

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

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In re: : Chapter 11
: :
LERNOUT & HAUSPIE : Case No. 00-4398 (JHW)
SPEECH PRODUCTS N.V., :
: :
Debtor. : **Objection Deadline: June 16, 2004**
: **at 4:00 p.m.**
----- X **Hearing Date: To be determined.**

**APPLICATION FOR FINAL ALLOWANCE OF COMPENSATION
OF MONZACK AND MONACO, P.A., CO-ATTORNEYS FOR
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
LERNOUT & HAUSPIE SPEECH PRODUCTS N.V. FOR THE
PERIOD DECEMBER 19, 2000 THROUGH APRIL 2, 2004**

Name of Applicant: Monzack and Monaco, P.A.

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

Date of Retention: December 18, 2000 (Order Signed March 13, 2001)

Period for which compensation
and reimbursement is sought: December 19, 2000 through April 2, 2004

Amount of Compensation Sought
as actual, reasonable and necessary: \$141,015.90¹

Amount of Expense Reimbursement
Sought as actual, reasonable and
necessary: \$19,139.06²

¹ Pursuant to the Second Amended Administrative Order, this amount reflects 40% of the fees incurred by Monzack and Monaco, P.A. during the period of December 2000 through February 2001, 50% of the fees during the period of March 2001 through August 23, 2002 and 100% of the fees during the period of August 24, 2002 through April 2, 2004. This amount also includes \$1,852.50 (11.5 hours) for the preparation of this fee application.

² Pursuant to the Second Amended Administrative Order, this amount reflects 40% of the expenses incurred by Monzack and Monaco, P.A. during the period of December 2000 through February 2001, 50% of the expenses incurred during the period of March 2001 through August 23, 2002 and 100% of the expenses incurred during the period of August 24, 2002 through April 2, 2004.

This is the Final fee application filed by Monzack and Monaco, P.A.

		REQUESTED		APPROVED	
Date Filed	Period Covered	Fees	Expenses	Fees 80%	Expenses 100%
01/30/01	12/19/00 - 12/31/00	\$2,872.50	\$55.75	\$2,298.00	\$55.75
03/01/01	01/01/01 - 01/31/01	\$11,631.50	\$1,439.63	\$9,305.20	\$1439.63
04/04/01	02/01/01 - 02/28/01	\$9,837.00	\$443.79	\$7,869.60	\$443.79
05/25/01	03/01/01- 03/31/01	\$13,494.50	\$505.75	\$10,795.60	\$505.75
07/31/01	04/01/01- 05/31/01	\$19,000.00	\$2,617.09	\$15,200.00	\$2,617.09
08/16/01	06/01/01- 06/30/01	\$7,477.00	\$592.70	\$5,981.60	\$592.70
10/29/01	07/01/01- 08/31/01	\$15,583.50	\$1,968.50	\$12,466.80	\$1,968.50
01/04/02	09/01/01- 10/31/01	\$11,067.75	\$2,218.01	\$8,854.20	\$2,218.01
01/16/02	11/01/01- 11/30/01	\$7,430.50	\$673.21	\$5,944.40	\$673.21
2/19/02	12/1/01- 12/31/02	\$9,311.00	\$641.91	\$7,448.80	\$641.91
3/5/02	1/1/02- 1/31/02	\$7,617.00	\$1,117.53	\$6,093.60	\$1,117.53
5/7/02	2/1/02- 3/31/02	\$8,448.50	\$1,983.54	\$6,758.80	\$1,983.54
5/20/02	4/1/02- 4/30/02	\$2,347.00	\$270.58	\$1,877.60	\$270.58

5/28/02 Final Dictaphone Corporation	12/19/00- 2/28/01	\$4,768.00	\$387.83	\$4,768.00 100%	\$387.83 Order Docket No. 3340 100%
10/22/02 Final L&H Holdings, USA, Inc.	12/19/00- 8/23/02	\$74,114.40	\$7,124.64	CNO Filed 11/14/02	CNO filed 11/14/02
1/7/03	9/1/02- 11/30/02	\$11,636.00	\$20.00	\$9,308.80	\$20.00
2/20/03	12/1/02- 12/31/02	\$3,656.00	\$30.28	\$2,924.80	\$30.28
5/27/03	1/1/03- 3/31/03	\$14,277.00	\$2,778.91	\$11,421.60	\$2,778.91
6/4/03	4/1/03- 4/30/03	\$6,504.00	\$960.57	\$5,203.20	\$960.57
9/11/03	5/1/03- 5/31/03	\$10,149.50	\$3,300.08	\$8,119.60	\$3,300.08
9/11/03	6/1/03- 6/30/03	\$3,415.00	\$1,227.93	\$2,732.00	\$1,227.93
9/11/03	7/1/03- 7/31/03	\$5,827.00	\$1,709.60	\$4,661.60	\$1,709.60

