

In re:) CHAPTER 11) Name of Applicant) \$2,134,589.70) PricewaterhouseCoopers LLP
)))))
 BCE WEST, L.P. et al.,) Case No. 98-12547 through) Fees Previously Requested) \$2,134,589.70)
) 98-12570-ECF-CGC) Fees Previously Awarded) \$2,134,589.70)
) (Jointly Administered)) Fees Previously Paid) \$2,134,589.70)
)))))
 Debtor)))))
)))))
 EID # 38-3196719) Retainer Paid) \$0.00) Current Application)
) Draws on Retainer) \$0.00) Fees Requested) \$2,471,949.20[1]
) Replenishment of Retainer) \$0.00) Expenses Requested) \$49,413.60[1]
) Remaining Retainer) \$0.00)
) Remaining Retainer) \$0.00)

FINAL FEE APPLICATION

NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	LEVEL	HOURS BILLED	RATE	TOTAL FOR APPLICATION
Aloupis, Steven	Partner	18.0	315	\$5,670.00
Boyer, Mark	Partner	3.0	330	990.00
Brodish, Jay	Partner	3.0	315	945.00
Canedo, Carina	Partner	1.0	480	480.00
Case, Elizabeth	Partner	29.0	330	9,570.00
Crockett, Julie	Partner	3.0	315	945.00
Cross, Loretta	Partner	2.2	450	990.00
Dever, Raymond	Partner	30.5	315	9,607.50
Elmy, Fred	Partner	0.5	525	262.50
Herz, Robert (100%)	Partner	2.0	525	1,050.00
Herz, Robert (60%)	Partner	8.5	315	2,677.50
Hollenbeck, John	Partner	1.0	525	525.00
Kozich, Greg	Partner	1.0	525	525.00
Lis, Stephen (100%)	Partner	6.6	525	3,465.00
Lis, Stephen (60%)	Partner	19.5	315	6,142.50
May, Daniel	Partner	5.0	315	1,575.00
Mucci, Louis	Partner	103.0	315	32,445.00

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NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	LEVEL	HOURS BILLED	RATE	TOTAL FOR APPLICATION
Nevers, Steve	Partner	30.0	315	9,450.00
Puls, Bob (100%)	Partner	24.0	525	12,600.00
Puls, Bob (60%)	Partner	52.5	315	16,537.50
Puzio, Frank (100%)	Partner	79.9	525	41,947.50
Puzio, Frank (60%)	Partner	133.5	315	42,052.50
Schaefer, Ted	Partner	2.0	315	630.00
Stegenga, Jeff	Partner	34.9	340	11,866.00
Stein, Randy	Partner	412.4	330	136,092.00
Tanner, Doug (100%)	Partner	81.6	525	42,840.00
Tanner, Doug (60%)	Partner	65.0	315	20,475.00
Williams, Dave	Partner	13.8	390	5,382.00
Rouso, Ada	Director	2.0	286	572.00
Smith, Greg	Director	3.0	286	858.00
Garre, Karen	Senior Manager	65.0	286	18,590.00
Hoosing, Mike	Senior Manager	35.9	252	9,046.80
Antholz, Angela	Manager	445.5	257	114,493.50
Biggs, Martha	Manager	33.4	257	8,583.80
Catnull, Bart	Manager	0.5	186	93.00
Cetera, Michael	Manager	2.0	186	372.00
Daly, Mike	Manager	18.0	186	3,348.00
Hald, Mike	Manager	17.0	186	3,162.00
Jacobsen, Eric	Manager	7.5	186	1,395.00
Jenkins, Rich	Manager	200.5	240	48,120.00
Kester, Jean	Manager	352.6	186	65,583.60
Lillibridge, Kristin	Manager	2.0	186	372.00
Linsky, Samara	Manager	138.0	186	25,668.00
Macasovic, Tamara	Manager	29.0	186	5,394.00
Martillaro, Judy	Manager	177.1	257	45,514.70
Search, Michelle (100%)	Manager	138.2	310	42,842.00
Search, Michelle (60%)	Manager	639.5	186	118,947.00
Spinney, Rusty	Manager	21.0	186	3,906.00
Toll, Darwin	Manager	6.5	186	1,209.00
Whitely, Chris	Manager	186	2.0	372.00
Coutant, Julie	Senior Associate	57.1	175	9,992.50
Deist, Donna	Senior Associate	42.5	163	6,927.50

NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	LEVEL	HOURS BILLED	RATE	TOTAL FOR APPLICATION
Gumeson, Sandi	Senior Associate	91.0	144	13,104.00
Huffaker, Gregory	Senior Associate	468.0	163	76,284.00
Huizenga, Ted	Senior Associate	363.7	144	52,372.80
Kimer, Shannon	Senior Associate	6.0	144	864.00
Lewis, Robert	Senior Associate	18.0	144	2,592.00
McIntire, Tawnya (100%)	Senior Associate	63.6	240	15,264.00
McIntire, Tawnya (60%)	Senior Associate	990.4	144	142,617.60
Myers, Kristi	Senior Associate	443.0	144	63,792.00
Nelan, Nina	Senior Associate	102.3	163	16,674.90
Nesland, John	Senior Associate	5.5	240	1,320.00
Spain, Carolyn	Senior Associate	18.7	144	2,692.80
Staten, Cathy	Senior Associate	9.5	163	1,548.50
Truta, Katie	Senior Associate	2,469.5	163	402,528.50
Abate, Christine	Associate	16.5	81	1,336.50
Aberle, Missy	Associate	2.0	81	162.00
Archuleta, Malena	Associate	2.0	81	162.00
Askenazi, Daniel	Associate	3.0	81	243.00
Belekewicz, Greg	Associate	7.0	81	567.00
Bill, Rebekah	Associate	27.0	150	4,050.00
Bolewitz, Steve	Associate	2.0	81	162.00
Bruce, Joseph	Associate	90.2	115	10,373.00
Bruha, Marjorie	Associate	6.0	81	486.00
Burton, Jason	Associate	15.0	81	1,215.00
Bushman, Molly	Associate	6.0	81	486.00
Bustos, Charles	Associate	318.4	30	18,905.40
Cambrozzi, Robert	Associate	59.5	115	6,842.50
Chapman, Suzanne	Associate	0.8	150	120.00
Cintron, Solange	Associate	9.8	125	1,225.00
Dern, Jeanette (100%)	Associate	0.8	135	108.00
Dern, Jeanette (60%)	Associate	946.2	81	76,642.20
Eppinger, Alison	Associate	1.0	81	81.00
Fletemeyer, Ryan (100%)	Associate	25.0	135	3,375.00
Fletemeyer, Ryan (60%)	Associate	55.0	81	4,455.00
Fulton, Max	Associate	2.0	125	250.00
Gaylord, Tory	Associate	20.0	125	2,500.00
Glaza, Todd	Associate	6.0	81	486.00

NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	LEVEL	HOURS BILLED CURRENT APPLICATION	RATE	TOTAL FOR APPLICATION
Hammes, Tricia	Associate	6.0	81	486.00
Hemby, Jenny	Associate	493.6	115	56,764.00
Hill, Heath	Associate	67.0	81	5,427.00
Hing, Jonathan	Associate	6.0	81	486.00
Hudson, Kaye	Associate	6.0	81	486.00
Karpel, Matt	Associate	6.0	81	486.00
Kaster, Jason	Associate	5.0	81	405.00
Kpostick, Rivkah	Associate	7.5	81	607.50
Krohn, Pamela	Associate	199.0	115	22,885.00
Lada, Jennifer	Associate	6.0	81	486.00
Lasseter, Vickie	Associate	398.0	115	45,770.00
Marcaria, Eileen	Associate	253.0	81	20,493.00
Markham, Brian	Associate	1,441.0	115	165,715.00
Mars, Kurt	Associate	53.9	115	6,198.50
Oliver, Mike	Associate	21.0	81	1,701.00
Otto, Sheila	Associate	831.9	115	95,668.50
Putnam, Melissa	Associate	53.1	81	4,301.10
Rasmussen, Morie	Associate	5.0	81	405.00
Reger, Justin	Associate	4.0	81	324.00
Rhine, Donald	Associate	6.0	81	486.00
Ritter-Allison, Kathy	Associate	61.9	115	7,118.50
Robinaugh, Mitch	Associate	2.5	115	287.50
Sherman, Jason	Associate	5.0	81	405.00
Schmidt, Jacob	Associate	2.0	81	162.00
Skelton, Ron	Associate	448.2	115	51,543.00
Soderquist, Erik	Associate	27.0	81	2,187.00
Swanson, Sherah	Associate	8.0	81	648.00
Vaughn, Justin	Associate	137.9	150	20,685.00
Welch, Michelle	Associate	1,245.0	115	143,175.00
Wojda, Peter	Associate	6.0	81	486.00
Woods, Ryan	Associate	2.0	115	230.00
Mack, Chris	Project Assistant	17.5	80	1,400.00
Menker, Dirk	Project Assistant	6.0	80	480.00
Northrop, Stephanie	Project Assistant	1,117.9	80	89,432.00
Perone, Wendy	Project Assistant	1.0	70	70.00

