

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

In re:)	
)	Chapter 11
)	
METALDYNE CORPORATION, <u>et al.</u> ,)	Case No. 09 -13412 (MG)
)	Jointly Administered
Debtors.)	

**INTERIM FEE APPLICATION OF ALIXPARTNERS, LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
FOR REIMBURSEMENT OF EXPENSES INCURRED AS FINANCIAL ADVISORS
AND CONSULTANTS FOR THE DEBTORS AND DEBTORS IN POSSESSION
FOR THE PERIOD FROM MAY 27, 2009 THROUGH AUGUST 31, 2009**

Name of Applicant: AlixPartners, LLP

Authorized to Provide Professional Services to: Debtors and Debtors in possession

Date of Retention: June 22, 2009, *nunc pro tunc* to the
Petition Date

Period for which compensation
and reimbursement are sought: May 27, 2009 through August 31, 2009

Amount of Compensation (100% of Fees) sought
as actual, reasonable, and necessary: \$1,309,741.75

Amount of Expense Reimbursement sought
as actual, reasonable, and necessary: \$ 18,186.73

This is a(n): ___ monthly X interim ___ final application

The total time expended for the monthly fee statement is approximately N/A hours, and the total compensation requested is N/A.

Metaldyne Corporation
 Schedule 1 – Listing of Prior Fee Statements Filed

<i>Monthly Statements</i>						<i>CNO</i>	
Date	Dkt #	Monthly (20% Holdback)	Period	Total Fees	Expenses	Date	Dkt #
7/15/09	422	\$137,132.05	5/27/09 to 6/30/09	\$685,660.25	\$11,736.17	na	na
8/13/09	683	\$ 65,476.60	7/01/09 to 7/31/09	\$327,383.00	\$ 3,698.09	na	na
9/14/09	783	\$59,339.70	8/01/09 to 8/31/09	\$296,698.50	\$ 2,752.47	na	na

Totals **\$261,948.35** **\$1,309,741.75** **\$18,186.73**

Metaldyne Corporation
Schedule 2 – Compensation by Project Category

Project Code	Description	Amount
005645.00100	Strategic Planning	\$115,002.50
005645.00101	Financial Planning & Analysis	502,703.00
005645.00102	Cash Flow Forecasting	126,207.50
005645.00104	Constituent Management	152,691.00
005645.00105	Bankruptcy Reporting and Case Administration	366,007.50
005645.00107	50% billable travel - others	3,726.25
005645.00111	Liquidation of Non-Current Assets	43,404.00
	Total Fees Earned	\$1,309,741.75

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**INTERIM FEE APPLICATION BY ALIXPARTNERS, LLP
FOR COMPENSATION EARNED AND EXPENSES INCURRED FOR THE
PERIOD FROM MAY 27, 2009 THROUGH AUGUST 31, 2009**

Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and the Administrative Order Establishing Procedures for Interim Monthly Compensation for Professionals, entered on June 23, 2009 (the “**Administrative Order**”), AlixPartners, LLP (“**AlixPartners**”), financial advisors and consultants to the above-captioned Debtors (the “**Debtors**”), hereby files its interim fee application (the “**Interim Fee Application**”) for compensation for hours worked and services rendered and reimbursement for expenses incurred during the period of May 27, 2009, through August 31, 2009 (the “**Fee Application Period**”). Specifically, AlixPartners seeks approval of \$1,309,741.75 in fees earned (i.e., representing 100% of total earned fees) and \$18,186.73 in expenses incurred during the Fee Application Period, for a total of \$1,327,928.48 payable (this includes the 20% holdback total of \$261,948.35). In support of its Interim Fee Application, AlixPartners respectfully represents as follows:

Background

1. On May 27, 2009 (the “**Petition Date**”), the Debtors filed petitions with the United States Bankruptcy Court for the Southern District of New York (the “Court”) under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

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

3. On June 22, 2009 the Court entered an Order Authorizing the Debtors to Employ and Retain AlixPartners, LLP as their Financial Advisors and Consultants *Nunc Pro Tunc* to the Petition Date (the “**Retention Order**”) in accordance with the terms and conditions of AlixPartners’ engagement letter with the Debtors (as referenced in the Retention Order, the “**Engagement Letter**”).

4. On June 23, 2009, the Court signed the Administrative Order authorizing certain professionals to submit applications for interim compensation and reimbursement of expenses on a monthly basis pursuant to the procedures specified therein.

Legal Standards

5. All services for which compensation is requested by AlixPartners were performed for or on behalf of the Debtors.

6. Except for payments from the Debtors as provided for in its Interim Fee Application to this court, AlixPartners has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Interim Fee Application. There is and has been

no agreement or understanding between AlixPartners and any other entities for the sharing of compensation to be received for services rendered in these cases.

