

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: :  
: Chapter 11  
INACOM CORP., et al. : : Case No. 00-2426 (PJW)  
: :  
Debtors. : (Jointly Administered)

HEARING: 9/19/03  
at 9:30am  
OBJECTIONS: 8/4/03  
at 4pm

**TWENTY SECOND AND FINAL APPLICATION OF DELOITTE & TOUCHE LLP  
FOR COMPENSATION FOR SERVICE RENDERED AND REIMBURSEMENT OF  
EXPENSES, AS CONSULTANT TO THE DEBTORS FOR THE PERIOD JUNE 16, 2000  
THROUGH JUNE 30, 2002**

Name of Applicant(s): Deloitte & Touche LLP

Authorized to Provide Professional Services to: InaCom Corp., et al.

Date of Retention: June 16, 2000

Date of Withdrawal: July 29, 2002

Period for which compensation and reimbursement is sought:  
Twenty Second June 1, 2002 through June 30, 2002  
Final June 16, 2000 through June 30, 2002

Amount of Compensation sought as actual, reasonable and necessary:  
Twenty Second \$30,299.00  
Final \$2,704,125.50 (includes Twenty Second)

Amount of Expense Reimbursement sought as actual, reasonable and necessary:  
Twenty Second \$0.00  
Final \$40,440.39 (includes Twenty Second)

Amount of Compensation Received to date \$2,572,424.94  
Amount of Expense Reimbursement Received to date \$40,440.39

This is an:  Interim  Final Application

Deloitte & Touche LLP is seeking final allowance of compensation and reimbursement of expenses for the post-petition period of June 16, 2000 to June 30, 2002. This is Deloitte & Touche LLP's final fee application. No hours are being charged for preparation of this fee application.

**In Re: InaCom Corp., et al.****Case No.: 00-2426 (PJW)****Prior Applications Filed:**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Requested Fee</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>
8/31/2000	6/16/2000-7/29/2000	\$223,773.00	\$29,723.72	\$223,773.00	\$29,723.72
10/18/2000	7/30/2000-8/26/2000	\$39,025.50	\$0.00	\$39,025.50	\$0.00
1/16/2001	8/27/2000-11/30/2000	\$278,164.50	\$0.00	\$278,164.50	\$0.00
2/28/2001	12/1/2000-12/31/2000	\$85,303.00	\$3,306.11	\$85,303.00	\$3,306.11
3/29/2001	1/1/2001-1/31/2001	\$122,985.50	\$3,321.60	\$122,985.50	\$3,321.60
5/4/2001	2/1/2001-2/28/2001	\$178,024.50	\$0.00	\$178,024.50	\$0.00
5/17/2001	3/1/2001-3/31/2001	\$173,735.50	\$0.00	\$173,735.50	\$0.00
6/5/2001	4/1/2001-4/30/2001	\$190,800.50	\$0.00	\$190,800.50	\$0.00
7/3/2001	5/1/2001-5/31/2001	\$204,923.50	\$0.00	\$204,923.50	\$0.00
7/27/2001	6/1/2001-6/30/2001	\$125,152.50	\$0.00	\$125,152.50	\$0.00
8/31/2001	7/1/2001-7/31/2001	\$103,683.00	\$0.00	\$103,683.00	\$0.00
10/1/2001	8/1/2001-8/31/2001	\$74,126.50	\$0.00	\$74,126.50	\$0.00
10/18/2001	9/1/2001-9/30/2001	\$55,778.00	\$0.00	\$55,778.00	\$0.00
12/4/2001	10/1/2001-10/31/2001	\$148,655.50	\$0.00	\$148,655.50	\$0.00
1/3/2002	11/1/2001-11/30/2001	\$99,422.00	\$0.00	\$99,422.00	\$0.00
1/22/2002	12/1/2001-12/31/2001	\$102,509.50	\$0.00	\$102,509.50	\$0.00
2/22/2002	1/1/2002-1/31/2002	\$135,126.50	\$0.00	\$135,126.50	\$0.00
3/22/2002	2/1/2002-2/28/2002	\$100,854.50	\$0.00	\$80,683.60	\$0.00
4/24/2002	3/1/2002-3/31/2002	\$92,233.50	\$0.00	\$73,786.80	\$0.00
5/22/2002	4/1/2002-4/30/2002	\$91,678.00	\$4,088.96	\$73,342.40	\$4,088.96
6/21/2002	5/1/2002-5/31/2002	\$47,871.50	\$0.00	\$0.00	\$0.00

