

Charles R. Gibbs (admitted *pro hac vice*)  
Keefe Bernstein (admitted *pro hac vice*)  
Sarah Link Schultz (admitted *pro hac vice*)  
AKIN GUMP STRAUSS HAUER & FELD LLP  
1700 Pacific Avenue, Suite 4100  
Dallas, Texas 75201  
Telephone: 214.969.2800  
Facsimile: 214.969.4343

Lynn Tavenner (Virginia Bar No. 30083)  
Paula S. Beran (Virginia Bar No. 34679)  
TAVENNER & BERAN, PLC  
20 North Eighth Street, Second Floor  
Richmond, VA 23219  
Telephone: 804.783.8300  
Facsimile: 804.783.0178

*Attorneys for The Official Committee of Unsecured  
Creditors of LandAmerica 1031 Exchange Services,  
Inc.*

Catherine Creely (Virginia Bar No. 74796)  
AKIN GUMP STRAUSS HAUER & FELD LLP  
1333 New Hampshire Avenue, N.W.  
Washington, D.C. 20036  
Telephone: 202.887.4000  
Facsimile: 205.955.7827

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

-----X  
:   
In re: : Chapter 11  
:   
LandAmerica Financial Group, Inc., et al., : Case No. 08-35994 (KRH)  
:   
Debtors. : Jointly Administered  
:   
-----X

**THIRD INTERIM APPLICATION OF AKIN GUMP STRAUSS HAUER & FELD  
LLP FOR ALLOWANCE OF COMPENSATION AND EXPENSE  
REIMBURSEMENT AS COUNSEL TO THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS OF LANDAMERICA 1031 EXCHANGE SERVICES, INC.**

Name of Applicant: Akin Gump Strauss Hauer & Feld LLP

Authorized to Provide Professional Services to: Official Committee of Unsecured Creditors of  
LandAmerica 1031 Exchange Services, Inc.

Date of Retention: January 16, 2009 (nunc pro tunc to December 8, 2008)

Period for Which Compensation  
and Reimbursement is Sought: June 1, 2009 through August 31, 2009

Amount of Compensation Sought as  
Actual, Reasonable, and Necessary: \$1,093,624.00

Amount of Expense Reimbursement Sought  
as Actual, Reasonable, and Necessary: \$88,985.55

**Monthly Fee Statements During the Compensation Period**

<b>Time Period</b>	<b>Fees</b>	<b>Expenses</b>	<b>Status</b>
6/01/09 – 6/30/09	\$439,861.00	\$27,185.89	Pending. Pursuant to the Interim Compensation Order, Akin Gump received 85% of the fees requested and 100% of the expenses requested.
7/01/09 – 7/31/09	\$345,798.50	\$43,812.35	Pending. Pursuant to the Interim Compensation Order, Akin Gump received 85% of the fees requested and 100% of the expenses requested.
8/01/09 – 8/31/09	\$307,964.50	\$17,987.31	Pending. Pursuant to the Interim Compensation Order, Akin Gump received 85% of the fees requested and 100% of the expenses requested.

Charles R. Gibbs (admitted *pro hac vice*)  
 Keefe Bernstein (admitted *pro hac vice*)  
 Sarah Link Schultz (admitted *pro hac vice*)  
 AKIN GUMP STRAUSS HAUER & FELD LLP  
 1700 Pacific Avenue, Suite 4100  
 Dallas, Texas 75201  
 Telephone: 214.969.2800  
 Facsimile: 214.969.4343

Lynn Tavenner (Virginia Bar No. 30083)  
 Paula S. Beran (Virginia Bar No. 34679)  
 TAVENNER & BERAN, PLC  
 20 North Eighth Street, Second Floor  
 Richmond, VA 23219  
 Telephone: 804.783.8300  
 Facsimile: 804.783.0178

Catherine Creely (Virginia Bar No. 74796)  
 AKIN GUMP STRAUSS HAUER & FELD LLP  
 1333 New Hampshire Avenue, N.W.  
 Washington, D.C. 20036  
 Telephone: 202.887.4000  
 Facsimile: 205.955.7827

