
Kam, Michael K.	T-1981	\$1,000.00	0.10	\$100.00
Karotkin, Stephen	BFR-1977	\$1,075.00	50.20	\$53,965.00
Margolis, Steven M.	T-1989	\$780.00	0.60	\$468.00
Sosland, Martin A.	BFR-1984	\$975.00	88.90	\$81,656.25
Total Partners and Of Counsel			155.30	\$150,725.75

BFR – Business, Finance & Restructuring, C – Corporate, L – Litigation, T – Tax

NAME OF PROFESSIONAL	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
ASSOCIATES:				
Burke, Kathlene	BFR-2009	\$560.00	286.90	\$160,664.00
Custodio, Yvanna	BFR-2011	\$430.00	15.40	\$6,622.00
DiBlasi, Kelly	BFR-2004	\$720.00	0.30	\$216.00
Hall, Dana	BFR-2010	\$495.00	374.60	\$185,427.00
Heyliger, Adelaja K.	C-2003	\$740.00	0.60	\$444.00
Hoehne, Debora	BFR-2008	\$600.00	81.20	\$48,720.00
Juhn, Jiho	T-2010	\$430.00	4.40	\$1,892.00
Lennox, Maria N.	C-2009	\$560.00	4.40	\$2,464.00
Merson, Regina	BFR-2007	\$600.00	257.40	\$154,440.00
Money, Frazer	T-2011	\$495.00	3.60	\$1,782.00
Saavedra, Andrea C.	BFR-2007	\$645.00	213.90	\$137,965.50
Smeltzer, Natalie	C-2009	\$430.00	37.90	\$16,297.00
Susanin, Audrey K.	C-2007	\$600.00	1.70	\$1,020.00
Ward, Monty A.	C-2005	\$685.00	16.30	\$11,165.50
Total Associates			1,298.60	\$729,119.00

BFR – Business, Finance & Restructuring, C – Corporate, T- Tax

NAME OF PROFESSIONAL	DEPARTMENT	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Paralegals, Clerks, Library Staff And Other Non-Legal Staff				
Bennett, T. Charlotte	Paralegal	\$250.00	64.10	\$16,025.00
Coleman, Melissa R.	Paralegal	\$125.00	3.10	\$387.50
Collier, Amanda B.	Paralegal	\$180.00	12.20	\$2,196.00
Etienne, Donald	Paralegal	\$200.00	12.40	\$2,230.00
Gerber, Jacob A.	Paralegal	\$175.00	5.90	\$1,032.50
Gern, Andrew H.	Paralegal	\$175.00	3.20	\$560.00
Ghudasara, Priya K.	Paralegal	\$175.00	293.00	\$51,275.00
Lee, Kathleen	Paralegal	\$310.00	0.20	\$62.00
Lyon, Andrew H.	Paralegal	\$175.00	4.60	\$805.00
Money, Frazer	Law Clerk	\$295.00	0.30	\$88.50
Roberts, Sarah B.	Paralegal	\$265.00	1.60	\$424.00
Stauble, Christopher A.	Paralegal	\$290.00	0.70	\$203.00
Wilmer, Andrea	Paralegal	\$200.00	2.00	\$400.00
Total Paraprofessionals			403.30	\$75,688.50

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
TOTALS:			
Partners and Of Counsel	\$970.55	155.30	\$150,725.75
Associates	\$561.47	1,298.60	\$729,119.00
Paraprofessionals		403.30	\$75,688.50
Total Fees Incurred		1,857.20	\$955,533.25
Blended Attorney Rate	\$605.16		

**COMPENSATION BY PROJECT CATEGORY
JULY 1, 2011 THROUGH NOVEMBER 30, 2011**

TASK CODE	DESCRIPTION	HOURS	AMOUNT
001	Case Administration	118.10	\$ 58,191.00
002	Creditors' Committee/Unsecured Creditors Issues	0.00	0.00
003	Secured Creditors Issues/Meetings/Communications	0.60	585.00
004	General Case Strategy	9.60	7,367.50
005	Hearings and Court Matters	151.10	54,779.50
006	Weil Retention/Billing/Fee Applications	41.50	13,977.50
007	Retention/Fee Application: Ordinary Course Professionals	11.80	7,117.50
008	Retention/Fee Application: Other Professionals	35.00	18,589.50
009	Schedules/Statement of Financial Affairs	0.00	0.00
010	US Trustee	20.30	9,762.50
011	General Business Operations (including international)	2.60	1,443.50
012	Corporation Governance and Securities Issues	25.40	17,994.00
013	DIP Financing	0.80	516.00
014	Insurance Issues	11.20	7,330.00
015	Employee/ERISA/Benefits Issues	40.10	28,699.00
016	Asset Dispositions/363 Sales	151.30	62,909.00
017	De Minimus Asset Sales	0.00	0.00
018	Real Property & Lease Issues	144.70	77,816.50
019	Executory Contracts other than Store Leases	219.30	118,752.00
020	Adversary Proceedings	0.00	0.00
021	Claims Objections Litigation	496.80	245,640.50
022	Bar Date Motion and Claims Reconciliation Issues	3.60	2,237.50
023	Automatic Stay	18.60	9,146.50
024	Business Plan	0.00	0.00
025	Disclosure Statement & Plan of Reorganization	0.00	0.00
026	Exclusivity	0.00	0.00
027	Tax Issues	18.90	11,693.50
028	Utility Issues	182.30	109,760.50
029	Vendor, Reclamation and Critical Vendor Issues (Studios)	0.00	0.00
030	Vendor, Reclamation and Critical Vendor Issues (Non-Studios)	0.30	292.50
031	Customer Issues	0.00	0.00
032	Non-Bankruptcy Litigation	12.20	6,946.50
033	Non-Working Travel	12.80	10,542.50
034	Administrative Claims	128.30	78,714.50
Subtotal for all Task Codes:		1,857.20	\$960,804.50
(Less 50% Reduction for Non-Working Travel):			\$ 5,271.25
ADJUSTED TOTAL FOR ALL TASK CODES:		1,857.20	<u>\$955,533.25</u>