NAMES OF PROFESSIONALS/ PARAPROFESSIONALS	LEVEL	HOURS BILLED CURRENT APPLICATION	RATE	TOTAL FOR APPLICATION
Plemmons, Wendy	Project Assistant	4.0	80	320.00
Smith, Nolan	Project Assistant	5.0	80	400.00
Griffith, Nancy	Administrative Assistant	1.0	48	48.00
Hefly, Amy (100%)	Administrative Assistant	1.0	80	80.00
Hefly, Amy (60%)	Administrative Assistant	6.0	48	288.00
Houston, Vallie	Administrative Assistant	18.6	70	1,302.00
MacIntyre, Julia	Administrative Assistant	3.0	52	156.00
Roush, Elaine	Administrative Assistant	2.7	48	129.60
Sandoval, Rosio	Administrative Assistant	4.7	48	225.60
Turton, Kathy	Administrative Assistant	2.6	52	135.20
Wright, Laura	Administrative Assistant	3.0	48	144.00
Total Hours:		17,281.1	Total	\$2,630,105.60
			Fees:	
			Total Expenses:	\$81,909.31
			Voluntary Reductions:	\$(190,652.11)
TOTAL BLENDED HOURLY RATE:		\$152.20		
TOTAL:		\$2,521,362.80		<i>(fees plus expenses)</i>

[1] Includes \$2,134,589.70 of fees and expenses previously awarded via the First, Second, Third and Fourth Interim Fee Applications and \$341,056.52 of fees and expenses related to the current application period.

1 2. PRIOR APPLICATIONS/STATUS: First (Filed 3/15/99)
2 PERIOD COVERED: October 5, 1998 through January 31, 1999
3 TOTAL FEES REQUESTED: \$ 680,820.40
4 TOTAL EXPENSES REQUESTED: \$ 9,672.09
5 TOTAL APPLICATION REQUESTED: \$ 690,492.49
6 TOTAL FEES/COSTS PAID: \$ 690,492.49

7 3. PRIOR APPLICATIONS/STATUS: Second (Filed 7/15/99)
8 PERIOD COVERED: February 1, 1999 through May 31, 1999
9 TOTAL FEES REQUESTED: \$ 892,672.50
10 TOTAL EXPENSES REQUESTED: \$ 24,764.77
11 TOTAL APPLICATION REQUESTED: \$ 917,437.27
12 TOTAL FEES/COSTS PAID: \$ 917,437.27

13 4. PRIOR APPLICATIONS/STATUS: Third (Filed 11/15/99)
14 PERIOD COVERED: June 1, 1999 through September 30, 1999
15 TOTAL FEES REQUESTED: \$ 386,517.20
16 TOTAL EXPENSES: \$ 5,064.80
17 TOTAL APPLICATION REQUESTED: \$ 391,582.00
18 TOTAL FEES/COSTS PAID: \$ 391,582.00

19 5. PRIOR APPLICATIONS/STATUS: Fourth (Filed 3/15/00)
20 PERIOD COVERED: October 1, 1999 through January 31, 2000
21 TOTAL FEES REQUESTED: \$ 174,579.60
22 TOTAL EXPENSES: \$ 6,214.92
23 TOTAL APPLICATION REQUESTED: \$ 180,794.52
24 TOTAL FEES/COSTS PAID: \$ 180,794.52

25 6. FINAL APPLICATION/STATUS: Final (Current Application)
26 PERIOD COVERED: February 1, 2000 through May 26, 2000
27 TOTAL FEES REQUESTED: \$ 337,359.50
28 TOTAL EXPENSES: \$ 3,697.02
TOTAL APPLICATION REQUESTED: \$ 341,056.52

29 I. INTRODUCTION

30 PricewaterhouseCoopers LLP, accountants to the Debtor, BCE West, L.P. ("BCE"),
31 hereby makes its Final Application for Allowance of Compensation and Reimbursement of
32

1 Expenses of PricewaterhouseCoopers as accountants for the period from October 5, 1998 through
2 May 26, 2000 ("the Engagement Period").

3 During the Engagement Period, PricewaterhouseCoopers spent 14,981.0 hours in its
4 representation of the Debtors'. Based upon PricewaterhouseCoopers' ordinary hourly rates in
5 effect at the time services were rendered, PricewaterhouseCoopers total fees for the Engagement
6 Period are \$2,471,949.20. In addition, PricewaterhouseCoopers incurred out-of-pocket expenses
7 for which it is seeking reimbursement in the total amount of \$49,413.60.

