

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

MIG, INC.,

Debtor.

Chapter 11

Case No. 09-12118 (KG)

**MOTION OF THE DEBTOR FOR ADMINISTRATIVE  
ORDER UNDER 11 U.S.C. §§ 105(A) AND 331 ESTABLISHING  
PROCEDURES FOR INTERIM MONTHLY COMPENSATION  
AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS AND  
REIMBURSEMENT OF EXPENSES OF COMMITTEE MEMBERS**

MIG, Inc., as debtor and debtor-in-possession (“MIG” or the “Debtor”), hereby moves the Court (the “**Motion**”) for entry of an administrative order (“**Administrative Order**”):

(a) establishing procedures for monthly compensation and reimbursement of expenses (collectively, the “**Compensation**”) for professionals retained in this Chapter 11 case and

(b) providing any additional relief that is just and proper. In support of this Motion, the Debtor respectfully state as follows:

**Status of the Case and Jurisdiction**

1. June 18, 2009 (the “**Petition Date**”), MIG filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
2. MIG has continued in possession of its properties and in operating and managing its business as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
3. No request has been made for the appointment of a trustee or examiner and a creditors’ committee has not yet been appointed in this case.

4. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. § 1408. This matter is core within the meaning of 28 U.S.C. § 157(b)(2).

5. The statutory predicates for the relief sought herein are sections 105(a) and 331 of the Bankruptcy Code.

### Background

6. The Debtor and certain of its affiliates hold interests in several leading and innovative telecommunications providers in the Republic of Georgia (“**Georgia**”), a country in the Commonwealth of Independent States in the Caucasus region between Russia, Turkey and Azerbaijan. Over the past two years, the Debtor has defended an appraisal action in the Court of Chancery of the State of Delaware (the “**Chancery Court**”) in the matter captioned *In re: Appraisal of Metromedia International Group, Inc.*, Civil Action No. 3351-CC (the “**Appraisal Action**”), brought by a certain group of preferred shareholders (the “**Petitioners**”) against the company. The Appraisal Action has resulted in substantial litigation costs and a debilitating \$188 million judgment (the “**Judgment**”) entered against MIG on June 5, 2009.

7. The Debtor believes the Judgment is substantially overstated and has appealed the Judgment to the Delaware Supreme Court (the “**Appeal**”). MIG further believes that its assets have value well beyond the Judgment. In fact, two experts recently provided testimony before the Chancery Court that the company’s assets have material value in excess of all of the company’s liabilities. Yet these assets are illiquid interests in Georgian telecommunications companies. Fully realizing the value of the Debtor’s assets will take time and, because of the political climate in which its major assets operate, requires careful planning and execution.

8. The Petitioners have refused to enter into a consensual stay of execution of the Judgment. The Debtor also has been unsuccessful in its attempts to post a bond or otherwise to secure a judicial stay of execution of the judgment due to its lack of liquid assets, the current economic climate, and the fact that the Debtor's investments are located in an emerging market.

9. Outside of Chapter 11, because no consensual or judicial stay was in place, the Petitioners were entitled to commence execution on the Judgment. A precipitous foreclosure by the Petitioners in the Appraisal Action would pose a serious threat to the Debtor's long-term viability to the detriment of all its constituencies. After careful consideration, and after exhausting available remedies outside of a Chapter 11 filing, MIG has determined that it requires the protection offered by Chapter 11. MIG does not intend to relitigate the Appraisal Action in the Bankruptcy Court, but rather intends to expeditiously pursue the Appeal in state court and use the Chapter 11 process to restructure its balance sheet (whether through new investments or a sale of assets) in an orderly fashion and develop a reorganization plan that will satisfy any final judgment rendered in the Appraisal Action and preserve value for its other creditors and interest holders.

10. A more detailed factual background of the MIG's business and operations, as well as the events precipitating the commencement of this Chapter 11 case, is fully set forth in the *Declaration of Peter Nagle in Support of the Debtor's Chapter 11 Petition and Requests for First Day Relief* (the "**First Day Declaration**"), filed contemporaneously herewith and incorporated herein by reference.

