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11
12 **UNITED STATES BANKRUPTCY COURT**
13 **NORTHERN DISTRICT OF CALIFORNIA**
14 **OAKLAND DIVISION**

15 In re
16 PREDIWAVE CORPORATION,
17 a California corporation,
18 Debtor.
19 Fed. Tax I.D. No. 77-0494328

Case No. 06-40547 (RJN)

Chapter 11

**SIXTH MONTHLY APPLICATION FOR
INTERIM COMPENSATION AND
REIMBURSEMENT OF EXPENSES BY KLEE,
TUCHIN, BOGDANOFF & STERN LLP**

[FOR THE MONTH OF DECEMBER 2006]

No Hearing Required

1 **TO THE HONORABLE RANDALL J. NEWSOME, UNITED STATES**
2 **BANKRUPTCY JUDGE; THE OFFICE OF THE UNITED STATES TRUSTEE;**
3 **COUNSEL TO THE OFFICIAL COMMITTEE OF CREDITORS HOLDING**
4 **UNSECURED CLAIMS; AND OTHER PARTIES IN INTEREST:**

5 **PLEASE TAKE NOTICE THAT** Klee, Tuchin, Bogdanoff & Stern, LLP
6 ("KTB&S"), reorganization counsel for PrediWave Corporation, a California corporation, the
7 debtor and debtor in possession in the above-captioned case ("PrediWave" and the "Debtor"),
8 hereby requests payment of interim compensation and reimbursement of expenses for unpaid
9 amounts (the "Monthly Application") incurred during the period from December 1, 2006 to
10 and through December 31, 2006 (the "Application Period"). Pursuant to the "Order
11 Approving Motion for Authority to Establish Procedures for Interim Payment of Fees and
12 Reimbursement of Expenses" [Docket # 248] (the "Interim Fee Procedures Order"), this
13 Monthly Application also includes a narrative discussion of the various projects undertaken
14 and tasks performed by KTB&S, categorized by subject matter, for which compensation is
15 sought (the "Narrative"), as contemplated in Paragraph 3 of the "Guidelines for Compensation
16 and Expense Reimbursement of Professionals and Trustees" (the "Guidelines").

17 **PLEASE TAKE FURTHER NOTICE THAT**, in accordance with the Interim Fee
18 Procedures Order, KTB&S hereby requests payment of \$127,917.11 as interim compensation
19 for services rendered and expenses incurred during the Application Period, with \$126,272.00
20 attributable to fees and \$1,645.11 attributable to expenses incurred. The interim compensation
21 and reimbursement of expenses sought herein is on account and is not final. Upon conclusion
22 of this case, KTB&S will seek final allowance and payment of fees and expenses incurred for
23 the totality of the services rendered in this case. Any payment of interim fees or
24 reimbursement of expenses received by KTB&S will be credited against the final fees and
25 expenses allowed by this Court.

26 **PLEASE TAKE FURTHER NOTICE THAT**, in accordance with the Interim Fee
27 Procedures Order, KTB&S is serving a copy of this Monthly Application (with Exhibit "1")
28 on the Office of the United States Trustee (the "U.S. Trustee") and a copy of this Monthly
Application (without Exhibit "1") on the Debtor, counsel for the Official Committee of Creditors

1 Holding Unsecured Claims (the "Committee"), and parties that have filed and served on the
2 Debtor requests for special notice (collectively, the "Core Parties"). A copy of this Monthly
3 Application (with Exhibit "1") is available upon written request to Klee, Tuchin, Bogdanoff &
4 Stern, LLP, Attn: Jonathan S. Shenson, 1999 Avenue of the Stars, 39th Floor, Los Angeles,
5 California 90067, by email to jshenson@ktbslaw.com, or by facsimile to (310)407-9090.

6 **PLEASE TAKE FURTHER NOTICE THAT** a detailed list of all services rendered
7 and expenses incurred by KTB&S during the Application Period is attached as Exhibit "1" to
8 the version of the Monthly Application filed with the Court and served on the U.S. Trustee.
9 This list describes: (a) the services rendered; (b) the amounts so requested; (c) the total time
10 expended; (d) the names of the specific individuals who performed the services for which
11 compensation is requested; (e) the hourly billing rate for each such individual; (f) a detailed
12 listing of the time entries relating to all individuals who performed services, categorized by
13 subject matter in compliance with Paragraph 11 of the Guidelines and (g) a listing of all
14 expenses incurred.

15 **PLEASE TAKE FURTHER NOTICE THAT**, unless a party in interest files an
16 objection to the requested payment within fifteen (15) days following the service of this
17 Monthly Application, requests a hearing on its objection, and serves its objection on the
18 following parties, PrediWave will be authorized, in the ordinary course of business and on an
19 interim basis, to pay the amounts requested herein in accordance with the terms and conditions
20 of the Interim Fee Procedures Order: counsel for PrediWave, Klee, Tuchin, Bogdanoff &
21 Stern, LLP, Attn: Jonathan S. Shenson, Esq., 1999 Avenue of the Stars, 39th Floor, Los
22 Angeles, CA 90067; the Office of the United States Trustee, Attn: Minnie Loo, Esq., 1301
23 Clay Street, Suite 690-N Oakland, CA 94612; and counsel to Committee, John D. Fiero, Esq.,
24 Pachulski, Stang, Ziehl, Young & Weintraub, LLP, 150 California Street, 15th Floor, San
25 Francisco, CA 94111.

26 **PLEASE TAKE FURTHER NOTICE THAT**, the Narrative is set forth below:
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1 **Project Billing and Narrative Statement of Services Rendered**

2 In accordance with the Interim Fee Procedures Order, KTB&S classified all services
3 performed for which compensation is being sought into categories, as contemplated in the
4 Guidelines. KTB&S attempted to place the services performed in the category that best
5 relates to the service provided. However, because certain services may relate to one or more
6 categories, services pertaining to one category may, in fact, be included in another category.
7 KTB&S has established the following billing categories:

8

<u>Matter Number</u>	<u>Description</u>
010	Case Administration
020	Meetings & Communications
030	General Business Operations
040	Fee/ Employment Applications
070	Claims Administration/Objections
080	Asset Analysis and Recovery
100	Plan/Disclosure Statement
120	Litigation

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14 **1. Case Administration - 010.**

15 As a chapter 11 debtor, PrediWave is subject to a myriad of administrative and
16 procedural requirements imposed on a debtor in possession by the Title 11 of the United
17 States Code (the "Bankruptcy Code"), the Bankruptcy Rules, the Bankruptcy Local Rules for
18 the Northern District of California (the "Bankruptcy Local Rules") and the Guidelines of the
19 Office of the United States Trustee for Region 17 (the "UST Guidelines"). KTB&S
20 coordinates PrediWave's efforts to fulfill all of these and other obligations in a timely manner.
21 This category also includes, among other things, KTB&S's discussions with the Court's staff
22 and numerous administrative tasks which do not clearly fit into one of the other seven activity
23 categories.

24 Case Administration - Total hours for December: .10

25 Total fees for December: \$47.50

26 **2. Meetings and Communications - 020.**

27 This category includes meetings, phones calls and other forms of communication which
28 do not clearly fit into one of the other nine activity categories. Time billed in this category

1 also includes communications with third parties concerning the scheduling of and/or
2 participation in meetings and phone calls.