**Inacom Corporation, et al.**  
**Deloitte & Touche LLP**  
*Summary of Fees by Professional*  
June 1, 2002 to June 30,2002

<b>Name</b>	<b>Position</b>	<b>Billing Rate</b>	<b>Hours</b>	<b>Fees</b>
Ahn, Tae Hyoung	Consultant	\$ 205.00	0.0	0.00
Albers, Derick	Consultant	\$ 205.00	0.0	0.00
Berkland, Victor	Senior Consultant	\$ 290.00	5.5	1,595.00
Christensen, Debra	Senior Manager	\$ 405.00	28.2	11,421.00
Clausen, Scott	Manager	\$ 340.00	22.7	7,718.00
Danley, Nancy	Director	\$ 405.00	0.0	0.00
incher, Michael	Consultant	\$ 205.00	0.0	0.00
Gledhill, Brian	Partner	\$ 450.00	0.0	0.00
Gunderson, Sherri	Consultant	\$ 205.00	0.0	0.00
Iannaccone, Christine	Manager	\$ 340.00	0.0	0.00
Kinley, E. Lyle	Partner	\$ 450.00	7.8	3,510.00
Knapp, Molly	Consultant	\$ 205.00	0.0	0.00
Kopiasz, Chris	Manager	\$ 340.00	0.0	0.00
Martin, Jan	Consultant	\$ 205.00	15.4	3,157.00
Meisgeier, Chad	Senior Consultant	\$ 290.00	0.0	0.00
Mercer, Matthew	Consultant	\$ 205.00	0.0	0.00
Morfeld, Toni	Consultant	\$ 205.00	2.6	533.00
Neville, Timothy	Manager	\$ 340.00	0.0	0.00
Nickman, Kari	Consultant	\$ 205.00	0.0	0.00
Olson, Daniel	Senior Consultant	\$ 290.00	0.0	0.00
Ottermann, Mathew	Consultant	\$ 205.00	10.0	2,050.00
Renner, Linda	Senior Manager	\$ 405.00	0.0	0.00
Van Wyhe, Teri	Consultant	\$ 205.00	0.0	0.00
Voorhees, Jennifer	Consultant	\$ 205.00	0.0	0.00
Yoshizawa, Kris M.	Consultant	\$ 205.00	0.0	0.00
Zimet, Lee	Partner	\$ 450.00	0.7	315.00
<b>Total Professional Fees</b>		<b>\$ 286.92</b>	<b>92.9</b>	<b>\$ 30,299.00</b>

**Inacom Corporation, et al.**  
**Deloitte & Touche LLP**  
*Summary of Fees by Category*  
June 1, 2002 to June 30,2002

<b>Category</b>	<b>Description</b>	<b>Hours</b>	<b>Fees</b>
14	Fee Applications and Interim Billing	21.4	5,251.50
32	Project Management	7.6	2,584.00
39	Federal Income Tax Returns	8.7	1,863.50
43	Claims and Assessments	51.3	19,540.50
44	IRS Exam	3.9	1,059.50
<b>Total Professional Fees</b>		<b>92.9</b>	<b>\$ 30,299.00</b>

**Inacom Corporation, et al.**  
**Deloitte & Touche LLP**  
*Summary of Expenses by Category*  
June 1, 2002 to June 30,2002

<b>Expense Category</b>	<b>Service Provider</b>	<b>Total Expenses</b>
Airfare	N/A	0.00
Hotel	N/A	0.00
Auto/Taxi/Parking	N/A	0.00
Meals	N/A	0.00
Business Telephone	N/A	0.00
Other including Administrative Support	N/A	
<b>Total Professional Fees</b>		<b>\$ 0.00</b>

