

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
INACOM CORP., et al,<sup>1</sup> ) Case No. 00-2426 (PJW)  
) Related Docket No. 5300  
Debtors. ) Jointly Administered

OBJECTIONS DUE: 8/11/03  
Hearing: 9/19/03 at 9:30a.m.

**AMENDED THIRD QUARTERLY AND FINAL FEE APPLICATION OF  
MCDONALD HOPKINS CO., LPA FOR COMPENSATION FOR  
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS  
SPECIAL COUNSEL FOR DEBTORS AND DEBTORS IN POSSESSION  
FOR THE PERIOD FROM JULY 1, 2002 THROUGH JUNE 8, 2003**

**Name of Applicant:** McDonald Hopkins Co., LPA<sup>2</sup>  
**Authorized to Provide Professional Services to:** InaCom Corp., et al.  
**Date of Retention:** July 1, 2002  
**Period for which Compensation Sought is Actual, Reasonable and Necessary:** July 1, 2002 through June 8, 2003  
**Amount of Fees Reimbursement Sought as Actual, Reasonable and Necessary:** \$537,386.50 \*  
**Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:** \$45,131.84\*

\*Less \$472,189.07 previously paid by the Debtors Pursuant to the Administrative Order (defined below).

<sup>1</sup> The Debtors are the following entities: InaCom Corp.; InaCom Latin America; InaCom Solutions, Inc., InaCom Communications, Inc.; InaCom Financial Services, Inc.; Perigee Communications, Inc.; Networks, Inc.; Gorham Clark, Inc.; InaCom International, Inc., InaCom Tennessee, Inc.; InaCom Professional Services, Inc.; Kure Associates, Inc.; Office Products of Minnesota, Inc.; Boston Computer Exchange Corporation; PC Technical Services, Inc.; Vanstar Corporation; Computerland International Development, Inc.; Computerport World Trade, Inc.; Vanstar International Corporation; VST Wost, Inc.; VST Illinois, Inc.; VSTNC, Inc.; Cland Tex, Inc.; InaCom Government Systems, Inc.; Contract Data, Inc.; Computer Professionals, Inc.; Vanstar Professional Technical Services, Inc.

<sup>2</sup> Formerly known as McDonald, Hopkins, Burke & Haber Co., L.P.A.

This is an:     \_\_\_ interim   x   final application.

The total time expended after June 9, 2003 (the "Effective Date") for this Amended Third Quarterly and Final Fee Application preparation is approximately 24 hours, and the corresponding compensation requested will be approximately \$15,000, plus expenses.<sup>3</sup>

**PRIOR INTERIM MONTHLY FEE APPLICATIONS FILED:**

<b>Date Filed</b>	<b>Period Covered</b>	<b>Total Fees Requested</b>	<b>Interim Requested Fees (Less 20% Holdback)</b>	<b>Interim Requested Expenses</b>	<b>Interim Payment Made</b>	<b>Court Approved Fees</b>	<b>Court Approved Expenses</b>
09/20/02	07/01/02-07/31/02	\$22,993.50	\$18,394.80	\$1,402.62	Yes	\$22,993.50	\$1,402.62
10/09/02	08/01/02-08/31/02	\$23,487.50	\$18,790.00	\$1,314.41	Yes	\$23,487.50	\$1,314.41
11/01/02	09/01/02-09/30/02	\$53,734.00	\$42,987.20	\$1,409.48	Yes	\$53,734.00	\$1,409.48
12/10/02	10/01/02-10/31/02	\$74,727.00	\$59,781.60	\$8,268.78	Yes	\$74,727.00	\$8,268.78
12/31/02	11/01/02-11/30/02	\$64,316.00	\$51,452.80	\$2,543.60	Yes	\$64,316.00	\$2,543.60
02/19/03	12/01/02-12/31/02	\$60,660.50	\$48,528.40	\$6,605.17	Yes	\$60,660.50	\$6,605.17
02/26/03	01/01/03-01/31/03	\$74,616.00	\$59,692.80	\$5,480.21	Yes	\$74,616.00	\$5,480.21
04/02/03	02/01/03-02/28/03	\$50,438.00	\$40,350.40	\$2,684.18	Yes	\$50,438.00	\$2,684.18
05/15/03	03/01/03-03/31/03	\$27,548.00	\$20,038.40	\$2,873.14	Yes	\$27,548.00	\$2,873.14
06/09/03	04/01/03-04/30/03	\$25,620.00	\$20,496.00	\$3,868.93	No	\$25,620.00	\$3,868.93
06/26/03	05/01/03-05/31/03	\$52,068.00	\$41,654.00	\$6,711.13	No	\$52,068.00	\$6,711.13

<sup>3</sup> The actual number of hours expended preparing and adjudicating this Amended Third Quarterly and Final Fee Application, and the corresponding compensation for same, will be provided to counsel for the Debtors and the Committee at the hearing scheduled for September 19, 2003.