3 Meetings and Communications - Total hours for December: 4.40

4 Total fees for December: \$2,492.50

5 **3. General Business Operations - 030.**

6 Time billed to this category relates largely to analyzing, addressing and conferring with
7 the Debtor on issues relating to PrediWave's business and operations in chapter 11. Among
8 other matters, KTB&S's services in this category include consultation on issues relating to (a)
9 the Debtor's corporate governance, management, operations, technology, finances (including
10 the management of its cash), financial accounting and reporting, tax reporting, personnel
11 matters, and litigation management and (b) the Debtor's compliance with the UST Guidelines,
12 preparation of amended Schedules and amended Statement of Financial Affairs, and filing of
13 Monthly Operating Reports and Verified Tax Statements.

14 During the Application Period, time billed to this category also relates to analyzing,
15 addressing and conferring with the Debtor, its affiliates and New World on matters relating to
16 the implementation of and compliance with that certain Stipulated Order Re Expansion of
17 Administration of Affiliate Cash and Establishment of Supplemental Bar Date, which was
18 signed and entered by the Court on October 26, 2006 (the "Affiliate Stipulated Order").¹

19 By way of background, back in November 2006, the Debtor began providing New
20 World with advance notice of payments each of the affiliates intended to make each week,
21 accompanied by updated weekly bank balance information, affording New World an
22 opportunity to seek relief in an appropriate forum to enjoin the affiliates from making
23 payments New World might find objectionable (assuming it had a basis to do so). KTB&S
24 provided counsel to the Debtor with regard to the form, scope and substance of such advance
25

26 ¹ The Affiliate Stipulated Order provides, in pertinent part, that the administrative services being performed by the Debtor for its
27 affiliates are expanded such that, pending further order of the Court (with the possible exception of Intellambda in the event of an
28 Intellambda Sale (as defined in the Affiliate Stipulated Order)), the Debtor, by and through Dennis I. Simon and/or Dawn Ragan of
XRoads, has the sole and exclusive power and authority to exercise control over cash of the Affiliates, initiate wire transfers and
cash transfers and otherwise conduct banking transactions for the affiliates. The Affiliate Services Order did not, by its terms,
purport to place the Debtor in control of the Affiliates or the Affiliates' business decisions.

1 notice and on matters arising and resulting therefrom.

2 On November 21, 2006, the Court presiding over the Santa Clara Action (the "Santa
3 Clara Court") modified an existing injunction applicable to the non-debtor defendants in the
4 Santa Clara Action (the "Other Defendants"), such that all of the Other Defendants (and their
5 affiliates, agents, employees, representatives, parents, assigns or subsidiaries) were prohibited
6 from "transferring, spending, distributing or otherwise disposing of any financial assets of the
7 Other Defendants, including any assets held in any financial institution, for any purpose, other
8 than to make payments incurred in the ordinary course of business that are necessary to the
9 operations and maintenance of the [Other Defendants], including without limitation, payroll
10 and related obligations to or for the benefit of employees, taxes, utilities and rent" (the
11 "Modified Injunction").

12 In connection with the entry of the Modified Injunction, at the request of New World,
13 the Debtor prepared a proposed amendment to the Affiliate Stipulated Order. Among other
14 things, the proposed amendment would memorialize the Debtor's voluntary agreement to
15 provide advance notice of affiliate proposed payments (discussed above), and set forth a
16 mechanism for New World to obtain clarification or other appropriate findings or rulings from
17 the Santa Clara Court concerning any objections it had to any proposed affiliate payments. On
18 an expedited basis, with the support of New World, the Debtor obtained feedback and
19 comments from the affiliates and Committee on the proposed amendment and made
20 appropriate changes thereto and, thereafter, on December 13, 2006, circulated the proposed
21 amendment to New World. New World never got back to the Debtor with any comments on
22 the proposed amendment. During the same time and thereafter, KTB&S also advised the
23 Debtor on, and conferred with the affiliates and New World concerning, various disputes with
24 New World relating to the Modified Injunction (the "Injunction Disputes"), including, without
25 limitation, disputes concerning the role, if any, that the Debtor was obligated to play in
26 seeking any clarification in terms of what type of affiliate payments would violate the
27
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1 Modified Injunction.²

2 During the Application Period, time billed to this category also includes time spent by
3 KTB&S in analyzing, addressing and conferring with the Debtor, its affiliates and New World
4 on matters relating to the development and implementation of a "Reduction In Force" ("RIF")
5 for PrediWave. On January 4, 2007, with the support of New World and the Committee, the
6 Debtor executed on the first phase of its RIF, terminating roughly 30% of its workforce.

7 Finally, the Debtor, New World and the Committee have been evaluating and continue
8 to evaluate a series of options designed to resolve the Bankruptcy Case. Among other things,
9 the parties have discussed the possibility of proceeding with a consensual plan of
10 reorganization for PrediWave or dismissing the Bankruptcy Case pursuant to a comprehensive
11 resolution. At New World's request, Debtor has also spent time drafting a proposed stipulated
12 order to dismiss the bankruptcy case, which has been reviewed by the Committee and has
13 been circulated to New World for its review.

14 General Business Operations - Total hours for December: 142.90

15 Total fees for December: \$75,092.00

16 **4. Fee/Employment Applications - 040.**

17 Time billed in this category also includes services performed by KTB&S in connection
18 with communicating with other estate professionals concerning the procedures set forth in the
19 Interim Fee Procedures Order and attending to any related inquiries. Time billed in this
20 category also includes time spent by KTB&S in assisting XRoads in the preparation of its
21 monthly fee notices and advising it on matter relating thereto.

22 During the Application Period, KTB&S also spent time preparing its fifth monthly fee
23 application for the period from November 1, 2006 to and through November 30, 2006 (the
24 "Fifth Monthly Fee Application"). Different from most chapter 11 cases, here the estate's
25 professionals are required to spend a meaningful amount of time preparing monthly fee
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27 ² In light of continuing developments in the Santa Clara Action, including the entry of a judgment in favor of New World against the
28 Debtor and the other Defendants in the amount of \$2,817,075,320.20, and New World's recent steps toward levying on all bank
accounts in the name of the Other Defendants (among others) or otherwise notifying the relevant financial institutions of the
recently obtained judgment, which has had the immediate effect of "freezing" those accounts, it is likely that there will no longer be
any Injunction Disputes and, as such, there is also no reason to finalize any proposed amendment to the Affiliate Stipulated Order.

1 applications due to certain provisions in the Interim Fee Procedures Order which require,
2 among other things, that applicants include in monthly fee applications (and not just in interim
3 and final fee applications) a narrative discussion of the various projects undertaken and tasks
4 performed by the applicant categorized by subject matter (as contemplated in the Guidelines).
5 KTB&S filed and served the Fifth Monthly Fee Application (and notice thereof) and did not
6 draw any objections to the payment requested therein.

7 During the Application Period, time billed in this category also includes time spent by
8 KTB&S preparing for and participating in the Court's hearing on the first interim fee
9 applications filed by certain estate professionals and, in connection therewith, preparing and
10 submitting an omnibus proposed form of order memorializing the Court rulings (which was
11 entered on the docket on December 20, 2006).

