

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: :
: :
HEARTLAND WIRELESS : Chapter 11 Case No.
COMMUNICATIONS, INC. : 98-2692 (JJF)
: :
Debtor. :

:

FIRST AND FINAL APPLICATION OF THE ALTMAN GROUP FOR
COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES

Name of Applicant: The Altman Group, Inc.

Authorized to Provide Professional Services to: Debtor and Debtor in Possession

Date of Retention: December 4, 1998

Period for which compensation and reimbursement are sought: December 4, 1998
through March 16, 1999

Amount of compensation sought as actual, reasonable, and necessary:
First and Final Application \$47,036.00

Amount of expense reimbursement sought as actual, reasonable and necessary:
First and Final Application \$4,515.71

This is a: ___ interim X final application ___ monthly statement

The total time expended for the preparation of this application is approximately 13 hours and the corresponding fees for same is approximately 10 hours x \$210 = \$2,100 (not included as part of this fee application).

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HEARTLAND WIRELESS	:	Chapter 11 Case No.
COMMUNICATIONS, INC.	:	98-2692 (JJF)
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FIRST AND FINAL APPLICATION OF THE ALTMAN GROUP FOR
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, and in accordance with the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated December 4, 1998 (the "Administrative Order"), the Debtors' Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, dated January 19, 1999, The Altman Group, Inc. ("The Altman Group") files this first and final fee application (the "Final Application") for allowance of compensation and reimbursement of expenses in connection with The Altman Group's service to Heartland Wireless Communications, Inc., debtor and debtor in possession (the "Debtor").

This Final Application seeks approval of the compensation and expenses as described more fully herein for the period December 4, 1998 through March 16, 1999 (the "Application Period").

By this Final Application, The Altman Group seeks final allowance of (i) \$47,036.00 as compensation and \$4,515.71 for the Application Period.

Pursuant to the Administrative Order, The Altman Group received a retainer of \$20,000 for application to services provided to the Debtor pre- and post-petition. The Altman Group has not received any other payments from the Debtor. \$1,428.00 has been applied against the retainer for pre-petition work performed by The Altman Group, leaving a retainer balance of \$18,572.00, which is being applied against post-petition fees incurred in the Application Period. The unpaid balance of fees is \$28,464.00.

In support of its Application, The Altman Group respectfully represents as follows:

Background

1. On December 4, 1998 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").
2. From the Petition Date to the effective date of the Plan, Heartland operated its business and managed its assets as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
3. On December 21, 1998, pursuant to section 1102 of the Bankruptcy Code, the United States Trustee for the District of Delaware appointed a statutory unsecured creditors' committee.
4. The Debtor's retention of The Altman Group was approved effective as of the Petition Date by this Court's order dated December 4, 1998. The

order authorized The Altman Group to be compensated on the basis of fees and hourly charges and to be reimbursed for actual and necessary out-of-pocket expenses.

5. By order dated March 16, 1999, the Court confirmed the Plan. The Plan became effective on April 1, 1999.

Overview

6. The Altman Group was retained for the purpose of providing solicitation services in connection with the Plan. In connection with its duties, The Altman Group provided professional services to the Debtor and its counsel with regard to the Plan solicitation; conducted the notice and solicitation mailings to all creditors and interest holders; prepared an affidavit of service in connection with such mailings; responded to telephone inquiries from creditors and parties in interest who had questions about the Plan and voting procedures; and prepared the vote certification for the Court.

7. The Altman Group believes that the services it provided were necessary and in the best interest of the Debtor's estate and creditors, and that its fees and expenses in connection therewith are reasonable. The Altman Group's active involvement in the solicitation process resulted in a substantial benefit to the Debtor. The Debtor's ability to solicit ballots on the Plan was facilitated by The Altman Group's counsel concerning, and active participation in, the solicitation process.

8. In summary, The Altman Group believes it assisted the Debtor in this case in an efficient and cost effective manner and that its request for final approval of charges and reimbursement of expenses should be approved as requested.

Compensation Paid and Its Source

9. All services for which The Altman Group requests compensation were performed for or on behalf of the Debtor.

10. During the Application Period other than pursuant to the Administrative Order, The Altman Group has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Final Application. There is no agreement or understanding between The Altman Group and any other person other than members of the firm for the sharing of compensation to be received for services rendered in this case.

Fee Statements

14. The Altman Group provided its services on behalf of the Debtor in connection with the Plan solicitation. As set forth in the Letter Agreement dated October 27, 1998, these services were performed on the basis of hourly fees, flat fees, and, in the case of mailings, per piece charges, for services performed. The flat fees charged by The Altman Group represent a significant savings over its normal hourly rates.

15. A summary providing a breakdown by category of the services that were provided by The Altman Group to the Debtor is annexed hereto as Exhibit A. The remaining balance of the retainer paid to The Altman Group is reflected in the fee summary.

Actual and Necessary Expenses

16. The Altman Group's expenses in connection with this matter totaled \$4,515.71. A summary of the expenses incurred by The Altman Group for which reimbursement is sought herein is included as part of Exhibit A. Pursuant to Section V of Local Order 32, The Altman Group charges \$0.20 per page for copying charges (its usual rate is \$0.25). Outgoing facsimile transmissions are charged at \$1.00 per page. Long-distance carrier charges for outgoing facsimile transmissions are not charged. The Altman Group does not charge for incoming facsimile transmissions. The basis for these rates is The Altman Group's calculation of the actual cost of these expenses.

Summary of Services During the Application Period

17. All services rendered by The Altman Group during the Application Period were performed at the request and direction of the Debtor or members of Weil, Gotshal & Manges, counsel to the Debtor. These services were not duplicative of the advice provided by the Debtor's other professional advisors. Specifically, major areas of concentration included:

- a) distributing the December 4 Notice to holders of the Debtor's debt and equity securities;
- b) working with the Debtor's counsel to develop solicitation procedures; Solicitation Documents; ballots and master ballots; and ballot tabulation procedures;
- c) distributing the Solicitation Documents to holders of the Debtor's debt and equity securities and other creditors;
- d) responding to telephone inquiries from creditors and equity interest holders with respect to the plan of reorganization and balloting procedures; and

- e) tabulating all ballots and master ballots, and preparing the affidavit certifying the tabulation of votes.

18. The Altman Group's services are directed by senior level professionals with significant experience in the solicitation of acceptances of chapter 11 plans of reorganization and other similar solicitations. The Altman Group maintains time records for all services charged on an hourly basis.

Conclusion

WHEREFORE The Altman Group respectfully requests that (i) final allowance be made to it in the sum of \$47,036.00 as compensation for necessary professional services rendered to the Debtor in connection with the chapter 11 case and the sum of \$4,515.71 for reimbursement of actual, necessary costs and expenses during this period and (ii) that such sums be authorized for payment and application against retainer amounts less amounts previously paid to The Altman Group pursuant to the Administrative Order for an aggregate payment of \$32,979.71 and application against retainer of \$18,572.00 and (iii) for such other and further relief as is just.

Dated: May 17, 1999
New York, New York

Respectfully submitted,

THE ALTMAN GROUP, INC.

By: Jane Sullivan

Jane Sullivan
Managing Director
THE ALTMAN GROUP, INC.
60 East 42nd Street, Suite 1241
New York, New York 10165
(212) 681-9600