Name of Professional Person	Position/title of the Applicant, Number of Years in that Position (non-lawyer); Year of Obtaining License to Practice (lawyer); Area of Expertise	Hourly Billing Rate	Total Hours Billed	Total Compensation
Robertson, Jean R.	Shareholder, 1990 Business Restructuring	\$290	488.90	\$141,781.00
Searby, Edmund W.	Shareholder, 1990 Litigation	\$260	36.00	\$9,360.00
Searby, Edmund W.	Shareholder, 1990 Litigation	\$265	230.90	\$61,188.50
Searby, Edmund W.	Shareholder, 1990 Litigation	\$290	16.90	\$4,901.00
Salerno, Matthew A.	Associate, 1999 Business Restructuring	\$150	222.30	\$33,345.00
Salerno, Matthew A.	Associate, 1999 Business Restructuring	\$175	550.70	\$96,372.50
Gonyer, Todd E.	Associate, 1998 Litigation	\$145	57.80	\$8,381.00
Gonyer, Todd E.	Associate, 1998 Litigation	\$165	831.60	\$137,214.00
Carothers, Patrick W.	Associate, 2000 Business Restructuring	\$160	83.10	\$13,296.00
Dahl, Sherri L.	Associate, 2000 Business Restructuring	\$160	54.20	\$8,672.00
Marshall, DeBorah	Senior Legal Assistant, 17 years Business Restructuring	\$145	3.60	\$522.00
Rechner, Matthew R.	Associate, 2001 Litigation	\$145	19.90	\$2,885.50
Kreeger, Dolores	Legal Assistant, 14 years Litigation	\$125	8.20	\$1,025.00
Butler, Julie A.	Legal Assistant, 8 years Litigation	\$120	13.60	\$1,632.00
Buddner, Christine	Legal Assistant, 10 years Business Restructuring	\$95	33.20	\$3,154.00
Buddner, Christine	Legal Assistant, 10 years Business Restructuring	\$100	103.10	\$10,310.00
Kaczka, Michael J.	Law Clerk, Business Restructuring	\$ 70	33.70	\$2,359.00
Macon, Antoinette	Project Assistant, 1 year Business Restructuring	\$40	24.70	\$988.00

**GRAND TOTAL:     \$ 537,386.50**  
**TOTAL HOURS:       2,812.40**  
**BLENDED RATE:      \$191.04**

**COMPENSATION BY PROJECT CATEGORY**  
**July 1, 2002 through June 8, 2003, Inclusive**

<u>PROJECT CATEGORY</u>	<u>TOTAL HOURS</u>	<u>TOTAL FEES</u>
General Administration	105.60	\$ 15,870.00
Litigation	2585.50	\$ 504,782.50
Retention/Fee Application	121.30	\$ 16,734.00
<b>TOTALS:</b>	<b>2,812.40</b>	<b>\$ 537,386.50</b>

**EXPENSE SUMMARY**  
**July 1, 2002 through June 8, 2003, Inclusive**

<u>EXPENSE CATEGORY</u>	<u>SERVICE PROVIDE</u>	<u>TOTAL EXPENSE</u>
PHOTOCOPIES:		
- Internal		\$ 7,565.80
- External	Uniscribe Professional Services, Inc.	\$ 596.76
	IKON Office Solutions	\$ 2,900.47
COMMUNICATION:		\$ 472.20
DELIVERY:	Federal Express	\$ 652.53
	TGC	\$ 106.50
RESEARCH:	Westlaw	\$ 5,463.93
	Lexis	\$ 125.69
	Pacer	\$ 366.73
TRAVEL:		\$ 24,771.74
MISCELLANEOUS:		
- Court Reporter		\$ 3,542.50
- Reversal from Void Ck. No. 135982		\$ (1,433.01)
<b>TOTAL DISBURSEMENTS</b>		<b>\$ 45,131.84</b>

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: )  
 ) Chapter 11  
INACOM CORP., et al.<sup>1</sup> )  
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Debtors. ) Case No. 00-2426 (PJW)  
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 ) Jointly Administered  
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**AMENDED THIRD QUARTERLY AND FINAL FEE APPLICATION OF MCDONALD  
HOPKINS CO., LPA FOR COMPENSATION FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL FOR  
DEBTORS FOR PERIOD COVERING JULY 1, 2002 THROUGH JUNE 8, 2003**

Pursuant to §§ 330 and 331 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court’s Administrative Order Pursuant to §§ 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of Monthly Interim Compensation and Reimbursement of Expenses of Professionals, as modified on December 12, 2000 (the “Administrative Order”) McDonald Hopkins Co., LPA<sup>2</sup> (“MH” or “McDonald Hopkins”) hereby files this amended third quarterly and final fee application (the “Application”), requesting this Court enter an Order awarding it reasonable compensation with respect to the bankruptcy cases of the above-captioned Debtors (collectively the “Debtors”) for professional legal services

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<sup>1</sup> The Debtors are the following entities: InaCom Corp.; InaCom Latin America; InaCom Solutions, Inc.; InaCom Communications, Inc.; InaCom Financial Services, Inc.; Perigee Communications, Inc.; Networks, Inc.; Gorham Clark, Inc.; InaCom International, Inc.; InaCom Tennessee, Inc.; InaCom Professional Services, Inc.; Kure Associates, Inc.; Office Products of Minnesota, Inc.; Boston Computer Exchange Corporation; PC Technical Services, Inc.; Vanstar Corporation; Computerland International Development; Inc.; Computerport World Trade, Inc.; Vanstar International Corporation; VST West, Inc.; VST Illinois, Inc.; VSTNC, Inc.; Cland Tex, Inc.; InaCom Government Systems, Inc.; Contract Data, Inc.; Computer Professionals, Inc.; Vanstar Professional Technical Services, Inc.

<sup>2</sup> Formerly known as McDonald, Hopkins, Burke & Haber Co., L.P.A.

rendered to the Debtors in the amount of \$537,386.50<sup>3</sup>, together with reimbursement for actual and necessary expenses incurred in the amount of \$45,131.84<sup>4</sup> for the period of July 1, 2002 through June 8, 2003, inclusive (the "Final Fee Period"), plus and amounts related to preparing this Application and attending the hearing scheduled for September 19, 2003, if necessary, less any amounts previously paid by the Debtors pursuant to the Administrative Order. In support of its Application, MH respectfully represents as follows:

### I. BACKGROUND

1. By Application dated May 9, 2002 [Docket No. 3059], the Debtors requested authority to employ and retain Hahn Loeser & Parks LLP ("HLP") as special counsel for the Debtors, pursuant to § 327(e) of the Bankruptcy Code, to provide legal services necessary to investigate and, if necessary, prosecute avoidance actions against certain pre-petition professionals of the Debtors. On June 14, 2002 the Court entered its Order Authorizing Employment and Retention *Nunc Pro Tunc* to April 23, 2002 of Hahn Loeser & Parks LLP as Special Counsel for Debtors and Debtors in Possession in Connection with Investigating and, if Necessary, Prosecuting on Behalf of Debtors Avoidance Actions Against Professionals [Docket No. 3326].

