

UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEW JERSEY

ATTORNEY FEE APPLICATION COVER SHEET

IN RE: The Grand Union Company APPLICANT: Weil, Gotshal & Manges LLP  
 CASE NO.: 98-27912 (NW) CLIENT: The Grand Union Company  
 CHAPTER: 11 CASE FILED: June 24, 1998

COMPLETION OF THIS FORM CONSTITUTES A CERTIFICATION  
 UNDER PENALTY OF PERJURY. RETENTION ORDERS ATTACHED

*Judy G. Z. Liu*  
 Judy G. Z. Liu, Esq.

9/14/98  
 DATE

SECTION I  
 FEE SUMMARY

**FILED**  
 JAMES J. WALDRON, CLERK  
 SEP 15 1998  
 U.S. BANKRUPTCY COURT  
 NEWARK, N.J.  
 BY *[Signature]* DEPUTY

**FINAL FEE APPLICATION FOR THE PERIOD  
 JUNE 24, 1998 THROUGH AUGUST 5, 1998**

TOTAL PREVIOUS FEES INCURRED: \$ N/A  
 TOTAL FEES ALLOWED TO DATE: \$ N/A  
 TOTAL RETAINER (IF APPLICABLE): \$ 400,000 (Retainer Fee For Professional Fees)  
 \$ 50,000 (Advance Against Expenses)  
 TOTAL HOLDBACK (IF APPLICABLE): \$ N/A  
 TOTAL RECEIVED BY APPLICANT: \$ N/A

NAME OF PROFESSIONAL AND TITLE	YEAR ADMITTED	HOURS	RATE	FEE
1. Harvey R. Miller (Partner)	1959	.40	\$550.00	\$220.00
2. Ted S. Waksman (Partner)	1974	34.90	540.00	18,846.00
3. Jeffrey L. Tanenbaum (Partner)	1977	104.90	540.00	56,646.00
4. Mary Jean M. Potenzzone (Partner)	1981	3.50	515.00*	1,802.50
		2.10	490.00	1,029.00
5. Alan A. Lascher (Partner)	1967	38.50	500.00	19,250.00

\*. Reflects a billing rate change effective as of July 1, 1998.

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Exhibit A-2

SERVICES RENDERED BY WEIL, GOTSHAL & MANGES LLP  
FOR THE PERIOD COMMENCING JUNE 24, 1998 THROUGH AUGUST 5, 1998

ASSOCIATES	DEPT.	YEAR ADMITTED	RATE	HOURS	AMOUNT
BASTA, PAUL M.	B	1993	315.00*	166.20	52,353.00
			305.00	34.20	10,431.00
ROSE, SCOTT B.	C	1996	270.00*	46.10	12,447.00
			240.00	11.60	2,784.00
ROSAN, SHELLIE D.	R	1997	240.00*	81.50	19,560.00
			210.00	3.40	714.00
GLASBAND, MELISSA I.	B	1998	210.00*	152.80	32,088.00
			150.00	25.20	3,780.00
ELKIN, MATTHEW	A		130.00	14.70	1,911.00
GOTTLIEB, BRIAN	A		130.00	11.50	1,495.00
LAZARRE, NICOLAINE	A		130.00	4.40	572.00
SELTZER, WENDY	A		130.00	<u>20.00</u>	<u>2,600.00</u>
TOTAL				571.60	\$140,735.00

B - Business Finance and Restructuring    C - Corporate    R - Real Estate  
 T - Tax/ERISA    A - Summer Associate

\* Reflects billing rate change as of July 1, 1998.

Exhibit A-3

SERVICES RENDERED BY WEIL, GOTSHAL & MANGES LLP  
FOR THE PERIOD COMMENCING JUNE 24, 1998 THROUGH AUGUST 5, 1998

PARAPROFESSIONALS AND CLERKS	DEPT.	RATE	HOURS	AMOUNT
TOMPKINS, JUDITH	R	105.00	19.20	2,016.00
SCHELL, PETER	R	105.00	44.80	4,704.00
FOSKEY, TIFFANY	C	105.00	1.50	157.50
LEE, KATHLEEN	B	95.00	112.20	10,659.00
SAFRAN, DANIEL	B	95.00	7.50	712.50
DIAZ, IRIS	B	65.00	19.00	1,235.00
WILMER, ANDREA	B	65.00	3.00	195.00
TOTAL PARAPROFESSIONAL			207.20	\$19,679.00
TOTAL PARTNER			323.60	\$161,871.50
TOTAL ASSOCIATE			571.60	\$140,735.00
TOTAL FIRM			1,102.40	\$322,285.50

B - Business Finance and Restructuring      C - Corporate      R - Real Estate

SERVICES RENDERED BY WEIL, GOTSHAL & MANGES LLP  
FOR THE PERIOD COMMENCING JUNE 24, 1998 THROUGH AUGUST 5, 1998

PARTNERS	DEPT.	YEAR ADMITTED	RATE	HOURS	AMOUNT
MILLER, HARVEY R.	B	1959	550.00	.40	\$ 220.00
WAKSMAN, TED S.	C	1974	540.00	34.90	18,846.00
TANENBAUM, JEFFREY L.	B	1977	540.00	104.90	56,646.00
POTENZONE, MARY JEAN	T	1981	515.00*	3.50	1,802.50
			490.00	2.10	1,029.00
LASCHER, ALAN A.	R	1967	500.00	38.50	19,250.00
LIU, JUDY GZ.	B	1981	460.00	<u>139.30</u>	<u>64,078.00</u>
TOTAL				323.60	\$161,871.50

B - Business Finance and Restructuring      C - Corporate      R - Real Estate  
 T - Tax/ERISA

\* Reflects billing rate change as of July 1, 1998.

