

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

PCG CORP., I f/k/a Plaid Clothing Group, Inc., f/k/a Plaid Holdings Corp.,	}	}	
PCG-JSI CORP., f/k/a J. Schoeneman, Inc. f/k/a Schoeneman, f/k/a J. Schoeneman/Palm Beach Companies,	}	}	Case No. 95-B-43065 (PCB) (Jointly Administered)
PCG-PBC CORP., f/k/a Palm Beach Company, Incl., f/k/a Palm Beach, f/k/a Calvin Clothing f/k/a J. Schoeneman/Palm Beach Companies,	}	}	Chapter 11
PCG-PRG CORP., f/k/a Plaid Retail Group, Inc., f/k/a Designer Forum, f/k/a Palm Beach Outlet,	}	}	
PCG-PIC CORP., f/k/a Plaid International, Inc.,	}	}	
PCG-AMI CORP., f/k/a Ambrook Manufact- uring, Inc., f/k/a Calvin Manufacturing,	}	}	
PCG-PII CORP., f/k/a Plaid Investment Co., Inc. }	}	}	
PCG-PFC CORP., f/k/a Plaid Finance Corp.,	}	}	
PCG-SHE CORP., f/k/a Schoeneman Enter- prises Holding, Inc., f/k/a Gleneagles,	}	}	
PCG-SEI CORP., f/k/a Schoeneman Enter- prises, Inc.	}	}	
	}	}	
	}	}	
	}	}	
Debtors.	}	}	

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STATE OF NEW YORK }
}SS:
COUNTY OF NEW YORK }

Fees Prev. Requested	\$466,807.40	NAME OF APPLICANT: BDO SEIDMAN, LLP
Fees Prev. Awarded	\$348,240.71	

Expenses Prev. Requested	\$8,935.56	ROLE IN THE CASE: ACCOUNTANTS FOR THE
Expenses Prev. Awarded	\$8,935.56	CREDITORS' COMMITTEE

Retainer Paid	NONE	CURRENT APPLICATION
Holdbacks - Fees	\$118,566.69	Fees Requested * \$469,026.40
		Expenses Requested * \$8,953.56

* Includes current period (8/1/97 to 5/20/99) fees and expenses of \$2,219.00 and \$18.00, respectively

BDO SEIDMAN, LLP
 JACK WEISBAUM
 JERRY D'AMATO
 WILLIAM K. LENHART
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Accountants for the Creditors' Committee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

PCG CORP., f/k/a Plaid Clothing Group, Inc.,	}	
f/k/a Plaid Holdings Corp.,	}	
PCG-JSI CORP., f/k/a J. Schoeneman, Inc.	}	Case No. 95-B-43065 (PCB)
f/k/a Schoeneman, f/k/a J. Schoeneman/Palm	}	(Jointly Administered)
Beach Companies,	}	
PCG-PBC CORP., f/k/a Palm Beach Company,	}	
Incl., f/k/a Palm Beach, f/k/a Calvin Clothing	}	Chapter 11
f/k/a J. Schoeneman/Palm Beach Companies,	}	
PCG-PRG CORP., f/k/a Plaid Retail Group,	}	
Inc., f/k/a Designer Forum, f/k/a Palm Beach	}	Date:
Outlet,	}	Time:
PCG-PIC CORP., f/k/a Plaid International, Inc.,	}	Place:
PCG-AMI CORP., f/k/a Ambrook Manufact-	}	
uring, Inc., f/k/a Calvin Manufacturing,	}	
PCG-PII CORP., f/k/a Plaid Investment Co., Inc.	}	
PCG-PFC CORP., f/k/a Plaid Finance Corp.,	}	APPLICATION OF BDO SEIDMAN, LLP
PCG-SHE CORP., f/k/a Schoeneman Enter-	}	FOR APPROVAL OF FINAL
prises Holding, Inc., f/k/a Gleneagles,	}	COMPENSATION AND
PCG-SEI CORP., f/k/a Schoeneman Enter-	}	REIMBURSEMENT OF EXPENSES AS
prises, Inc.	}	ACCOUNTANTS FOR THE CREDITORS'
	}	COMMITTEE FOR THE PERIOD JULY 17,
	}	1995 THROUGH MAY 20, 1999
	}	
Debtors.	}	