2. Effective July 1, 2002, Jean R. Robertson, the HLP partner principally responsible for the Debtors' engagement, withdrew from HLP and joined another law firm. As a result, other than in connection with its fee application, HLP ceased rendering services to the Debtors on June 30, 2002. On July 22, 2002, MH filed an Application for Order Under § 327(e) of the

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<sup>3</sup> Representing \$100,215.00 for the first application period of July 1, 2002 through September 30, 2002; \$274,319.50 for the second application period of October 1, 2002 through January 31, 2003, and \$162,852.00 for the Final Fee Period of February 1, 2003 through June 8, 2003.

<sup>4</sup> Representing \$4,126.51 for the first application period of July 1, 2002 through September 30, 2002, \$22,897.76 for the second application period of October 1, 2002 through January 31, 2003, and \$18,100.09 for the Final Fee Period February 1, 2003 through June 8, 2003.

Bankruptcy Code Authorizing the Employment and Retention *Nunc Pro Tunc* of McDonald, Hopkins, Burke & Haber Co., LPA as Substitute Special Counsel in Connection with Investigating and, if Necessary, Prosecuting on Behalf of Debtors Avoidance Actions Against Professionals Under Chapter 5 of the Bankruptcy Code. On August 13, 2002 [Docket No. 3609] this Court entered an Order approving MH's retention as substitute special counsel to the Debtors *nunc pro tunc* to July 1, 2002 (the "MH Retention Order").

3. MH has received payments in the amount of \$472,189.07<sup>5</sup> for services rendered and reimbursement of expenses incurred in these cases. No agreement or understanding exists between MH and any other entity for the sharing of compensation to be received for services rendered in or in connection with these cases. Pursuant to the Administrative Order, MH filed eleven (11) monthly interim fee applications (the "Monthly Fee Applications") which are itemized below.

4. MH's First Monthly Fee Application for fees incurred and services rendered in the amount of \$24,396.12 for the period July 1, 2002, through July 31, 2002, was filed on September 20, 2002, a copy of which will be furnished upon request. A Certificate of No Objection was filed on October 14, 2002 [Docket No. 3830].

5. MH's Second Monthly Fee Application for fees incurred and services rendered in the amount of \$24,801.91 for the period August 1, 2002, through August 31, 2002, was filed on October 10, 2002, a copy of which will be furnished upon request. A Certificate of No Objection was filed on November 22, 2002 [Docket No. 4018].

6. MH's Third Monthly Fee Application for fees incurred and services rendered in the amount of \$55,143.48 for the period September 1, 2002, through September 30, 2002, was

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<sup>5</sup> Representing \$104,341.51 for the period July 1, 2002 through September 30, 2002, \$297,217.26 for the period October 1, 2002 through January 31, 2003 and \$70,630.30 for the period February 1, 2003 through June 8, 2003.

filed on November 1, 2002, a copy of which will be furnished upon request. A Certificate of No Objection was filed on November 20, 2003 [Docket No. 3984].

7. MH's Fourth Monthly Fee Application for fees incurred and services rendered in the amount of \$82,995.78 for the period October 1, 2002, through October 31, 2002, was filed on December 10, 2002, a copy of which will be furnished upon request. A Certificate of No Objection was filed on January 2, 2003 [Docket No. 4209].

8. MH's Fifth Monthly Fee Application for fees incurred and services rendered in the amount of \$66,859.60 for the period November 1, 2002, through November 30, 2002, was filed on December 31, 2002, a copy of which will be furnished upon request. A Certificate of No Objection was filed on January 21, 2003 [Docket No. 4302].

9. MH's Sixth Monthly Fee Application for fees incurred and services rendered in the amount of \$67,265.67 for the period December 1, 2002, through December 31, 2002, was filed on February 20, 2003, a copy of which will be furnished upon request. A Certificate of No Objection was filed on March 13, 2003 [Docket No. 4605].

10. MH's Seventh Monthly Fee Application for fees incurred and services rendered in the amount of \$80,096.21 for the period January 1, 2003, through January 31, 2003, was filed concurrently with the Application on February 25, 2003, a copy of which will be furnished upon request. A Certificate of No Objection was filed on March 18, 2003. [Docket No. 4625].

11. MH's Eighth Monthly Fee Application for fees incurred and services rendered in the amount of \$53,122.18 for the period February 1, 2003, through February 28, 2003, was filed on April 2, 2003, a copy of which will be furnished upon request. A Certificate of No Objection was filed on April 23, 2003 [Docket No. 5016].

12. MH's Ninth Monthly Fee Application for fees incurred and services rendered in the amount of \$30,421.14 for the period March 1, 2003, through March 31, 2003, was filed on



May 15, 2003, a copy of which will be furnished upon request. A Certificate of No Objection was filed on June 5, 2003 [Docket No. 5214].

13. MH's Tenth Monthly Fee Application for fees incurred and services rendered in the amount of \$29,488.93 for the period April 1, 2003, through April 30, 2003, was filed on June 9, 2003, a copy of which will be furnished upon request. A Certificate of No Objection was filed on July 1, 2003 [Docket No. 5265].

14. MH's Eleventh Monthly Fee Application for fees incurred and services rendered in the amount of \$58,779.13 for the period May 1, 2003, through May 31, 2003, was filed on June 26, 2003, a copy of which will be furnished upon request.

15. MH further applies for compensation for fees incurred and services rendered in the amount of \$7,178.00, and reimbursement of expenses in the amount of \$1,970.19, for a total of \$9,148.19, for the period June 1, 2003 through June 8, 2003. MH did not file a Monthly Fee Application for this amount and respectfully requests this amount be incorporated into this Application. Attached hereto and marked as Exhibit A is the MH invoice itemizing its fees and expenses for the period of June 1, 2003 through June 8, 2003.

