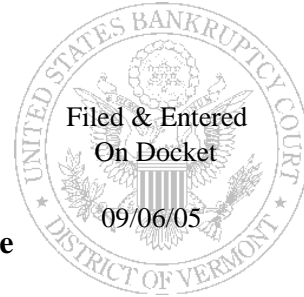


UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT



In re:
**FIBERMARK, INC.,
FIBERMARK NORTH AMERICA, INC., and
FIBERMARK INTERNATIONAL HOLDINGS, INC.,
Debtors.**

**Chapter 11 Case
04-10463
Jointly Administered**

ORDER

**GRANTING THE THIRD INTERIM FEE APPLICATION OF SKADDEN, ARPS, SLATE,
MEAGHER & FLOM L.L.P. AND GRANTING, IN PART, THE REIMBURSEMENT OF EXPENSES**

WHEREAS, on July 14, 2005, Skadden, Arps, Slate, Meagher & Flom, L.L.P. (“Skadden”), as bankruptcy counsel for the Debtors, filed a Third Interim Application for Allowance and Payment of Compensation for Services Rendered and Reimbursement of Expenses Incurred for the period from November 1, 2004 through February 28, 2005 (doc. # 1652) (“Skadden’s Third Application”); and

WHEREAS no party has filed an objection to Skadden’s Third Application and the United States Trustee filed a Statement of No Objection to Skadden’s Third Application (doc. # 1755); and

WHEREAS Skadden’s Third Application seeks compensation in the amount of \$1,886,219.00 for professional services rendered for the period from November 1, 2004 through February 28, 2005 (the “Application Period”) and \$56,322.60 for reimbursement of expenses incurred during the Application Period;

THE COURT FINDS the professionals’ fees earned during the Application Period to be fully and properly compensable. Specifically, the Court finds the services rendered by Skadden were reasonable, necessary and of benefit to the estate, pursuant to 11 U.S.C. § 330(a). See also In re JLM, Inc., 210 B.R. 19, 24 (2d Cir. BAP 1997). Accordingly, the professionals’ fees sought in connection with services rendered by Skadden during the Application Period are approved and allowed in full.

THE COURT FURTHER FINDS that Skadden has provided insufficient information with respect to certain of the expenses for the Court to determine whether the expenses are actual, necessary and justified. See 11 U.S.C. § 330(a); S.T.N. Enterprises, 70 B.R. 823, 836 (Bankr. Vt. 1987); In re Fibermark, No. 04-10463, *4 (Bankr. Vt. filed Nov. 29, 2004)(doc. # 783); In re Fibermark, No. 04-10463, *10 (Bankr. Vt. filed Oct. 22, 2004)(doc. # 698); In re Fibermark, No. 04-10463, *2-3(Bankr. Vt. filed Sept. 30, 2004) (doc. # 645). In particular, Skadden has failed to provide sufficient detail with respect to certain expenses for cell phone and various other telephone charges totaling \$958.24 for the Court to assess whether these expenses can be distinguished from general overhead expenses, and are eligible for reimbursement. As articulated in S.T.N. Enterprises, those expenses which are incurred day-

to-day by a professional, regardless of whom the professional represents, are considered “overhead expenses” and are categorically not reimbursable from the estate. 70 B.R. at 844. By contrast, if the applicant provides information for such charges that demonstrates and justifies that the expenses generated a benefit to the estate, the expenses may be reimbursed. *Id.* Due to the lack of information provided, the Court denies Skadden’s request for reimbursement of these cell phone and telephone charges.

Under the facts and circumstances of this case, the Court has allowed reimbursement for certain costs related to out-of-state professionals’ meals. *In re Fibermark*, No. 04-10463, *2-3(Bankr. Vt. filed Sept. 30, 2004) (doc. # 645). However, the COURT FINDS that Skadden has failed to provide sufficient information for the Court to determine if certain catering /meal expenses in Skadden’s Third Application are reasonable and justified. Accordingly, the Court disallows catering/meal expenses totaling \$948.19.


THE COURT FURTHER FINDS that Skadden has demonstrated that the remaining \$54,416.17 of reimbursement for expenses incurred during the Application Period are reasonable, necessary and justified. Accordingly, these expenses are allowed.

THEREFORE, IT IS HEREBY ORDERED that

1. The Third Interim Application of Skadden, Arps, Slate, Meagher & Flom, L.L.P. for Allowance and Payment of Compensation for Services Rendered and Reimbursement of Expenses Incurred (doc. # 1652) is allowed in part and disallowed in part.
2. The following fees and expenses requested in Skadden’s Third Application are approved and allowed:
 - (A) \$1,886,219.00 for professional services rendered; and
 - (B) \$54,416.17 for reimbursement of expenses.
3. The Debtors are hereby authorized and directed to pay to Skadden, Arps, Slate, Meagher & Flom, L.L.P. (to the extent not previously paid) the sum of:
 - (A) \$1,886,219.00 representing professionals’ fees earned by Skadden, Arps, Slate, Meagher & Flom, L.L.P. during the Application Period; and
 - (B) \$54,416.17, representing reimbursement for the approved expenses incurred by Skadden, Arps, Slate, Meagher & Flom, L.L.P. during the Application Period.

SO ORDERED.

September 2, 2005
Rutland, Vermont



Colleen A. Brown
United States Bankruptcy Judge