

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Jointly Administered
LERNOUT & HAUSPIE,)	Case No. 00-4398 (JHW)
SPEECH PRODUCTS, N.V., <u>et al.</u>,)	
)	Chapter 11
Debtors.)	

**APPLICATION FOR COMPENSATION AND
FOR REIMBURSEMENT OF EXPENSES**

Name of Applicant: Akin Gump Strauss Hauer & Feld LLP

Authorized to Provide
Professional Services to: Official Committee of Unsecured Creditors

Date of Retention: January 13, 2001 (nunc pro tunc to December 13, 2000)

Period for which compensation
and reimbursement is sought: December 13, 2002 through September 23, 2002

Amount of Compensation sought as
actual, reasonable, and necessary: \$1,355,689.05

Amount of Expense Reimbursement sought
as actual, reasonable, and necessary: \$79,168.82

This is the final fee application for services rendered on behalf of the Official Committee of Unsecured Creditors of L&H Holdings USA, Inc.

Prior Fee Applications:

Time Period	Fees	Expenses	Status
12/13/00 – 12/31/00	\$85,663.35	\$1,370.36	Approved pursuant to Court Order.
01/01/01 – 01/31/01	\$255,394.00	\$10,159.39	Approved pursuant to Court Order.
02/01/01 – 02/28/01	\$262,358.25	\$19,358.85	Approved pursuant to Court Order.
03/01/01 – 03/31/01	\$238,717.75	\$15,588.38	Approved pursuant to Court Order.
04/01/01 – 04/30/01	\$230,592.25	\$17,614.84	Approved pursuant to Court Order.
05/01/01 – 05/31/01	\$208,782.00	\$3,367.78	Approved pursuant to Court Order.
06/01/01 - 06/30/01	\$159,363.50	\$27,541.36	Approved pursuant to Court order.
07/01/01 – 07/31/01	\$170,683.25	\$15,002.45	Approved pursuant to Court Order.
08/01/01 – 08/31/01	\$133,669.25	\$19,296.97	Approved pursuant to Court order.
09/01/01 – 09/30/01	\$145,203.00	\$5,726.50	Approved pursuant to Court order.
10/01/01 – 10/31/01	\$199,926.25	\$3,626.21	Approved pursuant to Court order.
11/01/01 – 11/30/01	\$163,635.00	\$9,678.32	Approved pursuant to Court order.
12/01/01 – 12/31/01	\$176,507.50	\$2,752.58	Pending Court Approval. Payment received pursuant to Administrative Fee Order.
01/01/02 – 04/30/02	\$347,483.00	\$15,367.93	Pending Court Approval. Payment received pursuant to Administrative Fee Order.
05/01/02 – 08/31/02	\$201,592.00	\$5,596.07	Pending Court Approval.
09/01/02 – 09/30/02	\$69,240.00	\$2,364.00	Pending Court Approval.

**LERNOUT & HAUSPIE SPEECH PRODUCTS HOLDINGS
FEE SUMMARY
DECEMBER 13, 2000 THROUGH SEPTEMBER 23, 2002**

PARTNERS	DEPARMENT	STATE OF BAR ADMISSION – YEAR	HOURS	RATE	AMOUNT
Andrew Gaines	Tax	New York - 1987	0.60	\$525	\$315.00
Clarice Davis	Litigation	Texas – 1969	0.75	\$425	\$318.75
Daniel H. Golden	Financial Restructuring	New York - 1978	239.56	\$675	\$147,497.40
Doug Killip	Tax	New York - 1988	2.10	\$500	\$1,050.00
Elaine LaFlamme	Intellectual Property	New York - 1989	139.93	\$475	\$66,466.75
Ira Dizengoff	Financial Restructuring	New York - 1993	747.66	\$433	\$324,013.00
Jacques Bourgeois	International Trade	Brussels - 1962	14.28	\$440	\$6,283.20
Kim Koopersmith	Litigation	New York - 1985	170.78	\$550	\$85,670.00
Mark Volow	Corporate	New York - 1981	7.68	\$525	\$4,032.00
Martine De Witte	Corporate	Brussels - 1984	161.32	\$385	\$62,108.20
Steven Kuhn	Corporate	New York - 1991	120.48	\$500	\$54,611.00
Steven Pesner	Litigation	New York - 1972	0.10	\$615	\$61.50
COUNSEL	DEPARMENT	STATE OF BAR ADMISSION – YEAR	HOURS	RATE	AMOUNT
Adrienne Scerbak	Tax	New York - 1994	28.84	\$380	\$10,959.20
Jonathan Cole	Corporate	New York - 1994	1.90	\$380	\$722.00
Michael Lovitz	Corporate	New York - 1994	1.85	\$380	\$703.00
Noel Humphreys	Corporate	New York - 1980	48.25	\$400	\$19,300.00
Patrick Cox	Tax	New York - 1996	30.50	\$384	\$11,706.00
Robert Lennon	Corporate	New York - 1993	215.21	\$410	\$83,554.00
Robert Stark	Financial Restructuring	New York - 1996	3.48	\$375	\$1,305.00

