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Attorneys for Trustee, Bernie R. Rakozy

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF IDAHO**

In Re:

**SAWTOOTH ENTERPRISES, INC. dba
 DBA BUCKIN' BAGEL, THE**

Debtors.

Case No. 96-03050

**APPLICATION FOR
 COMPENSATION FOR
 ATTORNEY OF TRUSTEE**

Pursuant to Rule 2016 and § 330(a) of the Bankruptcy Code, the law firm of Evans, Keane LLP, as attorney for Trustee, by and through its partner, Jed W. Manwaring, moves this Court for approval of compensation and reimbursement for fees and costs in the total amount of \$17,814.12. Evans, Keane LLP, respectfully represents as follows:

| | |
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| I. INFORMATION ABOUT THE APPLICANT AND APPLICATION. | |
| The following information must be provided on all applicants for compensation and reimbursement of expenses: | |
| 1. Date the bankruptcy petition was filed. | November 27, 1996 |
| Date the application requesting approval of employment was filed. | May 8, 1997 |
| Date the order approving employment of applicant was signed. | May 30, 1997 |
| Identity of the party represented in this case. | Trustee, Bernie R. Rakozy |

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| Date services were first commenced. | May 13, 1997 |
| If applicant seeking compensation under a provision of the Bankruptcy Code other than Section 330, state which section. | |
| 2. Terms and conditions of employment and compensation. | Hourly rates plus costs subject to court approval. |
| Source of compensation. | |
| Identify the existence and terms controlling the use of any retainer received from any party for providing services in this case. | |
| Identify any budgetary or other limitations on fees. | |
| 3. Names and hourly rates of applicant's professionals and paraprofessionals who are requesting compensation. | Jed W. Manwaring, atty -\$125/hr Monica Moen, associate - \$95/hr Jennifer A. Wenk/Karen Silva/Jane C. Reiser/Shannon M. Crawford, paralegals - \$45/hr |
| Explanation of any changes in hourly rates. | |
| Is the requested compensation based on the customary compensation charged by comparably skilled practitioners in cases other than cases under Title 11? | Yes |
| 4. Application is for interim or final compensation. | Interim |
| Dates of previous orders concerning interim compensation or expenses for this applicant. | None |
| Amount of compensation previously requested. | None |
| Amount of compensation previously allowed by the Court. | None |
| Amount of compensation and expenses paid to date. | None |
| Amount of allowed compensation remaining unpaid to date | None |
| 5. Has the person on whose behalf the applicant is employed been given an opportunity to review the pending application. | Yes |
| Has the person employing the applicant approved the | Trustee to review. |

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|--|---|
| requested amount. | |
| 6. If the application filed less than 120 days after the order of relief or after a prior application was filed with the Court please state the date and terms of the order allowing the shortened period. | N/A |
| 7. State time period of the services or expenses covered by the application. | 5/13/97 to 7/25/99 |
| II. CASE STATUS. The following information should be provided to the extent that it is known or can reasonably be ascertained by the applicant. | |
| 1. If a Chapter 7 case, then | |
| All funds received by the trustee to date. | \$ |
| All funds disbursed by the trustee to date. | \$ |
| Date a final accounting is expected to be filed by the trustee. | Unknown. |
| If the application is seeking an interim award, are there any other administrative expenses of equal or higher rank which are or will be prejudiced by payment of this claim. | No. |
| 2. If a Chapter 11 case, then | |
| Has a plan and disclosure statement been filed? | Not Applicable. |
| If your answer to 2a is no, then state date when disclosure statement and plan is expected to be filed. | Not Applicable. |
| Have all of the monthly operating reports been filed? | Not Applicable. |
| Have all Chapter 11 Quarterly Fees been paid current to the United States Trustee? | Not Applicable. |
| 3. <u>For All Chapters:</u> | |
| List the total amount of cash on hand or on deposit which belongs to the estate. | \$22,025.94 |
| List the amount and nature of accrued unpaid administrative expenses. | None other than the Trustee's fees and expenses which are unknown to attorneys. |

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|---|--|
| State the amount of unencumbered funds in the estate. | \$22,025.94 |
| <p>III. PROJECT SUMMARY.</p> <p>All time and service entries should be arranged by project categories. Separate project categories should be used for administrative matters and fee application preparation.</p> <p>a. Description of the project, its necessity and benefit to the estate and the status of the project including all pending litigation for which compensation and reimbursement are requested.</p> <p>b. Identification of each person providing billable services on the project.</p> <p>c. A statement of the number of hours spent and the amount of compensation requested for each professional and paraprofessional for each project; and</p> <p>d. Itemized time and service entries, as appropriate.</p> | <p>LIST OF PROJECTS CATEGORIES.</p> <p>1. Fee/Employment Applications</p> <p>2. Asset Analysis, Recovery, and Disposition</p> <p>3. Claims Administration, Objections, and Stay Proceedings.</p> <p>4. Litigation</p> |

PROJECT NO 1: FEE\EMPLOYMENT APPLICATIONS

a. Description \ Necessity \ Benefit:

The Attorneys for the Trustee prepared Fee/Employment Applications necessary to be approved by the court and to obtain compensation. The estate benefited by having full disclosure, review and opportunity for objection, if any.