NAME OF PROFESSIONAL AND TITLE	YEAR ADMITTED	HOURS	RATE	FEE
6. Judy GZ. Liu (Partner)	1981	139.30	460.00	64,078.00
7. Paul M. Basta (Associate)	1993	166.20	315.00*	52,353.00
		34.20	305.00	10,431.00
8. Scott B. Rose (Associate)	1996	46.10	270.00*	12,447.00
		11.60	240.00	2,784.00
9. Shellie D. Rosan (Associate)	1997	81.50	240.00*	19,560.00
		3.40	210.00	714.00
10. Melissa I. Glasband (Associate)	1998	152.80	210.00*	32,088.00
		25.20	150.00	3,780.00
11. Matthew Elkin (Summer Associate)	N/A	14.70	130.00	1,911.00
12. Brian Gottlieb (Summer Associate)	N/A	11.50	130.00	1,495.00
13. Nicolaine Lazarre (Summer Associate)	N/A	4.40	130.00	572.00
14. Wendy Seltzer (Summer Associate)	N/A	20.00	130.00	2,600.00
15. Judith Tompkins (Paralegal)	N/A	19.20	105.00	2,016.00
16. Peter Schell (Paralegal)	N/A	44.80	105.00	4,704.00
17. Tiffany Foskey (Paralegal)	N/A	1.50	105.00	157.50
18. Kathleen Lee (Paralegal)	N/A	112.20	95.00	10,659.00
19. Daniel Safran (Paralegal)	N/A	7.50	95.00	712.50
20. Iris Diaz (Paralegal Clerk)	N/A	19.00	65.00	1,235.00
21. Andrea Wilmer (Paralegal Clerk)	N/A	3.00	65.00	195.00

FEE TOTAL - PAGE 3	\$322,285.50
DISBURSEMENT TOTALS - PAGE 4	\$ 16,084.28
TOTAL FEE APPLICATION	\$338,369.78

\* Reflects a billing rate change effective as of July 1, 1998.

SECTION II  
 SUMMARY OF SERVICES

	HOURS	VALUE
(a) Telephone Calls	60.00	\$19,109.50
(b) Correspondence Drafted	6.60	2,268.50
(c) Correspondence Reviewed	4.20	1,639.50
(d) Legal Research	32.80	4,831.00
(e) Court Appearances	34.30	11,621.00
(f) Preparation of Pleadings & Briefs	44.10	12,921.50
(g) Internal Office Meetings:		
(1) solely w/applicant's staff	7.10	2,381.00
(2) third party conferences	3.10	945.50
Total for (g):	10.20	3,326.50
(h) Out of Office Meetings	5.00	1,350.00
(i) Review of File	8.50	1,967.00
(j) Other Services/General Administrative Matters	16.20	6,090.00
(k) General Business Operations	20.50	6,647.50
(l) Schedules	12.00	4,363.00
(m) Confirmation Preparation	328.20	106,608.50
(n) Confirmation Hearing	31.40	12,381.00
(o) DIP Hearing	93.70	29,623.00
(p) Exit Financing	56.30	27,264.50
(q) U.S. Trustee	47.80	18,494.50
(r) Real Estate Issues	170.70	38,060.00
(s) Personal Injury/Other Litigation	4.80	1,981.00
(t) Document Management	115.10	11,738.00
<b>SERVICE TOTALS:</b>	<b>1,102.40</b>	<b>\$322,285.50</b>

SECTION III  
SUMMARY OF DISBURSEMENTS

(a) Telephone	\$ 1,209.09
(b) Messenger Service	462.15
(c) Photocopying	7,248.40
(d) Travel	749.99
(e) Postage	444.66
(g) Computerized Research	716.22
(h) Word Processing/Secretaries	1,392.00
(i) Food Service	162.03
(j) Overnight Couriers	1,426.85
(k) Other Client Charges	134.39
(l) Facsimile (Outgoing)	890.00
(m) Newswatch & Clipping Service	170.00
(n) Corporation Service	1,078.50
DISBURSEMENTS TOTAL:	\$16,084.28

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SECTION IV  
CASE HISTORY

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(Note: Items 3 - 6 are not applicable to  
application under 11 U.S.C. §506)

1. DATE CASE FILED: June 24, 1998.
2. CHAPTER UNDER WHICH CASE COMMENCED: Chapter 11
3. DATE OF RETENTION: June 24, 1998.  
(ANNEX COPY OF ORDER(S))  
IF LIMIT ON NUMBER OF HOURS OR OTHER LIMITATIONS TO RETENTION SET FORTH:  
N/A
4. SUMMARIZE IN BRIEF THE BENEFITS TO THE ESTATE AND ATTACH SUPPLEMENTS AS NEEDED:  
  
Rendered professional services in connection with prosecution of prepackaged chapter 11 case. See narrative portion of fee application annexed hereto.
5. ANTICIPATED DISTRIBUTION TO CREDITORS:  
  
(A) ADMINISTRATION EXPENSES: Paid in Full.  
(B) SECURED CREDITORS: Paid in Full.  
(C) PRIORITY CREDITORS: Paid in Full.  
(D) GENERAL UNSECURED CREDITORS: Paid in Full (other than Noteholders, who consented to treatment proposed under the plan.
6. FINAL DISPOSITION OF CASE AND PERCENTAGE OF DIVIDEND PAID TO CREDITOR (IF APPLICABLE): Confirmed August 5, 1998. Consummated August 17, 1998. Distributions made as set forth in item 5 above.



**FILED**  
**JAMES J. WALDRON**

JUN 24 1998

U.S. BANKRUPTCY COURT  
NEWARK, NJ

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

BY  DEPUTY

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In re	:	Chapter 11 Case No.
THE GRAND UNION COMPANY,	:	98 - <i>27912 MW</i>
Debtor.	:	Hearing Date: June <i>24</i> , 1998

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**ORDER PURSUANT TO SECTION 327(a) OF THE  
BANKRUPTCY CODE AUTHORIZING THE EMPLOYMENT OF  
WEIL, GOTSHAL & MANGES LLP AS ATTORNEYS FOR THE DEBTOR**

