

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re:

BLOCKBUSTER INC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 10-14997 (BRL)

Jointly Administered

**SECOND INTERIM FEE APPLICATION FOR COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES OF  
DELOITTE TAX LLP AS TAX ADVISOR TO  
THE DEBTORS AND DEBTORS-IN-POSSESSION  
FOR THE PERIOD OF FEBRUARY 1, 2011 THROUGH APRIL 30, 2011**

Name of Applicant: Deloitte Tax LLP

Authorized to Provide Professional Services as: Tax Services Provider

Date of Retention: Effective *Nunc Pro Tunc* to September 23, 2010  
by Order Entered November 15, 2010

Period for which Compensation and Reimbursement is Sought: February 1, 2011 - April 30, 2011

Professional Fees:	\$ 170,652.50
Amount of Expense Reimbursement Sought	\$ <u>-</u>
Amount of Fees and Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$ <u><u>170,652.50</u></u>

This is the Applicant's Second Interim Fee Application.

<sup>1</sup> The debtors-in-possession in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Blockbuster Inc. (5102), Blockbuster Canada Inc. (1269), Blockbuster Digital Technologies Inc. (9222), Blockbuster Distribution, Inc. (0610), Blockbuster Gift Card, Inc. (1855), Blockbuster Global Services Inc. (3019), Blockbuster International Spain Inc. (7615), Blockbuster Investments LLC (6313), Blockbuster Procurement LP (2546), Blockbuster Video Italy, Inc (5068), Movielink, LLC (5575), Trading Zone Inc. (8588), and B<sup>2</sup> LLC (5219). The location of the Debtors' corporate headquarters and the service address for all Debtors is: c/o Blockbuster Inc., 1201 Elm Street Dallas Texas 75270.

**PRIOR MONTHLY FEE APPLICATIONS**

<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>
09/23/10 - 10/31/10	\$ 176,065.00	\$ 605.24	\$ 176,065.00	\$ 605.24
11/01/10 - 11/30/10	\$ 136,627.50	\$ 282.23	\$ 136,627.50	\$ 282.23
12/01/10 - 12/31/10	\$ 60,480.00	\$ 76.27	\$ 60,480.00	\$ 76.27
01/01/11 - 01/31/11	\$ 38,940.00	\$ 2.38	\$ 38,940.00	\$ 2.38
02/01/11 - 02/28/11	\$ 131,102.50	\$ -		
03/01/11 - 03/31/11	\$ 21,000.00	\$ -		
04/01/11 - 04/30/11	\$ 18,550.00	\$ -		

**TOTAL            \$    582,765.00    \$            966.12    \$    412,112.50    \$    966.12**

**COMPENSATION BY CATEGORY**

<b>Project Categories</b>	<b>Total Hours</b>	<b>Total Fees</b>
Bankruptcy Tax Planning	364.9	\$ 153,597.50
Chapter 11 Administrative Services and Related Matters	78.7	\$ 17,055.00
<b>TOTALS</b>	<b>443.6</b>	<b>\$170,652.50</b>

**Second Interim Fee Application for February 1, 2011 through April 30, 2011 by Deloitte Tax LLP  
Tax Advisors to Blockbuster Inc., et al., Debtors  
Summarizing Fees For the Period of 2/01/11 - 4/30/11**

**Categorized and Sorted Alphabetically by Professional**

<b>Bankruptcy Tax Planning</b>				
<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Balabanian, Linda C	Director	5.7	550.00	\$ 3,135.00
Bedunah, Scott	Senior Consultant	7.5	325.00	2,437.50
Bhaskaran, Anjana	Jr. Staff	5.8	275.00	1,595.00
Bijibilla, Madhavi	Jr. Staff	7.6	275.00	2,090.00
Brown, Russell D	Partner/Principal	19.7	550.00	10,835.00
Chintapanti, Mayadevi	Senior Consultant	11.5	325.00	3,737.50
Gurney, Joseph	Partner/Principal	3.0	550.00	1,650.00
Hodges, Debra L	Director	7.0	550.00	3,850.00
Jones, Shellie Dean	Manager	5.0	425.00	2,125.00
Kaswan, Anil	Jr. Staff	6.3	275.00	1,732.50
Kaur, Rajdeep	Senior Consultant	8.2	325.00	2,665.00
Kazmierski, Angela Dawn	Manager	5.5	425.00	2,337.50
Kramer, Christopher Brian	Manager	1.5	425.00	637.50
Kushner, Jonathan	Partner/Principal	22.2	550.00	12,210.00
Maiter, Michael R	Senior Manager	10.5	475.00	4,987.50
McKinney, Cynthia	Senior Manager	3.8	475.00	1,805.00
Mishra, Priyabrata	Jr. Staff	1.0	275.00	275.00
Muralidharan, Sanchana	Jr. Staff	5.6	275.00	1,540.00
Norman, Nanette	Director	70.5	550.00	38,775.00
Powell, Timothy R	Partner/Principal	89.9	550.00	49,445.00
Santha, Visakh	Jr. Staff	7.6	275.00	2,090.00
Scoggins, Kristina L	Senior Consultant	3.8	325.00	1,235.00
Sebastian, Joseph	Jr. Staff	8.6	275.00	2,365.00
Wiggins, Scott	Manager	0.1	425.00	42.50
		<b>317.9</b>	<b>hours</b>	<b>\$ 153,597.50</b>

<b>Chapter 11 Administrative Services and Related Matters</b>				
Austin, Carisa	Paraprofessional	25.2	275.00	\$ 6,930.00
Cunningham, Julia	Manager	0.7	425.00	297.50
Powell, Timothy R	Partner/Principal	16.1	550.00	8,855.00
Hellman, Charles David	Manager	1.9	425.00	807.50
Norman, Nannette	Director	0.3	550.00	\$ 165.00
		<b>44.2</b>	<b>hours</b>	<b>\$ 17,055.00</b>

**Total: February 1, 2011 - April 30, 2011**

**362.1** **\$ 170,652.50**

**Blended Rate: \$ 471.29**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re:

BLOCKBUSTER INC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 10-14997 (BRL)

Jointly Administered

**SECOND INTERIM FEE APPLICATION FOR COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES OF  
DELOITTE TAX LLP AS TAX ADVISOR TO  
THE DEBTORS AND DEBTORS-IN-POSSESSION  
FOR THE PERIOD OF FEBRUARY 1, 2011 THROUGH APRIL 30, 2011**

Pursuant to Section 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively the “Bankruptcy Rules”), Rule 2016-1 and the Amended Guidelines of the Southern District of New York (the “Local Bankruptcy Rules”), and the Court’s “Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals,” approved on October 20, 2010, (the “Administrative Order”), Deloitte Tax LLP (“Deloitte Tax” or “Applicant”), tax advisor to the Debtors, hereby submits its Second Interim Fee Application (“Fee Application”) for Compensation and for Reimbursement of Expenses for the period from February 1, 2011 through April 30, 2011.

By this Fee Application, Deloitte Tax seeks interim allowance of compensation in the amount of \$170,652.50 for the period of February 1, 2011 through April 30, 2011 (the “Application Period”). In support of this Fee Application, Deloitte Tax respectfully represents as follows:

<sup>1</sup> The debtors-in-possession in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Blockbuster Inc. (5102), Blockbuster Canada Inc. (1269), Blockbuster Digital Technologies Inc. (9222), Blockbuster Distribution, Inc. (0610), Blockbuster Gift Card, Inc. (1855), Blockbuster Global Services Inc. (3019), Blockbuster International Spain Inc. (7615), Blockbuster Investments LLC (6313), Blockbuster Procurement LP (2546), Blockbuster Video Italy, Inc (5068), Movielink, LLC (5575), Trading Zone Inc. (8588), and B2 LLC (5219). The location of the Debtors’ corporate headquarters and the service address for all Debtors is: c/o Blockbuster Inc., 1201 Elm Street Dallas Texas 75270.

### **BACKGROUND**

1. The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code during these cases. The Debtor's cases are being jointly administered for procedural purposes pursuant to Bankruptcy Rule 1015 (b).

2. On October 1, 2010, the United States Trustee for the Southern District of New York appointed a statutory committee of unsecured creditors (the "Committee").

3. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

### **RETENTION OF DELOITTE TAX**

4. The retention of Deloitte Tax, tax advisor to the Debtors, was approved effective September 23, 2010 by this Court's "Order Pursuant to 11 U.S.C. § 327(a), 328(a), and 330, Fed. R. Bankr. P. 2014(a), and 2016, and Local Bankruptcy Rules 2014-1 and 2016-1 Authorizing the Retention and Employment of Deloitte Tax LLP as Tax Advisor *Nunc Pro Tunc* to the Commencement Date" entered on or about November 15, 2010 (the "Retention Order"). The Retention Order authorized the Debtors to employ Deloitte Tax pursuant to an Engagement Letter (the "Engagement Letter"), dated October 1, 2010, between Deloitte Tax and the Debtors. Pursuant to the Retention Order, Deloitte Tax was authorized to perform and to be compensated for professional services and reimbursed for actual and necessary expenses incurred on behalf of the Debtors, subject to application to this Court as set forth therein.

### **REQUESTED FEES AND REIMBURSEMENT OF EXPENSES**

5. All services for which Deloitte Tax requests compensation were performed for or on behalf of the Debtors. Deloitte Tax has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection

with the matters covered by this Fee Application. There is no agreement or understanding between Deloitte Tax and any nonaffiliated or unrelated person for the sharing of compensation to be received for services rendered in these cases. Deloitte Tax received no retainer for the services rendered in these cases.

6. The monthly fee statements for the Application Period are attached hereto as Exhibit A. These statements contain daily time logs describing the time spent by each professional and paraprofessional during the Application Period. Also, Exhibit A identifies the professionals and paraprofessionals who rendered services relating to each category, along with the number of hours for each individual and the total compensation sought for each category during the Application Period.

7. To the best of Deloitte Tax's knowledge, this Fee Application substantially complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, Local Rules and the Administrative Order. Deloitte Tax's time reports are entered and organized by the professional or paraprofessional performing the described services on a daily basis.

#### **SUMMARY OF SERVICES PERFORMED DURING THE APPLICATION PERIOD**

8. The services rendered by Deloitte Tax during the Application Period can be grouped into the categories set forth below. Deloitte Tax attempted to place the services provided in the category that best related to such services. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category.

9. Deloitte Tax believes it appropriate to be compensated for the time spent in connection with these matters during the Application Period, and sets forth a brief narrative description of the services rendered for or on behalf of the Debtors and the time expended, organized by project task categories, as follows:

**A. Category – Bankruptcy Tax Planning**

10. During the Application Period, Applicant provided tax planning related to a proposed sale of Debtors' assets. This work included detailed tax research and scenario modeling, as well as significant interaction with the Debtors' Senior Vice President of Tax, Debtors' outside legal advisors, and the creditor group's outside legal advisors. Deloitte Tax seeks compensation for 317.9 hours of reasonable and necessary services with the fees incurred for such services totaling \$153,597.50.

**B. Category – Chapter 11 Administration Services and Related Matters**

15. During the Application Period, staff for Applicant assisted in the preparation of data to be used in the creation of the prior monthly fee applications. Deloitte Tax seeks compensation for 44.2 hours of reasonable and necessary services with the fees incurred for such services totaling \$17,055.00.

**CONCLUSION**

16. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by Deloitte Tax is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, Deloitte Tax has reviewed the requirements of Rule 2016-1 of the Local Bankruptcy Rules and the Administrative Order and believes that this Fee Application substantially complies with such Rule and Order.

**WHEREFORE**, Deloitte Tax respectfully requests that, for the period February 1, 2011 through April 30, 2011, an interim allowance be made to Deloitte Tax for compensation in the amount of \$170,652.50 and that the Court authorize and direct the Debtors to pay the foregoing amounts to the extent not previously paid, and for such other and further relief as this Court may deem just and proper.

DATED: August 18, 2011

Respectfully submitted,

DELOITTE TAX LLP

By: /s/ Timothy Powell

Timothy Powell

Partner

2200 Ross Ave. Suite 1600

Dallas, Texas 75201

214-840-7516



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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

**DECLARATION OF TIMOTHY POWELL**

STATE OF TEXAS :  
:  
COUNTY OF DALLAS :

Timothy Powell deposes and says:

1. I am a Partner in the applicant firm, Deloitte Tax LLP.
2. I have personally led, as the engagement partner, the professional services rendered by Deloitte Tax LLP, as tax advisor and thoroughly familiar with all work performed on behalf of the Debtors by the employees and partners/principals of my firm.
3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
Timothy Powell

SWORN TO AND SUBSCRIBED before me this 18 day of August, 2011.

  
\_\_\_\_\_  
Cindy Langston

Notary Public, State of Texas  
My Commission Expires: 7/12/12



# **EXHIBIT A**

EXHIBIT A-3

Monthly Statement for February 1, 2011 through February 28, 2011 by Deloitte Tax LLP  
Tax Advisors to Blockbuster Inc., et al., Debtors  
Reflecting Fees For the Period of 2/1/11 -- 2/28/11  
Categorized and Sorted By Professional

Category: Bankruptcy Tax Planning				
Date		Hours	Rate	Fees
<b>Time Detail for Balabanian, Linda</b>				
2/3/2011	Perform initial review of engagement parameters and appropriate staffing.	1.3	550.00	\$ 715.00
2/3/2011	Assist with technical questions from staff during research phase for several states sales tax treatment of occasional sales.	3.6	550.00	1,980.00
2/3/2011	Continue to perform initial review of engagement parameters and appropriate staffing.	0.8	550.00	440.00
<b>Total: Balabanian, Linda</b>		<b>5.7</b>	<b>hours</b>	<b>\$ 3,135.00</b>
<b>Time Detail for Bedunah, Scott A</b>				
2/1/2011	Prepare clarifications on conclusions for WA and OH in the 108(a) state conformity matrix.	0.5	325.00	\$ 162.50
2/3/2011	Research and prepare matrix for state Net Operation Loss limitations.	1.7	325.00	552.50
2/15/2011	Research personal liability for corporate officers related to corporate income/franchise taxes.	3.8	325.00	1,235.00
2/16/2011	Update matrix to include additional states to personal liability.	1.5	325.00	487.50
<b>Total: Bedunah, Scott A</b>		<b>7.5</b>	<b>hours</b>	<b>\$ 2,437.50</b>
<b>Time Detail for Bhaskaran, Anjana</b>				
2/3/2011	Research taxability of asset sale of inventory in OH, NC, and NJ; determine requisite documentation to support exemption.	2.8	275.00	\$ 770.00
2/3/2011	Research taxability of asset sale of inventory in NE and NV; determine requisite documentation to support exemption.	3.0	275.00	825.00
<b>Total: Bhaskaran, Anjana</b>		<b>5.8</b>	<b>hours</b>	<b>\$ 1,595.00</b>
<b>Time Detail for Bijibilla, Madhavi</b>				
2/3/2011	Prepare taxability research matrix and make corrections after review.	3.6	275.00	\$ 990.00
2/3/2011	Prepare taxability research matrix and made corrections after review. Research GA, HI, ID, IN, and IA taxability of asset sale of inventory.	4.0	275.00	1,100.00
<b>Total: Bijibilla, Madhavi</b>		<b>7.6</b>	<b>hours</b>	<b>\$ 2,090.00</b>
<b>Time Detail for Brown, Russell D</b>				
2/1/2011	Consult with D. Hodges regarding preparation of a sales/use tax matrix for all states on a potential asset sale, including inventory and PPE.	0.2	550.00	\$ 110.00
2/1/2011	Research preparation of a sales/use tax matrix for all states on a potential asset sale.	0.3	550.00	165.00
2/2/2011	Research preparation of a state transfer tax matrix on a new potential asset sale, including real estate transfer tax, sales/use tax on inventory, and sales/use tax on PPE.	0.6	550.00	330.00
2/2/2011	Review state income tax estimate model for tax on potential sale in a 363 transaction.	0.7	550.00	385.00
2/3/2011	Follow-up on completion of the sales/use tax matrix for the potential sale, covering all states.	0.3	550.00	165.00
2/3/2011	Research limitations on use of Net Operating Loss carryovers in CA, IL, ME, PA, NH, and CO.	0.6	550.00	330.00
2/3/2011	Research real estate transfer tax estimates in applicable states and application to real estate owned and leased and direct real estate transfers in FL, LA, NC, SC, TN and TX.	1.0	550.00	550.00
2/3/2011	Discussion with J. Gurney regarding realty transfer tax on transfers in bankruptcy.	1.0	550.00	550.00
2/3/2011	Discuss transfer tax implications of potential transfer of leased property with C. Kramer.	1.5	550.00	825.00
2/3/2011	Review and revise schedules to allocate the purchase price to the various asset classes on a state by state basis and quantify the estimated tax.	2.0	550.00	1,100.00
2/4/2011	Discuss estimated sales/use taxes on asset sale and estimated real estate transfer taxes on sale with C. McKinney.	0.2	550.00	110.00
2/4/2011	Review schedules of estimated tax exposure for all states.	2.7	550.00	1,485.00
2/5/2011	Discussion with T. Powell, J. Kushner, N. Norman, and B. Lewis (Blockbuster) regarding estimated state transfer taxes on proposed asset sale and application of state Net Operating Loss limitations.	1.0	550.00	550.00
2/6/2011	Research Texas franchise tax implications of a potential asset sale.	0.4	550.00	220.00
2/6/2011	Review gross receipts and franchise tax implications in Texas, Ohio, Michigan and Washington of a potential asset sale.	0.5	550.00	275.00

