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FEDERAL BANCROPTCY COURT
DISTRICT OF ARIZONA

FINANCIAL ADVISORS TO
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA**

In re:	)	Chapter 11
)	
BCE WEST, L.P., et al.,	)	Case Nos. 98-12547 through
	)	98-12570-PHX-CGC
)	
Debtors	)	Jointly Administered
)	
)	
)	
	)	Final Application of Houlihan
	)	Lokey Howard & Zukin, Inc.
	)	("Houlihan Lokey") for
	)	Allowance of Interim
	)	Compensation and
	)	Reimbursement of Expenses
	)	Pursuant to Sections 330 and
	)	331 of the Bankruptcy Code

Houlihan, Lokey, Howard & Zukin, Inc. ("Houlihan Lokey"), financial advisor to the Official Committee of Unsecured Creditors (the "Committee") of BCE West, L.P., et al. ("Boston Chicken" or the "Debtor"), in the above-referenced Chapter 11 case files its Final Application for Allowance of Compensation and Reimbursement of Expenses of Houlihan Lokey Howard & Zukin, Inc. (the "Final Application") for services rendered from February 1, 2000 through April 30, 2000, and respectively represents:

JURISDICTION

1. This Court has jurisdiction over the subject matter of this Final Application pursuant to the provisions of 28 U.S.C. Section 1334 and 157,11 U.S.C. Sections 330 and Rule 2016 of the Federal Rules of Bankruptcy Procedure.

CASE INFORMATION AND STATUS

2. On October 5, 1998, Boston Chicken, Inc., BC Real Estate Investments, Inc., MidAtlantic Restaurants, Inc., BCI Mayfair, Inc., BC Great Lakes, LLC, Progressive Foods Concepts, Inc., BC Acquisition Sub, BC Golden Gate, LLC, BCBM Southwest, LP, BC Boston, LP, BC Superior, LLC, BC Heartland, LLC, BC Tri-States, LLC, Finest Foodservice, LLC, R&A Food Services, LP, P&L Food Services, LLC, BCE West, LP, Mayfair Partners, LP, BCI Massachusetts, Inc. BCI R&A, Inc. BCI Southwest, Inc., BCI West, Inc., BC New York, LLC, Buffalo P&L Food Services, Inc. (jointly administered as the "Debtors") filed petitions under Chapter 11 of the United States Bankruptcy Code. As of the date of this Application, the Debtors have continued in possession of their property as debtors-in-possession.

EMPLOYMENT/RETAINER INFORMATION

3. The Committee filed its Application to employ Houlihan Lokey as financial advisors pursuant to 11 U.S.C. Section 328 and 1103 on December 6, 1998. The Court entered its Order approving the Application on February 24, 1999, the ("Retention Order").
4. From February 1, 2000 through April 30, 2000 (the "Final Application Period"), Houlihan Lokey has expended 352.5 hours of professional time. Total fees for the Final Application

Period total \$300,000.00. During the same period, Houlihan Lokey incurred out-of-pocket expenses totaling \$15,039.57.

5. Houlihan Lokey respectfully asks for (i) payment of \$300,000.00 for its services rendered from February 1, 2000 through April 30, 2000, which includes a monthly fee of \$75,000.00 and payment of \$15,039.57 for out-of-pocket expenses incurred during the Final Application Period.

- a. The following summarizes the request for compensation:

Fees Requested	\$300,000.00
Out-of-pocket Expenses Requested	\$ <u>15,039.57</u>
Amount Due and Requested	\$ 315,039.57

6. Houlihan Lokey seeks compensation for services performed in connection with the representation of the Committee in the Boston Chicken bankruptcy proceedings during the Final Application Period. During the Final Application Period, Houlihan Lokey provided the following services as financial advisor to the Committee rendering the following services (collectively, the "Advisory Services"):

- (a) advising the Committee with respect to the Company's financial condition, business plans, forecasts and related projections;
- (b) reviewing industry valuation parameters;
- (c) reviewing various business plans promulgated by Boston Chicken;
- (d) investigating and providing the Committee with information and analysis regarding the Company's various operational restructuring initiatives;
- (e) creating and formulating of alternative restructuring scenarios, accompanied by preliminary valuation indications of both the Company and any securities to be issued as part of a restructuring;