EXPENSE SUMMARY
JULY 1, 2011 THROUGH NOVEMBER 30, 2011

EXPENSES	AMOUNTS
Local Transportation	\$1,196.02
Domestic Travel	22,038.33
Duplicating and Related Services	3,943.20
CD/DVD Copies	200.00
Air Courier/Express Mail, Postage, and Messenger Service	2,269.73
Telephone and Facsimile Copies	6.69
Corporation Service	11,328.07
Electronic Research	5,016.06
Total Expenses Requested:	\$45,998.10

Stephen Karotkin
Martin A. Sosland (*admitted pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors and Debtors in Possession

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

-----X		
	:	
In re	:	Chapter 11
	:	
BB LIQUIDATING INC., et al.,¹	:	Case No. 10-14997 (BRL)
	:	
	:	(Jointly Administered)
Debtors.	:	
-----X		

**THIRD APPLICATION OF
WEIL, GOTSHAL & MANGES LLP, ATTORNEYS
FOR THE DEBTORS, FOR INTERIM ALLOWANCE
OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND REIMBURSEMENT OF ACTUAL AND NECESSARY
EXPENSES INCURRED FROM JULY 1, 2011 THROUGH NOVEMBER 30, 2011**

TO THE HONORABLE BURTON R. LIFLAND,
UNITED STATES BANKRUPTCY JUDGE:

Weil, Gotshal & Manges LLP (“*Weil*”), attorneys for BB Liquidating Inc. (f/k/a
Blockbuster Inc.) (“*BB Liquidating*”) and its debtor affiliates, as debtors and debtors in

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: BB Liquidating Inc. (5102); BB Liquidating Canada Inc. (1269); BB Liquidating Digital Technologies Inc. (9222); BB Liquidating Distribution, Inc. (0610); BB Liquidating GC, Inc. (1855); BB Liquidating Global Services Inc. (3019); BB Liquidating International Spain Inc. (7615); BB Liquidating Investments LLC (6313); BB Liquidating Procurement LP (2546); BB Liquidating Video Italy, Inc (5068); BB Liquidating ML, LLC (5575); BB Liquidating Trading Zone Inc. (8588); and BB Liquidating B2 LLC (5219).

possession (collectively, the “**Debtors**”),² hereby files this application (the “**Application**”) and respectfully represents as follows:

I.

PRELIMINARY STATEMENT

1. Weil requests, pursuant to sections 330(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016, the interim allowance of compensation for professional services performed by Weil for the period commencing July 1, 2011 through and including November 30, 2011 (the “**Compensation Period**”), and for reimbursement of Weil’s actual and necessary expenses incurred during the Compensation Period.

2. During the Compensation Period, Weil continued to expend significant time and attention in these chapter 11 cases to ensure a smooth transition of the Debtors’ business operations to DISH Network Corporation (“**DISH**”) and the efficient and expeditious wind-down of the Debtors’ estates. Among other things, Weil: (i) assisted the Debtors in the ongoing assumption and assignment and, in many cases, rejection of unexpired leases and executory contracts; (ii) continued to assist the Debtors with a variety of matters arising out of the Debtors’ sale (the “**363 Sale**”) of substantially all their assets to DISH, including, but not limited to, (a) transferring utility accounts from the Debtors to DISH, (b) changing each of the Debtors’ corporate names and filing a notice regarding same, and (c) preparing a notice and press release regarding trading in BB Liquidating equity and coordinating a change of the BB

² Information regarding the Debtors’ business, capital structure, and the circumstances leading to these chapter 11 cases is contained in the *Affidavit of Jeffery J. Stegenga Pursuant to Local Bankruptcy Rule 1007-2 in Support of First Day Motions* [Dkt. No. 3], filed on September 23, 2010 (the “**Commencement Date**”), the date on which each of the Debtors commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to continue to operate their business and manage their properties as debtors and 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**”). Further, on October 1, 2010, the United States Trustee for Region 2 (the “**U.S. Trustee**”) appointed a statutory committee of unsecured creditors (the “**Creditors’ Committee**”).

Liquidating ticker symbol; (iii) obtaining an Order³ approving certain procedures for filing omnibus claims objections and subsequently filing omnibus objections to more than 1,800 proofs of claim; and (iv) responding to, negotiating, and resolving numerous responses, both formal and informal, to the Debtors' omnibus claims objections.

3. In furtherance of Weil's ongoing efforts to efficiently wind down the Debtors' chapter 11 cases and maximize the value of the Debtors' estates, Weil (i) prepared and filed 23 motions, omnibus claims objections, applications, responses, and supplements, as well as 59 declarations, affidavits, notices, monthly operating reports, and related documents; (ii) negotiated and successfully resolved numerous matters without need for formal hearing and prepared for and participated in two hearings on contested matters; (iii) obtained 34 final orders on the Debtors' behalf; and (iv) performed all of the other professional services described in this Application.

4. Further, during the Compensation Period, the Debtors objected to and consequently expunged or modified over 1,500 proofs of claim, thereby significantly increasing the funds available for distribution to holders of valid administrative expense claims.

II.

BACKGROUND

5. On September 23, 2010, the Debtors filed the *Debtors' Application Pursuant to 11 U.S.C. §§ 327(a) and 328(a) of the Bankruptcy Code and Fed. R. Bankr. P. 2014(a) and 2016 for Authorization to Employ and Retain Weil, Gotshal & Manges LLP as Attorneys for the Debtors Nunc Pro Tunc to the Commencement Date* [Dkt. No. 22].

³ *Order, Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 3007, Establishing Procedures for Filing Omnibus Claims Objections*, entered September 19, 2011 [Dkt. No. 2283].

