

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re) Chapter 11
)
First Merchants Acceptance Corp.,) Case No. 97-1500 (JJF)
)
Debtor.)

APPLICATION OF J. C. BRADFORD & CO.
FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE CLAIM
FOR REIMBURSEMENT OF COMPENSATION AND EXPENSES PAID FOR
PROFESSIONAL SERVICES RENDERED BY COUNSEL TO J.C. BRADFORD & CO.,
AS CHAIR OF THE OFFICIAL UNSECURED CREDITOR'S COMMITTEE

Pursuant to 11 U.S.C. § 503(b)(4), J. C. Bradford Co., as
the Chair of the Official Unsecured Creditor's Committee
("Applicant"), submits this application for allowance and payment
of an administrative expense claim for reimbursement of
compensation paid for professional services rendered by its
counsel (this "Application") and in support of this Application
states:

1. Commencement and Status of Case. On or about July 11,
1997, a voluntary bankruptcy petition was filed by First
Merchants Acceptance Corporation, the debtor and debtor in
possession in this case ("Debtor"). The Official Unsecured
Creditor's Committee ("Committee") was organized and Applicant
was elected Chair of the Committee.

2. Retention of Counsel. Applicant retained the firm of
Bass, Berry & Sims PLC ("Counsel") to represent it, among other

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things, in connection with the performance of its duties as Chair of the Committee. Applicant retained Counsel prior to the commencement of this case. In fact, Counsel was involved with an effort by Applicant to establish a formal, prepetition committee and assisted Applicant in the organization of the Committee. The compensation for which reimbursement is requested herein is consistent with the terms of the fee arrangement between Applicant and Counsel.

3. Basis for Administrative Expenses Claim. Applicant is a member of a committee appointed under 11 U.S.C. § 1102. As a member of such a committee, Applicant is entitled to an allowed administrative expense claim, under 11 U.S.C. § 503(b)(3)(F), for expenses incurred in the performance of the duties of the Committee. Therefore, Applicant is also entitled to an allowed administrative expense claim, under 11 U.S.C. § 503(b)(4) for compensation to Counsel, in its role representing Applicant in the performance of its duties as a Committee member. Counsel's contribution to this case, on behalf of Applicant, as a member of the Committee, was substantial and enabled Applicant to make a substantial contribution in its role as Chair of the Committee. Pursuant to 11 U.S.C. § 503(b)(4), the compensation sought herein is based on the time, the nature, the extent, and the value of

the services and the cost of comparable services other than in a bankruptcy case. The fees for which reimbursement is requested herein, along with other fees and expenses for which reimbursement is not sought, have already been paid by Applicant or are currently due and outstanding.

4. Application for Compensation and Reimbursement History.

This is Applicant's first application for reimbursement for fees and expenses of Counsel.

5. Billing Summary of Services. During the period covered by this Application, Counsel expended a total 190.05 hours in professional services rendered on behalf of Applicant in its role of Chair of the Committee. The aggregate value of the services for the time period covered by this application totals

\$36,014.25. A summary of the rates, time and value of the services performed by each member and employee of the Counsel firm for the period through March 31, 1998, appears in the detailed time and expense analysis, attached hereto as Exhibit A. The hourly rates applied to each professional covered by this Application are of the type regularly charged to Applicant and to the other clients of Counsel for work of the same type and the rates are based on the customary rates charged for comparably skilled practitioners in cases under Title 11 of the United States Code.

6. Summary of Major Projects and Activities. Counsel attended meetings in Wilmington, Delaware in the early weeks of this case and participated by telephone in numerous conference calls during the period covered by this Application and have produced significant benefits to the estate and general creditors. The major projects and activities may be summarized in more detail as follows:

(a) General Committee Organization and Administration. Counsel advised and assisted Applicant in its organization of the Committee and conducted conferences with and advised the Applicant regarding its duties and responsibilities under the Bankruptcy Code.

