



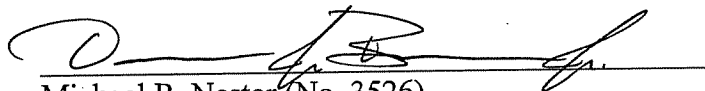
COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6<sup>TH</sup> FLOOR,  
WILMINGTON, DELAWARE 19801.

IF YOU FAIL TO RESPOND TO THE APPLICATION IN ACCORDANCE  
WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN  
WITHOUT FURTHER NOTICE OR A HEARING.

Dated: Wilmington, Delaware    Michael P. Richman (NY 2004646, admitted *pro hac vice*)  
April 8, 2008                      Mark a. Salzberg (FL 965741, admitted *pro hac vice*)  
   Erika L. Morabito (VA 44369, admitted *pro hac vice*)  
   FOLEY & LARDNER LLP  
   90 Park Avenue  
   New York, NY 10005  
   (212) 682-7474 (Telephone)  
   (212) 687-2329 (Facsimile)

-and-

YOUNG CONAWAY STARGATT & TAYLOR, LLP



Michael R. Nestor (No. 3526)  
Joseph M. Barry (No. 4221)  
Donald J. Bowman, Jr. (No. 4383)  
Kara Hammond Coyle (No. 4410)  
The Brandywine Building  
1000 West Street, 17<sup>th</sup> Floor  
P.O. Box 391  
Wilmington, Delaware 19899-0391  
Telephone: (302) 571-6758  
Facsimile: (302) 571-1253

*Proposed Counsel to Debtors and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: )  
 ) Chapter 11  
DIAMOND GLASS, INC., *et al.*,<sup>1</sup> )  
 ) Case No. 08-10601(CSS)  
 )  
Debtors. ) Jointly Administered  
 )  
 ) Hearing Date: April 24, 2008 at 2:00 p.m. (ET)  
 ) Objection Deadline: April 17, 2008 at 4:00 p.m. (ET)

**DEBTORS' APPLICATION PURSUANT TO SECTIONS 327(a) AND 330 OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014 TO AUTHORIZE THE  
RETENTION AND EMPLOYMENT OF FOLEY & LARDNER LLP AS GENERAL  
BANKRUPTCY COUNSEL FOR THE DEBTORS IN POSSESSION EFFECTIVE,  
NUNC PRO TUNC, TO THE PETITION DATE**

Diamond Glass, Inc. ("Diamond Glass") and DT Subsidiary Corp. ("DT Subsidiary") and, together with Diamond Glass, the "Debtors"), by and through their undersigned proposed counsel, hereby submit this application (the "Application") pursuant to §§ 327(a) and 330 of title 11 of the United States Code (as amended, the "Bankruptcy Code") seeking entry of an order authorizing the Debtors' retention of Foley & Lardner, LLP ("Foley") as general bankruptcy counsel for the Debtors. In support of this Application, the Debtors rely upon the Affidavit of Michael P. Richman in Support of Debtors' Application for Order Pursuant to Rule 2014 of the Federal Rules of Bankruptcy Procedure to Authorize the Retention and Employment of Foley & Lardner LLP as General Bankruptcy Counsel for the Debtors in Possession (the "Richman Affidavit") affixed hereto. In further support of this Application, the Debtors respectfully state as follows:

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<sup>1</sup> The Debtors in these proceedings are: Diamond Glass, Inc. (Tax ID No. XX-XXX8853); and DT Subsidiary Corp., a wholly owned subsidiary of Diamond Glass (Tax ID No. XX-XXX3494), each with a mailing address of 220 Division Street, Kingston, PA 18704. Diamond Glass, Inc. is formerly known as Diamond Glass Companies, Inc. and Diamond Triumph Auto Glass, Inc.

## JURISDICTION

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are sections 327, 329 and 330, of the Bankruptcy Code and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”).

