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5 Attorneys for the Official Committee of Unsecured
Creditors

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8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **OAKLAND DIVISION**

11 In re

12 **PREDI WAVE CORPORATION,**
a California Corporation,

13 Debtor.

14
15 Fed. Tax I.D. No. 77-0494328
16

Case No.: 06-40547 (RJN)

Chapter 11

**FOURTH MONTHLY APPLICATION
FOR INTERIM COMPENSATION
AND REIMBURSEMENT OF
EXPENSES BY PACHULSKI STANG
ZIEHL YOUNG JONES &
WEINTRAUB LLP [OCTOBER 1, 2006
THROUGH OCTOBER 31, 2006]**

17 **TO THE HONORABLE RANDALL J. NEWSOME, UNITED STATES BANKRUPTCY**
18 **JUDGE; THE OFFICE OF THE UNITED STATES TRUSTEE; COUNSEL TO THE**
DEBTOR; AND OTHER PARTIES IN INTEREST:

19 **PLEASE TAKE NOTICE THAT** Pachulski Stang Ziehl Young Jones & Weintraub LLP
20 (“PSZYJW” or the “Firm”), counsel to the Official Committee of Unsecured Creditors (the
21 “Committee”) of Prediwave Corporation, the debtor and debtor-in-possession in the above-captioned
22 case (the “Debtor”), hereby requests payment of interim compensation and reimbursement of
23 expenses for unpaid amounts (the “Monthly Application”) incurred during the period from October
24 1, 2006 through October 31, 2006 (the “Application Period”) in the amount of \$6,651.92, consisting
25 of \$4,500.00 in attorneys’ fees and \$2,151.92 in reimbursable costs and expenses.

26 **PLEASE TAKE FURTHER NOTICE THAT** the payment requested is made pursuant to
27 the *Order Granting Motion for Authority to Establish Procedures for Interim Payment of Fees and*
28 *Reimbursement of Expenses* [Docket No. 248] (the “Interim Fee Procedure Order”) and therefore

1 includes a narrative discussion of the various projects undertaken and tasks performed by PSZYJW
2 during the Application Period, categorized by subject matter, as contemplated by Paragraph 3 of the
3 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the
4 “Guidelines”).

5 **PLEASE TAKE FURTHER NOTICE THAT**, in accordance with the Interim Fee
6 Procedures Order, PSZYJW is serving a copy of this Monthly Application (with time descriptions)
7 on the Office of the United States Trustee (the “U.S. Trustee”). In addition, PSZYJW is serving a
8 copy of this Monthly Application (without time descriptions), which shall constitute the “Notice of
9 Monthly Statement” described in the Interim Fee Procedures Order, on the Debtor, counsel for the
10 Debtor, and all other parties in interest that have requested special notice. The time descriptions are
11 available upon written request to Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John
12 D. Fiero, Esq., 150 California Street, 15th Floor, San Francisco, CA 94111-4500, or by facsimile to
13 (415) 263-7010.

14 **PLEASE TAKE FURTHER NOTICE THAT** Prediwave will be authorized, in the
15 ordinary course of business and on an interim basis, to pay the amounts requested herein in
16 accordance with the terms and conditions of the Interim Fee Procedures Order, unless a party in
17 interest files an objection to the requested payment within fifteen (15) days following the service of
18 this Monthly Application, requests a hearing on its objection, and serves its objection on the
19 following parties: (1) the Office of the United States Trustee, Attn: Minnie Loo, Esq., 1301 Clay
20 Street, Suite 690N, Oakland, CA 94612-5217, Fax: (510) 637-3220, (2) counsel for Debtor, Klee,
21 Tuchin, Bogdanoff & Stern, LLP, Attn: Thomas E. Patterson, Esq. and Jonathan S. Shenson, Esq.
22 2121 Avenue of the Stars, 33rd Floor, Los Angeles, CA 90067, Fax (310) 407-9090; and (3) counsel
23 for the Committee, Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John D. Fiero, Esq.,
24 150 California Street, 15th Floor, San Francisco, CA 94111-4500.

25 **Narrative**

26 **PROJECT BILLING OF SERVICES RENDERED FOR THE COMMITTEE**

27 In accordance with the Guidelines, PSZYJW classifies all services performed for which
28 compensation is sought into task-based categories. PSZYJW has attempted to place the services

1 performed in the category that best relates to the service provided. However, because certain
2 services may relate to more than one category, services pertaining to one category may occasionally
3 be included in another category. A copy of the detailed time descriptions for the Application Period
4 is attached hereto as **Exhibit A**. During the Application Period, PSZYJW billed time to the
5 following billing categories:

- 6 • Case Administration
- 7 • Claims Administration/Objections
- 8 • Compensation of Professionals

8 ***Case Administration***

9 Time billed to this category primarily relates to preparing for and conducting meetings with
10 the Committee, as well as communication with Committee members and creditors, and other general
11 tasks arising from the Firm's representation of the Committee.