ASSOCIATES	DEPARMENT	STATE OF BAR ADMISSION – YEAR	HOURS	RATE	AMOUNT
Allan Hill	Financial Restructuring	New York - 2002	115.30	\$245	\$27,672.00
Anthony Szydowski	Corporate	New York - 2001	0.85	\$250	\$212.50
Christopher Artzer	Financial Restructuring	Texas – 1996	2.65	\$275	\$728.75
Clark Jablon	Intellectual Property	Pennsylvania - 1995	0.50	\$325	\$162.50
Geoffrey Raight	Financial Restructuring	New York - 1998	4.84	\$335	\$1,621.40
James Savin	Financial Restructuring	New York - 1998	662.40	\$313	\$207,210.00
Jennifer Koppman	Litigation	New York - 1998	119.26	\$270	\$32,200.20
John Storz	Corporate	New York – 1997	128.15	\$313	\$40,080.25
Lynda Stadler	Litigation	New York – 2000	1.70	\$305	\$518.50
Mark Laskay	Corporate	New York - 1996	12.78	\$305	\$3,897.90
Susan Zentay	Financial Restructuring	New York - 2000	23.90	\$255	\$6,094.50
Shuba Satyaprasad	Financial Restructuring	New York - 1999	399.92	\$255	\$101,979.60
Steven Jordan	Tax	New York - 2001	11.24	\$305	\$3,428.20
LAW CLERKS	DEPARMENT	STATE OF BAR ADMISSION – YEAR	HOURS	RATE	AMOUNT
Allan Hill	Financial Restructuring	New York - 2002	17.36	\$140	\$2,430.40
Kerry Thompson	Financial Restructuring	New York – 2002	12.20	\$140	\$1,708.00
LEGAL ASSISTANTS	DEPARMENT	STATE OF BAR ADMISSION – YEAR	HOURS	RATE	AMOUNT
Azalia Wynter	Litigation	N/A	1.75	\$135	\$236.25
Christina Jung	Financial Restructuring	N/A	18.90	\$150	\$2,835.00
Damon Reeves	Records	N/A	3.00	\$110	\$330.00
Darryl Thompson	Records	N/A	1.40	\$110	\$154.00
Evelyn Munoz	Financial Restructuring	N/A	38.10	\$135	\$5,143.50
George Ruge	Litigation	N/A	0.50	\$135	\$67.50
Jeffrey Yau	Library	N/A	0.20	\$135	\$27.00

Jim Ma	Litigation	N/A	0.75	\$135	\$101.10
Peter J. Sprofera	Financial Restructuring	N/A	217.98	\$155	\$33,735.00
Thomas Hanson	Litigation	N/A	0.50	\$120	\$60.00
			1,149.65		\$386,609.75

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	
LERNOUT & HAUSPIE)	Jointly Administered
SPEECH PRODUCTS N.V., et al.,)	Case No. 00-4398 (JHW)
)	
Debtors.)	Chapter 11

**APPLICATION OF AKIN GUMP STRAUSS
HAUER & FELD LLP, CO-COUNSEL FOR
THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF L&H HOLDINGS USA, INC.,
FOR FINAL ALLOWANCE OF COMPENSATION
AND FOR THE REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED DURING THE PERIOD
DECEMBER 13, 2000 THROUGH SEPTEMBER 23, 2002**

**TO: THE HONORABLE JUDITH H. WIZMUR,
UNITED STATES BANKRUPTCY COURT JUDGE:**

Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”), co-counsel to the Official Committee of Unsecured Creditors of Lernout & Hauspie Speech Products N.V. (“L&H”) and its two affiliated debtors and debtors-in-possession (the “Debtors”) until February 28, 2001, and counsel solely to the Official Committee of Unsecured Creditors (with respect to each official committee, the “Committee”) of L&H and L&H Holdings USA, Inc. (“Holdings”, and collectively with L&H, the “L&H Debtors”), since March 1, 2001, for its final application pursuant to 11 U.S.C. § 330 for a final allowance of compensation for services rendered and for reimbursement of expenses incurred in connection with Holdings’ chapter 11 case, respectfully represents:

I. INTRODUCTION

1. By this application, Akin Gump seeks (i) a final allowance and award of compensation for the professional services rendered by Akin Gump as counsel to the Committee with respect to Holdings' chapter 11 case for the period from December 13, 2000 through September 23, 2002 (the "Compensation Period") in the amount of \$1,355,689.05; and (ii) reimbursement of actual and necessary expenses incurred by Akin Gump during the Compensation Period in connection with the rendition of such professional services and paraprofessional services in the amount of \$79,168.82.