## II. RELIEF SOUGHT

16. By this Application, McDonald Hopkins respectfully requests this Court enter an order:

- (a) Approving all fees and expenses not previously approved, but incurred by McDonald Hopkins during the Debtors' chapter 11 cases;
- (b) Approving final allowance of all fees and expenses of McDonald Hopkins;
- (c) Approving all fees and expenses incurred by McDonald Hopkins related to preparing this Application and attending the hearing, if necessary, on September 19, 2003; and

- (d) Directing the Debtors to pay all outstanding and approved amounts owed to McDonald Hopkins.

### **III. SERVICES RENDERED BY McDONALD HOPKINS**

17. The attorneys of McDonald Hopkins who have rendered professional services in these cases during the Final Fee Period are: Jean R. Robertson, Edmund W. Searby, Matthew A. Salerno, Todd E Gonyer, Patrick W. Carothers, Sherri L. Dahl, and Matthew R. Rechner. Summer associate, Michael J. Kaczka, provided law clerk services. Christine P. Buddner, Julie A. Butler, Dolores Kreeger, DeBorah Marshall and Antoinette Macon provided paraprofessional services.

18. McDonald Hopkins' requested allowance of final compensation for services rendered and reimbursement for expenses incurred reflects the requisite time, skill, and effort expended towards the goals of assisting the Debtors in investigating and prosecuting avoidance actions against certain of the Debtors' prepetition professionals and other service providers (the "Service Providers").

19. In accordance with sections 330(a) and 331 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 2016, McDonald Hopkins makes this Application for a final allowance of compensation for professional services rendered to the Debtors, as its special counsel, in the amount of \$537,386.50 (plus any additional amounts incurred after June 8, 2003 related to preparing and obtaining approval of the Application) and reimbursement of expenses incurred in connection with those services of \$45,131.84.

20. McDonald Hopkins' personnel providing services to the Committee maintain daily time entries, which are prepared contemporaneously with the rendition of services. These time records set forth the dates on which services were rendered, a summary description of such services, and the time spent each day delivering such services. The services rendered by

McDonald Hopkins during the Final Fee Period are set forth below by category. Aggregate and Attorney Time Summaries by category are described in Exhibit B attached hereto.

**A. General Administration** (Fees - \$15,870.00; Total Hours – 105.60)

21. McDonald Hopkins attended to routine case management matters, including preparing updates on critical dates in accordance with the Court's docket calendar (e.g., hearing dates and response deadlines); docketing pleadings and other documents in the Debtors' cases; preparing service lists for the submission of pleadings to the Court; drafting certificates of service for pleadings filed; and filing and serving documents.

**B. Litigation** (Fees - \$504,782.50; Total Hours – 2,585.50)

22. On June 11, 2002, the Debtors filed 15 adversary proceedings (the "Adversary Proceedings") seeking the avoidance of prepetition payments against separate Service Providers. Since the Adversary Proceeding filings, MH's services involved the review and analysis of information provided by the Debtors as to the timing and nature of payments made to numerous Service Providers prior to the Petition Date. MH also reviewed information available from filings in these cases as to those Service Providers who were retained in these cases. Further, MH engaged in discussions with counsel for such Service Providers tolling such proceedings while the parties engaged in informal discovery, and in some cases, settlement discussions. MH reviewed and analyzed information provided by certain Service Providers in response to informal discovery requests.

23. During the Final Fee Period, MH continued to provide services related to the formal discovery phase of the pending Adversary Proceedings. These tasks include reviewing documents from the various Service Providers, telephone conferences with counsel for the Service Providers related to same, and in some instances, settlement discussions. MH continued to spend time and resources conducting research regarding the allegations raised in the

Adversary Proceedings, certain defenses, and analyzing the application of such research to the facts of each case.

24. Finally, the services rendered by MH during the Final Fee Period include participating and/or concluding settlement negotiations pertaining to virtually all of the Adversary Proceedings. These services included the review and analysis of discovery documents, involvement in the negotiations of settlement proposals, and continuous communication and exchange of documentation with counsel for the Service Providers. MH also prepared for the depositions of Ernst & Young and Willkie Farr & Gallagher, which include reviewing and responding to discovery responses and requests and preparing interrogatories.

25. Notably, of the total fourteen (14) Adversary Proceedings that were filed on June 11, 2002, eight (8) have been settled (the "Settled Actions"), two (2) have been withdrawn, and four (4) are still pending (the "Pending Actions"). With respect to the Settled Actions, the total amount of the Debtors' collective claims, net of new value defenses, is \$2,148,103. For these same Settled Actions, MH, on behalf of the Debtors, has recovered value to the estates the amount of \$1,692,095 (in both the form of cash and claim waivers), which translates into an approximate 79% overall recovery to the estates. With respect to the Pending Actions, they are: Willkie Farr & Gallagher [\$2,900,000]; Schulte, Roth & Zabel [\$480,550.88]; Ernst & Young [\$242,707.31]; and Goldman Sachs<sup>6</sup> [\$1,500,000]. MH will work with the Plan Administrator and the Post-Confirmation Committee, in continuing its prosecution of the Pending Actions until each is resolved.

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<sup>6</sup> The Debtors and Goldman Sachs have reached an agreement to settle this Adversary Proceeding, which is being documented presently.

C. **Retention and Fee Application** (Fees - \$16,734.00; Total Hours – 121.30)

26. McDonald Hopkins prepared and filed its Eight, Ninth, Tenth and Eleventh Monthly Fee Applications for compensation for services provided as Special Counsel to the Debtors. The total estimated time expended for this Application related to preparation is approximately 24 hours, and has corresponding compensation requested of approximately \$15,000.00, plus expenses.

IV. **DISBURSEMENTS**

27. McDonald Hopkins has incurred out-of-pocket expenses during the Final Fee Period in the amount of \$45,131.84 in the rendering of professional services. Such expenses were necessary and reasonable in scope and amount and do not include a charge for profit. The expenses are broken down into categories of charges, including, among other things, duplication, computer research charges, telecopies, delivery services, filing fees, publication fees, etc. Moreover, the expenses incurred comply with the provisions of Local Bankruptcy Rule 2014-1. A complete review by category of the expenses incurred for the Final Fee Period may be found in the Monthly Fee Applications previously filed with the Court (a copy of which will be furnished upon request).