6. By Order of this Court, entered October 27, 2010, the Debtors were authorized to retain Weil as their attorneys to render legal services in connection with these chapter 11 cases.⁴ The Retention Order authorized Weil to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses, in accordance with sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York, and the Guidelines (as defined below).

7. On March 15, 2011, Weil filed its *First Application of Weil, Gotshal & Manges LLP, Attorneys for the Debtors, for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred From September 23, 2010 Through January 31, 2011* [Dkt. No. 1210] (the “**First Interim Application**”) and on June 28, 2011, the Court entered an Order approving the compensation and expenses requested in the First Interim Application (the “**First Interim Compensation Order**”).

8. On August 15, 2011, Weil filed its *Second Application of Weil, Gotshal & Manges LLP, Attorneys for the Debtors, for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred From February 1, 2011 Through June 30, 2011* [Dkt. No. 2206] (the “**Second Interim Application**”).

9. The Debtors have advised Weil that, to date, they have paid all quarterly fees due to the U.S. Trustee and have filed all monthly operating reports with the U.S. Trustee.

⁴ *Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 Authorizing the Employment of Weil, Gotshal & Manges LLP as Attorneys for the Debtors, Nunc Pro Tunc to the Commencement Date* [Dkt. No. 429] (the “**Retention Order**”).

III.

SUMMARY OF PROFESSIONAL COMPENSATION AND REIMBURSEMENT OF EXPENSES REQUESTED

10. This Application has been prepared in accordance with the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “*UST Guidelines*”), the Bankruptcy Court’s *Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, M-389*, dated November 25, 2009 (the “*Local Guidelines*”), and the *Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered October 20, 2010 [Dkt. No. 364] (as amended by the First Interim Compensation Order, the “*Administrative Order*”, and together with the UST Guidelines and the Local Guidelines, the “*Guidelines*”). Pursuant to the UST Guidelines, the Debtors have been provided with a copy of this Application for their review and will have completed their review of the same prior to the hearing on the Application.

11. By this Application, Weil requests allowance of interim compensation for professional services rendered to the Debtors during the Compensation Period in the amount of \$955,533.25 and expense reimbursements in the amount of \$45,998.10. During the Compensation Period, Weil attorneys and paraprofessionals expended a total of approximately 1,857.20 hours for which compensation is sought.

12. In accordance with the Administrative Order, Weil has received payments totaling \$623,521.18 for the Compensation Period, which amount consists of: (a) \$578,346.56 representing 75% of the fees invoiced from the period from July 1, 2011 through October 31, 2011; and (c) \$45,174.62 representing 100% of the expenses invoiced for the period from July 1,

2011 through and including October 31, 2011. As of the date hereof, Weil has not received payment for the period from November 1, 2011 through and including November 30, 2011. Pursuant to Weil's monthly statements for such period, Weil invoiced a total of \$184,404.50 in fees for professional services rendered and \$823.48 for expense reimbursements.

13. There is no agreement or understanding between Weil and any other person, other than members of the Firm, for the sharing of compensation to be received for services rendered in these cases. Except as explained in the following paragraph, during the Compensation Period, other than pursuant to the Administrative Order, Weil has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application.

14. Prior to the Commencement Date, BB Liquidating paid Weil an aggregate amount of approximately \$4.6 million on account of professional services rendered and as retainers for services to be rendered and for disbursements incurred and expenses advanced for disbursements to be incurred in connection with (i) BB Liquidating's efforts prior to the commencement of these chapter 11 cases to restructure its obligations out of court, (ii) preparation for the Debtors' chapter 11 cases, and (iii) certain other related matters. As of the Commencement Date, Weil had a retainer balance in the amount of approximately \$270,000.00 that, after being applied to outstanding amounts relating to the period prior to the Commencement Date which were not processed through Weil's billing system as of the Commencement Date, now amounts to \$261,297.58. The remaining amount may be applied against payment for services to be rendered and expenses to be incurred.

15. The fees charged by Weil in these cases are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. The rates Weil

charges for the services rendered by its professionals and paraprofessionals in these chapter 11 cases are the same rates Weil charges for professional and paraprofessional services rendered in comparable nonbankruptcy related matters. Such fees are reasonably based on the customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

16. Annexed hereto as ***Exhibit "A"***, pursuant to the Local Guidelines, is a certification regarding compliance with the Guidelines.

17. Annexed hereto as ***Exhibit "B"***, pursuant to the UST Guidelines, is a schedule of Weil professionals and paraprofessionals who have performed services for the Debtors during the Compensation Period, the capacities in which each such individual is employed by Weil, the department in which each individual practices, the hourly billing rate charged by Weil for services performed by such individuals, the year in which each professional was first licensed to practice law, and the aggregate number of hours expended in this matter and fees billed therefor.

18. Annexed hereto as ***Exhibit "C"*** is a schedule specifying the categories of expenses for which Weil is seeking reimbursement and the total amount for each such expense category.

19. Annexed hereto as ***Exhibit "D"***, pursuant to the UST Guidelines, is a summary of Weil's time records billed during the Compensation Period using project categories hereinafter described. Weil maintains computerized records of the time spent by all Weil attorneys and paraprofessionals in connection with the prosecution of the Debtors' chapter 11 cases. Subject to redaction where necessary to preserve the attorney-client privilege, Weil has

provided itemized time records for Weil's services for the Debtors during the Compensation Period to this Court, the U.S. Trustee, and the attorneys for the Creditors' Committee.⁵

20. All entries itemized in Weil's time records comply with the requirements set forth in the Guidelines, including the use of separate matter numbers for different project types, as hereinafter described. Weil's itemized time records also detail expenses incurred on behalf of the Debtors during the Compensation Period. All entries itemized in Weil's expense records comply with the requirements set forth in the Guidelines.