Date		Hours	Rate	Fees
2/6/2011	Research Washington Business and Occupation tax implications of a potential asset sale.	0.5	550.00	275.00
2/6/2011	Research Michigan gross receipts tax implications of a potential asset sale.	0.7	550.00	385.00
2/6/2011	Research Ohio commercial activity tax implications of a potential asset sale.	0.7	550.00	385.00
2/7/2011	Discuss Texas franchise tax implications of potential asset sale with T. Powell and C. McKinney.	0.3	550.00	165.00
2/11/2011	Review potential officers' personal liability for certain state and local taxes.	1.0	550.00	550.00
2/14/2011	Research state taxes for which officers may have personal liability.	1.0	550.00	550.00
2/15/2011	Review research regarding imposition of state and local taxes upon corporate officers in top 10 states.	1.5	550.00	825.00
2/16/2011	Review research in NC, SC, TN and OR regarding personal liability taxes for corporate officers.	1.0	550.00	550.00
<b>Total: Brown, Russell D</b>		<b>19.7</b>	<b>hours</b>	<b>\$ 10,835.00</b>
<b>Time Detail for Chintapanti, Mayadevi</b>				
2/3/2011	Review research for taxability of asset sale of inventory for AL.	2.9	325.00	\$ 942.50
2/3/2011	Review research for taxability of asset sale of inventory for MD.	2.5	325.00	812.50
2/3/2011	Review research for taxability of asset sale of inventory for SC.	2.9	325.00	942.50
2/3/2011	Review research for taxability of asset sale of inventory for TN.	3.2	325.00	1,040.00
<b>Total: Chintapanti, Mayadevi</b>		<b>11.5</b>	<b>hours</b>	<b>\$ 3,737.50</b>
<b>Time Detail for Gurney, Joseph</b>				
2/2/2011	Review realty transfer tax rules on lease assignments in AL, FL, MD, NYS/NYC, and VA.	1.0	550.00	\$ 550.00
2/3/2011	Discussion with R. Brown regarding realty transfer tax on transfers in bankruptcy.	1.0	550.00	550.00
2/15/2011	Review transfer tax leases.	1.0	550.00	550.00
<b>Total: Gurney, Joseph</b>		<b>3.0</b>	<b>hours</b>	<b>\$ 1,650.00</b>
<b>Time Detail for Hodges, Debra L</b>				
2/1/2011	Consult with R. Brown regarding preparation of a sales/use tax matrix for all states on a potential asset sale, including inventory and PPE.	0.2	550.00	\$ 110.00
2/2/2011	Coordinate review of states for taxability of asset sale.	0.8	550.00	440.00
2/3/2011	Review multistate taxability matrix for consistency and perform assignment of states for review.	1.5	550.00	825.00
2/4/2011	Continue to review multistate taxability matrix and prepare tax worksheets.	4.5	550.00	2,475.00
<b>Total: Hodges, Debra L</b>		<b>7.0</b>	<b>hours</b>	<b>\$ 3,850.00</b>
<b>Time Detail for Jones, Shellie Dean</b>				
2/3/2011	Review tax research for 10 states for multistate taxability matrix.	3.0	425.00	\$ 1,275.00
2/4/2011	Review tax research for 6 states for multistate taxability matrix.	2.0	425.00	850.00
<b>Total: Jones, Shellie Dean</b>		<b>5.0</b>	<b>hours</b>	<b>\$ 2,125.00</b>
<b>Time Detail for Kaswan, Anil</b>				
2/3/2011	Research liquidation sales for bankruptcy in Massachusetts and research "resale and occasional sales".	2.8	275.00	\$ 770.00
2/3/2011	Research resale and occasional sales for MI, MN, MO, and MS.	3.5	275.00	962.50
<b>Total: Kaswan, Anil</b>		<b>6.3</b>	<b>hours</b>	<b>\$ 1,732.50</b>
<b>Time Detail for Kaur, Rajdeep</b>				
2/3/2011	Review research 10 states for taxability of resale and occasional sale.	3.0	325.00	\$ 975.00
2/3/2011	Perform research for the taxability of resale and occasional sale for Hawaii.	2.4	325.00	780.00
2/3/2011	Review research 8 states for taxability of resale and occasional sale.	2.8	325.00	910.00
<b>Total: Kaur, Rajdeep</b>		<b>8.2</b>	<b>hours</b>	<b>\$ 2,665.00</b>
<b>Time Detail for Kazmierski, Angela Dawn</b>				
2/3/2011	Review 8 states for inventory and asset sale.	2.9	425.00	\$ 1,232.50
2/3/2011	Review 7 states for inventory and asset sale.	2.6	425.00	1,105.00
<b>Total: Kazmierski, Angela Dawn</b>		<b>5.5</b>	<b>hours</b>	<b>\$ 2,337.50</b>
<b>Time Detail for Kramer, Christopher Brian</b>				
2/3/2011	Discuss transfer tax implications of potential transfer of leased property with R. Brown.	1.5	425.00	\$ 637.50
<b>Total: Kramer, Christopher Brian</b>		<b>1.5</b>	<b>hours</b>	<b>\$ 637.50</b>

