CROWE & DUNLEVY, P.C. 20 North Broadway Avenue, Ste. 1800 Oklahoma City, Oklahoma 73102 (405) 235-7700(Telephone) (405 239-6651 (Facsimile) Preston G. Gaddis, II Judy Hamilton Morse

### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re:	) Chapter 11
HAWKER BEECHCRAFT, INC., et al., 1	) Case No. 12-11873 (SMB)
Debtors.	) Jointly Administered

APPLICATION OF CROWE & DUNLEVY, P.C., SPECIAL FAA COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF HAWKER BEECHCRAFT, INC., ET AL., FOR INTERIM ALLOWANCE OF COMPENSATION AND FOR THE REIMBURSEMENT OF EXPENSES FOR SERVICES RENDERED DURING THE PERIOD FROM MAY 11, 2012 THROUGH JULY 31, 2012

Name of Applicant	Crowe & Dunlevy, P.C.
<b>Authorized to Provide Professional Services</b>	Special FAA Counsel to the Official Committee of
to:	Unsecured Creditors
Period for which compensation and	May 11, 2012 through July 31, 2012 (the
reimbursement is sought:	"Compensation Period")
Amount of compensation sought as actual,	\$21,895.50
reasonable and necessary:	
Amount of expense reimbursement sought as	\$3,815.00
actual, reasonable and necessary:	
Blended Hourly Rate	\$244.37

This is Crowe & Dunlevy's first interim fee application.

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The Debtors in the chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Hawker Beechcraft, Inc. (2598); Arkansas Aerospace, Inc. (7496); Beech Aircraft Corporation (0487); Beechcraft Aviation Company (3548); Hawker Beechcraft Acquisition Company, LLC (8770); Hawker Beechcraft Corporation (5770); Hawker Beechcraft Defense Company, LLC (5891); Hawker Beechcraft Finance Corporation (8763); Hawker Beechcraft Global Customer Support Corporation (7338); Hawker Beechcraft Holding, Inc. (6044); Hawker Beechcraft International Delivery Corporation (6640); Hawker Beechcraft International Holding LLC (6757); Hawker Beechcraft International Service Company (9173); Hawker Beechcraft Notes Company (0498); Hawker Beechcraft Quality Support Company (7800); Hawker Beechcraft Regional Offices, Inc. (3889); HBC, LLC (N/A); and Rapid Aircraft Parts Inventory and Distribution Company, LLC (N/A).

Monthly Fee Statements Filed during the Compensation Period:

Time Period	Fees	Expenses	Status
05/11/12 – 08/31/12 (First Monthly Fee Statement)	\$22,794.00	\$3,815.00	Pending. Crowe & Dunlevy, P.C. did not receive any payment during the compensation period.

## HAWKER BEECHCRAFT, INC., *ET AL*. TIMEKEEPER SUMMARY MAY 11, 2012 THROUGH JULY 31, 2012

ATTORNEYS	DEPARTMENT	STATE OF BAR ADMISSION – YEAR	HOURS	HOURLY BILLING RATE	BILL AMOUNT
Preston Gaddis II	Aircraft	Oklahoma - 1962	25.20	\$450.00	\$11,340.00
Judy Hamilton Morse	Bankruptcy	Oklahoma - 1979	7.30	\$345.00	\$2,518.50
Regan Strickland Beatty	Bankruptcy	Oklahoma - 2004	0.70	\$235.00	\$164.50
			l		
PARALEGALS	DED A DEL CENTE		HOUDG		
IMMILONLO	DEPARTMENT		HOURS	HOURLY BILLING RATE	BILL AMOUNT
Paula McWherter	Aircraft		9.40	BILLING	
				BILLING RATE	AMOUNT
Paula McWherter	Aircraft		9.40	BILLING RATE \$145.00	\$1,363.00
Paula McWherter Amy Kremeier	Aircraft Aircraft		9.40 14.40	### ### ### ### ######################	\$1,363.00 \$2,088.00

#### HAWKER BEECHCRAFT, INC., *ET AL*., COMPENSATION BY PROJECT CATEGORY MAY 11, 2012 THROUGH JULY 31, 2012

PROJECT CATEGORY	TOTAL HOURS	TOTAL FEES
B110 – Case Administration	3.60	\$965.50
B120 – Asset Analysis and Recovery	79.20	\$18,614.00
B160 – Fee/Employment Applications	6.80	\$2,346.00
TOTAL	89.60	\$21,895.50

## HAWKER BEECHCRAFT, INC., *ET AL.*DISBURSEMENT SUMMARY MAY 11, 2012 THROUGH AUGUST 31, 2012

07/02/2012	D' ' G I E MONUPO EE	ф <b>25</b> .00
07/03/2012	Priority Search Fee - MSN #RC-77	\$35.00
07/03/2012	Priority Search Fee - MSN #RC-78	35.00
07/03/2012	Priority Search Fee - MSN #RC-79	35.00
07/03/2012	Priority Search Fee - MSN #RC-75	35.00
07/03/2012	Priority Search Fee - MSN #HA-0212	35.00
07/03/2012	Priority Search Fee - MSN #HA-0218	35.00
07/03/2012	Priority Search Fee - MSN #HA-0214	35.00
07/03/2012	Priority Search Fee - MSN #HA-0219	35.00
07/03/2012	Priority Search Fee - MSN #HA-0213	35.00
07/03/2012	Priority Search Fee - MSN #HA-0215	35.00
07/03/2012	Priority Search Fee - MSN #HA-0221	35.00
07/03/2012	Priority Search Fee - MSN #HA-0217	35.00
07/03/2012	Priority Search Fee - MSN #HA-0216	35.00
07/03/2012	Priority Search Fee - MSN #HA-0220	35.00
07/03/2012	Priority Search Fee - MSN #BY-146	35.00
07/03/2012	Priority Search Fee - MSN #BY-145	35.00
07/03/2012	Priority Search Fee - MSN #BY-149	35.00
07/03/2012	Priority Search Fee - MSN #BY-148	35.00
07/03/2012	Priority Search Fee - MSN #BY-150	35.00
07/03/2012	Priority Search Fee - MSN #BY-147	35.00
07/03/2012	Priority Search Fee - MSN #BY-151	35.00
07/03/2012	Priority Search Fee - MSN #BL-170	35.00
07/03/2012	Priority Search Fee - MSN #BY-153	35.00
07/03/2012	Priority Search Fee - MSN #BY-152	35.00
07/03/2012	Priority Search Fee - MSN #BY-143	35.00
07/03/2012	Priority Search Fee - MSN #BY-144	35.00
07/03/2012	Priority Search Fee - MSN #FL-799	35.00
07/03/2012	Priority Search Fee - MSN #FL-800	35.00
07/03/2012	Priority Search Fee - MSN #FL-817	35.00
07/03/2012	Priority Search Fee - MSN #FL-818	35.00
07/03/2012	Priority Search Fee - MSN #FL-819	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2046	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2047	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2048	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2049	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2050	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2051	35.00
	•	