- (f) discussing and negotiating with the Debtors' senior secured lenders and their advisors on potential alternative plans of reorganization;
 - (g) advising the Committee in connection with a possible sale transaction involving the sale of the business or assets of the Debtor;
 - (h) advising the Committee as to financing alternatives in connection with various plans of reorganization;
 - (i) attending numerous meetings, participating in conference calls, and having numerous discussions with the Debtor and its advisors, the Debtors' senior secured lenders and their advisors, and several other of the Debtors' stakeholders;
 - (j) providing the Committee with various industry, comparable company and competitor analyses;
 - (k) engaging in discussions with parties interested in financing or acquiring the Company;
 - (l) performing such additional advice and assistance as the Committee may request from time to time.
8. The financial services set forth above were performed primarily by: Irwin N. Gold, Senior Managing Director; Andrew B. Miller, Managing Director; Alan D. Fragen, Senior Vice President; and other professionals, on an "as needed" basis of Houlihan Lokey Howard & Zuckin. The resumes of each of the primary Houlihan Lokey professionals are provided in Exhibit A.
9. Houlihan Lokey respectfully submits that the compensation requested for the Final Application Period for services rendered to the Committee is fully justified and reasonable based upon (a) the time and labor required, (b) the complexity of the issues presented, (c) the skill necessary to perform the financial advisory services, (d) the preclusion of other employment, and (e) the customary fees charged to clients in non-bankruptcy situations.
10. Houlihan Lokey respectfully submits that the services it has rendered to the Committee have

been necessary and in the best interest of the Committee and have furthered the goals of all parties in interest. Houlihan Lokey respectfully submits that under all of the criteria normally examined in Chapter 11 reorganization cases, the compensation requested by Houlihan Lokey is reasonable in light of the work performed by Houlihan Lokey in these cases.

11. The amount of fees and expenses sought in this application and Houlihan Lokey's billing processes are consistent with market practices both in and out of a bankruptcy context. Houlihan Lokey's professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtors' case, however, Houlihan Lokey has recorded time records in one-half hour increments. Time records of the 352.5 hours by Houlihan Lokey professionals in providing financial advisory and investment banking services to the Committee from February 1, 2000 through April 30, 2000 are provided in Exhibits B through D. Summary of total hours are provided in Exhibit E.
12. Houlihan Lokey respectfully requests allowance of its out-of-pocket expenses incurred in connection with its performance of services for the Debtors during the Final Application Period in the aggregate amount of \$15,039.57. Details of the expenses incurred during the Final Application Period are provided in Exhibit F.
13. Houlihan Lokey's charges for expenses to the Committee are determined in the same manner as for clients in non-bankruptcy matters. Out-of-pocket expenses incurred by Houlihan Lokey are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such particular client. Houlihan Lokey

does not factor general overhead expenses into disbursements charged to its clients in connection with Chapter 11 cases. Houlihan Lokey has followed its general internal policies with respect to out-of-pocket expenses billed to the Committee as set forth below, with any exceptions specifically explained:

- (a) Houlihan Lokey's general policy is to bill lunch or dinner meals to a client for meals provided at meetings with attendees including Houlihan Lokey professionals, members of the Committee, professionals of the Committee's other advisors, other stakeholders of the Debtor, and members of the Debtor's management team. Moreover, if an employee is required to provide services to the client during a meal time due to extreme time constraints, then Houlihan Lokey permits the employee to bill the meal. Houlihan Lokey employees are permitted to order meals in the office if the employee is required to work after 8:00 p.m.
- (b) Messengers and couriers are used by Houlihan Lokey to deliver hard copy documents relating to the client matter which require receipt on an expedited basis; otherwise, Houlihan Lokey uses the regular postal system. Any charges for messengers and couriers are billed to a client at cost.
- (c) In Chapter 11 cases, Houlihan Lokey's general policy is to charge for airfare based on coach rates. In incidences of late evening travel and long cross-country flights, senior Houlihan Lokey employees will seek to "upgrade" to business class and charge clients for the cost of the upgrade. Moreover, where employees are traveling for more than one matter (which, for senior officers, can be a majority of the time), Houlihan Lokey employees will charge the costs of business travel (e.g., air and hotel) to more than one matter; thus, often only a fraction of actual cost will be billed

to a client.