12 **Total Hours 6.00/ Total Fees \$2,700.00**

13 ***Claims Administration/Objections***

14 The Firm spent minimal time in this category reviewing the supplemental claims bar date
15 notice.

16 **Total Hours .20/ Total Fees \$90.00**

17 ***Compensation of Professionals***

18 Time billed to this category relates to the preparation of PSZYJW's first interim fee
19 application, the review and analysis of the first interim fee applications filed by counsel to the
20 Debtor and XRoads, the Debtor's financial and restructuring advisor, and the preparation of the
21 firm's monthly fee notice.

22 **Total Hours 3.80/ Total Fees \$1,710.00**

23 Dated: November 20, 2006

PACHULSKI STANG ZIEHL YOUNG JONES
& WEINTRAUB LLP

25 By /s/ John D. Fiero

26 John D. Fiero
27 Attorneys for the Official Committee of
28 Unsecured Creditors

EXHIBIT A

PACHULSKI STANG ZIEHL YOUNG JONES & WEINTRAUB LLP

10100 Santa Monica Boulevard
11th Floor
Los Angeles, CA 90067

October 31, 2006

Invoice Number **71095** **70924 00001** **JDF**

Flash Electronics, Inc.
4050 Starboard Drive
Fremont, CA 94538
Attn: Jas Mundra

Balance forward as of last invoice, dated: September 30, 2006	\$7,908.94
Payments received since last invoice, last payment received -- November 8, 2006	\$7,908.94
Net balance forward	<u>\$0.00</u>

Re: Creditors' Committee Representation

Statement of Professional Services Rendered Through 10/31/2006

			Hours	Rate	Amount
Case Administration [B110]					
10/10/06	JDF	Telephone conference with K. Denniston.	0.30	450.00	\$135.00
10/12/06	JDF	Review stipulation terms (.3); prepare for committee meeting (.2); send email to M. Loo re membership of K. Rahman (.2).	0.50	450.00	\$225.00
10/17/06	JDF	Telephone conference with former committee member re case status (.2); review emailed material from J. Shenson and forward same to Committee in anticipation of meeting (.6).	0.80	450.00	\$360.00
10/18/06	JDF	Telephone conference with L. Bogdanoff re outline of settlement (.2); prepare report to committee on potential settlement (.3); conference call re terms of stipulation (.3); review email from UST re K. Rahman (.1).	0.90	450.00	\$405.00
10/18/06	JDF	Prepare for and participate in committee meeting.	0.40	450.00	\$180.00
10/19/06	JDF	Review and analyze stipulation (.4); follow email string re stipulation (.2).	0.60	450.00	\$270.00
10/20/06	JDF	Attend to execution of stipulation re cash and supplemental bar date.	0.30	450.00	\$135.00
10/23/06	JDF	Confer with Committee member re case status (.3); confer with L. Bogdanoff re outcome at first day of trial (.2).	0.50	450.00	\$225.00
10/24/06	JDF	Review entered order on cash management and supplemental claims bar date (.2); confer with J. Shenson re committee membership (.1); confer with UST re committee membership (.2).	0.50	450.00	\$225.00
10/26/06	JDF	Review correspondence involving participation of K. Rahman on committee (.2); work on website update (.4).	0.60	450.00	\$270.00
10/27/06	JDF	Confer with claimant regarding supplemental claims bar	0.60	450.00	\$270.00

date (.3); Telephone call with D. Ragan regarding claims analysis (.2); Send email to D. Ragan with contact information (.1)

Task Code Total	6.00	\$2,700.00
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Claims Admin/Objections[B310]

10/26/06	JDF	Review supplemental claims bar date notice.	0.10	450.00	\$45.00
10/26/06	JDF	Review supplemental claims bar date notice.	0.10	450.00	\$45.00

Task Code Total	0.20	\$90.00
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Compensation Prof. [B160]

10/02/06	JDF	Prepare and revise text for fee application.	1.70	450.00	\$765.00
10/10/06	JDF	Review and analyze fee application filed and served by KTBS and XRoads.	1.70	450.00	\$765.00
10/20/06	JDF	Prepare monthly fee notice.	0.40	450.00	\$180.00

Task Code Total	3.80	\$1,710.00
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Total professional services:	10.00	\$4,500.00
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Costs Advanced:

05/19/2006	PO	Postage [E108]	\$12.21
05/19/2006	PO	Postage [E108]	\$1.11
05/26/2006	PO	Postage [E108]	\$10.44
05/26/2006	PO	Postage [E108]	\$1.11
05/30/2006	PO	Postage [E108]	\$245.34
05/30/2006	PO	Postage [E108]	\$133.65
05/30/2006	PO	Postage [E108]	\$0.87
06/05/2006	PO	Postage [E108]	\$0.87
06/06/2006	PO	Postage [E108]	\$2.31
06/06/2006	PO	Postage [E108]	\$30.03
06/28/2006	PO	Postage [E108]	\$175.30
06/28/2006	PO	Postage [E108]	\$314.13
06/28/2006	PO	Postage [E108]	\$1.11
07/11/2006	PO	Postage [E108]	\$1.11
07/12/2006	PO	Postage [E108]	\$1.35
07/14/2006	PO	Postage [E108]	\$0.63
07/20/2006	PO	Postage [E108]	\$2.73
07/20/2006	PO	Postage [E108]	\$0.39

07/24/2006	PO	Postage [E108]	\$0.39
08/01/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$4.33
08/03/2006	PO	Postage [E108]	\$1.35
08/11/2006	PO	Postage [E108]	\$0.63
08/18/2006	PO	Postage [E108]	\$18.90
08/18/2006	PO	Postage [E108]	\$225.33
08/18/2006	PO	Postage [E108]	\$93.50
08/18/2006	PO	Postage [E108]	\$24.00
08/18/2006	PO	Postage [E108]	\$3.45
08/29/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$5.06
09/02/2006	PAC	70924 - 001 PACER charges for 09/02/2006	\$10.48
09/06/2006	PAC	70924 - 001 PACER charges for 09/06/2006	\$2.48
09/07/2006	PO	Postage [E108]	\$0.84
09/07/2006	PO	Postage [E108]	\$1.68
09/07/2006	PO	Postage [E108]	\$1.26
09/07/2006	PO	Postage [E108]	\$1.68
09/07/2006	PO	Postage [E108]	\$1.68
09/07/2006	PO	Postage [E108]	\$5.88
09/07/2006	PO	Postage [E108]	\$26.88
09/07/2006	PO	Postage [E108]	\$100.23
09/08/2006	PO	Postage [E108]	\$16.20
09/09/2006	PAC	70924 - 001 PACER charges for 09/09/2006	\$0.48
09/12/2006	CC	Conference Call---At&t Teleconference Service.(JDF) [E105]	\$3.65
09/13/2006	PAC	70924 - 001 PACER charges for 09/13/2006	\$5.92
09/16/2006	PAC	70924 - 001 PACER charges for 09/16/2006	\$2.88
09/20/2006	PO	Postage [E108]	\$1.89
09/20/2006	PO	Postage [E108]	\$39.48
09/20/2006	PO	Postage [E108]	\$4.80
09/20/2006	PO	Postage [E108]	\$269.63
09/20/2006	PO	Postage [E108]	\$0.87
09/21/2006	PAC	70924 - 001 PACER charges for 09/21/2006	\$1.76
09/22/2006	PAC	70924 - 001 PACER charges for 09/22/2006	\$0.80
09/27/2006	PAC	70924 - 001 PACER charges for 09/27/2006	\$2.48
09/28/2006	PAC	70924 - 001 PACER charges for 09/28/2006	\$20.64
10/02/2006	PO	Postage [E108]	\$33.12
10/02/2006	RE	(D5 CORR 135 @0.20 PER PG)	\$27.00
10/02/2006	RE	(D6 CORR 540 @0.20 PER PG)	\$108.00
10/20/2006	RE	(D5 DOC 2 @0.20 PER PG)	\$0.40
10/20/2006	RE	(D6 CORR 640 @0.20 PER PG)	\$128.00
10/20/2006	RE	(D6 CORR 96 @0.20 PER PG)	\$19.20

Total Expenses:

\$2,151.92

Summary:

Total professional services	\$4,500.00
Total expenses	\$2,151.92
Net current charges	<u>\$6,651.92</u>
 Total balance now due	 \$6,651.92

JDF	Fiero, John D.	10.00	450.00	\$4,500.00
		<u>10.00</u>		<u>\$4,500.00</u>

Task Code Summary

		Hours	Amount
CA	Case Administration [B110]	6.00	\$2,700.00
CO	Claims Admin/Objections[B310]	0.20	\$90.00
CP	Compensation Prof. [B160]	3.80	\$1,710.00
		<u>10.00</u>	<u>\$4,500.00</u>

Expense Code Summary

Conference Call [E105]	\$13.04
Pacer - Court Research	\$47.92
Postage [E108]	\$1,808.36
Reproduction Expense [E101]	\$282.60
	<u>\$2,151.92</u>