12 Fee/Employment Application - Total hours for December: 19.70

13 Total fees for December: \$10,792.50

14 **5. Claims Administration/Objections - 070.**

15 During the Application Period, time billed to this category also includes time spent by
16 KTB&S in analyzing, addressing and conferring with the Debtor on issues relating to creditor
17 claims. KTB&S also spent time advising the Debtor on the form, scope and substance of a
18 schedule which set forth information concerning the current status of pre-petition general
19 unsecured claims against the Debtor. On December 7, 2006, the Debtor delivered this
20 schedule to the Committee and New World.

21 Claims Administration/Objections - Total hours for December: 9.50

22 Total fees for December: \$4,675.00

23 **6. Asset Analysis And Recovery - 080.**

24 During the Application Period, time billed to this category also includes time spent by
25 KTB&S in analyzing, addressing and conferring with the Debtor on issues relating to the
26 form, scope and substance of a schedule of payments made by the Debtor during the
27 preference periods, in response to New World's request for such information. On December
28 22, 2006, the Debtor delivered this schedule to the Committee and New World.

KLEE, TUCHIN, BOGDANOFF & STERN LLP
 1999 Avenue of the Stars
 Thirty-Ninth Floor
 Los Angeles, California 90067
 Telephone: (310) 407-4000
 Facsimile: (310) 407-9090
 Taxpayer I.D. No. 95-4744518