- (d) The Computer Information Services category of expenses include charges from outside computer/electronic service companies, that supply, for a fee, research and/or financial documents to Houlihan Lokey. The services provided by these companies primarily consist of the retrieval of financial documents from regulatory agencies and the retrieval of research that would not otherwise be available to Houlihan Lokey.
 - (e) Houlihan Lokey bills photocopying charges at the rate of \$.15 per page.
 - (f) With respect to local travel, Houlihan Lokey's general policy enables employees to travel by private car service to and from meetings while rendering services to a client on a client related matter, for which the client is charged. This policy is based on Houlihan Lokey's determination that travel by a private car service or taxi is the most efficient use of a professional's time.
14. Houlihan Lokey respectfully submits that the expenses for which it seeks allowance during the Final Application Period are necessary and reasonable both in scope and amount.
15. No prior application for the relief requested herein has been made.
16. All professional services for which compensation is requested by Houlihan Lokey were performed for and on behalf of the Committee during the case and were not rendered on behalf of any other person.

17. There is no agreement or understanding between Houlihan Lokey and any other person for the share of compensation received or to be received for services rendered in connection with these proceedings.

WHEREFORE, Houlihan Lokey requests the Court to:

- (a) Approve the allowance and payment of Houlihan Lokey's fees and expenses, as detailed below, for the Final Application Period:

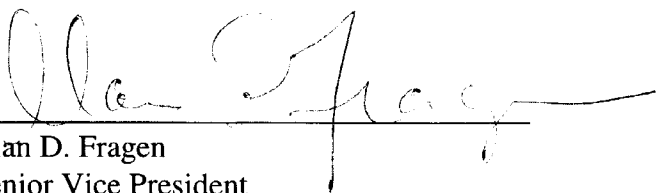
Fees Requested	\$300,000.00
Out-of-pocket Expenses Requested	<u>\$ 15,039.57</u>
Amount Due and Requested	\$315,039.57

- (b) Authorize and direct the Debtor to pay Houlihan Lokey's approved fees and expenses;
- (c) Grant such other and further relief as this Court deems just and proper.

Dated: Los Angeles, California
July 5th, 2000

HOULIHAN LOKEY HOWARD & ZUKIN, INC.
Financial Advisor to the Official Committee of
Unsecured Creditors

By:



Alan D. Fragen
Senior Vice President
1930 Century Park West
Los Angeles, California 90067

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:) Chapter 11
)
BCE WEST, L.P., et al.,)
) Case Nos. 98-12547 through
) 98-12570-PHX-CGC
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Debtors.) Jointly Administered
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)
) **AFFIDAVIT**

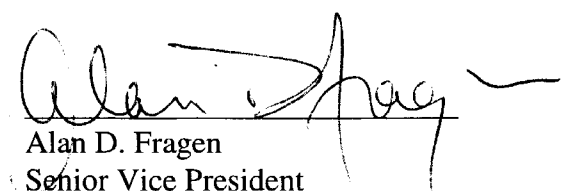
ALAN D. FRAGEN, being duly sworn, deposes and says:

1. I am an employee of the firm of Houlihan Lokey Howard & Zukin, Inc. ("Houlihan Lokey"), which firm maintains offices for providing financial advisory services at 1930 Century Park West, Los Angeles, California 90067. Houlihan Lokey has acted as financial advisor to and rendered professional services on behalf of the Official Unsecured Creditors Committee (the "Committee") of BCE West, L.P., et al. ("Boston Chicken") and certain affiliates and subsidiaries, each a debtor and debtor-in-possession herein.