#### **Relief Requested**

11. The Debtor seek entry of an Administrative Order pursuant to sections 105(a) and 331 of the Bankruptcy Code establishing procedures for the payment of fees and reimbursement

of expenses for professionals retained pursuant to Court order. Section 331 of the Bankruptcy Code allows courts discretion in determining the frequency of disbursements of professional fees and expenses. The Debtor hereby request that the Court exercise its discretion and allow monthly disbursements to professionals retained in this cases.

12. The Debtor either has filed or will file applications to retain: (a) Greenberg Traurig, LLP, as its bankruptcy counsel, (b) Debevoise & Plimpton LLP, as its special corporate and litigation counsel, and (c) Potter Anderson & Corroon, LLP, as its special Delaware litigation counsel (the “**Debtor’s Professionals**”). The Debtor further anticipates that it may also retain other professionals in this Chapter 11 case if the need arises. Moreover, any statutory committees appointed in this case (collectively, the “**Committee**”) will likely retain counsel and other professionals to represent them in connection with this Chapter 11 case (together with the Debtor’s Professionals, the “**Professionals**”). The involvement of additional Professionals may cause the professional fee application and review process to be exceptionally burdensome on the Debtor, the Professionals, the Office of the United States Trustee and this Court. Implementation of compensation procedures (the “**Compensation Procedures**”) will provide an efficient structure for disbursing Compensation to the Professionals and will allow all parties in this case to monitor the monthly accrual of Compensation for each Professional.

13. Except as otherwise provided in an order entered by the Court authorizing the retention of a particular professional, the Debtor propose that the Court permit the Professionals to seek monthly payment of Compensation in accordance with the following Compensation Procedures:

- a. On or after the 20th day of each calendar month, beginning with August 2009, each of the Professionals seeking interim compensation shall file with the

Court an application (the “**Monthly Fee Application**”) pursuant to Section 331 of the Bankruptcy Code, for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during the immediately preceding month (the “**Monthly Compensation Period**”) and serve a copy of such Monthly Fee Application on: (i) the Debtor, MIG, Inc., 5960 Fairview Road, Suite 400, Charlotte, N.C 28210, Attention: Natahsa Alexeeva; (ii) proposed counsel for the Debtor, Greenberg Traurig, LLP, The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801, Attention: Scott C. Cousins, Esq. and Greenberg Traurig, LLP, MetLife Building, 200 Park Avenue, New York, New York, 10166, Attention: Maria J. DiConza, Esq.; (iii) Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801; and (iv) counsel to any official committee appointed in this case (subsequent to its appointment in this case), including the Committee (collectively, the “**Notice Parties**”). All Monthly Fee Applications shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), applicable Third Circuit law, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), and the Guidelines established by the Office of the United States Trustee.

b. Each Notice Party will have twenty days after filing and service of a Monthly Fee Application to object to such application (the “**Objection Deadline**”). Upon the expiration of the Objection Deadline, each Professional may file a certificate of no objection or a certificate of partial no objection with the Court, whichever is applicable, after which the Debtor is authorized to pay each Professional an amount

(the “**Actual Payment**”) equal to the lesser of (i) eighty (80) percent of the fees and one hundred (100) percent of the expenses requested in the Monthly Fee Application (the “**Maximum Payment**”), or (ii) eighty (80) percent of the fees and one hundred (100) percent of the expenses not subject to an objection pursuant to subparagraph (c) below.

c. If any Notice Party objects to a Professional’s Monthly Fee Application, it must file with the Court and serve on the affected Professional and each of the Notice Parties a written objection (the “**Objection**”), which must be filed with the Court and received by the affected Professional and the Notice Parties on or before the Objection Deadline. Thereafter, the objecting party and the affected Professional may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution of the Objection within twenty (20) days after service of the Objection, the affected Professional may either: (i) file a response to the Objection with the Court, together with a request for payment of the difference, if any, between the Maximum Payment and the Actual Payment made to the affected Professional (the “**Incremental Amount**”); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time the Court will consider and dispose of the Objection if requested by the parties.

d. Each Professional may submit the first Monthly Fee Application on or after August 20, 2009, and such Monthly Fee Application shall be for the period from the Petition Date through July 31, 2009.