## GENERAL BACKGROUND

2. On April 1, 2008 ( the “Petition Date”), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

3. Each Debtor is continuing to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. The Debtors have requested that their chapter 11 cases be jointly administered pursuant to Bankruptcy Rule 1015(b)

5. No request has been made for the appointment of a trustee or examiner, and no official committee has yet been appointed by the Office of the United States Trustee.

6. A detailed description fo the events leading up to this chapter 11 filing is set forth more fully in the Declaration of William Cogswell in Support of Chapter 11 Petitions and First Day Motions, filed in this case on April 1, 2008 and incorporated herein by reference.

## RELIEF REQUESTED

7. By this Application, the Debtors respectfully request the entry of an order, pursuant to sections 327(a) and 330 of the Bankruptcy Code and Bankruptcy Rule 2014, authorizing them to employ and retain Foley as their general bankruptcy counsel with regard to the filing and prosecution of their chapter 11 cases, effective *nunc pro tunc* to the Petition Date.



- a. Consulting with the Debtors concerning their powers and duties as debtors-in-possession, the continued operations of the Debtors' businesses and the Debtors' management of the financial and legal affairs of their estates;
- b. Consulting with the Debtors' management and other professionals concerning the prosecution of a sale of substantially all of the Debtors' assets and/or confirmation of a chapter 11 plan;
- c. Conferring and negotiating with the Debtors' creditors, other parties-in-interest, and their respective attorneys and other professionals concerning the Debtors' businesses and property, proposed sale of assets, chapter 11 plan, claims, liens, and other aspects of these cases;
- d. Appearing in court on behalf of the Debtors and preparing, filing, and serving such applications, motions, complaints, notices, orders, reports, and other documents and pleadings as may be necessary in connection with these cases; and
- e. Providing the Debtors with such other services as the Debtors' agents may request, which may be necessary under the circumstances.

11. Subject to this Court's approval and in accordance with Sections 327 and 330 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Code for the District of Delaware, and Orders of this Court, the Debtors request that Foley be compensated on an hourly basis in accordance with its ordinary and customary hourly rates for work of this nature and be reimbursed for the actual, necessary expenses it incurs. The hourly rates applicable to the attorneys and paralegals contemplated to represent the Debtors for the foregoing limited purposes are as follows:

Michael P. Richman	Partner	\$895 per hour
Mark Salzberg	Partner	\$545 per hour
Keith C. Owens	Partner	\$535 per hour
Erika Morabito	Partner	\$525 per hour
Patrick Wong	Associate	\$380 per hour
Jennifer Hayes	Associate	\$355 per hour

Lars A. Peterson	Associate	\$315 per hour
Katherine E. Hall	Paralegal	\$200 per hour

12. This listing is not exclusive, and other professionals at Foley may perform services for the Debtors as necessary. Foley will use its best judgment to assign professionals to matters in accordance with their skill level and the nature of the matter. Hourly rates may change from time to time in accordance with Foley's established billing practices and procedures. Foley will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the legal services described above by category and nature of the services rendered

13. The hourly rates set forth above are Foley's standard hourly rates for work of this nature. These rates are set at a level designed to compensate Foley fairly for the work of its attorneys and legal assistants and to cover fixed and routine overhead expenses. It is Foley's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, travel expenses, computerized research, transcription costs, as well as non-ordinary expenses. Foley will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to Foley's other clients. Foley believes that it is fairer to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

14. Foley understands that any compensation and expenses paid to it must be approved by this Court upon application consistent with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, this Court's Local Rules, and the Orders of this Court.

15. Foley was retained by the Debtors pursuant to an engagement agreement dated August 15, 2007 (the "Engagement Agreement").<sup>2</sup> Foley received an initial evergreen retainer (the "Retainer") in the amount of \$50,000 in connection with an out-of-court or bankruptcy restructuring, and the eventual planning and preparation for filing these cases.<sup>3</sup> At all relevant times, Foley worked diligently to assist the Debtors' efforts to achieve an out-of-court restructuring, to advise and counsel on all relevant issues including bankruptcy analysis and preparation, to gather the necessary information to analyze alternatives to bankruptcy, and to eventually prepare for the filing of these chapter 11 cases and to advise the Debtors with respect to such a filing. The Retainer was applied against weekly prepetition invoices. In any case where the Retainer was insufficient to cover the weekly prepetition invoice, the Debtors immediately and contemporaneously made up the difference as well as replenishing the Retainer amount.

