

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:)	
)	Jointly Administered
Montgomery Ward Holding Corp., a)	Case No. 97-1409 (PJW)
Delaware corporation, et al.,)	
)	Chapter 11
Debtors.)	

**FINAL APPLICATION OF HOLLAND & HART FOR ALLOWANCE OF
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FEBRUARY 1, 1998 THROUGH AUGUST 2, 1999**

Holland & Hart hereby makes its final application for allowance of compensation in the amount of \$ 26,667.00 and reimbursement of related expenses of \$4,120.33 for the period February 1, 1998 through August 2, 1999. In support of this application, Holland & Hart respectfully represents as follows:

1. On January 30, 1998, this Court entered an Order appointing Holland & Hart as special counsel for the Debtors in the defense of a class action lawsuit filed against Montgomery Ward, Inc. in the United States District Court for the District of Wyoming. Since the entry of the Order appointing Holland & Hart as special counsel, Holland & Hart has resumed active work as local counsel in the defense of the Wyoming class action. On July 8, 1997, this Court entered an Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals, and Holland & Hart has previously submitted five interim Applications pursuant to that Order. On July 15, 1999, this Court entered an Order Confirming First Amended Joint Plan of Reorganization of Montgomery Ward Holding Corp. and Its Debtor Subsidiaries, and this Final Application is submitted pursuant to that Order.

2. Holland & Hart's services as special counsel for the Debtors has been to act as local counsel in the defense of a class action filed against the Debtors in the United States District Court for the District of Wyoming, *Trent, et al. v. Montgomery Ward & Co, Inc.*, Civil Action No. 97-CV-012-J (the "Wyoming class action"). As local counsel, Holland & Hart has assisted in correspondence with the court, scheduling of motions and argument and other proceedings before the district court, and advising principal counsel, McDermott, Will & Emery, regarding pleadings and other proceedings before the district court.

3. With this application, Holland & Hart seeks an allowance of final fees and expenses for the work it has performed on behalf of the Debtors in defending the Wyoming class action, which has now been transferred to this Court.

RELIEF REQUESTED

A. Final Request for Allowance of Compensation and Reimbursement of Expenses.

Holland & Hart seeks final allowance of compensation for February 1, 1998 through August 2, 1999, in the total amount of \$ 26,667.00. Holland & Hart has summarized each of its professionals' status and hourly billing rates in Attachment A¹, which includes a summary of the total hours incurred and fees charged for each billing category.

Holland & Hart also seeks reimbursement of expenses in the amount of \$4,120.33 incurred in connection with Holland & Hart services during this interim period. The

¹ The figures on the application are \$1.00 less in fees and \$.50 less in expenses than the figures on the summary and itemization attached as Exhibit A. Holland & Hart does not seek reimbursement for the difference.

summary and itemization of expenses incurred by Holland & Hart is attached as Exhibit A, and incorporated into this application by reference.

B. Payments Already Made.

Prior to Holland & Hart's appointment as special counsel for the Debtors on January 30, 1998, Holland & Hart incurred minor attorneys' fees in the amount of \$1,454.07 following Debtors' bankruptcy petition. All of these fees were incurred as part of Holland & Hart's continuing role as local counsel in defense of the pre-petition Wyoming action against the Debtors. These fees and expenses have been paid in full by the Debtors.

Following entry of the order retaining Holland & Hart as special counsel for the Debtors on January 30, 1998, Holland & Hart submitted an invoice for February 1998 in the total amount of \$ 1,518.00 in fees and \$ 131.39 in expenses. Debtors paid \$1,345.79 pursuant to this Court's prior orders. This invoice was the subject of Holland & Hart's First Application for Interim Allowance of Compensation and Reimbursement of Expenses, filed in April 1998.

Holland & Hart submitted an invoice for March 1998 in the total amount of \$4,325.00 in fees and \$50.29 in expenses. Holland & Hart submitted an invoice for April 1998 in the total amount of \$2,934.50 in fees and \$507.47 in expenses. Holland & Hart submitted an invoice for May 1998 in the total amount of \$6,905.00 in fees and \$223.65 in expenses. Holland & Hart submitted an invoice for June 1998 in the total amount of \$1,602.00 in fees and \$608.91 in expenses. To date, Debtors have paid \$14,004.02 toward those invoices which were the subject of Holland & Hart's Second

Application for Interim Allowance of Compensation and Reimbursement of Expenses, filed in August 1998.

Holland & Hart submitted an invoice for July 1998 of \$1,265.00 in fees and \$1,530.19 in expenses. Holland & Hart submitted an invoice for August 1998 of \$1,380.00 in fees and \$201.78 in expenses. Holland & Hart submitted an invoice for September 1998 of \$3,166.50 in fees and \$229.84 in expenses. Holland & Hart submitted an invoice for October 1998 of \$678.50 in fees and \$149.52 in expenses. To date, Debtors have paid \$7,303.33 toward those invoices which were the subject of Holland & Hart's Third Application for Interim Allowance of Compensation and Reimbursement of Expenses, filed in December 1998.