Date		Hours	Rate	Fees
<b>Time Detail for Kushner, Jonathan M</b>				
2/1/2011	Discuss with N. Norman and S. Goldring (Weil) the treatment of the section 363 sale as a reorganization or as a taxable asset purchase by creditors.	0.1	550.00	\$ 55.00
2/1/2011	Discuss with N. Norman and T. Powell whether a taxable asset purchase is still preferable to a reorganization.	0.2	550.00	110.00
2/1/2011	Participate in call with N. Norman, T. Powell, S. Goldring, L. Horton, and B. Lewis to discuss potential section 363 transaction.	1.0	550.00	550.00
2/1/2011	Review asset purchase agreement regarding Ichan properties and term sheet from Monarch.	2.2	550.00	1,210.00
2/1/2011	Discuss with N. Norman the purchase price allocation required for the sellers (including class of video library).	0.8	550.00	440.00
2/4/2011	Review schedules regarding tax posture.	0.1	550.00	55.00
2/4/2011	Discuss with N. Norman disclosure schedules required for section 5.9 (tax) of the asset purchase agreement.	0.7	550.00	385.00
2/5/2011	Discuss with N. Norman the Icahn Asset Purchase Agreement disclosures for section 5.9 (taxes).	0.7	550.00	385.00
2/5/2011	Review disclosure schedules and provide comments.	0.3	550.00	165.00
2/6/2011	Review emails regarding taxes for disclosure schedule.	0.7	550.00	385.00
2/8/2011	Review initial draft of Cobalt contract.	1.0	550.00	550.00
2/12/2011	Review emails regarding schedule for pre-closing tax liability.	0.4	550.00	220.00
2/12/2011	Review disclosure schedules for Section 5.8 of asset purchase agreement.	0.4	550.00	220.00
2/12/2011	Review Cobalt purchase agreement.	1.1	550.00	605.00
2/14/2011	Discuss with N. Norman nature of the tax claims filed and whether they are protective claims or not.	0.3	550.00	165.00
2/14/2011	Participate on call with N. Norman and T. Powell regarding Cobalt asset purchase agreement and how pre-closing taxes are treated.	0.3	550.00	165.00
2/14/2011	Discuss with N. Norman and S. Goldring (WGM) the nature of the tax claims status of negotiations and the personal liability taxes and ad valorem taxes to be assumed.	0.3	550.00	165.00
2/14/2011	Discuss with N. Norman transfer tax schedule and status of tax assumed liability items.	0.5	550.00	275.00
2/15/2011	Review latest version of Cobalt contract.	0.5	550.00	275.00
2/15/2011	Participate in portion of call with N. Norman and S. Goldring (WGM) to discuss tax schedules and other tax matters.	0.5	550.00	275.00
2/15/2011	Participate on call with N. Norman, T. Powell, S. Goldring, M. Ward, and L. Horton (WGM) regarding changes to latest version of contract.	0.8	550.00	440.00
2/15/2011	Discuss with N. Norman the latest draft of Cobalt asset purchase agreement.	0.9	550.00	495.00
2/17/2011	Discuss S. Goldring email regarding changes to asset purchase agreement with N. Norman.	0.2	550.00	110.00
2/17/2011	Review email formulation of certain tax provisions to be revised.	0.3	550.00	165.00
2/17/2011	Review latest version of Cobalt asset purchase agreement.	0.7	550.00	385.00
2/19/2011	Review latest revisions to asset purchase agreement and provide comments.	0.8	550.00	440.00
<b>Total: Kushner, Jonathan M</b>		<b>15.8</b>	<b>hours</b>	<b>\$ 8,690.00</b>
<b>Time Detail for Maiter, Michael R</b>				
2/3/2011	Begin to format multistate matrix.	3.2	475.00	\$ 1,520.00
2/3/2011	Assist staff with researching states CA, HI, NM, WA, and WV.	3.0	475.00	1,425.00
2/3/2011	Finalize multistate matrix.	3.0	475.00	1,425.00
2/4/2011	Review multistate matrix for citation consistency.	1.3	475.00	617.50
<b>Total: Maiter, Michael R</b>		<b>10.5</b>	<b>hours</b>	<b>\$ 4,987.50</b>
<b>Time Detail for McKinney, Cynthia Lihui</b>				
2/1/2011	Review and research OH and WA for 108(a) and modeling.	1.2	475.00	\$ 570.00
2/3/2011	Review state Net Operating Loss limits and suspensions.	0.3	475.00	142.50
2/3/2011	Review Net Operating Loss suspension/limitation matrix. Perform additional Net Operating Loss research and modify matrix.	0.9	475.00	427.50
2/4/2011	Discuss estimated sales/use taxes on asset sale and estimated real estate transfer taxes on sale with R. Brown.	0.2	475.00	95.00
2/7/2011	Discuss Texas franchise tax implications of potential asset sale with T. Powell and R. Brown.	0.3	475.00	142.50
2/8/2011	Research Michigan gross receipts.	0.2	475.00	95.00
2/11/2011	Review state smart charts regarding personal liability of officers.	0.3	475.00	142.50
2/15/2011	Review draft of personal liability matrix.	0.4	475.00	190.00
<b>Total: McKinney, Cynthia Lihui</b>		<b>3.8</b>	<b>hours</b>	<b>\$ 1,805.00</b>

Date		Hours	Rate	Fees
<b>Time Detail for Mishra, Priyabrata</b>				
2/3/2011	Create formatting and calculations for the multistate matrix.	1.0	275.00	\$ 275.00
<b>Total: Mishra, Priyabrata</b>		<b>1.0</b>	<b>hours</b>	<b>\$ 275.00</b>
<b>Time Detail for Muralidharan, Sanchana</b>				
2/3/2011	Research resale certificates for KS, KY, and LA to evaluate potential sales tax on asset sales.	2.7	275.00	\$ 742.50
2/3/2011	Research resale certificates for ME and MD to evaluate potential sales tax on asset sales.	2.9	275.00	797.50
<b>Total: Muralidharan, Sanchana</b>		<b>5.6</b>	<b>hours</b>	<b>\$ 1,540.00</b>
<b>Time Detail for Norman, Nanette E</b>				
2/1/2011	Discuss with J. Kushner and S. Goldring (Weil) the treatment of the section 363 sale as a reorganization or as a taxable asset purchase by creditors.	0.1	550.00	\$ 55.00
2/1/2011	Discuss with J. Kushner and T. Powell whether a taxable asset purchase is still preferable to a reorganization.	0.2	550.00	110.00
2/1/2011	Read section 363 tax matters email from Weil, which includes various tax questions and bankruptcy counsel's initial responses.	0.4	550.00	220.00
2/1/2011	Read bid letter from Cobalt video.	0.8	550.00	440.00
2/1/2011	Discuss with J. Kushner the purchase price allocation required for the sellers (including class of video library).	0.8	550.00	440.00
2/1/2011	Participate in call with T. Powell, J. Kushner, S. Goldring, L. Horton, and B. Lewis to discuss potential section 363 transaction.	1.0	550.00	550.00
2/2/2011	Read the Cobalt video term sheet for the proposed transaction.	0.7	550.00	385.00
2/3/2011	Read information request related to Icahn purchase agreement prepared by B. Lewis at Blockbuster.	0.1	550.00	55.00
2/3/2011	Read Icahn Asset Purchase Agreement through approximately Article II.	1.1	550.00	605.00
2/3/2011	Read remaining Icahn Asset Purchase Agreement and summarize comments.	2.8	550.00	1,540.00
2/4/2011	Review draft of responses to Icahn team questions and forward to the Weil Gotshal team.	0.3	550.00	165.00
2/4/2011	Prepare outline of draft tax schedules to the Icahn Asset Purchase Agreement. 0.5		550.00	275.00
2/4/2011	Discuss with J. Kushner disclosure schedules required for section 5.9 (tax) of the asset purchase agreement.	0.7	550.00	385.00
2/4/2011	Review T. Powell's responses to Icahn team's questions and send comments to T. Powell.	0.8	550.00	440.00
2/5/2011	Review structure chart and make changes to disclosure schedule to reflect all non-corporate subsidiaries.	0.4	550.00	220.00
2/5/2011	Discuss with J. Kushner the Icahn Asset Purchase Agreement disclosures for section 5.9 (taxes).	0.7	550.00	385.00
2/5/2011	Prepare section 5.9 disclosures and distribute to the team for comments.	0.8	550.00	440.00
2/6/2011	Read multiple responses from team regarding Icahn asset purchase agreement, including B. Lewis of Blockbuster Inc. Prepare detail schedule to support disclosures of transfer taxes under section 5.9.	0.4	550.00	220.00
2/6/2011	Prepare summary schedule of gain/loss on sale under Icahn Asset Purchase Agreement and circulate to the team for comments.	0.6	550.00	330.00
2/6/2011	Compute foreign tax and update section 5.9 schedule.	0.8	550.00	440.00
2/7/2011	Update section Icahn Asset Purchase Agreement 5.9 disclosure schedule to reflect incremental state gross receipt taxes.	0.4	550.00	220.00
2/7/2011	Update tax questions list for Icahn attorneys; distribute both the section 5.9 disclosure schedule and tax questions list to Weil.	0.8	550.00	440.00
2/8/2011	Review draft responses to Cobalt counsel tax questions. 0.3		550.00	165.00
2/8/2011	Read email from S. Goldring at Weil regarding the Cobalt Asset Purchase Agreement and briefly look through attachments to determine next steps.	0.3	550.00	165.00
2/8/2011	Prepare first draft of tax disclosures for the Cobalt Asset Purchase Agreement. 0.6		550.00	330.00
2/8/2011	Summarize key points of the Cobalt Asset Purchase Agreement and draft email to B. Lewis (Blockbuster) and the Deloitte team as to how these would affect the disclosures.	0.8	550.00	440.00
2/8/2011	Read 2/7/2011 draft Cobalt Asset Purchase Agreement. 2.4		550.00	1,320.00
2/10/2011	Review 2nd draft responses to Cobalt counsel tax questions. 0.6		550.00	330.00
2/10/2011	Revise tax disclosure schedules to the Cobalt Asset Purchase Agreement (APA) based on changes to the draft APA and the schedule of tax claims.	0.6	550.00	330.00
2/10/2011	Summarize notes from Asset Purchase Agreement review and communicate new terms to the Deloitte team and B. Lewis.	0.7	550.00	385.00
2/10/2011	Review revised draft of Cobalt Asset Purchase Agreement received from Weil.	2.6	550.00	1,430.00