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

**In re:** :  
 :  
**INACOM CORP., et al.** : **Chapter 11**  
 : **Case No. 00-2426 (PJW)**  
 :  
 :  
**Debtors.** : **(Jointly Administered)**

**TWENTY SECOND AND FINAL APPLICATION OF DELOITTE & TOUCHE LLP  
FOR COMPENSATION FOR SERVICE RENDERED AND REIMBURSEMENT OF  
EXPENSES, AS CONSULTANT TO THE DEBTORS FOR THE PERIOD JUNE 16, 2000  
THROUGH JUNE 30, 2002**

Deloitte & Touche LLP (hereinafter referred to as "Deloitte" or the "Applicant") moves pursuant to Sections 330 and 331 of Title 11 of the United States Code of Bankruptcy Rule 2016 for an Order awarding reasonable final compensation for professional services rendered as Restructuring Consultants to the Debtors in the amount of \$30,299.00 for the period of June 1, 2002 through June 30, 2002 (the "Twenty Second and Final Fee Period") and \$2,673,826.50 submitted to this court under the interim billing procedures in this case.

In support of this application, the Deloitte represents as follows:

**BACKGROUND**

1. On July 31, 2000 (the "Petition Date"), the Debtors commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On June 30, 2000, the United States Trustee for the District of Delaware (the "Trustee") appointed an official committee of unsecured creditors (the "Creditor Committee") in these chapter 11 cases. To Applicant's knowledge, no trustee or examiner has been appointed herein.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. The Debtors filed a motion requesting that their chapter 11 cases be consolidated for procedural purposes only and administered jointly.

4. The Debtors maintained their principal executive offices in Omaha, Nebraska and Malvern, Pennsylvania. Prior to commencement of these chapter 11 cases, the Debtors were a leading single-source provider of information technology products and technology management services to primarily Fortune 1000 clients. The Debtors distributed their products and services through a marketing network of approximately ninety (90) business centers owned by the Debtors throughout the United States. At that time, the Debtors also operated a network of approximately 875 independent dealers, each of which typically had a regional, industry or specific service focus.

5. On February 16, 2000 (the "Compaq Closing Date"), the Debtors sold their products-related businesses and assets to Compaq Corporation ("Compaq") for approximately \$369.5 million in cash (subject to adjustments) plus Compaq's assumption of certain liabilities. The Debtors' decision to pursue the sale of their products-related businesses was occasioned by significant shifts in the Debtors' industry, including the reduction of incentives from manufacturers of information technology products, many of which have transitioned to direct sale strategies. These industry shifts resulted in reduced margins and acute liquidity difficulties for the Debtors.

6. In light of these developments, during the 1999 fiscal year, the Debtors re-evaluated their assets, systems, organizational structure and competitive strategy. As a result of such re-evaluation, the Debtors determined to transition out of the business of providing information technology products and to focus on the service-related aspects of their business. The Debtors entered into the Compaq transaction in order to implement this strategy, reduce

long-term indebtedness, increase liquidity and position themselves primarily as providers of information technology services.

7. The Applicant and its affiliate, Deloitte Consulting LP applied to serve as restructuring consultant to the Debtors under its Application dated June 28, 2000. The Retention Order approving Deloitte Consulting LP and D&T was signed on August 7, 2000, and was nunc pro tunc to June 16, 2000.

8. The Retention Order authorized the retention of Deloitte Consulting LP and D&T to render to the Debtors the following services, which included but were not limited to the following:

(a) assisting the Debtors in developing schedules and related information, including coordinating requirements with counsel regarding filing of papers and the statement of financial affairs, monthly operating reports, and the like;

(b) providing assistance to the Debtors' financial managers in understanding financial processes and supplementing and supporting existing financial and accounting processes;

(c) assisting the Debtors with liquidity management, including reading and challenging management's cash forecast, sensitivity analyses, reconciliation to financial projections and identifying methods to improve forecasting process/controls and potential cash sources including cost reduction opportunities;

