

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

In re:	:	Chapter 11
	:	
TWA INC. POST CONFIRMATION ESTATE,	:	Case No. 01-00056 (PJW)
	:	(Jointly Administered)
	:	
Debtor.	:	Hearing Date: December 4, 2002 at 9:30 a.m.
	:	Objection Deadline: November 27, 2002 at 4:00 p.m.

**SUPPLEMENT TO COMBINED SIXTH QUARTERLY AND FINAL FEE
APPLICATION OF BLANK ROME COMISKY & MCCAULEY LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS COUNSEL TO THE STATUTORY COMMITTEE OF
UNSECURED CREDITORS OF TRANS WORLD AIRLINES, INC., ET AL. [DKT. NO. 3636]**

Name of Applicant:	Blank Rome Comisky and McCauley LLP
Authorized to Provide Professional Services to:	Statutory Committee of Unsecured Creditors of Trans World Airlines, Inc., et al.
Date of Retention:	January 19, 2001
Amount of Additional Compensation Requested in this Supplement:	\$25,757.00 ¹
Amount of Additional Expense Reimbursement Requested in this Supplement:	\$1,567.05
Amount of Final Compensation Requested, as Supplemented:	\$2,881,960.50
Amount of Final Expense Reimbursement Requested, as Supplemented:	\$248,633.32

This is an: ___ interim and final application

The time expended for preparation of the Final Fee Application is approximately 10.8 hours and the corresponding compensation is approximately \$ 3,275.00, which amount is included in the \$25,757.00 figure above.

¹ The \$25,757.00 figure does not include the estimated \$5,000.00 in fees previously included in the Final Fee Application for services to be rendered in connection with Blank Rome's response to several objections filed by American Airlines to certain of Blank Rome's interim fee applications.

Following is pertinent information regarding each application submitted with the Court including this Supplement:

Date Filed	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
2/26/01	1/19/01-1/31/01	\$183,201.00	\$2,067.00	\$183,201.00	\$2,067.00
3/26/01	2/1/01-2/28/01	\$335,046.50	\$32,948.52	\$335,046.50	\$32,948.52
4/25/01	3/1/01-3/31/01	\$668,832.00	\$71,442.85	\$668,832.00	\$71,442.85
5/25/01	4/1/01-4/30/01	\$378,820.00	\$39,956.47		
6/25/01	5/1/01-5/31/01	\$260,491.50	\$21,654.40		
7/25/01	6/1/01-6/30/01	\$206,291.00	\$23,753.49		
8/27/01	7/1/01-7/31/01	\$249,128.50	\$14,594.96		
9/25/01	8/1/01-8/31/01	\$92,743.50	\$10,155.48		
10/25/01	9/1/01-9/30/01	\$60,418.50	\$2,250.04	\$60,418.50	\$2,250.04
11/26/01	10/1/01-10/31/01	\$49,620.50	\$4,381.56	\$49,620.50	\$4,381.56
12/28/01	11/1/01-11/30/01	\$45,214.00	\$2,595.85	\$45,214.00	\$2,595.85
1/25/02	12/1/01-12/31/01	\$47,584.50	\$1,578.93	\$47,584.50	\$1,578.93
2/25/02	1/1/02-1/31/02	\$57,055.00	\$4,023.97		
3/25/02	2/1/02-2/28/02	\$38,856.50	\$1,600.69		
4/25/02	3/1/02-3/31/02	\$57,556.50	\$4,265.97		
5/28/02	4/1/02-4/30/02	\$23,107.50	\$667.75		
6/25/02	5/1/02-5/31/02	\$23,972.00	\$730.33		
7/26/02	6/1/02-6/30/02	\$46,326.50	\$7,751.98		
8/26/02	7/1/02-8/21/02	\$26,938.00	\$686.03		
11/___/02	Supplement	\$25,757.00	\$1,567.05		
Totals:		\$2,881,960.50	\$248,633.32	\$1,389,917.00	\$117,264.75

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OF UNSECURED CREDITORS OF TRANS WORLD AIRLINES, INC., ET AL.**

This Supplement to the Combined Sixth Quarterly and Final Fee Application (the "Supplement") is filed by Blank Rome Comisky & McCauley LLP ("BRCM") requesting to supplement its Final Fee Application to include additional services rendered and expenses incurred on behalf of the Statutory Committee of Unsecured Creditors ("Committee") of Trans World Airlines, Inc., et al. (the "Debtors").

INTRODUCTION AND BACKGROUND

1. On August 26, 2002, BRCM filed its Combined Sixth Quarterly and Final Fee Application (the "Final Fee Application") for compensation and reimbursement of expenses requesting (i) interim approval for and payment of \$93,406.00 for services rendered and expenses incurred by BRCM on behalf of the Committee for the Sixth Quarterly Period from April 1, 2002 through June 30, 2002; and (ii) final approval for and payment of \$2,856,203.50 for all services rendered and expenses incurred by BRCM on behalf of the Committee from the date of this Court's order approving BRCM's employment through the conclusion of these bankruptcy cases [Dkt. No. 3636]. Upon receiving no timely objections, on or about September 24, 2002, BRCM filed a Certificate of No Objection with the

Court [Dkt. No. 3729]. Previous objections filed by American Airlines, Inc. and its affiliates (“American”) to BRCM’s Fifth Monthly Interim Fee Application, Second Quarterly Interim Fee Application, Seventh Monthly Interim Fee Application, Eighth Monthly Interim Fee Application and Third Quarterly Interim Fee Application remain extant.

