FILED

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:	)	Case No. 01-00056 (PJW)
	)	Chapter 11
TWA, INC. POST CONFIRMATION ESTATE,	)	
	)	Courtroom No. 2
	)	824 Market Street
Debtor.	)	Wilmington, Delaware 19801
	)	
	)	
	)	December 4, 2002
	)	10:03 A.M.

TRANSCRIPT OF FEE APPLICATIONS
BEFORE HONORABLE PETER J. WALSH
UNITED STATES CHIEF BANKRUPTCY JUDGE

APPEARANCES:

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THE COURT: Please be seated.

MR. SPRAYREGEN: Good morning, Judge Walsh. James Sprayregen from Kirkland & Ellis on behalf of the -- on behalf of Kirkland and Ellis and the -- it's the liquidating debtor at this point.

Your Honor, we're here on the final fee application here -- final fee applications of a number of parties. I believe that there are no objections to the matters that we're seeking to proceed on today. If the Court desires before proceeding, I thought I might take the opportunity to provide an update of where the case is at since the Court confirmed the plan on June 15.

THE COURT: Okay.

MR. SPRAYREGEN: Since the Court confirmed the plan on June 15, the following events have occurred. The effective date occurred on June 25. Mr. Michael Lipti (phonetic) was appointed as the plan administrator, the Plan Oversight Committee was appointed and has been overseeing the ongoing liquidation.

There has been a lot of claims activity. At the time of confirmation, if the Court recalls, we had a plethora of disputed claims of the administrative priority, secured and unsecured area. In particular, there was a billion and a half dollars of administrative claims, thirty-three hundred claims and thirteen hundred priority claims of a billion dollars and

800 secured claims at $440 million.

They were a first, second and third omnibus objection filed which has now reduced the amount of administrative claims from the billion five to $340 million. And we are still sticking with our estimate at the time of confirmation of that approximately 87 million of that amount ultimately should be allowed and there's still $253 million of disputed administrative claims to be resolved.

With respect to the priority claims, those have been reduced from the $1 billion number to $120 million, 20 million of that remains disputed.

The second claims have been reduced from $440 million to $60 million. Forty-three million of that 60 remains disputed.

The general unsecured claims we haven't spent time on because we're not sure yet whether it will be relevant. So, there's forty-two hundred claims, general, unsecured, pre-petition claims in the amount of about $4 billion, about $2.25 billion of that is disputed and we'll deal with that at the appropriate time.

Assuming these numbers of what we think ultimately will be allowed continue to stick, we would -- still say we are at where we thought we'd be at the time of confirmation. That is that we ultimately will prove to be administrative solvent and have some hope of paying all of the priority claims,

although that may have been on the preference activities.

There actually has been an initial distribution made. On November 15, seven percent was mad. The confirmation order required a $30 million distribution. Much of that ended up being reserved for disputed claims. $1.7 million was actually paid out to 28 allowed administrative claims. The remainder of the $30 million and the disputed claims escrow.

Preference activity is on its way. There was over 7,000 potential preference actions totaling about $800 million. Much of that ended up being excluded for various reasons of not really being subject to preference, but there have been over $5,000 demand letters sent out seeking to recover approximately $265 million. And because the two-year statute is coming up in January of '03, there would be a plethora of preference actions filed between now and then. There have been about $2 million recovered in preferences so far without any lawsuits actually being filed.

There's only, other than the final fee applications, two outstanding pieces of sort of nonclaim objection litigation. One is the retiree committee pending motion to enforce the APA, that's on its own stream right now. It's continued to January.

THE COURT: What happened to that? I thought we had a couple of hearings and then -- wasn't the debtor supposed to take a position on --

MR. SPRAYREGEN: Yes, we did file a position on October 28th. The matter's been continued to January 21, 2003 for a hearing. And American and the Retiree Committee, in view of the position the debtor took, may file additional papers prior to that point in time.

THE COURT: Okay. What position did the debtors have?

MR. SPRAYREGEN: I was afraid you were going to ask me that. I have to admit, I don't know. I don't know. Ms. Jones or --

MR. LEEVY: Your Honor?

THE COURT: Yes?

MR. LEEVY: This is Fred Leevy, counsel for the Retiree Committee.

THE COURT: Yes.

MR. LEEVY: Thank you, Your Honor. I'd like to report on the status.

