IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 7
	:	
LG.PHILIPS DISPLAYS USA, INC.,	:	Case No. 06-10245 (BLS)
	:	**Hearing Date: October 11, 2007 at 3:00 p.m.**
	:	**Objection Deadline: September 20, 2007 at 4:00 p.m. (ET)**
Debtor.	:	

TRUSTEE'S OMNIBUS APPLICATION FOR AUTHORITY TO RETAIN, EMPLOY AND COMPENSATE BEKIN-AVOGADOS; LOYENS & LOEFF N.V.; BARRERA, SIQUEIROS Y TORRES LANDA, S.C.; AND HWANG MOK PARK P.C., AS SPECIAL COUNSEL TO THE TRUSTEE, *NUNC PRO TUNC*, PURSUANT TO 11 U.S.C. §§ 327(a), (e) AND 328(a) AND FED. R. BANKR. P. 2014

Jeoffrey L. Burtch, Chapter 7 trustee (the "Trustee") of LG.Philips Displays USA, Inc. (the "Debtor"), by and through his special litigation counsel, hereby applies (the "Application") for authority to retain, employ and compensate Bekin-Avagados ("Bekin"); Loyens & Loeff N.V. ("Loyens"); Barrera, Siqueiros y Torres Landa, S.C. ("Barrera Siqueiros"); and Hwang Mok Park P.C. ("HMP" and, together with Bekin, Loyens, and Barrera Siqueiros, the "Foreign Professionals"), *nunc pro tunc*, as his special counsel pursuant to 11 U.S.C. §§ 327(a), (e) and 328(a) and Fed. R. Bankr. P. 2014. In support of this Application, the Trustee avers as follows:

Background

1. The Debtor is an indirect affiliate of LG.Philips Displays Holding B.V. ("LPD Holding"), a joint venture of Philips Electronics and LG. Electronics.

2. On or about January 27, 2006, LPD Holding, LG.Philips Displays Investments B.V. ("LPD Investments") (the Debtor's immediate parent), and LG.Philips Displays Netherlands B.V. ("LPD Netherlands") (collectively, the "Netherlands Debtors") filed for bankruptcy protection in the Netherlands.

3. On March 15, 2006 (the "Petition Date"), shortly after being cut off from the cash management system administered by the Netherlands' Debtors, the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

4. On May 26, 2006, the Debtor, unable to secure a purchaser or new lender for its business, converted this case to a case under chapter 7 of the Bankruptcy Code. Subsequently, the Trustee was appointed Chapter 7 Trustee of the Debtor's bankruptcy estate.

The Syndicated Loan

5. On or about June 26, 2001, LPD Holding, as borrower (along with a number of global affiliates as obligees and/or guarantors) entered into a loan facility agreement (as thereafter amended and restated in 2004, the "Facility Agreement") with the Security Agent, as defined below, for itself and the Bank Syndicate, as defined below, with a borrowing limit in the amount of Two Billion ($2,000,000,000) Dollars (the "Syndicated Loan"). The funding for the Syndicated Loan was provided by a syndicate of over fifty (50) lenders (the "Bank Syndicate"), with JPMorgan Chase Bank, N.A., Hong Kong Branch, as Security Agent (the "Security Agent").

6. On the Petition Date, the amount of the indebtedness under the Syndicated Loan was alleged to be approximately Five Hundred Sixty-Three Million Dollars ($563,000,000), as evidenced by a proof of claim filed by the Security Agent on behalf of the Bank Syndicate in this case shortly after conversion (the "Bank Syndicate's Claim").

7. The Bank Syndicate's Claim allegedly arises out of the Debtor's execution of a pre-petition guaranty (the "Guaranty") of LPD Holdings' obligations to the Bank Syndicate under the Facility Agreement. The Bank Syndicate has asserted a first priority

lien on and security interest in all of the Debtor's assets securing the Debtor's alleged obligation under the Guaranty.

