

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

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: **Chapter 11**
: **Case No. 10-14997 (BRL)**
: **(Jointly Administered)**
: **Re: Dkt. No. 2656**
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In re	:	Chapter 11
BB LIQUIDATING INC., et al.,¹	:	Case No. 10-14997 (BRL)
	:	(Jointly Administered)
Debtors.	:	Re: Dkt. No. 2656

**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 DEBTORS TO EXPAND THE SCOPE OF THEIR
RETENTION OF PRICEWATERHOUSECOOPERS LLP AS ACCOUNTING
ADVISORS TO THE DEBTORS NUNC PRO TUNC TO FEBRUARY 2, 2012**

Upon the supplemental application, dated February 17, 2012 [Dkt. No. 2656] (the “*Supplemental Application*”)² of BB Liquidating Inc. and its debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”) in the above-captioned chapter 11 cases, pursuant to sections 327(a), 328(a), and 330 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Rules 2014-1 and 2016-1, for authority to expand the scope of their existing retention of PricewaterhouseCoopers LLP (“*PwC*”) as independent auditors to include services provided by PwC as accounting advisors to the Debtors, effective *nunc pro tunc* to the February 2, 2012, under the terms and conditions set forth in the Supplemental Engagement Letter, all as

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).

² All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Supplemental Application.

more fully set forth in the Supplemental Application; and upon consideration of the Declaration of Allen Pryor in support of the Supplemental Application (the “*Supplemental Affidavit*”); and the Court being satisfied, based on the representations made in the Supplemental Application and the Supplemental Declaration, that PwC represents or holds no interest adverse to the Debtors or their estates with respect to the matters upon which it is to be engaged under section 327 of the Bankruptcy Code; and this Court having jurisdiction to consider the Supplemental Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and the Standing Order M-431 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated January 31, 2012 (Preska, Acting C.J.); and consideration of the Supplemental Application being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having provided notice of the Supplemental Application to the Notice Parties, and it appearing that no further notice need be given; and it appearing that the requested relief sought in the Supplemental Application is in the best interests of the Debtors, their estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Supplemental Application establish just and sufficient cause to grant the requested relief herein; **IT IS HEREBY**

ORDERED THAT:

1. The Supplemental Application is granted as provided herein.
2. In accordance with sections 327(a) and 328(a) of the Bankruptcy Code, the Debtors are authorized to expand the scope of their retention of PwC to include services performed by PwC as accounting advisors to the Debtors, *nunc pro tunc* to February 2, 2012, in accordance with the terms and conditions set forth in the Supplemental Engagement Letter, and

to compensate PwC for fees incurred and to pay such fees on the terms and conditions specified in the Supplemental Engagement Letter.

3. PwC is entitled to reimbursement by the Debtors for reasonable out-of-pocket expenses incurred in connection with the performance of its engagement under the Supplemental Engagement Letter.

4. PwC shall file fee applications for interim and final allowance of compensation and reimbursement of expenses pursuant to the Compensation Rules and such fee applications shall be subject to review pursuant to the standard of review set forth in section 330 of the Bankruptcy Code.

5. Ten business days' notice must be provided by PwC to the Debtors, the U.S. Trustee, and the Creditors' Committee prior to any increases in the rates set forth in the Supplemental Application and/or the Supplemental Engagement Letter, and such notice must be filed with the Court. The U.S. Trustee retains all rights to object to any rate increase on all grounds including, but not limited to, the reasonableness standard provided for in section 330 of the Bankruptcy Code, and the Court retains the right to review any rate increase pursuant to section 330 of the Bankruptcy Code.

6. PwC shall include in its fee applications, among other things, time records setting forth, in a summary format, a description of the services rendered by each professional, and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtors in one-half hour (0.5) increments.

7. Notwithstanding anything to the contrary in the Supplemental Engagement Letter, the following shall apply:

- a. PwC shall not be entitled to indemnification, contribution, or reimbursement for services other than the services provided under the Supplemental Engagement Letter, unless such services and the indemnification, contribution, or reimbursement therefore are approved by the Court;
- b. Notwithstanding anything to the contrary in the Supplemental Engagement Letter, the Debtors shall have no obligation to indemnify any person, or provide contribution or reimbursement to any person, for any claim or expense to the extent that it is either (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from that person's gross negligence or willful misconduct; (ii) for a contractual dispute in which the Debtors allege the breach of PwC's contractual obligations unless the Court determines that indemnification, contribution, or reimbursement is permissible; or (iii) settled prior to judicial determination as to the exclusions set forth in clauses (i) and (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which that person should not receive indemnity, contribution, or reimbursement under the terms of the Supplemental Engagement Letter as modified by this Order; and
- c. If, before the entry of an order closing these chapter 11 cases, PwC believes that it is entitled to payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, or reimbursement obligations under the Supplemental Engagement Letter, including without limitation the advancement of defense costs, PwC must file an application before this Court, and the Debtors may not pay any such amounts to PwC before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for payment by PwC for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify PwC under the Supplemental Engagement Letter.

8. Notwithstanding anything to the contrary in the Supplemental Engagement Letter, the Supplemental Application, or the Supplemental Declaration, to the extent that the Debtors require PwC to perform any services other than (i) those detailed in the Engagement Letters or the Supplemental Engagement Letter and (ii) such other services directly related to services detailed in the Engagement Letters or the Supplemental Engagement Letter in these

chapter 11 cases, the Debtors shall seek further application for an order of approval by the Court for any such additional services and such application shall set forth, in addition to the additional services to be performed, the additional fees sought to be paid.

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

10. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. To the extent that this Order is inconsistent with any prior order, the Supplemental Engagement Letter, the Supplemental Application, or any prior pleading filed in these chapter 11 cases, the terms of this Order shall govern.

12. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: February 28, 2012
New York, New York

/s/Burton R. Lifland
UNITED STATES BANKRUPTCY JUDGE