b.c.d. Identification of persons, hours, compensation requested and itemization:

| DATE | PER-SON | DESCRIPTION | HOURS | COMPENSA-TION |
|----------|---------|--|-------|---------------|
| 07/09/99 | SMC | P1, draft Application for Compensation for Attorney of Trustee | 5.70 | \$256.50 |
| 07/12/99 | SMC | P1, continue draft of Application for Compensation for Attorney of Trustee | .50 | \$22.50 |
| | | TOTAL | 6.20 | \$279.00 |

TOTAL FEES-PROJECT 1

| | | | |
|--------|---------------------------------|------|----------|
| TOTALS | Shannon M. Crawford – Paralegal | 6.20 | \$279.00 |
|--------|---------------------------------|------|----------|

PROJECT NO 2: ASSET ANALYSIS, RECOVERY, AND DISPOSITION

a. Description \ Necessity \ Benefit:

This case is a failed Chapter 11 case, converted to Chapter 7. At the time of conversion, no corporate officers or remaining employees were interested or willing to spend time in sorting through the documents. The Trustee received five boxes of disheveled and disorganized bank records and invoices. The debtor had used numerous bank accounts for several business locations with many funds being transferred in and out and through all the accounts. Along the way, many checks were bounced resulting in closed accounts and confusion.

The case was an otherwise "no-asset" case because the Chapter 11 debtor liquidated its valuable assets which were secured to and paid off the bank. The Trustee retained counsel to attempt a preference review and pursue any claims available. The debtor had dealt with numerous trade creditors and there existed some evidence of a \$500,000.00 transfer which needed to be traced.

The Trustee's attorneys, using paralegals, attempted to organize the debtor's documents. The attorneys subpoenaed and attempted to obtain missing documents from First Security Bank. After a thorough review of all the debtor's records available and what could be subpoenaed from the bank, the attorneys recommended that the Trustee not pursue any claim on the alleged \$500,000.00 transfer. The attorneys concluded that the Trustee most likely would not prevail.

The attorneys' efforts then turned to focusing on whether or not preference claims existed against trade creditors. The invoices and checks were organized, sorted, and tables for each defendant were prepared analyzing the dates and amounts. This project was time intensive. Ultimately a recommendation of the attorneys to the Trustee was to pursue several of the trade creditors on preference claims. That litigation is summarized in Project 4.

The estate benefited by a thorough analysis of potential preference claims. To date, the Trustee has recovered \$21,000.00 in preference claims. The work in preparation described above was necessary in order to lay the groundwork for the preference litigation.

b.c.d. Identification of persons, hours, compensation requested and itemization:

| DATE | PER-SON | DESCRIPTION | HOURS | COMPENSA-TION |
|----------|---------|---|-------|---------------|
| 05/13/97 | JWM | Review schedules re: preferences and telephone conference with Harris. | .50 | \$62.50 |
| 05/20/97 | JWM | Review accounting spreadsheets and correspondence from Debtor (1.40); and telephone interview with treasurer of debtor (.50); survey 5 boxes of bank and invoice records and instruct paralegal on analysis (.50) | 2.40 | \$300.00 |
| 05/20/97 | JAW | Meeting with JWM re: case assignment. | .20 | \$9.00 |
| 05/22/97 | JWM | Receive and review correspondence from Hardesty re: preference against BOA (.20); telephone conference with Meier (.20); telephone conference with Hardesty re: | .70 | \$87.50 |

| | | | | |
|----------|-----|--|------|----------|
| | | preference (.30) | | |
| 06/02/97 | JAW | Document analysis of bank account statements. | 1.50 | \$67.50 |
| 06/03/97 | JAW | Document analysis of bank account statements. | 4.80 | \$216.00 |
| 06/20/97 | JAW | Document analysis of vendor files. | 2.30 | \$103.50 |
| 06/23/97 | JAW | Document analysis of vendor invoices. | 1.80 | \$81.00 |
| 06/24/97 | JAW | Document analysis of vendor files. | 2.60 | \$117.00 |
| 06/25/97 | JWM | Telephone call from Steve Hardesty re: preference to Bank of America. | .20 | \$25.00 |
| 06/25/97 | JAW | Document analysis of vendor files. | 2.00 | \$90.00 |
| 06/26/97 | JAW | Meeting with JWM re: First Security Bank account documents (.20); draft document subpoena (.60). | .80 | \$36.00 |
| 06/27/97 | JAW | Document analysis of vendor and bank records. | 6.00 | \$270.00 |
| 06/29/97 | JAW | Document analysis of bank records. | 2.50 | \$112.50 |
| 07/01/97 | JWM | Telephone call from Hardesty re: First Security Bank account and loans. | .40 | \$50.00 |
| 07/01/97 | JAW | Meeting with JWM re: subpoena of First Security (.10); telephone conferences with First Security re: status of subpoena (.40) | .50 | \$22.50 |
| 07/02/97 | JWM | Telephone call from Hardesty (.20); amend and have served subpoena on First Security Bank (.40); receive and review correspondence from accountant Haener claiming professional fees (.30). | .90 | \$112.50 |
| 07/02/97 | JAW | Document analysis of miscellaneous banking records. | .40 | \$18.00 |
| 07/22/97 | JWM | Confer with counsel for Bank of America and check on status of subpoena | .20 | \$25.00 |
| 07/23/97 | JAW | Telephone conference with First Security re: status of document subpoena | .20 | \$9.00 |
| 07/29/97 | JAW | Telephone conference with Amy Boyer at First Security re: status of document subpoena and obtain First Security documents. | .50 | \$22.50 |
| 07/30/97 | JWM | Receipt and review bank documents of accounts from First Security Bank from Subpoena (.60); meet with First Security Bank on omissions from documents (.40); telephone conference with Steve Hardesty re: facts of \$500,000 transfer (.50). | 1.50 | \$187.50 |
| 08/06/97 | JAW | Telephone conference with First Security re: status of document subpoena. | .20 | \$9.00 |
| 08/20/97 | JWM | Telephone conference with Meier and meet with Rakozy re: preferences (.20); telephone call from First Security Bank re: Subpoena of records. | .40 | \$50.00 |
| 09/15/97 | JWM | Research preference law. | .80 | \$100.00 |