2. As set forth in footnote 1 of the Final Fee Application, included within the \$2,856,203.50 figure was an estimated \$5,000.00, which represented the fees that BRCM anticipated it would incur for services rendered in connection with the preparation of BRCM’s response (the “Response”) to several objections filed by American to certain of BRCM’s interim fee applications. BRCM also indicated in footnote 1 that it would provide the Court with a statement of services actually rendered in connection with the preparation of the Response. This Supplemental to the Final Fee Application serves that purpose.

3. This Supplement to the Final Fee Application is submitted in accordance with this Court’s Compensation Procedures Order and the Confirmation Order, and is made pursuant to the provisions of §§ 330 and 331 of the Bankruptcy Code for a final allowance for all services rendered and reimbursement of actual and necessary costs and expenses paid or incurred by BRCM in its representation of the Committee during these bankruptcy cases. BRCM has reviewed the requirements of Del.Bankr.LR 2016-2, and submits that this Supplement complies with Del.Bankr.LR 2016-2.

4. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

SERVICES RENDERED AND EXPENSES INCURRED

5. In accordance with Del.Bankr.LR 2016-2, a summary schedule of hours and fees for each attorney and paraprofessional is set forth in Attachment B in the beginning of this Supplement to the Final Fee Application.

6. BRCM expended 89.10 hours having a time value of \$30,757.00 finalizing the Response and completing the preparation of the Final Fee Application.

7. A detailed chronological itemization of the services rendered by each attorney, calculated by tenths of an hour, is attached hereto as Exhibit "A." A categorized summary of the actual and necessary costs and expenses incurred by BRCM and an itemization of each expense within each category, is attached hereto as Exhibit "B." The expenses listed on Exhibit "B" are expenses that were posted after the filing of the Final Fee Application, although a portion of the expenses were incurred prior to the filing of the Final Fee Application.

8. BRCM respectfully submits that this Supplement to the Final Fee Application complies with §§ 330 and 331 of the Bankruptcy Code and the Bankruptcy Rules. BRCM's charges for its professional services are based upon the time, nature, extent and value of such services and the cost of comparable services other than in a case under the Bankruptcy Code.

9. Litigation in defense of fee applications is compensable. Smith v. Hale (In re Smith), 305 F.3d 1078, 1088 (9th Cir. 2002). See also Sloan v. Hoffman (In re Chavez), 157 B.R. 30, 33 (D. Colo. 1993) (trustee permitted to retain funds to recover his costs on appeal defending compensation award); Nunley v. Jessee, 92 B.R. 152, 153 (W.D. Va. 1988) (litigants who prevail on fee award are entitled to additional fees required to defend those fees on appeal). As enunciated by the Ninth Circuit:

[T]o be compensated for the time and expenses spent litigating a fee application, the fee applicant must demonstrate that the services for which compensation is sought satisfy the requirements of section 330(a)(4)(A) *and* that its case exemplifies a 'set of circumstances' where the time and expense incurred by the litigation is 'necessary' within the meaning of section 330(a)(1).

Smith, 305 F.2d at 1088.

10. In this case, BRCM has met both criteria. First, BRCM has satisfied § 330(a)(4)(A). The services provided by BRCM in preparing the Response to American's fee objections were not

duplicative of services performed by other professionals and they are necessary for the administration of the bankruptcy cases. They provide a benefit to the Debtors' estates in determining the amount of administrative fees that the estates owe to BRCM for its work as Committee counsel. See id.

11. Second, American's fee objections which BRCM is defending exemplifies a set of circumstances where litigation is necessary. Generally, American objects to the services BRCM performed for the Committee which go beyond the modest role American would delegate to the Committee after April 9, 2001, the date of the closing of the sale of substantially all of the Debtors' assets to American. Thus, American's fee objections go to the manner in which the Committee performed its role in these cases, and its strategies in certain matters which led up to the global settlement that formed the basis for the confirmed Plan. American's primary objections do not question the manner in which BRCM performed its tasks for the Committee. None of American's objections address issues of duplicate services or the quality of legal services rendered by BRCM.¹

12. Moreover, if BRCM is successful in its defense of its fee applications, to deny BRCM its reasonable compensation for such defense would dilute its compensation for "actual and necessary services." See Smith, 305 F.3d at 1089 (citing In re Nucorp Energy, Inc., 764 F.2d 655, 657 (9th Cir. 1985)).

WHEREFORE, BRCM respectfully requests that: (i) the Court enter an order, on a final basis, in the cumulative amount of \$2,881,961.50 as compensation for necessary professional services rendered, and in the amount of \$248,633.32 for reimbursement of actual, necessary costs and expenses; and (ii) the Court authorize and direct the Debtors or the Post Confirmation Estate to timely pay

¹ American did charge BRCM with staffing the matter with an excessive number of senior attorneys but that charge is made on the basis of a overly simple calculation of the blended rates charged in BRCM's fee applications. American does not consider the tasks performed by the attorneys or the high stakes of the issues in dispute. The objections do, however, demonstrate that BRCM does not staff cases with unnecessary junior attorneys driving a resultant lowering of the blended rate, but at the expense of increasing overall cost.

BRCM all such amounts which remain unpaid; and (iii) the Court grant such other and further relief as the Court deems just and proper.

Dated: November 7, 2002

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