

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

FILED  
UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS

SEP 30 2002

KENNETH S. GARDNER, CLERK  
PS REP. - AR

In re: ) Case no. 01-24795  
)  
COMDISCO, INC. ) (Jointly Administered)  
et al., ) Chapter 11  
)  
Debtors. ) Hon. Ronald Barliant

E O D OCT 01 2002

SECOND AND FINAL FEE APPLICATION OF ROCKWOOD  
GEMINI ADVISORS AS REAL ESTATE ADVISOR  
TO THE DEBTORS FOR ALLOWANCE OF COMPENSATION  
FOR SERVICES RENDERED FOR THE PERIOD  
OF DECEMBER 1, 2001 THROUGH AUGUST 12, 2002

Name of Applicant: Rockwood Gemini Advisors  
Authorized to Provide Professional Services to: Comdisco, Inc.  
Date of Retention: July 16, 2001  
Period for which compensation and reimbursement are sought: December 1, 2001 to August 12, 2002  
Amount of Compensation sought as actual, reasonable and necessary: \$450,000.00  
Total amount of Expense Reimbursement sought as actual, reasonable and necessary: \$0.00  
This is a:  interim  final application  monthly statement.

9776

1. Rockwood Gemini Advisors ("RGA") has been employed to represent Comdisco, Inc. and its domestic and international subsidiaries and affiliates ("Debtor") pursuant to an Order entered by this Court on August 9, 2001. A Final Order Pursuant to 11U.S.C. §§ 327 (a) and 329 Authorizing the Employment and Retention of Rockwood Gemini Advisors as Real Estate Consultant to the Debtors, attached as Exhibit A, authorized RGA to be compensated on a flat fee arrangement and to be reimbursed for actual and necessary out-of-pocket expenses.

2. RGA makes this second and final application for interim allowance of reimbursement of professional fees incurred in the amount of \$450,000.00 for the period commencing December 1, 2001 and ending August 12, 2002 ("Compensation Period"). Of these amounts, RGA has previously submitted monthly billing statements to the Debtors, Counsel to the Debtors, counsel to the Debtors' post-petition lenders, the U.S. Trustee, counsel to the Official Equity Committee and counsel to the Official Creditor's Committee in accordance with the Administrative Order Pursuant to 11 U.S.C. §§ 105 (a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated July 17, 2001 requesting payment of fees in the amount of \$405,000.00, representing 90% of RGA's total fees earned during the Compensation Period and for \$0.00 representing 100% of RGA's expenses incurred during the Interim Period, for a total of \$450,000.00. RGA has received \$0.00 of this amount to date.

3. In rendering its services, as further described below, to the Debtor, RGA has expended 412.50 hours. A summary listing time spent by day for all RGA personal is attached as Exhibit B. RGA has presented the services rendered by naming each person who performed services throughout this interim fee period, the number of hours spent and a description of the work spent overall RGA.

4. Pursuant to the Final Order Pursuant to 11U.S.C. §§ 327 (a) and 329 Authorizing the Employment and Retention of Rockwood Gemini Advisors as Real Estate Consultant to the Debtors and RGA's Retention Agreement dated May 24, 2001 attached as Exhibit C, RGA is entitled to fees for professional services rendered during the Compensation Period in the amount of \$450,000.00.

5. During the Compensation Period, RGA provided the following services to the Debtor:

December 2001 through August 12, 2002

With respect to the Comdisco Real Estate Assets:

- a) Preparation of proprietary financial models for the purpose of valuing the portfolio of fee-hold and leasehold interests in the Comdisco Assets and calculate their value on a property-by-property basis in the current marketplace together with a detailed rejection claim analysis.
- b) Conducting in depth meetings with key Comdisco personnel to discuss valuation potentials and define any operational issues that may affect the valuation of the Comdisco Real Estate Assets.