16. As of the commencement of these cases on the Petition Date (as determined by a reconciliation on April 7, 2008), the Debtors had a remaining credit balance in their favor in the approximate amount of \$1,440 for additional professional services performed or to be performed and expenses incurred or to be incurred in connection with these chapter 11 cases. After application of amounts for payment of any additional prepetition professional services and related expenses, the excess Retainer amount will be held by Foley for application to and payment of postpetition fees and expenses that are allowed by the Court.

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<sup>2</sup> In addition to this restructuring and chapter 11 representation, Foley has also represented the Debtors in civil litigation stemming from a commercial dispute: see, *Auto Glass Wholesalers, Inc. f/k/a Settles Glass Companies v. DT Subsidiary Corporation and Diamond Triumph Auto Glass, Inc.*, No. 71804, Superior Court, Commonwealth of Massachusetts.

<sup>3</sup> During the course of Foley's prepetition representation of the Debtors, the amount of the Retainer was drawn down to zero on several occasions, and was replenished to as high as \$183,245, based upon anticipated work to be performed from time to time.



17. In this case, the Retainer is appropriate for several reasons. See *In re Insilco Technologies, Inc.*, 291 B.R. 628, 634 (Bankr. D. Del. 2003) (Carey, J.) (“Factors to be considered, include...whether terms of an engagement agreement reflect normal business terms in the marketplace;...the relationship between the Debtor and the professionals, i.e., whether the parties involved are sophisticated business entities with equal bargaining power who engaged in an arms-length negotiation[] [and]...whether the retention, as proposed, is in the best interests of the estate[.]...”); see also Statements of Chief Bankruptcy Judge Peter J. Walsh, *In re CTC Communications Group, Inc.*, Case No. 02-12873 (PJW) (Bankr. D. Del. May 22, 2003), transcript of hearing held May 22, 2003, at 43 (“I agree and adopt wholeheartedly Judge Carey’s decision in the *Insilco* case.”). First, these types of retainer agreements reflect normal business terms in the marketplace. See *In re Insilco Technologies, Inc.*, 291 B.R. at 634 (“[I]t is not disputed that the taking of [security] retainers is a practice now common in the market place.”). Second, both Foley and the Debtors are sophisticated business entities that have negotiated the retainer at arm’s length. Third, the retention of Foley is in the best interests of the Debtors’ estates because the Engagement Agreement and Retainer allow the Debtors to maintain the prepetition relationship established with Foley. Thus, under the standards articulated in *In re Insilco Technologies, Inc.*, and adopted in *In re CTC Communications Group, Inc.*, the facts and circumstances of these cases support the approval of the Retainer.

18. The total amount of prepetition payments received by Foley within 90 days prior to the Petition Date was approximately \$560,379 (including estimated fees through the Petition Date).

19. Foley has not entered into any agreement to share such compensation as it may be awarded herein except as permitted under § 504(b) of the Bankruptcy Code.

20. In order to comply with its disclosure obligations under the Bankruptcy Code and Bankruptcy Rule 2014, Foley ran a computer “connections” check through Foley’s conflicts system on the following entities: (a) the Debtors, (b) the Debtors’ directors, officers or majority shareholders, (c) the secured creditors (other than judgment lienholders or parties who filed UCCs in states other than the State of Delaware), (d) the 30 largest unsecured creditors on a consolidated basis, and (e) any professionals to be retained by the Debtors in these chapter 11 cases.<sup>4</sup>