(b) Committee Operations Advice. Counsel researched and advised the Applicant regarding various issues concerning its duties and responsibilities under the Bankruptcy Code and assisted the Applicant as the Applicant participated in negotiations to develop a plan that affected substantially all of the assets of the Debtor and resulted in a substantially greater return to the general creditors of this estate than would have been realized under the transaction proposed at the outset by the Debtor.

(c) Resistance of Addition of Substitute Indenture Trustee. Counsel assisted Applicant in resisting the addition of the substitute indenture trustee to the Committee, with the effect that the cost of the Committee to this estate was substantially reduced.

7. Economies and Rendering its Services to the Applicant. Counsel has sought to achieve economies in every way that would not improperly compromise the interest of the estate or the quality of its services to Applicant and Applicant's services to the Committee. For example, time and expenses have been minimized by arranging for attorneys to participate without duplication of effort wherever practicable. Where peer professionals could properly be used, they have been used to the fullest extent in order to avoid unnecessary hourly charges of attorneys. Further, Applicant only seeks reimbursement for services of Counsel that relate to Applicant's role as Chair of the Committee and not for services, for which Applicant has also been billed, that do not relate to such role.

8. Representation Regarding Sharing of Compensation. Counsel has not entered into an agreement with anyone other than members and associates of the Counsel firm for sharing of the compensation for which reimbursement is requested herein.

9. Notice. Pursuant to Rule 2002(a) of the Federal Rules of Bankruptcy Procedure, notice of the hearing on this Application is expected to be sent by the Debtor to the parties required to receive notice pursuant to order of this Court. Furthermore, a copy of this Application, without exhibits, will also be sent to the parties required to receive notice pursuant to order of this Court by U.S. Mail, postage prepaid by counsel for the Committee.

WHEREFORE, Applicant respectfully requests that this Court enter an order approving this Application and allowing Applicant reimbursement of compensation in the amount of \$36,014.25 and that it have such other and further relief as may be appropriate under the circumstances of this case.

Respectfully submitted,

J. C. BRADFORD CORPORATION

BY: JAG
Title: _____

Mr. James H. Graves
J.C. Bradford & Co.
330 Commerce Center
Nashville, TN 37201
Tel: 615-748-9583

EXHIBIT A

SUMMARY OF TIME

ATTORNEY	HOURS	AMOUNT
Lawrence R. Ahern, III	110.00	\$25,330.00
Bob F. Thompson	2.60	650.00
Paul G. Jennings	22.90	3,206.00
Barbara M. Mayden	30.00	5,250.00
Linda Winfree*	1.75	96.25
Elizabeth McGee*	22.80	1,482.00
	190.05	\$36,014.25

DETAIL OF TIME

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/14/97	Research Ugly Duckling; conference with B. Mayden; conference with Winfree regarding filing information; telephone with Flanigan regarding financial information; review first day filings; telephone with Denny at Piper	PGJ	1.60	224.00
07/15/97	Telephone with L. Ahern regarding committee formation and information; telephone with C. Flanagan; conference with B. Mayden; revise JCB letter to noteholders; conference with L. Ahern and B. Mayden; telephone with U.S. Trustee	PGJ	2.60	364.00
07/16/97	Conference call with J. Graves regarding local bankruptcy counsel; conversation with Alesia Ranney-Marinelli at Skadden	BMM	1.25	218.75