| | | | | |
|----------|-----|---|-------|------------|
| 09/17/97 | JWM | Research case law on preference and 547(c)(2) defense. | .60 | \$75.00 |
| 09/22/97 | JWM | Telephone call from Ken Harris re: IRS request for stip to setoff. | .20 | \$25.00 |
| 09/24/97 | JWM | Telephone call from Trustee re: property taxes claimed. | .20 | \$25.00 |
| 12/19/97 | JAW | Review checks and draft vendor payment table. | 2.00 | \$90.00 |
| 12/22/97 | JAW | Review checks for payments made to vendors. | 1.20 | \$54.00 |
| 01/02/98 | JAW | Review checks and draft vendor payment table. | 3.70 | \$166.50 |
| 01/20/98 | JAW | Revise vendor payment table. | .50 | \$22.50 |
| 01/21/98 | JWM | Receipt and review preference table and review check documents. | .50 | \$62.50 |
| 01/23/98 | JAW | Revise vendor preference payment table and calculate total preference amount. | 1.20 | \$54.00 |
| 06/18/98 | JWM | P2, review file documents and potential preference claim against bank | .90 | \$112.50 |
| 06/19/98 | JWM | P2, telephone call from Hardesty re: preference; telephone conference with First Security Bank requesting more documents. | .50 | \$62.50 |
| 07/27/98 | JWM | P2, receipt and review documents from First Security Bank re: potential large preference. | .40 | \$50.00 |
| 07/28/98 | JWM | P2, review bank documents to trace \$400k transfer and transmit to bank for questions. | 1.40 | \$175.00 |
| 07/30/98 | JWM | P2, telephone call from bank employee interpreting documents. | .20 | \$25.00 |
| 07/31/98 | JWM | P2, telephone call from First Security Bank re: interpretation of documents. | .30 | \$37.50 |
| 08/25/98 | JWM | P2, meeting with Rakozy re: status of case. | .20 | \$25.00 |
| 09/19/98 | JWM | P2, draft correspondence to Hardesty re: preference. | .20 | \$25.00 |
| 02/05/99 | JWM | P2, receive and review correspondence from Moffat Thomas to B of A re: bank account property of estate. | .10 | \$12.50 |
| 06/23/99 | SMC | P2, renew Writ of Execution re: Westco. | .50 | \$22.50 |
| | | TOTAL | 49.10 | \$3,305.50 |

TOTAL FEES-PROJECT 2

| | | | |
|--------|---------------------------------|-------|------------|
| TOTALS | Jed W. Manwaring – Attorney | 13.70 | \$1,712.50 |
| | Jennifer A. Wenk – paralegal | 34.90 | \$1,570.50 |
| | Shannon M. Crawford - paralegal | .50 | \$22.50 |

PROJECT NO. 3 CLAIMS ADMINISTRATION, OBJECTIONS, AND STAY PROCEEDINGS.

a. Description \ Necessity \ Benefit:

The Trustee's attorney assisted the Trustee in analyzing and reviewing a motion to lift stay which was initially objected to and the objection was resolved.

b.c.d. Identification of persons, hours, compensation requested and itemization:

| DATE | PER- SON | DESCRIPTION | HOURS | COMPENSA- TION |
|----------|-------------|--|-------|-------------------|
| 08/04/97 | JWM | Telephone conference with Rakozy x2 re: hearing on Motion to Lift Stay; receipt and review Motion to Lift Stay from Bank of America. | .60 | \$75.00 |
| 08/05/97 | JWM | Telephone conference with First Security Bank re: subpoena results (.20); draft Objection to Motion to Lift Stay (.50) | .70 | \$87.50 |
| 08/07/97 | JWM | Telephone call from Hardesty re: lift of stay. | .30 | \$37.50 |
| 07/20/99 | SMC | P3, obtain Sawtooth's Tax ID number to send to AFC Enterprises. | .10 | \$4.50 |
| | | TOTAL | 1.70 | \$204.50 |

TOTAL FEES-PROJECT 3

| | | | |
|--------|---------------------------------|------|----------|
| TOTALS | Jed W. Manwaring – Attorney | 1.60 | \$200.00 |
| | Shannon M. Crawford – paralegal | .10 | \$4.50 |

PROJECT NO 4: LITIGATION: *Rakozy v. American Forms, et al.*, Adversary No. 98-6330

a. Description \ Necessity \ Benefit:

Based upon the analysis and preparation described in Project 2, the Trustee's attorneys prepared the complaint, researched preference law, and pursued a complaint in the litigation styled *Rakozy v. American Forms, et al.* The Trustee's attorneys have prepared and served written discovery, received and answered written discovery, negotiated, pursued a motion for summary judgment, and obtained five settlements totaling \$21,000.00. The remaining work includes approximately five defendants with issues to be brought on to summary judgment hearing in September, 1999. The Trustee has obtained one default judgment of approximately \$10,000.00 which the attorneys are attempting to collect.