21. Except as is otherwise disclosed in the Affidavit of Michael P. Richman attached hereto (the “Richman Affidavit”), to the best of the Debtors’ knowledge, Foley has not represented the Debtors’ creditors, equity security holders, or any other parties-in-interest, or their respective attorneys in any matters relating to the Debtors or their estates, and is a “disinterested person” as defined in section 101(14) of the Bankruptcy Code. As part of its diverse nationwide practice, Foley appears in cases, proceedings, and transactions involving many different professionals, including attorneys, accountants, financial consultants, and investment bankers, some of whom may be or represent claimants and parties-in-interest in the Debtors’ cases. Based on Foley’s current knowledge of the professionals involved, except as described in the Richman Affidavit, Foley neither represents nor has a relationship with any attorneys, accountants, financial consultants, or investment bankers that would be adverse to the Debtors, their creditors or equity security holders, except that Foley may in the past have acted, or may presently be acting, as co-counsel or as local counsel with some of those attorneys, accountants, financial consultants, or investment bankers on matters wholly unrelated to these cases.

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<sup>4</sup> Foley has ordered a UCC lien search for every place where the Debtors do business, and will file a supplemental affidavit disclosing any connections related thereto. Foley will comply with its obligations to supplement these disclosures as additional information becomes available.

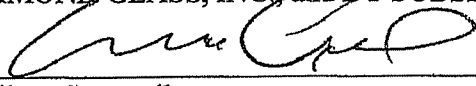


In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

WHEREFORE, the Debtors request the entry of an order in the form attached hereto: (a) Authorizing the Debtors to employ Foley as general bankruptcy counsel to perform the professional services set forth herein; (b) granting such other and further relief as this Court deems just and proper.

Dated: Wilmington, Delaware  
April 8, 2008

DIAMOND GLASS, INC., and ~~DT~~ SUBSIDIARY CORP.



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William Cogswell  
President of the Debtors and Debtors in Possession

**Exhibit A**

**Affidavit**



Retention and Employment of Foley as General Bankruptcy Counsel for the Debtors in Possession Effective *Nunc Pro Tunc*, to the Petition Date (the “Application”).<sup>2</sup>

2. This Affidavit is based on an analysis of current clients checked through Foley’s conflict system and is submitted in support of the application of Diamond Glass, Inc. (“Diamond Glass”) and DT Subsidiary Corp. (“DT Subsidiary” and, together with Diamond Glass, the “Debtors”) for entry of an order authorizing the retention and employment of Foley as general bankruptcy counsel for the Debtors.

#### Disclosures

3. Neither I, Foley, nor any partner, counsel or associate thereof, insofar as I have been able to ascertain, has any connection with the above-captioned Debtors, their creditors or any other party-in-interest herein, or their respective attorneys, except as described herein.

4. As part of its diverse practice, Foley appears in cases, proceedings, and transactions involving many different professionals, including attorneys, accountants, financial consultants and investment bankers, some of whom may be or represent claimants and parties-in-interest in the Debtors’ cases. Based on our current knowledge of the professionals involved, Foley does not represent or have a relationship with any attorneys, accountants, financial consultants, or investment bankers that would be adverse to the Debtors, their creditors, or equity security holders, except that Foley may in the past have acted, or may presently be acting, as co-counsel or local counsel with some of those attorneys, accountants, financial consultants or investment bankers on matters wholly unrelated to these cases.

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<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

5. Foley employs more than 1000 attorneys and has a large and diversified legal practice, which encompasses the active representation of more than 10,000 clients throughout the United States. Some of these entities (or affiliates of these entities) are or may be holders of claims against, and/or interests in the Debtors, or are parties-in-interest in these cases. In the ordinary course of the practice of law, Foley and certain of its members, counsel and associates have in the past represented, currently represent, and from time-to-time in the future will represent such entities (or affiliates of such entities) in matters unrelated to the Debtors' cases. Foley is not currently aware of any parties-in-interest in these cases that Foley is currently representing in matters wholly unrelated to these proceedings, except as disclosed in this Affidavit.