8 The persons providing services during the Engagement Period and the associated fees are
9 summarized in Exhibits "I" and "II". The amount PricewaterhouseCoopers has disbursed for
10 actual and necessary expenses in connection with the engagement is summarized in Exhibit "III".

11 This application includes request for approval for compensation which covers the period
12 from February 1, 2000 through May 26, 2000 ("Final Application Period"). The detail for fees
13 and expenses incurred during the Final Application Period is provided herein. Detail for fees and
14 expenses incurred during the prior interim periods have been provided in the corresponding fee
15 applications.

16 During the Final Application period, PricewaterhouseCoopers spent 2,249.6 hours in its
17 representation of the Debtors. Based upon PricewaterhouseCoopers ordinary hourly rates in
18 effect at the time services were rendered, PricewaterhouseCoopers' total fees for the Final
19 Application Period are \$337,359.50. In addition to the foregoing, PricewaterhouseCoopers
20 incurred out-of-pocket expenses for which it is seeking reimbursement in the total amount of
21 \$3,697.02.

22 PricewaterhouseCoopers has requested compensation for certain tasks performed by
23 paraprofessionals in conjunction with this engagement. Specific tasks performed by
24 paraprofessionals include: response to requests for information from various members of
25 counsel; and summarization and documentation of time and expense detail associated with
26 preparing monthly billing statements and the fee application process. The costs associated with
27 time expended by paraprofessionals is not included in PricewaterhouseCoopers' professional
28 staff billing rates; is only billed to client matters on which they directly contribute; and is

1 therefore, appropriately included in this request for compensation. During the Final Application
2 Period, the paraprofessionals of PricewaterhouseCoopers spent 132.0 hours in representation of
3 the Debtors. The total amount of paraprofessional fees requested for this application period is
4 \$10,560.00. (Average Rate of \$80/hour).

5 The names of PricewaterhouseCoopers professionals and paraprofessionals requesting
6 fees and the hourly rate charged by each is listed in Exhibit IV. The rates charged by
7 professionals in this case do not exceed customary rates charged by PricewaterhouseCoopers in
8 similar markets. Biographies for professionals (managers and above) who worked on this matter
9 are included in Exhibit "IX". All professionals have graduated from an accredited four year
10 college or university.

11 PricewaterhouseCoopers has prepared monthly invoices for services incurred during the
12 Final Application Period which request reimbursement for professional fees and expenses
13 totaling \$341,056.52 net of voluntary reductions.

14 PricewaterhouseCoopers recognized the requirement to have 20% of its fees held back for
15 the final interim period until such fees incurred are approved by the court. As such, \$66,423.90
16 has been set aside by the Debtors as a holdback pending such approval. Consequently,
17 PricewaterhouseCoopers has requested that the Debtors pay \$269,392.62 in fees and expenses for
18 services rendered during the final interim period prior to the filing of this application.
19 \$78,999.42 of this amount has been received to date and it is expected that
20 PricewaterhouseCoopers will receive the remaining \$190,393.20 shortly.

21 Except as PricewaterhouseCoopers may be entitled to receive compensation herein,
22 PricewaterhouseCoopers has no arrangements with any other parties for compensation for the
23 services rendered to the Debtors, nor has PricewaterhouseCoopers received any funds from any
24 parties for the services rendered to the Debtors. Further, PricewaterhouseCoopers has not made
25 any arrangement to share any compensation awarded or received other than the normal division
26 of fees that, as a matter of course, occurs between accountants who are members of
27 PricewaterhouseCoopers. The members of PricewaterhouseCoopers are disinterested persons
28 defined in 11 U.S.C. § 101(14) and do not hold or represent any interest adverse to the estates.

1
2 **II. PRIOR INTERIM APPLICATIONS AND PAYMENTS**

3 PricewaterhouseCoopers filed its First Interim Fee Application for Allowance of
4 Compensation and Reimbursement of Expenses for services rendered in the amount of
5 **\$680,820.40** and expenses incurred in the amount of **\$9,672.09** as accountants for the Debtors
6 (net of voluntary reductions). To date, PricewaterhouseCoopers has received payments totaling
7 \$690,492.49 in payment of fees and expenses incurred during the period from October 5, 1998
8 through January 31, 1999.

9 PricewaterhouseCoopers' filed its Second Interim Fee Application for Allowance of
10 Compensation and Reimbursement of Expenses for services rendered in the amount of
11 **\$892,672.50** and expenses incurred in the amount of **\$24,764.77** as accountants for the Debtors
12 (net of voluntary reductions). To date, PricewaterhouseCoopers has received payments totaling
13 \$917,437.27 in payment of fees and expenses incurred during the period from February 1, 1999
14 through May 31, 1999.