IV.

SUMMARY OF SERVICES PERFORMED BY WEIL DURING THE COMPENSATION PERIOD

21. As described above, during the Compensation Period, Weil continued to render an extraordinary level of professional services in order to efficiently and economically administer the Debtors' chapter 11 cases, transition the Debtors' business operations to DISH following the 363 Sale, reconcile, object to, and resolve the vast majority of administrative expense claims filed in these chapter 11 cases, and otherwise assist the Debtors in their ongoing efforts to wind down their estates. Certain issues and responsibilities of heightened importance to the Debtors' chapter 11 cases required significant attention from Weil. Descriptions of some of the more important tasks performed by Weil with regard to these issues are set forth in the foregoing preliminary statement and below.

22. Transition of Business Operations. During the Compensation Period, Weil engaged in a coordinated effort with the Debtors and DISH to ensure a smooth transition of

⁵ Due to the voluminous nature of Weil's Billing Summary Report ("**BSR**"), the BSR is not annexed as an exhibit to this Application. Copies of the BSR have been provided to this Court, the U.S. Trustee, and the attorneys for the Creditors' Committee. A summary of Weil's time billed during the Compensation Period by project category is included in the summary sheets (the "**Summary Sheets**") filed contemporaneously with this Application, and described in detail below.

the Debtors' business operations to DISH following the 363 Sale. Weil, among other things, changed the legal name of each of the Debtors, filed notices reflecting same, negotiated the terms of and filed a proposed order and stipulation with DISH regarding the 363 Sale purchase price adjustment, and effectively transitioned thousands of the Debtors' remaining utility accounts to DISH. Further, Weil continued to assist the Debtors in the ongoing assumption and assignment and rejection of executory contracts and unexpired leases.

23. Executory Contracts and Unexpired Leases. As of the outset of the Debtors' chapter 11 cases, the Debtors operated approximately 3,306 stores and were party to more than 5,000 executory contracts and unexpired leases. During the Compensation Period, Weil continued to play a pivotal role in the assumption and assignment and rejection process, which was critical to the successful transition of the Debtors' business operations to DISH. In connection with the Debtors' ongoing assumption and assignment or rejection of various unexpired leases and executory contracts, Weil prepared and filed a total of 19 omnibus lease rejection notices, 7 individual lease rejection notices, 4 notices of unexpired leases and executory contracts designated for assumption and assignment, and a motion requesting a correction to the record concerning certain rejected executory contracts. Weil also responded to a significant number of landlord inquiries regarding the Debtors' intentions for assumption and assignment or rejection of various unexpired leases and executory contracts, cure amount disputes, adequate assurance disputes, and a variety of other lease-related issues. In addition to responding to such inquiries, Weil also expended significant time and resources negotiating with landlords and executory contract counterparties and conferring with DISH regarding numerous objections to assumption and assignment of unexpired leases and executory contracts.

24. Administrative Claims. In connection with Weil's efforts to assist in the winding down of the Debtors' estates, Weil drafted and filed a motion to establish procedures for the filing of omnibus claims objections. Weil subsequently drafted and filed a total of thirteen omnibus objection to more than 1,800 proofs of claim and, as a result, was successful in expunging or otherwise modifying over 1,500 claims.⁶ Weil also expended significant time and resources reviewing and responding to responses filed in opposition to the Debtors' omnibus claims objections and negotiating consensual resolutions of the vast majority of such claims-related disputes. In addition to resolving a number of motions filed by claimants seeking to compel immediate payment of administrative expenses, Weil also drafted and filed a response to the motion of one such claimant and has continued to negotiate the resolution of similar disputes with other similarly situated claimants.

25. Weil rendered a substantial amount of other professional services in furtherance of the Debtors' chapter 11 cases during the Compensation Period. The following is a summary of the professional services rendered by Weil during the Compensation Period. This summary is organized in accordance with the internal system of work codes set up by Weil at the outset of these chapter 11 cases. If a work code listed on the Summary Sheets of this Application does not appear below, then Weil did not bill more than twenty (20) hours for that work code during the Compensation Period, but may bill a more significant amount of time for that work code during subsequent periods of compensation.

⁶ As of the date of this Application, Weil has filed a total of fifteen omnibus objections to more than 1,900 proofs of claim.

a. Case Administration (Task Code 001)

Fees: \$58,191.00; Hours: 118.10

- Coordinated with Kurtzman Carson Consultants LLC (“KCC”), the Debtors’ claims and noticing agent, to maintain and update the master service list;
- Prepared, filed, and coordinated service of pleadings with KCC and reviewed affidavits of service prior to filing;
- Engaged in e-mail and telephone communications with the Debtors, counsel to DISH, and the U.S. Trustee regarding a variety of issues related to the administration of the Debtors’ chapter 11 cases and the claims administration process;
- Conducted internal team meetings, conferences, and teleconferences with the Debtors, their professionals, and other parties in interest regarding case administration, the status of the chapter 11 cases, the claims administration process, and various business-related issues;
- Responded to numerous requests for information from parties in interest including, among others, administrative expense claimants, general unsecured creditors, landlords, taxing authorities, and vendors;
- Assisted KCC in maintaining websites and hotlines containing information regarding the Debtors, their professionals and management, and copies of relevant documents, including proofs of claim and administrative expense requests;
- Maintained a case calendar and project tracking chart to promote efficiency in the administration of the chapter 11 cases;
- Maintained a call log to ensure that inquiries from creditors and other parties in interest were handled in an efficient and timely manner;
- Tracked, reviewed, and provided the Debtors and their professionals with summaries of significant pleadings filed in the Debtors’ chapter 11 cases; and
- Consulted and corresponded with the Debtors regarding the preparation of the Debtors’ monthly operating reports.

b. Hearings and Court Matters (Task Code 005)

