

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

MUSICLAND HOLDING CORP., et al.,¹

Debtors.

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) Chapter 11
)
) Case No. 06-10064 (SMB)
) Jointly Administered
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)
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ORDER GRANTING (1) FIRST APPLICATIONS OF CERTAIN PROFESSIONALS FOR ALLOWANCE OF INTERIM COMPENSATION, AND (2) APPLICATION OF RETAIL CONSULTING SERVICES, INC FOR ALLOWANCE OF FINAL COMPENSATION, FOR SERVICES RENDERED AND REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES

Upon consideration of the applications (the “Applications”) for allowance of interim or final compensation for professional services and reimbursement of actual and necessary expenses incurred for the period from January 12, 2006 through April 30, 2006, pursuant to sections 330(a) and 331 of the Bankruptcy Code² and Rule 2016 of the Federal Rules of Bankruptcy Procedure, filed by each of the professionals listed on **Schedule A(1)** annexed hereto (collectively, the “Professionals”) who have been retained in these Chapter 11 Cases; and upon this Court’s consideration of the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by this Court on April 19, 1995, the United States Trustee Guidelines for Reviewing Applications for Compensation

¹ The Debtors are: Musicland Holding Corp., Media Play, Inc., MG Financial Services, Inc., MLG Internet, Inc., Musicland Purchasing Corp., Musicland Retail, Inc., Request Media, Inc., Sam Goody Holding Corp., Suncoast Group, Inc., Suncoast Holding Corp., Suncoast Motion Picture Company, Inc., Suncoast Retail, Inc., TMG Caribbean, Inc., TMG-Virgin Islands, Inc., The Musicland Group, Inc.

² Terms not defined in this Order have the meaning ascribed to them in the Motion of the Debtors for Entry of an Order Establishing interim Fee Application and Expense Reimbursement Procedures for Professionals and Committee Members (Docket No. 24).

and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996, and this Court's January 27, 2006 Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members Pursuant to 11 U.S.C. §§ 105(a) and 331 (the "Interim Compensation Order"); and upon consideration of the supporting papers and the files and records in these cases; and upon the arguments and statements in support of the Applications presented at the hearing before the Court, and the objections to the Applications by the United States Trustee (the "U.S. Trustee") having been resolved, this Court finds and concludes that (i) this Court has jurisdiction to consider the Applications and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iii) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (iv) notice of the Applications is sufficient, and no other or further notice need be provided; (v) the compensation requested in the Applications is reasonable; (vi) the reimbursements for expenses detailed in the Applications represent reimbursements for actual and necessary expenses incurred by the Professionals in connection with these cases; and (vii) the legal and factual bases set forth in the Applications and at the hearing establish just cause for the relief granted herein.

Based upon the above findings and conclusions, and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Applications of the Professionals as set forth on **Schedule A(1)** annexed hereto are hereby approved on an interim basis except for the application of Retail Consulting Services, Inc., which is approved on a final basis.

2. Compensation to the Professionals for professional services rendered during the time periods set forth in the Applications is hereby allowed on an interim basis in the amounts set forth on **Schedule A(1)** in the column entitled "Fees Requested" except for the application of Retail Consulting Services, Inc., which is allowed on a final basis.

3. Reimbursements to the Professionals for expenses incurred during the time period set forth in the Applications are hereby allowed on an interim basis in the amounts set forth on **Schedule A(1)** in the column entitled "Expenses Awarded" except for the application of Retail Consulting Services, Inc., which is allowed on a final basis.

4. The Debtors are authorized to pay each Professional the fees and expenses delineated in the fourth and sixth column set forth on **Schedule A(1)** in satisfaction of fees and expenses that have not otherwise been paid by the Debtors to the Professionals pursuant to the Interim Compensation Order, without prejudice to the right of each Professional to seek payment of the balance of the Fees delineated in the third column on **Schedule A(1)**.

5. Nothing in this Order shall be deemed to prohibit the Debtors from seeking authority to pay and the Professionals from seeking authority to receive the full amount of fees requested in any subsequent interim fee application without any holdback.