8. By Order dated September 5, 2006, the Trustee was authorized to retain Cozen O'Connor ("Cozen") as special litigation counsel to investigate (the "Investigation"), inter alia, the Bank Syndicate's Claim and the extent, validity, priority and enforceability of the Bank Syndicate's liens and security interests, and to pursue various causes of action against the Security Agent, the Bank Syndicate and other third parties. Cozen's retention has expanded pursuant to two supplemental notices filed with the Court.

Requested Relief

9. By this Application, the Trustee seeks to retain and employ Bekin as his special Brazilian counsel; Loyens as his special Dutch counsel; Barrera as his special Mexican counsel; and HMP as his special Korean counsel to assist with the Investigation and litigation against other third parties.

10. Bekin, Loyens, Barrera and HMP have, contemporaneously with this Application, submitted affidavits in support of this Application.

Retention of Bekin

11. On March 9, 2007, the Trustee commenced an adversary action against LG.Philips Displays Brasil Ltda. ("LPD Brasil"), Adv. Pro. No. 07-50855 (BLS) (the "Brazil Action"). LPD Brasil is a foreign corporation, domiciled in Brazil.

12. The Trustee seeks to retain and employ Bekin as special counsel to the Trustee, nunc pro tunc to April 1, 2007, to assist the estate in effecting service of the complaint in the Brazil Action on LPD Brasil and providing such other advice and representation as may be necessary or appropriate in connection with the Brazil Action

including, but not limited to, the enforcement of any judgment obtained in the Brazil Action.

13. Since April 2007, Bekin has assisted the Trustee with the service of the complaint in the Brazil Action on LPD Brasil.

14. Bekin is a well-recognized full-service Brazilian firm with expertise in international litigation matters. As such, Bekin is well qualified to represent the Trustee as special Brazilian counsel in connection with the Brazil Action.

15. To the best of the Trustee's knowledge, and except as otherwise disclosed in the affidavit of Paulo Bekin in support of this Application (the "Bekin Affidavit"), attached hereto as Exhibit "A", Bekin does not hold or represent any interest adverse to the estate in respect to the matters for which Bekin is to be employed. As disclosed in the Affidavit, Bekin will not represent the Trustee in any proceedings or matters that are directly adverse to any Bekin client, unless Bekin has obtained consent from both parties after full disclosure to each party.

16. Bekin shall charge the following hourly rates for work performed on behalf of the Trustee:

a. Partners- US$250-US$300
b. Associates- US$150-US$200
c. Paralegals- US$75

17. The Trustee submits that the retention of Bekin will not result in any duplication of effort with the Trustee's general bankruptcy counsel or other special counsel, and that such retention is in the best interests of the estate.

WHEREFORE, the Trustee respectfully requests that the Court enter an order (a) approving the Trustee's employment of Bekin as special Brazilian counsel, *nunc pro tunc*

to April 1, 2007, pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a), and (b) granting such further relief as this Court deems just and proper.

Retention of Loyens & Loeff N.V

18. Due to the insolvency proceedings of the Netherlands Debtors, it is necessary for the Trustee to monitor those proceedings and to interface with the trustee of the Netherlands Debtors.

19. Accordingly, the Trustee seeks to retain and employ Loyens as special counsel to the Trustee, nunc pro tunc to February 28, 2007, to assist the estate in monitoring the bankruptcy proceedings of the Netherlands Debtors in the Netherlands and to provide such other advice and representation as may be necessary or appropriate in connection with the insolvency of the Netherlands Debtors.

20. Since November 20, 2006, Loyens has been monitoring the Netherlands Debtors' bankruptcy cases on behalf of the Trustee, including, but not limited to, contacting the trustee of the Netherlands Debtors' bankruptcy estates (the "Dutch Trustee") and obtaining and translating the Dutch Trustee's reports concerning the Netherlands Debtors' bankruptcy cases.

21. Loyens is a well-recognized full-service Dutch firm with expertise in Dutch bankruptcy and general litigation matters. As such, Loyens is well qualified to represent the Trustee as special Dutch counsel in connection with the insolvency proceedings of the Debtor's parent and other Netherlands' Debtors.