In November 1998, no invoice was submitted. Holland & Hart submitted an invoice for December 1998 of \$1,045.50 in fees and \$162.26 in expenses. Holland & Hart submitted an invoice for January 1999 of \$555.10 in fees and \$79.14 in expenses. Holland & Hart submitted an invoice for February 1999 of \$490.00 in fees and \$109.85 in expenses. To date, Debtors have paid \$2,024.05 toward those invoices which were the subject of Holland & Hart's Fourth Application for Interim Allowance of Compensation and Reimbursement of Expenses, filed in March 1999.

Holland & Hart submitted an invoice for March 1999 of \$614.00 in fees and \$36.49 in expenses. Holland & Hart submitted an invoice for April 1999 of \$63.00 in fees and \$53.31 in expenses. In May 1999 no invoice was submitted. In June 1999 no invoice was submitted. To date, Debtors have paid \$581.00 toward those invoices which were the subject of Holland & Hart's Fifth Application for Interim Allowance of Compensation and Reimbursement of Expenses, filed in July 1999.

Holland & Hart submitted an invoice for July 1999 of \$188.50 in fees and \$46.24 in expenses. To date, Debtors have paid \$196.54 toward this invoice. This invoice was not submitted in an Application for Interim Allowance of Compensation and Reimbursement of Expenses, but is included in this Final Application for Allowance of Compensation and Reimbursement of Expenses.

To date, the Fee Parties have not objected to the monthly invoices. For the final compensation period, therefore, Holland & Hart has sought reimbursement of fees and expenses for post petition services in the total amount of \$26,667.00 in fees and \$4,120.33 in expenses, \$25,454.73 of which have been paid to date by Debtors. As of this date, Debtors have paid 80% of fees and 100% of expenses of all submitted invoices. With this application, Holland & Hart seeks approval of payment of fees and expenses already paid by the Debtor and authorization of payment for the balance due for fees from the Debtor in the total amount of \$5,332.60 for the period of February 1, 1998 through August 2, 1999.

DESCRIPTION OF EXPENSES AND DISBURSEMENTS

Holland & Hart's expenses and disbursements from February 1, 1998 through August 2, 1999, on behalf of the Debtors total \$4,120.33. These expenses and disbursements consist of telephone charges, facsimile charges, mailing charges, computerized legal research charges, and copying charges in connection with hearings, consultations with principal counsel, McDermott, Will & Emery, and court filings. Holland & Hart has retained receipts and documentation of all disbursements and expenses in excess of \$25.00.

ADJUSTMENTS TO FEES AND EXPENSES

Consistent with Holland & Hart's internal policies, and in order to comply with the reasonableness requirements of § 330 of the Bankruptcy Code, Holland & Hart has reviewed the services described in its monthly statements and expenses submitted to the Debtors and has determined that certain fees and expenses should not be charged to the Debtors. This application reflects those adjustments. These adjustments were made to delete time charged by lawyers required to familiarize themselves with the underlying facts of the case or for particular services which exceeded the time that, in Holland & Hart's estimation, it should have taken for such services to be performed.

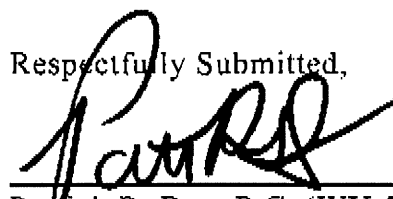
LEGAL ARGUMENT

To grant a request for compensation pursuant to §§ 330 and 331 of the Bankruptcy Code, the Court must find that each such request is reasonable. The reasonableness of the compensation is determined by the "lodestar" method. *In re Cena's Fine Furniture*, 109 B.R. 575, 581 (Bankr. E.D.N.Y. 1990). The lodestar amount is calculated by multiplying the number of hours reasonably expended by the hourly rate of that professional. There is a strong presumption that the lodestar product is reasonable under § 330 of the Bankruptcy Code. *See, In re Drexel Bunnham Lambert Group, Inc.*, 133 B.R. 13, 22 (Bankr. S.D.N.Y. 1991). Holland & Hart's lodestar calculation is based upon hourly rates that are within the range of rates that are charged by comparable firms in defending large class action cases. Accordingly, Holland & Hart's lodestar calculation is reasonable for the services provided. Similarly, Holland & Hart's fees and expenses were actual and necessary expenses as described by § 330(a)(1)(B) of the Bankruptcy Code.

WHEREFORE, Holland & Hart respectfully requests that the Court enter an order allowing final compensation in the amount of \$26,667.00 for services rendered by Holland & Hart from February 1, 1998 through August 2, 1999, and allowing the reimbursement of expenses incurred during this same time period in the amount of \$4,120.33 and authorizing the Debtors to pay Holland & Hart \$5,332.60 previously held back from Holland & Hart's monthly statements for February 1, 1998 through August 2, 1999, subject to any timely objection thereto, and granting such other and further relief as the Court may deem just and proper.

Dated: November 29th 1999.

Respectfully Submitted,



Patrick R. Day, P.C. (WY 5-2246)

Holland & Hart

P.O. Box 1347

Cheyenne, WY 82003-1347

(307) 778-4200

**Attorney for Debtors
and Debtors in Possession**