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2 & WEINTRAUB LLP  
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3 San Francisco, California 94111-4500  
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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,**  
13 a California Corporation,  
14 Debtor.

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

Case No.: 06-40547 (RJN)

Chapter 11

**FIFTH MONTHLY APPLICATION  
FOR INTERIM COMPENSATION  
AND REIMBURSEMENT OF  
EXPENSES BY PACHULSKI STANG  
ZIEHL YOUNG JONES &  
WEINTRAUB LLP [NOVEMBER 1,  
2006 THROUGH NOVEMBER 30,  
2006]**

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

21 **PLEASE TAKE NOTICE THAT** Pachulski Stang Ziehl Young Jones & Weintraub LLP  
22 (“PSZYJW” or the “Firm”), counsel to the Official Committee of Unsecured Creditors (the  
23 “Committee”) of Prediwave Corporation, the debtor and debtor-in-possession in the above-captioned  
24 case (the “Debtor”), hereby requests payment of interim compensation and reimbursement of  
25 expenses for unpaid amounts (the “Monthly Application”) incurred during the period from  
26 November 1, 2006 through November 30, 2006 (the “Application Period”) in the amount of  
27 \$6,826.80, consisting of \$6,680.00 in attorneys’ fees (which is net of a \$2,000 reduction in prior fees  
28 as ordered by the Court on December 13, 2006 without prejudice) and \$146.80 in reimbursable costs  
and expenses.

1           **PLEASE TAKE FURTHER NOTICE THAT** the payment requested is made pursuant to  
2 the *Order Granting Motion for Authority to Establish Procedures for Interim Payment of Fees and*  
3 *Reimbursement of Expenses* [Docket No. 248] (the “Interim Fee Procedure Order”) and therefore  
4 includes a narrative discussion of the various projects undertaken and tasks performed by PSZYJW  
5 during the Application Period, categorized by subject matter, as contemplated by Paragraph 3 of the  
6 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the  
7 “Guidelines”).

8           **PLEASE TAKE FURTHER NOTICE THAT,** in accordance with the Interim Fee  
9 Procedures Order, PSZYJW is serving a copy of this Monthly Application (with time descriptions)  
10 on the Office of the United States Trustee (the “U.S. Trustee”). In addition, PSZYJW is serving a  
11 copy of this Monthly Application (without time descriptions), which shall constitute the “Notice of  
12 Monthly Statement” described in the Interim Fee Procedures Order, on the Debtor, counsel for the  
13 Debtor, and all other parties in interest that have requested special notice. The time descriptions are  
14 available upon written request to Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John  
15 D. Fiero, Esq., 150 California Street, 15<sup>th</sup> Floor, San Francisco, CA 94111-4500, or by facsimile to  
16 (415) 263-7010.

17           **PLEASE TAKE FURTHER NOTICE THAT** Prediwave will be authorized, in the  
18 ordinary course of business and on an interim basis, to pay the amounts requested herein in  
19 accordance with the terms and conditions of the Interim Fee Procedures Order, unless a party in  
20 interest files an objection to the requested payment within fifteen (15) days following the service of  
21 this Monthly Application, requests a hearing on its objection, and serves its objection on the  
22 following parties: (1) the Office of the United States Trustee, Attn: Minnie Loo, Esq., 1301 Clay  
23 Street, Suite 690N, Oakland, CA 94612-5217, Fax: (510) 637-3220, (2) counsel for Debtor, Klee,  
24 Tuchin, Bogdanoff & Stern, LLP, Attn: Thomas E. Patterson, Esq. and Jonathan S. Shenson, Esq.  
25 2121 Avenue of the Stars, 33<sup>rd</sup> Floor, Los Angeles, CA 90067, Fax (310) 407-9090; and (3) counsel  
26 for the Committee, Pachulski Stang Ziehl Young Jones & Weintraub LLP, Attn: John D. Fiero, Esq.,  
27 150 California Street, 15<sup>th</sup> Floor, San Francisco, CA 94111-4500.

Narrative

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

In accordance with the Guidelines, PSZYJW classifies all services performed for which compensation is sought into task-based categories. PSZYJW has attempted to place the services performed in the category that best relates to the service provided. However, because certain services may relate to more than one category, services pertaining to one category may occasionally be included in another category. A copy of the detailed time descriptions for the Application Period is attached hereto as **Exhibit A**. During the Application Period, PSZYJW billed time to the following billing categories:

- Case Administration
- Claims Administration/Objections
- Compensation of Professionals
- Plan and Disclosure Statement
- Retention of Professionals

***Case Administration***

Time billed to this category primarily relates to preparing for and conducting meetings with the Committee, as well as communication with Committee members and creditors, and other general tasks arising from the Firm's representation of the Committee. Specifically, in November, such fees included monitoring of the developments in the Santa Clara County action involving New World.