(d) assisting in communicating and negotiating with third parties by working with the Debtors' management to develop and deliver restructuring-related negotiations, and communications with key constituents, including secured and unsecured creditors, creating a detailed communications plan to ensure appropriate information flow to all third parties, including secured and unsecured creditors and their restructuring

advisors, developing a baseline liquidation analysis and assisting the Debtors' management in dealing with and coordinating activities of the Debtors' banks' financial advisors and the financial advisors of any official committee of unsecured creditors;

(e) assisting with preparing for chapter 11 case filings and activities by assisting in developing appropriate communications plans, developing appropriate pre- and post-petition accounting cut-off procedures, developing a reclamation program, if necessary, and developing a claims program and reconciliation process;

(f) assisting in estate wind-down planning by assisting in developing wind-down scenario(s), timing, responsibilities and workplans and coordinating requirements with counsel;

(g) consistent with the scope of services set forth herein, as requested by the Debtors or their legal counsel and agreed to by Deloitte, attending and participating in appearances before the United States Bankruptcy Court; and

(h) providing such other necessary advice and services as may be requested by the Debtors or their counsel and agreed to by Deloitte.

Certain of the accounting services that Deloitte & Touche may render to the Debtors, as more fully described in the Engagement Letters, are summarized as follows:

(a) assisting Debtor's management in analyzing the composition of certain balances; and

(b) assisting Debtor's management in analyzing the composition of various transactions between Inacom and Custom Edge, Inc., an affiliate of Compaq



9. The Applicant and Deloitte Consulting LP filed a motion dated July 10, 2002 (the "Motion") to withdrawal as reorganization consultants to the Debtors, which Motion was granted pursuant to this Court's order dated July 29, 2002.

### **THE APPLICATION**

10. This Application is made by Deloitte in accordance with Local Order #32 dated December 12, 1996, the Guidelines adopted by the Executive Office for the United States Trustee and the Administrative Order, Pursuant to Section 105(a) and 331 of the Bankruptcy Code, Establishing Procedures for Compensation and Reimbursement of Expenses of Professionals dated June 19, 2000. Pursuant to this application, Deloitte & Touche has attached the following exhibits:

(a) Exhibit A – Copy of the Retention Order authorizing employment of Deloitte & Touche;

(b) Exhibit B – Summary schedule showing the professionals who performed the services, the number of hours spent, the respective professional's billing rate and the total fees for such services;

(c) Exhibit C – Summary by Project Code, Summary of Professional Fees and itemized records, in chronological order, of each specific service for which an award of compensation is sought. The itemized records include: (1) the date each service was rendered, (2) the professional(s) who performed the service, (3) a description of the services rendered, and (4) the time spent performing the service in increments of tenths of an hour for the period June 1, 2002 through June 30, 2002;

(d) Exhibit D – Expense Summary and Expense Detail reports by individual, which itemize total expenses for which reimbursement is sought. The basis for calculating expenses is actual out-of-pocket expenses incurred. It does not include overhead

or mark-ups. Business charges, such as telephone, facsimile, or copier include direct charges, and do not include machinery costs. This basis is consistent with that used for non-bankruptcy clients. It should also be noted that any airfare charges incurred as a result of travel in coach class; and

(e) Exhibit E – Affidavit of E. Lyle Kinley, Jr. in accordance with Federal Bankruptcy rule 2106 and Local Order #32.

11. Fee and Expense Request – Applicant requests approval of \$30,299.00 for professional services and reimbursement of \$0.00 for necessary expenses incurred on behalf of the Debtors during the period from June 1, 2002 to June 30, 2002. Applicant further requests final approval of compensation of \$2,673,826.50 and reimbursement of expenses of \$40,440.39 previously submitted to this Court under the interim billing procedures in this case.