*Attorneys for The Official Committee of Unsecured  
 Creditors of LandAmerica 1031 Exchange Services,  
 Inc.*

**IN THE UNITED STATES BANKRUPTCY COURT  
 FOR THE EASTERN DISTRICT OF VIRGINIA  
 RICHMOND DIVISION**

	X	
	:	
In re:	:	Chapter 11
	:	
LandAmerica Financial Group, Inc., <u>et al.</u> ,	:	Case No. 08-35994 (KRH)
	:	
Debtors.	:	Jointly Administered
	X	

**THIRD INTERIM APPLICATION OF AKIN GUMP STRAUSS HAUER & FELD  
 LLP FOR ALLOWANCE OF COMPENSATION AND EXPENSE  
 REIMBURSEMENT AS COUNSEL TO THE OFFICIAL COMMITTEE OF  
 UNSECURED CREDITORS OF LANDAMERICA 1031 EXCHANGE SERVICES, INC.**

Akin Gump Strauss Hauer & Feld LLP (“Akin Gump” or “Applicant”), counsel for the Official Committee of Unsecured Creditors (the “LES Committee”) of LandAmerica 1031 Exchange Services, Inc. (“LES”), submits this Third Interim Application for Allowance of Compensation and Expense Reimbursement as Counsel to the Official Committee of Unsecured Creditors of LandAmerica 1031 Exchange Services, Inc. (the “Application”) pursuant to sections 330 and 331 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

## I. PRELIMINARY STATEMENT

1. By this Application, Akin Gump seeks (i) an interim allowance and award of full compensation for the professional services rendered by Akin Gump as attorneys for the LES Committee for the period from June 1, 2009 through August 31, 2009 (the “Compensation Period”) in the amount of \$1,093,624.00, representing 2,445.50 hours of professional and paraprofessional services, and (ii) reimbursement of actual and necessary expenses of \$88,985.55 incurred by Akin Gump during the Compensation Period in connection with the rendition of such professional and paraprofessional services. This Application is submitted pursuant to the terms of this Court’s Order Under Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation, dated December 22, 2008 (the “Interim Compensation Order”).

## II. BACKGROUND

2. On November 26, 2008 (the “Petition Date”), LES and LandAmerica Financial Group, Inc. (“LFG”) each filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On March 6, 2009, March 27, 2009, March 31, 2009 and July 17, 2009, various other affiliates of LFG<sup>1</sup> (collectively with LES and LFG, the “Debtors”) each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. Pursuant to orders of this Court dated November 28, 2008, March 11, 2009, April 8, 2009, April 9, 2009 and July 22, 2009, the Debtors’ chapter 11 cases are being jointly administered for procedural purposes only. Since the Petition Date, the Debtors have continued in possession of their property and have

---

<sup>1</sup> The other affiliates of LFG that have filed voluntary chapter 11 petitions are LandAmerica Assessment Corporation, LandAmerica Title Company, Southland Title Corporation, Southland Title of Orange County, Southland Title of San Diego, and LandAmerica Credit Services, Inc.

continued to operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. No trustee has been appointed in the Debtors' chapter 11 cases.

3. 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 statutory bases for the relief requested herein are Bankruptcy Code sections 330 and 331 and Bankruptcy Rule 2016.

4. On December 3, 2008, the Office of the United States Trustee for the Eastern District of Virginia (the "U.S. Trustee") duly appointed the LES Committee. On June 4, 2009, the U.S. Trustee appointed two additional members to the LES Committee. The LES Committee currently consists of seven members.<sup>2</sup>

5. On December 8, 2008, pursuant to Bankruptcy Code section 1103(a), the LES Committee selected Akin Gump to serve as counsel to the LES Committee. On December 31, 2008, the LES Committee filed an application to employ Akin Gump as its counsel. On January 16, 2009, this Court entered an order authorizing Akin Gump's retention as counsel to the LES Committee *nunc pro tunc* to December 8, 2008. This Court subsequently authorized the LES Committee to retain and employ Protiviti, Inc. ("Protiviti") as its financial advisor, The Garden City Group, Inc. ("GCG") as its communications agent, and Tavenner & Beran, PLC ("Tavenner & Beran") as its local counsel.