THE COURT: I'm just curious because I don't read the pleadings when they're filed.

MR. LEEVY: Your Honor, the debtor filed a statement which basically said they would not grant standing to the Retiree's Committee at that time because they believed that the Committee did not have a position that it could support. And, therefore, we're going to be filing additional papers to refute and discuss some of the issues raised by the debtor in support

of our standing and support of our claim. And that has been continued for a hearing on January -- I think it's 21.

THE COURT: Okay.

MR. SPRAYREGEN: That's -- the only other pending matter, and it's not pending before the Court, is the MBNA matter. If the Court recalls, at the time of confirmation, Judge Walrath established a $17 million temporary reserve with respect to the MBNA claim pending a resolution of the final reserve.

Judge Walrath recently reduced that reserve to seven million, from 17 million, freeing up 10 million for the estate. And then there's more briefing going on on whether that seven million should be reduced further. So, that, again, is in progress and, as noted, not before the Court.

That really is the status of the post confirmation estate. That brings us to the agenda letter, there's a second amended notice of the agenda for today's hearing.

The first matter was the motion of CVA Media. That matter was continued was continued to January 21. And that leaves all of the fee applications.

As I noted earlier, to the best of our knowledge, all of the fee applications are uncontested with one exception, and that is certain of Blank Rome's fee applications have been objected to by American. But those are not set for hearing today, those are set for a January 17 hearing. So, to my

knowledge, everything before the Court today is without objection.

I'm happy to proceed however the Court desires. We did file, on behalf of Kirkland and Ellis, a brief earlier in the week just laying out what our view of our contribution to the case and the merit of our final fee application. I don't need to belabor that unless the Court would like me to go through that. But we would ask that not only our final fee application, but all of the fee applications of the other parties be finally allowed. I'm happy to take any questions or deal with it in any way the Court desires.

THE COURT: Well, let me see first if I understand the matter that's not going forward. And as I understand it, the Blank Rome application -- there are several objections to several monthly statements. So, I assume, therefore, that we can't go forward with the final application?

MR. BIRON: Your Honor, Tom Biron, Blank Rome Comisky and McCauley. We can go forward with portions of the final application that are not covered by the American objection. I don't know if American is in the courtroom or on the telephone, but --

THE COURT: Okay.

MR. BIRON: -- I have correspondence with them. Your Honor, the applications that American objected to for Blank Rome, although it's done in several different applications,

it's basically, and there's agreement on this, they've objected to a portion of the fees that are sought for the months of April, May, June, July and August, 2001. They don't object to any of the expenses during those months.

And the portion of the fees that they have objected to for those months total $744,000. The balance of the fees sought for those months, which is approximately $450,000 -- I think that's right, $452,000, they do not object to and they've agreed that we can go forward to seek allowance of those.

And in addition, for all of the other months covered by the final fee application, American's agreed that we can go forward and seek allowance of those, as well.

THE COURT: Okay. All right.

MR. BIRON: If Your Honor has any questions, I'll be glad to answer them.

THE COURT: Okay. No questions. Obviously the volume of the applications was daunting, to say the least. And I've -- I've just got in the position to get into details. I'm going to approve that which has not been objected to with respect to Blank Rome.

And with respect to all the others, I'm going to approve them.

I was interested in the memorandum in support that your firm filed cutting off at the pass some of the points I usually raise about overstaffing.

MR. SPRAYREGEN: Something to anticipate.

THE COURT: You certainly anticipated. And I'm -- but I do have to comment. I realize that this was -- there were a lot of emergencies, a lot of complications, a lot of difficulties and -- but I just can't avoid commenting on two areas. Number one, was there any lawyers in your firm that did not work on the case?

MR. SPRAYREGEN: Yes, Your Honor, many.

THE COURT: But you did have 114 lawyers work on the case?

MR. SPRAYREGEN: There were that many who, at one time or another, billed time to the case, yes.

THE COURT: I had my secretary do a calculation, and I'm just -- and I'm going to make these comments because I'm just troubled at the magnitude and complexity of these matters that just produce the application of lawyers that I don't think in any other legal proceeding we see this magnitude of legal talent apply to a client's case. But I'm going to comment on this because I think it's a troubling aspect of these large cases. And you had of counsel, five lawyers; associates, 67 lawyers; partners, 39 lawyers; contract attorney, one; visiting attorney, one. I don't know what a visiting attorney is. And then, of course, then you have -- I guess I've been too far removed from the practice. We used to have paralegals. Now they have a law clerk, they have a project assistant, these are

all billing people, you have a case assistant, you have a legal assistant, and then you have other billers. Then you have a conflicts analyst and a Hart-Scott-Rodino manager, technology services, five people; loss prevention manager. What's a loss prevention manager, too?