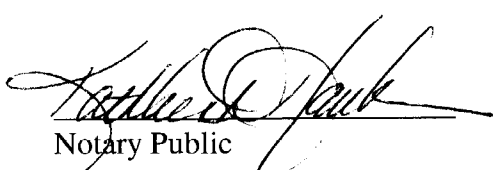
2. This affidavit is submitted pursuant to Bankruptcy Rule 2016 in connection with Houlihan Lokey's application (the "Application") for an allowance of interim compensation for services rendered to the Committee for the Period February 1, 2000 through April 30, 2000 in the amount of \$300,000.00 and approval of reimbursement of out-of-pocket expenses incurred in connection therewith in the sum of \$15,039.57.

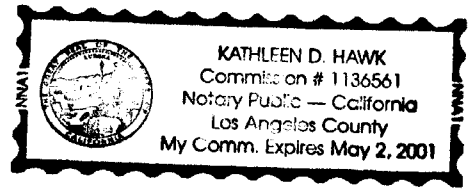
3. All of the services for which compensation is sought by Houlihan Lokey were performed for and on behalf of the Committee and not on behalf of any other person.

4. No agreement or understanding exists between Houlihan Lokey and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with these cases.


Alan D. Fragen
Senior Vice President

Sworn to before me this 5 day of July 2000


Notary Public



CERTIFICATION PURSUANT TO ADMINISTRATIVE ORDER UNDER 11 U.S.C. §§ 105
(a) AND 331 ESTABLISHING PROCEDURE FOR INTERIM COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR PROFESSIONALS

I have read the Final Application of Houlihan Lokey Howard & Zukin, Inc. ("Houlihan Lokey") for Allowance of Interim Compensation and Reimbursement of Expenses for the Period from February 1, 2000 through April 30, 2000 (the "Application").

To the best of my knowledge, information and belief, formed after reasonable inquiry, the Application complies substantially with the mandatory guidelines set forth in the Administrative Order Under 11 U.S.C. §§ 105 (a) and 331 Establishing Procedure For Interim Compensation and Reimbursement of Expenses For Professionals dated October 27, 1998 (the "Procedures").

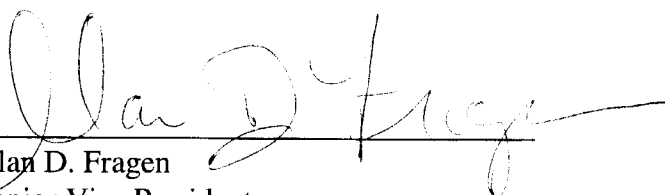
To the best of my knowledge, information and belief, formed after reasonable inquiry, the fees and disbursements sought in the Application fall within the guidelines of the Procedures, except as specifically noted in this certification and in the Application.

To the best of my knowledge, information and belief, formed after reasonable inquiry, the fees and disbursements sought are billed in accordance with the practices customarily employed by Houlihan Lokey and generally accepted by Houlihan Lokey's clients.

To the best of my knowledge, information and belief, formed after reasonable inquiry; in providing reimbursable services, Houlihan Lokey does not make a profit on these services; in charging for a particular service, Houlihan Lokey does not include in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment or capital outlay;

in seeking reimbursement for services which Houlihan Lokey justifiably purchased or contracted from a third party, Houlihan Lokey seeks reimbursement only for the amount paid by Houlihan Lokey to such vendor.

Dated: Los Angeles, California
July 5, 2000

By: 
Alan D. Fragen
Senior Vice President

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

NOTICE THAT EXHIBITS TO THIS ELECTRONICALLY FILED DOCUMENT ARE
NOT ATTACHED.

There were one or more exhibits and/or other attachments filed with this pleading that consisted of pages too numerous for the clerk to scan and electronically file as part of the pleading. Paper copies of these exhibits are maintained at the Office of the Clerk. They may be reviewed at that office 9:00 a.m. to 4:00 p.m., Monday to Friday, at 2929 North Central Avenue, Ninth Floor, Phoenix, Arizona, or you may arrange to obtain copies from the filing attorney.

KEVIN E. O'BRIEN
CLERK OF COURT