e. Beginning with the period ending September 30, 2009, at three-month intervals or at such other intervals convenient to the Court (the “**Interim Fee Period**”), each Professional shall file with the Court and serve on the Notice Parties a

request for interim Court approval and allowance, pursuant to Section 331 of the Bankruptcy Code, of the compensation and reimbursement of expenses sought in the Monthly Fee Applications filed during the Interim Fee Period (an “**Interim Fee Application**”). The Interim Fee Application must include a summary of the Monthly Fee Applications that are the subject of the request and any other information requested by the Court or required by the Local Rules of this Court.

f. Each Professional must file and serve its Interim Fee Application within 45 days of the conclusion of the Interim Fee Period for which the request seeks allowance of fees and reimbursement of expenses. The first Interim Fee Application shall cover the time between the Petition Date through and including September 30, 2009, and shall be filed on or before November 16, 2009. Any Professional who fails to file an Interim Fee Application when due will be ineligible to receive further interim payments of fees or expenses under the Compensation Procedures until such time as the Interim Fee Application is submitted.

g. The Debtor shall request a hearing on the pending Interim Fee Applications at least every six months. The Debtor, however, may request that a hearing be held every three months or at such other intervals as the Court deems appropriate.

h. The pendency of an objection to payment of compensation or reimbursement of expenses will not disqualify a Professional from the future payment of compensation or reimbursement of expenses, unless the Court orders otherwise. In addition, any professional that fails to file a Monthly Fee Application or an Interim Fee Application when due or permitted will be ineligible to receive further interim payments of fees or expenses under the Compensation Procedures until such time as Monthly Fee

Application or Interim Fee Application is submitted by the Professional. There will be no other penalties for failing to file a Monthly Fee Application or an Interim Fee Application in a timely manner.

i. Neither (i) the payment of, nor the failure to pay in whole or in part, monthly interim compensation and reimbursement of expenses nor, (ii) the filing of, nor failure to file, an objection will bind any party-in-interest or the Court with respect to the allowance of interim or final applications for compensation and reimbursement of expenses of the Professionals. All fees and expenses paid to the Professionals are subject to disgorgement until final allowance by the Court.

14. The Debtor further request that (i) only the Notice Parties be entitled to receive (a) the Monthly and Interim Fee Applications and (b) the notice of hearings on Interim Fee Applications (the “**Hearing Notice**”), and (ii) all other parties who have filed a request for service pursuant to Bankruptcy Rule 2002 of the Federal Rules of Bankruptcy Procedure be entitled to receive only the Hearing Notice.<sup>1</sup> Such notice should reach the parties most active in this case and will save the expense of undue duplication and mailing of lengthy fee applications.

15. The Debtor further request that each member of any official committee appointed in this case be permitted to submit statements of expenses (excluding fees and expenses of such committee members’ counsel) and supporting vouchers to counsel for the committee, who will collect and submit such requests for reimbursement in accordance with the foregoing procedure for monthly and interim compensation and reimbursement of Professionals.

16. The Debtor will include all payments made to Professionals in accordance with the compensation procedures in their monthly operating reports identifying the amount paid to

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<sup>1</sup> If any party that has received only a Hearing Notice requests a copy of any of the fee applications, the Debtor will furnish that party with the requested copies at the Debtor’s expense.

each of the Professionals. All time periods referenced in this Motion will be calculated in accordance with Bankruptcy Rule 9006.

17. The procedures requested in this Motion will relieve the burden on the Court imposed by alternative interim compensation procedures that require monthly court orders, while preserving all rights of objection, enabling the parties to closely monitor costs of administration, and enabling Professionals to maintain a level cash flow.

#### **Basis for Relief**

18. Section 331 of the Bankruptcy Code provides, in relevant part, as follows:

A trustee, an examiner, a debtor's attorney, or any professional person employed under section 327 or 1103 of this title 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 before the date of such an application or reimbursement for expenses incurred before such date as is provided under section 330 of this title.