MR. SPRAYREGEN: I can't address that one, Your Honor.

THE COURT: How about an audit letter assistant?

MR. SPRAYREGEN: That goes to when the client is getting audited, the accounting firm requests the law firm to take a position with respect to certain matters. And we have as a matter of managing the firm somebody in charge of managing that process, which is actually a -- not only a large process, but one potentially fraught with liability if not handled appropriately.

THE COURT: I've seen those, I've written those. And they're always quite protective.

MR. SPRAYREGEN: Exactly.

THE COURT: I've never seen any liability arising out of those responses to the auditors.

MR. SPRAYREGEN: We have found that it's more efficient to not have a lawyer handle those, though, and have a non-lawyer handle that. We think it's cheaper.

And by the way, I think that's -- the loss prevention person is involved in overseeing that type of function, but I'm

not positive.

THE COURT: Okay. Let me then make my second comment. In looking at your final application and you have a table of all the lawyers involved, and I want to focus on David R. Seligman. I'd like to meet this gentleman, he must be a super man. Why I say that, for this 18-month case, he billed 4,251.5 hours. According to my calculations, the one and a half -- I'm sorry. The one and a half year period comes to 547 days. And I divided 4,251 by 547 and concluded that he -- if he worked every single of the 547 days, he worked 7.8 hours a day. Super human effort.

MR. SPRAYREGEN: I will tell you David Seligman is a superstar and he devoted a lot of blood, sweat and tears to this case and he was one of the major factors in accomplishing the various things that were accomplished.

THE COURT: Okay.

MR. SPRAYREGEN: That is a lot of --

THE COURT: I went on from there and these -- I've been so far removed from practice now, and obviously I didn't work with a giant firm like you, but I just made certain assumptions. Assuming that Mr. Seligman was taking home $400,000 a year, and I don't know whether that's a high number or a low number in Chicago, then for the year and a half of his work, he took $600,000. And I assume that I estimated his overhead to be $200,000 for a total cost of his services of

800,000, which produced for the partners of the firm close to $900,000. Is that the way the legal business works these days?

MR. SPRAYREGEN: Well, I can't comment on his particular salary. But I think in general, the legal business would operate in a thirty-ish to forty-ish percent margin. That might be a different way to look at it.

So, if you multiplied his hourly rate by the number of hours and you took say 35 percent, that, in essence, would be approximately the profit. I don't know if that's --

THE COURT: My number is higher than 30 percent profit.

MR. SPRAYREGEN: Okay.

THE COURT: It's more than 50 percent.

MR. SPRAYREGEN: I don't think we're --

THE COURT: Yeah. Well, I didn't give you the --

MR. SPRAYREGEN: I don't think our margin's that high.

THE COURT: -- other number. His billable time, I told you, is 4,251. And that converts to a fee of $1,696,000. I didn't give you that number, that's how I came to my conclusion that if it costs for your firm to have him 800,000 during this 18-month period, then the profit to the firm was close to $900,000.

MR. SPRAYREGEN: And I would tell you I can't tell you exactly, and some of that is obviously proprietary

information, but that is high.

THE COURT: Well --

MR. SPRAYREGEN: Our margin is not that high.

THE COURT: I make these comments because I've seen some publicity on the legal fees in the Enron case. And it's mind-boggling in my view. And I don't know what to do about it.

I really am curious as to how Mr. Seligman could log that many hours. And I wasn't about to try to go through all of the time entries and figure out what he did. But I generally have a rule that if somebody is shown to be logging in 12 to 15 hours a day, day after day, I don't -- I won't compensate all of those because there's an inefficiency or an exhaustion factor that builds in and I just don't think that you can log 12 to 15 hours of billable time a day, day in and day out, and be productive and be entitled to the same rate in the fifteenth hour as you seek in the first hour.

And I'm not sure what I want to do about Mr. Seligman. And I realize that I may have caught you by surprise, you're probably not in the position to walk me through the time entries and explain to me how he could do what he did, which appears to be superhuman efforts.

