

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

<p>In re:</p> <p style="margin-top: 20px;">Velti, Inc., <i>et al.</i>,¹</p> <p style="text-align: center; margin-top: 20px;">Debtors.</p>	<p>Chapter 11</p> <p style="margin-top: 20px;">Case No. 13-12878 (PJW) Jointly Administered</p> <p style="margin-top: 20px;">Objection Deadline: June 11, 2014 at 4:00 p.m. (ET)</p>
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**FIRST MONTHLY FEE APPLICATION FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES OF DELOITTE FINANCIAL ADVISORY SERVICES LLP AND
DELOITTE TRANSACTIONS AND BUSINESS ANALYTICS LLP AS
FINANCIAL ADVISOR TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
THE PERIOD OF DECEMBER 3, 2013 THROUGH MARCH 31, 2014**

Name of Applicants:	Deloitte Financial Advisory Services LLP and Deloitte Transactions and Business Analytics LLP
Authorized to Provide Professional Services as:	Financial Advisor
Date of Retention:	Effective <i>Nunc Pro Tunc</i> to December 3, 2013 by Order Entered April 10, 2014
Period for which Compensation and Reimbursement is Sought:	December 3, 2013 through March 31, 2014
Amount of Compensation Sought as Actual, Reasonable, and Necessary	\$ 400,995.50
80% of Compensation Sought as Actual, Reasonable, and Necessary	\$ 320,796.40
Amount of Expense Reimbursement Sought	\$ 34,920.52
Total Amount of Fees and Expense Reimbursement Sought as Actual, Reasonable and Necessary (100%):	<u><u>\$ 435,916.02</u></u>

This is the Applicants First Monthly Fee Application.

¹ The Debtors are the following six entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Velti Inc. (4475), Air2Web, Inc. (5572), Air2Web Interactive, Inc. (2364), Velti North America, Inc. (8900), Velti North America Holdings, Inc. (3953) and Velti US Holdings, Inc. (8299). The mailing address of each of the Debtors, solely for purposes of notices and communications, is DLA Piper, LLC, Attn: Chun Jang, 203 North LaSalle Street, Suite 190 Chicago, Illinois 60601-1293.

Prior Fee Applications Summary

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
None		\$ -	\$ -	\$ -	\$ -

CUMULATIVE TIME SUMMARY

For the Period of December 3, 2013 through March 31, 2014

Professional	Level	Rate	Hours	Fees
Boucher, Craig	Director	\$575.00	205.6	\$118,220.00
Gerlach, Stephen	Senior Manager	\$495.00	18.3	\$9,058.50
Perry, Russell	Senior Manager	\$495.00	250.5	\$123,997.50
Berbit, Alex	Manager	\$435.00	4.2	\$1,827.00
Brokmeier, Chris	Manager	\$435.00	24.0	\$10,440.00
Kelly, Sejal	Manager	\$435.00	75.6	\$32,886.00
Hebard, Chris	Senior Consultant	\$375.00	188.3	\$70,612.50
Gutierrez, Dalia	Consultant	\$125.00	18.2	\$2,275.00

Non-Working Travel				
Boucher, Craig	Director	\$287.50	54.8	\$15,755.00
Perry, Russell	Senior Manager	\$247.50	40.9	\$10,122.75
Kelly, Sejal	Manager	\$217.50	9.0	\$1,957.50
Hebard, Chris	Senior Consultant	\$187.50	20.5	\$3,843.75
Professional Subtotal :	Blended Rate: \$440.70		909.9	\$400,995.50

CUMULATIVE FEES BY CATEGORY SUMMARY

For the Period of December 3, 2013 through March 31, 2014

Categories	Hours	Fees
Business Plan Projections	326.7	\$165,850.50
Case Administration / General Restructuring Issues	22.9	\$11,729.50
Cash Budgeting and Management	181.1	\$79,188.50
M&A Transaction Support	28.9	\$15,457.50
Monthly Operating Report	22.0	\$8,946.00
Non-Working Travel	125.2	\$31,679.00
Preparation of Fee Applications	18.6	\$2,425.00
Schedules - SOFA	121.6	\$53,076.00
Wind Down	62.9	\$32,643.50
Fees Category Subtotal :	909.9	\$400,995.50

Average Hourly Rate \$440.70**CUMULATIVE EXPENSE SUMMARY**

For the Period of December 3, 2013 through March 31, 2014

Expense Categories	Total Expenses for the Period
Airfare	\$13,791.00
Hotel	\$13,691.49
Meals	\$2,663.31
Transportation	\$2,654.23
Telephone, Conference	\$22.59
Parking	\$392.27
Taxi	\$371.75
Train, Subway, Bus, Other	\$1,333.88
Expense Category Subtotal :	\$34,920.52