6. On April 14, 2009, Akin Gump filed its first application for interim allowance of compensation and for reimbursement of expenses for services rendered during the period from December 8, 2008 through February 28, 2009 (the "First Fee Application"). On May 21, 2009,

---

<sup>2</sup> The current members of the LES Committee are: Millmar Holdings, LLC; Endless Ocean, LLC; MB Venture, Ltd.; Amarillo Tower Limited; Petaluma Southpoint, LLC; Gregory D. Schultz; and The Mary and Fred Piro 1987 Trust.

this Court entered an order approving the First Fee Application and authorizing and directing the Debtors to pay to Akin Gump compensation in the amount of \$1,471,879.25 and to reimburse Akin Gump for expenses incurred in the amount of \$90,672.49. As of May 27, 2009, Akin Gump received payment of the fees and expenses allowed pursuant to the First Fee Application.

7. On July 15, 2009, Akin Gump filed its second application for interim allowance of compensation and for reimbursement of expenses for services rendered during the period from March 1, 2009 through May 31, 2009 (the "Second Fee Application"). On September 2, 2009, this Court entered an order approving the Second Fee Application and authorizing and directing the Debtors to pay to Akin Gump compensation in the amount of \$1,188,704.50 and to reimburse Akin Gump for expenses incurred in the amount of \$90,837.09. As of September 3, 2009, Akin Gump received payment of the fees and expenses allowed pursuant to the Second Fee Application.

8. Except with respect to payments made pursuant to the Interim Compensation Order, Applicant has received no payment and no promises for payment from any source for services rendered in connection with LES's chapter 11 case. There is no agreement or understanding between the Applicant and any other person (other than members of Akin Gump) for the sharing of compensation to be received for the services rendered in these chapter 11 cases.

9. As stated in the Affirmation of Charles R. Gibbs, Esq. annexed hereto as **Exhibit A**, all of the services for which interim compensation is sought herein were rendered for or on behalf of the LES Committee solely in connection with LES's chapter 11 case.

10. Pursuant to the Interim Compensation Order, Akin Gump sent to LES and the appropriate notice parties its: (i) Monthly Fee Statement, dated July 15, 2009, for compensation

and for reimbursement of expenses for services rendered during the period of June 1, 2009 through June 30, 2009 in the amounts of \$439,861.00 for fees and \$27,185.89 for expenses (the "June Monthly Fee Statement"); (ii) Monthly Fee Statement, dated August 17, 2009, for compensation and for reimbursement of expenses for services rendered during the period of July 1, 2009 through July 31, 2009 in the amounts of \$345,798.50 for fees and \$43,812.35 for expenses (the "July Monthly Fee Statement"); and (iii) Monthly Fee Statement, dated September 14, 2009, for compensation and for reimbursement of expenses for services rendered during the period of August 1, 2009 through August 31, 2009 in the amounts of \$307,964.50 for fees and \$17,987.31 for expenses (the "August Monthly Fee Statement," and together with the June Monthly Fee Statement and the July Monthly Fee Statement, the "Monthly Fee Statements").

11. Pursuant to the Interim Compensation Order, as of the date of this Application, Akin Gump has received payment of 85% of the fees requested and 100% of the expenses requested with respect to the Monthly Fee Statements. Akin Gump does not anticipate any objections to be made to the Monthly Fee Statements.

### **III. SUMMARY OF SERVICES RENDERED**

12. Since December 8, 2008, Akin Gump has rendered professional services to the LES Committee as requested and as necessary and appropriate in furtherance of the interests of LES's unsecured creditors. The variety and complexity of the issues in LES's chapter 11 case and the need to act or respond to such issues on an expedited basis in furtherance of the LES Committee's needs have required the expenditure of substantial time by Akin Gump personnel from numerous legal disciplines, on an as-needed basis.

