

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

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

**EIGHTH QUARTERLY FEE STATEMENT OF ALVAREZ & MARSAL NORTH AMERICA,  
LLC IN THEIR CAPACITY AS CHIEF RESTRUCTURING OFFICER, FOR  
COMPENSATION AND REIMBURSEMENT  
OF EXPENSES INCURRED FOR THE PERIOD  
AUGUST 1, 2012 THROUGH OCTOBER 31, 2012**

For its Eighth Quarterly Fee Statement for Compensation and Reimbursement of Expenses (the “Quarterly Fee Statement”) Alvarez & Marsal North America, LLC (“A&M”), Chief Restructuring Officer to the Debtors and Debtors-in-Possession (the “Debtors”), respectfully represents as follows:

**A. BACKGROUND**

1. On September 23, 2010 (the “Commencement Date”), the Debtors filed a petition with the Court under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their property as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

2. Pursuant to an order entered on October 10, 2010, the employment of A&M as Chief Restructuring Officer of the Debtors was authorized effective as of September 23, 2010.

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<sup>1</sup> 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).

3. A&M has rendered services on behalf of the Debtors from August 1, 2012 through October 31, 2012 (the "Statement Period") totaling 195.1 hours, and in the amount of \$75,667, and reimbursement of expenses in the amount of \$533. A summary of monthly fees and expenses is attached as Exhibit A.

4. The Debtors have paid A&M \$76,200 for services rendered and expenses incurred during the Statement Period.

### **B. DESCRIPTION OF SERVICES AND EXPENSES**

5. To assist the Court in its review of the fees, A&M has separated its fees and time by professional attached in Exhibit B and by category attached in Exhibit C. In general, A&M assisted the Debtors in numerous bankruptcy related matters. The tasks listed do not encompass all of the work performed by Jeff Stegenga and A&M personnel, but outline the major accomplishments for the period August 1, 2012 through October 31, 2012.

a. Administrative – A&M incurred \$12,775 representing 29.1 hours related to this category. A&M addressed administrative matters related to the engagement, including, but not limited to, post-Sale calendars, work plans, reporting requirements, review of court documents, status meetings, and general case management.

b. Cash/Treasury Management – A&M incurred \$7,139 representing 27.5 hours related to this category. A&M prepared cash distribution forecasts, variance reports, related filings with the bankruptcy court, and assisted with various cash reconciliation and disbursement tasks. A&M also assisted the Debtor with the implementation of the allocation of sale proceeds.

c. Claims Management – A&M incurred \$54,875 representing 137.4 hours related to this category. A&M assisted the Debtors with reconciling, settlement and payment of claims,

including bankruptcy specific matters such as Sale Period and Operating Period reconciliations and settlements. A&M also assisted the Debtors and Debtors' counsel with preparation and support for various claims objections. A&M generated claims reports to assist in prioritizing and documenting claims resolutions and recommendations. Furthermore, A&M assisted the Debtors with implementation of the administrative stay.

d. Constituency Communication – A&M incurred \$53 representing 0.1 hours related to this category. A&M updated advisors and counsel to the secured lenders and Unsecured Creditors Committee on case related issues.

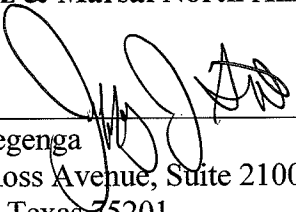
A&M further submits its costs expended on behalf of the Debtors for the period August 1, 2012 through October 31, 2012 in connection with these Chapter 11 proceedings in the sum of \$533 as set forth in the summary attached as Exhibit D.

The expenses incurred by A&M may include wireless and long distance telephone calls, over-night delivery, travel expenses, and meals, all of which A&M normally bills to its non-bankruptcy clients at rates calculated to compensate A&M for only the actual cost of the expense. A&M does not charge for facsimiles.

Dated: January 22, 2013

Respectfully submitted,

**Alvarez & Marsal North America, LLC**

By:   
\_\_\_\_\_  
Jeff Stegenga  
2100 Ross Avenue, Suite 2100  
Dallas, Texas 75201  
(214) 438-1000

*Exhibit A*

**Alvarez & Marsal North America, LLC  
Summary of Compensation & Expenses - BB Liquidating Inc., et al.,  
August 1, 2012 through October 31, 2012**

<b>Period</b>	<b>Fees</b>	<b>Expenses</b>	<b>Total</b>
Aug 1-31, 2012	\$ 39,486	\$ 335	\$ 39,821
Sept 1-30, 2012	20,231	150	20,381
Oct. 1-31, 2012	15,950	48	15,998
<b>Total</b>	<b>\$ 75,667</b>	<b>\$ 533</b>	<b>\$ 76,200</b>

*Exhibit B*

**Alvarez & Marsal North America, LLC**  
**Summary of Hours by Professional - BB Liquidating Inc., et al.,**  
**August 1, 2012 through October 31, 2012**

Professional	Title	Hourly Rate	Hours Billed				Total
			Aug 1-31	Sept 1-30	Oct 1-31	Total	Compensation
Jeff Stegenga	CRO	\$825	1.0	0.0	0.0	1.0	\$ 825
Justin Schmaltz	Director	\$525	32.6	13.0	9.9	55.5	29,138
Matt Williams	Consultant	\$375	54.8	34.0	25.3	114.1	42,788
Jeff Sielinski	Consultant	\$350	0.0	0.4	0.6	1.0	350
Mary Napoliello	Paraprofessional	\$200	1.7	1.8	4.2	7.7	1,540
Lara Suvada	Administrative	\$65	10.1	2.4	3.3	15.8	1,027
<b>Total</b>			<b>100.2</b>	<b>51.6</b>	<b>43.3</b>	<b>195.1</b>	<b>\$ 75,667</b>

*Exhibit C*

**Alvarez & Marsal North America, LLC**  
**Summary of Fees by Task Category - BB Liquidating Inc., et al.,**  
**August 1, 2012 through October 31, 2012**

Task Category	Aug 1-31	Sept 1-30	Oct 1-31	Total
<b><u>CRO</u></b>				
Jeff Stegenga	\$ 825	\$ -	\$ -	\$ 825
<b><u>Additional Personnel</u></b>				
Administrative	3,858	4,193	4,725	12,775
Cash/Treasury Management	4,699	1,416	1,025	7,140
Claims Management	30,053	14,623	10,200	54,875
Constituency Communication	53	-	-	53
Motions/Order	-	-	-	-
<i>Subtotal</i>	<u>\$ 38,662</u>	<u>\$ 20,231</u>	<u>\$ 15,950</u>	<u>\$ 74,842</u>
<b>Total</b>	<b><u>\$ 39,487</u></b>	<b><u>\$ 20,231</u></b>	<b><u>\$ 15,950</u></b>	<b><u>\$ 75,667</u></b>

*Exhibit D*

**Alvarez & Marsal North America, LLC  
Summary of Hours by Professional - BB Liquidating, Inc., et al.,  
August 1, 2012 thorough October 31, 2012**

<b>Expense Category</b>	<b>Aug 1-31</b>	<b>Sept 1-30</b>	<b>Oct 1-31</b>	<b>Total</b>
Meals	\$ -	\$ -	\$ -	\$ -
Miscellaneous	335	150	48	533
Transportation	-	-	-	-
<b>Total</b>	<b>\$ 335</b>	<b>\$ 150</b>	<b>\$ 48</b>	<b>\$ 533</b>