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

In re:

Velti Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 13-12878 (PJW)
Jointly Administered

Objection Deadline: June 11, 2014 at 4:00 p.m.
(ET)

**FIRST MONTHLY FEE APPLICATION FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES OF DELOITTE FINANCIAL ADVISORY SERVICES LLP AND
DELOITTE TRANSACTIONS AND BUSINESS ANALYTICS LLP AS FINANCIAL
ADVISOR TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR
THE PERIOD OF DECEMBER 3, 2013 THROUGH MARCH 31, 2014**

Deloitte Financial Advisory Services LLP (“Deloitte FAS”) and Deloitte Transactions and Business Analytics LLP (“DTBA”), (hereinafter, together with Deloitte FAS, for this purpose only, “Deloitte”), financial advisor to Velti, Inc. and its debtor subsidiaries, as debtors and debtors in possession (collectively, the “Debtors”) in these chapter 11 cases, hereby seeks allowance of compensation and reimbursement of expenses pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2013 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2016-2 of the Local Bankruptcy Rules of Bankruptcy Court for the District of Delaware (the “Local Rules”), for the period commencing December 3, 2013 through and including March 31, 2014 (the “Application Period”). In support of this Application (the “Application”), Deloitte respectfully represents as follows:

¹ The Debtors are the following six entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Velti Inc. (4475), Air2Web, Inc. (5572), Air2Web Interactive, Inc. (2364), Velti North America, Inc. (8900), Velti North America Holdings, Inc. (3953) and Velti US Holdings, Inc. (8299). The mailing address of each of the Debtors, solely for purposes of notices and communications, is DLA Piper, LLC, Attn: Chun Jang, 203 North LaSalle Street, Suite 190 Chicago, Illinois 60601-1293.

JURISDICTION

1. The Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

STATUTORY BASIS

2. The statutory predicates for the relief requested herein are: (i) sections 328, 330 and 331 of the Bankruptcy Code; (ii) Rule 2016 of the Bankruptcy Rules; (iii) Rule 2016-2 of the Local Rules; and (iv) the Compensation Order (as defined below).

BACKGROUND

3. On November 4, 2013 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code, which cases are consolidated for procedural purposes only. The Debtors are authorized 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 or examiner has been appointed in the Debtor's Chapter 11 Cases. On November 12, 2013, the Office of the United States Trustee for the District of Delaware appointed an Official Committee of Unsecured Creditors in these chapter 11 cases.

4. On December 2, 2013, the Court signed the *Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses for Professionals* (the "Compensation Order") [Docket No. 111].

RETENTION OF DELOITTE FAS

5. On December 3, 2013, the Debtors filed the *Application of the Debtors and Debtors in Possession Pursuant to Sections 327(a) and 330(a) of the Bankruptcy Code, Bankruptcy Rule 2014(a) and Local Bankruptcy Rule 2014-1 for an Order Authorizing to Retain and Employ Deloitte Financial Advisory Services LLP as Financial Advisor to the Debtors and Debtors in Possession Effective Nunc Pro Tunc to Petition Date* ("Retention Application") [Docket No. 127]. On April 10, 2014, this Court entered an order

approving the Retention Application of Deloitte ("Retention Order") [Docket No. 355].

RELIEF REQUESTED

6. By this Application, Deloitte FAS and DTBA, as applicable, per the Retention Application and Order, seek payment now of 80% of their reasonable and necessary fees incurred, in the amount of \$320,796.40 (such total being \$400,995.50 together with reimbursement of its actual and necessary expenses incurred in the amount of \$34,920.52, for the Application Period). Deloitte FAS and DTBA each submit this Application in accordance with the Compensation Order. All services for which Deloitte FAS and DTBA hereby request compensation were performed for, or on behalf of, the Debtors.

BASIS FOR RELIEF

7. This Application is the first monthly fee application filed by Deloitte FAS and DTBA in these cases. In connection with their professional services rendered, by this Application, Deloitte FAS and DTBA seek total compensation in the amount of \$400,995.50 and payment upon expiration of the objection period of \$320,796.40 pursuant to the monthly application procedure in the Compensation Order. A detailed statement of hours spent rendering professional services to the Debtors, in support of Deloitte FAS's and DTBA's request for compensation for fees incurred during the Application Period, is attached hereto as Exhibit A. Exhibit A (i) identifies the professionals and paraprofessionals who rendered services in each project category; (ii) describes each service such professional or paraprofessional performed; and (iii) sets forth the number of hours in increments of one-tenth of an hour spent by each individual providing the services.

8. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy Code.