Upon the application dated June 24, 1998 (the "Application") of The Grand Union Company, as debtor and debtor in possession (the "Debtor"), for an order pursuant to section 327(a) of title 11 of the United States Code (the "Bankruptcy Code") approving the employment of Weil, Gotshal & Manges LLP ("WG&M") as its attorneys under a general retainer; and upon the affidavit of Judy G.Z. Liu, a member of the firm of WG&M, sworn to the 24<sup>th</sup> day of June 1998 (the "Liu Affidavit"); and it appearing that the members and associates of WG&M who will be engaged in this case are contemporaneously requesting admission pro hac vice to practice before this Court in this chapter 11 case; and the Court being satisfied, based on the representations made in the Application and the Liu Affidavit, that WG&M represents or holds no interest adverse to the Debtor or to its estate as to the matters upon which it is to be engaged and is disinterested under section 101(14) of the Bank-

ruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that the employment of WG&M is necessary and would be in the best interest of the Debtor and its estate; and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that the relief requested by the Application is necessary and in the best interests of the Debtor, its estate, and its creditors; and due notice of the Application having been given to (i) the Office of the United States Trustee for the District of New Jersey, (ii) the attorneys for the Debtor's prepetition and proposed postpetition lending group, (iii) the attorneys for the Steering Committee (as defined in the Application), (iv) the trustee under the indenture governing the Debtor's debt securities, and (v) the attorneys for the Preferred Stockholders (as defined in the Application) and it appearing that no other or further notice need be given; and sufficient cause appearing therefor;

It Is On This 24<sup>th</sup> Day of June, 1998,

ORDERED that, pursuant to section 327(a) of the Bankruptcy Code, the Debtor, as debtor in possession, is authorized to employ and retain WG&M as its attorneys under a general retainer effective as of the commencement of this case; and it is further

ORDERED that WG&M shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable

Federal Rules of Bankruptcy Procedure, local rules of the Court, and such procedures as may be fixed by order of this Court.

ORDERED that service of the Application as provided therein shall be deemed good and sufficient notice of such Application; and it is further

ORDERED that the requirement under D.N.J. LBR 9013-2 for the filing of a memorandum of law be, and it hereby is waived.

**NOVA LYN L. WINFIELD**

United States Bankruptcy Judge

WEIL, GOTSHAL & MANGES LLP  
Co-Attorneys for The Grand Union Company  
767 Fifth Avenue  
New York, New York 10153  
(212) 310-8000  
Jeffrey L. Tanenbaum, Esq. (JT 9797)  
Judy G.Z. Liu, Esq. (JL 6449)

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

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In re	:	Chapter 11 Case No.
		98 - 27912 (NW)
THE GRAND UNION COMPANY,	:	
Debtor.	:	Hearing Date: October 14,
		1998

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APPLICATION OF WEIL, GOTSHAL & MANGES LLP AS  
ATTORNEYS FOR THE GRAND UNION COMPANY,  
FOR ALLOWANCE OF FINAL COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED FROM JUNE 24, 1998 THROUGH AND INCLUDING  
AUGUST 5, 1998 AND FOR REIMBURSEMENT OF RELATED EXPENSES,  
PURSUANT TO SECTION 330 OF THE BANKRUPTCY CODE  
AND RULE 2016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE

TO THE HONORABLE NOVALYN L. WINFIELD,  
UNITED STATES BANKRUPTCY JUDGE:

Weil, Gotshal & Manges LLP ("WG&M"), as co-attorneys for The  
Grand Union Company ("Grand Union" or the "Debtor"), as debtor and debtor in

possession, for its application for allowance of final compensation for professional services rendered from June 24, 1998 through and including August 5, 1998 (the "Compensation Period"), and for reimbursement of its actual and necessary expenses incurred with respect to such services (the "Application"), respectfully represents:

FEES AND EXPENSES FOR WHICH ALLOWANCE IS SOUGHT

1. WG&M is a partnership (which includes professional corporations) engaged in the general practice of law. This Application is made by WG&M pursuant to section 330 of title 11, United States Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and the Order of this Court, dated June 24, 1998, approving the retention of WG&M as co-attorneys for the Debtor, for an allowance of final compensation for professional services rendered to Grand Union for the Compensation Period, in the aggregate amount of \$322,285.50 and for reimbursement of expenses incurred in connection with the rendition of such services in the aggregate amount of \$16,084.28.<sup>1</sup>

2. The fees charged by WG&M in this case have been billed in accordance with existing billing rates and procedures in effect during the Compensation Period. The rates charged by WG&M for the services rendered by its professionals and paraprofessionals in this chapter 11 case are the same rates that

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1. Prior to the commencement of this chapter 11 case, Grand Union paid WG&M a retainer fee and an advance against expenses for services to be performed in the preparation for and prosecution of this chapter 11 case, in the sum of \$400,000 and \$50,000, respectively, which will be applied to such postpetition allowances of compensation and reimbursement of expenses as may be granted by the Court.

WG&M charges for professional and paraprofessional services rendered in comparable nonbankruptcy related matters. Such fees are reasonable in light of the customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

3. During the Compensation Period, WG&M attorneys and paraprofessionals expended a total of 895.20 hours and 207.20 hours, respectively. A schedule setting forth the number of hours expended by partners, associates, and paraprofessionals of WG&M who rendered services to Grand Union, their respective hourly rates, and the year in which each WG&M attorney was admitted and licensed to practice is annexed hereto as Exhibit "A." A schedule specifying the type of expenses for which WG&M is seeking reimbursement and the total amount for each category is annexed hereto as Exhibit "B."

4. Attorneys and paraprofessionals at WG&M maintain itemized records of time expended in connection with the rendition of professional services on a contemporaneous basis. A copy of such time records for the Compensation Period is annexed hereto as Exhibit "C."

#### BACKGROUND

5. On June 24, 1998 (the "Commencement Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Commencement Date, the Debtor has continued to operate its business and manage its

properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. Grand Union, a publicly held company, operates 222 retail food stores in six northeastern states: New York, Vermont, New Jersey, Connecticut, New Hampshire, and Pennsylvania. Since its inception in 1872, Grand Union has grown to be one of the largest grocery-store chains in the Northeast, with a name-brand recognized for quality and value throughout the region. Grand Union's supermarkets offer a wide selection of national brand and private label grocery and general merchandise products, as well as high-quality perishables and service departments.

7. As of the Commencement Date, Grand Union employed approximately 15,000 employees, of whom approximately 67% are employed on a part-time basis. Approximately 50% of the Debtor's employees are covered by 12 collective bargaining agreements.