Date		Hours	Rate	Fees
2/11/2011	Draft email to T. Powell and R. Brown regarding S. Goldring's request for an estimate of pre-closing taxes, including examples of state personal liability.	0.1	550.00	55.00
2/11/2011	Respond to inquiry from T. Powell regarding change in purchase price.	0.2	550.00	110.00
2/11/2011	Discuss with S. Goldring and L. Horton (Weil) the tax disclosure schedules and the negotiation regarding the pre-closing taxes, including personal liability taxes.	0.2	550.00	110.00
2/11/2011	Draft email regarding transfer tax and personal liability amount and tax disclosure schedules to Weil.	0.2	550.00	110.00
2/11/2011	Prepare email to distribute tax disclosure schedules to Weil.	0.2	550.00	110.00
2/11/2011	Prepare revised transfer taxes summary schedule and circulate it to the team for comment.	0.6	550.00	330.00
2/11/2011	Review B. Lewis email for information on the tax reserves; send email to T. Powell regarding the reserve and how to consider it in the context of determining the personal liability taxes.	0.3	550.00	165.00
2/11/2011	Revise tax disclosure schedules to reflect Argentina; review asset purchase agreement to confirm whether Argentina should be disclosed; email B. Lewis (Blockbuster) regarding proper treatment of Argentina.	0.4	550.00	220.00
2/11/2011	Participate on call with S. Goldring and L. Horton (Weil Gotshal) and J. Kushner (Deloitte Tax) regarding the status of the Cobalt Asset Purchase Agreement, the tax disclosure schedules, and other information to be prepared.	0.4	550.00	220.00
2/11/2011	Prepare new tax disclosures for additional powers-of-attorney and extended statutes from information provided by the client.	0.7	550.00	385.00
2/11/2011	Review the 3rd draft revised set of schedules prepared by T. Powell for submission to Monarch.	0.8	550.00	440.00
2/11/2011	Revise disclosure schedules based on previous discussion with Weil.	1.1	550.00	605.00
2/14/2011	Respond to email reply from S. Goldring regarding asset purchase agreement updates.	0.3	550.00	165.00
2/14/2011	Read T. Powell inquiry regarding approach to estimating the state personal liability tax and prepare response (including how to treat the reserve).	0.2	550.00	110.00
2/14/2011	Draft and send email to B. Lewis (Blockbuster) to clarify ad valorem tax information needed, based on S. Goldring's email.	0.2	550.00	110.00
2/14/2011	Discuss with J. Kushner the nature of the tax claims filed and whether they are protective claims or not.	0.3	550.00	165.00
2/14/2011	Discuss state tax personal liability issues with T. Powell.	0.5	550.00	275.00
2/14/2011	Revise tax disclosure schedule to reflect changes in tax representations in 2-13-2011 draft of the Asset Purchase Agreement.	0.3	550.00	165.00
2/14/2011	Participate on call with J. Kushner and T. Powell regarding Cobalt asset purchase agreement and how pre-closing taxes are treated.	0.3	550.00	165.00
2/14/2011	Discuss with J. Kushner and S. Goldring (Weil) the nature of the tax claims, status of negotiations, the personal liability taxes and ad valorem taxes to be assumed.	0.3	550.00	165.00
2/14/2011	Discuss with J. Kushner transfer tax schedule and status of tax assumed liability items.	0.5	550.00	275.00
2/14/2011	Prepare transfer taxes schedule as requested by Weil.	0.6	550.00	330.00
2/14/2011	Draft email to S. Goldring (Weil) regarding a few comments on provisions of the Cobalt Asset Purchase Agreement.	0.6	550.00	330.00
2/14/2011	Summarize call with S. Goldring and draft email to T. Powell explaining the new information required.	0.7	550.00	385.00
2/14/2011	Prepare notes from Cobalt Asset Purchase Agreement review and draft email explaining changes.	0.9	550.00	495.00
2/14/2011	Review revised 2-13-2011 draft of the Cobalt Asset Purchase Agreement, focusing on liability assumption and taxes.	1.3	550.00	715.00
2/15/2011	Call with J. Kushner and S. Goldring (WGM) to discuss tax schedules and other tax matters.	0.6	550.00	330.00
2/15/2011	Review draft personal liability taxes by state schedule.	0.2	550.00	110.00
2/15/2011	Draft email to Weil team regarding open items and attach draft disclosure schedules.	0.3	550.00	165.00
2/15/2011	Draft and send email to S. Goldring and L. Horton (Weil) regarding whether the mark-up changes will stay and what further information we need to gather.	0.3	550.00	165.00
2/15/2011	Prepare email outlining follow-up points to the Deloitte team.	0.3	550.00	165.00
2/15/2011	Update tax disclosures based on conversation with S. Goldring (Weil).	0.4	550.00	220.00
2/15/2011	Prepare schedule and back-up schedules to support amounts to be disclosed.	0.5	550.00	275.00
2/15/2011	Email queries to B. Lewis and K. Tredemeyer as to outstanding items; read responses and field additional questions.	0.6	550.00	330.00
2/15/2011	Update tax disclosure schedules to conform with mark-up Asset Purchase Agreement.	0.6	550.00	330.00
2/15/2011	Read mark-up changes to the Cobalt Asset Purchase Agreement.	0.7	550.00	385.00
2/15/2011	Participate on call with J. Kushner, T. Powell, S. Goldring, M. Ward, and L. Horton (WGM) regarding changes to latest version of contract.	0.8	550.00	440.00

Date		Hours	Rate	Fees
2/15/2011	Discuss with J. Kushner the latest draft of the Cobalt asset purchase agreement.	0.9	550.00	495.00
2/15/2011	Discuss with S. Goldring tax disclosure schedules and other tax numbers requested.	1.3	550.00	715.00
2/16/2011	Read emails from S. Goldring, M. Ward and L. Horton of Weil regarding their comments on mark-up by Weil of the Cobalt asset purchase agreement.	0.1	550.00	55.00
2/16/2011	Draft emails to J. Kushner and then to the Weil team regarding a potential problem resulting from the changes to the asset purchase agreement.	0.2	550.00	110.00
2/16/2011	Review mark-up of the Cobalt asset purchase agreement with comments from Weil's tax team.	0.8	550.00	440.00
2/16/2011	Research section 363 bankruptcy sale and background.	1.8	550.00	990.00
2/17/2011	Read and respond to email inquiry from M. Ward (Weil) regarding changes to asset purchase agreement.	0.3	550.00	165.00
2/17/2011	Discuss S. Goldring email regarding changes to asset purchase agreement with J. Kushner.	0.2	550.00	110.00
2/17/2011	Review changes to the draft Asset Purchase Agreement.	0.3	550.00	165.00
2/17/2011	Read and respond to additional emails from M. Ward and S. Goldring (Weil) regarding the sales tax issue in the asset purchase agreement.	0.7	550.00	385.00
2/17/2011	Review revised mark-up of the draft asset purchase agreement for changes; respond to question from M. Ward (Weil) and propose language change regarding sales taxes.	0.8	550.00	440.00
2/19/2011	Prepare comments regarding M. Ward's proposed revision.	0.1	550.00	55.00
2/19/2011	Read M. Ward's proposed revision and S. Goldring's (Weil) comments regarding the revision.	0.1	550.00	55.00
2/19/2011	Send email to S. Goldring and M. Ward (Weil) regarding my comments on the proposed changes.	0.1	550.00	55.00
2/19/2011	Read emails from S. Goldring and M. Ward (Weil) related to revised pages to the Cobalt asset purchase agreement.	0.4	550.00	220.00
2/22/2011	Locate and download press release and other information regarding project status.	0.3	550.00	165.00
<b>Total: Norman, Nanette E</b>		<b>50.0</b>	<b>hours</b>	<b>\$ 27,500.00</b>