Because of the poor disorganized records available, the litigation has been difficult. The litigation was necessary in order to obtain avoidance of the preferential transfers. The estate has benefited to date by the recovery of \$21,000.00 with several defendants still left to litigate or settle with.

b.c.d. Identification of persons, hours, compensation requested and itemization:

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| 11/24/98 | JWM | P4, review documents and instruct paralegal on analysis for preferences and drafting of complaint. | 2.50 | \$312.50 |
| 11/24/98 | KLS | P4, reconciliation of invoices with payments made in 90-day period prior to bankruptcy filing; begin drafting Complaint. | 8.00 | \$360.00 |
| 11/25/98 | JWM | P4, review files, documents, and edit complaint for preferences. | 2.40 | \$300.00 |
| 11/25/98 | KLS | P4, draft and finalize Complaint, file document and continue reconciliation of invoices with payments made. | 5.00 | \$225.00 |
| 11/30/98 | KLS | Reconcile cancelled checks with listed table amounts. | 2.00 | \$90.00 |
| 12/02/98 | KLS | Reconciliation of table amounts with cancelled checks obtained from Sawtooth Enterprises. | 2.00 | \$90.00 |
| 12/03/98 | KLS | Update table after reconciliation of cancelled checks with table amounts. | .50 | \$22.50 |
| 12/21/98 | JWM | P4, work on preference table to amend complaint. | 3.50 | \$437.50 |
| 12/21/98 | KLS | P4, search through canceled checks to complete new value table. | 1.00 | \$45.00 |
| 12/22/98 | JWM | P4, edit and final First Amended Complaint and instruct paralegal on preference analysis. | 1.60 | \$200.00 |
| 12/29/98 | JWM | P4, draft Second amended Complaint, Another Summons, and Plaintiff's First Set of Discovery to Defendants and file with court. | 2.40 | \$300.00 |
| 12/29/98 | KLS | P4, Phone call to Utah Secretary of State requesting check on registered agent and | .20 | \$9.00 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| | | corporate status of Westco Products, Inc. | | |
| 01/06/99 | JWM | P4, telephone call from Winston Moore and review check and statement, draft correspondence to Moore (.80); receive and review correspondence from Greenwood on Cooper Norman and draft correspondence to back re: records production (.30); receive and review correspondence from Greenwood and draft reply (.30); telephone call from American Forms, Barbara re: preference claim elements (.30). | 1.70 | \$212.50 |
| 01/07/99 | JWM | P4, draft and file Notice of Dismissal of Capital Refrigeration. | .20 | \$25.00 |
| 01/11/99 | KLS | P4, draft new value table and letter to Hayden Beverage. | 2.00 | \$90.00 |
| 01/12/99 | JWM | P4, edit new value table on Hayden Beverage and draft correspondence to same with offer. | .90 | \$112.50 |
| 01/13/99 | JWM | P4, receive and review correspondence from Greenwood and fax back. | .20 | \$25.00 |
| 01/14/99 | JWM | P4, receive and review correspondence, Answer, Responses to Discovery, and discovery propounded from McDonough for Food Service of America, review documents produced, and draft correspondence to back re: no defenses. | 1.80 | \$225.00 |
| 01/15/99 | JWM | P4, receipt and review Answer of Express Building, LLC | .20 | \$25.00 |
| 01/18/99 | JWM | P4, receive and review correspondence from Greenwood, review Cooper Norman's statement and draft correspondence to same. | .50 | \$62.50 |
| 01/19/99 | JWM | P4, telephone call from Caine re: American forms (.30); receipt and review answer, correspondence, and documents from WH Moore (.50); edit and final correspondence to Greenwood (.30). | 1.10 | \$137.50 |
| 01/19/99 | KLS | P4, search for cancelled checks and statements in Norman Cooper payments. | .50 | \$22.50 |
| 01/21/99 | JWM | P4, telephone call from attorney for Commercial Associates re: settlement offer; review its Stipulation to Lift Stay and documents attached (.30); telephone call from Diddle re: representing Mead (.20); revise preference table (.20) | .70 | \$87.50 |
| 01/22/99 | JWM | P4, receive and review correspondence from Hayden Bev. with offer and draft counter offer back. | .30 | \$37.50 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| 01/25/99 | JWM | P4, telephone call from Dick Greenwood re: Cooper Norman defense (.30); receive and review correspondence from Associated Commercial with offer of \$887.15 and confer with Rakozy to accept (.30); telephone call from Hayden Beverage with acceptance of offer of \$3200 (.20) | .80 | \$100.00 |
| 01/27/99 | JWM | P4, receive and review correspondence from Barton re: representing Seattle Coffee and request for extension (.20); telephone call from attorney for Associated Commercial re: settle at \$887 (.20); telephone call from Derrick O'Neill re: Sysco substitution and extension (.30). | .70 | \$87.50 |
| 01/28/99 | JWM | P4, telephone call from attorney for Seattle Coffee re: settlement inquiry and extension (.20); receive and review correspondence from Faucher re: requests for Hayden Be (.20); telephone call from Edson re: Sears claim (.30); telephone conference with Derrick O'Neill re: Sysco Foods substitution review and execute (.20). | .90 | \$112.50 |
| 01/30/99 | JWM | P4, review Hayden Bev. course of business and invoices, Faucher's table, and draft correspondence to Faucher to enforce settlement agreement. | .80 | \$100.00 |
| 02/01/99 | JWM | P4, receive and review correspondence from Greenwood and draft correspondence to same re: agree to dismiss for new value (.20); receipt and review Answer of Sysco (.30); telephone call from Gery Edson re: Sears default (.20). | .70 | \$87.50 |
| 02/04/99 | JWM | P4, telephone call from Margaret Mead re: facts and procedure (.30); review Mead's pleadings filed and proof of claim listed in case and call to Rakozy (.60); review other defendants' proofs of claims (.80). | 1.70 | \$212.50 |
| 02/09/99 | JWM | P4, receipt and review Answer of Sonna Building Associates and telephone conference with Wishney re: negotiations (.50); telephone call from Diddle re: Mead defense and transmit complaint and discovery (.20). | .70 | \$87.50 |
| 02/10/99 | JWM | P4, telephone call from Margaret Mead re: service and representation. | .20 | \$25.00 |
| 02/17/99 | JWM | P4, receive and review correspondence from Barton for Torrefazione Italia, Inc. and call to same re: offer based upon new value. | .30 | \$37.50 |
| 02/19/99 | JWM | P4, telephone call from attorney for Tor. Italia re: settlement and extension of time. | .30 | \$37.50 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| 02/23/99 | JWM | P4, receipt and review correspondence and statements from Tor. Italia defendant and review timing for ordinary course of payments. | 1.20 | \$150.00 |