11 U.S.C. § 331.

19. In addition, Section 105(a) of the Bankruptcy Code provides, in relevant part, that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

20. Procedures comparable to those proposed in the Motion have been routinely established in other Chapter 11 Cases in this district. *See, e.g., In re Linens Holding Co.*, Case No. 08-10832 (CSS) (Bankr. D. Del. May 28, 2008); *In re Wickes Holdings, LLC*, Case No. 08-10212 (KJC) (Bankr. D. Del. Feb. 27, 2008); *In re Buffets Holdings, Inc.*, Case No. 08-10141 (MFW) (Bankr. D. Del. Feb. 12, 2008); *In re InPhonic, Inc.*, Case No. 07-11666 (KG) (Bankr. D. Del. Dec. 3, 2007); *In re Avado Brands, Inc.*, Case No. 07-11276 (MFW) (Bankr. D. Del. Sept. 25, 2007). Further, the Debtor submit that these procedures are needed to avoid having Professionals fund the cases.

**Notice**

21. Notice of this Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the Office of the United States Trustee; (b) creditors holding the thirty (30) largest unsecured claims as set forth in the list filed with the Debtor's petition; (c) the Office of the United States Attorney General for the District of Delaware; (d) the Internal Revenue Service; and (e) the Securities and Exchange Commission. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

22. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court authorize the Compensation Procedures and enter the Administrative Order establishing procedures for compensation and reimbursement of expenses for professionals retained in the Debtor's Chapter 11 case, and such other relief as is just and proper..

Dated JUNE 19, 2009

GREENBERG TRAURIG, LLP



Scott D. Cousins (DE Bar No. 3079)

Sandra G. M. Selzer (DE Bar No. 4283)

The Nemours Building

1007 North Orange Street, Suite 1200

Wilmington, Delaware 19801

Telephone: (302) 661-7000

Facsimile: (302) 661-7360

Email: [cousinss@gtlaw.com](mailto:cousinss@gtlaw.com)

[selzers@gtlaw.com](mailto:selzers@gtlaw.com)

-and-

Nancy A. Mitchell

Maria J. DiConza

200 Park Avenue

New York, New York 10166

Telephone: (212) 801-9200

Facsimile: (212) 801-6400

Email: [mitchelln@gtlaw.com](mailto:mitchelln@gtlaw.com)

[diconzam@gtlaw.com](mailto:diconzam@gtlaw.com)

Proposed Counsel for the Debtor  
and Debtor-in-Possession

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

MIG, INC.,

Debtor.

Chapter 11

Case No. 09-12118 (KG)

**Ref. Docket No.**

**ADMINISTRATIVE ORDER ESTABLISHING PROCEDURES  
FOR INTERIM MONTHLY COMPENSATION of PROFESSIONALS**

Upon the motion (the “**Motion**”)<sup>1</sup> filed by the above-captioned debtor and debtor-in-possession (the “**Debtor**”) entry of an order administrative order establishing procedures for interim monthly compensation of professionals; and the Court, having reviewed the Motion and having heard the statements of counsel in support of the relief requested in the Motion at the hearing before the Court (the “**Hearing**”), finds that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, that this is a core matter pursuant to 28 U.S.C. § 157(b)(2), that notice of the Motion and the Hearing were sufficient under the circumstances and that no further notice need be given; and the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein,

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is Granted.
2. Except as may otherwise be provided in other orders of this Court authorizing the retention of specific professionals, all Professionals in these cases shall seek interim monthly payment of Compensation in accordance with the following procedures (the “**Compensation Procedures**”):

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

a. On or after the 20th day of each calendar month, beginning with August 2009, each of the Professionals seeking interim compensation shall file with the Court an application (the “**Monthly Fee Application**”) pursuant to Section 331 of the Bankruptcy Code, for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during the immediately preceding month (the “**Monthly Compensation Period**”) and serve a copy of such Monthly Fee Application on: (i) the Debtor, MIG, Inc., 5960 Fairview Road, Suite 400, Charlotte, N.C. 28210, Attention: Natahsa Alexeeva; (ii) proposed counsel for the Debtor, Greenberg Traurig, LLP, The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801, Attention: Scott C. Cousins, Esq. and Greenberg Traurig, LLP, MetLife Building, 200 Park Avenue, New York, New York, 10166, Attention: Maria J. DiConza, Esq.; (iii) Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801; and (iv) counsel to any official committee appointed in this case (subsequent to its appointment in this case), including the Committee (collectively, the “**Notice Parties**”). All Monthly Fee Applications shall comply with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), applicable Third Circuit law, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), and the Guidelines established by the Office of the United States Trustee.

b. Each Notice Party will have twenty days after filing and service of a Monthly Fee Application to object to such application