22. To the best of the Trustee's knowledge, and except as otherwise disclosed in the affidavit of Ilan Spinath in support of this Application (the "Spinath Affidavit"), attached hereto as Exhibit "B", Loyens does not hold or represent any interest adverse to the estate in respect to the matters for which Loyens is to be employed. As disclosed in

the Spinath Affidavit, Loyens will not represent the Trustee in any proceedings or matters that are directly adverse to any Loyens clients unless Loyens has obtained consent from both parties after full disclosure to each.

23. Loyens shall charge the following hourly rates for work performed on behalf of the Trustee:

a.	Partners-	US$573
b.	Senior Associates-	US$438-US$506
c.	Associates-	US$310-US$405
d.	Junior Associates-	US$209-US$310
e.	Paralegals-	US$128-US$175

24. The Trustee submits that retention of Loyens will not result in any duplication of effort with the Trustee's general bankruptcy counsel or other special counsel, and that such retention is in the best interests of the estate.

WHEREFORE, the Trustee respectfully requests that the Court enter an order (a) approving this Application to employ Loyens as special Dutch counsel, *nunc pro tunc* to February 28, 2007, pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a), and (b) granting such further relief as this Court deems just and proper.

Retention of Barrera Siqueiros

25. The Debtor was in the business of manufacturing cathode ray tubes ("CRTs") that are incorporated into television sets and computer monitors by its customers. The Debtor's only production facility was located in Gomez Palacio, State of Durango, Mexico, where it had a contract known as a maquiladora with an affiliate, LG. Philips Displays Mexico S.A. de C.V. (the "Maquiladora") to assemble CRTs from inventory the Debtor owns. All of the equipment, inventory, and raw materials used in the manufacture of CRTs was owned by the Debtor and all accounts receivable generated

from the sale of CRTs are owed to the Debtor. The Maquiladora owned the land and factory facilities in Mexico where the CRTs were made.

26. The Trustee seeks to retain and employ Barrera Siqueiros as special counsel to the Trustee, effective as of the date of this Application, to provide such advice and representation as may be necessary or appropriate in connection with matters in this bankruptcy case involving Mexican law, including, without limitation, whether the Security Agent took all appropriate steps to perfect the Bank Syndicate's alleged security interest in the Debtor's assets located in Mexico.

27. Barrera Siqueiros was previously employed as special counsel to the Debtor, by Order of this Court dated April 20, 2006 (Docket No. 138) (the "Prior Employment"). As such, Barrera is familiar with the Debtor's operations in Mexico and the issues in the Debtor's bankruptcy case involving Mexican law.

28. Barrera Siqueiros is a well-recognized full service Mexican firm, and is well qualified to represent the Trustee as special Mexican counsel in connection with the issues the Trustee may encounter under Mexican law.

29. To the best of the Trustee's knowledge, and except as otherwise disclosed in the affidavit of Omar Guerrero R. in support of this Application (the "Guerrero Affidavit"), attached hereto as Exhibit "C", Barrera Siqueiros does not hold or represent any interest adverse to the estate in respect to the matters for which Barrera is to be employed. As disclosed in the Guerrero Affidavit, Barrera Siqueiros will not represent the Trustee in any proceedings or located matters that are directly adverse to any Barrera Siqueiros clients unless Barrera has obtained consent from both parties after full disclosure to each.

30. Barrera Siqueiros shall charge the following hourly rates for work performed on behalf of the Trustee:

a.	Partners-	US$320 - US$340
b.	Associates-	US$160- US$250
c.	Paralegals and law clerks-	US$70 - US$130

31. During its Prior Employment, Barrera Siqueiros performed services on behalf of the Debtor totaling MXP$247,042.38 (inclusive of value added tax) in fees and MXP$24,683.05 in expenses, which were approved by this Court and paid in full by the Debtor. Additionally, as part of its Prior Employment, Barrera Siqueiros is holding a retainer in the amount of US$12,500, which it intends to apply towards fees and expenses it may incur in the course of its representation of the Chapter 7 Trustee in this matter.

