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14 **UNITED STATES BANKRUPTCY COURT**
15 **NORTHERN DISTRICT OF CALIFORNIA**
16 **SAN FRANCISCO DIVISION**

17 In re:) Case No. 11-31376-DM
18 HOWREY LLP,) Chapter 11
19 A District of Columbia Limited Liability) Date: June 8, 2011
Partnership,) Time: 9:30 a.m.
20 Debtor(s).) Dept: U.S. Bankruptcy Court
1299 Pennsylvania Avenue) 235 Pine Street, 22nd Floor
Washington D.C., 20004) San Francisco, CA
21) Judge: Honorable Dennis Montali
22)
23 Employer's Tax I.D. No: 53-0231650)

24 **EXHIBIT "B" TO**

25 **MOTION OF DEBTOR FOR ORDER: (A) AUTHORIZING USE OF CASH**
26 **COLLATERAL ON AN INTERIM AND FINAL BASIS; (B) GRANTING ADEQUATE PROTECTION AND**
RELATED RELIEF; AND (C) SCHEDULING FINAL HEARING ON USE OF CASH COLLATERAL
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Howrey LLP
Cash Collateral Budget

(\$000s)	1	2	3	4	5	6	7	8	9	10	11	12	12-Weeks Ending
	6/10/11	6/17/11	6/24/11	7/1/11	7/8/11	7/15/11	7/22/11	7/29/11	8/5/11	8/12/11	8/19/11	8/26/11	8/26/11
	Twelve Week Cash Flow Projections												
I. Cash Receipts	\$ 1,547	\$ 1,097	\$ 1,172	\$ 1,097	\$ 2,322	\$ 2,322	\$ 2,322	\$ 3,397	\$ 1,877	\$ 1,877	\$ 1,877	\$ 1,877	\$ 22,786
II. Operating Disbursements													
A. Compensation & Benefits [1]	305	667	141	383	127	309	105	269	88	15	286	0	2,695
B. Operating Costs [2]	165	15	135	812	15	16	135	1,161	40	15	16	155	2,679
C. Direct Litigation Expenses	200	63	25	38	-	13	-	-	13	-	13	-	363
III. Total Operating Disbursements	670	744	301	1,232	142	337	240	1,430	141	30	314	155	5,737
IV. Restructuring Expenses													
A. Debtors' Professionals	-	-	-	-	-	-	-	580	-	-	-	460	1,040
B. Creditors' Professionals	-	-	-	-	-	-	-	120	-	-	-	160	280
C. Secured Lender Professionals	-	-	-	-	200	-	-	-	150	-	-	-	350
D. Noticing Agent / US Trustee Fees	-	-	-	-	25	-	-	-	25	-	-	-	50
E. Contract Cure/Critical Vendor/Deposit	-	120	-	-	-	-	-	-	-	-	-	-	120
F. Retention Bonus	-	-	-	29	-	50	-	54	-	-	35	-	168
	-	120	-	29	225	50	-	754	175	-	35	620	2,008
V. Net Cash Flow Before Principal Payments	878	233	872	(164)	1,954	1,934	2,081	1,213	1,561	1,848	1,528	1,102	15,041
VI. Paydown of Secured Debt	-	-	-	1,386	-	-	-	7,183	-	-	-	2,539	11,108
VII. Net Change in Cash Flow	878	233	872	(1,550)	1,954	1,934	2,081	(5,970)	1,561	1,848	1,528	(1,437)	3,933
VIII. Cash Position (Domestic Book)													
A. Beginning Cash Balance	\$ 3,567	\$ 4,445	\$ 4,678	\$ 5,550	\$ 4,000	\$ 5,954	\$ 7,889	\$ 9,970	\$ 4,000	\$ 5,561	\$ 7,409	\$ 8,937	\$ 3,567
B. Net Change in Cash Flow	878	233	872	(1,550)	1,954	1,934	2,081	(5,970)	1,561	1,848	1,528	(1,437)	3,933
C. Ending Cash Balance	<u>\$ 4,445</u>	<u>\$ 4,678</u>	<u>\$ 5,550</u>	<u>\$ 4,000</u>	<u>\$ 5,954</u>	<u>\$ 7,889</u>	<u>\$ 9,970</u>	<u>\$ 4,000</u>	<u>\$ 5,561</u>	<u>\$ 7,409</u>	<u>\$ 8,937</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>

[1] Includes compensation projected to be paid to members of the Dissolution Committee of approximately \$141K in June, \$232K in July and \$174K in August.

[2] Includes approximately \$325K for EPLI insurance in the week ending 7/1/11 and \$686K for malpractice insurance in the week ending 7/29/11.