| 02/24/99 | JWM | P4, instruct JR on Motion for Approval of Compromise and Notice of Hearing for Hayden Bev. and Associated (.30); receive and review correspondence from Barton for Tor. Italia re: extension and settlement (.20); receive and review correspondence from Whisney on Sonna Building and draft correspondence back re: demand for \$11,000+ (.40). | .90 | \$112.50 |
| 03/08/99 | JWM | P4, receive and review correspondence from McDonough and respond to same re: discovery against Food Service (.50); edit Motion to Approve Compromise re: Associates Commercial and Hayden Beverage (.60). | 1.10 | \$137.50 |
| 03/09/99 | JCR | P4, edit Notice of Hearing and Certificate of Service for MML. | .80 | \$36.00 |
| 03/16/99 | JWM | P4, receive and review correspondence from McDonough re: discovery and conflict of interest (.20); receive and review correspondence from Beer re: payment of preference in full by American Forms and transmit to client (.20); draft Motion to Dismiss five defendants (.50); instruct paralegal on drafting Application for Entry of Default against Westco Products (.20). | 1.10 | \$137.50 |
| 03/17/99 | JWM | P4, edit Application for Entry of Default of Westco Products, Inc. with affidavit in support and proposed orders and judgment. | .80 | \$100.00 |
| 03/17/99 | JCR | P4, prepared Default Judgment package against Westco Products, Inc. | 1.50 | \$67.50 |
| 03/19/99 | JWM | P4, draft responses to Food Service's request for production of documents and identify responsive documents. | .50 | \$62.50 |
| 03/22/99 | JWM | P4, receive and review correspondence with documents from Cameron re: Black Bear's defense to preference. | .30 | \$37.50 |
| 03/23/99 | JWM | P4, receipt and review correspondence with discovery responses and new documents from Sysco (.60); review and revise preference table for Sysco with new information (.70). | 1.30 | \$162.50 |
| 03/24/99 | JWM | P4, edit and final responses to discovery from Myers Wood Masters (1.30); draft correspondence to O'Neill re: redraft of Sysco table and offer to negotiate (.80). | 2.10 | \$262.50 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| 03/24/99 | JCR | P4, modified 90-day preference table (1.10); research and obtain preference checks issued to Sysco (.20). | 1.30 | \$58.50 |
| 04/05/99 | JWM | P4, receive and review correspondence from O'Neill re: Sysco offer (.20); review new documents and preference table for verification of Sysco claims of payment (.50). | .70 | \$87.50 |
| 04/05/99 | JCR | P4, prepared exhibit of checks (.20); search of Sawtooth Enterprises files for the corresponding bank statement reflecting the account status surrounding the check (.60). | .80 | \$36.00 |
| 04/06/99 | JWM | P4, receipt and review Judgment against Westco and instruct paralegal on collection | .20 | \$25.00 |
| 04/06/99 | JCR | P4, prepare and modify Writ of Execution re: Westco Products, Inc. | .40 | \$18.00 |
| 04/07/99 | MM | P4, conference with JWM re: Adversary claim against Food Services of America. | .30 | \$28.50 |
| 04/08/99 | JWM | P4, edit and instruct paralegal on drafting of Food Service's preference table. | .30 | \$37.50 |
| 04/08/99 | JCR | P4, prepare new value analysis re: Food Services of America. | .50 | \$22.50 |
| 04/09/99 | JWM | P4, edit and revise Food Service table and instruct paralegal and MM on summary judgment strategy. | .40 | \$50.00 |
| 04/09/99 | MM | P4, draft affidavit of Bernie Rakozy (.50); begin draft of Motion for Summary Judgment (.40). | .90 | \$85.50 |
| 04/09/99 | JCR | P4, prepare exhibits for New Value Analysis re: Food Services of America. | .30 | \$13.50 |
| 04/10/99 | MM | P4, draft Motion for Summary Judgment re: Food Services of America (.40); begin draft of Memorandum in Support of Summary Judgment Motion (1.60). | 2.00 | \$190.00 |
| 04/11/99 | MM | P4, complete draft of Memorandum in Support of Summary Judgment; draft Notice of Hearing and Certificate of Service; amend Motion for Summary Judgment (3.00); confer with Lee Echanove of Bruegger's (.20). | 3.20 | \$304.00 |
| 04/12/99 | JWM | P4, edit Motion for Summary Judgment, Affidavit of Rakozy, Affidavit of Expert, and Memo in Support and instruct MM on rewrite (.80); attend hearing on Motion to Dismiss four defendants and Compromises with two defendants (.50). | 1.30 | \$162.50 |
| 04/12/99 | MM | P4, confer with JWM re: affidavit from bagel expert (.10); telephone conferences (2x) with | .50 | \$47.50 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| | | bagel experts (.40). | | |
| 04/13/99 | JWM | P4, draft Order approving Compromise re: Associates and Hayden (.40); draft Order Dismissing American Forms, Associates, Cooper Norman, Capitol Refrigeration, and Hayden Beverage from adversary (.40). | .80 | \$100.00 |
| 04/14/99 | JCR | P4, researching files for check. | .30 | \$13.50 |
| 04/16/99 | MM | P4, confer with JWM re: preference cause of action (.10); review case law re: summary judgment and preferences (.20). | .30 | \$28.50 |
| 04/19/99 | JWM | P4, receive and review correspondence from Barton for Italia (.20); review documents, file and table, and call to Barton (.50). | .70 | \$87.50 |
| 04/19/99 | MM | P4, work on draft of Summary Judgment Memorandum re: Food services of America, Inc. | .90 | \$85.50 |
| 04/21/99 | MM | P4, complete Notice of Hearing and Motion for Summary Judgment, Memorandum in Support, Affidavit of Bernie Rakozy and Affidavit of bagel expert. | 2.80 | \$266.00 |
| 04/22/99 | JWM | P4, edit Motion for Summary Judgment against Food Services, Memo in Support, Affidavit of Rakozy and Affidavit of Mark Hansen. | .90 | \$112.50 |
| 04/22/99 | MM | P4, review Affidavit of Mark Hansen (.10); telephone conference with Mr. Hansen concerning affidavit (.10). | .20 | \$19.00 |
| 04/22/99 | JCR | P4, recontacted Bank of America to follow-up on Sysco check issued 8/27/96 | .50 | \$22.50 |
| 04/23/99 | JWM | P4, review correspondence from Todd Barton re: Italia documents and offer, confer with Rakozy, and draft acceptance of offer. | .50 | \$62.50 |
| 04/23/99 | MM | P4, telephone call to Mark Hansen, bagel expert (.10); fax affidavit to Mr. Hansen (.10). | .20 | \$19.00 |
| 04/23/99 | JCR | P4, document review on "NSF" check issues for JWM. | 1.00 | \$45.00 |
| 04/26/99 | MM | P4, telephone call to Mark Hansen re: affidavit. | .10 | \$9.50 |
| 04/27/99 | JWM | P4, edit Motion for Approval of Compromise and Notice of Hearings re: Italia. | .40 | \$50.00 |
| 04/27/99 | JCR | P4, prepare draft and modify Notice of Hearing; Motion for Approval of Compromise; matrix card and Order re: Torrefazione Italia. | 1.60 | \$72.00 |
| 04/28/99 | JWM | P4, edit and final Motion for Approval of Compromise re: Italia and Notice of Hearing | .20 | \$25.00 |
| 04/29/99 | MM | P4, telephone calls (4x) to track down another | .40 | \$38.00 |