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FOR THE DISTRICT OF DELAWARE**

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In re: : Chapter 11
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LERNOUT & HAUSPIE : Case No. 00-4398 (JHW)
SPEECH PRODUCTS N.V., :
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Debtor. :
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**APPLICATION FOR FINAL ALLOWANCE OF COMPENSATION
OF MONZACK AND MONACO, P.A., CO-ATTORNEYS FOR
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF LERNOUT &
HAUSPIE SPEECH PRODUCTS N.V. FOR THE PERIOD OF
DECEMBER 19, 2000 THROUGH APRIL 2, 2004**

The application of Monzack and Monaco, P.A. (“Applicant”), co-attorneys for the Official Committee of Unsecured Creditors of Lernout & Hauspie Speech Products N.V. (the “L&H NV Committee”) of Lernout & Hauspie Speech Products N.V., *et. al.* (collectively, “Debtors”), respectfully represents and alleges:

I. INTRODUCTION

1. Applicant, as co-attorneys for the L&H NV Committee, makes this Final Application for payment of professional services rendered and expenses incurred in its representation of the L&H NV Committee as provided under Sections 330 and 331 of Title 11 of the United States Code (“Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”).

2. Applicant, for its Final allowance, seeks an award of compensation in the amount of \$141,015.90 for professional services rendered and reimbursement of disbursements actually and necessarily incurred in the amount of \$19,139.06 services were rendered, and disbursements recorded, from December 19, 2000 through April 2, 2004, both dates inclusive (“Final Period”). This application is

filed pursuant to the terms of The Official Committee of Unsecured Creditors' Plan of Liquidation for Lernout & Hauspie Speech Products N.V. under chapter 11 of the Bankruptcy Code (the "Plan").

II. BACKGROUND

3. Applicant is a professional association of attorneys organized and existing under the laws of the State of Delaware. Its office is located at 1201 Orange Street, Suite 400, Wilmington, DE 19801. Among Applicant's expertise is the representation of creditors, creditors' committees and debtors in all facets of insolvency related proceedings.

4. On November 29, 2000 ("Petition Date"), the Debtors filed voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code. The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee has been appointed to these cases.

5. At the outset of these proceedings, December 18, 2000, the United States Trustee for the District of Delaware (the "US Trustee") appointed a single creditors' committee to represent the interest of all holders of unsecured claims in these Chapter 11 cases (the "L&H Committee"). The L&H Committee selected KBC Bank, represented by Michael Curran, as its Chairperson. Thereafter, the L&H Committee selected Akin, Gump, Strauss, Hauer & Feld LLP and Monzack and Monaco, P.A. as its co-attorneys. (Monzack and Monaco's retention application was approved by Order of this Court dated March 13, 2001.)

6. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§1408 and 1409.

III. PROFESSIONAL SERVICES RENDERED

7. In accordance with Local Rule 2016-2 effective February 1, 2001 and the Second Amended Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for professionals and Committee Members (“Administrative Order”) dated July 17, 2001³, the terms of the Plan, and to assist the Court, the Debtors, the US Trustee and other parties in interest in evaluating this Application for compensation, the primary services performed by Applicant during the Final Period are summarized in the Summary attached hereto as Exhibit "B". The Summary reflects certain services of major importance, which required the special attention, efforts and skill of Applicant. Applicant’s services throughout the Final Period have enhanced the L&H NV Committee’s understanding of many important issues related to these cases. Furthermore, Applicant’s efforts have enabled the L&H NV Committee to act in an informed, efficient manner and to actively participate in the cases.

³Pursuant to the Second Amended Administrative Order, this amount reflects 40% of the fees incurred by Monzack and Monaco, P.A. during the period of December 2000 through February 2001, 50% of the fees during the period of March 2001 through August 23, 2002 and 100% of the fees during the period of August 24, 2002 through April 2, 2004.

8. In accordance with the Administrative Order, a summary sheet of the attorneys and paraprofessionals and their corresponding initials, billing rates and the number of hours incurred by each is annexed hereto as Exhibit "C". The hourly rates reflect what Applicant generally charges its bankruptcy-related clients for similar services. Computerized time records which includes identification of specific services performed by the attorneys and paraprofessionals are annexed hereto as Exhibit "D".