Prediwave Corporation
 48431 Milmont Drive
 Fremont CA 94538

January 04, 2007
 Invoice No. 7124

For Services Rendered Through December 31, 2006

In Reference To: Prediwave Corporation
 File No.: 1629

Professional Services

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
<u>010 - Case Administration</u>				
12/15/2006	JSS	Review correspondence from Court re bounced order	0.10	47.50
SUBTOTAL: 010 - Case Administration			0.10	47.50
<u>020 - Meetings and Communications</u>				
12/1/2006	JSS	Telephone call with New World and committee (.6) and meeting with L. Bogdanoff re same (.2); telephone call with D. Ragan, Latham, and V. Lin re same (.3)	1.30	617.50
	LRB	Prepare response letter to K. Denniston, J. Fiero	0.50	325.00
	LRB	Telephone conference with K. Denniston, J. Fiero re stipulation, exclusivity, dismissal	0.30	195.00
12/5/2006	JSS	Review and respond to correspondence with K. Denniston and L. Bogdanoff re call to discuss next steps	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/5/2006	LRB	Prepare email to J. Fiero re judgment, analyze response	0.50	325.00
	LRB	Analyze and respond to emails, voicemail message from K. Denniston re experts	0.50	325.00
12/6/2006	LRB	Telephone conference with J. Fiero re status, exclusivity, judgment	0.30	195.00
12/12/2006	JSS	Review correspondence from J. Fiero to U.S. Trustee re committee issue	0.10	47.50
12/13/2006	JSS	Review notice re removal of K. Rahman filed by U. S. Trustee	0.10	47.50
12/18/2006	JSS	Telephone call with E. Goldberg re case update	0.20	95.00
12/28/2006	JSS	Email to E. Goldberg re status and correspondence to E. Goldberg re same	0.20	95.00
	LRB	Telephone conference with K. Denniston, J. Shenson re pending issues	0.20	130.00
SUBTOTAL: 020 - Meetings and Communications			4.40	2,492.50
<u>030 - General Business Operations</u>				
12/1/2006	JSS	Prepare correspondence to D. Ragan and J. Perer of XRoads re claim schedule (.4); review, edit and revise next version and correspondence with D. Friedman and J. Perea (.3)	0.70	332.50
	JSS	Telephone call with D. Ragan re business operation and strategy	0.60	285.00
	JSS	Review and respond to correspondence with S. Dubo re banking issues	0.20	95.00
	JSS	Telephone call with V. Lin re employee issues	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/1/2006	JSS	Review and respond to correspondence from Sandrelli re fees and business issues	0.20	95.00
	JSS	Review correspondence from Canadian counsel re banking issues	0.20	95.00
	LRB	Analyze emails from V. Lin, Latham & Watkins re wind down, employees, respond to same	0.60	390.00
	LRB	Telephone conference with P. Hastings, D. Ragan re employee issues	0.50	325.00
12/3/2006	JSS	Review and respond to correspondence from Canadian counsel re banking issues	0.20	95.00
12/4/2006	JSS	Review and respond to correspondence with S. Dubo re Canadian banking issue	0.20	95.00
	JSS	Review disbursement and employee information and bank information and transmittal to New World re same	0.40	190.00
	JSS	Review and respond to correspondence with Japan counsel re operations and lease issues	0.30	142.50
	LRB	Analyze employee information	0.70	455.00
12/5/2006	JSS	Review and respond to correspondence with Japan counsel re operations and lease issue (.2) and review and respond to correspondence with V. Lin re same (.2)	0.40	190.00
	JSS	Review email from D. Friedman and D. Ragan re expert payments and related issues	0.40	190.00
	JSS	Prepare stipulation to dismiss	3.20	1,520.00
	JSS	Review correspondence from D. Ragan re disbursement issues	0.20	95.00
	JSS	Telephone call with D. Ragan re various matters including operations and claims, etc.	0.40	190.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/5/2006	JSS	Review correspondence from D. Ragan re employee issues	0.20	95.00
	LRB	Prepare email to P. Warden re experts	0.30	195.00
12/6/2006	JSS	Review and respond to correspondence from D. Ragan re cash management and affiliate disbursement issues	0.30	142.50
	JSS	Review and respond to correspondence with D. Ragan re Japan operation	0.20	95.00
	JSS	Confer with L. Bogdanoff re case and strategy going forward	0.20	95.00
	JSS	Review and respond to correspondence from State Court expert re fees and related items	0.10	47.50
	JSS	Telephone call with V. Lin re employee issue	0.10	47.50
	JSS	Draft stipulation re dismissal	4.70	2,232.50
	JSS	Conference call with D. Ragan, A. Harvey and V. Lin re employee issue	1.10	522.50
	JSS	Review correspondence from K. Denniston re objection to primary payments by affiliates	0.10	47.50
	JSS	Telephone call with D. Ragan re various business and strategy issues	0.30	142.50
	JSS	Review correspondence from D. Ragan re employee issues and affiliates	0.20	95.00
	LRB	Prepare email to K. Denniston re expert payments, analyze her email	0.50	325.00
	LRB	Prepare email to K. Denniston re payments	0.30	195.00
	LRB	Analyze email from D. Ragan re employee issues	0.50	325.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/7/2006	JSS	Review and respond to correspondence from L. Bogdanoff re affiliate issues and related stipulation	0.30	142.50
	JSS	Telephone call with V. Lin re various business and related matters	0.40	190.00
	JSS	Review correspondence from D. Schechter and L. Bogdanoff re case strategy	0.20	95.00
	JSS	Draft amendment to cash control stipulation	3.40	1,615.00
	JSS	Review correspondence from A. Harvey re employee information and prepare correspondence re same	0.20	95.00
	JSS	Prepare and respond to correspondence with K. Denniston re affiliate issues	0.20	95.00
	LRB	Analyze employee claims information, notes	0.60	390.00
	LRB	Prepare revised stipulation on cash procedures	1.30	845.00
12/8/2006	JSS	Review correspondence from D. Ragan re affiliate issue	0.10	47.50
	JSS	Review correspondence from L. Bogdanoff re amendment to cash stipulation revisions and review revisions(.2); conversations with L. Bogdanoff re same (.2); revise stipulated order (.4); review correspondence from D. Ragan and V. Lin (.2) and further revisions to amendment (.2)	1.20	570.00
	JSS	Telephone call to S. Guggenheim and draft correspondence to S. Guggenheim re amendment to cash control stipulation	0.40	190.00
	JSS	Draft dismissal stipulation	4.60	2,185.00
	JSS	Telephone call from K. Denniston re affiliates and banking issues	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/8/2006	JSS	Telephone call with K. Denniston re affiliate issue (.3) and prepare correspondence to XRoads re same (.3)	0.60	285.00
	JSS	Review and respond to correspondence from V. Lin (.2) and conversation with V. Lin re same and cash stipulation (.4)	0.60	285.00
	LRB	Analyze and revise payment stipulation	0.60	390.00
	LRB	Analyze and comment on emails from J. Shenson, D. Ragan re proposed sales, governance issues, respond to same	0.60	390.00
	LRB	Prepare emails to V. Lin, D. Ragan re corporate governance, cash agreement	0.50	325.00
12/9/2006	JSS	Draft, review, edit and revise stipulation to dismiss case and related matters	4.10	1,947.50
12/10/2006	JSS	Draft, review, edit and revise stipulation to dismiss case and related matters	7.20	3,420.00
	LRB	Analyze and respond to emails from J. Shenson re cash balances, motion	0.30	195.00
12/11/2006	JSS	Review, edit and revise dismissal stipulation	4.10	1,947.50
	JSS	Review and respond to correspondence with L. Bogdanoff and telephone conversation with L. Bogdanoff re amendment to cash stipulation (.3); revise amendment (.2) and circulate same to New World and continue review re same (.1); telephone call to J. Fiero re same (.2); review and respond to correspondence with V. Lin (.1)	0.90	427.50
	JSS	Review and provide comments to L. Bogdanoff's summary of case re hearing	0.20	95.00
	JSS	Telephone call with V. Lin re various business and litigation related plan issues	0.40	190.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/11/2006	JSS	Review and respond to correspondence with H. Rubinson and XRoads re affiliate disbursements (.1); review same (.3) and prepare correspondence to K. Denniston re same (.1)	0.50	237.50
	LRB	Prepare revised dismissal stipulation	3.30	2,145.00
	LRB	Analyze and respond to Paul Hastings re employee matters	0.30	195.00
	LRB	Prepare comments to J. Shenson re dismissal agreement	0.80	520.00
	LRB	Analyze proposed payments by affiliates	0.30	195.00
	LRB	Revise and add to dismissal stipulation	1.20	780.00
12/12/2006	JLD	Review governance documents	0.60	237.00
	JSS	Revise amendment to cash affiliate stipulation	0.20	95.00
	JSS	Review correspondence from K. Denniston re affiliate cash disbursement	0.10	47.50
	JSS	Prepare correspondence to K. Denniston re affiliate matter and banking issues (.1); prepare correspondence to D. Ragan and K. Denniston re same (.1); call with H. Rubinson re same (.1)	0.30	142.50
	JSS	Telephone call to D. Ragan re affiliate disbursements and employee issue	0.20	95.00
	JSS	Revise stipulation to dismiss	1.80	855.00
	JSS	Telephone calls with H. Rubinson and J. Perea re affiliate issue and banking matters (.3); email to K. Denniston re same (.1)	0.40	190.00
	JSS	Telephone call with K. Denniston re various matters including affiliate proposed payments (.4); telephone conversation with L. Bogdanoff re same (.2)	0.60	285.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/12/2006	JSS	Telephone call with V. Lin re various operating and related issues	0.30	142.50
	JSS	Review and respond to correspondence and related information concerning Intellmanda and employees	0.30	142.50
	JSS	Review employee general information for PrediWave and affiliates	0.20	95.00
	JSS	Reiew and respond to correspondence with V. Lin re Japan operations	0.20	95.00
	JSS	Review and respond to correspondence with K. Denniston re bank balance information and related claim issues	0.30	142.50
	JSS	Review New World comments to the amendment to the affiliate cash stipulation (.4); prepare correspondence to K. Denniston re same (.3); review response from K. Denniston and L. Bogdanoff re same (.2)	0.90	427.50
	JSS	Review and respond to correspondence with L. Bogdanoff re amendment to affiliate cash stipulation (.2); prepare and respond to correspondence with V. Lin and D. Ragan re same (.2)	0.20	95.00
	JSS	Revise amendment to affiliate stipulation (2.1); prepare correspondence to L. Bogdanoff re same (.1)	2.20	1,045.00
	JSS	Review correspondence from D. Ragan re Intellamda	0.10	47.50
	LRB	Prepare additions to dismissal stipulation	2.30	1,495.00
	LRB	Analyze employee information	0.20	130.00
	LRB	Prepare for hearing, review documents	0.80	520.00
	LRB	Prepare revisions to draft dismissal	0.40	260.00
	LRB	Telephone conference with K. Denniston, J. Shenson et al. re employee issues	0.60	390.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/13/2006	JSS	Review disbursement schedule for end of year (.3); review and respond to correspondence with H. Rubinson and L. Bogdanoff re same (.2); review revised disbursement schedule re same (.3); prepare correspondence to K. Denniston re same (.2)	1.00	475.00
	JSS	Review and respond to correspondence with V. Lin re Japan operations	0.20	95.00
	JSS	Review correspondence from K. Denniston re Intellamda issue	0.10	47.50
	JSS	Revise stipulation to dismiss	2.40	1,140.00
	JSS	Prepare and review correspondence from Japan counsel re closing issue	0.20	95.00
	JSS	Telephone call with D. Ragan and V. Lin re amendment to affiliate stipulation	0.80	380.00
	JSS	Prepare correspondence to K. Denniston re amendment to cash stipulation	0.10	47.50
	JSS	Telephone call with K. Denniston re amendment to cash stipulation	0.40	190.00
	LRB	Analyze affiliate payments, discuss with client, comment on order compliance	0.20	130.00
12/14/2006	JSS	Prepare correspondence to K. Denniston re amendment to cash stipulation	0.10	47.50
	JSS	Review correspondence from Japan counsel re operations	0.10	47.50
	JSS	Review correspondence from D. Ragan re affiliate matter	0.10	47.50
	JSS	Review and respond to correspondence with D. Friedman re affiliate and fee issues	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/14/2006	JSS	Revise amendment to stipulation and prepare correspondence to K. Denniston and J. Fiero re same (.2)	0.20	95.00
	JSS	Telephone call with D. Ragan re strategy and business operation issues	0.60	285.00
	JSS	Review and respond to correspondence with D. Ragan re affiliate banking issue	0.20	95.00
	JSS	Telephone call with J . Fiero re case status	0.20	95.00
	LRB	Draft amended cash control agreement, edits	0.80	520.00
12/15/2006	JSS	Emails from/to V. Lin re Japan winddown issues	0.40	190.00
	JSS	Review and respond to correspondence with D. Ragan and K. Denniston re various employee related matters	0.40	190.00
	JSS	Prepare memo to client re winddown and proposed dismissal (.6); review correspondence from D. Ragan re same (.1)	0.70	332.50
	LRB	Analyze and respond to K. Denniston, D. Ragan re claims, issues, dismissal, funding questions posed by New World	1.50	975.00
12/18/2006	JSS	Review and respond to correspondence with K. Denniston re banking/injunction issues	0.30	142.50
	JSS	Prepare correspondence to V. Lin re Japan operations and asset sale	0.10	47.50
	JSS	Draft revised stipulation re dismissal	4.10	1,947.50
	JSS	Telephone call with V. Lin re affiliate banking issue	0.20	95.00
	JSS	Telephone call with K. Denniston re various matters concerning case and affiliates (.4); prepare correspondence to client re same (.5); review correspondence from D. Ragan (.1)	1.00	475.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/18/2006	JSS	Review correspondence and materials on "burn" rate and notes re same	0.30	142.50
	JSS	Review employment agreements for PrediWave employees	1.20	570.00
	JSS	Review and respond to correspondence with D. Ragan and V. Lin re banking and strategy and operational issue (.6); Telephone call with D. Ragan re same (.4); prepare internal memo re same (.2)	1.20	570.00
	LRB	Analyze and respond to follow-up requests by New World	0.30	195.00
	LRB	Analyze email from J. Shenson re latest New World issues, demands, confer with him re same	0.30	195.00
	LRB	Analyze emails from D. Ragan re monthly expenditures, related issues, comments	0.60	390.00
12/19/2006	JSS	Review correspondence and materials from STUB USA and prepare correspondence to K. Denniston re same and banking matters	0.40	190.00
	JSS	Prepare for and meet with L. Bogdanoff re case and strategy	0.60	285.00
	JSS	Review, edit, and revise dismissal stipulation	0.70	332.50
	JSS	Telephone conference with Lance Jurich re Merrill accounts	0.20	95.00
	JSS	Review correspondence from V. Lin and prepare correspondence to Canadian counsel re same and review and respond to related correspondence from V. Lin, T. Sandrelli, D. Ragan and others re Canadian subsidiary matters	1.00	475.00
	JSS	Prepare correspondence to V. Lin and D. Ragan re operations and banking matters	0.60	285.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/19/2006	JSS	Telephone call with V. Lin and D.Ragan and H. Rubinson re affiliate banking issues	0.40	190.00
	JSS	Review correspondence and monthly operating report and verified tax statement	0.60	285.00
	JSS	Review and respond to correspondence re burn rate and XRoads	0.30	142.50
	JSS	Telephone call with D. Friedman re affiliate banking matter and fee matter	0.90	427.50
	JSS	Telephone call with D. Ragan, V. Lin and H. Rubinson and review and respond to affiliate motion re follow-up	0.80	380.00
	JSS	Review and respond to correspondence with L. Bogdanoff and K. Denniston re employees	0.40	190.00
	JSS	Telephone call with D. Ragan re case management and strategy and monthly operating report	0.80	380.00
	LRB	Analyze emails from D. Ragan, then J. Shenson re New World requests/demands, respond to same	0.40	260.00
	LRB	Confer with J. Shenson re strategy, dismissal	0.20	130.00
	LRB	Analyze and respond to K. Denniston emails re issues, "burn" funding	0.50	325.00
	LRB	Telephone conference with K. Denniston re payments	0.20	130.00
	LRB	Prepare follow-up with D. Ragan, J. Shenson re payments	0.30	195.00
	LRB	Analyze and respond to multiple emails during the evening from V. Lin, H. Rubinson et al. re payments, issues raised by New World	0.70	455.00
12/20/2006	JSS	Review employee "RIF" information and prepare correspondence re same	0.50	237.50

