

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:
	:
<b>AMR CORPORATION, <i>et al.</i>,</b>	:
	:
<b>Debtors.</b>	:
	:
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**Chapter 11 Case No.**  
**11-15463 (SHL)**  
**(Jointly Administered)**

**STIPULATION AND AGREED ORDER BETWEEN  
THE DEBTORS, FELSBERG, PEDRETTI E MANRICH  
ADVOGADOS E CONSULTORES LEGAIS, AND THE FEE EXAMINER**

This Stipulation and Agreed Order (the “**Stipulation**”) is entered into among AMR Corporation and its related debtors, as debtors and debtors in possession (collectively, the “**Debtors**”), Felsberg, Pedretti e Mannrich Advogados e Consultores Legais (“**Felsberg**”), special counsel for the Debtors, and Robert J. Keach, the fee examiner appointed in these chapter 11 cases (the “**Fee Examiner**”) (each a “**Party**” and together the “**Parties**”):

**RECITALS**

A. On November 29, 2011 (the “**Commencement Date**”), each of the Debtors commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”). The Debtors have continued to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

B. On December 5, 2011, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed the Official Committee of Unsecured Creditors (the “**UCC**”).

C. Felsberg was initially authorized to render legal services to the Debtors under the Order Pursuant to 11 U.S.C. §§ 105(a), 327, and 330 Authorizing Debtors to Employ Professionals Used in the Ordinary Course of Business Nunc Pro Tunc to the Commencement Date (ECF No. 643). Subsequently, on April 26, 2012, the Debtors filed an application, pursuant to section 327(e) of the Bankruptcy Code and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) for authority to employ and retain Felsberg as special counsel for the Debtors nunc pro tunc to the Commencement Date (ECF No. 2451) (the “**Retention Application**”). Specifically, pursuant to the Retention Application, the Debtors requested authority to employ and retain Felsberg for general representation in legal matters affecting the Debtors in Brazil, to the extent such legal matters are not stayed by these chapter 11 cases, and including, without limitation (i) defending hundreds of passenger claims (both insured and uninsured) before the civil courts, small-claims courts, and consumer protection agencies of Brazil, (ii) defending individual employee and collective bargaining group labor lawsuits, including currently almost two hundred cases where the Debtors have been sued in a capacity as a co-employer or under theories of joint and several liability or secondary employer liability by the employees of third party service providers, as well as providing consultation on compliance with labor laws and risk mitigation, (iii) defending the Debtors in fines, investigations, applications or other public law matters before the civil aviation authority (known by its Portuguese acronym as ANAC), the national health agency (known as ANVISA), the Ministry of Defense as to aviation safety and air traffic control matters, the public prosecutors and the Federal Police of Brazil, (iv) customs matters, (v) handling uninsured cargo claims (e.g., to secure the release of imported goods), (vi) tax planning and consultation, (vii) matters before the national airport authority known as INFRAERO, as well as local airport administration, (viii) review, negotiation and drafting of vendor agreements and other

commercial contracts, and (ix) legal entity formation and maintenance questions before national and local authorities (together, the “**American Matters**”).

D. In support of the Retention Application, the Debtors submitted the Declaration of Thomas Benes Felsberg, annexed thereto as Exhibit “A” (the “**Declaration**”), which stated, in part, that, “Felsberg’s current range of hourly rates are \$225.00 to \$300.00 for partners, \$100.00 to \$175.00 for associates, and \$25.00 to \$75.00 for paraprofessionals and legal assistants.” (Declaration ¶ 22.)

E. On May 11, 2012, the Bankruptcy Court entered an order approving the Retention Application (ECF No. 2710) (the “**Retention Order**”), which authorizes, inter alia, Felsberg to charge the Debtors at the hourly rates stated in the Declaration for legal services rendered in connection with the American Matters.

F. On May 24, 2012, the Debtors, the UCC, and the U.S. Trustee filed a stipulation with respect to the appointment of the Fee Examiner, which was “So Ordered” by the Bankruptcy Court on June 12, 2012 (ECF No. 3184) (the “**Fee Examiner Stipulation**”). Pursuant to the Fee Examiner Stipulation, the Fee Examiner shall, among other things: (i) review and prepare periodic reports (each, a “**Preliminary Report**”) regarding applications for interim allowance of compensation and reimbursement of expenses (each, a “**Fee Application**”) filed by professionals (each, a “**Retained Professional**”) subject to the Second Amended Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (ECF No. 1656) (the “**Interim Compensation Order**”) and (ii) transmit a Preliminary Report to the Debtors, the attorneys for the Debtors, the attorneys for the UCC, the U.S. Trustee, and the Retained Professional that is the subject of a Preliminary Report.