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 STATE OF NEW YORK }
 }SS:
 COUNTY OF NEW YORK }

TO THE HONORABLE PRUDENCE CARTER BEATTY, UNITED STATES BANKRUPTCY
 JUDGE; TO THE DEBTOR AND CREDITORS' COMMITTEE CHAIRPERSON AND THEIR
 COUNSELS OF RECORD, THE OFFICE OF THE UNITED STATES TRUSTEE AND OTHER
 PARTIES IN INTEREST:

The independent public accounting firm of BDO Seidman, LLP ("BDO") hereby submits its Final Application for Approval of Compensation and Reimbursement of Expenses as Accountants for the Creditors' Committee for the period JULY 17, 1995 through MAY 20, 1999 ("Final Application for Compensation"). BDO respectfully represents:

I.

INTRODUCTORY STATEMENT

1. BDO's Financial Recovery Services Group ("FRS") is a national team of responsive professionals, experienced in all aspects of loan workouts, restructuring and bankruptcy. FRS has extensive experience representing trustees, debtors and virtually all classes of creditors and equity holders in both out-of-court and in-court workouts and restructuring. FRS has developed the methodologies, resources and expertise required for operational and financial restructuring, due diligence and financial analysis, pre-and post-bankruptcy planning and case administration, settlement and portfolio valuations, and investigative accounting.

2. On July 17, 1995 (the "Debtor") filed their Voluntary Chapter 11 under Title 11 of the United States Code and an order for relief under Chapter 11 was entered simultaneously.

3. By application, the Creditors sought authority to retain BDO as accounting consultants to render services specified in the Application For Order Approving Employment of Accountants (the "Employment Application"). On August 08, 1995, an order, effective as of July 26, 1995 was duly signed and entered by the Honorable PRUDENCE CARTER BEATTY, United States Bankruptcy Judge, authorizing the retention of BDO.

4. Detailed statements itemizing services rendered and expenses incurred by BDO are attached as Exhibits A and B, to this application.

5. This is BDO's Final Application for Compensation for professional services rendered and for reimbursement of actual and necessary costs and expenses incurred on behalf of the Creditors' Committee in the administration of the estate of the Debtor's. BDO makes this Application pursuant to the provisions of 11 U.S.C. sections 327 through 331 and Rule 2016 of the

Federal Rules of Bankruptcy Procedure, and this Court's Guidelines Pertaining To Requests For Compensation and Expense By Professionals.

II

SUMMARY OF SERVICES RENDERED

6. By this Application for Final Compensation, BDO seeks approval and payment for (a) compensation for services rendered from JULY 17, 1995 through MAY 20, 1999 and (b) reimbursement for certain expenses incurred during the same period. This is the Final Application for compensation filed by BDO.

7. In rendering the current period services for which compensation is sought, partners, senior associates and associates of BDO spent 10.7 hours from AUGUST 1, 1997 through MAY 20, 1999. The time charges for such services, computed at BDO's standard hourly rates are \$2,219.00. In addition, BDO incurred ordinary and necessary expense in connection with the case of \$18.00. These fees and expenses represent total costs incurred during this period of \$2,237.00. Exhibit A annexed hereto contains, in full and complete detail, a description of the services rendered by each partner, senior associate and associate on a daily basis. A detailed statement of expenses is attached as Exhibit B.

8. BDO customarily bills their professionals at rates commensurate with the experience of the person performing such services. The billing rates are the same for bankruptcy engagements as well as all other accounting work performed by BDO. A list of the guideline hourly rate included in BDO's Employment Application is as follows:

Partners	\$250 - 375
Senior Associates	\$150 - 290
Associates	\$ 78 - 140
Para-professionals	\$ 55 - 80

9. The compensation BDO seeks is reasonable and is for actual and necessary services rendered by BDO. All of the services performed by BDO have been beneficial to the parties to these proceedings and have enabled the case to proceed.

10. The size and complexity of the Debtor's case involves numerous and complex issues of accounting and require substantial broad-based accounting expertise to resolve the issues. As a consequence, the demands of this case have been such that BDO's highly skilled insolvency professionals have devoted time and effort to perform properly and expeditiously the required accounting.