28. McDonald Hopkins represents that its rate for duplication is \$0.20 per page; its effective rate for outgoing telecopies transmissions is at actual long distance telephone cost, there is no charge for incoming telecopier transmissions; computer research charges are billed to clients at actual cost, which does not include amortization for maintenance or equipment; postal, overnight delivery and courier services are billed at actual cost; and miscellaneous expenses, *i.e.*, filing fees, publication fees, travel and meeting expenses, etc. are billed to clients at actual cost.

V. SUMMARY VALUATION OF SERVICES

29. Attorneys and paraprofessionals of MH have expensed a total of 2,773.50 hours in connection with this matter during the Final Fee Period as follows:

<u>SHAREHOLDERS</u>	<u>TOTAL HOURS</u>	<u>RATE</u>
Robertson, Jean R.	488.90	290.00
Searby, Edmund W.	16.90	290.00
Searby, Edmund W.	230.90	265.00
Searby, Edmund W.	36.00	260.00

<u>ASSOCIATES</u>	<u>TOTAL HOURS</u>	<u>RATE</u>
Salerno, Matthew A.	550.70	175.00
Salerno, Matthew A.	222.30	150.00
Gonyer, Todd E.	831.60	165.00
Gonyer, Todd E.	57.80	145.00
Carothers, Patrick W.	83.10	160.00
Dahl, Sherri L.	54.20	160.00
Rechner, Matthew R.	19.90	145.00

<u>LAW CLERKS</u>	<u>TOTAL HOURS</u>	<u>RATE</u>
Kaczka, Michael J.	33.70	70.00

<u>PARAPROFESSIONALS</u>	<u>TOTAL HOURS</u>	<u>RATE</u>
Marshall, DeBorah	3.60	150.00
Kreeger, Dolores	8.20	125.00
Butler, Julie A.	13.60	120.00
Buddner, Christine P.	103.10	100.00
Buddner, Christine P.	33.20	95.00
Macon, Antoinete	24.70	40.00

A. Compensation

30. The nature of the work performed by these persons is fully set forth in the Monthly Fee Applications previously filed with the Court. These are MH's normal hourly rates for work of this nature.

31. McDonald Hopkins believes that the time entries included in the Monthly Fee Applications previously filed with the Court are in compliance with the requirements of Local Bankruptcy Rule 2014-1. It is appropriate for McDonald Hopkins to include and be compensated for the reasonable time spent preparing fee applications. See In re Busy Beaver Bldg. Centers, Inc., 19 F.3d 833, 846 (3d Cir. 1994).

32. In accordance with the factors enumerated in 11 U.S.C. § 330, the amount requested is fair and reasonable given; (a) the complexity of these cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services; and (e) the costs of comparable services other than in a case under this Title.

B. Expenses

33. McDonald Hopkins seeks reimbursement for actual expenses incurred in providing services in the sum of \$45,131.84. MH submits that such expenses were reasonable and necessary in light of the services provided.

34. McDonald Hopkins utilized the following procedures with respect to the expenses incurred:

- (a) No amortization of the cost of any investment, equipment, or capital outlay is included in the expenses, and McDonald Hopkins does not make a profit on any expense. In addition, for those items or services that McDonald Hopkins justifiably purchased or contracted for from a third party (such as outside copy services), McDonald Hopkins seeks reimbursement only for the exact amount billed to McDonald Hopkins by the third party vendor and paid by McDonald Hopkins to the third party vendor.
- (b) McDonald Hopkins has retained documentation for all expenses in excess of \$25 and has provided such documentation to the Court and United States Trustee in prior interim applications.
- (c) Photocopying by McDonald Hopkins was charged at \$.20 per page. To the extent practicable, McDonald Hopkins utilized less expensive, outside copying services. Telecopying by McDonald Hopkins was charged only for outgoing facsimile only at \$.20 per page.

- (d) McDonald Hopkins used overnight delivery and third party messenger services only as necessary.
- (e) Computer assisted legal research was used only when time pressures rendered it impracticable to conduct such research manually or when McDonald Hopkins professionals determined that computer assisted research would be economical. McDonald Hopkins used computer research in connection with preparation of pleadings filed with the Court for:
  - (i) Shepardizing of cases cited in pleadings filed with the Court; and
  - (ii) Case law research regarding certain issues that arose during the Debtors' cases. To complete this shepardizing and research manually would have taken significantly more lawyer time, resulting in a greater cost to the Debtors' estates.
- (f) In accordance with the U.S. Trustee Guidelines, reimbursement for expenses for automobile travel is not sought in this Application unless the round trip travel time exceeded one hour.

35. Sections 330(a)(2) and 503(b)(4) of the Bankruptcy Code permit reimbursement for actual, necessary expenses. As noted above, McDonald Hopkins has already conducted a review process and has eliminated the expenses that it deemed noncompensable. Accordingly, those expenses for which reimbursement is sought in this Application satisfy the standards presented by section 330(a)(2) of the Bankruptcy Code, the U.S. Trustee Guidelines and the Local Bankruptcy Rules of this Court.

### CONCLUSION

WHEREFORE, McDonald Hopkins respectfully requests that the Court enter an order (a) approving fees in the amount of \$537,386.50 and expenses in the amount of \$45,131.84, plus reasonable fees and expenses related to preparing this Application and attending the hearing scheduled for September 19, 2003, if necessary, (b) allowing, on a final basis, all fees and expenses of McDonald Hopkins in these cases; (c) directing the Debtors to pay all outstanding



amounts owed to McDonald Hopkins; and (d) granting such other and further relief as the Court may deem proper.