| DATE | PER- SON | DESCRIPTION | HOURS | COMPENSA- TION |
|----------|-------------|---|-------|-------------------|
| | | "bagel" expert (.30); telephone conference with Mark Hansen (.10). | | |
| 04/30/99 | MM | P4, go to Bruegger's Bagel Bakery to consult expert Mark Hansen on Affidavit. | .60 | \$57.00 |
| 05/03/99 | JWM | P4, receive and review correspondence from Cameron and Notice of Appearance for Black Bear Inc. | .20 | \$25.00 |
| 05/03/99 | MM | P4, finalize all Summary Judgment documents to be filed with Court (.30); confer with JWM (.10). | .40 | \$38.00 |
| 05/04/99 | JWM | P4, edit and final Motion for Summary Judgment against Food Services and related pleadings (.50); receive and review correspondence from Barton re: settlement payment of Italia (.10). | .60 | \$75.00 |
| 05/04/99 | MM | P4, obtain court hearing date and complete all documents for filing. | .30 | \$28.50 |
| 05/05/99 | MM | P4, arrange to obtain Bernie Rakozy's signature on his Affidavit. | .10 | \$9.50 |
| 05/11/99 | JCR | P4, telephone conference with Bank of America re: "NSF" check to Sysco (.40); two memos to JWM (.30). | .70 | \$31.50 |
| 05/12/99 | JWM | P4, confer with client re: status of preference actions. | .10 | \$12.50 |
| 05/13/99 | JCR | P4, telephone conferences with B of A re: research on returned check (.80); memo to JWM (.10); prepare subpoena (.30). | 1.20 | \$54.00 |
| 05/14/99 | JWM | P4, edit and revise subpoena to bank for Sysco check. | .30 | \$37.50 |
| 05/17/99 | JWM | P4, telephone call from Diddle re: answer and potential of offer. | .20 | \$25.00 |
| 05/18/99 | JCR | P4, telephone conference with Seafirst Bank re: subpoena records. | .40 | \$18.00 |
| 05/19/99 | JWM | P4, draft correspondence to Rakozy re: Black Bear's offer and confer with Rakozy (.50); draft correspondence to Cameron re: counteroffer (.30). | .80 | \$100.00 |
| 05/19/99 | JCR | P4, receipt and review of fax correspondence from Seafirst Bank (.10); locate and copy statement and check re: Black Bear, Inc. (.20). | .30 | \$13.50 |
| 05/24/99 | JWM | P4, telephone call from clerk and draft Amended Notice of Hearing on Am Food Services (.20); receipt and review response memorandum and correspondence from Food Services of America and instruct MM on reply | .60 | \$75.00 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|---|-------|--------------|
| | | (.40). | | |
| 05/24/99 | MM | P4, confer with JWM re: Defendant's opposition to partial summary judgment and vacating hearing. | .20 | \$19.00 |
| 05/25/99 | JWM | P4, receipt and review depo Notice and strategy on expert opinions (.20); draft amended Notice of Hearing on Food Service Summary Judgment (.20); draft correspondence to Cameron re: offer on Black Bear and draft 3 day Notice of Default against same (.50). | .90 | \$112.50 |
| 05/25/99 | MM | P4, review Food Service's response to Sawtooth's Motion for Summary Judgment (.30); review cases cited by Food Services; begin draft of Reply Memorandum (1.50). | 1.80 | \$171.00 |
| 05/26/99 | JWM | P4, telephone call from Tim Wells re: subpoena and litigation. | .30 | \$37.50 |
| 05/27/99 | JWM | P4, draft Order Approving Compromise with Italia and attend hearing on same (.50); receive and review correspondence from Seafirst and telephone conference with Seafirst Bank re: subpoena of records (.30); review pleadings and draft Notice of Intent to Default Defendant Mead and draft correspondence to Diddle (.40). | 1.20 | \$150.00 |
| 05/28/99 | JWM | P4, review BofA subpoena response with documents and review Sysco check issue with bank documents | 1.50 | \$187.50 |
| 06/01/99 | JWM | P4, revise Sysco table and draft correspondence to O'Neill re: Sysco offer to settle (.80); edit and revise reply memo and amended affidavit in Summary Judgment against Food Services (.70). | 1.50 | \$187.50 |
| 06/02/99 | JWM | P4, edit and final Amended Affidavit of Rakozy and Reply Memo in Support of Summary Judgment against Food Services (.80); receipt and review Answer of Black Bear, Inc. (.20). | 1.00 | \$125.00 |
| 06/02/99 | MM | P4, finalize reply brief re: Summary Judgment. | .20 | \$19.00 |
| 06/08/99 | JWM | P4, receive and review correspondence from Brown re: offer of \$9,000 (.40); research invoices and revise table for TML (.50); consult with client and draft correspondence to Brown re: acceptance of offer (.30). | 1.20 | \$150.00 |
| 06/09/99 | MM | P4, confer with JWM re: Summary Judgment hearing (.20); prepare for hearing (1.0). | 1.20 | \$114.00 |
| 06/10/99 | JWM | P4, assist MM in preparing for Motion for Summary Judgment against Food Services (.50); attend hearing on Motion for Summary Judgment (.80 - no charge); review Food | 6.50 | \$812.50 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|-------|--------------|
| | | Services documents, discovery responses, debtors' bank records (2.30); research 547(B)(5) issue and redraft memo in support of SJ (2.90); draft correspondence to Food Service counsel x2 (.60); telephone conference with Trustee re: settlement authority (.20). | | |
| 06/10/99 | MM | P4, attend Summary Judgment hearing re: Food Services (1.30); research and analyze issue concerning satisfaction of Section 547(b)(5) (.80) | 2.10 | \$199.50 |
| 06/10/99 | KLS | P4, begin drafting requests for admission based on discovery responses received from Food Services of America. | 2.00 | \$90.00 |
| 06/11/99 | JWM | P4, meeting with Rick Heaner, former officer of debtor re: records and preference facts (1.0); research statute of limitations, service timing, and relation back of amended complaints (2.30); receive and review correspondence from McDonough re: offer of Food services (.20). | 3.50 | \$437.50 |
| 06/14/99 | JWM | P4, receive and review correspondence from McDonough re: factual disputes (.20); telephone conference with McDonough and draft concrescence to same re: discovery (.50); review requests for admission to Food service (.30). | 1.00 | \$125.00 |
| 06/14/99 | KLS | P4, finish drafting Requests for Admission. | 1.00 | \$45.00 |
| 06/18/99 | JWM | P4, receive and review correspondence from O'Neill for Sysco re: accounting and settlement offer and transmit to Rakozy (.30); review statements, checks and invoices, amend preference table and draft back acceptance of Sysco offer (1.90). | 2.10 | \$262.50 |
| 06/21/99 | JWM | P4, instruct paralegal on drafting Motion for Approval of Compromise re: Sysco and notices. | .60 | \$75.00 |
| 06/22/99 | JWM | P4, draft Motion to Amend Complaint and research relation back and statute of limitations (1.50); draft Motion to Compel against Food Services (1.00). | 2.50 | \$312.50 |
| 06/22/99 | SMC | P4, draft Motion for Approval of Compromise re: Sysco, get hearing date, draft Notice. | 1.50 | \$67.50 |
| 06/29/99 | JWM | P4, edit and final Motion to Compel against Food Services (.40); edit and final Motion to Amend Complaint against Food Services (.60). | 1.00 | \$125.00 |
| 07/06/99 | MM | P4, telephone conference with Mike McDonough, opposing counsel re: hearing dates. | .20 | \$19.00 |