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/16/97	Conference with B. Mayden; conference call with Graves Flanagan et al; several calls with B. Mayden regarding local counsel et al	PGJ	1.90	266.00
07/16/97	Telephone conversation with P. Jennings; studied file	LRA	0.90	207.00
07/17/97	Conversations with L. Ahern and P. Jennings; review of correspondence	BMM	2.25	393.75
07/17/97	Conversations with L. Ahern Conference with L. Ahern; conference with L. Ahern and B. Mayden; several calls to debtor's counsel, US Trustee	PGJ	4.80	672.00
07/17/97	Prepare internet request to Parinet and review return answer	LW*	0.50	27.50
07/17/97	Calls to Debtor's attorney; call to local counsel; call U.S. Trustee; telephone conversation with client; identified insolvency accountants; discussions with P. Jennings and B. Mayden regarding status and strategy issues; drafted letter to Debtor's counsel; drafted letter to U.S. Trustee; telephone conversation with P. Sheppard; telephone conversations with local counsel	LRA	6.50	1,495.00
07/18/97	Conversations with L. Ahern, P. Jennings and C. Flanagan; review of letters	BMM	1.75	306.25
07/18/97	Telephone call to Parinet regarding information received; search Pacer for docket and print information; conference with Larry Ahern regarding same	LW*	0.75	41.25
07/18/97	Conference with L. Ahern and B. Mayden; conference call with same to Flanagan; telephone with A. Marinelli regarding representation and status of case	PGJ	3.60	504.00

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/18/97	Telephone conversations regarding strategy with local counsel and client; worked on request for notices; letters to counsel for Debtor and counsel to for U.S. Trustee	LRA	2.10	483.00
07/19/97	Conference with L. Ahern	PGJ	0.30	42.00
07/19/97	Discussions with P. Jennings; legal research; studied file; worked on notices; worked on letters to Debtor's attorney and U.S. Trustee; telephone conversation with C. Flannagan	LRA	3.10	713.00
07/20/97	Studied documents and drafted letters regarding First Merchants	LRA	1.00	230.00
07/21/97	Conference with L. Ahern; conference with L. Ahern and B. Mayden; telephone with A. Marinelli	PGJ	1.30	182.00
07/21/97	Conversation with L. Ahern, P. Jennings and Mr. Denney; transmittal to Ms. Marinelli	BMM	3.00	525.00
07/21/97	Studied information concerning First Merchants; scheduling in chapter 11 case; telephone conversations regarding anticipated events of week	LRA	1.90	437.00
07/22/97	Review DIP pleadings; conference with B. Mayden; telephone with Marinelli; conference with B. Thompson, B. Mayden and L. Ahern; conference call to Marinelli	PGJ	1.90	266.00
07/22/97	Conversation with C. Flanagan; conversations with L. Ahern, P. Jennings and B. Thompson; phone conversation with Ms. Marinelli	BMM	2.75	481.25

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/22/97	Studied documents from court file; telephone conversations with C. Flannagan; telephone conversations regarding strategy meeting; telephone conversations with local counsel; telephone conversations regarding accountant in Chicago; meeting with B. Thompson, B. Mayden and P. Jennings; worked on major issues (prepared to counter); response to holder regarding Thursday meeting; planning for creditors meeting)	LRA	4.10	943.00
07/22/97	Receipt and review of federal express from Parinet with bankruptcy documents; copy documents for Paul Jennings and Barbara Mayden	LW*	0.50	27.50
07/23/97	Conversations with L. Ahern, Mr. Gallardi and B. Thompson	BMM	0.75	131.25
07/23/97	Telephone conference with Larry Ahern; review material on bankruptcy court filings	BFT	1.50	375.00
07/23/97	Telephone conference with Larry Ahern; review material on bankruptcy court filings	LRA	3.40	782.00
07/23/97	Conference with L. Ahern; telephone with Marinelli	PGJ	0.60	84.00
07/24/97	Studied bankruptcy filings; discussions with B. Mayden; prepared for trip to Wilmington	LRA	1.90	437.00
07/25/97	Conversations with L. Ahern, B. Thompson, Mr. Gallardi, C. Flanagan; preparation for meeting in Wilmington; conference call me Ms. Marinelli and Mr. Gallardi	BMM	3.25	568.75