2. Pursuant to the Second Amended Administrative Order, Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Second Amended Compensation Order"), the fees and expenses requested in this Application represent 40% of the fees and expenses incurred by Akin Gump during the period December 13, 2000 through February 28, 2001. For the period March 1, 2001 through September 23, 2002, Akin Gump attempted to allocate its services to the separate Holdings and L&H estates. When Akin Gump was unable to specifically allocate the services it provided, because both L&H Debtors' estates benefited, Akin Gump allocated the fees and expenses equally between the two estates.

3. On November 9, 2001, this Court entered an order awarding Akin Gump allowance of compensation for work on behalf of the Committee in the amount of \$815,631.89 and reimbursement of expenses in the amount of \$41,099.03 for services

rendered during the period December 13, 2000 through March 31, 2001 (the “November 2001 Fee Order”).

4. On March 1, 2002, this Court entered an order awarding Akin Gump allowance of compensation for work on behalf of the Committee in the amount of \$742,878.00 and reimbursement of expenses in the amount of \$54,189.02 for services rendered during the period April 1, 2001 through July 31, 2001 (the “March 2002 Fee Order”).

5. On September 11, 2002, this Court entered an order awarding Akin Gump allowance of compensation for work on behalf of the Committee in the amount of \$632,920.25 and reimbursement of expenses in the amount of \$23,656.47 for services rendered during the period August 1, 2001 through November 30, 2001 (the “September 2002 Fee Order”).

6. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein is Section 330 of the Bankruptcy Code.

II. BACKGROUND

7. On November 29, 2000 (the “Petition Date”), the Debtors filed with this Court their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

8. After the Petition Date, the Debtors continued in possession of their property and continued to operate and manage their businesses as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

9. On April 29, 2002, Holdings filed its First Amended Plan of Liquidation (the “Plan”) and amended disclosure statement (the “Disclosure Statement”). On August 13, 2002, the Court entered an order (the “Confirmation Order”) confirming the Plan. The Plan became effective on September 23, 2002.

10. Akin Gump respectively submits that the services rendered on behalf of the Committee with respect to Holdings were necessary, resulted in the effective administration of the Holdings’ chapter 11 case, and benefited Holdings’ unsecured creditors. Together with Houlihan Lokey Howard & Zukin (“HLHZ”), the Committee’s financial advisor, Akin Gump advised and counseled the Committee on formulating an effective strategy that led to Holdings’ successful liquidation. Through the efforts of Akin Gump and HLHZ, the Committee acquitted its fiduciary duties to, and secured an expected 100% recovery for, Holdings’ unsecured creditors.

A. Formation of the Committee

11. On December 13, 2000, the United States Trustee formed the Committee, consisting of the following nine members: KBC Bank, Fortis Financial Services (“Fortis”), Deutsche Bank (“Deutsche”), State Street Bank & Trust Company (“State Street”), U.S. Trust Company of New York (“U.S. Trust”), Merrill Lynch Corporate Bond Fund Inc. - High Income Portfolio (“Merrill”), Wilmington Trust Company (“WTC”), JVC Americas Corp. (“JVC”) and Studio Tognini. On December 18, 2000, Merrill resigned from the Committee.

B. Formation of the Dictaphone Committee

12. On February 28, 2001, the United States Trustee formed a separate committee of unsecured creditors of Dictaphone Corporation (the “Dictaphone Committee”).

13. Concurrently with the formation of the Dictaphone Committee, the United States Trustee reformulated the Committee to consist only of unsecured creditors of L&H and Holdings (JVC, State Street and Deutsche did not become part of the reformulated Committee). Additionally, the United States Trustee added Artesia Banking Corporation (“Artesia”) to the Committee. The Committee currently consists of Artesia, KBC, Fortis, U.S. Trust (now Bank of New York, by merger), Wilmington Trust and Studio Tognini.

14. Akin Gump has received no payment and no promises for payment from any source for services rendered in connection with this case. There is no agreement or understanding between Akin Gump and any other person (other than members of Akin Gump) for the sharing of compensation to be received for the services rendered in this case.

15. Pursuant to the original administrative fee order, Akin Gump filed its (i) First Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period of December 13, 2000 through December 31, 2000 in the amounts of \$85,663.35 for fees and \$1,370.36 for expenses (the “First Interim Fee Application”); (ii) Second Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period January 1, 2001 through January 31, 2001 in the amounts of \$255,394.00 for fees and \$10,159.39; (iii) Third Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period February 1, 2001 through February 28, 2001 in the amounts of \$262,358.25 for fees and \$19,358.85 for expenses (the “Third Interim Fee Application”); (iv) Fourth Application for Interim

Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period March 1, 2001 through March 31, 2001 in the amounts of \$238,717.75 for fees and \$15,588.31 for expenses (the “Fourth Interim Fee Application”); (v) Fifth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period April 1, 2001 through April 30, 2001 in the amounts of \$230,592.25 for fees and \$17,614.84 for expenses (the “Fifth Interim Fee Application”); (vi) Sixth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period May 1, 2001 through May 31, 2001 in the amounts of \$208,782.00 for fees and \$3,367.78 for expenses (the “Sixth Interim Fee Application”); (vii) Seventh Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period June 1, 2001 through June 30, 2001 in the amounts of \$159,363.50 for fees and \$27,541.36 for expenses (the “Seventh Interim Fee Application”); (viii) Eighth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for the Period July 1, 2001 through July 31, 2001 in the amounts of \$170,683.25 for fees and \$15,002.45 for expenses (the “Eighth Interim Fee Application”); (ix) Ninth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period August 1, 2001 through August 31, 2001 in the amounts of \$133,669.25 for fees and \$19,296.97 for expenses (the “Ninth Interim Fee Application”); (x) Tenth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period September 1, 2001 through September 30, 2001 in the amounts of \$145,203.00 for fees and \$5,726.50 for expenses (the “Tenth Interim Fee

Application”); (xi) Eleventh Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period October 1, 2001 through October 31, 2001 in the amounts of \$199,926.25 for fees and \$3,626.21 for expenses (the “Eleventh Interim Fee Application”); (xii) Twelfth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period November 1, 2001 through November 30, 2001 in the amounts of \$163,635.50 for fees and \$2,752.58 for expenses (the “Twelfth Interim Fee Application”); (xiii) Thirteenth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period December 1, 2001 through December 31, 2001 in the amounts of \$176,507.50 for fees and \$2,752.58 for expenses (the “Thirteenth Interim Fee Application”); (xiv) Fourteenth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services rendered during the Period of January 1, 2002 through April 30, 2002 in the amounts of \$247,483.00 for fees and \$15,367.93 for expenses (the “Fourteenth Interim fee Application”); (xv) Fifteenth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period May 1, 2002 through August 31, 2002 in the amounts of \$201,592.00 for fees and \$5,596.07 for expenses (the “Fifteenth Interim Fee Application”); and (xvi) Sixteenth Application for Interim Allowance of Compensation and for Reimbursement of Expenses for Services Rendered during the Period September 1, 2002 through September 30, 2002 in the amounts of \$69,240.00 for fees and \$2,346.60 for expenses (the “Sixteenth Interim Fee Application”).

16. As stated in the Affirmation of Ira S. Dizengoff, Esq., annexed hereto as Exhibit “A,” all of the services for which interim compensation is sought herein were rendered for or on behalf of the Committee in connection with Holdings’ Chapter 11 case.

III. SUMMARY OF SERVICES RENDERED

17. Since December 13, 2000, Akin Gump has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of Holdings’ unsecured creditors. The variety and complexity of this case and the need to act or respond on an expedited basis in furtherance of the Committee’s needs have required the expenditure of substantial time by personnel from several legal disciplines, on an as-needed basis. A summary of the amount of time spent by professionals who rendered services on this case is annexed hereto as Exhibit “B”.

18. The services rendered by Akin Gump for the period of December 13, 2000 through September 23, 2002 are described in the sixteen interim fee applications, which are on file with this Court and are incorporated herein by reference. From December 13, 2000 until February 28, 2001, Akin Gump allocated its fees between the estates of Holdings (40%), L&H (40%) and Dictaphone (20%) in accordance with the Second Amended Compensation Order. After February 28, 2001, when the United States Trustee formed the Dictaphone Committee, Akin Gump made a good faith effort to allocate its fees to the particular L&H Debtor’s estate benefited by such services or, if such services related to both estates, allocated its fees equally between Holdings and L&H.

19. Akin Gump maintains written records of the time expended by attorneys and paraprofessionals in the rendition of their professional services. Such time records were made contemporaneously with the rendition of services by the person rendering such services and in the ordinary course of Akin Gump's practice, and are presented in a form that is in compliance with the Local Rules for the District of Delaware.

20. Akin Gump also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services, all of which are also available for inspection. A schedule of the categories of expenses and amounts for which reimbursement is requested is annexed hereto as Exhibit "D".

21. Akin Gump respectfully submits that the professional services that it rendered on behalf of the Committee with respect to Holdings were necessary and have directly contributed to the effective administration of this case.

22. The following summary of services rendered during the Compensation Period is not intended to be a detailed description of the work performed, as those day-to-day services and the time expended in performing such services are fully set forth as exhibits to the fee applications previously filed in these proceedings. Rather, it is merely an attempt to highlight certain of those areas in which services were rendered to the Committee with respect to Holdings, as well as to identify some of the problems and issues that Akin Gump was required to address. A summary of the amount of hours spent and total fees billed with respect to individual project categories is annexed hereto as Exhibit "C".

(i) Case Administration

23. A portion of the services rendered during the Compensation Period related to the continuing organizational needs of the Committee and matters related thereto. Akin Gump's attention to the Committee's organizational needs during the Compensation Period enabled the Committee to function as a coordinated group and to acquit its fiduciary duties to Holdings' unsecured creditors.

24. Akin Gump reviewed and analyzed all relevant matters requiring Committee attention, including, without limitation, all motions filed by the Debtors and other parties in interest in this Court and miscellaneous administrative matters. Akin Gump kept Committee members advised of all material developments during the Compensation Period.