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/20/2006	JSS	Review and respond to correspondence with L. Bogdanoff, V. Lin, H. Rubinson and D. Ragan	0.50	237.50
	JSS	Draft, edit, and revise omnibus dismissal stipulation	2.60	1,235.00
	JSS	Review revised monthly operating report and send correspondence; draft verified tax statement and finalize and file; file monthly operating report and verified tax statement	0.40	190.00
	JSS	Draft letter to New World re banking and affiliate matters	1.80	855.00
	JSS	Telephone conference with D. Ragan re operation and affiliate matters	0.20	95.00
	JSS	Review and respond to correspondence from K. Denniston and L. Bogdanoff re case management issues	0.30	142.50
	LRB	Analyze and respond to emails from H. Rubinson, V. Lin re payments	0.50	325.00
	LRB	Confer with J. Shenson re response to New World	0.20	130.00
	LRB	Analyze and respond to emails from V. Lin, J. Shenson re RIF	0.30	195.00
	LRB	Analyze and respond to email from K. Denniston re work and costs	0.30	195.00
12/21/2006	JSS	Review, edit and revise dismissal stipulation	3.80	1,805.00
	JSS	Review and respond to correspondence from V. Lin re Japan office	0.20	95.00
	LRB	Prepare additions, changes to dismissal stipulation	2.30	1,495.00
	LRB	Confer with J. Shenson re dismissal agreement, issues	0.50	325.00
	LRB	Prepare additions to dismissal stipulation	0.80	520.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/21/2006	LRB	Revise dismissal order/agreement	0.90	585.00
12/22/2006	JSS	Review final draft of revised stipulation to dismiss (.8); and prepare correspondence to committee counsel and client re same (.2)	1.00	475.00
	JSS	Review and prepare correspondence to D. Ragan re RIF and employee issue	0.20	95.00
	LRB	Review dismissal agreement, prepare email to J. Shenson re same	0.70	455.00
	LRB	Analyze and comment on RIF issues	0.40	260.00
	LRB	Analyze and comment on revised dismissal agreement/order	1.40	910.00
12/26/2006	JSS	Prepare correspondence to client re fees and business operation	0.20	95.00
	JSS	Prepare correspondence to V. Lin re Japan office (.1); prepare correspondence to client re New World and client issues (.6)	0.70	332.50
	JSS	Review correspondence from K. Denniston and L. Bogdanoff re bank accounts	0.20	95.00
	JSS	Review L. Bogdanoff letter re banking issue	0.10	47.50
	LRB	Analyze and comment on Japan transactions	0.30	195.00
	LRB	Analyze and comment on affiliate payment issues and Latham & Watkins motion	0.40	260.00
12/27/2006	JSS	Review correspondence from D. Ragan re bank accounts and related issues	0.20	95.00
	JSS	Conversation with L. Bogdanoff re cash management and banking issues and review correspondence re same	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/27/2006	JSS	Prepare correspondence to K. Denniston and J. Fiero re Japan office and related matter	0.40	190.00
	LRB	Prepare and respond to multiple emails from D. Ragan, Latham & Watkins re affiliate services, follow-up	0.70	455.00
	LRB	Analyze information from D. Ragan re accounts, respond to same	0.30	195.00
	LRB	Prepare email to K. Denniston re accounts	0.60	390.00
	LRB	Analyze and respond to emails re RIF	0.20	130.00
	LRB	Analyze and respond to emails re payments, order	0.60	390.00
	LRB	Analyze information from D. Ragan re RIF, respond to same	1.20	780.00
12/28/2006	JSS	Review and revise RIF schedule, review and respond to correspondence with L. Bogdanoff and D. Ragan re same	2.20	1,045.00
	JSS	Telephone conference with L. Jurich re banking issues	0.10	47.50
	JSS	Telephone conference with J. Fiero re case and State Court matter	0.20	95.00
	JSS	Telephone conference with K. Denniston and L. Bogdanoff re case and banking issues	0.20	95.00
	JSS	Telephone conference with D. Ragan re RIF schedule	0.50	237.50
	JSS	Review bank balance information and transmit to New World	0.20	95.00
	JSS	Prepare correspondence to K. Denniston and J. Fiero re reduction in work force	0.40	190.00
	LRB	Prepare email to D. Ragan, J. Shenson re PrediWave RIF, analyze revised materials	0.80	520.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/28/2006	LRB	Prepare additional comments on dismissal stipulation	0.30	195.00
	LRB	Analyze revised RIF information, email re same, comments	1.20	780.00
12/29/2006	JSS	Meeting with L. Bogdanoff re case strategy and RIFs	0.20	95.00
	JSS	Review and respond to correspondence with D. Ragan and L. Bogdanoff and J. Fiero re claim and RIF issues	0.20	95.00
	JSS	Telephone conference with J. Fiero re case	0.20	95.00
	JSS	Review correspondence from L. Bogdanoff and D. Ragan re levy	0.20	95.00
	LRB	Respond to multiple emails from J. Fiero, D. Ragan re RIF	0.60	390.00
	LRB	Confer with J. Shenson re RIF, issues	0.20	130.00
	LRB	Analyze and respond to additional client emails re RIF	0.30	195.00
	LRB	Telephone conference with D. Ragan re developments, emails re same	0.50	325.00
12/30/2006	JSS	Review and respond to correspondence with D. Ragan and L. Bogdanoff, RIF issues (.2); prepare, draft and revise correspondence to New World re same and incorporate comments and correspond with D, Ragan, L. Bogdanoff and V. Lin re same (3.3); telephone call with V. Lin re same (.3); review and respond to correspondence with L. Bogdanoff re administrative claim matters and bar date issues (.2)	4.00	1,900.00
12/31/2006	JSS	Review and respond to correspondence with K. Denniston, L. Bogdanoff and D. Ragan re RIF issues (.5); telephone call with V. Lin re same (.3)	0.80	380.00
	LRB	Prepare and respond to multiple emails from D. Ragan, K. Denniston, J. Shenson re employee terminations	1.50	975.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
SUBTOTAL: 030 - General Business Operations			142.90	75,092.00
<u>040 - Fee/Employment Applications</u>				
12/1/2006	JSS	Telephone call with D. Friedman re fees	0.30	142.50
12/4/2006	JSS	Prepare monthly fee statement and review November pre-bill	4.60	2,185.00
	JSS	Prepare email to L. Bogdanoff re fee issues	0.10	47.50
12/5/2006	JSS	Review and respond to correspondence with D. Ragan re A&O bills	0.30	142.50
	JSS	Revise monthly fee statement	0.90	427.50
12/6/2006	JSS	Revise monthly fee statement and prepare notice and finalize and file	0.90	427.50
12/10/2006	LRB	Prepare outline for fee hearing on Wednesday, issues and status	1.60	1,040.00
12/11/2006	JSS	Draft omnibus order on fees and prepare and revise correspondence to XRoads, Committee and New World re same	0.70	332.50
	JSS	Telephone conversation with D. Friedman re fees and bankruptcy matter	0.30	142.50
	LRB	Analyze pleadings re hearing outline	0.80	520.00
	LRB	Analyze draft order re applications, comments	0.20	130.00
12/12/2006	JSS	Finalize proposed form of order for hearing on interim fees	0.20	95.00
12/13/2006	JSS	Telephone call with L. Bogdanoff re hearing on fees	0.10	47.50
	JSS	Review and submit order on fees	0.30	142.50