(the “**Objection Deadline**”). Upon the expiration of the Objection Deadline, each Professional may file a certificate of no objection or a certificate of partial no objection with the Court, whichever is applicable, after which the Debtor is authorized to pay each Professional an amount (the “**Actual Payment**”) equal to the lesser of (i) eighty (80) percent of the fees and one hundred (100) percent of the expenses requested in the Monthly Fee Application (the “**Maximum Payment**”), or (ii) eighty (80) percent of the fees and one hundred (100) percent of the expenses not subject to an objection pursuant to subparagraph (c) below.

c. If any Notice Party objects to a Professional’s Monthly Fee Application, it must file with the Court and serve on the affected Professional and each of the Notice Parties a written objection (the “**Objection**”), which must be filed with the Court and received by the affected Professional and the Notice Parties on or before the Objection Deadline. Thereafter, the objecting party and the affected Professional may attempt to resolve the Objection on a consensual basis. If the parties are unable to reach a resolution of the Objection within twenty (20) days after service of the Objection, the affected Professional may either: (i) file a response to the Objection with the Court, together with a request for payment of the difference, if any, between the Maximum Payment and the Actual Payment made to the affected Professional (the “**Incremental Amount**”); or (ii) forego payment of the Incremental Amount until the next interim or final fee application hearing, at which time the Court will consider and dispose of the Objection if requested by the parties.

d. Each Professional may submit the first Monthly Fee Application on or after August 20, 2009, and such Monthly Fee Application shall be for the period from the Petition Date through July 31, 2009.

e. Beginning with the period ending September 30, 2009, at three-month intervals or at such other intervals convenient to the Court (the “**Interim Fee Period**”), each Professional shall file with the Court and serve on the Notice Parties a request for interim Court approval and allowance, pursuant to Section 331 of the Bankruptcy Code, of the compensation and reimbursement of expenses sought in the Monthly Fee Applications filed during the Interim Fee Period (an “**Interim Fee Application**”). The Interim Fee Application must include a summary of the Monthly Fee Applications that are the subject of the request and any other information requested by the Court or required by the Local Rules of this Court.

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g. The Debtor shall request a hearing on the pending Interim Fee Applications at least every six months. The Debtor, however, may request that a hearing be held every three months or at such other intervals as the Court deems appropriate.

h. The pendency of an objection to payment of compensation or reimbursement of expenses will not disqualify a Professional from the future payment of compensation or reimbursement of expenses, unless the Court orders otherwise. In addition, any professional that fails to file a Monthly Fee Application or an Interim Fee Application when due or permitted will be ineligible to receive further interim payments of fees or expenses under the Compensation Procedures until such time as Monthly Fee Application or Interim Fee Application is submitted by the Professional. There will be no other penalties for failing to file a Monthly Fee Application or an Interim Fee Application in a timely manner.

i. Neither (i) the payment of, nor the failure to pay in whole or in part, monthly interim compensation and reimbursement of expenses nor, (ii) the filing of, nor failure to file, an objection will bind any party-in-interest or the Court with respect to the allowance of interim or final applications for compensation and reimbursement of expenses of the Professionals. All fees and expenses paid to the Professionals are subject to disgorgement until final allowance by the Court.

3. Each member of any official committee appointed in this case is permitted to submit statements of expenses (excluding fees and expenses of such committee members'

counsel) and supporting vouchers to counsel to such committee, who shall collect and submit the committee members' requests for reimbursement in accordance with the approved procedure for monthly and interim compensation and reimbursement of Professionals.

4. Only the Notice Parties shall be entitled to receive Monthly Fee Applications, the Interim Fee Applications, and the notice of hearing on Interim Fee Applications (the "**Hearing Notice**"), and all other parties who file a request for service pursuant to Bankruptcy Rule 2002 shall be entitled to receive only the Hearing Notice.

5. The Debtor shall include all payments made to Professionals on the monthly operating report, detailed so as to state the amount paid to each of the Professionals.

6. All time periods referenced in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

7. The Court shall retain jurisdiction to hear and determine all matters arising from or relating to the interpretation or implementation of this Order.

Dated: Wilmington, Delaware  
\_\_\_\_\_, 2009

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UNITED STATES BANKRUPTCY JUDGE