| DATE | PERSON | DESCRIPTION | HOURS | COMPENSATION |
|----------|--------|--|--------|--------------|
| 07/07/99 | JWM | P4, receive request from McDonough to vacate hearings, confer with Rakozy, draft response to McDonough re: same. | .90 | \$112.50 |
| 07/08/99 | JWM | P4, receipt and review Motion to Vacate Hearing (.30); attend hearings on Motion to Compel and Motion to Amend and negotiate with McDonough on motions (.70); draft proposed order and fax to McDonough (.50). | 1.50 | \$187.50 |
| 07/20/99 | JWM | P4, review case law and prepare argument on Motion to Amend against Food Services (1.50); attend hearings on Motion to Approve Compromise with SYSCO (.80). | 2.30 | \$287.50 |
| 07/20/99 | SMC | P4, draft and finalize Order Approving Sysco Compromise, forward to Judge (.70); letter to Bernie Rakozy forwarding Sysco check (.10). | .80 | \$36.00 |
| 07/21/99 | JWM | P4, prepare for and attend hearing on Motion to Amend Complaint against Food Services (1.20); receipt and review Motion for Summary Judgment from Sonna Building and instruct MM on counter-motion (.30); receipt and review Amended Responses by Food Service of America (.30). | 1.80 | \$225.00 |
| | | TOTAL | 133.90 | \$13,122.50 |