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/13/2006	LRB	Prepare for hearing, presentation, and travel (business hours) Los Angeles to Oakland	2.30	1,495.00
	LRB	Appear at hearing re fee applications, confer with counsel, XRoads before and after	1.50	975.00
	LRB	Travel from Oakland to Los Angeles (business hours), review follow-up items	1.80	1,170.00
12/18/2006	JSS	Revise fee order per court instructions and file same	0.20	95.00
12/20/2006	JSS	Telephone conference with G. Lunt re case and fee issues	0.30	142.50
	JSS	Review committee fee notice and application	0.60	285.00
	JSS	Review entered order on exclusivity and fees and correspondence to clerk re same other client re same	0.20	95.00
12/21/2006	JSS	Review revised XRoads fee statement (.2); review correspondence from L. Bogdanoff re same and D. Ragan re same (.2)	0.40	190.00
	JSS	Review correspondence from Canadian counsel re fees	0.10	47.50
12/22/2006	JSS	Review revised XRoads fee application (.5); draft notice and finalize and file same and fee application (.3)	0.80	380.00
12/29/2006	JSS	Review correspondence from J. Tang re response to New World bar date and fee matter	0.20	95.00
SUBTOTAL: 040 - Fee/Employment Applications			19.70	10,792.50
<u>070 - Claims Administration & Objections</u>				
12/3/2006	JSS	Review claims analysis and provide comments re same	0.80	380.00
12/4/2006	JSS	Review claim analysis (.8) and prepare correspondence to New World and committee (.1); review correspondence from J. Fiero re same (.1)	1.00	475.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/4/2006	JSS	Telephone call with J. Fiero on claims (.2) and prepare correspondence to J. Fiero and others re same (.1); review correspondence from J. Perea re same (.1)	0.40	190.00
	JSS	Telephone call with J. Perea re claims	0.20	95.00
	JSS	Review D. Ragan information re WARN claim	0.20	95.00
	JSS	Review revised claim schedule and prepare comments re same	0.40	190.00
12/5/2006	JSS	Review correspondence from Japan vendor re creditor issues	0.10	47.50
	JSS	Telephone call with J. Fiero re creditor claim and discussion (.2) and review and respond to correspondence re same (.2)	0.40	190.00
	JSS	Review and respond to correspondence with D. Ragan re claims analysis	0.20	95.00
12/6/2006	JSS	Prepare correspondence with D. Ragan re claims and WARN issue	0.20	95.00
	JSS	Review correspondence from J. Fiero re creditor claim issue	0.20	95.00
	JSS	Review and respond to correspondence on claims and related issues with D. Ragan	0.20	95.00
	JSS	Review and respond to correspondence with V. Lin on Japan office issue	0.20	95.00
	JSS	Review and respond to correspondence with XRoads re claims	0.20	95.00
	LRB	Analyze and respond to J. Shenson, D. Ragan re claims work, analysis	0.50	325.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/7/2006	JSS	Telephone call to J. Perea and J. Fiero re claim	0.20	95.00
	JSS	Review claim information (.4); telephone call with XRoads and comments re same (.4) and follow up call with XRoads re same (.2)	1.00	475.00
	JSS	Telephone call with D. Ragan re claim and employee issues	0.20	95.00
	JSS	Review revised schedule of claims and prepare correspondence to New World and committee re same	0.30	142.50
12/8/2006	JSS	Review materials on claims	0.50	237.50
	LRB	Analyze revised claim analysis, comments	0.70	455.00
12/11/2006	JSS	Telephone call from J. Fiero re Committee response, K. Rahman (.1) and prepare email to XRoads re same (.1); telephone call from H. Rubinson re same (.1); review materials from H. Rubinson and forward same to J. Fiero (.3)	0.60	285.00
12/12/2006	JSS	Telephone call with counsel to New World re WARN	0.60	285.00
12/13/2006	JSS	Prepare, finalize and file notice re change of address	0.10	NO CHARGE
	JSS	Review and respond to correspondence with T. Kahn re creditor issue	0.10	47.50
SUBTOTAL: 070 - Claims Administration & Objections			9.50	4,675.00
<u>080 - Asset Analysis and Recovery</u>				
12/6/2006	JSS	Prepare correspondence to D. Ragan re employee issue and preference analysis	0.20	95.00
12/8/2006	JSS	Review and respond to correspondence with D. Ragan re preferences	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/12/2006	JSS	Telephone call with J. Perea re preference issue	0.10	47.50
12/19/2006	JSS	Prepare correspondence to L. Bogdanoff and D. Ragan re preference analysis	0.20	95.00
12/22/2006	JSS	Review list of payments made during preference period and review and respond to correspondence with L. Bogdanoff and D. Ragan re same	0.40	190.00
	JSS	Prepare correspondence to K. Denniston re preference	0.10	47.50
	LRB	Analyze draft preliminary transfer analysis	0.60	390.00
12/26/2006	JSS	Review correspondence from K. Denniston re preference information	0.10	47.50
	LRB	Analyze potential preference transfer list, comments	0.70	455.00
12/29/2006	JSS	Review preference payment schedule	0.20	95.00
SUBTOTAL: 080 - Asset Analysis and Recovery			2.80	1,557.50
<u>100 - Plan/Disclosure Statement</u>				
12/1/2006	JSS	Review correspondence from D. Ragan re exclusivity issues	0.10	47.50
	JSS	Draft plan	2.20	1,045.00
	JSS	Prepare stipulation re exclusivity extension	1.40	665.00
	LRB	Telephone conference with D. Fiero re dismissal, exclusivity (3 calls)	0.50	325.00
12/5/2006	JSS	Email to K. Denniston and J. Fiero re exclusivity stipulation	0.10	47.50
	JSS	Review and respond to correspondence with J. Fiero re comments on exclusivity stipulation	0.30	142.50