12. Unpaid Fees and Expense Request – Applicant requests authorization for payment of unpaid fees of \$131,700.56 for professional services and reimbursement of \$0.00 for necessary expenses incurred on behalf of the Debtors during the period June 16, 2000 to June 30, 2002

13. In rendering the services for the period June 1, 2002 to June 30, 2002 described herein, Deloitte expended a total of 92.9 hours during the Application Period. The following table summarizes the total hours and professional fees charged by task description for the Application Period:

**Inacom Corporation, et al.**  
**Deloitte & Touche LLP**  
*Summary of Fees by Category*  
June 1, 2002 to June 30,2002

<b>Category</b>	<b>Description</b>	<b>Hours</b>	<b>Fees</b>
14	Fee Applications and Interim Billing	21.4	5,251.50
32	Project Management	7.6	2,584.00
39	Federal Income Tax Returns	8.7	1,863.50
43	Claims and Assessments	51.3	19,540.50
44	IRS Exam	3.9	1,059.50
<b>Total Professional Fees</b>		<b>92.9</b>	<b>\$ 30,299.00</b>

**SUMMARY OF SERVICES BY CODE AND DISCUSSION OF  
NECESSITY AND BENEFIT TO THE ESTATE**

14. The services rendered by Deloitte during the Application Period can be grouped into the main categories as summarized in the chart above and described in greater detail below.

***Category 14 – Fee Applications and Interim Billing*** - Deloitte prepared the Twenty First Monthly Interim Fee Application covering the period May 1, 2002 to May 30, 2002.

Total Time Expended:	21.4 hours
Total Fees:	\$5,251.50

***Category 32 – Project Management*** - Deloitte assisted the Debtor with the coordination and management related to Debtor's tax matters, including internal planning meetings and supervision, meeting and conference calls with Debtor and Debtor's counsel, and project workplan review and status updates.

Total Time Expended:	7.6 hours
Total Fees:	\$2,584.00

***Category 39 – Federal Income Tax Returns*** – Deloitte assisted the Debtor with preparation of the consolidated federal income tax returns due for the period ended April 30, 2001. Deloitte gathered the information necessary to begin the preparation of the tax returns, including review of bankruptcy court filings, review of prior years' workpapers and discussions and correspondence with the Debtor and Debtor's legal counsel. Deloitte also assisted the Debtor in preparing tentative federal income tax refund claims for 1997 and 1998.

Total Time Expended:	8.7 hours
Total Fees:	\$ 1,863.50

**Category 43 – Claims and Assessments** – Deloitte assisted with federal and state claims and assessments issued against the Debtor. Deloitte performed research and analysis related to the claims and assessments, including meetings, consultation and correspondence with Debtor, Debtor’s counsel, and taxing jurisdiction representatives to determine if the claims were reasonable or should be reduced. The benefit of this research and analysis is estimated to be an \$18,500,000 reduction in sales and income tax claims.

Total Time Expended:	51.3 hours
Total Fees:	\$19,540.50

**Category 44 – IRS Exam-** Deloitte assisted the Debtor with the examination by the IRS of the Debtor’s federal income tax returns and claims for refund. Deloitte performed research and analysis related to the IRS requests for information, including meetings, consultations and correspondence with the Debtor and the IRS.

Total Time Expended:	3.9 hours
Total Fees:	\$1,059.50

15. Such services were reasonable and necessary in order for Deloitte to discharge its duties and obligations to the Debtors and this Court. Applying the usual and customary billing rates for the types of services performed to the time spent as generally accepted by the Deloitte’s clients, Deloitte incurred total gross fees of \$30,299.00 during the Application Period.

16. In rendering these services, Deloitte & Touche made every effort to maximize the benefit to the Estate and to work with other professionals employed in the case to avoid duplication of effort. The amount of services rendered by Deloitte & Touche to achieve the results obtained for the benefit of the Estate was reasonable in light of the complexity of the issues involved in this case. Deloitte & Touche judiciously allocated responsibilities to minimize

possible duplication of efforts. Compensation is sought for participation by more than one professional only in instances where joint participation was necessary because of the significant impact of a particular meeting, the complexity of the problem involved, the specialization required or the need to preserve a continuity of representation. It is often necessary for more than one professional to attend a meeting to facilitate communication of information rather than to relay the information from individual to individual.