32. The Trustee submits that retention of Barrera Siqueiros will not result in any duplication of effort with the Trustee's general bankruptcy counsel or other special counsel, and that such retention is in the best interests of the estate.

WHEREFORE, the Trustee respectfully requests that the Court enter an order (a) approving the Trustee's employment of Barrera Siqueiros as special Mexican counsel pursuant to 11 U.S.C. §§ 327(e) and 328(a) Fed. R. Bankr. P. 2014(a), and (b) granting such further relief as this Court deems just and proper.

Retention of HMP

33. The Trustee is in the process of determining whether to file avoidance and turnover actions against certain entities, some of whom are domiciled in South Korea.

34. Accordingly, the Trustee now seeks to retain and employ HMP as special Korean counsel to the Trustee to assist the estate in effecting the service of any complaints that may be filed in Korea and providing such other advice and representation

as may be necessary or appropriate in connection with such actions including, but not limited to, the enforcement of any judgment obtained in any such action.

35. HMP is a well-recognized full-service Korean firm with expertise in international litigation and bankruptcy matters. As such, HMP is well qualified to represent the Trustee as special Korean counsel in connection with actions that may be brought against Korean-based entities.

36. To the best of the Trustee's knowledge, and except as otherwise disclosed in the affidavit of Sang Il Park in support of this Application (the "Park Affidavit"), attached hereto as Exhibit "D", HMP does not hold or represent any interest adverse to the estate in respect to the matters for which HMP is to be employed. HMP has been provided with the list of potential Korean-based defendants by Trustee's counsel, and HMP has advised the Trustee that it will not have a conflict with respect to any of the identified parties. As disclosed in the Park Affidavit, HMP will not represent the Trustee in any proceedings or matters that are directly adverse to any HMP client, unless HMP has obtained consent from both parties after full disclosure to each.

37. HMP shall charge the following hourly rates for work performed on behalf of the Trustee:

a. Partners- US$425
b. Associates- US$250
c. Paralegals- US$120

38. The Trustee submits that the retention of HMP will not result in any duplication of effort with the Trustee's general bankruptcy counsel or other special counsel, and that such retention is in the best interests of the estate.

WHEREFORE, the Trustee respectfully requests that the Court enter an order (a) approving the Trustee's employment of HMP as special Korean counsel pursuant to 11

U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a), and (b) granting such further relief as this Court deems just and proper.

Proposal for Payment of Foreign Professionals' Fees

39. The Trustee does not expect that the legal fees for any of the Foreign Professionals will exceed US$25,000. Based upon the expected relatively small amount of the anticipated fees and expenses incurred by the Foreign Professionals, the Trustee proposes that he be permitted to pay, without formal application to the Court by any Foreign Professional, 100% of the fees and expenses incurred by each of the Foreign Professionals from Chapter 5 recoveries and any other funds later determined by the Court to be unencumbered by liens of any secured parties, upon the submission to the Trustee, with a copy to the United States Trustee for the District of Delaware, of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses incurred, provided that such fees and expenses do not exceed a total of $25,000 per Foreign Professional (the "Aggregate Cap").

40. The Trustee proposes that in the event that a Foreign Professional exceeds the Aggregate Cap, such professional would be required to seek approval for the full amount of fees and expenses upon application to the Court for an allowance of compensation and reimbursement of expenses pursuant to §§ 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the District of Delaware and the Fee Guidelines promulgated by the Executive Office of The United States Trustee. The Trustee reserves his rights, and the rights of any other party with standing, to seek a further order of this Court increasing or decreasing the Aggregate Cap after notice and a hearing.

41. The Trustee submits that the retention of the Foreign Professionals and the payment of compensation to them on the basis set forth herein is reasonable and appropriate under the circumstances, and is in the best interest of the Debtor's estate and its creditors.

<u>*Nunc Pro Tunc* Retention of Bekin and Loyens</u>

42. As noted above, Bekin and Loyens have been providing legal services to the Trustee since April 2007 and November 20, 2006, respectively.