8. Prior to the Commencement Date, Grand Union engaged in extensive negotiations with an unofficial committee of holders of in excess of 48% in aggregate principal amount of its 12% notes (as individual noteholders, the "Noteholders," and as an unofficial committee, the "Steering Committee") and the holders of Grand Union's preferred stock (the "Preferred Stockholders"), regarding the terms of a proposed financial restructuring for Grand Union, to be implemented through a "prepackaged" chapter 11 case. The final proposal, as agreed to by the

parties, is embodied in the now confirmed plan of reorganization (the "Plan") and described in detail in the related disclosure statement (the "Disclosure Statement"), each of which was filed with this Court contemporaneously with the commencement of this chapter 11 case. In reliance upon section 3(a)(9) of the Securities Act of 1933, as amended, the Debtor solicited prior to the Commencement Date a vote of its Noteholders and its Preferred Stockholders for acceptance or rejection of the Plan. Notably, the Noteholders and the Preferred Stockholders who cast ballots pursuant to the solicitation voted overwhelmingly in favor of the Plan, which was accepted in accordance with the requirements set forth in section 1126 of the Bankruptcy Code.

9. The principal purpose of the Plan was to effect a necessary restructuring of the Debtor's financial obligations in order to enhance its financial condition. The confirmed Plan provides that the obligations arising under the approximately \$172 million debtor-in-possession loan (the "DIP Loan") provided by Swiss Bank Corporation ("Swiss Bank") and Lehman Commercial Paper, Inc. ("Lehman"), approved by this Court on July 9, 1998, would be satisfied with the proceeds of a new \$300 million post-chapter 11 working capital facility (the "Exit Facility"). The Exit Facility provided by Swiss Bank and Lehman closed on August 17, 1998. Pursuant to the Plan, Grand Union's remaining obligations to the existing bank group were rendered unimpaired. The confirmed Plan reinstated and rendered unimpaired all other secured claims and left unimpaired all general unsecured claims, with the exception of the claims held by the Noteholders. Pursuant to an agreement



in principle dated March 30, 1998, entered into between Grand Union and the members of the Steering Committee, the Noteholders' claims, in the aggregate principal amount of approximately \$600 million, were converted into 100% of the initial shares of the new common stock issued by the reorganized Grand Union.

10. Under the Plan, the Preferred Stockholders each received, in exchange for their existing preferred stock interests, their pro rata share of (i) five-year warrants to purchase approximately 10.5% in the aggregate of new common stock at an exercise price of \$19.82 per share, (ii) five-year warrants to purchase approximately 2.5% in the aggregate of new common stock at an exercise price of \$23.15 per share and (iii) four-year warrants to purchase approximately 1% in the aggregate of new common stock at an exercise price of \$12.32 per share. Existing common stockholders received five-year warrants to purchase approximately 1.5% in the aggregate of new common stock at an exercise price of \$19.82 per share, by consent of the Noteholders and the Preferred Stockholders (evidenced by their votes to accept the Plan).

11. On August 5, 1998, this Court entered an order confirming the Plan. The Plan was substantially consummated on August 17, 1998.

#### RETENTION OF WG&M

12. Pursuant to an order of this Court date June 24, 1998, the Debtor was authorized to retain WG&M as its co-attorneys, under a general retainer, to render legal services in connection with the prosecution of this chapter 11 case. By

order dated June 24, 1998, the Court also approved the employment and retention of Ravin, Greenberg & Marks, P.A. ("RG&M") as co-attorneys for the Debtor.

WG&M and RG&M have divided responsibilities regarding representation of the Debtor and have made every effort to avoid unnecessary duplication of efforts in this case.

13. As described more fully below, this chapter 11 case has required expenditure of substantial amounts of time and effort on the part of the members, associates, and paraprofessionals of WG&M in furtherance of WG&M's professional responsibilities to its clients and on behalf of the Debtor's estate.

14. While numerous attorneys at WG&M have performed services on behalf of the Debtor within their specialized areas of expertise, the majority of services has been performed by members and associates of WG&M's Business Finance and Restructuring Department. WG&M has a preeminent practice in this area and enjoys a national reputation for its expertise in financial and bankruptcy reorganizations and restructurings, with over forty attorneys specializing in this area of practice. The department head is Harvey R. Miller, an attorney who has taught, lectured, and written extensively in this field. WG&M has been actively involved in major bankruptcy and reorganization cases, including the representation of the trustees in Stratton Oakmont, Inc., W.T. Grant Company and Investors Funding Corporation, the debtors in "prepackaged" chapter 11 cases, including JPS Textile Group, Inc., MB Holdings, Inc., Consolidated Hydro, Inc., the debtors in PWS Holding

Corporation (Bruno's Inc.), Edison Brothers Stores, Inc., In-Flight Phone Corporation, F&M Distributors, Inc., Crystal Apparel, Inc., The Conran Stores Inc. d/b/a Conran's Habitat, Jamesway Corporation, The Leslie Fay Companies, Inc., Olympia & York Development Limited, Best Products Co., Inc., R.H. Macy & Co., Inc., Texaco, Inc., Eastern Airlines, Inc., Revere Copper and Brass, Inc., Continental Airlines, Inc. (I), Greyhound Lines, Inc., Circle K Convenience Stores, Inc., P.A. Bergner & Co., and The Drexel Burnham Lambert Group, Inc., among others, and secured lenders in Federated Department Stores, Inc., James Cable, Inc., Pan American Airlines, Inc., Continental Airlines, Inc. (II), Colonial Constitution Limited Partnership, Pandick Holding, Inc., and Plaza Operating Partners, Ltd., among others. WG&M also represented statutory committees in APS Holdings Corp., National Gypsum Co., Inc., Ames Department Stores, Inc., and Atlantic Computer Systems, Inc. In addition, WG&M has actively engaged in debtor and creditor representations in a substantial number of out-of-court restructurings. As a consequence, WG&M brings to this case a high level of expertise and experience which inures to the benefit of the Debtor and its estate.

15. Jeffrey L. Tanenbaum and Judy G.Z. Liu, of WG&M's Business Finance and Restructuring Department, Ted S. Waksman, of WG&M's Corporate Department, Stuart Goldring and Mary Jean M. Pontenzone, of WG&M's Tax/ERISA Department, and Alan A. Lascher, of WG&M's Real Estate Department, have been the principal members of WG&M responsible for the rendition of legal services to

Grand Union and have expended substantial time in connection with this chapter 11 case. In addition, three associates have devoted significant portions of their time to Grand Union's chapter 11 case, often to the preclusion of other firm matters.