15 PricewaterhouseCoopers' filed its Third Interim Fee Application for Allowance of
16 Compensation and Reimbursement of Expenses for services rendered in the amount of
17 **\$386,517.20** and expenses incurred in the amount of **\$5,064.80** as accountants for the Debtors
18 (net of voluntary reductions). To date, PricewaterhouseCoopers has received payments totaling
19 \$391,582.00 in payment of fees and expenses incurred during the period from June 1, 1999
20 through September 30, 1999.

21 PricewaterhouseCoopers' filed its Fourth Interim Fee Application for Allowance of
22 Compensation and Reimbursement of Expenses for services rendered in the amount of
23 **\$174,579.60** and expenses incurred in the amount of **\$6,214.92** as accountants for the Debtors
24 (net of voluntary reductions). To date, PricewaterhouseCoopers has received payments totaling
25 \$180,794.52 in payment of fees and expenses incurred during the period from October 1, 1999
26 through January 31, 2000.

27
28 **III. NARRATIVE SUMMARY**

1 A. General Background.

2 1. On October 5, 1998 (the "Petition Date"), BCE West, L.P. ("BCE") filed
3 its voluntary petition under Chapter 11 of the Bankruptcy Code, thereby commencing its above-
4 captioned Chapter 11 case. Additionally, voluntary Chapter 11 petitions were filed for the
5 following BCE affiliates: Boston Chicken, Inc. ("BCI"), Mayfair Partners, L.P., BC Great
6 Lakes, L.L.C., BC Goldengate, L.L.C., B.C.B.M Southwest, L.P., BC Boston, L.P., BC Superior,
7 L.L.C., BC Heartland, L.L.C., BC Tri-States, L.L.C., Finest Foodservices, L.L.C., BC New
8 York, L.L.C., R&A Food Services, L.P., P&L Food Services, L.L.C., Mid-Atlantic Restaurant
9 Systems, Inc., BCI Massachusetts, Inc., BCI Southwest, Inc., BCI R&A, Inc., BCI West, Inc.,
10 BCI Acquisition Sub, L.L.C., and Buffalo P&L Food Services, Inc. (collectively with BCE and
11 BCI, the "Debtors").

12 2. On November 2, 1998, the Debtors filed an application to employ
13 PricewaterhouseCoopers LLP as Certified Public Accountants and Financial Advisors for the
14 Debtors pursuant to 11 U.S.C § 327. Pursuant to the application, on November 24, 1998, the
15 Court entered an Order authorizing the Debtors' employment of PricewaterhouseCoopers,
16 effective as of October 5, 1998 (the "Employment Date").

17
18 B. Status of Case

- 19 1. The Debtors' original plan of reorganization was filed on January 6, 2000.
20 2. The Initial Bar date to file claims has passed.
21 3. The Debtors' Disclosure Statement was approved on February 15 ,2000.
22 4. The Debtors' Second Amended Plan was filed on February 17, 2000.
23 5. The Court signed the order for the Second Amended Plan on February 18,
24 2000.
25 6. The confirmation date of the Plan of Reorganization was May 15, 2000.
26 7. The effective date of the Plan of Reorganization was May 26, 2000.
27 8. All quarterly fees have been paid to the US Trustee.
28 9. All monthly operating reports have been submitted to the court.

1 C. Summary of Professional Services Performed by PricewaterhouseCoopers by
2 Project

3 Introduction

4 Pursuant to the US Trustee Guidelines, PricewaterhouseCoopers has established
5 several different project billing categories for this bankruptcy proceeding. The following
6 summaries of professional services performed by PricewaterhouseCoopers are set forth by
7 project billing category.

8 1. B160 Fee/Employment Applications. This category includes the preparation of
9 monthly billing statements, court-related fee applications and application to employ
10 PricewaterhouseCoopers. The foregoing services were necessary and conferred a benefit upon
11 the estates because PricewaterhouseCoopers insured that time incurred was beneficial to the
12 estate and any services performed that were not necessary were excluded from this fee
13 application. The foregoing services were also necessary for the reason that
14 PricewaterhouseCoopers could receive court approval of its fee application.

15 This category also includes fees for preparing the May invoice and this fee
16 application that were incurred during the months of June and July 2000. As a result, the amount
17 included for May is \$5,240 higher than was originally presented in the May 2000 invoice.

18 The persons providing services on these matters and the associated fees are
19 summarized in Exhibit "VI" and supporting time detail provided for each individual in Exhibit
20 "VII".