**Total Hours 10.30/ Total Fees \$4,497.50**

***Claims Administration/Objections***

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

**Total Hours 1.40/ Total Fees \$630.00**

***Compensation of Professionals***

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

**Total Hours 4.20/ Total Fees \$1,257.50**

1 ***Plan and Disclosure Statement***

2 Time billed to this category relates to communications with New World and the Debtor  
3 regarding a consensual resolution of the case and negotiations relating to the extension of the  
4 exclusivity period.

5 **Total Hours 4.8/ Total Fees \$2,160.00**

6 ***Retention of Professional***

7 The nominal time billed to this category relates to review of an employment application filed  
8 in November.

9 **Total Hours .30/ Total Fees \$135.00**

10  
11 Dated: December 20, 2006

PACHULSKI STANG ZIEHL YOUNG JONES  
& WEINTRAUB LLP

12  
13 By /s/ John D. Fiero

14 John D. Fiero  
15 Attorneys for the Official Committee of  
16 Unsecured Creditors  
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# **EXHIBIT A**

# PACHULSKI STANG ZIEHL YOUNG JONES & WEINTRAUB LLP

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

November 30, 2006

Invoice Number **71477**                      **70924 00001**                      **JDF**

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

Balance forward as of last invoice, dated: October 31, 2006	\$6,651.92
Payments received since last invoice, last payment received -- December 7, 2006	\$6,651.92
Net balance forward	<u>\$0.00</u>

Re: Creditors' Committee Representation

## Statement of Professional Services Rendered Through 11/30/2006

			Hours	Rate	Amount
<b>Case Administration [B110]</b>					
11/02/06	JDF	Telephone call with P. Warden regarding creditor claim (.3); Telephone call with J. Shenson (.2).	0.50	450.00	\$225.00
11/07/06	JDF	Telephone conference with L. Bogdanoff regarding status (.2); Review correspondence from New World to Prediwave forwarded by Bogdanoff (.2); review and analyze email status report on hearing before Judge Komar (.1).	0.50	450.00	\$225.00
11/08/06	JDF	Email to M. Loo regarding composition of committee (.1); Confer with Committee members regarding need for meeting (.2); Review Rahman materials and send email to M. Loo regarding same (.1); Confer with J. Shenson regarding confidentiality agreement (.1)	0.50	450.00	\$225.00
11/09/06	JDF	Review and analyze letter from L. Bogdanoff (.2); Notice committee meeting (.1); Prepare for and attend committee meeting (.4); Telephone call with L. Bogdanoff regarding New World issues (.2); Telephone call with T. Patterson regarding stipulation questions (.3).	1.20	450.00	\$540.00
11/10/06	JDF	Review and analyze draft stipulation sent by KTBS (.3).	0.30	450.00	\$135.00
11/13/06	JDF	Confer with Committee members regarding need for meeting on Tuesday.	0.30	450.00	\$135.00
11/14/06	JDF	Telephone conference with creditor's counsel (.2); Send proof of claim form to creditor's counsel (.1); Prepare for and participate in Committee update call (.3).	0.60	450.00	\$270.00
11/15/06	JDF	Review prior hearing transcripts regarding comments on Latham & Watkins employment and conflicts (.4); Respond to creditor inquiry regarding upcoming supplemental bar date (.3); review and analyze stipulation	1.10	450.00	\$495.00

		regarding XRoads additional employment (.2); Send status report to Committee (.2).			
11/22/06	JDF	Telephone conference with L. Bogdanoff re case issues (.2) Conference call with Debtor and New World's counsel re status (.5).	0.70	450.00	\$315.00
11/27/06	LAF	Update creditor site.	0.50	175.00	\$87.50
11/27/06	JDF	Send correspondence to M. Loo re participation of K. Rahman on committee (.2); Telephone conference with creditor R. Patel re case status (.4); Revise text for website (.3); Correspond with M. Loo re history of Committee meetings (.3); Confer with L. Bogdanoff re outcome of November 21 hearing (.3).	1.50	450.00	\$675.00
11/28/06	JDF	Telephone call with K. Denniston regarding status (.2); Telephone call with L. Bogadanoff and J. Shenson regarding status (.2); Confer with Committee members regarding status (.2); Review prior fee statements for dates of Committee meeting to respond to inquiry from UST (.3);	0.90	450.00	\$405.00
11/29/06	JDF	Arrange for Committee meeting and advertise same to Committee members (.2); Review general unsecured claims information and confer with D. Ragan of XRoads regarding its analysis (.6); Review claims analysis chart prepared by New World and annotate same.	1.60	450.00	\$720.00
11/30/06	JDF	Confer with attorneys for New World and Prediwave regarding settlement conference call.	0.10	450.00	\$45.00