Fees: \$54,779.50; Hours: 151.10

- Prepared and filed hearing agendas and various notices, including notices of scheduled, cancelled, and adjourned hearings;
- Prepared for and attended court hearings, including hearings on, among other things, assumption and assignment of certain executory contracts and leases of nonresidential real property, omnibus claims objections, and general case status updates;
- Coordinated with the Court and with counsel to DISH regarding hearings and agenda items; and
- Monitored dockets in the Debtors' chapter 11 cases for the entry of orders and the filing of significant pleadings.

c. Weil Retention/Billing/Fee Applications (Task Code 006)

Fees: \$13,977.50; Hours: 41.50

- Reviewed notices of appearance and pleadings on the docket and continually screened for potential conflicts of interest;
- Maintained and updated list of parties in interest for conflicts purposes for Weil and other retained professionals;
- Reviewed monthly billing summary reports and prepared fee statements; and
- Prepared and filed Weil's Second Interim Application.

d. Retention/Fee Application: Other Professionals (Task Code 008)

Fees: \$18,589.50; Hours: 35.00

- Conferred with various applicants regarding scope of retention, terms of compensation, and related issues;
- Conferred with and assisted various applicants with preparation of retention applications and interim fee applications; and
- Responded to inquiries regarding monthly fee statements and other billing-related inquiries.

e. U.S. Trustee (Task Code 010)

Fees: \$9,762.50; Hours: 20.30

- Ensured compliance with U.S. Trustee Guidelines and payment of U.S. Trustee fees; and

- Assisted the Debtors with preparation and filing of monthly operating reports.

f. Corporate Governance and Securities Issues (Task Code 012)

Fees: \$17,994.00; Hours: 25.40

- Conferred internally, with the Debtors, and with regulatory agencies regarding cessation of equity trading, change of ticker symbol, and corresponding press release;
- Amended the legal name of each of the Debtor entities;
- Prepared and filed notice of change of corporate name and case caption; and
- Prepared various documents, including Form 10-K, for filing with the Securities and Exchange Commission, and purchase price adjustment stipulation and proposed order with DISH.

g. Employee/ERISA/Benefits Issues (Task Code 015)

Fees: \$28,699.00; Hours: 40.10

- Reviewed U.S. Trustee objection to employee incentive motion and draft reply thereto;
- Conferred internally and with the Debtors and the U.S. Trustee regarding U.S. Trustee objection to employee incentive motion;
- Conferred internally and with the Debtors, various state agencies, and the United States Equal Employment Opportunity Commission (the “**EEOC**”) regarding various state and federal employee claims;
- Conferred internally and with the EEOC regarding EEOC lawsuit; and
- Conferred internally and with the Debtors regarding deferred compensation plan and excess investment plan.

h. Asset Dispositions/363 Sale (Task Code 016)

Fees: \$62,909.00; Hours: 151.30

- Prepared and filed notices of change of corporate name and case caption;
- Prepared notice and press release regarding equity trading;
- Conferred internally and with the Debtors and counsel to DISH regarding proposed order and stipulation to resolve purchase price adjustment; and

- Conferred internally and with DISH counsel regarding post-closing issues including changing the Debtors' corporate names, transitioning business operations to DISH, and the assumption and assignment and, in many cases, rejection of executory contracts and unexpired leases.

i. Real Property & Lease Issues (Task Code 018)

Fees: \$77,816.50; Hours: 144.70

- Conferred internally and with the Debtors, the Debtors' professionals, and interested parties, such as taxing authorities and landlords, regarding the Debtors' treatment of certain leases, store closings, cure amounts, and other lease-related issues;
- Prepared and filed notices of assumption and assignment and, in some cases, rejection of unexpired leases;
- Participated in conferences and teleconferences regarding various issues surrounding the Debtors' leases;
- Conducted research regarding various lease-related issues including, but not limited to, the Debtors' obligations for tax amounts pursuant to the terms of certain lease agreements;
- Reviewed numerous objections to assumption and assignment and rejection of leases and conferred with objecting parties regarding resolution of same; and
- Conferred with DISH counsel regarding DISH's election to reject or assume and assign leases and coordination of Debtors' and DISH's efforts regarding same.

j. Executory Contracts Other Than Store Leases (Task Code 019)

Fees: \$118,752.00; Hours: 219.30

- Prepared and filed numerous notices of assumption and assignment and, in some cases, rejection of executory contracts;
- Conferred internally and with the Debtors, various contract counterparties, and counsel to DISH regarding executory contract assumption and assignment and rejection;
- Prepared and filed motion to correct inadvertent executory contract rejections; and
- Conferred internally and with counsel to DISH regarding motion of Blockbuster L.L.C. to enforce prior Orders of the Court against Lojas Americanas S.A.

k. Claims Objections Litigation (Task Code 021)

Fees: \$245,640.50; Hours: 496.80

- Prepared and filed omnibus claims objection procedures motion;
- Prepared and filed thirteen omnibus claim objections to over 1,800 proofs of claim;
- Conferred internally and with the Debtors and the Debtors' professionals regarding, among other things, preparation of exhibits to omnibus claims objections, claims reconciliation strategy and timeline, and resolution of certain claims objections and corresponding responses;
- Conducted research regarding various claims-related issues including, but not limited to, liability for certain tax obligations, appropriate classification of asserted claims and entitlement of certain claims to administrative expense treatment, and Debtor liability for lease-related damage claims;
- Prepared and filed objection to motion of Credera Enterprises Company for payment of administrative expenses; and
- Reviewed numerous formal and informal responses to the Debtors' omnibus claims objections and conferred internally and with the Debtors, the Debtors' professionals, and numerous third parties regarding resolution of same.

l. Utility Issues (Task Code 028)

Fees: \$109,760.50; Hours: 182.30

- Conferred internally and with the Debtors, counsel to DISH, and utility providers regarding post-363 Sale transition to DISH, payment of amounts owed, and termination of utility bonds;
- Researched utilities issues and conferred with the Debtors, their professionals, and utility providers regarding same; and
- Responded to termination notices from utilities.

m. Administrative Claims (034)

Fees: \$78,714.50; Hours: 128.30

- Reviewed various motions requesting immediate payment of administrative expenses and conducted research relating thereto;
- Researched treatment of administrative expenses in administrative insolvency and wind-down contexts;

- Prepared and filed stipulations with administrative expense claimants resolving certain disputed administrative expense claims;
- Reviewed motions filed by administrative expense claimants for permission to file late claims and conferred with claimants regarding same;
- Conferred internally and with the Debtors, the Debtors' professionals, and interested third-parties regarding the status of the Debtors' administrative expense reconciliation process;
- Drafted various administrative expense settlement letters.