SERVICES RENDERED BY WG&M

16. WG&M does not wish to burden the Court with an overly detailed or lengthy recitation of each and every matter with respect to which it has rendered services to Grand Union. Accordingly, the following is intended to serve only as a summary description of the primary services rendered by WG&M during the Compensation Period and to highlight the benefits conferred upon Grand Union and its estate and creditors as a result of WG&M's efforts.

A. Pre-Compensation Period Services

17. As described above, prior to the Commencement Date, WG&M represented Grand Union in its negotiations with its prepetition lenders, the Steering Committee and the Preferred Shareholders in connection with a proposed financial restructuring of Grand Union's obligations to the Noteholders. After months of negotiations and despite the occurrence of payment defaults, Grand Union and the Steering Committee reached an agreement in principle on the terms of a restructuring to be accomplished pursuant to a plan of reorganization under chapter 11 of the Bankruptcy Code. In that regard, WG&M expended substantial efforts on behalf of Grand Union to solve a number of complex legal and financial issues, negotiate and

prepare the Plan and related documentation to effectuate the proposed restructuring, and solicit votes with respect thereto.

18. WG&M assisted the Debtor in preparing and distributing the Plan and Disclosure Statement prior to the Commencement Date. In that regard, WG&M expended a significant amount of time assisting in preparing the contents of the Disclosure Statement to assure that all creditors and equity security holders would have sufficient information to make an informed judgment in voting to accept or reject the Plan. Moreover, WG&M spent a significant amount of time in responding to inquiries regarding the Plan and Disclosure Statement.

19. Prior to the Commencement Date, WG&M also conducted negotiations on behalf of Grand Union to amend the terms of the prepetition Credit Agreement, as well as obtain waivers of various defaults under the Credit Agreement.

20. WG&M also advised and assisted the Debtor in the preparation of the chapter 11 petition and various pleadings and documents that were filed with the Court on, and shortly after, the Commencement Date. Contemporaneously with the preparation of the chapter 11 petition and related documentation, WG&M prepared applications and proposed orders relating to the retention of certain necessary professionals as well as numerous other pleadings designed to facilitate Grand Union's reorganization and minimize the disruption of Grand Union's business. These pleadings are set forth in the court docket and are not reiterated here, so as to avoid burdening the court with a list that is duplicative of the official docket.

B. Postpetition Services

21. The following is a summary of the significant professional services rendered by WG&M during the Compensation Period. This summary is organized in accordance with WG&M's internal system of project or work codes. Exhibit C provides a more detailed, chronological description of the services provided.

- Real Estate Issues (Work Code 200)
  - Reviewed and revised the Exit Facility with respect to real estate issues.
  - Reviewed and drafted documents in connection with landlord consent issues.
  - Worked with title companies regarding title searches.
  - In connection with all of the real estate issues, participated in numerous conferences and telephone calls with counsel for the lenders under the Exit Facility and other parties.
- Personal Injury / Other Litigation (Work Code 210)
  - Responded to telephone calls and correspondence regarding effect of the automatic stay on personal injury claims, proof of claim forms and other personal injury litigation issues.
- United States Trustee (Work Code 300)
  - Prepared response to letter from the United States Trustee regarding the affidavit filed in support of WG&M's retention.
  - Prepared for and attended the 341 Meeting held on July 20, 1998.
  - Participated in numerous meetings and conference calls regarding the closing of Grand Union's first bankruptcy case.

- Preparation for and participation in conference call with Judge Walsh regarding the closing of the first chapter 11 case.
- General Business Operations (Work Code 400)
  - Drafted correspondence and/or participated in numerous conferences and telephone calls with various parties at Grand Union relating to issues involving trade vendors, the New York State Liquor Authority, the automatic stay, insurance coverage, personal injury claimants, and cigarette and tobacco taxes in the State of New Jersey.
- Schedules (Work Code 500)
  - Advised Grand Union in the preparation of the lists of creditors and equity holders and its schedules and statements of financial affairs and reviewed same.
  - In connection with the schedules and statements of financial affairs, participated in numerous phone calls with Bankruptcy Services Inc. and Price Waterhouse and responded to legal questions regarding the proper treatment and classification of various claims and other items.
- Confirmation Preparation (Work Code 600)
  - Prepared the confirmation order and memorandum of law in support of confirmation of the Plan and negotiated the terms of such order with the Steering Committee, the prepetition secured lenders, the lenders under the Exit Facility, the Securities and Exchange Commission, the Pension Benefit Guaranty Corporation, and certain of the Debtor's landlords.
  - Analyzed objections to confirmation of the Plan and communicated with objectors for the purpose of resolving such objections prior to the Confirmation Hearing.
  - Prepared affidavit of Jeffrey P. Freimark in support of confirmation as well as an outline of testimony for Jeffrey P. Freimark in the event of his participation as a witness at the Confirmation Hearing.

- Prepared the various witnesses whose testimony was potentially necessary in connection with the Confirmation Hearing, including Jane Sullivan of the Altman Group, Inc.
- Preparation of presentation for Confirmation Hearing regarding compliance with the provisions of the Bankruptcy Code.
- Prepared notice of entry of confirmation order and arranged for publication of same.
- In connection with the preparation for the Confirmation Hearing, participated in numerous phone calls and meetings held with WG&M personnel as well as employees of the Debtor.
- Confirmation Hearing (Work Code 610)
  - Participated in the hearing on August 5, 1998.
- DIP Hearing (Work Code 700)
  - Negotiated and reviewed final order approving the DIP Financing Agreement.
  - Prepared for and participated in the final hearing at which the DIP Loan was approved. Prepared outline of testimony and proffer in connection with hearing to approve the DIP Loan.
  - Drafted closing documents, including legal opinion letter and closing certificates to be delivered at the closing of the DIP Loan.
  - Participated in the closing of the DIP Loan.
  - In connection with the DIP Hearing and DIP Loan, participated in numerous telephone calls and conferences with WG&M personnel, the Debtor's employees, and the attorneys for Swiss Bank and Lehman among others.