<b>Task Code Total</b>			<b>10.30</b>	<b>\$4,497.50</b>
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**Claims Admin/Objections[B310]**

11/27/06	JDF	Review claims filed in response to supplemental claims bar date and analyze same.	1.40	450.00	\$630.00
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<b>Task Code Total</b>			<b>1.40</b>	<b>\$630.00</b>
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**Compensation Prof. [B160]**

11/07/06	JDF	Review fee applications filed by KTBS and XRoads.	0.80	450.00	\$360.00
11/15/06	JDF	Review notice of hearing on professionals' fee applications (.1); Review XRoads and KTBS applications (1.0)	1.10	450.00	\$495.00
11/20/06	PJJ	Prepare monthly cover sheet application	0.50	175.00	\$87.50
11/20/06	PJJ	Prepare notice of monthly cover sheet application	0.30	175.00	\$52.50
11/20/06	PJJ	Prepare cover sheet application and notice for service and filing; efile same	1.50	175.00	\$262.50

<b>Task Code Total</b>			<b>4.20</b>	<b>\$1,257.50</b>
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**Plan & Disclosure Stmt. [B320]**

11/15/06	JDF	Exchange and consider emails sent by L. Bogdanoff (.5); Conference call with L. Bogdanoff and K. Denniston regarding case status (.8); Follow up call with L. Bogdanoff regarding strategy (.2)	1.50	450.00	\$675.00
11/19/06	JDF	Exchange emails with L. Bogdanoff re filing of plan.	0.20	450.00	\$90.00
11/20/06	JDF	Send correspondence to Debtor's counsel re filing of plan.	0.20	450.00	\$90.00
11/28/06	JDF	Legal research regarding objections to continued exclusivity motions.	1.90	450.00	\$855.00
11/29/06	JDF	Review and analyze motion to extend exclusivity period, together with supporting documents (.3); Telephone conference with L. Bogdanoff regarding exclusivity motion (.2); Send email to Committee regarding settlement proposal on motion (.2); Review and analyze letter from New World regarding settlement (.2); Send comments to Committee regarding correspondence from New World (.1).	1.00	450.00	\$450.00

<b>Task Code Total</b>		<u>4.80</u>		<u>\$2,160.00</u>
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**Retention of Prof. [B160]**

11/07/06	JDF	Review application to employ Asahi Komo.	0.30	450.00	\$135.00
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<b>Task Code Total</b>		<u>0.30</u>		<u>\$135.00</u>
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<b>Total professional services:</b>		<b>21.00</b>		<b>\$8,680.00</b>
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**Costs Advanced:**

11/01/2006	IF	(D6 4 @1.00 PER PG)			\$4.00
11/20/2006	RE	(D5 PLDG 636 @0.20 PER PG)			\$127.20
11/20/2006	RE	(D6 PLDG 42 @0.20 PER PG)			\$8.40
11/29/2006	RE	(D5 CORR 36 @0.20 PER PG)			\$7.20

Total Expenses:					<b>\$146.80</b>
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**Summary:**

Total professional services	\$8,680.00
Total expenses	\$146.80
Less: Discounts Applied	\$2,000.00
<b>Net current charges</b>	<u>\$6,826.80</u>

<b>Total balance now due</b>	<b>\$6,826.80</b>
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LAF	Forrester, Leslie A.	0.50	175.00	\$87.50
PJJ	Jeffries, Patricia J.	2.30	175.00	\$402.50
		<u>21.00</u>		<u>\$8,680.00</u>

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**Task Code Summary**

		<b>Hours</b>	<b>Amount</b>
CA	Case Administration [B110]	10.30	\$4,497.50
CO	Claims Admin/Objections[B310]	1.40	\$630.00
CP	Compensation Prof. [B160]	4.20	\$1,257.50
PD	Plan & Disclosure Stmt. [B320]	4.80	\$2,160.00
RP	Retention of Prof. [B160]	0.30	\$135.00
		<u>21.00</u>	<u>\$8,680.00</u>

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**Expense Code Summary**

Incoming Faxes [E104]	\$4.00
Reproduction Expense [E101]	\$142.80
	<u>\$146.80</u>