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/25/97	Telephone conversations regarding scheduling of weekend conference call and travel to Wilmington; telephone conversations with Barbara Maiden and Bob Thompson; conference call with clients regarding preparation for organizational meeting of creditors committee; study file and prepare for trip.	LRA	4.50	1,035.00
07/26/97	Telephone conversations regarding scheduling of conference call; study documents.	LRA	0.90	207.00
07/27/97	Preparation for conference call; conference call	BMM	4.00	700.00
07/27/97	Study motion of debtor and banks; prepare for conference calls; participate in conference calls with clients and local counsel and other underwriters; late call from local counsel regarding preparation for organizational meeting of creditors committee.	LRA	3.10	713.00
07/28/97	Travel to Wilmington; studied documents during flight to; attendance at hearing	BMM	9.50	1,662.50

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/28/97	Study documents; discussions with Barbara Mayden; prepare on flight to Philadelphia; discussion of status of case and strategic issues with client and other creditors during drive to Wilmington; attend meetings with clients, local counsel and other creditors in preparation for organizational meeting of creditors committee; attend organizational meeting at United States Trustees office; attend initial meeting of creditors committee after organization and discussions with prospective counsel for creditors committee; discussions with clients and other creditors during drive to Philadelphia airport; study documents during return flight to Nashville.	LRA	10.90	2,507.00
07/28/97	Travel time to and from Philadelphia.	LRA	3.00	690.00
07/29/97	Conference call	BMM	1.00	175.00
07/29/97	Conference with Barbara Mayden	BFT	0.50	125.00
07/29/97	Telephone conversations with clients and committee counsel and local counsel.	LRA	1.10	253.00
07/30/97	Telephone conversations	BMM	0.50	87.50
07/30/97	Conference call with client and committee members and new committee counsel; study file	LRA	2.50	575.00
07/31/97	Conference calls with clients; work on documents; attempt to call prospective accountant	LRA	1.90	437.00
08/01/97	Studied documents; drafted letter to D. Stratton regarding UCC search; drafted letter to C. Flannagan	LRA	1.10	253.00
08/03/97	Telephone conversations regarding upcoming events	LRA	0.50	115.00

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
08/05/97	Work with Cyntia Guthy on new file and pleadings organization; search PACER docket for information	EWM*	1.50	97.50
08/11/97	Telephone conversation with C. Flannagan; telephone conversation with local counsel; studied file; worked on documents	LRA	1.10	253.00
08/12/97	Telephone conversations with G. Galardi, B. Mayden and C. Flannagan; studied documents regarding miscellaneous issues	LRA	1.10	253.00
08/13/97	Update PACER docket; work on pleadings book and index	EWM*	2.00	130.00
08/14/97	Work on pleadings book	EWM*	1.00	65.00
08/14/97	Worked on motion for pro hac vice	LRA	0.50	115.00
08/21/97	Telephone conversation with D. Stratton; telephone conversation with C. Flannagan regarding hearing preparation and possibility of third plan	LRA	0.80	184.00
08/21/97	Telephone conversation with C. Flannagan; studied file	LRA	0.40	92.00
08/22/97	Drafted letter to J. Graves and P. Sheppard with copy to C. Flannagan regarding issues for negotiation	LRA	1.10	253.00
09/07/97	Search and retrieve PACER docket; work on pleadings organization	EWM*	6.00	390.00
09/07/97	Telephone calls regarding scheduling of creditors committee conference call and participation by Paul Jennings	LRA	0.80	184.00
09/08/97	Review filing; prepare for and participate in committee conference call	PGJ	3.50	490.00
09/09/97	Receipt and review pleadings; copy and distribute same; docket items on group calendar	EWM*	0.80	52.00