**Time Detail for Powell, Timothy R**

2/1/2011	Participate in call with N. Norman, J. Kushner, S. Goldring, L. Horton, and B. Lewis to discuss potential section 363 transaction.	1.0	550.00	\$ 550.00
2/1/2011	Read term sheet and list of potential state, federal, and various foreign tax issues.	1.2	550.00	660.00
2/1/2011	Discuss with J. Kushner and N. Norman whether a taxable asset purchase is still preferable to a reorganization.	0.2	550.00	110.00
2/1/2011	Read asset purchase and sale agreement. Review list of potential state, federal, and various foreign tax issues.	2.7	550.00	1,485.00
2/2/2011	Review Canadian tax issues related to proposed asset purchase and sale agreement.	0.6	550.00	330.00
2/2/2011	Review English tax issues related to proposed asset purchase and sale agreement.	0.6	550.00	330.00
2/2/2011	Review Danish tax issues related to proposed asset purchase and sale agreement.	0.8	550.00	440.00
2/2/2011	Review state income and franchise tax issues related to proposed asset purchase and sale agreement.	1.6	550.00	880.00
2/2/2011	Review state transaction tax issues related to proposed asset purchase and sale agreement.	2.4	550.00	1,320.00
2/3/2011	Review state income and franchise tax issues related to asset purchase and sale agreement.	0.9	550.00	495.00
2/3/2011	Continue to review state transaction tax issues related to asset purchase and sale agreement.	1.3	550.00	715.00
2/3/2011	Review international tax issues related to asset purchase and sale agreement.	1.7	550.00	935.00
2/3/2011	Review client provided information related to asset purchase and sale agreement.	1.9	550.00	1,045.00
2/4/2011	Review Uruguayan tax issues related to asset purchase and sale agreement.	0.4	550.00	220.00
2/4/2011	Calculate potential foreign transaction tax implications related to asset purchase and sale agreement.	0.6	550.00	330.00
2/4/2011	Prepare correspondence regarding Mexican and Uruguayan tax issues.	0.7	550.00	385.00
2/4/2011	Review Mexico tax issues related to asset purchase and sale agreement.	0.8	550.00	440.00
2/4/2011	Review state Net Operating Loss rules as they relate to asset purchase and sale agreement.	0.8	550.00	440.00
2/4/2011	Calculate potential state income and franchise implications related to asset purchase and sale agreement.	1.8	550.00	990.00
2/4/2011	Calculate potential state transaction tax implications related to asset purchase and sale agreement.	2.6	550.00	1,430.00
2/4/2011	Document, review, and correspond regarding the potential tax issues related to the asset purchase and sale agreement.	2.8	550.00	1,540.00
2/6/2011	Review transaction taxes in proposed 363 transaction.	0.7	550.00	385.00
2/6/2011	Prepare communications regarding tax issues in asset purchase and sale agreement.	1.6	550.00	880.00
2/7/2011	Review and correspond regarding tax disclosures in asset purchase and sale agreement.	0.7	550.00	385.00
2/7/2011	Research potential state transaction tax issues related to lease transfers.	0.9	550.00	495.00



Date		Hours	Rate	Fees
2/7/2011	Discuss Texas franchise tax implications of potential asset sale with C. McKinney and R. Brown.	0.3	550.00	165.00
2/7/2011	Calculate Ohio transaction tax for disclosure in asset purchase and sale agreement.	0.8	550.00	440.00
2/7/2011	Calculate Washington transaction tax for disclosure in asset purchase and sale agreement.	1.1	550.00	605.00
2/7/2011	Calculate Michigan transaction tax for disclosure in asset purchase and sale agreement.	1.1	550.00	605.00
2/7/2011	Review tax responses for disclosure in asset purchase and sale agreement.	1.3	550.00	715.00
2/8/2011	Recalculate state tax spreadsheet for transaction taxes to reflect new Cobalt asset purchase agreement.	0.9	550.00	495.00
2/8/2011	Review of Blockbuster inventory valuation as it effects tax planning and the potential 363 sale.	1.3	550.00	715.00
2/8/2011	Update tax disclosures for Cobalt asset purchase agreement.	1.5	550.00	825.00
2/9/2011	Update tax issues list and issues to reflect Cobalt asset purchase agreement.	1.2	550.00	660.00
2/9/2011	Review asset purchase agreement and list questions for adjusted purchase price.	1.7	550.00	935.00
2/9/2011	Review Cobalt asset purchase agreement for tax disclosures.	2.0	550.00	1,100.00
2/10/2011	Change transaction taxes in Cobalt asset purchase agreement disclosure to reflect new sales prices.	1.4	550.00	770.00
2/10/2011	Update changes in asset purchase agreement and calculate transaction tax impact.	1.5	550.00	825.00
2/10/2011	Compile tax claims for Cobalt asset purchase agreement disclosure.	2.3	550.00	1,265.00
2/11/2011	Research state tax issues for disclosures.	0.6	550.00	330.00
2/11/2011	Update asset purchase agreement disclosures for compliance with global tax filing requirements.	0.8	550.00	440.00
2/11/2011	Update asset purchase agreement disclosure for revised sales price.	1.0	550.00	550.00
2/11/2011	Research income, franchise and other taxes that may attach to offices for asset purchase agreement disclosure.	1.2	550.00	660.00
2/11/2011	Review tax claims and disclosures for revised Cobalt asset purchase agreement.	2.1	550.00	1,155.00
2/14/2011	Discuss state tax personal liability issues with N. Norman.	0.5	550.00	275.00
2/14/2011	Participate on call with J. Kushner and N. Norman regarding Cobalt asset purchase agreement and how pre-closing taxes are treated.	0.3	550.00	165.00
2/14/2011	Review and respond to tax questions from Weil and update tax disclosures for new Cobalt bid.	2.8	550.00	1,540.00
2/15/2011	Review status of tax disclosures.	0.4	550.00	220.00
2/15/2011	Participate on call with J. Kushner, N. Norman, S. Goldring, M. Ward, and L. Horton (WGM) regarding changes to latest version of contract.	0.8	550.00	440.00
2/15/2011	Review new markup of Cobalt asset purchase agreement.	1.3	550.00	715.00
2/15/2011	Revise tax disclosures in Cobalt asset purchase agreement.	1.9	550.00	1,045.00
2/16/2011	Define new disclosures.	0.4	550.00	220.00
2/16/2011	Continued update of Cobalt tax disclosures.	0.9	550.00	495.00
2/16/2011	Review detail regarding tax and actuary outstanding invoices.	1.2	550.00	660.00
2/16/2011	Review multiple new tax disclosures for Cobalt asset purchase agreement.	1.4	550.00	770.00
2/17/2011	Review communications regarding asset purchase agreement disclosures.	0.9	550.00	495.00
2/18/2011	Call with Deloitte Canada regarding potential Canadian filings and impact to U.S. filing.	0.8	550.00	440.00
2/18/2011	Review sales tax disclosures.	0.8	550.00	440.00
<b>Total: Powell, Timothy R</b>		<b>69.8</b>	<b>hours</b>	<b>\$ 38,390.00</b>

**Time Detail for Santha, Visakh**

2/3/2011	Prepare taxability matrix for OK, RI, SC, and TN.	2.6	275.00	\$ 715.00
2/3/2011	Make corrections to taxability matrix for OK and RI based on review comments.	3.0	275.00	825.00
2/3/2011	Make corrections to taxability matrix for SC and TN based on review comments.	2.0	275.00	550.00
<b>Total: Santha, Visakh</b>		<b>7.6</b>	<b>hours</b>	<b>\$ 2,090.00</b>

**Time Detail for Scoggins, Kristina L**

2/2/2011	Research and prepare bulk sale matrix for TX, CA, NY, FL, IL, and PA.	3.8	325.00	\$ 1,235.00
<b>Total: Scoggins, Kristina L</b>		<b>3.8</b>	<b>hours</b>	<b>\$ 1,235.00</b>

Date		Hours	Rate	Fees
<b>Time Detail for Sebastian, Joseph</b>				
2/3/2011	Research taxability of asset sale of inventory in WI and WA and determined requisite documentation to support exemption.	4.6	275.00	\$ 1,265.00
2/3/2011	Research taxability of asset sale of inventory in VT, VA, and WV and determined requisite documentation to support exemption.	4.0	275.00	1,100.00
<b>Total: Sebastian, Joseph</b>		<b>8.6</b>	<b>hours</b>	<b>\$ 2,365.00</b>
<b>Time Detail for Wiggins, Scott Brumby</b>				
2/11/2011	Edit and distribute power of attorney.	0.1	425.00	\$ 42.50
<b>Total: Wiggins, Scott Brumby</b>		<b>0.1</b>	<b>hours</b>	<b>\$ 42.50</b>
<b>Total: Bankruptcy Tax Planning</b>		<b>270.9</b>	<b>hours</b>	<b>\$ 127,747.50</b>