MR. SPRAYREGEN: Well, Your Honor, I don't know if it will be the detail you want, but I am prepared with some information. What I would tell you, just as some comments, our

total fees in the case are approximately almost $11 million. Obviously a lot of money. In the context -- and I suppose I'd say in my humble opinion, in the context of this transaction which, in essence, it was, which was -- I don't know how you count the numbers, a $36 billion transaction, $10 million in legal fees to accomplish that in a big picture way strikes us as a fairly reasonable fee.

THE COURT: Let me say this is, by no means, sets a record. I think the record is held by Jones Day in the Loewen case, I think it's 34 million. Of course, that was a two-year old case that resulted in, as far as I understand it, a successful reorganization.

MR. SPRAYREGEN: Well, and I would say I know in -- maybe I shouldn't bring this up, but in Harnischfeger, our final fees for the two-year case were 16 million. So, this actually was a third less than that.

But the point Your Honor raises as to the number of lawyers working on it and the cost of these transactions done through a bankruptcy and whether they are different than other transactions done outside of Court, I would respectfully disagree with the Court's statement that it's only in the context of bankruptcy cases that this level of effort and expertise is brought to bear a matter.

In major litigation --

THE COURT: Educate me. What other areas would

employ 114 lawyers on the case?

MR. SPRAYREGEN: With respect to major litigation matters, as well as major corporate transactions, both of those types of situations can employ that many, if not more.

We are, for example, national trial counsel in a number of situations for a number of major corporations where there are -- it's not one trial, it's hundreds, sometimes thousands of cases spread out around the country, a company that's not in a bankruptcy case. And that can take any number of lawyers over any number of years. And, in fact, I would tell you that with respect to a number of healthy corporations, the cost of those, even on an annual basis, far exceeds this type of work.

And that in our final fee application here --

THE COURT: You're talking about a number of cases, separate cases, aren't you, throughout the country?

MR. SPRAYREGEN: Yes. But one --

THE COURT: They may be the same subject matter.

MR. SPRAYREGEN: Yes, that's my point, it involves -- call it one problem handled in many cases throughout the country.

But I would tell you the -- you know, one of the challenges for debtors counsel in a case like TWA is there's a certain amount of time that is spent getting the deal done. And that is clearly very much value added and everybody can see

that. But there is a tremendous amount of time that needs to be spent complying with the rules on schedules, filing operating reports, things like that. And it's not readily apparent to anybody how much value that adds. But if we didn't do it, obviously we'd be violating numerous rules and bringing other problems on. That is one of the challenges because those types of fees are not cheap either. That is one of the reasons you see para professionals and some contract attorneys and of counsel people. We try to push that type of work down to the rates that it merits.

But there's a tremendous amount of work on the debtors' side that needs to be done, whether people think it adds value or not. And that's a fact of being in a bankruptcy fish bowl in a large case.

In terms of lots of people working on it, this case is a good example, although no unique. This had almost every area of expertise needed to be brought to bear on this in our law firm. Obviously all of the bankruptcy expertise. There obviously was significant litigation, much of it before Your Honor. But not just litigation here, in the District Court and the 3rd Circuit. And actually litigation in a number of other courts. There obviously were significant labor issues, retiree issues, benefits issues, tax issues, ERISA issues. In essence because this involved the life of the entire company, it involved really every single aspect of what the company did,

which brought to bear all of the various areas of expertise.

And while it is a lot of lawyers, I'm not quarreling with that at all, I'm not sure, especially given the time frame in which things were accomplished, this sale was closed 90 days from the filing of the case. I'm not sure how we could have done it, candidly, with less. Could it have been five or ten less here or there? Sure. But I don't know that that would have made a difference in the amount of the fees.

I would say -- and maybe I can hand something up that might be helpful because I did prepare some things in anticipation of some potential questions. If I might approach?

(Pause)

MR. SPRAYREGEN: Your Honor, what that is is a summary of the monthly fees of Kirkland and Ellis and when they were incurred. And what you can -- and color coded by the type of expertise brought to bear. The blue is the bankruptcy, the red is litigation, the white is the corporate and the top line, I'm not sure what color that is, is the other areas. And as you can see really, January through April was a huge amount of the fees in the entire case, and there was a massive drop off right after the closing of the deal in May. And from there on, with a few spikes here and there for the plan confirmation process and various pieces of litigation, it was -- it significantly ramped down.