07/03/2012	Priority Search Fee - MSN #LJ-2053	35.00
07/03/2012	Priority Search Fee - MSN #RB-295	35.00
07/03/2012	Priority Search Fee - MSN #FL-802	35.00
07/03/2012	Priority Search Fee - MSN #FL-803	35.00
07/03/2012	Priority Search Fee - MSN #FL-807	35.00
07/03/2012	Priority Search Fee - MSN #FL-804	35.00
07/03/2012	Priority Search Fee - MSN #fl-809	35.00
07/03/2012	Priority Search Fee - MSN #FL-806	35.00
07/03/2012	Priority Search Fee - MSN #FL-810	35.00
07/03/2012	Priority Search Fee - MSN #FL-808	35.00
07/03/2012	Priority Search Fee - MSN #FL-811	35.00
07/03/2012	Priority Search Fee - MSN #FL-805	35.00
07/03/2012	Priority Search Fee - MSN #FL-813	35.00
07/03/2012	Priority Search Fee - MSN #FL-814	35.00
07/03/2012	Priority Search Fee - MSN #FL-815	35.00
07/03/2012	Priority Search Fee - MSN #FL-812	35.00
07/03/2012	Priority Search Fee - MSN #FL-816	35.00
07/03/2012	Priority Search Fee - MSN #RC-76	35.00
07/03/2012	Priority Search Fee - MSN #RC-74	35.00
07/03/2012	Priority Search Fee - MSN #RC-73	35.00
07/03/2012	Priority Search Fee - MSN #HA-0210	35.00
07/03/2012	Priority Search Fee - MSN #HA-0208	35.00
07/03/2012	Priority Search Fee - MSN #HA-0209	35.00
07/03/2012	Priority Search Fee - MSN #HA-0211	35.00
07/03/2012	Priority Search Fee - MSN #BY-137	35.00
07/03/2012	Priority Search Fee - MSN #BY-139	35.00
07/03/2012	Priority Search Fee - MSN #BY-140	35.00
07/03/2012	Priority Search Fee - MSN #BY-141	35.00
07/03/2012	Priority Search Fee - MSN #FL-792	35.00
07/03/2012	Priority Search Fee - MSN #FL-791	35.00
07/03/2012	Priority Search Fee - MSN #FL-793	35.00
07/03/2012	Priority Search Fee - MSN #FL-797	35.00
07/03/2012	Priority Search Fee - MSN #FL-794	35.00
07/03/2012	Priority Search Fee - MSN #FL-796	35.00
07/03/2012	Priority Search Fee - MSN #FL-795	35.00
07/03/2012	Priority Search Fee - MSN #LG-2045	35.00
07/03/2012	Priority Search Fee - MSN #RB-293	35.00
07/03/2012	Priority Search Fee - MSN #RC-4	35.00
07/03/2012	Priority Search Fee - MSN #258278	35.00

07/03/2012	Priority Search Fee - MSN #HA-0203	35.00
07/03/2012	Priority Search Fee - MSN #HA-0204	35.00
07/03/2012	Priority Search Fee - MSN #HA-0194	35.00
07/03/2012	Priority Search Fee - MSN #HA-0202	35.00
07/03/2012	Priority Search Fee - MSN #HA-0206	35.00
07/03/2012	Priority Search Fee - MSN #FL-787	35.00
07/03/2012	Priority Search Fee - MSN #FL-719	35.00
07/03/2012	Priority Search Fee - MSN #BB-343	35.00
07/03/2012	Priority Search Fee - MSN #RC-69	35.00
07/03/2012	Priority Search Fee - MSN #RC-22	35.00
07/03/2012	Priority Search Fee - MSN #RC-13	35.00
07/03/2012	Priority Search Fee - MSN #RC-15	35.00
07/03/2012	Priority Search Fee - MSN #RC-1	35.00
07/03/2012	Priority Search Fee - MSN #FL-802	35.00
07/03/2012	Priority Search Fee - MSN #FL-803	35.00
07/03/2012	Priority Search Fee - MSN #FL-807	35.00
07/03/2012	Priority Search Fee - MSN #FL-804	35.00
07/03/2012	Priority Search Fee - MSN #FL-809	35.00
07/03/2012	Priority Search Fee - MSN #FL-806	35.00
07/03/2012	Priority Search Fee - MSN #FL-810	35.00
07/03/2012	Priority Search Fee - MSN #FL-808	35.00
07/03/2012	Priority Search Fee - MSN #FL-811	35.00
07/03/2012	Priority Search Fee - MSN #FL-805	35.00
07/03/2012	Priority Search Fee - MSN #FL-813	35.00
07/03/2012	Priority Search Fee - MSN #FL-814	35.00
07/03/2012	Priority Search Fee - MSN #FL-815	35.00
07/03/2012	Priority Search Fee - MSN #FL-812	35.00
07/03/2012	Priority Search Fee - MSN #FL-816	35.00
07/13/2012	International Registry Priority Fee; Msn: BY-134	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-759	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-772	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-773	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-776	35.00
Total of Expe	enses	\$3,815.00

CROWE & DUNLEVY, P.C. 20 North Broadway Avenue, Ste. 1800 Oklahoma City, Oklahoma 73102 (405) 235-7700 (Telephone) (405 239-6651 (Facsimile) Preston G. Gaddis, II Judy Hamilton Morse

Special FAA Counsel to the Official Committee of Unsecured Creditors

### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

) Chapter 11
) Case No. 12-11873 (SMB)
) ) Jointly Administered

APPLICATION OF CROWE & DUNLEVY, P.C., SPECIAL FAA COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF HAWKER BEECHCRAFT, INC., ET AL. FOR INTERIM ALLOWANCE OF COMPENSATION AND FOR THE REIMBURSEMENT OF EXPENSES FOR SERVICES RENDERED DURING THE PERIOD FROM MAY 11, 2012 THROUGH JULY 31, 2012

Crowe & Dunlevy, P.C. ("Crowe & Dunlevy"), Special FAA Counsel (the "Special FAA Counsel") to the Official Committee of Unsecured Creditors (the "Committee") of Hawker Beechcraft, Inc., et al. (collectively, the "Debtors") hereby files this first application (the "Application"), pursuant to sections 330 and 331 of title 11 of the United States Code (the "Bankruptcy Code") for the interim allowance of compensation for services rendered during the

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The Debtors in the chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Hawker Beechcraft, Inc. (2598); Arkansas Aerospace, Inc. (7496); Beech Aircraft Corporation (0487); Beechcraft Aviation Company (3548); Hawker Beechcraft Acquisition Company, LLC (8770); Hawker Beechcraft Corporation (5770); Hawker Beechcraft Defense Company, LLC (5891); Hawker Beechcraft Finance Corporation (8763); Hawker Beechcraft Global Customer Support Corporation (7338); Hawker Beechcraft Holding, Inc. (6044); Hawker Beechcraft International Delivery Corporation (6640); Hawker Beechcraft International Holding LLC (6757); Hawker Beechcraft International Service Company (9173); Hawker Beechcraft Notes Company (0498); Hawker Beechcraft Quality Support Company (7800); Hawker Beechcraft Regional Offices, Inc. (3889); HBC, LLC (N/A); and Rapid Aircraft Parts Inventory and Distribution Company, LLC (N/A).