7. Pursuant to the Engagement Letter, as approved and amended by the terms of the Retention Order, AlixPartners is entitled to compensation for fees earned and to reimbursement of expenses incurred in its role assisting the Debtors during the pendency of the Debtors' chapter 11 cases. During the Fee Application Period, AlixPartners earned fees in the amount of \$1,309,741.75 and incurred expenses in the amount of \$18,186.73.

8. The services provided to the Debtors for the Fee Application Period is as follows:

- Provided assistance to the senior management team, the finance organization and the Debtor's advisors as they plan for and work through the restructuring process including: cash management, financial planning, and communication with both internal and external constituencies;
- Assisted the Debtors in managing their bankruptcy process including working with other professionals representing various stakeholders of the Company;
- Assisted the Debtors with development of cash forecasts, variance reporting and supporting schedules as required by lenders, the Unsecured Creditors' Committee and other stakeholders;
- Assisted the Debtors with preparation of SOFAs and Schedules, and other bankruptcy reporting matters;

- Assisted the Debtors with preparation and management of customer production agreements and budgets at facilities not being sold to MD Investors, seeking customer reimbursement, and other related financial analysis; and
- Assisted the Debtors in selling idle equipment at plants not being sold to MD Investors.

9. Attached as **Exhibit A** is a summary of professional fees earned for services rendered during the Fee Application Period. The attachment references the name of the person working on the engagement, the title of such person, the number of hours worked on the engagement in the Fee Application Period, the rate of such person and the amount of compensation sought for such person as well as an average hourly blended rate for all persons working on the engagement during the Fee Application Period. Per the terms of the Engagement Letter with Metaldyne, AlixPartners agreed that it would not bill travel time for Managing Directors and Directors and would bill travel time at 50% of regular hourly rates for other professionals.

10. AlixPartners agreed to charge discounted rates for Jeff Johnston and Andrew Kendall, resulting in a savings to the estate of \$19,232.00.

11. AlixPartners may determine, from time to time, to augment its professional staff with independent contractors (each an “**Independent Contractor**”) in these chapter 11 cases. AlixPartners standard practice is to charge for an Independent Contractor’s services at the rate equal to the compensation provided by AlixPartners to such Independent Contractor. AlixPartners did not use any Independent Contractors during the Fee Application Period.

12. Attached as **Exhibit B** is a summary of expenses incurred by AlixPartners during the Fee Application Period in connection with its role assisting the Debtors; such expenses include, among other matters, airfare, transportation costs, lodging, meals, and telephone charges.

13. Attached as **Exhibit C** is a listing of detailed time entries arranged by project category for hours worked and services provided by AlixPartners' professionals during the Fee Application Period.

14. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by AlixPartners is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

15. The undersigned hereby states that AlixPartners has reviewed the requirements of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the "**Local Rules**") as well as the Administrative Orders of this Court dated June 24, 1991, and April 21, 1995, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 dated January 30, 1996, (collectively, the "**Guidelines**") and to its knowledge believes that this Interim Fee Application substantially complies with such Local Rules and Guidelines.

Relief Requested

16. Pursuant to the Administrative Order, AlixPartners is hereby requesting payment of 100% of its fees earned (\$1,309,741.75) and 100% of its expenses incurred

(\$18,186.73) for a total of \$1,327,928.48. In addition, AlixPartners seeks to apply \$9,993.40, for fees earned and expenses incurred pre-petition, from the current retainer balance of \$127,639.74, thereby leaving an ending retainer balance of \$117,646.34. In accordance with the Administrative Order, notice of this Application has been provided to: the Debtors, Counsel for the Debtors, Counsel for Debtors' Post-Petition Lenders, the United States Trustee, Counsel for the Committee and any other Statutory Committee appointed in these cases and all parties that have filed a notice of appearance with the Clerk of the Court pursuant to Bankruptcy Rule 2002 and requested such notice. In light of the nature of the relief requested herein, AlixPartners submits that no other or further notice is required.

17. In accordance with the Administrative Order, notice of the Interim Fee Application has been served upon the following parties (collectively, as further defined in the Administrative Order, the "Notice Parties"): (i) the Debtors, c/o Metaldyne Legal Department, 47603 Halyard Drive, Plymouth, Michigan 48170 (Attn: David McKee, Gen. Counsel); (ii) Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Richard Engman, Esq.); (iii) Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114-1190 (Attn: Heather Lennox, Esq.); (iv) Reed Smith LLP, 499 Lexington Avenue, New York, New York, 10022 (Attn: Kurt F. Gwynne, Esq.); (v) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Paul Schwartzberg, Esq. and Richard Morrissey, Esq.); (vi) Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, New York

10004-1980 (Attn: Benjamin Lewis, Esq.); and (vii) White & Case, 1155 Avenue of the Americas, New York, New York 10036-2787 (Attn: Scott Greissman, Esq.).

Dated: October 21, 2009

ALIXPARTNERS, LLP

/s/ Jeff Johnston

Jeff Johnston
Managing Director
2000 Town Center, Suite 2500
Southfield, MI 48075