So, I don't know if this is completely responsive,

for example, to your David Seligman question. But what you would see, because he was the biggest bankruptcy biller of all on this case, if you look at these blue shades, is during the first four months of the case, he was working superhuman hours. And it was not something that was sustainable for a lengthy period of time.

But we were all working, I would say, far more than ten hours a day on this case for the first quarter of '01 until the sale was accomplished.

If the Court remembers, we literally filed this case a day or two away from shutting down the airline and liquidating. And with the American transaction, that obviously was avoided. But it was -- there were a lot of issues, suffice it to say, and that's what kept us busy for those four months.

And -- but then if you look after that, the bankruptcy time significantly ramped down. And, again, a lot of that's David Seligman. So, your calculation, I would bet if we go back and look at it in detail of 7.5 hours a day for the year and a half stream, the first four months, I'll bet you, was double digit average for three or four months. And then after that, a significant reduction in the average hourly.

I would tell you then Mr. Seligman is one of the hardest workers at Kirkland and Ellis and one of our most quality workers, too, and was really instrumental in this case. And so I am maybe sensitive to him being put down a little bit

because it does stand out the amount that he does on this, but I am fully confident that it was more than reasonable fees expended with respect to him.

THE COURT: Are you ready to make him a partner?

MR. SPRAYREGEN: We just did.

THE COURT: Okay.

MR. SPRAYREGEN: We did. As of December of this year, he became a partner.

THE COURT: Okay.

MR. SPRAYREGEN: And it was by acclamation. So, I don't know if that helps you. I actually have -- let me see, I have some other -- I'm seeing if anything else might be relevant to your question.

THE COURT: Do you have a paralegal who's a chart maker?

MR. SPRAYREGEN: Well, we were trying to be responsive to anticipated questions. But, yes, as a matter of fact, there is somebody who does that.

(Pause)

MR. SPRAYREGEN: Your Honor, I might give you another chart.

THE COURT: Okay.

MR. SPRAYREGEN: That chart summarizes what -- a little bit of what you were summarizing for me. But in essence, there were five people -- five attorneys on the case

who spent more than a thousand hours. And, in fact, that was 40 percent of the -- about 40 percent of the fees. And so all of the other people were ramped down significantly from then. And if you -- out of the 122, there were 33 people who spent less than ten hours in various subareas of expertise and which was explained in our brief.

So, the number of people spending very significant amounts of time on this case is probably -- I guess if you say for -- over 500 hours was only 13 people. Thirteen attorneys.

THE COURT: Okay.

MR. SPRAYREGEN: I don't know whether the Court finds that helpful or not.

THE COURT: All right. I'm not prepared to do anything about this. As I've indicated, I'm just troubled by the magnitude of the fees. Perhaps you people don't see it, but in almost every major case, I get lots of letters from small creditors who complain that the professionals are taking the lion share of what's available and they get left with a three percent distribution.

And, you know, obviously Congress with the reform bill in '78 recasts the entitlements for professionals. And -- but it is a significant issue. I don't know what to do about it. And I'm not sure there's anything I can do about it. But I think it is something that is attracting more attention as we go on, especially -- quite frankly I'm glad I'm not presiding

over Enron and WorldCom because of that issue.

MR. SPRAYREGEN: Well, Your Honor, we do understand the sensitivity to it. And it is unfortunate, for example, in a case like this with all of the time and money expended the general unsecured creditors here, at best, will recover a pittance, if anything. And that's an unfortunate fact.

On the other hand, I will say that the collective services and professionals assisted in saving the jobs of 17,000 people and having a business continue to be operating that, you know, absent the efforts of people like Mr. Seligman, I don't think would have occurred.

And the only other comment I'd make, this is a public document, at some point you may want to see it, there's an empirical study that actually came out a year or so ago, maybe two years now challenging the proposition that the professional fees in bankruptcy cases are a greater cost than in other restructuring or major transactions. And what it was trying to ferret out because the problem in determining how to compare that to the marketplace is in major M&A transactions fees many times are public. But in essence, this empirical study concluded -- and people can challenge lots of things in empirical studies, but that the percentage of professional fees compared to total assets in bankruptcy cases was comparable to the professional fees rendered in major M&A transactions that were not troubled companies outside of court and that it wasn't

an unusual percentage, but it is in a fish bowl and it's public, and more public than any other type of proceeding. And it's a trouble business with people not getting paid, so it does get more attention and there's more sensitivity to it. So, I --

THE COURT: I'd be interested in seeing this. Where is it published.