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
09/09/97	Conference with L. Ahern	PGJ	0.40	56.00
09/09/97	Discussions regarding creditors committee; studied file	LRA	0.90	207.00
09/10/97	Conference with LA	BFT	0.60	150.00
09/10/97	Conference with L. Ahern	PGJ	0.40	56.00
09/15/97	Prepared for and participated in conference call with Greg Galardi and Chris Flannagan	LRA	0.70	161.00
09/15/97	Prepared for and participated in call with creditors committee	LRA	2.70	621.00
09/22/97	Prepared for and participated in conference call with creditors committee	LRA	2.50	575.00
09/05/97	Work on pleadings organization	EWM*	3.30	214.50
09/12/97	Work on First Merchants pleadings	EWM*	1.80	117.00
09/16/97	Copy and distribute affidavits of Rupp and others, notice of appearance of Northwood Lincoln-Mercury, motion to fund post-petition expenses, motion to approve sale of origination centers, notice of amended motion approving sale, notice of section 365 payment, motion for order to fix date for proofs of claim, response and objection to motion to sell bank group; work on pleadings	EWM*	2.00	130.00
09/17/97	Conference with Larry Ahern regarding hearings on September 22; search and review documents for information; prepare memo to attorney	EWM*	1.50	97.50
09/19/97	Receipt and review pleadings; arrange hand delivery of items; copy and distribute pleadings	EWM*	0.70	45.50
09/23/97	Receipt and review pleadings; copy and distribute; docket items on calendar	EWM*	1.00	65.00

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
09/24/97	Receipt and review schedules and other pleadings; copy and distribute; docket items on calendar	EWM*	1.20	78.00
09/29/97	Telephone conversation regarding creditors committee meeting; prepared for meeting; telephone conversations with committee counsel and client; legal research regarding discovery strategy	LRA	1.90	437.00
10/02/97	Prepared for and participated in conference call with creditors committee	LRA	2.90	667.00
10/08/97	Prepared for and participated in conference call	LRA	2.90	667.00
10/13/97	Prepared for and participated in conference call	LRA	2.70	621.00
10/20/97	Prepared for and participated in conference call	LRA	2.90	667.00
10/20/97	Research regarding claim issues	LRA	1.10	253.00
10/21/97	Telephone conversations regarding claims preparation	LRA	1.10	253.00
10/21/97	Research; prepared for claim preparation	LRA	0.60	138.00
10/24/97	Telephone conversations with Christine Flanagan and Dan Alcott; prepared for and participated in conference call with Committee; studied materials related to claim	LRA	3.90	897.00
10/31/97	Telephone conversations; studied documents regarding claim issues	LRA	2.00	460.00
11/03/97	Telephone conversations, letters and documents regarding First Merchants claims	LRA	1.90	437.00

DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
11/04/97	Worked on claims; telephone conversations with underwriters and counsel; telephone conversations with committee counsel and debtor's counsel regarding bar date extension	LRA	3.10	713.00
11/05/97	Telephone conversations and worked on claim; discussions regarding claim procedure and bar date	LRA	2.30	529.00
11/06/97	Telephone conversations with David Stratton and other counsel regarding bar date	LRA	0.90	207.00
11/07/97	Conference calls regarding bar date	LRA	1.90	437.00
11/17/97	Prepared for and participated in conference call with creditors, committee; telephone conversations with Bob Richards and Chris Flanagan regarding claims; studied final news release	LRA	3.10	713.00
12/11/97	Telephone conversations; studied equity schedule; drafted letter to Chris Flanagan; telephone conversations regarding equity security holders claims	LRA	1.50	345.00
12/16/97	Prepared for and participated in conference call with Creditors Committee regarding plan and the U.S. Trustee	LRA	1.50	345.00
12/09/97	Telephone conversation with Chris Flanagan regarding new claim questions; telephone conversation regarding shareholders; studied schedules	LRA	1.30	299.00
12/30/97	Telephone conversations with Tammy Woods regarding claims	LRA	0.50	115.00
02/20/98	Prepared for and participated in conference call	LRA	2.00	480.00
02/23/98	Prepared for and participated in conference call	LRA	1.00	240.00
			190.05	\$36,014.25

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