Compensation Period (defined below) and for reimbursement of expenses incurred in connection therewith. In support of this Application, Crowe & Dunlevy respectfully states as follows:

#### **INTRODUCTION**

- 1. Pursuant to the Interim Compensation Order, Crowe & Dunlevy's monthly fees are subject to a 20% "holdback". The amount of Crowe & Dunlevy's holdbacks for the Compensation Period is \$4,379.10 (the "*Previous Holdbacks*"). Crowe & Dunlevy respectfully requests that the Court "hold back" only one half (½) of the Previous Holdbacks, or 10% of the fees awarded during the Compensation Period. This Application covers the period ending July 31, 2012. By the time of the hearing on this Application, Crowe & Dunlevy will have additional 20% holdbacks for the months of August 2012 and September 2012 (the "*Additional 20% Holdbacks*"). Crowe & Dunlevy suggests that based on the Additional 20% Holdbacks and the continued hold back of 10% of the fees awarded during the Compensation Period, the payment of half of the Previous Holdbacks at this time is reasonable.
- 2. By this Application, Crowe & Dunlevy seeks: (i) an interim allowance and award of compensation for the services rendered by Crowe & Dunlevy as Special FAA Counsel to the Committee for the period from May 11, 2012 through and including July 31, 2012 (the "Compensation Period") in the amount of \$21,895.50, representing 89.60 hours of professional services and paraprofessional services, and (ii) reimbursement of actual and necessary expenses incurred by Crowe & Dunlevy during the Compensation Period in connection with the rendition of such services.
- 3. This Application has been prepared in accordance with the United States Trustee (the "U.S. Trustee") Guidelines for Reviewing Applications for Compensation & Reimbursement of Expenses filed under 11 U.S.C. § 330 (the "U.S. Trustee Guidelines"), the Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases

adopted by the Court on June 20, 1991 (the "Fee and Disbursement Guidelines"), the Amended Guidelines For Fees and Disbursements for Professionals in the Southern District of New York Bankruptcy Cases, adopted by the Court on November 25, 2009 (together with the Fee and Disbursement Guidelines, the "Local Guidelines") and the Order Granting Motion Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals, dated May 30, 2012 [Docket No. 185] (the "Interim Compensation Order" and, together with the U.S. Trustee Guidelines, the Fee and Disbursement Guidelines and the Local Guidelines, the "Guidelines"). A certification regarding compliance with the same is annexed hereto as Exhibit A.

4. Pursuant to the Interim Compensation Order, Crowe & Dunlevy is seeking (i) the interim award of \$21,895.50 in fees and \$3,815.00 for reimbursement of its expenses on account of services rendered on behalf of the Committee during the Compensation Period, (ii) payment in full of the expenses awarded pursuant to this Application and (iii) payment of one half (½) of the Previous Holdbacks.

#### **JURISDICTION AND VENUE**

5. This Court has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157 (b)(2). The basis for the relief requested herein are Bankruptcy Code sections 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*").

#### **BACKGROUND**

6. On May 3, 2012 (the "*Petition Date*"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have continued in possession of their property and have continued to operate and

manage their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. On May 4, 2012, the Court entered an order for the joint administration of these cases for procedural purposes only pursuant to Bankruptcy Rule 1015(b) [Docket No. 34].

- 7. On May 11, 2012 (the "Committee Formation Date"), pursuant to Bankruptcy Code section 1102, the U.S. Trustee appointed the Committee. On June 27, 2012, the Court entered the Order Authorizing the Committee to Retain and Employ Crowe & Dunlevy, As Special Federal Aviation Administration Counsel *Nunc Pro Tunc* to May 11, 2012 (the "Order") [Docket No. 288].
- 8. Except with the respect to payments made pursuant to the Interim Compensation Order, Applicant has received no payment from, and has made no promises for payment to any source for services rendered in connection with the Debtor's chapter 11 cases. There is no agreement or understanding between the Applicant and any other person (other than member of Crowe & Dunlevy) for the sharing of compensation to be received for the services rendered in these chapter 11 cases.
- 9. As stated in the Affirmation of Judy Hamilton Morse, annexed here to as <u>Exhibit</u> A, all of the services for which interim compensation is sought herein were rendered for or on behalf of the Committee solely in connection with these chapter 11 cases.

#### SUMMARY OF SERVICES RENDERED

10. Since the Order date, Crowe & Dunlevy has rendered services as Special FAA Counsel to the Committee as requested and as necessary and appropriate in furtherance of the interests of the Debtors and the Debtors' unsecured creditors. The variety and complexity of the of the issues in these chapter 11 cases and the need to act or respond to such issues on an expedited basis in furtherance of the Committee's needs have required the expenditure of time by Crowe & Dunlevy personnel from multiple legal disciplines, on an as-needed basis.

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- 11. During the Compensation Period, Crowe & Dunlevy spent time working on the pleadings necessary for Crowe & Dunlevy's retention as special counsel to Debtor, including preparation of a list of all connections to creditors and parties in interest to meet the disclosure requirements under the Bankruptcy Code. In addition, Crowe & Dunlevy spent a significant amount of time during the Compensation Period working on issues related to the Debtors' aircraft, including, but not limited to, time spent obtaining and downloading records of aircraft registered to Hawker Beechcraft, reviewing FAA records, obtaining documents from the FAA, obtaining Priority Search Certificates, and determining the number of aircraft eligible for the International Registry. In addition, Crowe & Dunlevy worked on issues related to perfection of security interests of the Debtors' senior lenders as well as lien priority issues, and Crowe & Dunlevy devoted time to issues regarding certain disputed assets of Debtor. In addition, Crowe & Dunlevy spent time examining master aircraft records for purposes of determining pre-petition encumbrances. Further, during the Compensation Period, Crowe & Dunlevy participated in court proceedings and reviewed pleadings as necessary to effectuate Crowe & Dunlevy's obligations as special counsel to the Committee.
- 12. Crowe & Dunlevy maintains written records of the time expended by attorneys and paraprofessionals in the rendition of their services to the Committee. Such time records were made contemporaneously with the rendition of services by the person performing such services and in the ordinary course of Crowe & Dunlevy's practice, and as presented in a form that is in compliance with the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") and the Guidelines. A compilation showing the name of the attorney or paraprofessional, the date on which the services were performed, a description of the services rendered and the amount of time spent in performing the services during the Compensation Period is annexed hereto as Exhibit B. Crowe & Dunlevy also maintains records of all actual

and necessary out-of-pocket expenses incurred in connection with the rendition of its services, which are also available for inspection. A schedule of the categories of expenses and amounts for which reimbursement is requested is annexed hereto as Exhibit C.

- 13 Crowe & Dunlevy respectfully submits that he services that it rendered as Special FAA Counsel to the Committee were necessary and appropriate, and have directly contributed to the effective administration of these chapter 11 cases.
- 14. The foregoing summary of services rendered during the Compensation Period is not intended to be a detailed description of the work performed, as those day-to-day services and the time expended in performing such services are fully set forth in <a href="Exhibit D">Exhibit D</a>. Rather, the summary is merely an attempt to highlight certain of those areas in which services were rendered by Crowe & Dunlevy to the Committee to help the Committee fulfill its fiduciary duty to all unsecured creditors, as well as to identify some of the issues that Crowe & Dunlevy was requested to address during the Compensation Period.