25. Due to Akin Gump's experience in counseling creditors' committees, Akin Gump believes it was able to efficiently address all issues relating to case administration that have arisen during the pendency of this case. At the request of the Committee, Akin Gump assisted in or took the lead in analyzing all motions presented by the Debtors and advised the Committee on its own initiatives and directions for the case. In addition, Akin Gump coordinated all Committee activities, including attending to member issues and interacting with the Committee's chair in setting agendas for the Committee.

(ii) Creditors' Committee Meetings and Conferences

26. During the Compensation Period, Akin Gump held numerous in-person meetings, telephonic meetings and conferences with individual committee members. Prior to its meetings and conferences with members of the Committee, Akin Gump reviewed each pending matter requiring the Committee's attention and all underlying documentation in connection therewith. Thereafter, Akin Gump discussed each of these matters with the Committee members, and assisted the Committee in formulating a position thereon. In addition, Akin Gump prepared memoranda to the Committee during the Compensation Period discussing the status of important matters in these proceedings.

27. As a result of these telephone conferences and correspondence, Akin Gump has assisted the Committee in fulfilling its statutory duty to make informed decisions regarding the various issues which have arisen in this case, to monitor closely the Debtors' management of this case, and to reach independent conclusions on the merits of specific matters.

28. In addition, Akin Gump attorneys had numerous conferences with representatives of the Debtors and other parties in interest to discuss the state of this case.

(iii) Plan of Reorganization

29. During the Compensation Period, Akin Gump reviewed and analyzed a myriad of issues with respect to the Plan. Akin Gump advised the Committee with respect to issues relating to the confirmation and consummation of the Plan. The Plan became

effective on September 23, 2002, and it expected that unsecured creditors will receive a 100% recovery.

(iv) DIP Motion

30. On December 4, 2000, the Debtors filed a motion for the approval of post-petition secured financing pursuant to the terms of the proposed Post-Petition Credit Agreement by and among the Debtors and General Electric Credit Corporation (the “DIP Financing”).

31. On January 22, 2001, the Debtors filed a motion on an emergency basis, seeking an order authorizing L&H to (a) accept and execute a DIP Financing Commitment Letter, dated January 19, 2001, between L&H and Ableco Finance LLC (a special situations lending company affiliated with Cerberus Capital Management, L.P. and Gabriel Capital Group) (the “Proposed DIP Lender”) and (b) pay to the Proposed DIP Lender the Commitment Fee and the Deposit (as defined below) due under the Commitment Letter (the “Cerberus DIP Facility”).

32. During this Compensation Period, Akin Gump, together with the Committee’s other professionals, reviewed, analyzed and negotiated the DIP Financing (the final order with respect thereto and proposed payoff) and the Cerberus DIP Facility (the DIP Order, financing agreement and related documents). In addition, Akin Gump examined whether there were alternatives to the proposed financing proposals.

33. At the continued hearing held on February 20, 2001 regarding the Debtors’ motion for an order (a) authorizing the Debtors to (i) obtain secured post-petition

financing and (ii) grant super-priority claims to Ableco Finance LLC (the “Lender”), and (b) approving agreements relating to the foregoing (the “DIP Motion”), the Bankruptcy Court approved the DIP Motion. In addition, the Bankruptcy Court entered a final order approving the Debtors’ motion for an order (a) authorizing the Debtors (i) to obtain secured postpetition financing and (ii) to grant superpriority claims to General Electric Capital Corporation (“GECC”) and (b) approving agreements relating to the foregoing (the “GECC DIP Motion”) and the repayment of the GECC loan.

(v) Belgian Proceedings

34. During this Compensation Period, Akin Gump provided extensive guidance to the Committee with respect to the bankruptcy proceedings in Belgium initiated by L&H and its effect on Holdings’ chapter 11 case.

(vi) Motion for Appointment of a Trustee

35. On February 6, 2001, the Bakers, former shareholders of Dragon Systems, Inc., filed a motion seeking the appointment of a chapter 11 trustee (the “Trustee Motion”) for Holdings. Akin Gump reviewed and analyzed the Trustee Motion and had numerous discussions with the Committee and the Debtors with respect to the motion. During the Compensation Period, Akin Gump also researched and drafted an objection to the Trustee Motion on behalf of the Committee. Further, Akin Gump worked with counsel for the Debtors to attend depositions and garner discovery to object to the Trustee Motion.

(vii) Employee Matters

36. Akin Gump advised the Committee and negotiated with the Debtors with respect to a key employee retention program. During the Compensation Period, Akin Gump also reviewed and analyzed the various employment agreements and severance arrangements with respect to Holdings' employees.

(viii) Asset Sales/Business Liquidation

37. During the Compensation Period, Akin Gump negotiated and gathered diligence on the sale of all of Holdings' assets. Akin Gump's efforts included analyzing and negotiating draft sale motions, bidding procedures, asset purchase agreements and other related documentation. Akin Gump also worked with Holdings in an attempt to ensure that the sale process yielded maximum value for Holdings' creditors.