6. Foley ran a conflicts check on (a) the Debtors, (b) the Debtors' directors, officers or majority shareholders, (c) the secured creditors (other than judgment lienholders or parties who filed UCCs in states other than the State of Delaware), (d) the 30 largest unsecured creditors on a consolidated basis, and (e) any professionals to be retained by the Debtors in these chapter 11 cases.<sup>3</sup> I also caused a firm wide email to be sent to all attorneys employed by Foley to determine whether any attorneys at Foley (1) are creditors, equity security holders or insiders of the Debtors; (2) are or were within two years before the date of the filing of the Debtors' chapter 11 petitions, a director, officer, or employee of the Debtors; or (3) have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

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<sup>3</sup> Foley has ordered a UCC lien search for every place where the Debtors do business, and will file a supplemental affidavit disclosing any connections related thereto. Foley will comply with its obligations to supplement these disclosures as additional information becomes available.



7. Based on the conflicts and contacts search conducted by Foley of the entities listed on Schedule 1 attached hereto, and the lack of a response to the firm wide email referenced above, to the best of my knowledge, neither I, Foley, nor any partner, counsel or associate thereof, insofar as I have been able to ascertain, has any connection with the Debtors, their creditors, or any other parties-in-interest, or their respective attorneys and accountants, and the United States Trustee or any person employed in the Office of the United States Trustee, except as listed in Schedule 2 attached hereto.

8. Foley previously has represented, currently represents, and may represent in the future the entities listed in Schedule 2 (or their affiliates), in matters unrelated to the Debtors. Foley does not receive more than 1-2% of Foley's annual revenue from any one of the parties-in-interest listed in Schedule 2, who are clients of Foley in unrelated matters.

9. Foley is a "disinterested person" as that term is defined in § 101(14) of the Bankruptcy Code in that Foley, its partners, counsel and associates:

- a. Are not creditors, equity security holders or insiders of the Debtors;
- b. Are not and were not, within two (2) years before the date of the filing of the Debtors' chapter 11 petitions, a director, officer, or employee of the Debtors; and
- c. Does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor.

10. Based upon our review and internal connections check as of the Petition Date, I have determined that Foley does not represent any party in these proceedings with a material adverse interest with respect to these Debtors. I will supplement this Affidavit as necessary with additional information or disclosures in the event that additional information is developed. To the extent that any actual conflicts arise, they will be handled by local counsel, Young Conaway Stargatt & Taylor LLP.



related expenses, the excess Retainer amount will be held by Foley for application to and payment of postpetition fees and expenses that are allowed by the Court.

13. The total amount of prepetition payments received by Foley within 90 days prior to the Petition Date was approximately \$560,379 (including estimated fees through the Petition Date).<sup>6</sup> Schedule 3, attached hereto, contains a detailed table illustrating the Debtor's payments to Foley within the 90 day period prior to the Petition Date, as well as Foley's application of those payments to invoices for professional services, and a running balance of the Retainer.

14. Foley intends to apply for compensation for professional services rendered in connection with these chapter 11 cases subject to approval of this Court and compliance with the applicable provisions of the Bankruptcy Code, on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by Foley. The principal attorneys and paraprofessional designated to represent the Debtors and their current standard hourly rates are:

Michael P. Richman	Partner	\$895 per hour
Mark Salzberg	Partner	\$545 per hour
Keith C. Owens	Partner	\$535 per hour
Erika Morabito	Partner	\$525 per hour
Patrick Wong	Associate	\$380 per hour
Jennifer Hayes	Associate	\$355 per hour
Lars A. Peterson	Associate	\$315 per hour
Katherine E. Hall	Paralegal	\$200 per hour

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<sup>6</sup> Foley has not yet completed its final reconciliation of prepetition fees and expenses applied against the Retainer. Details regarding such final reconciliation will be included in Foley's first application for interim compensation.

15. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paraprofessionals may from time to time serve the Debtors in connection with the matters herein described.

16. The hourly rates set forth above are Foley's standard hourly rates for work of this nature. These rates are set at a level designed to fairly compensate Foley for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. It is Foley's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, copying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by Foley to outside copying services for use in mass mailings, travel expenses, expenses for "working meals," computerized research, transcription costs, as well as non-ordinary overhead expenses, approved by the client, such as secretarial and other overtime. Foley will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to Foley's other clients and the Local Rules of this Court. The Firm believes that it is more fair to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

17. No promises have been received by Foley nor by any partner, counsel or associate thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code. Foley has no agreement with any other entity to share with such entity any compensation received by Foley in connection with these chapter 11 cases.