9. In accordance with the Administrative Order, a computerized printout of Applicant's disbursements, necessarily incurred in the performance of Applicant's duties as counsel to the L&H NV Committee, is also annexed hereto as part of Exhibit "D".

10. Applicant has worked closely with Akin, Gump, Strauss, Hauer & Feld, L.L.P., the other case professionals and the L&H NV Committee to avoid unnecessary duplication or services charged to the Debtors' estates.

IV. CONCLUSION

11. Applicant has necessarily and properly expended a total of 946.45⁴ hours of services in performance of its duties as counsel to the L&H NV Committee during the Final Period. Applicant respectfully requests an interim fee allowance for professional services rendered in the amount of \$141,015.90. Applicant has also necessarily incurred disbursements in the amount of \$19,139.06 in the performance of Applicant's duties to the L&H NV Committee during the Final Period. Applicant respectfully requests the reimbursement of disbursements in the sum of \$19,139.06.

⁴ This amount reflects the total hours billed for work performed by Walsh, Monzack and Monaco, P.A. on behalf of all of Unsecured Creditors' Committees appointed in these matters.

12. As stated in the Affidavit of Francis A. Monaco, Jr., annexed hereto as Exhibit "A", Applicant has not agreed to share any compensation to be received herein with any other person.

13. This is Applicant's final request for an award of compensation in these cases.

WHEREFORE, Applicant respectfully requests a final award of compensation for professional services rendered as counsel to the L&H NV Committee during the Final Period in the sum of \$141,015.90 together with reimbursement of disbursements in the amount of \$19,139.06 and for such other and further relief as this Court deems just and proper.

Dated: June 1, 2004

MONZACK AND MONACO, P.A.

_____/s/ Joseph J. Bodnar_____
FRANCIS A. MONACO, JR. #2078
JOSEPH J. BODNAR #2512
1201 Orange Street, Suite 400
P.O. Box 2031
Wilmington, DE 19899
(302) 656-8162
Co-Attorneys for Official Committee of
Unsecured Creditors of Lernout & Hauspie Speech
Product, N.V.

EXHIBIT "A"

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

IN RE: :
 : Case No. 00-4397 (JHW)
LERNOUT & HAUSPIE SPEECH : through 00-4399 (JHW)
PRODUCTS N.V., et al., : Jointly Administered
 : Chapter 11
Debtors. :

STATE OF DELAWARE)
) **SS.**
COUNTY OF NEW CASTLE)

Francis A. Monaco, Jr., being duly sworn, deposes and says:

1. I am a member of the firm of Monzack and Monaco, P.A., as counsel for the Official Committee of Unsecured Creditors herein.

2. I have read the foregoing Application for Final Allowance of Compensation and Reimbursement of Expenses of Monzack and Monaco, P.A., co-attorneys for the Official Committee of Unsecured Creditors for Lernout & Hauspie Speech Products N.V. for the Period of December 19, 2000 through April 2, 2004 and know the contents thereof. The same are true to the best of my knowledge, except as to matters therein alleged to be upon information and belief, and as to those matters, I believe them to be true. I have personally performed many of the legal services rendered by Monzack and Monaco, P.A. and am thoroughly familiar with all other work performed on behalf of the L&H NV Committee by the attorneys and paraprofessionals in the firm.

3. In accordance with Bankruptcy Rule 2016(a) and §504 of the Bankruptcy Code, no agreement or understanding exists between the Applicant and any other person for the sharing of compensation to be received in connection with the within cases.

/s/ Francis A. Monaco, Jr. _____
FRANCIS A. MONACO, JR.

Sworn to before me this 1st day of June, 2004

_____/s/ Heidi E. Sasso _____
NOTARY PUBLIC

EXHIBIT "B"

SUMMARY OF SERVICES PROVIDED

The following summary of services rendered during the Final 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 in Exhibit "D". Rather, it is an attempt to highlight certain areas in which services were rendered to the Committee.