TOTAL FEES-PROJECT 4

| | | | |
|--------|---------------------------------|-------|------------|
| TOTALS | Jed W. Manwaring – Attorney | 76.90 | \$9,612.50 |
| | Monica Moen – Associate | 18.90 | \$1,795.50 |
| | Jane C. Reiser | 11.60 | \$522.00 |
| | Karen Silva – Paralegal | 24.20 | \$1,089.00 |
| | Shannon M. Crawford – Paralegal | 2.30 | \$103.50 |

TOTAL COSTS - PROJECT 4

| Disbursements and Expenses | |
|--|-----------------|
| Photocopies | \$497.50 |
| Court Fees - Filing Fee/Adversary Complaint | \$150.00 |
| Postage | \$163.56 |
| Telephone | \$3.99 |
| Facsimile – long distance | \$1.54 |
| Computer Assisted Legal Research | \$75.39 |
| Postcards | \$10.64 |
| TOTAL COSTS AND DISBURSEMENTS - PROJECT 4 | \$902.62 |

IV. SUMMARY SHEET

Fees previously requested: \$-0-
 Fees previously awarded: \$-0-
 Expenses previously requested: \$-0-
 Expenses previously awarded: \$-0-
 Total retainer paid: \$-0-
 Current retainer balance: \$-0-

CURRENT APPLICATION

Fees requested: \$16,911.50
 Expenses requested: \$902.62
 Total Requested: \$17,814.12

| BILLING INFORMATION | | | | |
|---|---------------------------|---------------------|---------------------|------------------------------|
| NAMES OF PROFESSIONALS | YEARS OF ADMISSION | HOURS BILLED | BILLING RATE | TOTAL FOR APPLICATION |
| <u>PARTNERS</u> | | | | |
| Jed W. Manwaring | 1983 | 92.20 | \$125.00 | \$11,525.00 |
| Monica Moen | 1998 | 18.90 | \$95.00 | \$1,795.50 |
| <u>PARAPROFESSIONALS</u> | | | | |
| Jennifer A. Wenk | | 34.90 | \$45.00 | \$1,570.50 |
| Karen Silva | | 24.20 | \$45.00 | \$1,089.00 |
| Jane C. Reiser | | 11.60 | \$45.00 | \$522.00 |
| Shannon M. Crawford | | 9.10 | \$45.00 | \$409.50 |
| TOTAL BLENDED HOURLY RATE | | \$119.90/hr | | |
| (Excluding paralegals and other paraprofessionals) | | | | |

Dated this 12 day of August, 1999.

EVANS, KEANE LLP

By Jed W. Manwaring
 Jed W. Manwaring, Of the Firm
 Attorneys for Trustee

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 12 day of August, 1999, a true and correct copy of the foregoing document was served by first-class mail, postage prepaid, and addressed to; by fax transmission to; by overnight delivery to; or by personally delivering to or leaving with a person in charge of the office as indicated below:

Joseph M. Meier
815 W. Washington
Boise, ID 83702

U.S. Mail
 FAX
 Overnight Delivery
 Hand Delivery

Sawtooth Enterprises, Inc.
The Buckin' Bagel
3559 Wright Street
Boise, Idaho 83705

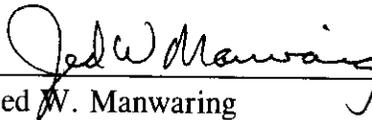
U.S. Mail
 FAX
 Overnight Delivery
 Hand Delivery

Bernie R. Rakozy, Trustee
P. O. Box 1738
Boise, ID 83701

U.S. Mail
 FAX
 Overnight Delivery
 Hand Delivery

U.S. Trustee
P. O. Box 110
Boise, ID 83701

U.S. Mail
 FAX
 Overnight Delivery
 Hand Delivery



Jed W. Manwaring