July 21, 2003

Respectfully submitted,

/s/ Jean R. Robertson

Jean R. Robertson (0069252)

Matthew A. Salerno (0070847)

McDONALD HOPKINS CO., LPA

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Facsimile: (216) 348-5474

E-Mail: [jrobertson@mcdonaldhopkins.com](mailto:jrobertson@mcdonaldhopkins.com)

[msalerno@mcdonaldhopkins.com](mailto:msalerno@mcdonaldhopkins.com)

Special Counsel for InaCom Corp. and its  
Affiliated Debtors, on Behalf of the Estate  
of Debtors InaCom Corp., et al.

**VERIFICATION**


STATE OF OHIO                    )  
  ) ss:  
COUNTY OF CUYAHOGA    )

JEAN R. ROBERTSON, being duly sworn, deposes and says:


1. I am a member of the firm of McDonald Hopkins Co., LPA ("MH"), which maintains offices for the practice of law at 2100 Bank One Center, 600 Superior Avenue, E., Cleveland, Ohio 44114.

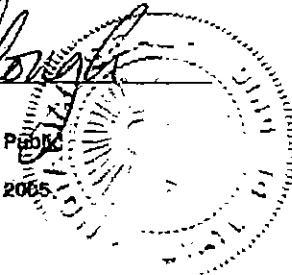
2. I have personally performed many of the legal services rendered by MH as special counsel to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by the lawyers and paraprofessionals of MH.

3. I have reviewed the foregoing Application and the facts set forth are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Local Bankruptcy Rules (Amended Effective February 1, 2001) and submit that to my knowledge the Application complies with such Local Rules.

  
\_\_\_\_\_  
Jean R. Robertson

SUBSCRIBED AND SWORN to before me this 21<sup>st</sup> day of July, 2003.

  
\_\_\_\_\_  
Notary Public  
DENISE C. McCULLOUGH, Notary Public  
State of Ohio  
My Commission Expires Dec. 17, 2005.



**EXHIBIT A**

McDonald Hopkins

McDonald Hopkins Co., LPA  
2100 Bank One Center  
600 Superior Avenue, E  
Cleveland, Ohio 44114

P: 216.348.5400  
F: 216.348.5474  
mcdonaldhopkins.com

Fed. ID 34-1059058

PERSONAL & CONFIDENTIAL  
ELAINE AGEE  
INACOM CORPORATION  
13010 MORRIS ROAD, 6TH FLOOR  
ALPHARETTA, GA 30004

JULY 17, 2003  
Invoice No: 1010375

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FOR SERVICES RENDERED AND DISBURSEMENTS AS FOLLOWS

THROUGH MAY 31, 2003 INCLUDING THE FOLLOWING ITEMIZED SERVICES

CLIENT NO: 16288

FEEES FOR SERVICES	\$	7,178.00
CASH ADVANCED		1,970.19
TOTAL	\$	<u>9,148.19</u>

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RE: MHBH FEE APPS REP CLIENT AS SPECIAL COUNSEL TO INVESTIGATE AND  
ROSECUTE AVOIDANCE ACTIONST AGAINST PROFESSIONAL  
16288-00002

06/02/03	REVIEW AND EDIT 10TH MONTHLY FEE APPLICATION. CHRISTINE P BUDDNER	0.90 hours at	100.00/hr	90.00
06/03/03	DISCUSSION WITH ACCOUNTING RE: ADDITIONAL PAYMENT FOR \$2,684.00 (.40); EDIT FEE APPLICATION TO INCLUDE EXPLANATION OF THIS FIGURE (.70). CHRISTINE P BUDDNER	1.10 hours at	100.00/hr	110.00
06/05/03	REVIEW 10TH MONTHLY FEE APPLICATION AND MAKE REVISIONS (.4); PHONE CALL TO C. BUDDNER AND B. LINDOW REGARDING SAME AND FEE ADJUSTMENTS (.3); REVIEW AND RESPOND TO E-MAIL FROM J. WILLIAMS REGARDING FEES AND BUDGET (.3). JEAN R ROBERTSON	1.00 hours at	290.00/hr	290.00
06/06/03	REVIEWED DOCKET FOR CNO FOR 9TH FEE APPLICATION AND OBTAINED COPY OF SAME (.30); UPDATE 10TH FEE APPLICATION TO REFLECT APPROVAL OF 9TH FEE APPLICATION FEES (.20); PREPARED AND FAXED LETTER TO J. WILLIAMS ENCLOSING CNO AND ADVISING AMOUNT DUE (.30); PREPARED LETTER TO KATHE FINALYSON ENCLOSING 10TH FEE APPLICATION (.10); ATTN TO COPYING AND FEDERAL EXPRESS OF SAME (.30). CHRISTINE P BUDDNER	1.20 hours at	100.00/hr	120.00
TOTAL FEES FOR MATTER: 16288-00002				\$ 610.00

CASH ADVANCED

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DELIVERY CHARGES FEDERAL EXPRESS - FEDERAL EXPRESS

9.28

TOTAL EXPENSES FOR MATTER: 16288-00002 \$ 9.28

RE: GENERAL ADMINISTRATION REP CLIENT AS SPECIAL COUNSEL TO INVESTIGATE AND ROSECUTE AVOIDANCE ACTIONS AGAINST PROFESSIONALS  
16288-00003

06/03/03	MEMO TO CO-COUNSEL RE: OUTSTANDING TASKS TO BE DONE. EDMUND W SEARBY	0.30 hours at	290.00/hr	87.00
06/05/03	UPDATE DOCKET FROM PACER SYSTEM ANTOINETTE S MACON	0.50 hours at	40.00/hr	20.00
06/06/03	PHONE CONFERENCES (X2) WITH N. GILMOUR REGARDING MISCELLANEOUS MATTERS (.2); ATTENTION TO NEW ENGAGEMENT LETTER (.3). JEAN R ROBERTSON	0.50 hours at	290.00/hr	145.00