1. Review of pleadings respecting:
 - UCC Bylaws.
 - Motion to Appoint an Examiner.
 - Motion to Approve Unsecured Creditors' Committee.
 - Proposed Severance Program Documents.
 - Motion to Extend Time to File Schedules.
 - Interim Compensation Motion.
 - Concordat Summary.
 - Employee Termination and Severance Motion.
 - State street Bank, KBC Bank and Deutsch Bank's Position.
 - Debtors' Response to Objection to Counsel Retention.
 - Debtors' Response to Objection to PricewaterhouseCooper's Retention.
 - State Street's Objection to Severance Plan.
 - Administrative Order.
 - Utility Stipulation.
 - Special Counsel Retention Application.
 - Allvoice Motion for Relief.
 - Stonington's Answer to Complaint.
 - First Omnibus Objection to Extending Time to File Schedules.
 - Motion to Compel Performance of License Agreement.
 - L&H Holdings Objection to Relief from Stay.
 - Motion for Examiner and Resignation of Officer.
 - Bondholder Deposition Notices.
 - Section 365(d)(4) Extension Motion.
 - Insurance Premium Financing Motion.
 - US Trustee's Response to Examiner Motion.
 - DIP Commitment Motion.
 - DIP Financing Motion.
 - Kemper's Motion for Relief.
 - Polygram's Reclamation Compliance.
 - Banker's Objection to DIP Financing.
 - Milbank Tweed's Fee Application.
 - Revised Settlement Term Sheet.
 - First Supplemental Affidavit of Special Counsel.

- PricewaterhouseCooper's Fee Application.
- US Trustee's Objection to BDO Seidman's Retention.
- UCC's Joinder re: Kemper's Motion for Relief.
- Kemper's Response in Supplement of its Relief from Stay Motion.
- Motion to Disqualify Debtors' Counsel.
- International Wireless 510(b) Opinion.
- BBNT's Motion to Compel Assumption or Rejection.
- BBNT's Motion for Relief From Stay.
- US Trustee's Objection to Appointment of New Committee.
- Monthly Operating Reports.
- Pennie and Edmond's Fee Application.
- BDO Seidman's Preliminary Report re: Financing Status of Debtor.
- Notice of Filing DIP Order.
- Counter-Designation re: Appeal of Debtors' Counsel and Accountant.
- Debtors' Motion for Discovery and Discovery Regarding Baker Motions.
- Credit Suisse's Retention Application.
- Motion to Extend Time to File Schedules.
- Stipulation and Consent Order Regarding Liens.
- BDO's Flash Report.
- Bar Date Stipulation Regarding Affiliates.
- Subpoenas and Notices of Deposition for DiMico and CSFB.
- Objection to Kasowitz Retention.
- Objection to Dictaphone's Committee Motion Regarding Liens and Debtor In Possession Financing Order.
- First Quarterly Fee Application of BDO.
- Lerner and Hauspie Unsecured Creditors Committee Objection to Dictaphone Unsecured Creditors' Committee Lien Motion.
- Lerner and Hauspie Unsecured Creditors Committee Objection to Retention of Kasowitz.
- Liedeker Fee Application.
- Medquist Stock Sale Motion.
- Section 365(d) (4) Motion.
- Dorsey And Whiney Affidavit.
- United States Trustee's Objection to Retention of Credit Suisse.
- Dictaphone Unsecured Creditor's Committee's Objection to Credit Suisse.
- Morris Nichols Fee Applications.
- Fish and Richardson Fee Applications.
- B.Baston Chapter 7 Notice.
- Decision Regarding Baker Section 510 Issues.
- Brown Rudnick Fee Applications.
- Crossroads Fee Applications.
- Bromberg and Sanstein Fee Applications.

- Pennie and Edmonds Fee Applications.
 - BBNT Stipulation Regarding Assumption of Contract.
 - Baker's Order Regarding Section 510 Issues.
 - Motion to Reject Lease.
 - Motion to Retain Belgian Counsel.
 - Vergils Fee Application.
 - Bryan Cave Fee Applications.
 - Unsecured Creditors Committee's Objection to Baker Settlement Motion.
 - Unsecured Creditors Committee's Joinder to Debtor's Response to Baker Motion to Enforce Settlement.
 - Debtor's Memorandum In Opposition to Baker's Enforcement Motion.
 - CA3 Mandate and Judgment Regarding Appeal.
 - Kemper Insurance Section 362 Motion.
 - Tenth and Eleventh Omnibus Objection to Claims.
 - Notice of Scansoft Documents.
 - Section 1121(d) Motion.
 - Stonington's Motion for Relief.
 - NY Packaging Decision.
 - First Omnibus Objection to Noteholders Claims.
 - Duerden Claims Stipulation.
 - Seventeenth and Eighteenth Omnibus Objections.
 - Debtors' Disclosure Statement.
 - Debtors' Motion to Authorize Payment of Certain Administrative Claims.
 - Debtors' Objection to UCC Disclosure Statement.
 - Claim Summary Report.
 - Fee Audit Report regarding Millbank Tweed's Fees.
2. Miscellaneous research relating to the representation of the Committee.
 3. Court Appearances.
 4. Communications with creditors and their attorneys, and others.
 5. Miscellaneous matters relating to the general representation of the Committee.