13. Akin Gump maintains written records of the time expended by attorneys and paraprofessionals in the rendition of their professional services to the LES Committee. Such time records were made contemporaneously with the rendition of services by the person

performing such services and in the ordinary course of Akin Gump's practice. 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 for the LES Committee during the Compensation Period is attached hereto as **Exhibit B**.

14. Akin Gump also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services, which are also available for inspection. A schedule of the categories of expenses and amounts for which reimbursement is requested is contained in **Exhibit C** attached hereto.

15. Akin Gump respectfully submits that the professional services it rendered on behalf of the LES Committee were necessary and appropriate and have directly contributed to the effective administration of LES's chapter 11 case. The following 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 **Exhibit B**. Rather, it is merely an attempt to highlight certain of those areas in which services were rendered to the LES Committee, as well as to identify some of the problems and issues that Akin Gump was required to address during the Compensation Period.

**A. Case Administration**

16. During the Compensation Period, Akin Gump reviewed and analyzed all motions filed by the Debtors and other parties in interest in this Court. The motions and applications filed by the Debtors and other parties in interest that required Akin Gump's attention during the Compensation Period included: (i) the Debtors' motion to extend the period during which the Debtors have the exclusive right to file and solicit acceptances to a chapter 11 plan; (ii) the Debtors' motion to extend the period during which the Debtors may remove actions; (iii) the Debtors' motion to extend the time within which certain of the Debtors must assume or reject

unexpired leases of nonresidential real property; (iv) the Debtors' motion to sell LFG's stock in RealEC Technologies, Inc.; (v) numerous notices regarding the assumption or rejection of executory contracts and unexpired real property leases; (vi) numerous interim applications for the compensation of professionals; (vii) the Debtors' motion to enforce the automatic stay with respect to a California state court proceeding; (viii) supplements to the Debtors' list of ordinary course professionals; (ix) various motions regarding employment of professionals by the Debtors and other parties in interest; (x) the Debtors' motion to enter into settlement agreements with the Pension Benefit Guaranty Corporation; (xi) various omnibus claims objections filed by the Debtors; and (xii) the Debtors' motion to set the last day to file proofs of claim against certain of the Debtors. In addition to the foregoing motions filed in this Court, Akin Gump also reviewed and analyzed the potential impact on LES's bankruptcy case of pleadings filed in several actions currently pending in jurisdictions outside the Eastern District of Virginia.

17. In connection with all motions and applications filed by the Debtors and other parties in interest in these cases, Akin Gump, with the assistance of the LES Committee's other professionals, conducted extensive diligence on the subject matter of each motion and application to, among other things, ascertain the effect the relief requested in the pleading would have on the LES estate. Akin Gump's diligence efforts included reviewing all underlying documentation related to the applicable pleading, communicating with representatives of the Debtors and third parties to address issues related to the relief requested, and working with the LES Committee's other professionals to ensure that the LES Committee had a complete understanding of the effect the granting of the relief requested in a given pleading would have on the LES estate. In addition, as the U.S. Trustee appointed the two additional members to the LES Committee during the Compensation Period, Akin Gump, with the assistance of the LES

Committee's other professionals, spent considerable time providing information to these new members to facilitate their complete understanding of the history and status of the Debtors' cases and the LES Committee's involvement in the Debtors' cases.

18. Akin Gump kept the LES Committee members advised of all material motions, applications, and case developments during the Compensation Period through detailed memoranda and, as appropriate, conference calls or in-person meetings with individual LES Committee members and the entire LES Committee. During the Compensation Period, Akin Gump also had numerous telephonic conferences and electronic communications with the Debtors and their professionals to discuss and address pending issues and proposed actions.