- Exit Financing (Work Code 710)
  - Engaged in extensive discussions and negotiations with the attorneys for Swiss Bank and Lehman regarding the Exit Facility.
  - Reviewed and commented on numerous documents in connection with the Exit Facility, including multiple drafts of the credit agreement and related documentation.
  - Drafted legal opinion and various certificates required to be delivered at closing of the Exit Facility.
  - Prepared for, and attended, closing on the Exit Facility.
  - In connection with the Exit Facility, participated in numerous telephone calls and conferences with WG&M personnel, the attorneys for Swiss Bank and Lehman, employees of the Debtor and others.
  
- Telephone Calls (Work Code 800)
  - Responded to numerous daily phone calls from vendors, personal injury claimants, equityholders and numerous other creditors regarding the Debtor's chapter 11 case and the status and treatment of such parties' prepetition claims and interests. The Debtor provided notice of the commencement of the case to approximately 20,000 entities and individuals, including individuals receiving retiree benefits. Several hundred of these entities and individuals telephoned WG&M regarding the chapter 11 case. WG&M attorneys expended substantial time in responding to such inquiries.
  - Telephone calls regarding, among other things, first day orders, the preparation of additional pleadings, notices to be published, shareholder issues, selection of directors, and securities issues.

- Correspondence Drafted (Work Code 810)
  - Prepared correspondence responding to numerous requests for proofs of claim and proof of insurance at various Grand Union locations. WG&M also distributed proof of claim forms to various creditors that requested same.
- Correspondence Reviewed (Work Code 820)
  - Reviewed correspondence from numerous parties in interest regarding proof of claim forms, proof of insurance and the automatic stay, and other miscellaneous issues relating to the Debtor's chapter 11 case.
- Legal Research (Work Code 830)
  - Conducted legal research and/or prepared memoranda regarding issues (i) arising under a second chapter 11 case, (ii) relating to section 525 of the Bankruptcy Code and the New York State liquor authority, (iii) relating to abandoned property, and (iv) relating to the circumstances under which an open bankruptcy case may be closed.
- Court Appearance (Work Code 840)
  - Attended hearing at the United States Bankruptcy Court for the District of New Jersey seeking entry of orders granting the Debtor's first day applications.
  - Time spent attending the hearing on the DIP Loan and the Confirmation Hearing are included in work codes 610 and 700, respectively.

- Preparation of Pleadings and Briefs (Work Code 850)
  - Reviewed and coordinated with the printer regarding the printing for publication of the notice of commencement of the Debtor's case and meeting of the creditors, the notice of hearing to consider approval of the disclosure statement and confirmation of the plan, the notice to the warrant holders of the confirmation hearing and the critical trade vendor order.
  - Prepared supplemental lists of ordinary course professionals to be filed with the Court.
  - Prepared supplement to Exhibit 5 of the Disclosure Statement which supplement contains brief profiles of the directors to be appointed by the Noteholders.
  - Participation in numerous conferences and phone calls relating to the preparation of the foregoing.
- Review of File (Work Code 880)
  - Reviewed various first day orders and other documents in files in connection with organization of files and responses to inquiries of creditors and other parties in interest.
- Other Services (Work Code 910)
  - Assisted the Debtor in the preparation of certain filings required to be made with the Securities and Exchange Commission, including Forms 8-K and 10-K.
  - WG&M expended substantial efforts preparing and/or negotiating and commenting upon numerous documents, all of which were conditions to the Plan's effectiveness, including the registration rights agreement and the warrant agreement.
  - Prepared application and related supporting documentation for listing on NASDAQ national market.

- Document Management (Work Code 920)
  - Indexed and distributed first day pleadings and orders, the Plan and Disclosure Statement, and pleadings and documents relating to the DIP Loan.
  - Compiled and updated docket of all papers filed with the Court.
  - Distributed documents to WG&M team.
  - Prepared binders of required documents and exhibits in preparation for hearings.

22. The foregoing summarizes merely a portion of the professional services rendered during the Prepetition Period and the Compensation Period by WG&M on behalf of Grand Union in connection with the chapter 11 case. WG&M has rendered numerous other professional services in the discharge of its responsibilities. Such services also included, among others, participation in numerous conferences and telephone calls with WG&M personnel, members of Grand Union's management, the respective attorneys for the Steering Committee and the Debtor's prepetition and postpetition lenders, and other creditors and parties in interest regarding the prosecution of the chapter 11 case.

23. Most of the activities described herein have required WG&M to devote substantial time to meeting and speaking with Grand Union's general counsel and management so that WG&M could render appropriate legal advice and obtain the relief requested. In addition, WG&M had to prepare for, and appear and argue at, court hearings in prosecution of this chapter 11 case, review lengthy documentation,

and, when required, research legal issues directly impacting upon same. As a consequence of the accelerated timetable in a "prepackaged" chapter 11 case such as Grand Union's, tasks that might span multiple fee periods in a traditional chapter 11 case have been compressed, requiring completion within weeks, or even days. Accordingly, WG&M's professionals and paraprofessionals frequently have been required to work late into the evenings and on weekends in order to provide Grand Union with the best possible legal representation. Moreover, the nature of the work and the exigencies of the case in many instances required the advice and expertise of attorneys in different practice groups, necessitating the attendance by more than one attorney at meetings and on conference calls.

24. This Court is certainly cognizant of the substantial demands placed upon attorneys for the debtor in a chapter 11 reorganization case. Numerous inquiries from creditors and other parties in interest are received during this time. Throughout a chapter 11 case, the attorneys for a debtor are the focal point for the submission of all inquiries, written communications, requests, demands, and complaints from creditors and other interested parties. WG&M has devoted numerous hours to the fulfillment of its professional duties and responsibilities and has made every effort to respond promptly to each and every communication concerning the status of the chapter 11 case and the issues that have arisen. The time expended on such discussions has been necessary to coordinate the many diverse aspects and interests involved in this chapter 11 case and to assure minimal disruption

and displacement in the continued operation of Grand Union's business. Such efforts have resulted in substantial savings to Grand Union's estate through the efficient resolution of problems and the avoidance of potentially expensive and time-consuming litigation.

25. Additionally, WG&M has communicated and maintained a daily dialogue with Grand Union's management and general counsel, and has rendered professional services on a continuous basis with respect to problems arising in connection with the conduct of Grand Union's business and the fulfillment of Grand Union's obligations as a debtor in possession. The excellent working relationship between WG&M's members and associates and Grand Union's management and other personnel has enabled WG&M to stay closely apprised of all matters concerning Grand Union and the administration of the chapter 11 case. This, in turn, enabled WG&M to be ready and able to efficiently and effectively address any questions or problems as they arise.