26. The foregoing professional services performed by Weil were actual, necessary, and appropriate to the administration of the Debtors' chapter 11 cases. The professional services performed by Weil were in the best interests of the Debtors, their estates, and other parties in interest and such services were performed in an expeditious and efficient manner. Compensation for such services as requested is commensurate with the complexity, importance, and nature of the problems, issues, or tasks involved.

27. The majority of services performed by partners and associates of Weil were rendered by the Business Finance and Restructuring Department. With approximately 70 attorneys specializing in this area of law, Weil has a preeminent practice in this area and enjoys a national reputation for its expertise in financial reorganizations and restructurings of troubled entities. As a consequence, Weil continues to bring to these cases a high level of expertise and experience that inures to the benefit of the Debtors and all parties in interest.

28. Professional services performed by Weil on behalf of the Debtors during the Compensation Period required an aggregate expenditure of 1,857.20 recorded hours by Weil's partners, associates, and paraprofessionals. Of the aggregate time expended, 155.30 recorded hours were expended by partners of Weil, 1,298.60 recorded hours were expended by associates, and 403.30 recorded hours were expended by paraprofessionals of Weil.

29. During the Compensation Period, Weil's hourly billing rates for attorneys ranged from \$430.00 to \$1,075.00 per hour. Allowance of compensation in the amount requested would result in a blended hourly rate for attorneys of approximately \$605.16 (based on 1,453.90 recorded hours at Weil's regular billing rates in effect at the time of the performance of services).

V.

ACTUAL AND NECESSARY DISBURSEMENTS

30. As set forth in *Exhibit "C"* hereto, Weil has disbursed \$45,998.10 as expenses incurred in providing professional services during the Compensation Period. Weil's disbursement policies pass through all out-of-pocket expenses at actual cost or an estimated actual cost when the actual cost is difficult to determine. For example, with respect to black-and-white duplication charges, Weil will charge \$0.10 per page because the actual cost is difficult to determine. Similarly, as it relates to computerized research, Weil believes that it does not make a profit on that service as a whole although the cost of any particular search is difficult to ascertain. Other reimbursable expenses (whether the service is performed by Weil in-house or through a third party vendor) include, but are not limited to, facsimiles, toll calls, deliveries, court costs, transcript fees, travel, and clerk fees.

VI.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

31. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 provides that a Court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses."

11 U.S.C. § 330(a)(1)(A). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded ... the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and expertise in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

32. In the instant case, Weil respectfully submits that the services for which it seeks compensation and the expenditures for which it seeks reimbursement in this Application were necessary for and beneficial to the Debtors' orderly administration of their estates. Weil has worked assiduously to anticipate or respond to the issues that have arisen in the Debtors' chapter 11 cases and has played and continues to play a critical role in assuring that the Debtors' chapter 11 cases are administered expeditiously and economically. Such services and

expenditures were necessary to and in the best interests of the Debtors' estates and creditors. In light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest, Weil submits that the compensation requested herein is reasonable.

33. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, and tasks involved. The professional services were performed expediently and efficiently. Whenever possible, Weil sought to minimize the costs of its services to the Debtors by utilizing talented junior attorneys and paraprofessionals to handle more routine aspects of case administration. Groups of the same Weil attorneys were utilized for similar tasks in these cases to minimize the costs of intra-Weil communication and education about the Debtors' circumstances.

34. As mentioned above, the fees charged by Weil in these cases are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. The rates Weil charges for the services rendered by its professionals and paraprofessionals in these chapter 11 cases are the same rates Weil charges for professional and paraprofessional services rendered in comparable nonbankruptcy related matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

35. In sum, the services rendered by Weil were necessary and beneficial to the Debtors' estates, were consistently performed in a timely manner, and are reasonable in light of the value of such services to the Debtors, their estates, and all parties in interest, Weil's demonstrated skill and expertise in the bankruptcy field, and the customary compensation charged by comparably skilled practitioners at Weil. Accordingly, Weil submits that approval of

the compensation for professional services and reimbursement of expenses sought herein is warranted.

VII.

RESERVATION

36. To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period but were not processed prior to the preparation of this Application, or Weil has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Compensation Period, Weil reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

VIII.

NOTICE

37. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this Application has been provided to parties in interest in accordance with the *Order Pursuant to 11 U.S.C. § 105(a) of the Bankruptcy Code and Fed. R. Bankr. P. 1015(c) and 9007 Implementing Certain Notice and Case Management Procedures*, entered October 20, 2010 [Dkt. No. 365]. Weil submits that no further notice need be provided.

38. No previous request for the relief sought herein has been made by Weil to this or any other Court.

IX.

CONCLUSION

WHEREFORE Weil respectfully requests (i) interim allowance of compensation for professional services rendered during the Compensation Period in the amount of \$955,533.25 and expense reimbursement in the amount of \$45,998.10; (ii) that the allowance of such

compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to Weil's right to seek additional compensation for services performed and expenses incurred during the Compensation Period which were not processed at the time of this Application; and (iii) such other and further relief as is just.