New York, New York
Dated: July 21, 2006

/s/ STUART M. BERNSTEIN
Chief United States Bankruptcy Judge

CURRENT FEE PERIOD: JANUARY 12, 2006 to APRIL 30, 2006

APPLICANT¹	DATE/DOCUMENT NO. OF APPLICATION	FEES REQUESTED	FEES AWARDED	EXPENSES REQUESTED	EXPENSES AWARDED
Kirkland & Ellis LLP	6/11/06 Document No. 983	\$3,882,225.50	\$3,105,780.40 ²	\$299,329.57 ³	\$294,034.48
Curtis, Mallet-Prevost, Colt & Mosle LLP	6/12/06 Document No. 985	\$257,287.50	\$205,830.00	\$8,193.96	\$8,193.96
FTI Consulting Inc.	6/11/06 Document No. 982	\$820,161.20	\$656,128.96	\$115,760.05 ⁴	\$115,010.05
Hahn & Hessen LLP	6/12/06 Document Nos. 988 and 989	\$468,500.50	\$374,800.40	\$16,328.96 ⁵	\$15,649.96
Olshan Grundman Frome Rosenzweig & Wolosky, LLP	6/9/06 Document No. 981	\$316,244.50	\$252,995.60	\$18,672.57 ⁶	\$16,072.57

¹ All applications are Interim Fee Applications except for Retail Consulting Services, Inc. which is a Final Fee Application.

² The total fees requested in the applicable monthly fee statements filed by K&E was \$3,882,225.50. However, K&E has agreed at the request of the Informal Committee of Secured Trade Vendors to reduce this amount by \$191,577.05. Further, pursuant to its agreement with the Informal Committee, K&E has agreed and acknowledges that this \$191,577.05 reduction will be achieved by waiving this amount of the holdback. Thus, the amount K&E may later seek on account of its holdback shall be \$584,868.05, which represents the difference between \$776,445.10 (20% of fees requested) and \$191,577.05.

³ The U.S. Trustee's objections to certain expenses requested by K&E have been resolved by K&E's agreement to reduce its request by \$2,000.00. However, upon further investigation, K&E has determined an additional \$3,295.09 of expenses requested in its monthly fee statements which were in excess of UST Guidelines but were not otherwise identified by the U.S. Trustee's objection. Therefore, K&E has voluntarily reduced the amount it seeks reimbursement by this additional amount.

⁴ The U.S. Trustee's objections to certain expenses requested by FTI Consulting Inc. have been resolved by FTI's agreement to reduce its request by \$750.00.

⁵ The U.S. Trustee's objections to certain expenses requested by Hahn & Hessen LLP have been resolved by Hahn's agreement to reduce its request by \$679.00.

APPLICANT¹	DATE/DOCUMENT NO. OF APPLICATION	FEEs REQUESTED	FEEs AWARDED	EXPENSES REQUESTED	EXPENSES AWARDED
Giuliani Capital Advisors LLC	6/12/06 Document No. 992	\$292,000.00	\$233,600.00	\$22,196.00 ⁷	\$20,796.00
Donlin, Recano & Company, Inc.,	6/12/06 Document No. 987	\$28,423.50 ⁸	\$20,738.80	\$2,765.48	\$2,765.48
Retail Consulting Services, Inc.	6/12/06 Document No. 986	\$940,707.00	\$940,707.00	\$5,636.34	\$5,636.34

DATE: 7/21/06

Initials : SMB, USBJ

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- ⁶ The U.S. Trustee’s objections to certain expenses requested by Olshan Grundman Frome Rosenzweig & Wolosky LLP have been resolved by Olshan’s agreement to reduce its request by \$2,600.00.
- ⁷ The U.S. Trustee’s objections to certain expenses requested by Giuliani Capital Advisors LLC have been resolved by Giuliani’s agreement to reduce its request by \$1,400.00.
- ⁸ The U.S. Trustee’s objections to certain fees requested by Donlin, Recano & Company, Inc. have been resolved by Donlin’s agreement to reduce its request by \$2,500.00. Therefore, the amount of \$20,738.80 listed in the “Fees Awarded” column represents 80% of the difference between \$28,423.50 and \$2,500.00.