

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:)

) Chapter 11

AIRFASTTICKETS, INC.,)

) Case No. 15-11951 (SHL)

Debtor.)

**ORDER ESTABLISHING PROCEDURES FOR
INTERIM COMPENSATION AND REIMBURSEMENT
OF EXPENSES FOR RETAINED PROFESSIONALS**

Upon the motion (the “Motion”)¹ of the above-captioned debtor for entry of an order (the “Order”) (a) approving the Compensation Procedures and (b) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtor’s estate, its creditors, and other parties in interest; and this Court having found that the Debtor provided appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is granted to the extent set forth herein; and it is further

ORDERED, that, except as may otherwise be provided in orders of this Court authorizing the retention of specific professionals, all Professionals in these cases may seek compensation in accordance with the following Compensation Procedures:

- a. On or before the 30th day of each month following the month for which compensation is sought, each Professional seeking compensation will serve a monthly statement (a "Monthly Fee Statement"), by hand, overnight delivery, or, if agreed to by the respective Notice Party (as defined herein), by e-mail to an e-mail address designated by that Notice Party, on: (i) the Debtor, c/o GlassRatner Advisory & Capital Group LLC, 19800 MacArthur Boulevard, Suite 820, Irvine, California 92612, Attn: Adam Meislik, (ii) proposed counsel to the Debtor, Arent Fox LLP, Gas Company Tower, 555 West Fifth Street, 48th Floor, Los Angeles, California 90013, Attn: Aram Ordubegian, Esq.; and (iii) the Office of the United States Trustee for the Southern District of New York, U. S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014, Attn: Andrea B. Schwartz, Esq. (each, a "Notice Party," and collectively, the "Notice Parties");
- b. On or before the 30th day of each month following the month for which compensation is sought, each Professional seeking compensation shall file a Monthly Fee Statement with the Court; however, a courtesy copy need not be delivered to the presiding judge's chambers; provided that filing a Monthly Fee Statement with the Court does not alter the requirements outlined in sections 330 and 331 of the Bankruptcy Code. The Professionals still are required to serve and file fee applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and other applicable laws in this district;
- c. Each Monthly Fee Statement must contain a list of the individuals and their respective titles (e.g., attorney, accountant, or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual, a reasonably detailed breakdown of the expenses incurred (no Professional should seek reimbursement of an expense that would otherwise not be allowed pursuant to the Court's Administrative Orders or the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996), and contemporaneously maintained time entries for each individual in increments of tenths (1 / 10) of an hour;

- d. If any Notice Party has an objection to the compensation or reimbursement sought in the Monthly Fee Statement, such Notice Party shall, by no later than the 35th day following the last day of the month for which compensation is sought (the “Objection Deadline”), serve upon such Professional, and the other Notice Parties, a written “Notice of Objection to Fee Statement” setting forth the nature of the objection and the amount of fees or expenses at issue;
- e. At the expiration of the Objection Deadline, the Debtor shall promptly pay (i) 80 percent of the Professional’s fees and (ii) 100 percent of the undisputed expenses identified in each Monthly Fee Statement to which no objection has been served in accordance with subparagraph (d);²
- f. If the Debtor receives a Notice of Objection to Fee Statement, they shall withhold payment of that portion of the fee statement to which the objection is directed and promptly pay the remainder of the fees and expenses in the percentages set forth in subparagraph (e) unless the Professional whose statement is objected to seeks an order from the Court, upon notice and a hearing, directing payment to be made;
- g. Similarly, if the parties to an objection are able to resolve their dispute following the service of a Notice of Objection to Fee Statement and if the Professional whose Monthly Fee Statement was objected to serves on all of the parties listed in subparagraph (a) a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtor shall promptly pay, in accordance with subparagraph (e), that portion of the Monthly Fee Statement which is no longer subject to an objection;
- h. All objections that are not resolved shall be preserved and presented to the Court at the next interim or final fee application hearing held by the Court;
- i. The service of a Notice of Objection to Fee Statement in accordance with subparagraph (d) shall not prejudice the objecting party’s right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground, whether raised in the objection or not. Furthermore, the decision by any party not to object to a Monthly Fee Statement shall not be a waiver of any kind or prejudice that party’s right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code;
- j. Approximately every 120 days, but no more than every 150 days (the “Interim Fee Period”), each of the Professionals shall serve and file with the Court an Application (an “Interim Fee Application”) for interim or final Court approval and allowance, pursuant to sections 330 and 331 of the Bankruptcy Code (as