## **SCHEDULE 1**

### **Directors and Officers**

Boyle, Kimberly  
Bunchalk, Richard  
Cogswell, William  
Decker, Brett  
Deeds, Alicia  
Hromada, Duane  
Levine, Kenneth  
Levine, Meyer  
Walsh, Martin  
Wooditch, Richard

### **Significant Equity:**

Kenneth Levine  
Harris, Norman

### **Bondholders:**

BEA CBO  
Credit Suisse  
Lyon (Indosuez)  
Newport Global Advisors  
Patriarch Partners  
Plainfield Asset Mgt LLC  
Prudential Investment Management LLC  
Stonegate Capital Mgt

### **Indenture Trustee for Bondholders:**

U.S. Bank, N.A.

### **Lenders:**

Guggenheim Corporate Funding LLC  
Orpheus Holdings LLC  
Orpheus Funding LLC

### **30 Largest Unsecured Creditors**

AGC Automotive Americas  
American Express  
Auto Temp Inc.  
Automotive Components Holding  
Autover Corporation  
Bartelstone  
C.R. Laurence Co. Inc.

Calex Truck Brokers, Inc.  
Crinamex  
Dupli Craft Printing  
Equalizer Industries Inc.  
Gold Glass Group Corp.  
Greenville Glass Industries  
Guardian Auto Glass "TL"  
Ketchum Directory Advertising  
Libbey Owens Ford (SBWILLCA)  
Libbey Owens Ford (Shortbuy)  
Libbey Owens Ford-Truckload  
Minooka Motor Sales  
Morgan Lewis & Bockius LLP  
Mygrant Glass Co. Inc.  
PHH  
PPG Auto Glass LLC  
PPG Industries Inc.  
PPG-Creighton  
Safelite  
Settles Realty Trust  
Shenzhen CSG Automotive SAF  
SIKA Corporation  
Xinyi Group (Glass Company)

**Other Interested Parties:**

General Electric Capital Corp.  
Deutsche Bank  
The CIT Group  
CIT Business Capital

**Professionals:**

Allen & Overy  
Brown Rudnick Berlack Israels LLP  
Buchanan Ingersoll  
Getzler Henrich & Associates LLP  
National City Investment Banking  
Paul, Weiss, Rifkind, Wharton & Garrison LLP  
Young Conaway Stargatt & Taylor, LLP





Guardian Auto Glass "TL"	Unsecured Creditor	Affiliate of Current Client
Morgan Lewis & Bockius LLP	Professional (counsel for Debtors) / Unsecured Creditor	Current Client or Affiliate
PPG Auto Glass LLC	Unsecured Creditor	Affiliate of Current Client
PPG Industries Inc.	Unsecured Creditor	Current Client
PPG-Creighton	Unsecured Creditor	Affiliate of Current Client
Libbey Owens Ford	Unsecured Creditor	Former Client
General Electric Capital Corp.	Other Interested Party (vehicle lessor)	Current Client or Affiliate
Deutsche Bank	Other Interested Party (issuing bank on letter of credit in favor of General Electric)	Current Client or Affiliate
The CIT Group <sup>4</sup>	Other Interested Party	Current Client or Affiliate
CIT Business Capital <sup>5</sup>	Other Interested Party	Current Client or Affiliate
Brown Rudnick Berlack Israels LLP	Professional (counsel to various bondholders)	Current Client or Affiliate
National City Investment Banking	Professional (investment banker to Debtors)	Current Client or Affiliate
Allen & Overy	Professional (counsel to Lenders)	Former Client or Affiliate
Young Conaway Stargatt & Taylor, LLP	Professional (proposed co-counsel to Debtors)	Current or Former Client or Affiliate
Buchanan Ingersoll	Professional (co-counsel to lenders)	Current or Former Client or Affiliate

<sup>4</sup> Foley has an advance conflicts waiver from The CIT Group.