#### FACTORS TO BE CONSIDERED IN AWARDING ATTORNEYS' FEES

- In re Red Carpet Corp. of Panama City Beach, 708 F.2d 1576, 1578 (11<sup>th</sup> Cir. 1983) (citing Robinson v. Am. Benefit Life Ins. Co. (In re First Colonial Corporation of America), 544 F.2d 1291, 1298-99 (5<sup>th</sup> Cir. 1977) reh'g denied, 547 F.2d 573, cert. denied, 431 U.S. 904 (1977), and have been adopted by most courts. Crowe & Dunlevy respectfully submits that a consideration of these factors should result in this Court's allowance of the full compensation sought.
  - a) The Time and Labor Required. The services rendered by Crowe & Dunlevy, as Special FAA Counsel to the Committee, have required the continuous expenditure of time and effort, under significant time pressures. The services rendered required a high degree of professional competence and expertise in order to be administered with skill and dispatch.

- b) <u>The Novelty and Difficult of Questions</u>. In this case, as in all others in which the firm is involved, Crowe & Dunlevy's effective advocacy and creative approach have helped clarify and resolve a number of complex issues.
- c) <u>The Skill Requisite to Perform the Legal Services Properly</u>. Crowe & Dunlevy believes that its recognized expertise in the area of aviation and bankruptcy, it s ability to draw from high experienced professionals in other areas of Crowe & Dunlevy's practice and its creative approach to the resolution of issues has contributed to the maximization of distributions to the Debtors' unsecured creditors.
- d) The Preclusion of Other Employment by Applicant Due to Acceptance of the Case. Due to the size of Crowe & Dunlevy's aviation and bankruptcy departments, Crowe & Dunlevy's role as Special FAA Counsel to the Committee has not precluded its acceptance of new clients.
- e) The Customary Fee. The fees sought herein are based upon Crowe & Dunlevy's normal hourly rates for services of this kind. Crowe & Dunlevy respectfully submits that he fees sought herein are not unusual given the magnitude and complexity of these chapter 11 cases and the time expended in attending to the representation as Special FAA Counsel to the Committee, and are commensurate with fees Crowe & Dunlevy has been awarded in other cases, as well as with fees charged by other attorneys of comparable experience.
- Whether the Fee is Fixed or Contingent. Pursuant to Bankruptcy Code sections 330 and 331, all fees sought by professionals employed under Bankruptcy Code section 1103 are contingent pending final approval by this Court, and are subject to adjustment dependent upon the services rendered and the results obtained. Thus far, however, the collective efforts of the various parties in interest and their respective professionals, including Crowe & Dunlevy, have resulted in the consensual resolution of many significant issues in these cases in a relatively short period of time given the complexity of the Debtors' chapter 11 cases.
- g) <u>Time Limitations Imposed by Client or Other Circumstances</u>. As already indicated, Crowe & Dunlevy has been required to certain issues arising in these chapter 11 cases in compressed and urgent time periods.
- h) The Amount Involved and Results Obtained. Through the efforts of Crowe & Dunlevy as Special FAA Counsel to the Committee, Crowe & Dunlevy has been an active participant in these chapter 11 cases and has contributed to the Debtors' ability to continue conducting business which has contributed to enhancement of the recoveries available to the Debtors' unsecured creditors and to the efficient administration of these chapter 11 cases.
- i) The Experience, Reputation and Ability of the Attorneys. Crowe & Dunlevy has a large and sophisticated bankruptcy and aviation practice and is played a major role in numerous cases of importance. Crowe & Dunlevy's experience enables it to perform the services described herein competently and expeditiously. In addition to its expertise in

the area of bankruptcy and aviation, Crowe & Dunlevy has the ability to call upon the expertise of its partners and associates in other practice areas to perform the wide ranging copy of legal work necessitated by these chapter 11 cases.

- j) <u>The "Undesirability" of the Case</u>. These cases are not undesirable.
- k) <u>Nature and Length of Professional Relationship</u>. The Court entered an order on June 27, 2012 authorizing the Committee to employ Crowe & Dunlevy, *nunc pro tunc* to the Petition Date. Crowe & Dunlevy has been rendering services as Special FAA Counsel continuously to the Committee since May 11, 2012, and continuing through the Compensation Period, as necessary and appropriate.

#### **ALLOWANCE OF COMPENSATION**

- 16. The professional services rendered by Crowe & Dunlevy required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and determination by Crowe & Dunlevy to the Committee could be addressed with skill and dispatch and have, therefore, required the expenditure of substantial time and effort. It is respectfully submitted that the services rendered during the Compensation Period were performed efficiently, effectively and economically, and the results obtained to date have benefited not only the members of the Committee, but also the unsecured creditor body as a whole and the Debtors' estates.
- 17. The allowance of interim compensation for services rendered and reimbursement of expenses in bankruptcy cases is expressly provided for in Bankruptcy Code section 331:

Any professional Person... may apply to the court not more than once every 120 days after an order for relief in a case under this title, or more often if the court permits, for such compensation for services rendered ... as is provided under section 330 of this title.

11 U.S.C. § 331. Moreover, this Court has authorized the filing of this Application in the Interim Compensation Order.

With respect to the level of compensation, Bankruptcy Code section 330 provides in pertinent part, that the Court may award to a professional person "reasonable compensation for actual, necessary services rendered....." 11 U.S.C. § 330(a)(1). Further, Bankruptcy Code section 330(a)(3), provides that

In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated a skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.
- 11 U.S.C. § 330(a)(3). The clear Congressional intent and policy expressed in this statue is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.
- 19. The total time spent by Crowe & Dunlevy attorneys and paraprofessionals during the Compensation Period was 89.60 hours. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task.
- 20. As shown by this Application and supporting documents, Crowe & Dunlevy spent its time economically and without unnecessary duplication of time. Attached hereto as <a href="Exhibit E">Exhibit E</a>

is a schedule of the hours expended by Crowe & Dunlevy attorneys and paraprofessionals during the Compensation Period, their normal hourly rates and the value of their services.

- 21. Crowe & Dunlevy respectfully requests that the Court "hold back" payment of one half (½) of the Previous Holdbacks, or 10% of the total fees awarded pursuant to this Application. This Application covers the period ending July 31, 2012. Pursuant to the Interim Compensation Order, Crowe & Dunlevy's monthly fees are subject to a 20% "holdback". The amount of Crowe & Dunlevy's holdbacks for the Compensation Period is \$4,379.10. By the time of the hearing on this Application, Crowe & Dunlevy will have additional 20% holdbacks for the months of August 2012 and September 2012 (the "Additional 20% Holdbacks"). Crowe & Dunlevy suggests that based on the Additional 20% Holdbacks, the relief requested herein is reasonable.
- 22. Crowe & Dunlevy incurred actual out-of-pocket expenses in connection with the rendition of the professional services as the Special FAA Counsel to the Committee during the Compensation Period in the aggregate amount of \$3,815.00, for which Crowe & Dunlevy respectfully requests reimbursement in full. The disbursements and expenses have been incurred in accordance with Crowe & Dunlevy's normal practice of charging clients for expenses clearly related to and required by particular matters. Crowe & Dunlevy has endeavored to minimize these expenses to the fullest extent possible.
- 23. Crowe & Dunlevy's billing rates do not include charges for photocopying, telephone and facsimile charges, computerized research, travel expenses, "working meals", secretarial overtime, postage and certain other office services, because the needs of each client for such services differ. Crowe & Dunlevy believes that it is fairest to charge each client only for the services actually used in performing services for it. In these proceedings, Crowe & Dunlevy charges \$.10 per page for internal duplicating. Crowe & Dunlevy does not charge for long

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distance telephone calls and does not charge for facsimile transmissions, other than those made by an attorney while traveling.

