

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

HEARING DATE: July 1, 1998
HEARING TIME: 10:00 A.M.

In re)	
)	Chapter 11
ALLIANCE ENTERTAINMENT)	Case No. 97 B 44673(BRL)
CORP., <u>et al.</u> ,)	(Jointly Administered)
)	
Debtors.)	
)	
)	

ORDER AWARDING ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES

Upon the applications (the "Applications") of the parties set forth on the annexed schedule (the "Applicants") for allowances of compensation and reimbursement of expenses for professional services rendered and expenses incurred during the period commencing February 1, 1998 through April 30, 1998, inclusive, unless otherwise indicated in the Applications or the annexed schedule; and a hearing (the "Hearing") having been held before this Court on July 1, 1998 to consider the Applications; and notice of the Applications and the Hearing having been given pursuant to Federal Rules of Bankruptcy Procedure 2002(a)(7) and (c)(2), as modified by this Court's November 24, 1997 Order Establishing Budget and Interim Compensation Procedures for Court Appointed Professionals and Committee Members; and upon the objection of the United States Trustee to certain Applications (the "Objection"); and upon the full record of the Hearing and all prior proceedings in these cases; and sufficient cause having been shown therefor, it is hereby;

ORDERED, that the Applications are granted to the extent set forth in the annexed schedule; and it is further

ORDERED, that Cahill Gordon & Reindel is authorized to be paid \$11,074.53 of the foregoing interim fee award by crediting and applying against such award the remaining portion of the prepetition retainer received by Cahill Gordon & Reindel from Alliance Entertainment Corp. and the Debtors are authorized to pay the balance of the foregoing interim fee award net such credit; and it is further

ORDERED, that the Debtors' are authorized and empowered to make all payments in accordance with the annexed schedules.

Dated: New York, New York
July 6, 1998

/s/ Burton R. Lifland

UNITED STATES BANKRUPTCY JUDGE

CURRENT FEE PERIOD ¹							
APPLICANT	PERIOD COVERED BY FEE APPLICATION	FEES REQUESTED	FEES ALLOWED (INCLUDING FEES HELD BACK)	FEES HELD BACK	FEES PAYABLE BY DEBTORS	EXPENSES REQUESTED	EXPENSES ALLOWED AND PAYABLE BY DEBTORS
The Blackstone Group	2/1/98-4/30/98	\$300,000.00	\$300,000.00	\$60,000.00	\$240,000.00	\$46,822.66	\$46,822.66
Cahill Gordon & Reindel	2/1/98-4/30/98	\$90,090.80	\$90,090.80	\$18,018.16	\$72,072.64	\$10,352.16	\$10,352.16
Chanin and Company LLC	2/1/98-4/30/98	\$225,000.00	\$225,000.00	\$45,000.00	\$180,000.00	\$4,626.22	\$4,626.22
Coopers & Lybrand	2/1/98-4/30/98	\$299,107.50	\$285,107.50	\$57,021.50	\$228,086.00	\$8,036.00	\$8,036.00
Daniel J. Aaron, P.C.	2/1/98-4/30/98	\$7,800.00	\$7,800.00	\$0.00	\$7,800.00	\$2.16	\$2.16
Ross, Anglim, Angelini, Valla & Krawitz	9/3/97-9/18/97	9,177.00 ²	9,177.00	\$1,835.40	\$7,341.60	\$2,957.50	\$2,957.50
Schulte Roth & Zabel LLP	2/1/98-4/30/98	\$144,625.00	\$144,625.00	\$28,925.00	\$115,700.00	\$7,602.14	\$7,602.14
Willkie Farr & Gallagher	2/1/98-4/30/98	\$399,232.00	\$399,232.00	\$79,846.40	\$319,385.60	\$48,942.75	\$48,942.75
Zolfo Cooper, LLC	2/1/98-4/30/98	\$448,818.00	\$448,818.00	\$89,763.60	\$359,054.40	\$45,114.84	\$45,114.84

¹ All awards are on an interim basis unless otherwise indicated.

² This amount represents a reduction from total fees sought by \$15,000.00, which amount has already been paid to the Applicant by the Debtors in accordance with the Applicant's retention.

ALL FEE PERIODS ¹							
APPLICANT	PERIOD COVERED BY FEE APPLICATIONS	FEE REQUESTED	FEE ALLOWED (INCLUDING FEES HELD BACK)	FEES HELD BACK	FEES PAYABLE BY DEBTORS	EXPENSES REQUESTED	EXPENSES ALLOWED AND PAYABLE BY DEBTORS
The Blackstone Group	1/1/98-4/30/98	\$400,000.00	\$400,000.00	\$80,000.00	\$320,000.00	\$51,150.38	\$51,150.38
Cahill Gordon & Reindel	7/14/97-4/30/98	\$314,036.00	\$314,036.00	\$62,807.20	\$251,228.80	\$30,954.39	\$30,453.39
Chanin and Company LLC	7/29/97-4/30/98	\$680,000.00	\$680,000.00	\$136,000.00	\$544,000.00	\$34,962.65	\$34,542.27
Coopers & Lybrand	8/1/97-4/30/98	\$473,216.50	\$459,216.50	\$91,843.30	\$367,373.20	\$8,036.00	\$8,036.000
Daniel J. Aaron, P.C.	7/14/97-4/30/98	\$47,212.50	\$46,212.50	\$0	\$46,212.50	\$734.40	\$734.40
Ross, Anglim, Angelini, Valla & Krawitz	9/3/97-9/18/97	9,177.00 ²	9,177.00	\$1,835.40	\$7,341.60	\$2,957.50	\$2,957.50
Schulte Roth & Zabel LLP	7/23/97-4/30/98	\$648,430.00	\$648,430.00	\$129,686.00	\$518,744.00	\$41,510.20	\$40,963.83
Wilde Sapte	9/24/97-2/27/98	£22,316.66	\$36,934.07 ³	\$0	\$36,934.07	£431.48	\$714.10
Willkie Farr & Gallagher	7/14/97-4/30/98	\$1,512,191.00	\$1,510,630.50	\$302,126.10	\$1,208,504.40	\$224,237.67	\$221,482.75
Zolfo Cooper, LLC	7/14/97-4/30/98	\$2,117,983.50	\$2,117,983.50	\$535,773.60	\$1,582,209.90	\$134,706.52	\$134,706.52

¹ All awards are on an interim basis unless otherwise indicated.

² This amount represents a reduction from total fees sought by \$15,000.00, which amount has already been paid to the Applicant by the Debtors in accordance with the Applicant's retention.

³ Based on 4/1/98 conversion rate of £1 = \$1.655