² The remaining 20 percent of the Professional’s fees for each Monthly Fee Statement shall be withheld from payment until further order of the Court (the “Monthly Fee Holdback”).

the case may be), of the compensation and reimbursement of expenses requested. Furthermore, upon allowance by the Court of a Professional's fee application, the Debtor shall be authorized to promptly pay such Professional all requested fees (including the Monthly Fee Holdback) and expenses not previously paid. Each Retained Professional shall file its Interim Fee Application no later than forty-five (45) days after the end of the Interim Fee Period;

- k. The Debtor's attorneys shall obtain a date from the Court for the hearing to consider Interim Fee Applications for all Retained Professionals (the "Interim Fee Hearing"). At least twenty-one (21) days prior to the Interim Fee Hearing, the Debtor's attorneys shall file a notice with the Court, with service upon the U.S. Trustee and all Professionals, setting forth the time, date, and location of the Interim Fee Hearing, the period covered by the Interim Fee Applications, and the Objection Deadline. Any Professional unable to file its own Interim Fee Application with the Court shall deliver to the Debtor's attorneys a fully executed copy with original signatures, along with service copies, of such Interim Fee Application, three (3) business days before the filing deadline. The Debtor's attorneys shall file and serve such Interim Fee Application with the Court;
- l. Any Professional who fails to file an Interim Fee Application seeking approval of compensation and expenses previously paid pursuant to a Monthly Fee Statement when such Interim Fee Application is due shall (i) be ineligible to receive further monthly payments of fees or expenses as provided herein until further order of the Court and (ii) may be required to disgorge any fees paid since retention or the last fee application, whichever is later;
- m. The pendency of any Interim Fee Application or a Court order that payment of compensation or reimbursement of expenses was improper as to a particular statement shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court; and
- n. Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement of expenses, as provided herein, shall have any effect on the Court's interim or final allowance of compensation and reimbursement of expenses of any Professional; and it is further

ORDERED, that all fees and expenses paid to the Professionals under the Compensation Procedures are subject to full disgorgement until final allowance by the Court; and it is further

ORDERED, that the Debtor shall serve a copy of this Order on each of the Professionals;
and it is further

ORDERED, that each Professional may seek, in its first request for compensation or reimbursement of expenses pursuant to this Order, compensation for any work performed and reimbursement for expenses incurred during the period beginning on the Conversion Date and ending on November 30, 2015; and it is further

ORDERED, that the Debtor shall include all payments to the Professionals on their monthly operating reports, detailed so as to state the amount paid to each Professional; and it is further

ORDERED, that in the event that an ordinary course professional is required to file a fee application, then the Debtor's attorneys shall obtain a date from the Court for the hearing of such fee application, which shall be scheduled no earlier than twenty-one days after the fee application is served on the Notice Parties; and it is further

ORDERED, that the Professionals must serve Applications upon the Notice Parties; and all other parties that have filed a notice of appearance with the clerk of this Court and requested notice of pleadings in these chapter 11 cases shall be entitled to receive only notices of hearings on the Applications, with a right to receive copies of such Applications upon request; and it is further

ORDERED, that all time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a); and it is further

ORDERED, that the Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion; and it is further

ORDERED, that the Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice; and it is further

ORDERED, that, notwithstanding anything to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED, that the Court shall retain jurisdiction over any and all issues arising from or related to the implementation and interpretation of this Order.

Dated: December 2, 2015
New York, New York

/s/ Sean H. Lane
UNITED STATES BANKRUPTCY JUDGE