(ix) Court Hearings and Conferences

38. During the Compensation Period, Akin Gump attorneys participated in all of the hearings held by this Court and actively asserted the Committee's position at such hearings.

(x) Creditor Inquiries

39. Akin Gump fielded hundreds of telephone inquiries from unsecured creditors to discuss the status of various pending matters, and to respond to their many questions about the bankruptcy process, the Plan and the status of their claims against Holdings.

IV. FACTORS TO BE CONSIDERED IN AWARDING ATTORNEYS' FEES

40. The factors to be considered in awarding attorneys fees have been enumerated in In re First Colonial Corporation of America, 544 F.2d 1291, 1298-99 (5th Cir. 1977), reh'g denied, 547 F.2d 573, cert. denied, 431 U.S. 904, which standards have been adopted by most courts. Akin Gump respectfully submits that a consideration of these factors should result in this Court's allowance of the full compensation sought.

(A) The Time and Labor Required. The professional services rendered by Akin Gump on behalf of the Committee have required the continuous expenditure of substantial time and effort, under significant time pressures. The services rendered required a high degree of professional competence and expertise in order to be administered with skill and dispatch.

(B) The Novelty and Difficulty of Questions. In this case, as in all others in which the firm is involved, Akin Gump's effective advocacy and creative approach have helped clarify and resolve such issues.

(C) The Skill Requisite to Perform the Legal Services Properly. Akin Gump believes that its recognized expertise in the area of corporate reorganization, its ability to draw from highly experienced professionals in other areas of Akin Gump's practice, and its creative approach to the resolution of issues contributed to Holdings' unsecured creditors receiving an expected 100% recovery on their claims.

(D) The Preclusion of Other Employment by Akin Gump Due to Acceptance of the Case. Due to the size of Akin Gump's insolvency department, Akin Gump's representation of the Committee has not precluded its acceptance of new clients.

(E) The Customary Fee. The fee sought herein is based upon Akin Gump's normal hourly rates for services of this kind. Akin Gump respectfully submits that the fee sought herein is not unusual given the magnitude and complexity of these cases and the time expended in attending to the representation of the Committee, and is commensurate with fees Akin Gump has been awarded in other cases, as well as with fees charged by other attorneys of comparable experience.

(F) Whether the Fee is Fixed or Contingent. Pursuant to sections 330 and 331 of the Bankruptcy Code, all fees sought by professionals employed under section 327 of the Code are contingent pending final approval by this Court, and are subject to adjustment dependent upon the services rendered and the results obtained.

(G) Time Limitations Imposed by Client or Other Circumstances. As already indicated, Akin Gump has been required to attend to certain issues arising in this case in a compressed and urgent time-frame.

(H) The Amount Involved and Results Obtained. Through the efforts of Akin Gump, the Committee was an active participant in Holdings' chapter 11

case during the Compensation Period, and its constructive assistance, as well as criticism, has greatly contributed to enhancement of the recoveries available to Holdings' creditors and to the efficient administration of this case.

(I) The Experience, Reputation and Ability of the Attorneys. Akin Gump has a large and sophisticated insolvency practice and is playing and has played a major role in numerous cases of national import including, for example, the reorganization proceedings of Levitz Furniture Incorporated, Hillsborough Holdings Corporation, Scott Cable Communications, Inc., Boston Chicken, Inc., CRIIMI MAE, Inc., New Valley, Inc., Raytech Corporation, Purina Mills, Inc., OpTel Inc., Eagle Geophysical, Inc., DIMAC, Inc., Genesis Health Ventures, Inc., Cambridge Industries, Inc., Toshoku America, Inc., Barneys, Inc., Livent, Inc., Pittsburgh Penguins and Golden Books Publishing Company, Inc. Akin Gump's experience enables it to perform the services described herein competently and expeditiously. In addition to its expertise in the area of corporate reorganization, Akin Gump has called upon the expertise of its partners and associates in other practice areas to perform the wide ranging scope of the legal work necessitated by this case.

(J) The "Undesirability" of the Case. This case is not undesirable.

(K) Nature and Length of Professional Relationship. Akin Gump was selected as counsel to the Committee on December 13, 2000. The Court entered an order on January 18, 2001 authorizing the, nunc pro tunc, employment and retention to Akin Gump to December 13, 2000. Akin Gump has rendered services to the Committee from December 13, 2000 and continuing through the Compensation Period, as necessary and appropriate.

V. ALLOWANCE OF COMPENSATION

41. The professional services rendered by Akin Gump required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and determination by the Committee could be addressed with skill and dispatch and have, therefore, required the expenditure of substantial time and effort. It is respectfully submitted that the services rendered to the Committee were performed efficiently, effectively and economically, and the results obtained to date have benefited not only the members of the Committee, but also the unsecured creditor body as a whole and Holdings' estate.

42. With respect to the level of compensation, 11 U.S.C. § 330(a)(1) provides, in pertinent part, that the Court may award to a professional person:

reasonable compensation for actual, necessary services rendered ...