EXHIBIT "C"

**SUMMARY OF ATTORNEY AND PARALEGAL TIME
CHARGES AND HOURLY RATES FOR THE PERIOD
DECEMBER 19, 2000 THROUGH APRIL 2, 2004**

Listed below are the attorneys and paralegals who performed professional services during the referenced periods, their full names, initials, positions at the firm, year admitted, respective hourly rates and the time incurred by each.

	YEAR ADMITTED	RATE PER HOUR	NO. OF HOURS	TOTAL
Francis A. Monaco, Jr., Attorney	1981	\$285	2.70	\$769.50
		\$315	107.00	\$32,382.00 ⁵
		\$325	46.10	\$14,982.50
		\$350	34.80	\$12,180.00
		\$360	24.10	\$8,676.00
		\$375	13.60	\$5,100.00
		\$395	2.70	\$1,066.50 ⁶

⁵ This amount reflects a total travel time credit of \$1,291.50.

⁶ This amount reflects 0.50 (\$197.50) for the preparation of this Final Fee Application.

Joseph J. Bodnar, Attorney	1986	\$225	9.10	\$2,047.50
		\$250	142.20	\$32,500.00 ⁷
		\$255	116.70	\$27,208.00 ⁸
		\$270	64.80	\$14,931.00 ⁹
		\$280	80.40	\$21,952.00 ¹⁰
		\$290	40.60	\$11,484.00 ¹¹
		\$305	7.90	\$2,409.50 ¹²
Rachel B. Mersky, Attorney	1981	\$295	5.00	\$1,475.00
Kevin J. Mangan, Attorney	1999	\$185	0.30	\$55.50
		\$215	2.30	\$494.50
		\$220	0.60	\$132.00
		\$240	0.20	\$48.00
		\$250	1.30	\$325.00
		\$260	2.80	\$728.00
Frederick B. Rosner, Attorney	2000	\$255	0.20	\$51.00
Heidi E. Sasso, Paralegal		\$100	64.25	\$6,425.00
		\$110	43.0	\$4,818.00
		\$120	39.20	\$4,704.00

7 This amount reflects a total travel time credit of \$3,000.

8 This amount reflects a total travel time credit of \$2,550.

9 This amount reflects a total travel time credit of \$1,957.50.

10 This amount reflects a total travel time credit of \$700.00.

11 This amount reflects a total travel time credit of \$290.00.

12 This amount reflects 1.0 hours (\$305.00) for the preparation of this Final Fee Application.

13 This amount reflects 10.0 hours (\$1,350.00) for the preparation of this Final Fee Application.

		\$130	62.80	\$8,164.00
		\$135	14.70	\$1,984.50 ¹³
Christine F. Sentman, Paralegal		\$50	4.80	\$240.00
		\$85	12.30	\$1,045.50
TOTALS:			946.45	\$218,378.50¹⁴

¹⁴ This amount reflects the total time for services rendered during the period of December 19, 2000 through April 2, 2004. MM is requesting 40% of the fees for the period of 12/19/00 through 2/28/01, 50% of the fees for the period of 3/1/01 through 8/23/02 and 100% of the fees for the period of 8/24/02 through 4/2/04 for a total amount of \$141,015.90. This amount reflects a total of \$1,852.50 (11.5 hours) for the preparation and filing of this final fee application.

EXPENSE SUMMARY

EXPENSE CATEGORY	COST PER PAGE (If Applicable)	SERVICE PROVIDER (If Applicable)	TOTAL EXPENSES
Photocopying	\$0.15/page		\$9,308.23
Facsimile Expense	\$1.00/page		\$290.00
Postage			\$1,562.11
Travel Expenses			\$1,144.73
Court Reporter Fees		Wilcox & Fetzer	\$876.51
Pacer/Bankruptcy Research			\$680.66
Special Postal Services			\$691.98
Filing Fees		Clerk, U.S. Court of Appeals	145.00
Special Copying Services		Delaware Document Imaging	\$8,807.78
Messenger/Courier Service		Tri-State	\$3,144.46
TOTALS			\$26,651.46¹⁵

¹⁵ This amount reflects the total time for services rendered during the period of December 19, 2000 through April 2, 2004. MM is requesting 40% of the expenses for the period of 12/19/00 through 2/28/01, 50% of the expenses for the period of 3/1/01 through 8/23/02 and 100% of the expenses for the period of 8/24/02 through 4/2/04 for a total amount of \$19,139.06.