#### THE COMPENSATION REQUESTED

26. WG&M is cognizant of the numerous factors to be considered by the Court in its determination of allowances of compensation. See, e.g., American Benefit Life Ins. Co. v. Baddock (In re First Colonial Corp. of Am.), 544 F.2d 1291 (5th Cir. 1977); Johnson v. Georgia Highway Express, Inc., 488 F.2d 714 (5th Cir. 1974); In re Nine Assocs., Inc., 76 B.R. 943 (S.D.N.Y. 1987); In re Drexel Burnham Lambert Group, Inc., 133 B.R. 13 (Bankr. S.D.N.Y. 1991).

27. The perspective from which an application for an allowance of compensation should be viewed in a reorganization case was aptly stated by Congressman Edwards on the floor of the House of Representatives on September 28, 1978, when he made the following statement in relation to § 330 of the Bankruptcy Code:

[B]ankruptcy legal services are entitled to command the same competency of counsel as other cases. In that light, the policy of this section is to compensate attorneys and other professionals serving in a case under title 11 at the same rate as the attorney or other professional would be compensated for performing comparable services other than in a case under title 11. Contrary language in the Senate report accompanying S.2266 is rejected, and Massachusetts Mutual Life Insurance Company v. Brock, 405 F.2d 429, 432 (5th Cir. 1968) is overruled. Notions of economy of the estate in fixing fees are outdated and have no place in a bankruptcy code.

124 Cong. Rec. H11,091-11,092 (daily ed. Sept. 28, 1978) (statement of Rep. Edwards) (emphasis added). See also Mann v. McCombs (In re McCombs), 751 F.2d 286 (8th Cir. 1984); In re Drexel Burnham Lambert Group, Inc., 133 B.R. 13 (Bankr. S.D.N.Y. 1991); In re Carter, 101 B.R. 170 (Bankr. D.S.D. 1989); In re Public Serv. Co., 93 B.R. 823, 830 (Bankr. D.N.H. 1988). The rates charged by WG&M in this Application are the same rates charged for comparable nonbankruptcy services.

28. In awarding compensation pursuant to section 330 of the Bankruptcy Code to professional persons employed under sections 327 or 1103 of the

Bankruptcy Code, the Court must take into account, among other factors, the cost of comparable nonbankruptcy services. Section 330 of the Bankruptcy Code provides, in pertinent part, for payment of:

(a)(1)(A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and

(B) reimbursement for actual, necessary expenses.

Id. § 330 (a)(1). The Bankruptcy Reform Act of 1994 amended section 330(a) of the Bankruptcy Code to list the factors to be used by the court in determining the amount of reasonable compensation:

(a)(3)(A) In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including --

(A) the time spent on such services;

(B) the rates charged for such services;

(C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;

(D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and



(E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Id. § 330(a)(1), (3).

29. During the Compensation Period, 895.20 and 207.20 recorded hours have been expended by WG&M's professionals and paraprofessionals, respectively, in providing the required professional services. Although approximately \$9,407.00 in additional professional services was billed by summer associates and paraprofessionals during the Compensation Period, WG&M has determined not to request an allowance of final compensation for such incurred fees.

30. Time and labor devoted is only one of many pertinent factors affecting awards of professional compensation. The number of hours expended must be considered in light of (i) the amounts involved and the results achieved to date, (ii) the novelty and difficulty of the questions presented, (iii) the skill requisite to properly perform the legal services, (iv) the preclusion of other employment, (v) the customary fee to a private client for the services rendered, (vi) awards in similar cases, (vii) time constraints required by the exigencies of the case, including the frequency and amount of time required to be devoted other than during regular business hours, (viii) the experience, reputation, and ability of the attorneys rendering services, and (ix) the nature and length of the professional relationship with the client (the "Johnson Factors"). See Johnson v. Georgia Highway Express, 488 F.2d at 717-

19 (enumerating factors to be considered in awarding attorneys' fees in equal employment opportunities cases under Title VII); In re First Colonial Corp., 544 F.2d at 1298 (applying Johnson factors in bankruptcy cases).<sup>2</sup> Application of the foregoing criteria more than justifies the compensation requested.

31. WG&M's extensive professional services have been rendered in a highly efficient manner by attorneys who have achieved a high degree of expertise in the field of business reorganization. Jeffrey L. Tanenbaum and Judy G.Z. Liu, members of WG&M's Business Finance and Restructuring Department, have had ultimate responsibility and supervision for this chapter 11 case. Ted S. Waksman of WG&M's Corporate Department, Stuart Goldring and Mary Jean M. Pontenzone of WG&M's Tax/ERISA Department, and Alan A. Lascher of WG&M's Real Estate Department, all members of WG&M, have also been highly involved in this chapter 11 case. Additionally, a core group consisting of three associates have been

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2. WG&M recognizes that under settled law the "lodestar method," as first developed by the Third Circuit, see Lindy Bros. Builders Inc. v. American Radiator & Standard Sanitary Corp., 487 F.2d 161 (3d Cir. 1973), as opposed to the Johnson Factors, as set forth above, is the proper method to be used to determine a reasonable fee in all federal courts, including bankruptcy courts. See, e.g., Pennsylvania v. Delaware Valley Citizens' Council For Clean Air, 478 U.S. 546 (1986) ("Delaware Valley I"), supplemented by Pennsylvania v. Delaware Valley Citizens' Council For Clean Air, 483 U.S. 711 (1987); United States Football League v. National Football League, 887 F.2d 408, 413 (2d Cir. 1989); In re Cena's Fine Furniture, Inc., 109 B.R. 575 (E.D.N.Y. 1990); In re Drexel Burnham Lambert Group Inc., 133 B.R. 13, 21 (Bankr. S.D.N.Y. 1991). However, the Supreme Court has made clear that the "lodestar method" is presumed to subsume the Johnson Factors. Delaware Valley I, 478 U.S. at 563; Cena's Fine Furniture, 109 B.R. at 581.

responsible for the daily prosecution of the case under the supervision of the above attorneys.