Section 330(a)(3)(A), in turn, provides that

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.

11 U.S.C. §330(a)(3)(A). The clear Congressional intent and policy expressed in this statute is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.

43. The total time spent by Akin Gump attorneys and paraprofessionals during the Compensation Period was 3,737.80 hours. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task.

44. The disbursements and expenses have been incurred in accordance with Akin Gump's normal practice of charging clients for expenses clearly related to and required by particular matters. Akin Gump has endeavored to minimize these expenses to the fullest extent possible.

45. Akin Gump's billing rates do not include charges for photocopying, telephone and facsimile toll charges, computerized research, travel expenses, "working meals," secretarial overtime, postage and certain other office services, since the needs of each client for such services differ. Akin Gump believes that it is fairest to charge each client only for the services actually used in performing services for it. In these proceedings, Akin Gump charges \$.15 per page for internal duplicating and \$.25 per page for outgoing facsimile transmissions. Akin Gump does not charge for incoming facsimile transmissions.

46. No agreement or understanding exists between Akin Gump and any other person for the sharing of any compensation to be received for professional services rendered in connection with this case.

47. No prior application has been made in this or in any other Court for the relief requested herein for the Compensation Period.

WHEREFORE, Akin Gump respectfully requests that this Court enter an order:

(a) awarding and approving the final allowance of \$1,355,689.05 for compensation for professional services rendered to the Committee during the period from December 13, 2000 through and including September 23, 2002;

(b) awarding and approving the final reimbursement of Akin Gump's out-of-pocket expenses incurred in connection with the rendering of such services during the

period December 13, 2000 through and including September 23, 2002 in the amount of \$79,168.82; and

(c) granting such other and further relief as this Court may deem just and proper.

Dated: New York, New York
November 25, 2002

**AKIN GUMP STRAUSS HAUER
& FELD LLP**

By: /s/ Ira S. Dizengoff
Ira S. Dizengoff
A Member of the Firm
590 Madison Avenue
New York, New York 10022-2524
(212) 872-1000

EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	
LERNOUT & HAUSPIE)	Jointly Administered
SPEECH PRODUCTS N.V., et al.,)	Case No. 00-4398 (JHW)
)	
Debtors.)	Chapter 11

AFFIRMATION

IRA S. DIZENGOFF respectfully states and affirms:

1. I am a member of the firm of Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”), which firm maintains offices for the practice of law at 590 Madison Avenue, New York, New York 10022. Akin Gump has acted as counsel to and has rendered professional services on behalf of the Official Committee of Unsecured Creditors (the “Committee”) of Lernout & Hauspie Speech Products, N. V. (“L&H”) and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) from December 13, 2000 through February 28, 2001, and the Official Committee of Unsecured Creditors of L&H and L&H Holdings USA, Inc. (“Holdings”) for the period of March 1, 2001 through September 23, 2002. Akin Gump continues to act as counsel to Official Committee of Unsecured Creditors with respect to L&H.

2. This affirmation is submitted pursuant to Bankruptcy Rule 2016(a) in support of Akin Gump’s application for a final allowance of compensation and for the reimbursement of expenses for services rendered to the estate of Holdings during the period from December 13, 2000 through and including September 23, 2002 in the aggregate amount of \$1,434,857.87.

3. All services for which compensation is requested by Akin Gump were professional services performed for and on behalf of the Committee and not on behalf of any other person.

4. In accordance with Title 18 U.S.C. Section 155, neither I nor any member or associate of my firm has entered into any agreement, express or implied, with any other party-in-interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' estates.

5. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm, or any member or associate thereof, on the one hand, and any other person, on the other hand, for division of such compensation as my firm may receive for services rendered in connection with this case, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me or any partner, counsel or associate of my firm.