- c) Review and analyze all pertinent and available documentation and data regarding the Comdisco Real Estate Assets.
- d) Review of market analyses utilizing proprietary databases, public records, GIS systems, internet databases and interaction with local real estate professionals.
- e) Physical inspection of certain of the Comdisco Real Estate Assets, including any improvements to the real estate.
- f) Preparation of detailed financial models for the Comdisco Real Estate Assets including a detailed discussion regarding the underlying assumptions utilized in developing the financial models.
- g) Preparation of comprehensive written reports for the Comdisco Real Estate Assets, including thorough descriptive information of each asset (including photographs and graphics), market data, and all other information necessary for Comdisco to effectively evaluate the Comdisco Real Estate Assets in the marketplace
- h) Prepare and present regular and thorough status reports to Comdisco regarding the execution of the Assignment and attend regular Comdisco staff meetings regarding current real estate issues.
- i) Assisting Comdisco management its real estate affairs on a daily basis.
- j) Attendance at Bankruptcy Court Hearings to assist Comdisco's counsel in its legal affairs regarding the Comdisco Real Estate Assets.

WHEREFORE, RGA respectfully requests that this Court grant an Interim Allowance bc made to it in the sum of \$450,000.00 as compensation of necessary professional services rendered to the Debtor for the period commencing December 1, 2001 and ending on August 12, 2002 and the sum of \$0.00 for reimbursement of actual and necessary expenses incurred during that period, and that such sums be authorized for payment less what has been previously been paid by the Debtor to RGA pursuant to the Administrative Order, and for such other and further relief as this Court deems just and proper.

Respectfully submitted by:  
Rockwood Gemini Advisors

  
\_\_\_\_\_  
By: Michael P. Deighan  
Its: Managing Director

**Exhibit A**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re:	)	Case No. 01-24795
	)	
COMDISCO, INC.	)	(Jointly Administered)
et al.,	)	Chapter 11
	)	
Debtors.	)	Hon. Ronald Barliant

**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 327(a) AND 329  
AUTHORIZING THE EMPLOYMENT AND RETENTION OF  
ROCKWOOD GEMINI ADVISORS AS REAL ESTATE  
CONSULTANT TO THE DEBTORS**

Upon the application (the "Application") of Comdisco, Inc. ("Comdisco") and certain of its subsidiaries and affiliates (the "Affiliate Debtors"), debtors and debtors-in-possession in the above captioned cases (collectively, the "Debtors"), for entry of an order, pursuant to sections 327(a) and 328(a) of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as amended (the "Bankruptcy Code"), authorizing the Debtors to employ and retain Rockwood Gemini Advisors ("Rockwood") nunc pro tunc to the Petition Date; and upon the Affidavit of Norman P. Blake, Jr. in Support of Chapter 11 Petitions and First-Day Orders; and upon the Affidavit and Statement of Michael P. Deighan of Rockwood; and the Court being

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Application hereto.

satisfied with the representations made in the Application and Affidavits that Rockwood represents no interest adverse to any of the Debtors' estates, that Rockwood is disinterested as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, that Rockwood's employment is necessary and would be in the best interests of each of the Debtors' estates; and it appearing that proper and adequate notice has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is granted.
2. Pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, each of the Debtors, as a debtor-in-possession, is authorized to employ and retain Rockwood as real estate consultant under a general retainer nunc pro tunc to the date of commencement of these cases to perform the services set forth in the Application, upon the terms and conditions of the Retention Agreement as modified below.
3. All compensation and reimbursement of expenses (including expenses arising from indemnity claims) to be paid to Rockwood shall be subject to approval of this Court in accordance with the requirements under §§ 330 and 331 of the Bankruptcy Code, the Orders of this Court regarding procedures for professional compensation, and such bankruptcy rules and local rules as may then be applicable;

provided, however, that in light of Rockwood's flat fee arrangement, (i) monthly invoices required pursuant to the interim compensation order entered in these cases need only consist of a brief narrative of the services provided during the previous month (redacted to protect confidential information but otherwise sufficient to describe the services provided) and the amount of any expenses for which reimbursement is sought, and (ii) in interim and final fee applications, a listing of time spent by day by individual Rockwood personnel and a description of the services provided by Rockwood during the application period (redacted to protect confidential information but otherwise sufficient to describe the services provided) may be substituted for detailed individual time entries.

4. All requests of Rockwood for payment of indemnity pursuant to the Retention Agreement arising during the pendency of these Chapter 11 cases shall be made by means of an application (interim or final as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Retention Agreement and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought.

5. The Retention Agreement is further modified to provide that in no event shall Rockwood be indemnified if the Debtor, the estate, or the official committee of unsecured creditors asserts a claim which is determined by a final order of a court of competent jurisdiction to have arisen out of Rockwood's own bad-faith,

self-dealing, breach of fiduciary duty, gross negligence, reckless or willful misconduct, malpractice or ordinary negligence arising from the same.