- 24. No agreement or understanding exists between Crowe & Dunlevy and any other person for the sharing of any compensation to be received from professional services or to be rendered in connection with these chapter 11 cases.
- No prior application has been made in his Court or in any other court for the relief requested herein for the Compensation Period.

WHEREFORE, Crowe & Dunlevy respectfully requests that this Court enter an order:

- a) approving the allowance of \$21,895.50 for compensation for professional services rendered as Special FAA Counsel to the Committee during the period from May 11, 2012 through and including July 31, 2012;
- b) approving the reimbursement of Crowe & Dunlevy's out-of-pocket expenses incurred in connection with the rendering of such services during the period of May 11, 2012 through and including July 31, 2012 in the amount of \$3,815.00;
- authorizing and directing the Debtors to pay the fees and expenses awarded, subject to a
   10% holdback of the total fees awarded; and
- d) granting such other and further relief as this Court may deem just and proper.

Date: September 28, 2012 Oklahoma City, Oklahoma CROWE & DUNLEVY, P.C.

By: /s/ Judy Hamilton Morse

Judy Hamilton Morse Preston G. Gaddis, II 20 N. Broadway Ave., Ste. 1800 Oklahoma City, OK 73102

Telephone: (405) 235-7700 Facsimile: (405) 239-6651 judy.morse@crowedunlevy.com

Special FAA Counsel to the Official Committee of Unsecured Creditors

#### Exhibit A

**Declaration of Judy Hamilton Morse** 

UNITED	<b>STATES</b>	BANK	RUPTCY	COURT
SOUTHE	ERN DIST	<b>TRICT</b>	OF NEW	YORK

In re;	)	Chapter 11
HAWKER BEECHCRAFT, INC., et al. <sup>1</sup>	)	Case No. 12-11873 (SMB)
Debtors.	)	
	)	

#### **AFFIRMATION**

#### **JUDY HAMILTON MORSE** respectfully states and affirms:

- 1. I am a partner in the firm of Crowe & Dunlevy, P.C. ("Crowe & Dunlevy"), which firm maintains offices for the practice of law at, among other places, 20 North Broadway, Suite 1800, Oklahoma City, OK 73102. Crowe & Dunlevy has acted as special FAA counsel to and has rendered professional services on behalf of the Official Committee of Unsecured Creditors (the "Committee") of Hawker Beechcraft, Inc. et al. (collectively, the "Debtors").
- 2. This affirmation is submitted pursuant to Bankruptcy Rule 2016(a), and in accordance with the guidelines established by the Office of the United States Trustee (the "U.S. Trustee Guidelines"), the Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (the "Fee and Disbursement Guidelines"), the Amended Guidelines for Fees and Disbursements for

<sup>&</sup>lt;sup>1</sup> The Debtors in the chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Hawker Beechcraft, Inc. (2598); Arkansas Aerospace, Inc. (7496); Beech Aircraft Corporation (0487); Beechcraft Aviation Company (3548); Hawker Beechcraft Acquisition Company, LLC (8770); Hawker Beechcraft Corporation (5770); Hawker Beechcraft Defense Company, LLC (5891); Hawker Beechcraft Finance Corporation (8763); Hawker Beechcraft Global Customer Support Corporation (7338); Hawker Beechcraft International Delivery Corporation (6640); Hawker Beechcraft International Holding LLC (6757); Hawker Beechcraft International Service Company (9173); Hawker Beechcraft Notes Company (0498); Hawker Beechcraft Quality Support Company (7800); Hawker Beechcraft Regional Offices, Inc. (3889); HBC, LLC (N/A); and Rapid Aircraft Parts Inventory and Distribution Company, LLC (N/A).

Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on November 25, 2009 (together with the Fee and Disbursement Guidelines, the "Local Guidelines"), in support of Crowe & Dunlevy's application (the "Application") for allowance of compensation and for the reimbursement of fees and expenses for services rendered during the period from May 11, 2012, through and including July 31, 2012 (the "Compensation Period") in the aggregate amount of \$21,895.50 for fees and \$3,815.00 for expenses.

- 3. In respect of the Local Guidelines, I certify that:
  - a. I have read the Application;
  - b. to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the U.S. Trustee Guidelines;
  - c. the fees and disbursements sought are billed at rates in accordance with those customarily charged by Crowe & Dunlevy and generally accepted by Crowe & Dunlevy's clients; and
  - d. in providing a reimbursable service, Crowe & Dunlevy does not make a
    profit on that service, whether the service is performed by Crowe &
    Dunlevy in-house or through a third party.
- 4. I hereby certify that Crowe & Dunlevy has complied with those provisions of the Local Guidelines requiring it to provide a copy of the Application to (i) the Debtors and any official committee appointed in these cases with a statement of Crowe & Dunlevy's fees and disbursements accrued during the previous month, and (ii) the Debtors, counsel to the Debtors and the Office of the United States Trustee for the Southern District of New York.

5. All services for which compensation is requested by Crowe & Dunlevy were professional services performed for and on behalf of the Committee and not on behalf of any other person.

6. In accordance with Title 18 U.S.C. § 155, neither I nor any other partner or associate of my firm has entered into any agreement, express or implied, with any other party in interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' estates.

7. In accordance with section 504 of title 11 of the United States Code (the "Bankruptcy Code"), no agreement or understanding exists between me, my firm, or any member or associate thereof, on the one hand, and any other person, on the other hand, for division of such compensation as my firm may receive for services rendered in connection with these cases, nor will any division of fees prohibited by Bankruptcy Code section 504 be made by me or any other partner or associate of my firm.

DATED: Oklahoma City, Oklahoma September 28, 2012

#### /s/ Judy Hamilton Morse

Judy Hamilton Morse, OBA #6450
- Of the Firm –
CROWE & DUNLEVY,
A Professional Corporation
20 North Broadway, Suite 1800
Oklahoma City, OK 73102
(405) 235-7700
(405) 239-6651 (Facsimile)
judy.morse@crowedunlevy.com

#### Exhibit B Aggregate Time Record

#### CROWE DUNLEVY

A PF~OFESSIONAL COFIPOFIATION Attorneys and Counselors at Law rolft(jCri ICJO?