43. In the case of Bekin, the firm has accrued less than US$500 in fees to date and only $150 during the period that is more than 30 days prior to the filing of this Application.

44. In the case of Loyens, the firm has accrued less than US$2,700 in fees to date.

45. As such, the Trustee is requesting that the employment of both Bekin and Loyens be authorized *nunc pro tunc* to April 1, 2007 and February 28, 2007, respectively.

46. *Nunc pro tunc* retention is limited to situations where: (a) the professional would have been retained had the application been timely filed, and (b) extraordinary circumstances are present. <u>See</u> <u>In re Arkansas</u>, 798 F.2d 645, 649 (3d Cir. 1986). A finding of extraordinary circumstances requires

> consideration of factors such as whether the applicant or some other person bore responsibility for approval; whether the applicant was under time pressure to begin services without approval; the amount of delay after the applicant learned that initial approval had not been granted; the extent to which compensation to the applicant will prejudice innocent third parties; and other relevant factors.

<u>Id.</u> at 650.

47. The Trustee submits that the most relevant factor to be considered by this Court in determining whether *nunc pro tunc* retention should be granted is the prejudice to third parties that would arise if compensation to Bekin and Loyens was granted on a retroactive basis.

48. As detailed in the Bekin Affidavit, since April 1, 2007, Bekin has performed services on behalf of the Trustee totaling less than US$500, of which, US$150 was incurred more than 30 days prior to the filing of this Application.

49. As detailed in the Spinath Affidavit, since February 28, 2007, Loyens has performed services on behalf of the Trustee totaling less than US$2,700.

50. In the context of this bankruptcy case, where the general unsecured creditors are owed tens, if not hundreds, of millions of dollars, these amounts are indeed *de minimus*. As such, there would be little, if any, prejudice to creditors if the applications of Bekin and Loyens were approved on a *nunc pro tunc* basis.

51. Further, Bekin and Loyens are foreign law firms that are not well versed in U.S. bankruptcy retention procedures. The undersigned made a determination to file one application to retain all Foreign Professionals. Unfortunately, the undersigned experienced more of a delay than initially expected in pulling together the data for the application and securing signed affidavits. The delay was caused by many factors, including the Foreign Professionals' unfamiliarity with the Bankruptcy Code's retention requirements, and the Trustee believes that the Foreign Professionals, who have acted in good faith, should not be prejudiced by the delay in the filing of this Application.

52. Accordingly, the Trustee believes that the retentions of Bekin and Loyens should be granted *nunc pro tunc* to April 1, 2007 and February 28, 2007, respectively.

Notice

53. Notice of this Application has been provided to the Office of the United States Trustee, counsel for the Debtor, counsel for the Security Agent and all parties who filed requests for notices in this case pursuant to Federal Rule of Bankruptcy Procedure 2002.

WHEREFORE, the Trustee respectfully requests that the Court enter the attached form of order: (a) approving the Trustee's employment of (i) Bekin, as special Brazilian counsel; (ii) Loyens, as special Dutch Counsel; (iii) Berrara, as special Mexican counsel; and (iv) HMP, as special Korean counsel, pursuant to 11 U.S.C. §§ 327(a), (e) and 328(a) and Fed. R. Bankr. P. 2014; (b) approving the Trustee's proposed compensation procedures for the Foreign Professionals; and (c) granting such further relief as this Court deems just and proper.

Dated: August 31, 2007

COZEN O'CONNOR

/s/ Mark E. Felger
BY:_____

Mark E. Felger, Esq. (No. 3919)
Jeffrey R. Waxman, Esq. (No. 4159)
The Chase Manhattan Centre
1201 North Market Street
Wilmington, DE 19801
(302) 295-2000

-and-

Neal D. Colton, Esq.
Eric D. Freed, Esq.
Jonathan M. Stemerman, Esq. (No. 4510)
1900 Market Street
Philadelphia, PA 19103
(215) 665-2000

Special Counsel for the Trustee