21 2. B240 Tax Compliance PricewaterhouseCoopers, LLP continued to assist the
22 Debtors with their compliance requirements related to the filing of local, state and federal income
23 tax returns and state franchise tax returns. These services were completed in connection with the
24 Debtors obligations to comply with the taxing regulations stipulated by the Internal Revenue
25 Code and Treasury regulations as well as local and state tax laws. Compliance with these
26 regulations is required of all business entities regardless of whether a bankruptcy proceeding is
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1 pending. Further, Boston Chicken, as manager of various investment entities, is required to
2 provide tax information to other investors.

3 The services performed by PricewaterhouseCoopers, LLP relate to Boston Chicken, Inc.
4 and its affiliates, which include nine subsidiaries, fourteen Franchise Area Developers (“FADs”
5 the majority of which are Debtors in this matter), and several other affiliated entities. As shown
6 in Exhibits “VI” and “VII”, fees for tax compliance services were allocated to the following
7 entities:
8

- 9 1. BC Boston, LP
- 10 2. BCBM Southwest, LP
- 11 3. BC Golden Gate, LLC
- 12 4. BC Great Lakes, LLC
- 13 5. BC Heartland, LLC
- 14 6. BC New York, LLC
- 15 7. BC Superior, LLC
- 16 8. BC Tri-State, LLC
- 17 9. BCE West, LLC
- 18 10. Finest Food Service, LLC
- 19 11. Mayfair Partners, LP
- 20 12. Mid-Atlantic Restaurant Systems, Inc.
- 21 13. Platinum Rotisserie, LLC
- 22 14. P&L Food Services, LLC
- 23 15. R&A Food Services, LP
- 24 16. Boston Chicken, Inc., its nine subsidiaries and affiliates

1 17. BC Equity Funding, LLC

2 18. Market Partners, LLC

3 19. General Allocation

4
5 All fees captured in the general allocation are for services that directly benefit all of the
6 entities identified above by numbers 1 through 16.

7 Services performed by PricewaterhouseCoopers, LLP on behalf of the entities identified
8 above by numbers 1 through 11, and 13 through 15, include, but are not limited to, the following:

9
10 1. Continued to review the 1999 trial balance reports to identify transactions that
11 require different treatment for tax purposes than financial reporting purposes.

12 Each individual account was analyzed to identify such transactions (“Trial
13 Balance Analysis”).

14 2. Continued to calculate adjustments to the 1999 financial accounting records in
15 order to reflect the proper tax treatment of transactions identified in the Trial
16 Balance Analysis. Specifically, detailed schedules were prepared for each
17 entity that calculated and summarized the differences between the financial
18 reporting records and the appropriate tax treatment for those transactions
19 identified in the Trial Balance Analysis.

20
21 3. Continued to reconcile the 1999 fixed and intangible asset tax basis to the
22 financial accounting records to ensure proper depreciation/amortization
23 deductions. A schedule was prepared to calculate the tax basis of Fixed
24 Assets as of year-end. The additions and subtractions to Fixed Assets were
25 identified on the Debtor’s schedule of Fixed Assets. These additions and
26 subtractions then were added or subtracted accordingly from the beginning-of-
27
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1 year Fixed Asset balance. This end-of-year Fixed Asset tax basis was
2 compared to the Debtor's tax basis of Fixed Assets on their depreciation
3 system to verify the appropriateness of the tax basis being depreciated.

- 4
- 5 4. Updated Tax Balance Sheets and Section 704(b) Partner Capital Accounts, for
6 each FAD investor, as required by the Internal Revenue Code so that the
7 economic effect of the partner allocations will be tracked. Schedules were
8 updated to allocate income, gain deductions, and losses of the 14 FADs to the
9 partners of these FADs based on the partnership agreements and the
10 requirements of Section 704(b) of the Internal Revenue Code.
- 11
- 12 5. Completed the required 1999 tax forms for federal, state, and local tax returns.
13 Approximately, 95 federal, state, and local tax returns and 97 tax summaries
14 (Schedule K-1) were sent to FAD investors.
- 15
- 16 6. Prepared extension forms requesting an extension of time for the 1999 federal
17 tax returns.
- 18
- 19 7. Analyzed the disposal of assets during the year and calculate the gain/loss
20 realized on the sale of FAD assets in 1999.
- 21
- 22 8. Analyzed prior years' method of allocating Section 704b curative amortization
23 expense, and determined the ability to change such method where beneficial.