Dated: January 13, 2012
New York, New York

/s/ Martin A. Sosland
Stephen Karotkin
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

and

Martin A. Sosland (*admitted pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
200 Crescent Court, Suite 300
Dallas, Texas 75201
Telephone: (214) 746-7700
Facsimile: (214) 746-7777

Attorneys for Debtors and Debtors in Possession

Exhibit "A"

Certification of Martin A. Sosland

Stephen Karotkin
Martin A. Sosland (*admitted pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors and Debtors in Possession

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

-----X	
In re	: Chapter 11
	:
BB LIQUIDATING INC., <i>et al.</i> , ¹	: Case No. 10-14997 (BRL)
	:
	: (Jointly Administered)
Debtors.	:
-----X	

**CERTIFICATION UNDER GUIDELINES FOR FEES AND
DISBURSEMENTS FOR PROFESSIONALS IN RESPECT OF
THIRD APPLICATION OF WEIL, GOTSHAL & MANGES LLP FOR
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Martin A. Sosland, hereby certify that:

1. I am a partner with the applicant firm, Weil, Gotshal & Manges LLP (“*Weil*”), with responsibility for the chapter 11 cases of BB Liquidating Inc. (f/k/a Blockbuster Inc.) and its debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”).

2. In accordance with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “*UST Guidelines*”), the Bankruptcy Court’s *Amended*

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: BB Liquidating Inc. (5102); BB Liquidating Canada Inc. (1269); BB Liquidating Digital Technologies Inc. (9222); BB Liquidating Distribution, Inc. (0610); BB Liquidating GC, Inc. (1855); BB Liquidating Global Services Inc. (3019); BB Liquidating International Spain Inc. (7615); BB Liquidating Investments LLC (6313); BB Liquidating Procurement LP (2546); BB Liquidating Video Italy, Inc (5068); BB Liquidating ML, LLC (5575); BB Liquidating Trading Zone Inc. (8588); and BB Liquidating B2 LLC (5219).

Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, M-389, dated November 25, 2009 (the “**Local Guidelines**”), and the *Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered October 20, 2010 [Dkt. No. 364] (as amended by the *Order Granting Applications for Allowance of Interim Compensation for Professional Services Rendered and Reimbursement of Expenses Incurred From September 23, 2010 Through January 31, 2011*, entered June 28, 2011 [Dkt. No. 1907], the “**Administrative Order**”, and together with the UST Guidelines and the Local Guidelines, the “**Guidelines**”), this certification is made with respect to Weil’s application, dated January 13, 2012 (the “**Application**”),² for interim compensation and reimbursement of expenses for the period of July 1, 2011 through and including November 30, 2011 (the “**Compensation Period**”).

3. In respect of section A.1 of the Local Guidelines, I certify that:
 - a. I have read the Application;
 - b. to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines;
 - c. the fees and disbursements sought are billed at rates in accordance with those customarily charged by Weil and generally accepted by Weil’s clients; and
 - d. in providing a reimbursable service, Weil does not make a profit on that service, whether the service is performed by Weil in-house or through a third party.

4. In accordance with section A.2 of the Local Guidelines and as required by the Administrative Order, I certify that Weil has complied with those provisions requiring it to provide the Debtors and the Creditors’ Committee with a statement of Weil’s fees and

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Application.

disbursements accrued during the previous month, although, due to administrative limitations and the exigencies of these cases, such statements were not always provided within the exact timetables set forth in the Administrative Order.

5. In respect of section A.3 of the Local Guidelines, I certify that the Debtors, the U.S. Trustee, and counsel for the Creditors' Committee are each being provided with a copy of the Application at least fourteen days before the date set by this Court to consider interim fee applications filed in these chapter 11 cases.

Dated: January 13, 2012
New York, New York

/s/ Martin A. Sosland
Stephen Karotkin
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

and

Martin A. Sosland (*admitted pro hac vice*)
WEIL, GOTSHAL & MANGES LLP
200 Crescent Court, Suite 300
Dallas, Texas 75201
Telephone: (214) 746-7700
Facsimile: (214) 746-7777

Attorneys for Debtors and Debtors in Possession

Exhibit "B"

**Summary of Professional Services Rendered by Weil,
Gotshal & Manges LLP for the Period July 1, 2011 Through November 30, 2011**

NAME OF PROFESSIONAL PARTNERS & OF COUNSELS:	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Baer, Lawrence J.	L-1984	\$780.00	2.30	\$1,794.00
Berz, David	L-1973	\$975.00	1.20	\$1,170.00
Chandler, Todd R.	C-1993	\$925.00	1.10	\$1,017.50
Dicker, Howard B.	C-1990	\$1,000.00	0.30	\$300.00
Friedlander, Gilbert	C-1972	\$925.00	5.50	\$5,087.50
Goldring, Stuart J.	T-1984	\$1,075.00	3.50	\$3,762.50
Himelfarb, P.J.	C-1991	\$850.00	1.00	\$850.00
Horton, William H.	T-1977	\$925.00	0.60	\$555.00
Kam, Michael K.	T-1981	\$1,000.00	0.10	\$100.00
Karotkin, Stephen	BFR-1977	\$1,075.00	50.20	\$53,965.00
Margolis, Steven M.	T-1989	\$780.00	0.60	\$468.00
Sosland, Martin A.	BFR-1984	\$975.00	88.90	\$81,656.25
Total Partners and Of Counsel			155.30	\$150,725.75