Hawker Beechcraft Creditors Committee Attn: Alexander Snyder 10511 East Central Avenue Wichita, KS 67206 September 28, 2012 Invoice # 519220

Responsible Attorney

Preston G. Gaddis II

Client # 23259 Matter # 95008

Bankruptcy matters - aircraft

05/15/2012	P. McWherter	Obtain list of aircraft registered to Hawker Beechcraft Corp. (.2); report same (.1)	0.30
05/29/2012	J. Morse	Various e-mail with Preston G. Gaddis II and with attorneys at Akin Gump regarding retention of Crowe & Dunlevy to act as special counsel to committee (.5); locate information needed for pleadings to be prepared (.2)	0.70
05/30/2012	J. Morse	Telephone conference with Preston G. Gaddis II regarding assignment in Hawker case (.1); e-mail with Kristine Manoukian regarding same (.1); e-mail with Arlene Bouse and with Cindy Harper regarding review of connections (.1)	0.30
05/31/2012	P. Gaddis II	Telephone call to conference call with Mandel et al. regarding project (.8)	0.80
05/31/2012	P. McWherter	Obtain list of aircraft registered to Hawker Beechcraft Corporation (.1); begin download of aircraft records (1.0); obtain registered owner information for each aircraft (1.0); report same (.2)	2.30
05/31/2012	J. Morse	Work on application for retention (1.8); e-mail to Preston G. Gaddis II and to Kristine Manoukian regarding same (.2)	2.00

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06/01/2012	A. Kremeier	Work regarding burning records for Bankruptcy Project (6.2)		
06/01/2012	J. Morse	Review final retention documents (.1); e-mail to Kristine Manoukian regarding same (.1)	0.20	
06/04/2012	P. Gaddis II	Telephone call from Mandel regarding FAA records searches, etc.(.5); e-mail DIP Security Agreement (.2)	0.70	
06/04/2012	A. Kremeier	Work regarding burning records for Bankruptcy Project (6.2)	6.20	
06/04/2012	J. Morse	Telephone conference with Renee at Akin Gump regarding retention document drafts and e-mail to FAA counsel team requesting additional information (.1)	0.10	
06/05/2012	J. Morse	Various e-mail with J. Robert Kalsu and with Preston G. Gaddis II regarding information needed for Hawker application (.1); review information received from J. Robert Kalsu regarding other airline cases (.2); e-mail with Riana Cohen regarding requests for changes to Hawker application (.1); review prior disclosures received from Riana Cohen (.3)	0.70	
06/06/2012	D. Hinkle	Research Hawker Beechcraft bankruptcy docket sheet and created a list of all entities who filed an Entry of Appearance in the case as of June 5, 2012	1.90	
06/06/2012	J. Morse	E-mail with Riana Cohen and review her proposed changes (.3); research additional information Riana Cohen requests to have added to application (.6); revisions to application and declaration (.3); conference with Donna K. Hinkle regarding research of docket that is needed for further searches for connections to be disclosed (.1); review list received from Donna K. Hinkle and review reports for revisions on disclosures (.4); e-mail to Preston G. Gaddis II regarding execution of revised declaration (.1); finalize and e-mail application and declaration with attached exhibits to Riana Cohen (.6)	2.40	
06/08/2012	P. Gaddis II	Telephone call to conference call regarding completed but unencumbered aircraft (1.0); telephone call from Mandell regarding status of pre-petition FAA filings (.5); review Pool 1 aircraft (.5); two e-mails regarding identity of aircraft (.1); e-mail copy of Senior Security Agreement (.1)	2.20	
06/08/2012	M. McBride	Participate in conference call regarding aircraft records (1.0)	1.00	

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06/11/2012	M. McBride	Determine what aircraft are covered by Conveyance No. PG006606 (Sr. Security Agreement) and DJ010989 (DIP Security Agreement) (.3); research TUE status of entities at the International Registry (.5)	0.80
06/11/2012	P. McWherter	Obtain file stamped copies of Security Agreements and IDERA's filed June 5, 2012, regarding aircraft N130EE, N130NB, N156V and N189V (.1); report same (.1)	0.20
06/12/2012	P. Gaddis II	Review sample of FAA records (.1); e-mail regarding Gilchrist information and perfection issue (.2); telephone call to conference call regarding status of aircraft (.8); e-mail to Hartwig regarding record status information (.1); three e-mails regarding perfection of security interests of Senior Lenders (.4); e-mail regarding Friday conference call (.1)	1.70
06/13/2012	P. Gaddis II	Telephone call from Mandel and two e-mails for scheduling conference call (.4); two e-mails regarding list of aircraft separated by pools (.2)	0.60
06/13/2012	M. McBride	Two e-mails regarding obtaining records for Gilchrist (.2)	0.20
06/14/2012	R. Beatty	Legal research regarding priority of liens filed post petition (.4)	0.40
06/14/2012	P. Gaddis II	E-mail regarding Intralinks item (.3); e-mail to Hartwig regarding identity of the aircraft subject to pre-petition encumbrances (.5)	0.80
06/14/2012	J. Morse	E-mail with Preston G. Gaddis II regarding issue of late filed lien (.1); e-mail with Regan Strickland Beatty regarding same (.1)	0.20
06/15/2012	P. Gaddis II	E-mail regarding location of 2007 Security Agreement (.1); telephone call to conference call on legal and economic issues(1.0); e-mail regarding examining records of Pool 1 aircraft (.1); telephone call from Mandel regarding Pool lists (.5)	1.70
06/15/2012	P. Gaddis II	Review DIP Appendix of aircraft	0.50
06/15/2012	P. Gaddis II	Review Pools 2A, 2B, 3 and 4 lists and e-mail regarding same (1.0)	1.00
06/15/2012	A. Kremeier	Receive and review e-mail regarding documents from aircraft record (.1); obtain same and burn records and send in (.5); further conference regarding indicies for aircraft (.1); obtain same from the FAA's system and report same (.1)	0.80

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06/15/2012	M. McBride	Examine master aircraft record and determine what aircraft are subject to pre-petition encumbrances (5.0); begin identifying aircraft N numbers by serial numbers (.7)	5.70
06/18/2012	P. Gaddis II	Prepare binder of HBC/Credit Suisse Security Agreement, Amendments and Supplements and Releases (.3); e- mail regarding same (.3); e-mail regarding contacting Gilchrist (.3); e-mail regarding Pools 2A, 2B and 3 aircraft status (.9); e-mail regarding aircraft covered by 14th Supplement (.8); e-mail regarding additional Senior Security Agreement (.6)	3.20
06/18/2012	A. Kremeier	Receive and review e-mail regarding copies of recorded documents (.1); research in aircraft record and obtain same (.1); report same (.1)	0.30
06/18/2012	M. McBride	Continue identifying aircraft N numbers by serial numbers (2.0); examine aircraft records for all aircraft in Pool 2A, Pool 2B and Pool 3 (4.8)	6.80
06/18/2012	P. McWherter	Update FAA filing index regarding any activity for Conveyance No. PG006606 (.2); report same (.1); research and letter to FAA requesting correction of records for N793RG fka N358HB to note Thirteenth Amendment to master record N116AP (.3); report same (.1)	0.70
06/18/2012	K. Wood	Work regarding FAA records (2.3)	2.30
06/19/2012	R. Beatty	Pull DIP financing motion and order and analyze the same (.3)	0.30
06/19/2012	P. Gaddis II	E-mail status of Pool 4 aircraft (.3); e-mail Pool 2A etc. search results to Gilchrist (.3)	0.60
06/19/2012	A. Kremeier	Conference regarding records needed (.2); research and obtain records (.1); report same (.1)	0.40
06/19/2012	M. McBride	Examine all aircraft records for those in Pool 4 (4.1)	4.10
06/19/2012	K. Wood	Work regarding FAA records (.7)	0.70
06/20/2012	P. Gaddis II	E-mail regarding correct petition filing date (.1); telephone call to Mandel regarding revising Pool information (.2)	0.30
06/20/2012	P. Gaddis II	Review Pool 2A aircraft records (.9)	0.90
06/20/2012	M. McBride	Continue examination of all aircraft in Pool 4 (1.0)	1.00