24 Services performed by PricewaterhouseCoopers, LLP on behalf of the entities identified
25 above by numbers 12 and 16, include, but are not limited to, the following:

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1. Reviewed 1999 trial balance reports of each subsidiary and affiliate to identify transactions that require different treatment for tax purposes than financial reporting purposes (“Trial Balance Analysis”).
2. Prepared detailed schedules to calculate adjustments to the 1999 financial accounting records in order to reflect the proper tax treatment of transactions identified in the Trial Balance Analysis for each subsidiary and affiliate.
3. Reconciled the 1999 fixed and intangible asset tax basis to the financial accounting records to ensure proper depreciation/amortization deductions for each subsidiary.
4. Prepared nine pro-forma 1999 federal tax returns for the nine subsidiaries of Boston Chicken, Inc.
5. Compiled and organized information related to property, payroll and sales to prepare state apportionment factor schedules related to such information for each subsidiary and affiliate.
6. Prepared forms requesting an extension of time for the filing of 1999 federal and state tax returns.
7. Computed the anticipated 1999 state franchise taxes owed, and submitted payment vouchers to BCI for processing.
8. Analyzed the disposal of assets occurring during 1999, and derive the realized gain/loss on each disposition or exchange.
9. Reflected the write-down and impairment of assets for book purposes as they relate to each corporate entity.

1 The foregoing services were necessary and conferred benefit upon the estates for the
2 reason that the Debtors and their affiliates are required, by law, to comply with the tax
3 regulations promulgated by federal, state and local authorities.

4 The status of the foregoing project is that it is ongoing as required. The persons
5 providing services on these matters and the associated fees are summarized in Exhibit "VI" and
6 supporting time detail provided for each individual in Exhibit "VII".
7

8
9 B245 Tax Consulting. In addition to performing services related to tax compliance,
10 PricewaterhouseCoopers performed additional tax consulting services. The retention agreement
11 stipulates that additional consulting work is defined as any services performed by
12 PricewaterhouseCoopers that is non-recurring in nature. These additional services include
13 research and analysis of any tax issues related to the bankrupt status of the Debtors, as well as
14 unique issues related to specific business transactions or events, whether or not related to the
15 bankruptcy proceeding.
16

17 As with the tax compliance services, the tax consulting services for the time period
18 covered by this fee application were charged to the entities identified above by number as
19 defined in the previous explanation of the tax compliance services. PricewaterhouseCoopers
20 performed research and analysis services on the following matters during the application period
21 on behalf of the Debtors or their affiliates.
22

- 23 1. Researched issues related to the conversion of BCI debt into equity.

24 Computed the resulting cancellation of indebtedness income derived from the
25 conversion of BCI debt into common stock, and the net operating loss
26 attribute reduction pursuant to Section 108(b).
27
28

- 1 2. Discussed BCI tax liability exposure matters with Sidley & Austin in the
2 context of a possible sale of BCI stock.
- 3 3. Researched various FAD tax reporting matters including Section 743 step-up
4 for new partners, special allocation of Section 734 amortization expense,
5 existence and reversal of negative tax capital accounts, and debt reduction and
6 the resulting asset basis adjustment required under Section 734.
- 7 4. Preparation of a summary memorandum for use by FAD investors on taxable
8 income reported in 1999.
- 9 5. Updated schedules that calculate BCI's tax basis in assets at December 26,
10 1999 and projected the tax benefit of a BCI stock sale versus an asset sale.
- 11 6. Continued to assist GE Capital Corporation and their legal counsel to analyze
12 the specific tax consequences associated with a sale of BCI stock as compared
13 to the contemplated sale of assets.

14 The foregoing services were necessary and conferred a benefit upon the estates for the
15 reason that the Debtors and their affiliates receive reliable advice concerning the proper tax
16 treatment of their transactions and any taxable or deductible events that may have accrued during
17 the year.

18 The status of the foregoing project is that it is ongoing as required. The persons
19 providing services on these matters and the associated fees are summarized in Exhibit "VI" and
20 supporting time detail provided for each individual in Exhibit "VII".

21 D. Costs

22 PricewaterhouseCoopers incurred out-of-pocket expenses of \$5,591.52 during the final
23 application period. The majority of costs in this case are attributable to (1) monthly equipment
24

1 rental; (2) transportation; (3) delivery services; and (4) working meals. These expenses are also
2 customarily charged to non-bankruptcy clients.

3 PricewaterhouseCoopers has carefully reviewed all of its expense records and has elected
4 to make certain voluntary reductions to the expenses it is requesting. These reductions resulted
5 from eliminating administrative expenses not deemed allowable by the US Trustee. For this
6 reason, and in a good faith effort to insure that PricewaterhouseCoopers' compensation request
7 represents proper value to the Estates, PricewaterhouseCoopers has eliminated these expenses
8 from our request. Such voluntary expense reductions total \$1,894.50.