19. Akin Gump routinely held internal meetings with the professionals assigned to this matter to ensure that Akin Gump was representing the LES Committee in the most efficient manner at the least cost to the LES estate. As discussed in detail above, at the request of the LES Committee, Akin Gump assisted in or took the lead in analyzing all motions presented by the Debtors and other parties in interest and advised the LES Committee on its own initiatives and directions for LES's chapter 11 case. In addition, Akin Gump coordinated all LES Committee activities, including attending to member issues and interacting with the LES Committee's chair in setting agendas for the LES Committee's conference calls. Akin Gump also regularly consulted with Protiviti, GCG, and Tavenner & Beran with respect to documents and other information received from the Debtors, their representatives, and other sources.

20. Due to Akin Gump's experience in counseling creditors' committees, Akin Gump believes it was able to efficiently address all issues relating to case administration that have arisen during the pendency of the Debtors' chapter 11 cases.

## **B. LES Committee Meetings**

21. The LES Committee played a very active role in LES's chapter 11 case during the Compensation Period. Akin Gump, together with the other LES Committee's professionals, held no fewer than twelve (12) telephonic meetings with the LES Committee during the Compensation Period and four (4) in-person meetings (which meetings occurred in connection with the July, 2009 court-ordered mediations). In addition, Akin Gump had several telephonic conferences with individual LES Committee members and the LES Committee chair.

22. Prior to its meetings with the LES Committee, Akin Gump reviewed each pending matter requiring the LES Committee's attention and all underlying documentation in connection therewith. Thereafter, Akin Gump discussed each of these matters with the LES Committee's other professionals, the LES Committee, and individual LES Committee members. During these discussions, Akin Gump assisted the LES Committee in formulating a position with respect to each pending matter.

23. Through meetings, telephone conferences, and correspondence, Akin Gump has assisted the LES Committee in fulfilling its statutory duties to make informed decisions regarding the various issues that have arisen in these chapter 11 cases, to monitor closely LES's management of these proceedings, and to reach independent conclusions on the merits of specific matters.

## **C. Court Hearings**

24. Akin Gump attorneys attended, either in-person or telephonically, all of the hearings held before this Court affecting the LES estate during the Compensation Period. In preparing for Court hearings, Akin Gump reviewed all applicable motions and applications filed with this Court, including any responses thereto, and then presented, as needed, the LES Committee's position at such hearings.

#### **D. Analysis of Other Parties' Retention of Professionals**

25. During the Compensation Period, Akin Gump, on behalf of the LES Committee, communicated with the Debtors and the Official Committee of Unsecured Creditors of LFG (the "LFG Committee") regarding the Debtors' proposed retention of special litigation counsel to pursue claims in connection with the auction-rate securities. On June 4, 2009, the Debtors filed an application seeking authority to retain Quinn Emanuel Urquhart & Hedges LLP ("Quinn Emanuel") as special litigation counsel (the "Quinn Application"). Akin Gump reviewed and analyzed the Debtors' proposed engagement letter and pleadings regarding the retention of Quinn Emanuel to ensure that (i) the proposed retention of Quinn Emanuel was necessary to the administration of the Debtors' estates and (ii) the compensation proposed was appropriate in light of the financial circumstances and value of the services to be performed by Quinn Emanuel. Numerous issues arose in connection with the Debtors' proposed retention of Quinn Emanuel as special litigation counsel. Accordingly, on July 17, 2009, the Debtors withdrew the Quinn Application.

26. After further extensive discussions with the professionals for the LES Committee and the LFG Committee regarding both the selection of Jenner & Block, LLP ("Jenner") and the term of retention for Jenner, on August 11, 2009, the Debtors filed an application seeking authority to retain Jenner as special litigation counsel to pursue claims in connection with the auction-rate securities (the "Jenner Application"). Akin Gump reviewed and analyzed the Debtors' proposed engagement letter and pleadings and provided significant input regarding the retention of Jenner to ensure that (i) the proposed retention of Jenner was necessary to the administration of the Debtors' estates and (ii) the compensation proposed was appropriate in light of the financial circumstances and value of the services to be performed by Jenner. On August 27, 2009, this Court entered an order approving the Jenner Application.