/s/ Ira S. Dizengoff
IRA S. DIZENGOFF

Dated: New York, New York
November 25, 2002

EXHIBIT B

**LERNOUT & HAUSPIE SPEECH PRODUCTS HOLDINGS
FEE SUMMARY
DECEMBER 13, 2000 THROUGH SEPTEMBER 23, 2002**

PARTNERS	HOURS	RATE	AMOUNT¹
BOURGEOIS, J.	14.28	\$440	\$6,283.20
DAVIS, C.	0.75	\$425	\$318.75
DE WITTE, M.	161.32	\$385	\$62,108.20
DIZENGOFF, I.	747.66	\$433	\$324,013.00
GAINES, A.	0.60	\$525	\$315.00
GOLDEN, D.	239.56	\$675	\$147,534.40
KOOPERSMITH, K.	170.78	\$500	\$85,390.00
KUHN, S.	120.48	\$500	\$54,611.00
LA FLAMME, E.	139.93	\$475	\$66,466.75
VOLOW, M.	7.68	\$525	\$4,032.00
PESNER, S.	0.10	\$515	\$51.50
KILLIP, D.	2.10	\$500	\$1,050.00
COUNSEL			
COLE, J.	1.90	\$380	\$722.00
COX, P.	30.50	\$384	\$11,706.00
HUMPHREYS, N.	54.65	\$400	\$21,860.00
LENNON, R.	215.21	\$410	\$81,779.80
LOVITZ, M.	1.85	\$380	\$703.00
SCERBAK, A.	28.84	\$380	\$10,959.20
STARK, R.	3.48	\$375	\$1,305.00
ASSOCIATES			
ARTZER, C.	2.65	\$275	\$728.75
HILL, A.	115.30	\$245	\$27,672.00
JABLON, C.	0.50	\$325	\$162.50
JORDAN, J.	11.24	\$305	\$3,428.20
KOPPMAN, J.	119.26	\$270	\$32,200.20
LASKAY, M.	12.78	\$305	\$3,897.90
RAICHT, G.	4.84	\$335	\$1,621.40
SATYAPRASAD, S.	399.92	\$255	\$101,979.60
SAVIN, J.	662.40	\$315	\$208,656.00
STORZ, J.	128.15	\$315	\$40,367.25
STADLER, L.	1.70	\$305	\$518.50
SZYDLOWSKI, A.	0.85	\$250	\$212.50
ZENTAY, S.	23.90	\$260	\$6,214.00

LAW CLERKS	HOURS	RATE	AMOUNT¹
HILL, A.	17.36	\$140	\$2,430.40
THOMPSON, K.	12.20	\$140	\$1,708.00
LEGAL ASSISTANTS			
JUNG, C.	18.90	\$150	\$2,835.00
HANSON, T.	0.50	\$120	\$60.00
MA, J.	0.75	\$135	\$101.10
MUNOZ, E.	38.10	\$135	\$5,137.20
REEVES, D.	3.00	\$110	\$330.00
RUGE, G.	0.50	\$135	\$67.50
SPROFERA, P.	217.98	\$165	\$33,735.00
THOMPSON, D.	1.40	\$110	\$154.00
WYNTER, A.	1.75	\$135	\$236.25
YAU, J.	0.20	\$135	\$27.00
TOTAL	3,737.80		\$1,355,689.05

EXHIBIT C

**LERNOUT & HAUSPIE SPEECH PRODUCTS HOLDINGS
PROJECT CATEGORIES
DECEMBER 13, 2000 THROUGH SEPTEMBER 23, 2002**

Category	Hours	Amount (\$)
General Case Administration	454.03	153,242.50
Fee Application/Monthly Billing Reports	267.07	49,329.15
Analysis/Review of Other Prof. Fee Apps.	57.46	14,537.60
Review of Schedules/Statements	6.55	2,274.75
Retention of Professionals	64.6	19,473.25
Creditors Committee Meetings	157.13	68,418.95
Court Hearings	171.18	70,742.65
Financial Reports and Analysis	11.65	4,832.05
DIP and Exit Financing	131.89	55,926.20
Executory Contracts/License Agreements	52.43	16,486.75
Analysis of Pre-Petition Transactions	211.14	75,908.58
General Claims Analysis/Claims Objections	29.05	9,063.75
Adequate Protection Issues	1.24	316.2
Lift/Stay Litigation	48.22	14,357.20
Adversary Proceeding/Litigation Matters	326.61	129,354.15
Tax Issues	11.85	4,491.75
Labor Issues/Employee Benefits	77.45	29,300.35
Real Estate Issues	0.91	232.05
Asset Sales/Business Liquidations	845.54	324,101.50
Exclusivity	34.4	10,642.00
Plan Related Documentation	18.45	6,753.75
Plan/Disclosure Statement	429.6	167,401.00
Audit Investigation	4.69	1,979.75
Stonington Litigation	50.4	20,596.25
Concordat	256.25	99,536.15
Travel Time	19.65	6,941.38
Reduction of Travel Time	-1.64	-550.61
Total	3,737.80	1,355,689.05

EXHIBIT D

**LERNOUT & HAUSPIE SPEECH PRODUCTS HOLDINGS
DISBURSEMENT SCHEDULE
DECEMBER 13, 2000 THROUGH SEPTEMBER 23, 2002**

Category	Amount (\$)
Courier/Messenger/Postage	\$2,315.96
Long Distance Telephone/Conference Calls	\$16,556.14
Duplicating Costs	\$6,134.39
Meals	\$2,940.68
Telecopy/Fax	\$1,006.99
Travel/Expenses	\$12,840.97
Computerized Research Expenses	\$30,861.63
Publications	\$12.75
Research	\$81.76
Transcript Expense	\$2,728.20
Miscellaneous	\$6.10
Secretarial Overtime	\$2,382.72
Document Retrieval	\$3.77
Co-Counseling	\$104.93
Contract Labor	\$154.00
Translation Expense	\$150.16
Court Reporting Expenses	\$934.17
Filing Fee	\$20.00
Credit for Prior Expenses	-\$66.50
Total	\$79,168.82