9 Net expenses currently requested, therefore, after voluntary reductions are \$3,697.02.

10 The amount PricewaterhouseCoopers has disbursed for actual and necessary expenses in
11 connection with the estate as well as the reduced amount that PricewaterhouseCoopers currently
12 seeks Court approval is detailed in Exhibit "VIII".

13 14 **II. EVALUATING STANDARDS**

15 The fees billed by PricewaterhouseCoopers to the Debtors for the professional
16 services rendered during the Engagement Period total \$2,471,949.20. In accordance with 11
17 U.S.C. § 330, this amount was calculated using the hourly rate for the professionals and
18 paraprofessionals involved.

19 In addition, the provisions of § 330 (a) place a premium on the timeliness of
20 administration of the case. Compensable services must be "performed within a reasonable
21 amount of time commensurate with the complexity, importance and nature of the problem, issue
22 or task addressed." 11 U.S.C. § 330(a)(3)(D).

23 For the time period October 5, 1998 through May 26, 2000,
24 PricewaterhouseCoopers has advised the Debtors and their affiliates in connection with financial
25 matters in the case on an ongoing basis, performed procedures necessary to complete an audit of
26 the financial records and assisted with the timely compliance of tax regulations.
27 PricewaterhouseCoopers has prepared documents concerning the same and has attended
28 conferences, meetings, hearings and made other appearances for and on behalf of the Debtors.

1 PricewaterhouseCoopers has performed numerous accounting and financial consulting services
2 for and on behalf of the Debtors and their affiliates which services are described above and which
3 are itemized in Exhibit "VI" attached hereto. PricewaterhouseCoopers maintains daily time
4 records reflecting the actual and necessary time expended per timekeeper in the performance of
5 the services for which compensation is sought.

6 The results PricewaterhouseCoopers obtained within the time frame of this
7 Application illustrate that PricewaterhouseCoopers:

8 1. Used the skill required to perform the necessary accounting and financial
9 consulting services.

10 2. Provided services necessary to the administration of the case for the benefit of
11 the Debtors and their affiliates; and

12 3. Performed the services within a reasonable amount of time commensurate
13 with the complexity, importance and nature of each task.

14
15 **III. COMPLIANCE WITH SECTION 504 OF THE BANKRUPTCY CODE AND**
16 **BANKRUPTCY RULE 2016**

17 PricewaterhouseCoopers has not entered into any arrangement or agreement with
18 any person or entity with respect to the sharing of fees and expenses for which
19 PricewaterhouseCoopers is seeking compensation and reimbursement as set forth in this
20 Application, except as permitted by Bankruptcy Code §504(b)(1).

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1 **VI. CONCLUSION**

2 WHEREFORE, based upon the foregoing, PricewaterhouseCoopers respectfully
3 requests this Court to enter an Order:

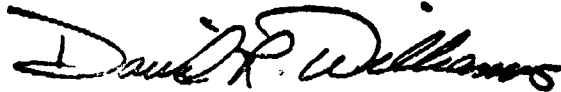
4 1. Approving the Final Application of PricewaterhouseCoopers LLP,
5 Financial Advisors and Certified Public Accountants to the Debtors, for Allowance of
6 Compensation and Reimbursement of Expenses incurred during its entire engagement, and
7 allowing PricewaterhouseCoopers' fees in the sum of **\$2,471,949.20** and costs in the sum of
8 **\$49,413.60** in their entirety. These amounts include fees and expenses incurred during the final
9 application of \$337,359.50 and \$3,697.02 respectively;

10 2. Authorizing and directing payment of such approved fees and costs by the
11 Debtors from any and all available funds;

12 3. Such other and further relief as this Court deems just and proper.

13 Dated this 10th day of July, 2000.

14 PRICEWATERHOUSECOOPERS LLP

15 

16 By _____

17 David R. Williams
18 1670 Broadway
19 Suite 1000
20 Denver, CO 80202

1 **DECLARATION OF DAVID R. WILLIAMS**

2
3 **I, DAVID R. WILLIAMS**, do hereby declare as follows:

- 4 1. I am a partner in the accounting firm of PricewaterhouseCoopers LLP.
5 2. No agreement or understanding was made or exists between PricewaterhouseCoopers LLP
6 and any other person for the sharing of any compensation which may be awarded to
7 PricewaterhouseCoopers LLP herein.
8 3. The fee application will be submitted to the client for review prior to the hearing.

9
10 Dated this 10th day of July, 2000

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13 DAVID R. WILLIAMS
14 PricewaterhouseCoopers LLP
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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