<b>Category: Chapter 11 Administrative Services and Related Matters</b>				
Date		Hours	Rate	Fees
<b>Time Detail for Austin, Carisa</b>				
2/7/2011	Download and review preliminary January billing reports.	0.2	275.00	\$ 55.00
2/10/2011	Begin to prepare and edit data to be included in January Fee Statement.	3.0	275.00	825.00
2/11/2011	Complete January Fee Statement documents and send for review.	2.4	275.00	660.00
2/18/2011	Make revisions to January Fee Statement and prepare for submission to client.	1.0	275.00	275.00
2/21/2011	Prepare January Fee Statement for submission to service list.	0.6	275.00	165.00
<b>Total: Austin, Carisa</b>		<b>7.2</b>	<b>hours</b>	<b>\$ 1,980.00</b>
<b>Time Detail for Powell, Timothy R</b>				
2/3/2011	Estimate January billings for client accrual process.	1.7	550.00	\$ 935.00
2/18/2011	Review and execute January Fee Statement.	0.8	550.00	440.00
<b>Total: Powell, Timothy R</b>		<b>2.5</b>	<b>hours</b>	<b>\$ 1,375.00</b>
<b>Total: Chapter 11 Administrative Services and Related Matters</b>		<b>9.7</b>	<b>hours</b>	<b>\$ 3,355.00</b>
<b>Total: February 1, 2011 - February 28, 2011</b>		<b>280.6</b>	<b>hours</b>	<b>\$ 131,102.50</b>

EXHIBIT A-2

Monthly Statement for March 1, 2011 through March 31, 2011 by Deloitte Tax LLP  
Tax Advisors to Blockbuster Inc., et al., Debtors  
Reflecting Fees For the Period of 3/1/11 -- 3/31/11  
Categorized and Sorted By Professional

<b>Category: Bankruptcy Tax Planning</b>						
<b>Date</b>		<b>Hours</b>	<b>Rate</b>	<b>Fees</b>		
<b>Time Detail for Norman, Nanette E</b>						
3/3/2011	Review tax section of final contract and disclosure schedules and email to B. Lewis (Blockbuster) regarding open disclosures. Review data to begin drafting revised disclosures.	0.9	550.00	\$	495.00	
3/3/2011	Draft emails to B. Lewis and T. Powell regarding open disclosure information.	0.4	550.00		220.00	
3/15/2011	Read and respond to email from S. Goldring regarding the bid order and updating the tax disclosure schedules.	0.1	550.00		55.00	
3/16/2011	Prepare list of missing information and email to B. Lewis.	0.8	550.00		440.00	
3/16/2011	Review disclosures after court approved moving forward with sale.	0.3	550.00		165.00	
3/17/2011	Respond to emails from M. Ward (Weil Gotshal) and T. Powell regarding the tax disclosure schedules.	0.2	550.00		110.00	
3/24/2011	Complete draft of updated tax disclosure schedules and send to Weil.	1.2	550.00		660.00	
3/24/2011	Draft disclosure regarding Canadian withholding tax.	0.3	550.00		165.00	
3/24/2011	Respond to email from S. Goldring regarding disclosure schedule at Weil.	0.3	550.00		165.00	
3/24/2011	Call with B. Lewis at Blockbuster to discuss open disclosure schedule items.	0.2	550.00		110.00	
3/24/2011	Call with K. Tredemeyer (Blockbuster) to discuss follow-up inquiries regarding the Canadian withholding tax disclosure and Canadian audit disclosures.	0.2	550.00		110.00	
3/25/2011	Update tax disclosure schedules based on S. Goldring (Weil) comments, including review structure charts and contract to make sure we only picked up Non-Debtor Subsidiaries in the disclosures.	1.3	550.00		715.00	
3/25/2011	Respond to request from M. Ward (Weil) for transfer pricing schedule. Review files, including ad valorem and personal liability tax computations, to get him the most recent information.	0.6	550.00		330.00	
3/25/2011	Email B. Lewis (Blockbuster) to confirm tax status of entities based on research. Update tax disclosure schedules based on B. Lewis response and circulate schedules to the Weil and Deloitte teams.	0.4	550.00		220.00	
<b>Total: Norman, Nanette E</b>		<b>7.2</b>	<b>hours</b>	<b>\$</b>	<b>3,960.00</b>	
<b>Time Detail for Powell, Timothy R</b>						
3/4/2011	Conference call with Deloitte Canada regarding Canadian impacts of bankruptcy.	0.5	550.00	\$	275.00	
3/17/2011	Update disclosure schedules for non-debtor tax issues.	1.4	550.00		770.00	
3/23/2011	Review and analyze tax disclosures related to stalking horse bid.	1.6	550.00		880.00	
3/24/2011	Review revised tax disclosures for stalking horse bid.	1.2	550.00		660.00	
3/24/2011	Discuss tax disclosures with N. Norman.	0.4	550.00		220.00	
3/25/2011	Review revised tax disclosures in stalking horse bid.	1.4	550.00		770.00	
3/28/2011	Review final tax disclosures in stalking horse bid.	0.4	550.00		220.00	
3/29/2011	Review transaction tax detail included in the tax disclosures.	1.7	550.00		935.00	
3/29/2011	Discuss with B. Lewis regarding transaction tax detail included in the tax disclosures.	0.4	550.00		220.00	
<b>Total: Powell, Timothy R</b>		<b>9.0</b>	<b>hours</b>	<b>\$</b>	<b>4,950.00</b>	
<b>Total: Bankruptcy Tax Planning</b>		<b>16.2</b>	<b>hours</b>	<b>\$</b>	<b>8,910.00</b>	

Date		Hours	Rate	Fees
<b>Category: Chapter 11 Administrative Services and Related Matters</b>				
Date		Hours	Rate	Fees
<b>Time Detail for Austin, Carisa</b>				
3/2/2011	Begin to prepare first interim fee application for period September 2010 through January 2011.	2.5	275.00	\$ 687.50
3/7/2011	Continue to prepare and create exhibits for First Interim Fee Application.	3.0	275.00	825.00
3/8/2011	Prepare application documents for First Interim Fee Application.	4.0	275.00	1,100.00
3/9/2011	Continue to finalize and prepare First Interim Fee Application.	3.0	275.00	825.00
3/17/2011	Finalize First Interim Fee Application based on comments received.	1.0	275.00	275.00
<b>Total: Austin, Carisa</b>		<b>13.5</b>	<b>hours</b>	<b>\$ 3,712.50</b>
<b>Time Detail for Cunningham, Julia C</b>				
3/2/2011	Review September 2010 - January 2011 Interim Fee Application; identify suggested edits.	0.3	425.00	\$ 127.50
3/7/2011	Review February monthly fee statement, identify suggestions, return to C. Austin.	0.3	425.00	127.50
<b>Total: Cunningham, Julia C</b>		<b>0.6</b>	<b>hours</b>	<b>\$ 255.00</b>
<b>Time Detail for Hellman, Charles</b>				
3/2/2011	Review billing inquiries.	0.2	425.00	\$ 85.00
3/9/2011	Prepare hourly breakdown related to last invoice.	1.5	425.00	637.50
3/11/2011	Review additional billing issues.	0.2	425.00	85.00
<b>Total: Hellman, Charles</b>		<b>1.9</b>	<b>hours</b>	<b>\$ 807.50</b>
<b>Time Detail for Norman, Nannette E</b>				
3/2/2011	Review information regarding bankruptcy court hearing and circulate to the Deloitte tax team.	0.3	550.00	\$ 165.00
<b>Total: Norman, Nannette E</b>		<b>0.3</b>	<b>hours</b>	<b>\$ 165.00</b>
<b>Time Detail for Powell, Timothy R</b>				
3/1/2011	Analyze February billing detail and produce amounts for the client to use for fee accrual purposes.	2.1	550.00	\$ 1,155.00
3/2/2011	Review interim fee application guidelines.	0.8	550.00	\$ 440.00
3/3/2011	Review and approve interim fee application.	1.9	550.00	\$ 1,045.00
3/7/2011	Review calculations related to February billing statement.	0.8	550.00	\$ 440.00
3/8/2011	Discuss outstanding invoices with B. Lewis.	0.7	550.00	\$ 385.00
3/8/2011	Review calculations and procedures related to monthly fee statement and interim billing.	0.4	550.00	\$ 220.00
3/9/2011	Review and sign February monthly fee statement.	2.3	550.00	\$ 1,265.00
3/16/2011	Review and submit interim fee application.	2.6	550.00	\$ 1,430.00
3/22/2011	Prepare and send billing information to D. Hellman for accrual purposes.	0.3	550.00	\$ 165.00
3/31/2011	Read court order.	1.1	550.00	\$ 605.00
<b>Total: Powell, Timothy R</b>		<b>13.0</b>	<b>hours</b>	<b>\$ 7,150.00</b>
<b>Total: Chapter 11 Administrative Services and Related Matters</b>		<b>29.3</b>	<b>hours</b>	<b>\$ 12,090.00</b>
<b>Total: March 1, 2011 - March 31, 2011</b>		<b>45.5</b>	<b>hours</b>	<b>\$ 21,000.00</b>