MR. SPRAYREGEN: It was a Law Review article. I can try to locate it. It's, as I said, a public document. Ms. Jones -- I can note we can provide --

THE COURT: Well, it certainly bears on the issue that I'm talking about, which I think is receiving a lot of public notice now with the big cases. I'd be interested in seeing what it says.

MS. DAVIS JONES: And, Your Honor, the only other point I'd add to that, and I think this empirical study -- if it's the one that Mr. Sprayregen is referring to is the one I'm aware of, had a footnote in it that said akin to his point, that a lot of the fees are private in the M&A transactions and they're usually subject to such premiums, which is something you don't see in the bankruptcy context, a few exceptions. And because there's such premium rates billed at this corporate M&A levels that the fees are just staggering.

MR. SPRAYREGEN: We will try to locate that, and hopefully my recollection of what the article says is correct,

Ms. Jones is confirming.

I think Mr. Biron may want to say something.

MR. BIRON: Your Honor, if I may. Tom Biron. I can't speak to all of Kirkland and Ellis' fee application, I haven't read them. Your Honor talked about Mr. Seligman's work. Other than what I observed, he is -- every once in a while a law firm gets a superstar. We don't get as many superstars as we would like, but we do get superstars. And David Seligman is a superstar. He's an extremely talented, bright, evenhanded, levelheaded and knowledgeable guy. He's growing in the practice. He works very long, very productive hours, from my vantage point. It was not unusual -- in fact, I think he got upset once, he called me on a Saturday night figuring he would leave me a voice mail message and I answered the phone. He made a comment to Jamie he's not so sure the law profession is that great a profession if the partners are working on Saturday nights. But that's the kind of work he put in, and that's the kind of work the case needed.

And there were periods and time in the case where that kind of effort is what made the case get confirmed. Obviously the first quarter, but there were other periods of time, as well where someone had to step in and push aside personal commitments, push aside personal lives and deal with what was best for the client.

We didn't agree on everything, in fact, sometimes we

agreed on very little. But we came to resolutions because of people like David Seligman. And I thought if that helps Your Honor make your decision, I wanted to mention that.

THE COURT: Okay. Well, why don't we stop here where Mr. Sprayregen can ask for a bonus.

(Laughter)

MR. SPRAYREGEN: I think what we'd like if it please the Court is to submit it. There's so many -- we're still ticking in time the numbers in the order to make sure that they comport with the final fee applications.

THE COURT: Okay.

MS. DAVIS JONES: Your Honor, that will come over later today. We are just -- as Mr. Sprayregen said, we have to line up the -- make sure the numbers are correct. But also we want to get together with Blank Rome and make sure we have dealt with their agreement with American --

THE COURT: Okay.

MS. DAVIS JONES: -- appropriately in the order.

THE COURT: Okay. Is that it?

MR. SPRAYREGEN: That's all we have, Your Honor.

THE COURT: Okay.

MR. SPRAYREGEN: Thank you.

THE COURT: And when do you anticipate filing the avoidance actions?

MS. DAVIS JONES: We started filing -- I believe,

yesterday we filed four complaints. We will be filing between now and -- my finish target date is the week of Christmas, it will be approximately 900 complaints and they will happen over the next month -- over the next month with approximately 50 a day.

THE COURT: Okay. I'll alert the Clerk's Office.

MR. SPRAYREGEN: Sorry about that.

MS. DAVIS JONES: And we have done that, Your Honor.

THE COURT: Okay. We stand in recess.

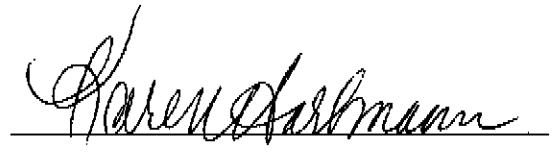
MR. SPRAYREGEN: Happy Holidays, Your Honor.

THE COURT: Thank you.

(CONCLUSION 10:39 A.M.)

C E R T I F I C A T I O N

I, Karen Hartmann, certify that the foregoing is a correct transcript to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.



Date: December 9, 2002

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