<sup>5</sup> Foley has an advance conflicts waiver from CIT Business Capital.

**SCHEDULE 3**

Date of Invoice	Invoice Number	Fees	Cost	Total	Period Covered	Date(s) of Payment	Check No.
11/28/2007	28112307	18,459.50	2,242.93	20,702.43	11/05/07		
		-6,895.58	-2,242.93	-9,138.51	through	12/18/2007	1139
		-11,563.92	0.00	-11,563.92	11/30/07	1/4/2008	1141
		0.00	0.00	0.00			
12/4/2007	28113659	12,171.00	314.66	12,485.66	11/15/07		
		-12,171.00	-314.66	-12,485.66	through	1/4/2008	1141
		0.00	0.00	0.00	11/30/07		
12/12/2007	28118031	9,762.00	702.48	10,464.48	12/03/07		
		-9,762.00	-702.48	-10,464.48	through	1/4/2008	1141
		0.00	0.00	0.00	12/07/07		
12/12/2007	28118040	34,343.00	967.28	35,310.28	11/08/07		
		-34,343.00	-967.28	-35,310.28	through	1/16/2008	1151
		0.00	0.00	0.00	12/07/07		
12/18/2007	28122315	7,912.00	101.78	8,013.78	12/09/07		
		-7,912.00	-101.78	-8,013.78	through	1/16/2008	1151
		0.00	0.00	0.00	12/13/07		
12/18/2007	28122316	8,869.50	77.79	8,947.29	12/04/07		
		-8,869.50	-77.79	-8,947.29	through	1/4/2008	1141
		0.00	0.00	0.00	12/14/07		
12/28/2007	28124506	14,839.00	96.88	14,935.88	12/04/07		
		-8,392.17	-96.88	-8,489.05	through	1/4/2008	1141
		-6,446.83	0.00	-6,446.83	12/21/07	1/15/2008	1149
		0.00	0.00	0.00			
		5,351.50	35.63	5,387.13	12/18/07		
		-5,351.50	-35.63	-5,387.13	through	1/16/2008	1151
		0.00	0.00	0.00	12/20/07		
12/31/2007	28124826	236.50	142.76	379.26	12/19/07		
		-236.50	-142.76	-379.26	through	1/16/2008	1151
		0.00	0.00	0.00	12/20/07		
12/31/2007	28124837	1,358.00	282.25	1,640.25	12/20/07		
		-1,358.00	-282.25	-1,640.25	through	1/15/2008	1149
		0.00	0.00	0.00	12/26/07		
1/8/2008	28127123	2,260.50	9.30	2,269.80	12/06/07		
		-2,260.50	-9.30	-2,269.80	through	1/15/2008	1149
		0.00	0.00	0.00	01/04/08		
1/8/2008	28127129	1,997.50	40.35	2,037.85	01/02/08		
		-1,997.50	-40.35	-2,037.85	through	1/16/2008	1151
		0.00	0.00	0.00	01/04/08		