EXHIBIT A-5

Monthly Statement for April 1, 2011 through April 30, 2011 by Deloitte Tax LLP  
Tax Advisors to Blockbuster Inc., et al., Debtors  
Reflecting Fees For the Period of 4/1/11 -- 4/30/11  
Categorized and Sorted By Professional

Category: Bankruptcy Tax Planning				
Date		Hours	Rate	Fees

**Time Detail for Kushner, Jonathan M**

4/3/2011	Review of SK Telecom bid package.	1.4	550.00	\$ 770.00
4/3/2011	Review of Ichan bid package.	1.0	550.00	\$ 550.00
4/3/2011	Review of Dish Network bid package.	0.8	550.00	\$ 440.00
4/3/2011	Conference with N. Norman regarding proposed bids and differences from Monarch agreement.	0.4	550.00	\$ 220.00
4/4/2011	Review of Gordon Brothers bid.	0.7	550.00	\$ 385.00
4/4/2011	Review emails regarding various bids.	0.3	550.00	\$ 165.00
4/5/2011	Review changes to agreements for auction.	0.8	550.00	\$ 440.00
4/6/2011	Conference with S. Goldring (WGM tax) and N. Norman regarding meaning of the permitted lien definition and the related impact on the contract.	0.3	550.00	\$ 165.00
4/6/2011	Discuss with N. Norman the permitted liens contract language.	0.2	550.00	\$ 110.00
4/11/2011	Review of Canadian agreement.	0.5	550.00	\$ 275.00
<b>Total: Kushner, Jonathan M</b>		<b>6.4</b>	<b>hours</b>	<b>\$ 3,520.00</b>

**Time Detail for Norman, Nanette E**

4/3/2011	Read bid and draft of Asset Purchase Agreement for SK Telecom.	1.2	550.00	\$ 660.00
4/3/2011	Read tax provision comparison schedule of the contracts submitted in auction, provided by Weil Gotshal.	0.8	550.00	440.00
4/3/2011	Read comments on bids from Weil Gotshal.	0.7	550.00	385.00
4/3/2011	Read Icahn bid and mark-up of Asset Purchase Agreement.	0.6	550.00	330.00
4/3/2011	Prepare mark-up comparison of Dish Network Asset Purchase Agreement and review the mark-up.	0.6	550.00	330.00
4/3/2011	Read Icahn bid and mark-up of Asset Purchase Agreement.	0.5	550.00	275.00
4/3/2011	Conference with J. Kushner regarding proposed bids and differences from Monarch agreement.	0.4	550.00	220.00
4/3/2011	Read Gordon Brothers bid letter.	0.4	550.00	220.00
4/3/2011	Draft email responding to Weil Gotshal regarding our comments on each of the Asset Purchase Agreements.	0.3	550.00	165.00
4/4/2011	Respond to emails from Weil Gotshal regarding mark-up to disclosure schedules by reviewing mark-up, forwarding email to Blockbuster tax team and Deloitte Canada advisor regarding items requiring further information, and responding with a status.	0.5	550.00	275.00
4/5/2011	Prepare a list summarizing all of the tax representation modifications by SK Telecom, including definitions of entities, etc.	0.8	550.00	440.00
4/5/2011	Prepare email describing the information required for disclosure under the modified SK Telecom package for B. Lewis.	0.4	550.00	220.00
4/5/2011	Read emails regarding SK Telecom withdrawing from bidding and follow-up by reviewing the tax representations lists for the remaining bidders.	0.3	550.00	165.00
4/5/2011	Participate in discussion with S. Goldring, E. Gray, and N. Smeltzer (Weil) regarding the SK Telecom bid and changes to the disclosure schedules.	0.2	550.00	110.00
4/6/2011	Read Dish network tax changes again and draft email to J. Kushner inquiring about how the change to the permitted liens definition would actually affect the Blockbuster representations in the contract.	0.8	550.00	440.00
4/6/2011	Draft email to B. Lewis and K. Tredemeyer (Blockbuster) regarding the new tax representation in the Dish Network contract and whether they can make the representation.	0.4	550.00	220.00
4/6/2011	Draft email to B. Lewis and K. Tredemeyer (Blockbuster) explaining the permitted liens contract language and impact on the contract.	0.4	550.00	220.00
4/6/2011	Discuss with J. Kushner and S. Goldring the meaning of the permitted liens definition and the related impact on the contract.	0.3	550.00	165.00
4/6/2011	Discuss with J. Kushner the permitted liens contract language.	0.2	550.00	110.00
4/6/2011	Make follow-up inquiry regarding contract language to B. Lewis (Blockbuster) and send follow-up email to M. Ward (Weil).	0.3	550.00	165.00
4/12/2011	Read draft of Dish Canadian stock purchase agreement to determine any tax comments.	0.9	550.00	495.00

Date		Hours	Rate	Fees
4/12/2011	Respond to emails from Deloitte Canada tax team regarding their comments on the Dish Canadian stock purchase agreement.	0.3	550.00	165.00
4/12/2011	Compare tax representations between two contracts to determine which representations need to be added to the Canadian contract.	0.3	550.00	165.00
4/12/2011	Draft email to Weil Gotshal discussing representations required and other comments on the Canadian contract.	0.3	550.00	165.00
4/25/2011	Read reportable transactions checklist.	0.3	550.00	165.00
4/25/2011	Review most recent draft gain or loss on sale calculation regarding which asset groups were expected to generate losses.	0.3	550.00	165.00
4/25/2011	Prepare reportable transactions checklist based on research performed.	0.3	550.00	165.00
4/25/2011	Read IRS website of listed transactions and transactions of interest to determine if any apply to Debtor.	0.2	550.00	110.00
4/25/2011	Read revenue procedure 2004-66 to consider whether Debtor has qualified basis in its loss assets.	0.2	550.00	110.00
4/25/2011	Draft email to Deloitte team with checklist and explaining open points.	0.1	550.00	55.00
<b>Total: Norman, Nanette E</b>		<b>13.3</b>	<b>hours</b>	<b>\$ 7,315.00</b>

**Time Detail for Powell, Timothy R**

4/3/2011	Review all new Asset Purchase Agreements and tax disclosures.	2.2	550.00	\$ 1,210.00
4/4/2011	Review tax issues in new bids produced by auction process.	2.3	550.00	1,265.00
4/4/2011	Review Gordon Bros bid and related tax disclosures.	1.1	550.00	605.00
4/6/2011	Review Dish Network tax disclosures.	2.2	550.00	1,210.00
4/6/2011	Respond to questions regarding tax disclosures in Dish Network purchase agreement.	1.2	550.00	660.00
4/6/2011	Discuss Dish Network tax disclosures open items with Debtor.	0.6	550.00	330.00
4/11/2011	Review material advisor filing.	0.3	550.00	165.00
4/12/2011	Review questions and correspondence regarding Canadian tax issues.	1.2	550.00	660.00
<b>Total: Powell, Timothy R</b>		<b>11.1</b>	<b>hours</b>	<b>\$ 6,105.00</b>
<b>Total: Bankruptcy Tax Planning</b>		<b>30.8</b>	<b>hours</b>	<b>\$ 16,940.00</b>

<b>Category: Chapter 11 Administrative Services and Related Matters</b>				
Date		Hours	Rate	Fees

**Time Detail for Austin, Carisa**

4/8/2011	Preparation of March billing statement.	3.2	275.00	880.00
4/11/2011	Revise and finalize March billing statement.	0.8	275.00	220.00
4/13/2011	Prepare March billing statement for distribution to notice parties.	0.5	275.00	137.50
<b>Total: Austin, Carisa</b>		<b>4.5</b>	<b>hours</b>	<b>\$ 1,237.50</b>

**Time Detail for Cunningham, Julia C**

4/8/2011	Review March 2011 billing statement; provide comments to C. Austin.	0.1	425.00	42.50
<b>Total: Cunningham, Julia C</b>		<b>0.1</b>	<b>hours</b>	<b>\$ 42.50</b>

**Time Detail for Powell, Timothy R**

4/7/2011	Review and provide comments related to March billing statement.	0.6	550.00	\$ 330.00
<b>Total: Powell, Timothy R</b>		<b>0.6</b>	<b>hours</b>	<b>\$ 330.00</b>

**Total: Chapter 11 Administrative Services and Related Matters** 5.2 hours \$ 1,610.00

**Total: April 1, 2011 - April 30, 2011** 36.0 hours \$ 18,550.00