6. In the event that Rockwood seeks reimbursement for attorneys' fees from the Debtor pursuant to the Retention Agreement, the invoices and supporting time records from such attorneys shall be included in Rockwood's own applications (both interim and final) and such invoices and time records shall be subject to the United States Trustee's guidelines for compensation and reimbursement of expenses and the approval of the Bankruptcy Court under the standard of §§ 330 and 331 of the Bankruptcy Code without regard to whether such attorney has been retained under § 327 of the Bankruptcy Code.

7. Rockwood is authorized to apply its prepetition retainer to pay any fees, charges and disbursements relating to services rendered to the Debtors prior to the Petition Date (as such term is defined in the Application) that remain unpaid as of such date and shall hold the remaining portion of the retainer for application to fees, charges and disbursements relating to services rendered subsequent to the Petition Date.

8. To the extent that this order is inconsistent with any prior order, pleading, or the Retention Agreement with respect to Rockwood, the terms of this order shall govern.

Dated: Chicago, Illinois  
August \_\_, 2001

**ENTERED**

**AUG 09 2001**

**Ronald Barliant Bankruptcy Judge**  
**UNITED STATES BANKRUPTCY COURT**

**UNITED STATES BANKRUPTCY JUDGE**



**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
 In re: Comdisco, Inc. et al

Summary of professional time for the period of December 1, 2001 through March 31, 2002

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	6	4.5	0.5			3	0.5		0.5		15	
		2.5					1				3.5	
									9		9	
							2.5		7		9.5	
											0	
											0	
	3.5					2					5.5	
		1				4	2.5	5	10.5		23	
	4			1	1	8	2.5	4	7		27.5	
	3					2.5	1.5		2.5		9.5	
			0.5			1.5	0.5				2.5	
						6	1				7	
											0	
	3					8.5					11.5	
	6										6	
	8										8	
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	8						5				13	
	1	1	1	1	1	1	3		1		10	
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											0	
<b>Total</b>	<b>43.5</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>36.5</b>	<b>20</b>	<b>9</b>	<b>0</b>	<b>37.5</b>	<b>0</b>	<b>162.5</b>

**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
In re: Comdisco, Inc. et al

												0
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	8					8		4				20
	4.5	0.5				6		2				13
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	5.5											5.5
	11.5					5						16.5
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<b>Total</b>	<b>62</b>	<b>0.5</b>	<b>12.5</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>103</b>



**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
 In re: Comdisco, Inc. et al

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	10										10	
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	3.5										3.5	
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<b>Total</b>	<b>23.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>29.5</b>



**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
 In re: Comdisco, Inc et al

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	2.5		0.5									3
												0
<b>Total</b>	<b>12</b>	<b>0.5</b>	<b>1</b>	<b>0.5</b>	<b>0.5</b>	<b>14.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>



**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
**In re: Comdisco, Inc et al**

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	2.5										2.5
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<b>Total</b>	<b>11.5</b>	<b>0.5</b>	<b>4.5</b>	<b>0</b>	<b>0.5</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>20</b>



**EXHIBIT B**  
**ROCKWOOD GEMINI ADVISORS**  
**In re: Comdisco, In.c et al**

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	0.5			0.5							1
											0
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	1				1			1		0.5	3
											0
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<b>Total</b>	<b>1.5</b>	<b>0</b>	<b>0</b>	<b>0.5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>		<b>4</b>

*Summary of professional time for the period of April 1, 2002 through August 12, 2002:*

<b>Total</b>	<b>5.5</b>										<b>10.5</b>
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**Total hours for the time period of December 1, 2001 through August 12, 2002: 10.5**

**LEGEND**

INITIALS	NAME	TITLE
PB	Paul Boneham	Managing Director
MD	Mike Deighan	Managing Director
WD	Bill Donohue	Managing Director
KD	Kevin Gazely	Managing Director
RH	Rich Hauer	Managing Director
JM	John Magee	Managing Director
DM	Dan McNulty	Managing Director
AF	Aaron Franklin	Vice President
EJ	Ed Jinn	Vice President
CV	Craig Vachris	Vice President
BM	Brendan McCormick	Associate
CS	Craig Szafranski	Associate
RM	Ryan Mollett	Associate