32. It is well accepted that rehabilitation rather than liquidation is in the national interest. The services of professionals, such as WG&M, are necessary ingredients in fostering that national policy. WG&M submits that its services have contributed substantial benefit to the Debtor's estate and its creditors and have furthered the Debtor's ultimate rehabilitative goals. The time and effort required of WG&M to oversee the administration of this chapter 11 case have been highlighted in this Application. During the Compensation Period, WG&M has been required to furnish extensive services which have often fully occupied the time of its attorneys, frequently to the preclusion of other firm matters and clients. If this were not a case under the Bankruptcy Code, WG&M would charge Grand Union and expect to receive on a current basis an amount at least equal to the amounts requested herein for the professional services rendered. Pursuant to the criteria normally examined in bankruptcy cases, and based upon the factors to be considered in accordance with section 330 of the Bankruptcy Code, the results that have been achieved to date more than substantiate charges in that amount. The services that WG&M has rendered thus far have produced substantial benefits which have inured to the Debtor, its estate, and its creditors.

33. In view of the foregoing, WG&M respectfully requests that it be allowed reasonable compensation in the amount of \$322,285.50 (for which \$400,000

has already been received, but not applied, in the form of a fee retainer) for the services rendered in the Compensation Period. During the Compensation Period, WG&M's hourly billing rates for attorneys ranged from \$130.00 to \$550.00 per hour.

34. The efficient prosecution of this chapter 11 case justifies compensation of at least the amount requested. Thus, WG&M requests that 100% of such compensation be allowed. As the Court is aware, with able assistance and guidance of WG&M, the Debtor has successfully confirmed and substantially consummated its plan of reorganization. In view of the policy underlying section 330 of the Bankruptcy Code that attorneys in bankruptcy cases be compensated on a parity with attorneys practicing in other fields, the compensation should be allowed as requested.

#### DISBURSEMENTS

35. As set forth in Exhibit "B" hereto, WG&M has disbursed \$16,084.28 as expenses incurred in providing professional services during the Compensation Period. WG&M requests that it be allowed reimbursement for actual and necessary expenses in such amount (for which \$50,000 has been received, but not applied, in the form of an advance against expenses).

36. With respect to photocopying expenses, WG&M charges all its clients \$.20/page. With respect to facsimile expenses, WG&M excludes charges for incoming facsimile and local facsimile charges and includes charges for long distance facsimiles at applicable toll charge rates, which invariably are less than \$1.25/page.

These charges cover WG&M's direct operating costs for photocopying and facsimile facilities, which costs are not incorporated into the WG&M hourly billing rates. Only clients who actually use photocopying, facsimile, and other office services of the types set forth in Exhibit "B" are separately charged for such service. The effect of including such expenses as part of the hourly billing rates would impose that cost upon clients who do not require extensive photocopying, facsimile, and document production facilities and services. The amount of the standard photocopying and facsimile charges is intended to allow WG&M to cover the related expenses of its photocopying and facsimile services. A determination of the actual expenses per page for photocopying and facsimile services, however, is dependent on both the volume of copies or facsimiles and the total expenses attributable to photocopying and facsimiles on an annual basis.

37. The time constraints frequently imposed by the circumstances of this chapter 11 case have required WG&M's attorneys and other employees at times to devote substantial amounts of time during the evenings and on weekends to the performance of legal services on behalf of Grand Union. These extraordinary services were essential during the Compensation Period in order to meet deadlines and satisfy the demands of the Debtor's business and the administration of its estate. Consequently, as a result of the physical inability to complete every task and prepare every pleading required of WG&M during ordinary business hours, WG&M has been required to incur overtime charges in the discharge of certain of its professional

responsibilities. While WG&M has made every effort to minimize these charges, the incurrence of overtime charges is a necessary result of the limited number of hours in a day as compared with the enormity of tasks required in this case.

38. Moreover, consistent with firm policy, attorneys and other employees of WG&M who worked late into the evenings were reimbursed for their reasonable meal costs and their cost for transportation home. WG&M's regular practice is not to include components for those charges in overhead when establishing billing rates and to charge its clients for these and all other out-of-pocket disbursements incurred during the regular course of the rendition of services.

39. In addition, because of the nature of the Debtor's business and the location of its headquarters, frequent long distance telephone calls have been required. On several occasions, overnight delivery of documents and other materials was required as a result of exigencies necessitating the use of such express services. WG&M also requests reimbursement for expenses consisting of labor-intensive word processing requiring in excess of two hours of an operator's time and overtime secretarial and other support staff services, as described supra. These disbursements are not included in WG&M's overhead for the purpose of setting billing rates. WG&M has made every effort to minimize its disbursements in this case. The actual expenses incurred in providing professional services were absolutely necessary, reasonable, and justified under the circumstances to serve the needs of the Debtor, its estate, and its creditors.

40. None of the travel expenses of WG&M attorneys included herein were for first-class airfare, luxury accommodations, or deluxe meals.

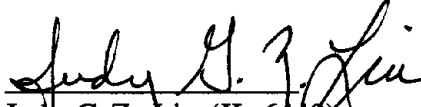
41. As set forth in the affidavit of Judy G.Z. Liu, sworn to on September 14, 1998, annexed hereto as Exhibit "D," no agreement or understanding exists between WG&M and any other person for a sharing of compensation received or to be received for services rendered in or in connection with this chapter 11 case, nor shall WG&M share or agree to share the compensation paid or allowed from Grand Union's estate for such services with any other person. Such affidavit constitutes the statement of WG&M pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

42. No agreement or understanding prohibited by 18 U.S.C. section 155 has been or will be made by WG&M.

WHEREFORE WG&M respectfully requests (i) a final allowance of compensation for professional services rendered as co-attorneys for Grand Union in the amount of \$322,285.50 in fees for the period from June 24, 1998 through and including August 5, 1998, (ii) a final allowance of reimbursement of actual and necessary disbursements incurred by WG&M in the amount of \$16,084.28 during the Compensation Period, (iii) authorization to apply the previously received fee retainer and advance

against expenses to all amounts awarded by the Court as final compensation and  
reimbursement of expenses, respectively, in respect of the Compensation Period and  
(iv) such other and further relief as is just.

Dated: September 14, 1998

  
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Co-attorneys for The Grand Union  
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