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06/20/2012	P. McWherter	Continued research and work regarding registered aircraft and lien status regarding same (.9)	0.90
06/20/2012	K. Wood	Work regarding FAA records (.4)	0.40
06/21/2012	P. Gaddis II	Telephone call to conference call regarding status of aircraft (1.0); review status Memorandum (.3)	1.30
06/21/2012	M. McBride	Draft e-mail regarding three encumbrances filed prepetition (.6); conference regarding same (.6)	1.20
06/27/2012	J. Morse	Telephone conference with Kristine Manoukian regarding need to participate in hearing (.1); various e-mail with Kristine Manoukian regarding same (.1); telephone conference with Preston G. Gaddis II regarding availability for hearing (.1); telephone conference with Court Call operator regarding a hearing and wait for hearing (.2); e-mail with Kristine Manoukian regarding hearing (.1); e-mail to Preston G. Gaddis II regarding results of hearing (.1)	0.70
06/29/2012	P. Gaddis II	Telephone call from conference call regarding disputed purposes (1.0); two e-mails to Gilchrist regarding Priority Search Certificates (.3); review file to determine number of IR eligible aircraft (.7); e-mail regarding obtaining Certificates (.1)	2.10
06/29/2012	M. McBride	Research to determine number of aircraft subject to DIP financing that are International Registry eligible	0.90
07/03/2012	A. Kremeier	Conference regarding research in records for last release/termination documents (.2); obtain same and report same (.1); further conference regarding Credit Suisse AG Cayman Islands Branch (.1); obtain Resolution for same and report same (.1)	0.50
07/03/2012	M. McBride	Obtain Priority Search Certificates from International Registry covering 98 aircraft subject to DIP financing (5.2)	5.20
07/05/2012	P. Gaddis II	Review Priority Search Certificates (.1)	0.10
07/05/2012	P. Gaddis II	Telephone call from Mandell and Wilkosz regarding Tempus Release (.2); two e-mails regarding closing date (.2)	0.40
07/06/2012	P. Gaddis II	Telephone call to conference call regarding status Memorandum (.4)	0.40
07/10/2012	P. McWherter	Research and obtain copy of First Supplement to Debtor in Possession Security Agreement (.5); report same (.1)	0.60

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07/11/2012	P. McWherter	Observe filing of Release regarding aircraft N8019D (.2); report same (.1)	0.30
07/12/2012	P. Gaddis II	Draft perfection explanation and e-mail same (.8)	0.80
07/12/2012	P. McWherter	Continue research regarding released aircraft from DJ010989; PG006606 (.8)	0.80
07/13/2012	07/13/2012 P. Gaddis II Telephone call to conference call regarding Disputed Assets (.5); telephone call to conference call regarding perfections in Pool 2a aircraft (.8); telephone call from Standell regarding Monday conference call (.3)		1.60
07/13/2012	P. Gaddis II	Review FAA records (.2); draft status Memorandum (.3)	0.50
07/13/2012	P. McWherter	Research N8130S et al. regarding any encumbrances prior to Conveyance No. TM013049 (1.9)	1.90
07/13/2012	K. Wood	Obtain Priority Search Certificates for N8130S manufacturer's serial number BY-130, N8134Y manufacturer's serial number BY-134, N81379 manufacturer's serial number FL-759, N8132F manufacturer's serial number FL-772, N773EU manufacturer's serial number FL-773 and N80876 manufacturer's serial number FL-776 on International Registry	0.40
07/16/2012	P. Gaddis II	Examine Pool 2a aircraft and e-mail regarding absence of HBC/Credit Suisse encumbrance prior to March 27, 2012 (.7)	0.70
07/16/2012	P. Gaddis II	E-mail regarding source of Pool 2a aircraft (.1); telephone call to conference call on value of Disputed Assets (.4)	0.50
07/16/2012	P. McWherter	Continue research and work regarding encumbered aircraft (.9)	0.90
07/19/2012	P. Gaddis II	Telephone call from Mandell and Blaylock and e-mail regarding perfecting interests (.6)	0.60
07/20/2012	P. Gaddis II	Telephone call to conference call regarding Disputed Assets (1.0); e-mail Second Supplement (.2)	1.20
07/20/2012	P. McWherter	Update FAA filing indices and obtain PDF copy of Second Supplement to DIP Security Agreement (.4); report same (.1)	0.50
		Total Hours	89.60
Total Fees for this Invoice		= 	\$21,895.50

Expenses by Category

## HAWKER BEECHCRAFT, INC., *ET AL.*DISBURSEMENT SUMMARY MAY 11, 2012 THROUGH AUGUST 31, 2012

07/03/2012	Priority Search Fee - MSN #RC-77	\$35.00
07/03/2012	Priority Search Fee - MSN #RC-78	35.00
07/03/2012	Priority Search Fee - MSN #RC-79	35.00
07/03/2012	Priority Search Fee - MSN #RC-75	35.00
07/03/2012	Priority Search Fee - MSN #HA-0212	35.00
07/03/2012	Priority Search Fee - MSN #HA-0218	35.00
07/03/2012	Priority Search Fee - MSN #HA-0214	35.00
07/03/2012	Priority Search Fee - MSN #HA-0219	35.00
07/03/2012	Priority Search Fee - MSN #HA-0213	35.00
07/03/2012	Priority Search Fee - MSN #HA-0215	35.00
07/03/2012	Priority Search Fee - MSN #HA-0221	35.00
07/03/2012	Priority Search Fee - MSN #HA-0217	35.00
07/03/2012	Priority Search Fee - MSN #HA-0216	35.00
07/03/2012	Priority Search Fee - MSN #HA-0220	35.00
07/03/2012	Priority Search Fee - MSN #BY-146	35.00
07/03/2012	Priority Search Fee - MSN #BY-145	35.00
07/03/2012	Priority Search Fee - MSN #BY-149	35.00
07/03/2012	Priority Search Fee - MSN #BY-148	35.00
07/03/2012	Priority Search Fee - MSN #BY-150	35.00
07/03/2012	Priority Search Fee - MSN #BY-147	35.00
07/03/2012	Priority Search Fee - MSN #BY-151	35.00
07/03/2012	Priority Search Fee - MSN #BL-170	35.00
07/03/2012	Priority Search Fee - MSN #BY-153	35.00
07/03/2012	Priority Search Fee - MSN #BY-152	35.00
07/03/2012	Priority Search Fee - MSN #BY-143	35.00
07/03/2012	Priority Search Fee - MSN #BY-144	35.00