G. On September 17, 2012, Felsberg filed its Application for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from April 1, 2012 through August 31, 2012 (ECF No. 4505).

H. On January 31, 2013, Felsberg filed its Amended Application for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from April 1, 2012 through July 31, 2012 (ECF No. 6436) (the “**Amended Application**”).

I. On March 21, 2013, Felsberg filed its Second Application for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from November 29, 2011 through March 31, 2012 (ECF No. 7214) (the “**Second Application**”).

J. On March 21, 2013, Felsberg filed its Third Application for Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from August 1, 2012 through November 30, 2012 (ECF No. 7215) (the “**Third Application**”).

K. On April 5, 2013, the Fee Examiner provided Felsberg a Preliminary Report regarding the Amended Application that noted, inter alia, the hourly billing rate charged for five associates employed by Felsberg (the “**Senior Associates**”) ranged between \$200.00 and \$225.00—exceeding the maximum hourly billing rate of \$175.00 provided for associates in the Declaration and approved under the Retention Order.

L. Felsberg contends that the range of hourly billing rates for Senior Associates were inadvertently omitted from the Declaration, and therefore, not expressly approved under the Retention Order. Therefore, the Parties negotiated this Stipulation to modify

the Retention Order to the extent necessary to permit Felsberg to charge the Debtors hourly rates ranging between \$200.00 and \$225.00 for legal services rendered by Senior Associates in connection with the American Matters nunc pro tunc to the Commencement Date.

**STIPULATION AND ORDER**

NOW, THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. This Stipulation shall become effective on the date it is “So Ordered” by the Bankruptcy Court.

2. The Retention Order shall be modified to the extent necessary to permit Felsberg to charge the Debtors hourly rates ranging between \$200.00 and \$225.00 for legal services rendered by Senior Associates in connection with the American Matters nunc pro tunc to the Commencement Date.

3. Except to the extent provided in Paragraph 2 above, nothing in this Stipulation shall be construed to determine or otherwise affect a determination as to whether any time spent or fees requested on account of Senior Associates in (i) the Amended Application, (ii) the Second Application, (iii) the Third Application, or (iv) any subsequent Fee Application or monthly fee statement filed by Felsberg in accordance with the Interim Compensation Order is or is not compensable pursuant to the requirements of the Bankruptcy Code, the Bankruptcy Rules, Local Bankruptcy Rules of the Southern District of New York, the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases pursuant to General Order M-447 (Jan. 29, 2013), the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996, and the Interim Compensation Order; and all such issues are reserved as to Felsberg, the Debtors, the Fee Examiner, the U.S. Trustee, the UCC, and any other party in interest.

4. Consistent with the Retention Order, Felsberg shall provide ten (10) business days' notice to the Debtors, the U.S. Trustee, the Fee Examiner, and any statutory committee appointed in these chapter 11 cases, including the UCC, in connection with any increase in a Felsberg professional's hourly rate charged to the Debtors.

5. Except as expressly set forth in this Stipulation, the Retention Order shall remain in full force and effect.

6. Each Party represents that it has the requisite power, authority and legal capacity to execute this Stipulation.

7. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Evidence of execution of this Stipulation may be exchanged by facsimile or by electronic transmission of a scanned copy of the signature pages or by exchange of originally signed document, each of which shall be as fully binding on the Party as a signed original.

8. The Bankruptcy Court shall retain exclusive jurisdiction over any and all disputes arising out of or otherwise relating to this Stipulation.

Dated: May 17, 2013  
New York, New York

/s/ Alfredo R. Pérez

Alfredo R. Pérez

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Attorneys for the Debtors  
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/s/ Thomas Benes Felsberg

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/s/ Robert J. Keach

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Fee Examiner

**APPROVED AND SO ORDERED**

this \_\_\_\_ day of \_\_\_\_\_, 2013

**BY THE BANKRUPTCY COURT:**

\_\_\_\_\_  
United States Bankruptcy Judge