TOTAL FEES FOR MATTER: 16288-00003 \$ 252.00

## CASH ADVANCED

COPYING CHARGE - IKON OFFICE SOLUTIONS	21.80
COPYING CHARGE - IKON OFFICE SOLUTIONS	1,841.47
DELIVERY CHARGES FEDERAL EXPRESS - FEDERAL EXPRESS	5.76
DELIVERY CHARGES FEDERAL EXPRESS - FEDERAL EXPRESS	9.28
FACSIMILE TRANSMISSIONS	5.00
PRODUCTION OF DOCUMENTS	77.60

TOTAL EXPENSES FOR MATTER: 16288-00003 \$ 1,960.91

RE: LITGATION REP CLIENT AS SPECIAL COUNSEL TO INVESTIGATE AND ROSECUTE  
AVOIDANCE ACTIONS AGAINST PROFESSIONALS  
16288-00004

06/02/03	(4.3) WORK ON COORDINATING DOCUMENT PRODUCTION TO SCHULTE ROTH, INCLUDING LOCATING, IDENTIFYING, AND REVIEWING DOCUMENTS RELIED UPON BY BRIDGE ASSOCIATES. TODD E GONYER	4.30 hours at	165.00/hr	709.50
06/03/03	COMMUNICATION WITH DUANE WERB RE: DEPOSITIONS. EDMUND W SEARBY	0.20 hours at	290.00/hr	58.00
06/03/03	COMMUNICATION WITH DUANE WERB RE: 30(B)(6) DEPOSITION. EDMUND W SEARBY	0.20 hours at	290.00/hr	58.00
06/03/03	(0.2) TELEPHONE CALL TO G. JOSEPHSON REGARDING DEPOSITION DATES; (0.1) TELEPHONE CALL TO T. McCAULY REGARDING PRODUCTION OF RECORDS TO SCHULTE ROTH; (0.1) TELEPHONE CALL TO D. VOMERO REGARDING STATUS OF RECORDS PRODUCTION FOR SCHULTE ROTH; (0.2) CONFERENCE WITH P. CAROTHERS REGARDING AUTHORIZATION FOR RELEASE OF RECORDS; (0.1) TELEPHONE CALL TO E. AGEE REGARDING SIGNING OF RELEASE TO PRODUCE RECORDS FOR McGRATH NORTH; (0.2) EMAIL CORRESPONDENCE WITH D. PAPE REGARDING DOCUMENT REQUESTS; (0.6) REVIEW LATEST DRAFT OF DELOITTE MEMORANDUM OF UNDERSTANDING; (5.2) CONTINUE EFFORTS TO GATHER, REVIEW, IDENTIFY AND ASSEMBLE RECORDS FOR PRODUCTION TO SCHULTE ROTH. TODD E GONYER	6.70 hours at	165.00/hr	1,105.50
06/03/03	PHONE AND E-MAIL CORRESPONDENCE WITH ELAINE AGEE RE: RELEASE LETTER FOR DAN POPE (McGRATH NORTH) E-MAIL TO T. GONYER RE: SAME. PATRICK W CAROTHERS	0.40 hours at	160.00/hr	64.00

06/04/03	REVIEW AND REPLY TO E-MAIL FROM A. BHACHU REGARDING SKADDEN MEMORANDUM OF UNDERSTANDING (.1); PHONE CALL TO M. SALERNO REGARDING SAME (.1); REVIEW E-MAILS FROM T. GONYER AND N. SEARBY REGARDING WILLKIE FARR AND OTHER MATTERS (.3); REVIEW CORRESPONDENCE FROM T. GONYER TO ERNST & YOUNG (.1); REVIEW NOTES AND PREPARE FOR TEAM BRIEFING TODAY (.4); ATTEND TEAM MEETING (.9).	JEAN R ROBERTSON	1.90 hours at	290.00/hr	551.00
06/04/03	PHONE CALL FROM M. SALERNO REGARDING SKADDEN DISMISSAL.	JEAN R ROBERTSON	0.10 hours at	290.00/hr	29.00
06/04/03	CONFERENCE WITH T. GONYER REGARDING COMPLETION OF DELOITTE & TOUCHE SETTLEMENT.	JEAN R ROBERTSON	0.20 hours at	290.00/hr	58.00
06/04/03	MEETING WITH T. GONYER AND J. ROBERTSON RE WILLKIE (.9); REVIEW WILLKIE DISCOVERY (1.5); REVIEW WILLKIE FILE AND RESEARCH (1.6); CORRESPONDENCE TO LOCAL COUNSEL RE DEWOLFF (.3); REVIEW GOLDMAN MEMO OF UNDERSTANDING (.6).	MATTHEW A SALERNO	3.90 hours at	175.00/hr	682.50
06/04/03	(0.1) CONFERENCE WITH M. SALERNO REGARDING PREPARATIONS FOR WILLKIE FARR DEPOSITION; (0.1) CONFERENCE WITH J. ROBERTSON REGARDING REVISIONS TO DELOITTE MEMORANDUM OF UNDERSTANDING; (0.2) PREPARE EMAIL TO M. WILLIAMS REGARDING SUGGESTED CHANGES TO DELOITTE MEMORANDUM; (2.8) PREPARE FOR AND ATTEND TEAM MEETING REGARDING WILLKIE FARR'S DEPOSITIONS AND PREPARATION OF SAME; (0.3) CONFERENCE WITH GEORGE ASIMOU REGARDING REVIEW OF DOCUMENTS PULLED BY WILLKIE FARR; (0.2) TELEPHONE CALL WITH E. AGEE REGARDING DOCUMENTS FOR SCHULTE ROTH PRODUCTION; (2.2) BEGIN REVIEWING AND ORGANIZING MATERIALS FOR WILLKIE FARR DEPOSITIONS.	TODD E GONYER	5.90 hours at	165.00/hr	973.50