11. During the period from AUGUST 1, 1997 through MAY 20, 1999, BDO provided services of a general nature to the Creditors, as set forth below:

	HOURS	
	WORKED	AMOUNT
A. <u>BUSINESS ANALYSIS</u>		
Analyzed Debtor Plan of Reorganization.	0.6	\$ 210.00

B. TRUSTEE / COUNSEL DISCUSSIONS & COURT

Throughout the engagement we consulted
with Counsel and Committee members

	HOURS	
	WORKED	AMOUNT
regarding all pertinent matters. In addition, we attended court hearings inclusive of testifying, where required.	3.9	822.50

C. FEE APPLICATIONS / MONTHLY STATEMENTS

Preparation and review of monthly data, for submission to the Debtor, preparation of the fourth interim fee application and preliminary work toward preparing the final fee application.	<u>6.2</u>	<u>1,186.50</u>
TOTAL	<u>10.7</u>	<u>\$ 2,219.00</u>

12. The time spent by partners and staff of BDO Seidman, LLP, from AUGUST 1, 1997 through MAY 20, 1999, in performing the procedures described in paragraph 11, along with their hourly rates, is presented below:

	HOURS	AVG.	
	WORKED	RATES	AMOUNT
PARTNER	1.2	\$ 354.16	\$ 425.00
SENIOR ASSOCIATE	9.0	195.00	1,755.00
PARA-PROFESSIONAL	<u>0.5</u>	<u>78.00</u>	<u>39.00</u>
	<u>10.7</u>	<u>\$ 207.38</u>	<u>\$ 2,219.00</u>

13. BDO's time records are recorded contemporaneously with the rendition of professional services that have been set forth in Exhibit "A" which contains full and complete detail, a description of the services rendered by each partner, senior associate and associate on a daily basis for the Application period. BDO's time records are maintained in one-tenth of an hour (0.10) increments.

14. Each duty and task performed by BDO has been performed by the professional most qualified to render such services at his or her ordinary hourly charges.

15. There is no agreement or understanding between BDO and any other person, other than the members, associates and employees of BDO, for the sharing of compensation received for services rendered in connection with these proceedings.

16. BDO's professionals have delegated authority where appropriate to prevent duplication of effort, to ensure that associates were used whenever possible and to utilize the services of professionals who bill at lower hourly rates as much as possible.

17. Where more than one person attended a meeting, such attendance was not a duplication of effort, but was necessary to adequately represent the interests of the Creditors, and to have the appropriate expertise available.

18. For all of the reasons set forth in this application, BDO respectfully submits that the services it has rendered and the disbursements it has incurred on behalf of the Creditors during this case have been reasonably expended in order to adequately represent and protect the interests of the Creditors in this case. BDO submits further that it has provided such services in an economical and efficient manner. Accordingly, BDO requests that the relief requested in this Application be granted in all respects.

WHEREFORE, BDO PRAYS that this Court enter its order allowing BDO final fees and expenses in the total amount of \$ 477,979.96 (representing \$2,219.00 in current period fees and \$18.00 in current period expenses and prior period fees and expenses of \$466,807.40 and \$8,935.56, respectively).

DATED in New York, New York on this 11th Day of June, 1999.

BDO Seidman, LLP
330 Madison Avenue
10th Floor
New York, N.Y. 10017
Telephone Number: (212) 885-8000
Facsimile Number: (212) 697-1299

Accountants For The Creditors' Committee

/s/ WILLIAM K. LENHART

Sworn and subscribed to before
me this day of June, 1999

NOTARY PUBLIC

I. SUMMARY OF BILLING PROFESSIONALS

Names of Professionals/ Paraprofessionals	Year Admitted to Practice	Total Hours Billed	Billing Rate for This Case	Total for Application	Lowest billing Rate Changes During Period of Case
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PARTNERS

See Exhibit "A"

Same rate charged by each professional for

bankruptcy and non-bankruptcy work, throughout

ASSOCIATES

the case, subject to periodic rate increases

PARAPROFESSIONALS

TOTAL BLENDED HOURLY RATE \$ 207.38

(Excluding Paraprofessionals)

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