27. On May 21, 2009, this Court entered an order authorizing the Debtors to retain certain professionals utilized by the Debtors in the ordinary course of their business (the “Professionals Order”). During the Compensation Period, the Debtors provided notice of three supplements (the “Supplements”) to the list of ordinary course professionals (the “Ordinary Course Professionals”) employed by the Debtors pursuant to the terms of the Professionals Order. Akin Gump reviewed and analyzed each of the Supplements to ensure that (i) the Ordinary Course Professionals proposed to be retained by the Debtors were necessary to the administration of the Debtors’ estates and would not provide services duplicative of those provided by professionals already engaged by the Debtors; and (ii) the compensation proposed for each Ordinary Course Professional was appropriate in light of the financial circumstances and value of the services to be performed by each Ordinary Course Professional. Pursuant to the Professionals Order, each of the Ordinary Course Professionals was deemed approved by this Court without the need for further notice or a hearing.

28. Also during the Compensation Period, the Debtors filed an application seeking authority to retain Wall Street Realty Capital, Inc. (“WSRC”) to provide investment banking and financial advisory services to LFG (the “WSRC Application”). Akin Gump reviewed and analyzed the WSRC Application to ensure that (i) the services proposed to be performed by WSRC were necessary to the administration of the Debtors’ estates and would not be duplicative of those provided by professionals already engaged by the Debtors; and (ii) the compensation proposed for WSRC was appropriate in light of the financial circumstances and value of the services to be performed. On June 22, 2009, this Court entered an order approving the WSRC Application.

29. During the Compensation Period, the LFG Committee filed an application seeking authority to retain McGrath North Mullin & Kratz PC LLO (“McGrath”) as special counsel to render insurance and related legal services to the LFG Committee as needed throughout LFG’s chapter 11 case (the “McGrath Application”). Akin Gump reviewed and analyzed the McGrath Application to ensure that (i) the services to be provided by McGrath were necessary to the administration of the Debtors’ estates and (ii) the compensation proposed for McGrath was appropriate in light of the financial circumstances and value of the services to be performed. On August 27, 2009, this Court entered an order approving the McGrath Application.

**E. Analysis of Other Parties’ Compensation of Professionals**

30. During the Compensation Period, the Debtors’ legal counsel and other professionals filed their second interim applications for compensation and their monthly reports outlining the compensation and reimbursable expenses of the Debtors’ restructuring firm and chief restructuring officer (the “Debtors’ Fee Applications”). In addition, during the Compensation Period, the LFG Committee’s legal counsel and financial advisors filed their second interim applications for compensation (the “LFG Committee’s Fee Applications”) and the Commingled Type A Test Case plaintiff filed its first interim application for compensation of its forensic accountant (the “Type A Fee Application,” and together with the Debtors’ Fee Applications and the LFG Committee’s Fee Applications, the “Fee Applications”). Akin Gump reviewed and analyzed each of the Fee Applications. Akin Gump had numerous discussions with counsel for the Debtors, the LFG Committee, and the Commingled Type A Test Case plaintiff with respect to the Fee Applications to ensure that the compensation proposed for each professional employed by the Debtors, the LFG Committee, and the Commingled Type A Test

Case plaintiff was appropriate in light of the financial circumstances and value of the services to be performed by the professional.

**F. Preparation of Monthly Billing Statements**

31. During the Compensation Period, Akin Gump prepared its Monthly Fee Statements and its Second Fee Application. To ensure compliance with Akin Gump's continuing disclosure obligations under Bankruptcy Rule 2014, Akin Gump reviewed all declarations and/or affidavits filed by parties in interest in these cases and then prepared its own supplemental affidavits (the "Affidavits"). Akin Gump filed its initial Affidavit on December 31, 2008, as part of Akin Gump's retention application. Akin Gump filed its first supplemental Affidavit on March 24, 2009, and its second supplemental Affidavit on July 9, 2009.