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/5/2006	LRB	Analyze comments on exclusivity order	0.70	455.00
12/6/2006	JSS	Review and respond to correspondence with J. Fiero and K. Denniston re unsecured claim and exclusivity	0.30	142.50
	JSS	Review correspondence with K. Denniston on stipulation re exclusivity (.1); revise and finalize stipulation (.2) and respond to correspondence re same (.1)	0.40	190.00
	JSS	Review correspondence from K. Denniston on exclusivity stipulation and revise same and circulate new draft	0.20	95.00
	JSS	Review correspondence from K. Denniston re modified injunction and exclusivity stipulation	0.20	95.00
12/7/2006	JSS	Review correspondence from New World re exclusivity stipulation	0.10	47.50
	JSS	Finalize and file exclusivity stipulation	0.20	95.00
SUBTOTAL: 100 - Plan/Disclosure Statement			6.70	3,392.50
<u>120 - Litigation</u>				
12/1/2006	CP	Prepare memorandum of points and authorities re motion to dismiss	2.60	650.00
	JSS	Telephone call from Vincent Lin and conversation with L. Bogdanoff re settlement and related issues	0.30	142.50
	JSS	Telephone conversation with Latham and V. Lin re settlement issues	0.60	285.00
	JSS	Review modified materials re modified injunction and provide comments to D. Schechter and D. Friedman re same	0.30	142.50

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/1/2006	JSS	Review, edit and revise materials re settlement (.3) and prepare correspondence to D. Simon, D. Ragan and others re same (.1); review correspondence from L. Bogdanoff to K. Denniston re same (.2)	0.60	285.00
	JSS	Review and respond to correspondence with D. Schechter re State Court matter	0.20	95.00
	JSS	Review correspondence re stipulated judgment (.1) and revise same (.3)	0.40	190.00
	JSS	Review pleadings re reservation of rights on punitive damages and terminating sanctions pleading	0.50	237.50
	JSS	Telephone call with D. Schechter re settlement and fee issues	0.30	142.50
	LRB	Telephone conference with D. Friedman, D. Schechter, V. Lin, J. Shenson re judgment, issues	0.50	325.00
	LRB	Analyze and respond to emails from Latham & Watkins re judgment, J. Fiero re same, client re discovery requests	0.80	520.00
	TEP	Telephone conference with D. Schechter, L. Bogdanoff, J. Shenson, et al. re preliminary injunction issues	0.30	195.00
12/3/2006	JSS	Review and respond to correspondence re State Court litigation and stipulation to judgment with Latham and L. Bogdanoff	0.30	142.50
	LRB	Analyze and respond to multiple emails re judgment, issues	1.50	975.00
12/4/2006	JSS	Review correspondence and prepare same from/to Latham and L. Bogdanoff re State Court issues; telephone calls with L. Bogdanoff re same; review stay order	1.70	807.50
	JSS	Several telephone calls with V. Lin re State Court litigation and settlement issues	0.60	285.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/4/2006	JSS	Review and respond to correspondence with D. Friedman re call to discuss State Court litigation (.2) and participate on call (.5)	0.70	332.50
	JSS	Review correspondence from D. Ragan re terminating sanctions (.1) and telephone call with D. Ragan re same (.2)	0.30	142.50
	JSS	Review communication from D. Friedman re billing expert and related issues	0.20	95.00
	JSS	Review correspondence terminating sanction order	0.20	95.00
	LRB	Analyze and respond to multiple emails from Paul Hastings et al. re judgment, issues (all morning)	1.50	975.00
	LRB	Analyze and comment on revised order	0.60	390.00
	LRB	Telephone conference with V. Lin, D. Friedman, D. Schechter, J. Shenson re judgment	0.50	325.00
	LRB	Analyze revised PrediWave judgment	0.50	325.00
	LRB	Analyze and respond to emails re dismissal, claims analysis	0.90	585.00
12/5/2006	JSS	Review and respond to emails from L. Bogdanoff re expert fees and injunction	0.30	142.50
	JSS	Review and respond to emails from J. Fiero and L. Bogdanoff re stipulated judgment in Santa Clara action	0.30	142.50
	JSS	Review and respond to correspondence with D. Simon on injunction issue	0.20	95.00
	JSS	Revise and respond to correspondence throughout the day with D. Friedman, D. Ragan, D. Simons and L. Bogdanoff re State Court action and modified injunction (1.4) and calls to D. Friedman and J. Fiero re same (.1)	1.50	712.50