17. Other than as provided in Section 504(b) of the Bankruptcy Code, Deloitte has not shared, or agreed to share, any compensation received as a result of this case with any person, firm or entity. No promises concerning compensation have been made to Deloitte by any firm, person or entity. The sole and exclusive source of compensation has been funds of the Estate.

18. The Applicant asserts that compensation described above is reasonable compensation for the actual and necessary services rendered based upon the time, nature and value of such services. Deloitte further asserts that the cost of services rendered for and on behalf of the Debtors is comparable to the cost of similar services in matters other than under the Bankruptcy Code.

19. In accordance with the U.S. Trustee Guidelines, this application has been provided simultaneously to the Debtors, but as of the date of this application the Debtors have not yet reviewed nor approved the application.

20. In accordance with the Administrative Order, Pursuant to Section 105(a) and 331 of the Bankruptcy Code, Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals (the "Administrative Order") Deloitte & Touche has submitted for this Twenty Second and Final Fee Application.

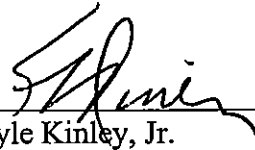
### Notice

21. To Applicant's knowledge, no trustee or examiner has been appointed in these chapter 11 cases. An Official Committee of Unsecured Creditors was formed in these chapter 11 cases. Notice of this Application has been given to names listed on the attached Fee Application Service List and to parties required pursuant to the Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated June 22, 2000, as amended from time to time, including: (i) InaCom Corp., 13010 Morris Road, 6<sup>th</sup> Floor, Alpharetta, GA 30004, Attn: Thomas J. Fitzpatrick; (ii) counsel for the Debtor: Pachulski, Stang, Ziehl, Young & Jones P.C., 919 North Market Street, 16<sup>th</sup> Floor, P.O. Box 8705, Wilmington, Delaware 19899-8705, Attn: Laura Davis Jones, Esq.; (iii) counsel to the official committee of creditors: (A) Blank Rome LLP, Chase Manhattan Center, 1201 North Market Street, Suite 2100, Wilmington, DE 19801, Attn: Bonnie Glantz Fatell, Esq., and (B) Blank Rome Comisky & McCauley, LLP, One Logan Square, Philadelphia, Pennsylvania 19103, Attn: Regina Stango Kelbon, Esq.; (iv) counsel for the Deutsche Bank AG: (A) Greenberg Traurig, LLP, 1201 North Orange Street, 9<sup>th</sup> Floor, Wilmington, Delaware 19801, Attn: Scott D. Cousins, Esq., and (B) White & Case, LP, 1155 Avenue of the Americas, New York, New York 10036-2787, Attn: Howard Beltzer; (v) the Office of the United States Trustee, 844 King Street, Room 2311, Wilmington, Delaware 19801, Attn: Daniel K. Astin, Esq.; and (vi) all parties requesting notice under Rule 2002 of the Federal Rules of Bankruptcy Procedure. In light of the nature of the relief requested herein, the Applicant submits that no other or further notice is required.

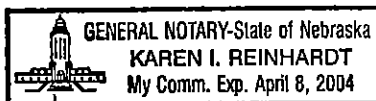
WHEREFORE, Deloitte & Touche respectfully requests that the Court enter an Order, substantially in the form attached hereto as Exhibit F, granting final allowance of compensation for professional services rendered by Deloitte & Touche to the Debtors during the period from June 16, 2000 through May 30, 2002 in the amounts allowed on an interim basis plus fees and expenses applied for during that period that have not heretofore been ruled on and for professional services rendered during the period June 1, 2002 through June 30, 2002 in the amount of \$30,299.00, and reimbursement of necessary and reasonable out-of-pocket expenses in the amount of \$0.00. Applicant also respectfully requests that the Debtors are authorized to pay the Applicant the balance due, and for such other and further relief as is just.

Dated: July 10, 2003

Respectfully submitted,



\_\_\_\_\_  
E. Lyle Kinley, Jr.  
Deloitte & Touche LLP  
1620 Dodge Street, Suite 2000  
Omaha, Nebraska 68102



*Karen I. Reinhardt / July 10, 2003*  
*4/8/2004*