**G. Analysis of Financial Reports**

32. Akin Gump reviewed the Debtors' financial reports during the Compensation Period and assisted Protiviti in summarizing such reports for the LES Committee. Additionally, Akin Gump attorneys participated in numerous conference calls and electronic communications with the Debtors and their professionals, the LES Committee's other professionals, and individual members of the LES Committee to discuss the administration of the Debtors' estates and the Debtors' liquidity.

**H. Analysis of Assumption and/or Rejection of Pre-petition Agreements**

33. By order entered May 13, 2009, this Court approved procedures for the Debtors to assume or reject certain unexpired leases of nonresidential real property and other executory contracts, and to abandon certain personal property related to rejected leases. During the Compensation Period, Akin Gump reviewed and analyzed no fewer than twenty-nine (29) notices of rejection of executory contracts and unexpired leases pursuant to such procedures. In connection with each such notice, Akin Gump analyzed the underlying agreement, summarized

applicable portions of the underlying agreement and the notice for the LES Committee, and discussed and made recommendations to the LES Committee with respect to each such notice of rejection. Akin Gump's analysis of these notices of rejection, with the assistance of the LES Committee's other professionals, enabled the LES Committee to make informed decisions in supporting or opposing the relief requested based on, among other things, the effect assumption or rejection would have on the LES estate.

#### **I. Analysis of Lift Stay Litigation**

34. Akin Gump reviewed and analyzed the various motions filed by parties during the Compensation Period with respect to modification of the automatic stay. In particular, Akin Gump spent considerable time during the Compensation Period analyzing (i) the motion of Conveca Associates Limited Partnership to permit the continuation of certain state court litigation; (ii) the motion of HST Investments, LP to continue certain state court litigation; (iii) the motion of CP Oxford Gardens, LLC to continue certain state court litigation; and (iv) the motion of Heritage Owner, LLC, Sunburst Heritage, LLC, Heritage Center Enterprises, LLC, Etzi Heritage LLC, Z Heritage LLC, and Suisan City Investments, LLC to allow the continuation of pending arbitration proceedings. In connection with each such motion, Akin Gump analyzed the underlying agreements or litigation, summarized applicable portions of the underlying agreements, litigation, and motions for the LES Committee, and discussed and made recommendations to the LES Committee with respect to each such motion. Akin Gump's analysis of these motions, with the assistance of the LES Committee's other professionals, enabled the LES Committee to make informed decisions in supporting or opposing the relief requested based on, among other things, the effect the modification of the automatic stay would have on the LES estate.

**J. Analysis of Pre-petition Transactions**

35. During the Compensation Period, Akin Gump reviewed and analyzed pleadings filed in connection with two purported class action lawsuits filed against SunTrust Banks, Inc. (“SunTrust”) and various directors and officers of the Debtors, currently consolidated in a single action pending in the District of South Carolina (the “MDL Litigation”). On July 10, 2009, the Debtors filed a motion for a preliminary injunction to enjoin the continued prosecution of the MDL Litigation until after the effective date of a confirmed plan of reorganization in the Debtors’ cases. The Debtors’ motion for preliminary injunction was originally set for hearing on August 25, 2009. However, the Debtors filed a motion to continue the hearing on their motion for preliminary injunction until the September 21, 2009 omnibus hearing, which the LES Committee orally supported. The hearing on this matter has since been further continued and is scheduled to be heard at the November omnibus hearing.

36. Also during the Compensation Period, Akin Gump researched and analyzed potential causes of action that could be brought by the LES estate against various third parties, as well as claims that could be brought against the Debtors by third parties. In connection with such analysis, Akin Gump engaged in discussions with the LES Committee and its professionals regarding the possible pursuit and likelihood of success of such potential lawsuits to enable the LES Committee to make informed decisions regarding particular courses of action.

37. During the Compensation Period, Akin Gump, along with Protiviti, also reviewed and analyzed issues related to claims against the Debtors’ directors and officers, including analyzing additional directors’ and officers’ liability insurance policies produced by the Debtors. In connection with such analysis, during the Compensation Period, Akin Gump revised and distributed a comprehensive legal memorandum advising the LES Committee and its