BFR – Business, Finance & Restructuring, C – Corporate, L – Litigation, T – Tax

NAME OF PROFESSIONAL	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
ASSOCIATES:				
Burke, Kathlene	BFR-2009	\$560.00	286.90	\$160,664.00
Custodio, Yvanna	BFR-2011	\$430.00	15.40	\$6,622.00
DiBlasi, Kelly	BFR-2004	\$720.00	0.30	\$216.00
Hall, Dana	BFR-2010	\$495.00	374.60	\$185,427.00
Heyliger, Adelaja K.	C-2003	\$740.00	0.60	\$444.00
Hoehne, Debora	BFR-2008	\$600.00	81.20	\$48,720.00
Juhn, Jiho	T-2010	\$430.00	4.40	\$1,892.00
Lennox, Maria N.	C-2009	\$560.00	4.40	\$2,464.00
Merson, Regina	BFR-2007	\$600.00	257.40	\$154,440.00
Money, Frazer	T-2011	\$495.00	3.60	\$1,782.00
Saavedra, Andrea C.	BFR-2007	\$645.00	213.90	\$137,965.50
Smeltzer, Natalie	C-2009	\$430.00	37.90	\$16,297.00
Susanin, Audrey K.	C-2007	\$600.00	1.70	\$1,020.00
Ward, Monty A.	C-2005	\$685.00	16.30	\$11,165.50
Total Associates			1,298.60	\$729,119.00

BFR – Business, Finance & Restructuring, C – Corporate, L – Litigation, T- Tax

NAME OF PROFESSIONAL	DEPARTMENT	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Paralegals, Clerks, Library Staff And Other Non-Legal Staff				
Bennett, T. Charlotte	Paralegal	\$250.00	64.10	\$16,025.00
Coleman, Melissa R.	Paralegal	\$125.00	3.10	\$387.50
Collier, Amanda B.	Paralegal	\$180.00	12.20	\$2,196.00
Etienne, Donald	Paralegal	\$200.00	12.40	\$2,230.00
Gerber, Jacob A.	Paralegal	\$175.00	5.90	\$1,032.50
Gern, Andrew H.	Paralegal	\$175.00	3.20	\$560.00
Ghudasara, Priya K.	Paralegal	\$175.00	293.00	\$51,275.00
Lee, Kathleen	Paralegal	\$310.00	0.20	\$62.00
Lyon, Andrew H.	Paralegal	\$175.00	4.60	\$805.00
Money, Frazer	Law Clerk	\$295.00	0.30	\$88.50
Roberts, Sarah B.	Paralegal	\$265.00	1.60	\$424.00
Stauble, Christopher A.	Paralegal	\$290.00	0.70	\$203.00
Wilmer, Andrea	Paralegal	\$200.00	2.00	\$400.00
Total Paraprofessionals			403.30	\$75,688.50

Exhibit "C"

**Expense Summary by Weil, Gotshal & Manges LLP
for the Period July 1, 2011 Through November 30, 2011**

EXPENSES	AMOUNTS
Local Transportation	\$1,196.02
Domestic Travel	22,038.33
Duplicating and Related Services	3,943.20
CD/DVD Copies	200.00
Air Courier/Express Mail, Postage, and Messenger Service	2,269.73
Telephone and Facsimile Copies	6.69
Corporation Service	11,328.07
Electronic Research	5,016.06
Total Expenses Requested:	\$45,998.10

Exhibit "D"

**Summary of Second Interim Fee Application of Weil, Gotshal & Manges LLP for
Services Rendered for the Period July 1, 2011 Through November 30, 2011**

TASK CODE	DESCRIPTION	HOURS	AMOUNT
001	Case Administration	118.10	\$ 58,191.00
002	Creditors' Committee/Unsecured Creditors Issues	0.00	0.00
003	Secured Creditors Issues/Meetings/Communications	0.60	585.00
004	General Case Strategy	9.60	7,367.50
005	Hearings and Court Matters	151.10	54,779.50
006	Weil Retention/Billing/Fee Applications	41.50	13,977.50
007	Retention/Fee Application: Ordinary Course Professionals	11.80	7,117.50
008	Retention/Fee Application: Other Professionals	35.00	18,589.50
009	Schedules/Statement of Financial Affairs	0.00	0.00
010	US Trustee	20.30	9,762.50
011	General Business Operations (including international)	2.60	1,443.50
012	Corporation Governance and Securities Issues	25.40	17,994.00
013	DIP Financing	0.80	516.00
014	Insurance Issues	11.20	7,330.00
015	Employee/ERISA/Benefits Issues	40.10	28,699.00
016	Asset Dispositions/363 Sales	151.30	62,909.00
017	De Minimus Asset Sales	0.00	0.00
018	Real Property & Lease Issues	144.70	77,816.50
019	Executory Contracts other than Store Leases	219.30	118,752.00
020	Adversary Proceedings	0.00	0.00
021	Claims Objections Litigation	496.80	245,640.50
022	Bar Date Motion and Claims Reconciliation Issues	3.60	2,237.50
023	Automatic Stay	18.60	9,146.50
024	Business Plan	0.00	0.00
025	Disclosure Statement & Plan of Reorganization	0.00	0.00
026	Exclusivity	0.00	0.00
027	Tax Issues	18.90	11,693.50
028	Utility Issues	182.30	109,760.50
029	Vendor, Reclamation and Critical Vendor Issues (Studios)	0.00	0.00
030	Vendor, Reclamation and Critical Vendor Issues (Non-Studios)	0.30	292.50
031	Customer Issues	0.00	0.00
032	Non-Bankruptcy Litigation	12.20	6,946.50
033	Non-Working Travel	12.80	10,542.50
034	Administrative Claims	128.30	78,714.50
Subtotal for all Task Codes:		1,857.20	\$960,804.50
(Less 50% Reduction for Non-Working Travel):			\$ 5,271.25
ADJUSTED TOTAL FOR ALL TASK CODES:		1,857.20	<u>\$955,533.25</u>

General Information

Case Name	BB Liquidating Inc.
Docket Number	1:10-bk-14997
Court	United States Bankruptcy Court for the Southern District of New York
Primary Date	2010-09-23 00:00:00
Related Opinion(s)	441 B.R. 239; 2011 BL 78536