UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINIOS EASTERN DIVISION

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ILLINOIS

APR 0 3 2006

KENNETH S. GARDNER, CLERK PS REP KLY
))
) Case No. 05-63230
) Jointly Administered
) Chapter 11
) Honorable John H. Squires

SUPPLEMENT TO FIRST AND FINAL APPLICATION OF SWIDLER BERLIN LLP FOR ALLOWANCE AND REIMBURSEMENT OF EXPENSES AS ORDINARY COURSE PROFESSIONAL FOR THE PERIOD OCTOBER 28, 2005 THROUGH JANUARY 6, 2006

On February 2, 2006 the First and Final Application for Allowance and Payment of Compensation and Reimbursement of Expenses was filed by Swidler Berlin, LLP¹ ("Swidler"), as Ordinary Course Professional for the Debtors and Debtors-in-Possession (the "Final Application"), wherein compensation in the amount of \$178,063.20 for fees and \$7,781.15 for reimbursement of expenses was sought. On March 2, 2006 a hearing, (the "Fee Hearing") was held wherein the Court reviewed and approved, in part, the Final Application. By Order dated March 8, 2006, the Court awarded Swidler compensation in the amount of \$178,063.20 for fees, reimbursement of expenses in the amount of \$1,500.85, and ordered that additional information concerning \$6,280.30 of expenses identified at the fee hearing, be provided. By this supplement,

¹ Effective March 1, 2006, Swidler Berlin merged with Bingham McCutchen LLP.

the following additional information to support the listed expenses and disbursements is provided:

- Meal Charges in the amount of \$17.00 were incurred by Jonathan Frankel, then an Associate, for dinner at Bangkok Joe's Restaurant while working after normal business hours on matters related to the McLeodUSA vs Sprint access charge litigation settlement and document production.
- Computer Legal Research in the amount of \$5,486.90 were expended by Joshua Bobeck and Scott Woods, Associates and Patrick Donovan, Of Counsel, to research, utilizing Westlaw and Lexis, Illinois and Iowa state law on the enforceability of modification provisions in the McLeodUSA Master Services Agreement with Qwest Communications Corporation and Qwest Corporation, and research in connection with the preparation of a reply brief on the appeal of the Federal Communications Commission's ("FCC") Triennial Review Remand Order, FCC Docket No. WC 01-338 and in connection with the FCC forbearance proceedings, FCC Docket No. WC 04-223, WC 04-404 and WC 04-405.
- Travel Related Expenses in the amount of \$338.40 were charged to Swidler for Anitra Goodman, an Associate, for airfare to attend a series of depositions scheduled to be held in Kansas City Missouri. Prior to the date of travel the depositions were cancelled. The travel agency issued a credit for the airfare which was applied and reimbursed to the McLeodUSA account. This amount was included on one of the invoices that was filed with the Final Application and appeared as a credit on the invoice and appeared as a credit in the Exhibit filed with the Final Application. No request for reimbursement was or is being made for this amount.
- <u>Travel Related Expenses</u> in the amount of \$75.00 were inadvertently billed to the McLeodUSA account and the error was not discovered until subsequent to the filing of the Final Application and the Court's order granting in part, the Final Application. Therefore, no reimbursement is being sought for this expense.
- <u>Professional Services</u> in the amount of \$102.00 were expended by Brian McDermott, then an Associate with the firm, for payment of the Delaware Public Service Commission's fee for the processing of the McLeodUSA's restructuring application.
- <u>Local Counsel fees</u> in the amount of \$159.00 were paid to Stone, Leyton & Gershman located in St. Louis Missouri for services provided to McLcodUSA in conjunction with litigation brought against McLeodUSA by SBC Communications.
- General Transportation fees in the amount of \$60.00 were expended by Misha Preheim, an Associate, as taxi fare to attend a hearing at the U.S. Bankruptcy Court for the Eastern District of Virginia (\$48.00) relating to a claim McLeodUSA has in that proceeding and by Patrick Donovan, Of Counsel, as taxi fare to attend a meeting at the Federal Communications Commission (\$12.00) relating to the merger of SBC Communications and AT&T Communications in FCC Docket No. WC 05-65.

The total reimbursements for which the Court ordered supplemental information was

\$6,280.30. The amount now being requested is \$5,824.90. Reimbursement is not being sought

for the \$42.00 for secretarial services, the \$75.00 that was mistakenly charged to McLeodUSA

and the \$338.40 for which a credit had been given to McLcodUSA, but which was included in

the Court's calculation.

WHEREFORE, Swidler respectfully requests that the Court (a) grant it final allowance of

and payment of actual and necessary charges and disbursements charged during the Case Period

in the amount of \$5,824.90 and (b) grant it such other and further relief as is just.

Dated: March 31, 2006

Respectfully submitted,

BINGHAM McCUTCHEN LLP

By:

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CERTIFICATE OF SERVICE

I, M. Renee Britt, hereby certify that on the 31st day of March 2006, I caused a copy of the Supplement to the First and Final Fee Application of Swidler Berlin LLP as Ordinary Course Professionals to the Debtors for Services Rendered during the Case Period, to be served via Overnight Mail, to the notice parties as indicated thereon:

Office United States Trustee 227 West Monroe Street, Suite 3350 Chicago, Illinois 60606 Attention: William T. Neary

Davis Polk & Wardell 450 Lexington Avenue New York NY 10017 Attn: Donald S. Bernstein, Esq.

Brian P. Karpuk Skadden, Arps, Slate, Meagher & Flom LLP 333 W. Wacker Drive Chicago, IL 60606 Counsel to the Debtors

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