06/05/03 PHONE CALL FROM D. WERB REGARDING PREPARATION FOR WILLKIE FARR DEPOSITIONS AND RELATED MATTERS (.5); REVIEW E-MAIL FROM M. SALERNO REGARDING STATUS AND CALL TO B. FARRIS (.1); PHONE CALL TO B. FARRIS (GOLDMAN) (.1); REVIEW DOCKET UPDATES (.1); CONFERENCES WITH T. GONYER REGARDING DOCUMENTS FOR D. WERB, DEPOSITION PREPARATION AND RELATED ISSUES (.6).  
JEAN R ROBERTSON 1.40 hours at 290.00/hr 406.00

06/05/03 REVIEW RESEARCH MEMOS RE WILLKIE (.6); REVIEW AND REVISE DELOITTE 9019 MOTION (.5); CORRESPONDENCE TO E. AGEE RE SKADDEN (:3); CORRESPONDENCE TO B. FARRIS RE: GOLDMAN (.4).  
MATTHEW A SALERNO 1.80 hours at 175.00/hr 315.00

06/05/03 (0.2) PREPARE LETTER TO E. CAHALEN REGARDING COPYING OF RECORDS FOR WILLKIE FARR; (0.2) TELEPHONE CALL WITH E. AGEE REGARDING PRODUCTION OF RECORDS TO SCHULTE ROTH; (1.4) CONFERENCE WITH J. ROBERTSON AND ASSEMBLE MATERIALS FOR LOCAL COUNSEL TO REVIEW.  
TODD E GONYER 1.80 hours at 165.00/hr 297.00

06/06/03 REVIEW AND EDIT LETTER TO C. CROWTHER REGARDING WILLKIE FARR DOCUMENT PRODUCTION (.2); CONFERENCES WITH T. GONYER REGARDING SAME AND FOLLOW UP (.3); REVIEW DOCKET UPDATE (.1); PHONE CALL TO J. BONGIORNO REGARDING FILING OF DELOITTE & TOUCHE RULE 9019 MOTION AND WILLKIE FARR NOTICE OF 30(B)(6) DEPOSITION AND FOLLOW UP (.3); REVIEW E-MAILS FROM D. VOMERO REGARDING DOCUMENTS FOR SCHULTE ROTH (.2); DISCUSS SAME WITH T. GONYER (.2); PHONE CALL FROM B. FARRIS REGARDING GOLDMAN SETTLEMENT AND RELEASE LANGUAGE (.4); PHONE CALL TO J. WILLIAMS AND M. NEWSOM REGARDING GOLDMAN ACCOUNTS RECEIVABLE INVOICES (.3).  
JEAN R ROBERTSON 2.00 hours at 290.00/hr 580.00



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06/06/03 (0.1) CONFERENCE WITH J. ROBERTSON REGARDING NOTICING OF DEPOSITIONS; (0.1) PREPARE 30(B)(6) DEPOSITION NOTICE FOR WILLKIE FARR; (0.3) PREPARE LETTER TO C. CROWTHER; (0.2) PREPARE EMAIL TO E. AGEE REGARDING DELOITTE SETTLEMENT; (0.2) CONFERENCE WITH J. ROBERTSON REGARDING FILING OF DELOITTE 9019 MOTION; (0.2) PREPARE EMAIL TO LOCAL COUNSEL REGARDING FILING OF DELOITTE 9019 MOTION; (1.5) CONTINUE PREPARATION OF MATERIALS TO LOCAL COUNSEL FOR WILLKIE FARR DEPOSITIONS.

TODD E GONYER 2.60 hours at 165.00/hr 429.00

TOTAL FEES FOR MATTER: 16288-00004 \$ 6,316.00

EXHIBIT "B"

**ATTORNEY TIME SUMMARY BY MATTER**

<u>GENERAL ADMINISTRATION</u>	<u>TOTAL HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL AMOUNT</u>
Robertson, Jean R.	29.20	\$290.00	\$8,468.00
Searby, Edwin W.	.30	290.00	\$87.00
Searby, Edwin W.	4.80	265.00	\$1,272.00
Dahl, Sherri L.	4.30	160.00	\$688.00
Salerno, Matthew A.	3.70	150.00	\$555.00
Buddner, Christine P.	25.20	95.00	\$2,394.00
Buddner, Christine P.	14.70	100.00	\$1,470.00
Macon, Antoinette	23.40	40.00	\$936.00
<b>TOTALS:</b>	<b>105.60</b>		<b>\$15,870.00</b>

<u>LITIGATION</u>	<u>TOTAL HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL AMOUNT</u>
Robertson, Jean R.	435.70	\$290.00	\$126,353.00
Searby, Edmund W.	36.00	260.00	\$9,360.00
Searby, Edmund W.	225.80	265.00	\$59,830.00
Searby, Edmund W.	16.90	290.00	\$4,901.00
Salerno, Matthew A.	218.60	150.00	\$32,790.00
Salerno, Matthew A.	550.70	175.00	\$96,372.50
Gonyer, Todd E.	57.80	145.00	\$8,381.00
Gonyer, Todd E.	831.60	165.00	\$137,214.00
Carothers, Patrick W.	83.10	160.00	\$13,296.00
Dahl, Sherri W.	49.90	160.00	\$7,984.00
Rechner, Matthew R.	19.90	145.00	\$2,885.00
Kreeger, Delores	8.20	125.00	\$1,025.00
Butler, Julie A.	13.60	120.00	\$1,632.00
Buddner, Christine P.	4.00	100.00	\$400.00
Kaczka, Michael J.	33.70	70.00	\$2,359.00
<b>TOTALS:</b>	<b>2,585.50</b>		<b>\$504,782.50</b>

<u>RETENTION AND FEE APPLICATION</u>	<u>TOTAL HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL AMOUNT</u>
Robertson, Jean R.	24.00	\$290.00	\$6,960.00
Marshall, DeBorah G.	3.60	145.00	\$522.00
Buddner, Christine P.	8.00	95.00	\$760.00
Buddner, Christine P.	84.40	100.00	\$8,440.00
Macon, Anotinette	1.30	40.00	\$52.00
<b>TOTALS:</b>	<b>121.30</b>		<b>\$16,734.00</b>