9. By this Application, Deloitte FAS and DTBA also seek expense reimbursement of \$34,920.52. A summary of actual and necessary expenses incurred by Deloitte FAS or DTBA is attached

hereto as Exhibit B. Deloitte FAS and DTBA do not charge for photocopying, out-going facsimile transmissions, or long distance telephone calls on faxes. Deloitte FAS and DTBA customarily charge for conference call expenses.

DESCRIPTION OF SERVICES RENDERED

10. Deloitte provides below an overview of the services it rendered as financial advisor to the Debtors during the Application Period. Detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing services throughout the Application Period are also provided in the attached exhibits.

11. Deloitte served or advised the Debtors in the following areas throughout the Application Period:

a. Case Administration / General Restructuring Issues

- Advised and assisted the Debtors and the Debtor's legal counsel with development of a vast array of business and financial information required for bankruptcy disclosures and required meetings; and
- Advised and assisted the Debtors in connection with its communications and negotiations with other parties, including, but not limited to, unsecured creditors and its advisors, secured creditors, customers, suppliers, and other parties in interest.

b. M&A Transaction Support

- Advised and assisted the Debtor, the Debtor's legal counsel and Debtor's investment banking advisors with the preparation of certain financial analyses related to the Debtor's worldwide affiliates, and discussions and negotiations with the Debtor's associates.

c. Cash Budgeting and Management

- Advised and assisted the Debtor in its monitoring and tracking of funding needs (e.g., debtor-in-possession financing model);

- Advised and assisted the Debtor in its refinement of its cash management and cash flow forecasting process, including the monitoring of actual versus projected cash flows;
- Advised and assisted the Debtor with professional fee tracking models, following interim compensation procedures;
- Advised and assisted the Debtor with tracking and reporting correspondence regarding required weekly cash report; and
- Advised and assisted the Debtor in its review and assessment of vendor relationships and other executory contracts.

d. Business Plan Projections

- Advised and assisted the Debtors with the preparation of its Mobile Marketing Business Unit (“MMBU”) financial projections and corresponding assumptions; and
- Advised and assisted the Debtor with the preparation of a complex MMBU balance sheet and working capital projection which was a material element of the successful transaction.

e. Monthly Operating Reports (“MOR”)

- Advised and assisted the Debtors in the development of its MOR during this fee application period; and
- Advised and assisted the Debtors with key inputs into the MOR from DIP budget and provided final review / editing of MOR prior to filing.

f. Preparation of Fee Applications

- Reviewed, compiled, and prepared this Deloitte FAS and DTBA First Monthly Fee Application.

g. Wind Down Issues

- Advised and assisted the Debtors in the development of its wind down budget;

- Advised and assisted the Debtors with its negotiations and discussions with various external parties regarding wind down issues; and
 - Advised and assisted the Debtors with its monitoring and tracking of post confirmation activity, reflecting such activity within the Debtor's wind down budget.
- h. Preparation of Statement of Financial Affairs ("SOFA") and Schedules of Assets and Liabilities ("SOAL")
- Advised and assisted with the preparation of the Debtor's bankruptcy SOFA, SOAL, and related global notes.

ALLOWANCE OF COMPENSATION

12. **Compensation Sought.** Because of the benefits realized by the Debtors, the nature of services provided, the amount of work done, the time consumed and the skill required, Deloitte requests that it be allowed, on an interim basis, compensation for the professional services rendered during the Application Period in the sum of \$320,796.40 (80% of \$400,995.50).

13. **Reimbursement of Expenses.** Deloitte has disbursed, and requests reimbursement for \$34,920.52, which represents 100% of actual, necessary expenses incurred in the rendition of professional services in these cases.

14. No agreement or understanding exists between Deloitte and any other nonaffiliated or nonrelated person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases.

CERTIFICATE OF COMPLIANCE AND WAIVER

15. Finally, the undersigned representatives of Deloitte FAS and DTBA certify that each of Deloitte FAS and DTBA has reviewed the requirements of Rule 2016-2 of the Local Rules and that the Application substantially complies with that Local Rule. To the extent that the Application does not comply in all respects with the requirements of Local Rule 2016-2 Deloitte FAS and DTBA believe that such deviations are not material and respectfully request that any such requirement be waived.

WHEREFORE, Deloitte respectfully requests that the Court: (i) grant it allowance of compensation for professional services rendered to the Debtors during the Application Period in the amount of \$355,716.92, (ii) authorize payment in the amount of \$320,796.40, which represents 80% of the total compensation sought for professional services rendered during the Application Period (such total being \$400,995.50), (iii) grant it reimbursement of \$34,920.52 for reimbursement of 100% of the actual and necessary costs and expenses incurred by Deloitte in these cases during the Application Period, and (iv) grant such other and further relief as is just and proper.

DATED: May 21, 2014

Respectfully submitted,

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