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/5/2006	JSS	Telephone call with J. Fiero re settlement and State Court issues	0.20	95.00
	JSS	Telephone call from K. Denniston (.1) and prepare correspondence re State Court terminating sanctions (.1)	0.20	95.00
	JSS	Review and respond correspondence with L. Bogdanoff re XRoads call, stipulation and state court litigation	0.20	95.00
	LRB	Analyze and respond to multiple client, J. Shenson, and Latham & Watkins emails re injunction, experts and judgment	2.90	1,885.00
	LRB	Prepare emails to J. Shenson re experts, injunction	0.80	520.00
	LRB	Prepare emails to Latham & Watkins, J. Shenson, D. Ragan re injunction, issue	0.60	390.00
12/6/2006	JSS	Prepare correspondence to K. Denniston re injunction issues	0.10	47.50
	JSS	Review correspondence from/to New World re cash management and State Court matter	0.20	95.00
	JSS	Review correspondence from D. Friedman and review State Court litigation	0.30	142.50
	JSS	Prepare for telephone call (.2) and participate on call with K. Denniston and L. Bogdanoff re State Court issue (.4)	0.60	285.00
	JSS	Review correspondence from L. Bogdanoff re injunction to K. Denniston	0.10	47.50
	LRB	Telephone conference with K. Denniston, J. Shenson re injunction	0.30	195.00
	LRB	Prepare email to J. Shenson re employee issues	0.60	390.00
	LRB	Prepare memo to client re open issues, follow-up	0.80	520.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/7/2006	JSS	Telephone call with D. Friedman re State Court matters	0.20	95.00
	JSS	Review affiliate materials in context of injunction (.4) and prepare correspondence to XRoads re same (.2)	0.60	285.00
	LRB	Analyze and respond to emails from D. Schechter, D. Ragan re sale, injunction	0.50	325.00
12/8/2006	JSS	Review correspondence from D. Schechter re State Court action	0.10	47.50
	LRB	Telephone conference with D. Schechter re state court action, dismissal	0.40	260.00
12/12/2006	JSS	Telephone call to D. Friedman re expenses and fees issues and review correspondence re same	0.20	95.00
12/13/2006	JSS	Review correspondence and strategy re State litigation and related matter and respond to same	0.30	142.50
12/18/2006	JSS	Review correspondence from D. Friedman (.1) and telephone call with D. Friedman re state court litigation and expert re same (.2)	0.20	95.00
12/19/2006	CP	Prepare memo of points and authorities re motion to dismiss	0.80	200.00
	JSS	Telephone call with D. Friedman and J. Lynch re State Court litigation (.4) and prepare correspondence to client re same (.2)	0.60	285.00
	JSS	Review letter from Paul Hastings and conversation with L. Bogdanoff re banking issue	0.30	142.50
	JSS	Prepare emergency motion and obtain relief from cash management order	0.80	380.00
	JSS	Telephone conversation with L. Bogdanoff, K. Denniston and J. Hamilton re State Court matters and affiliate banking issues	0.60	285.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/19/2006	LRB	Analyze Paul Hastings demand letter, analyze emails re same	0.60	390.00
	LRB	Telephone conference with K. Denniston, then J. Hamilton, J. Shenson re injunction, issues	0.60	390.00
	LRB	Prepare memo to J. Shenson re relief from Judge Newsome and emergency motion	0.80	520.00
	TEP	Review Paul Hastings' letter and office conference with J. Shenson re same	0.30	NO CHARGE
12/20/2006	CP	Prepare memo of points and authorities re motion to dismiss	0.90	225.00
	JSS	Telephone conference with D. Friedman re State Court hearing and related matter (.4); prepare correspondence to client re same (.1)	0.50	237.50
	LRB	Analyze 12/19 (2nd) letter from Paul Hastings, respond to same	0.50	325.00
	LRB	Prepare revisions, additions to response to J. Hamilton	1.20	780.00
	LRB	Analyze emails re injunction and order	0.20	130.00
12/21/2006	LRB	Analyze latest Paul Hastings letter re payments	0.70	455.00
12/22/2006	JSS	Review Paul Hastings letter re commissions	0.40	190.00
	JSS	Revise L. Bogdanoff letter re response to J. Hamilton letter	0.60	285.00
	JSS	Review New World motion and points and authorities re administrative bar date and fees and prepare correspondence to client	0.60	285.00
	LRB	Prepare response to Paul Hastings latest letter	0.80	520.00
	LRB	Analyze latest New World filing, notes and follow-up	0.80	520.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/26/2006	JSS	Review and revise correspondence with Latham re response to New World letter re litigation banking issues	0.20	95.00
	JSS	Review correspondence from Latham re hearing on December 20	0.20	95.00
	JSS	Draft objection to New World motion (3.1); conversation with L. Bogdanoff re same (.3); review and respond to correspondence with L. Bogdanoff re same (.2)	3.60	1,710.00
	LRB	Prepare email/memos to J. Shenson re follow-up (New World motion, hearing before Komar)	0.50	325.00
	LRB	Prepare memo re New World motion, issues	0.80	520.00
	LRB	Analyze Latham & Watkins comments on Paul Hastings letter	0.20	130.00
	LRB	Prepare response to Paul Hastings letter re payments	0.70	455.00
	LRB	Prepare response to Paul Hastings	0.70	455.00
12/27/2006	JSS	Review pleadings in State Court matter re fees (.9); review correspondence from Latham re same (.3)	1.20	570.00
	JSS	Telephone call with V. Lin re State Court litigation	0.30	142.50
	JSS	Review and respond to correspondence with L. Bogdanoff re State Court litigation	0.40	190.00
	JSS	Review correspondence from J. Tang re State Court judgment	0.20	95.00
	LRB	Analyze emails from Paul Hastings (J. Hamilton), then Latham & Watkins re Komar hearing	0.30	195.00
	LRB	Analyze email from Latham & Watkins re judgment	0.20	130.00
12/28/2006	JSS	Review correspondence from J. Tang re amended judgment	0.20	95.00

<u>Date</u>	<u>Init.</u>	<u>Description</u>	<u>Hours</u>	
12/29/2006	JSS	Review transcript in State Court proceeding	0.20	95.00
	LRB	Analyze transcript re allocation (Komar)	0.70	455.00
SUBTOTAL: 120 - Litigation			52.80	28,222.50
Professional Services Rendered			238.90	\$126,272.00
Costs and Disbursements				
		Incoming Fax (at \$0.50 per page)		26.50
		Messenger Services and Overnight Mail		323.10
		Messenger Services and Overnight Mail		25.79
		Online Research		336.95
		Outgoing Fax (at \$0.20 per page)		212.80
		Postage		484.97
		Telephone		235.00
Total Costs and Disbursements				\$1,645.11
Total Current Charges				\$127,917.11
Previous Balance Forward				\$143,316.98
12/26/2006		Payment - thank you. Check No. wire		(\$131,914.67)
1/4/2007		Adjustment per Court Order Entered on December 20, 2006		(\$11,402.31)
Payments and Credits				(\$143,316.98)
Current Balance Due				\$127,917.11

Timekeeper Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>
Lee R. Bogdanoff - Partner	79.70	650.00
Thomas E. Patterson - Partner	0.30	650.00
Thomas E. Patterson - Partner	0.30	0.00

<u>Name</u>	<u>Hours</u>	<u>Rate</u>
Jennifer L. Dinkelman - Associate	0.60	395.00
Courtney Pozmantier - Associate	4.30	250.00
Jonathan S. Shenson - Partner	153.60	475.00
Jonathan S. Shenson - Partner	0.10	0.00