07/03/2012	Priority Search Fee - MSN #FL-799	35.00
07/03/2012	Priority Search Fee - MSN #FL-800	35.00
07/03/2012	Priority Search Fee - MSN #FL-817	35.00
07/03/2012	Priority Search Fee - MSN #FL-818	35.00
07/03/2012	Priority Search Fee - MSN #FL-819	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2046	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2047	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2048	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2049	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2050	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2051	35.00
07/03/2012	Priority Search Fee - MSN #LJ-2053	35.00
07/03/2012	Priority Search Fee - MSN #RB-295	35.00
07/03/2012	Priority Search Fee - MSN #FL-802	35.00
07/03/2012	Priority Search Fee - MSN #FL-803	35.00
07/03/2012	Priority Search Fee - MSN #FL-807	35.00
07/03/2012	Priority Search Fee - MSN #FL-804	35.00
07/03/2012	Priority Search Fee - MSN #fl-809	35.00
07/03/2012	Priority Search Fee - MSN #FL-806	35.00
07/03/2012	Priority Search Fee - MSN #FL-810	35.00
07/03/2012	Priority Search Fee - MSN #FL-808	35.00
07/03/2012	Priority Search Fee - MSN #FL-811	35.00
07/03/2012	Priority Search Fee - MSN #FL-805	35.00
07/03/2012	Priority Search Fee - MSN #FL-813	35.00
07/03/2012	Priority Search Fee - MSN #FL-814	35.00
07/03/2012	Priority Search Fee - MSN #FL-815	35.00
07/03/2012	Priority Search Fee - MSN #FL-812	35.00
07/03/2012	Priority Search Fee - MSN #FL-816	35.00
07/03/2012	Priority Search Fee - MSN #RC-76	35.00

07/03/2012	Priority Search Fee - MSN #RC-74	35.00
07/03/2012	Priority Search Fee - MSN #RC-73	35.00
07/03/2012	Priority Search Fee - MSN #HA-0210	35.00
07/03/2012	Priority Search Fee - MSN #HA-0208	35.00
07/03/2012	Priority Search Fee - MSN #HA-0209	35.00
07/03/2012	Priority Search Fee - MSN #HA-0211	35.00
07/03/2012	Priority Search Fee - MSN #BY-137	35.00
07/03/2012	Priority Search Fee - MSN #BY-139	35.00
07/03/2012	Priority Search Fee - MSN #BY-140	35.00
07/03/2012	Priority Search Fee - MSN #BY-141	35.00
07/03/2012	Priority Search Fee - MSN #FL-792	35.00
07/03/2012	Priority Search Fee - MSN #FL-791	35.00
07/03/2012	Priority Search Fee - MSN #FL-793	35.00
07/03/2012	Priority Search Fee - MSN #FL-797	35.00
07/03/2012	Priority Search Fee - MSN #FL-794	35.00
07/03/2012	Priority Search Fee - MSN #FL-796	35.00
07/03/2012	Priority Search Fee - MSN #FL-795	35.00
07/03/2012	Priority Search Fee - MSN #LG-2045	35.00
07/03/2012	Priority Search Fee - MSN #RB-293	35.00
07/03/2012	Priority Search Fee - MSN #RC-4	35.00
07/03/2012	Priority Search Fee - MSN #258278	35.00
07/03/2012	Priority Search Fee - MSN #HA-0203	35.00
07/03/2012	Priority Search Fee - MSN #HA-0204	35.00
07/03/2012	Priority Search Fee - MSN #HA-0194	35.00
07/03/2012	Priority Search Fee - MSN #HA-0202	35.00
07/03/2012	Priority Search Fee - MSN #HA-0206	35.00
07/03/2012	Priority Search Fee - MSN #FL-787	35.00
07/03/2012	Priority Search Fee - MSN #FL-719	35.00
07/03/2012	Priority Search Fee - MSN #BB-343	35.00

07/03/2012	Priority Search Fee - MSN #RC-69	35.00
07/03/2012	Priority Search Fee - MSN #RC-22	35.00
07/03/2012	Priority Search Fee - MSN #RC-13	35.00
07/03/2012	Priority Search Fee - MSN #RC-15	35.00
07/03/2012	Priority Search Fee - MSN #RC-1	35.00
07/03/2012	Priority Search Fee - MSN #FL-802	35.00
07/03/2012	Priority Search Fee - MSN #FL-803	35.00
07/03/2012	Priority Search Fee - MSN #FL-807	35.00
07/03/2012	Priority Search Fee - MSN #FL-804	35.00
07/03/2012	Priority Search Fee - MSN #FL-809	35.00
07/03/2012	Priority Search Fee - MSN #FL-806	35.00
07/03/2012	Priority Search Fee - MSN #FL-810	35.00
07/03/2012	Priority Search Fee - MSN #FL-808	35.00
07/03/2012	Priority Search Fee - MSN #FL-811	35.00
07/03/2012	Priority Search Fee - MSN #FL-805	35.00
07/03/2012	Priority Search Fee - MSN #FL-813	35.00
07/03/2012	Priority Search Fee - MSN #FL-814	35.00
07/03/2012	Priority Search Fee - MSN #FL-815	35.00
07/03/2012	Priority Search Fee - MSN #FL-812	35.00
07/03/2012	Priority Search Fee - MSN #FL-816	35.00
07/13/2012	International Registry Priority Fee; Msn: BY-134	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-759	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-772	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-773	35.00
07/13/2012	International Registry Priority Fee; Msn: FL-776	35.00
Total of Expe	enses	\$3,815.00

### Exhibit D Compensation by Project Category

# HAWKER BEECHCRAFT, INC., *ET AL*., COMPENSATION BY PROJECT CATEGORY MAY 11, 2012 THROUGH JULY 31, 2012

PROJECT CATEGORY	TOTAL HOURS	TOTAL FEES
B110 – Case Administration	3.60	\$965.50
B120 – Asset Analysis and Recovery	79.20	\$18,614.00
B160 – Fee/Employment Applications	6.80	\$2,346.00
TOTAL	89.60	\$21,895.50

#### **EXHIBIT E**

**Hours and Billing Rate Schedule** 

## HAWKER BEECHCRAFT, INC., *ET AL*. TIMEKEEPER SUMMARY MAY 11, 2012 THROUGH JULY 31, 2012

ATTORNEYS	DEPARTMENT	STATE OF BAR ADMISSION – YEAR	HOURS	HOURLY BILLING RATE	BILL AMOUNT
Preston Gaddis II	Aircraft	Oklahoma - 1962	25.20	\$450.00	\$11,340.00
Judy Hamilton Morse	Bankruptcy	Oklahoma - 1979	7.30	\$345.00	\$2,518.50
Regan Strickland Beatty	Bankruptcy	Oklahoma - 2004	0.70	\$235.00	\$164.50
PARALEGALS	DEPARTMENT		HOURS	HOURLY BILLING RATE	BILL AMOUNT
Paula McWherter	Aircraft		9.40	\$145.00	\$1,363.00
Amy Kremeier	Aircraft		14.40	\$145.00	\$2,088.00
Kelly Wood	Aircraft		3.80	\$105.00	399.00
Michael McBride	Aircraft		26.90	\$140.00	\$3,766.00
Donna Hinkle	Bankruptcy		1.90	\$135.00	\$256.50