**SCHEDULE 3**

1/15/2008	28132888	4,083.50	406.35	4,489.85	01/04/08			
		-4,083.50	-406.35	-4,489.85	through	1/16/2008	1150	
		0.00	0.00	0.00	01/11/08			
1/15/2008	28132906	3,622.00	7.38	3,629.38	01/03/08			
		-3,622.00	-7.38	-3,629.38	through	1/16/2008	1151	
		0.00	0.00	0.00	01/10/08			
1/23/2008	28135615	939.00	38.96	977.96	01/11/08			
		-939.00	-38.96	-977.96	through	1/23/2008	1155	
		0.00	0.00	0.00	01/18/08			
1/23/2008	28135617	723.00	7.67	730.67	01/16/08			
		-723.00	-7.67	-730.67	through	1/23/2008	1156	
		0.00	0.00	0.00	01/18/08			
1/30/2008	28137050	789.00	23.82	812.82	01/18/08			
		-789.00	-23.82	-812.82	through	1/31/2008	1158	
		0.00	0.00	0.00	01/25/08			
1/30/2008	28137051	0.00	190.47	190.47	12/03/07			
		0.00	-190.47	-190.47	through	1/31/2008	1159	
		0.00	0.00	0.00	01/10/08			
2/6/2008	29000079	4,276.50	34.96	4,311.46	01/17/08			
		-4,018.19	-34.96	-4,053.15	through	2/7/2008	1160	
		-258.31	0.00	-258.31	01/31/08	2/27/2008	Wire	
		0.00	0.00	0.00				
2/13/2008	29002540	4,657.50	2.70	4,660.20	02/01/08			
		-4,657.50	-2.70	-4,660.20	through	2/27/2008	Wire	
		0.00	0.00	0.00	02/01/08			
2/20/2008	29006009	841.50	0.00	841.50	02/11/08			
		-841.50	0.00	-841.50	through	2/27/2008	Wire	
		0.00	0.00	0.00	02/11/08			
2/20/2008	29006012	3,508.00	0.00	3,508.00	02/11/08			
		-3,508.00	0.00	-3,508.00	through	2/27/2008	Wire	
		0.00	0.00	0.00	02/16/08			
2/27/2008	29008679	1,342.50	0.00	1,342.50	02/19/08			
		-1,342.50	0.00	-1,342.50	through	2/27/2008	Wire	
		0.00	0.00	0.00	02/21/08			
3/5/2008	29010995	17,064.50	0.00	17,064.50	02/25/08			
		-17,064.50	0.00	-17,064.50	through	3/6/2008	1170	
		0.00	0.00	0.00	02/29/08			
3/5/2008	29010996	148.50	0.00	148.50	02/29/08			
		-148.50	0.00	-148.50	through	3/6/2008	1171	

**SCHEDULE 3**

		0.00	0.00	0.00	02/29/08			
3/11/2008	29013130	24,260.00	0.00	24,260.00	03/03/08			
		-24,260.00	0.00	-24,260.00	through	3/12/2008	1173	
		0.00	0.00	0.00	03/08/08			
3/18/2008	29017051	27,606.50	34.60	27,641.10	03/06/08			
		-27,606.50	-34.60	-27,641.10	through	3/19/2008	1175	
		0.00	0.00	0.00	03/15/08			
3/25/2008	29020566	121,296.50	1.80	121,298.30	03/03/08			
		-4,541.60	-1.80	-4,543.40	through	3/26/2008	1176	
		-116,754.90	0.00	-116,754.90	03/22/08	3/26/2008	Wire	
		0.00	0.00	0.00				
3/31/2008	29022388	227,042.00	681.12	227,723.12	03/06/08			
		-182,563.98	-681.12	-183,245.10	through	3/31/2008	1179	
		-44,478.02	0.00	-44,478.02	03/30/08	3/31/2008	Wire*	
		0.00	0.00	0.00				
4/7/2008**	29023841	52,716.00	1,365.53	54,081.53	03/19/08			
		-52,716.00	-1,365.53	-54,081.53	through	3/31/2008	Wire*	
		0.00	0.00	0.00	03/31/08			
* Note wire received on 3/31/08 for \$100,000; remaining balance of \$1,440.4								
**Invoice 29023841, for prepetition services, was reconciled on 4/7/2008, and paid from funds wired to Foley prepetition.								

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

In re:	)	
	)	Chapter 11
DIAMOND GLASS, INC., <i>et al.</i> , <sup>1</sup>	)	
	)	Case No. 08-10601(CSS)
Debtors.	)	(Jointly Administered)
	)	

**STATEMENT PURSUANT TO RULE 2016 OF THE FEDERAL RULES OF  
BANKRUPTCY PROCEDURE AND SECTION 329 OF THE BANKRUPTCY CODE**

1. Foley & Lardner LLP (“Foley”) pursuant to Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), 11 U.S.C. § 329 and Rule 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) states that the undersigned is counsel for Diamond Glass, Inc., (“Diamond Glass”) and DT Subsidiary Corp. (“DT Subsidiary” and, together with Diamond Glass, the “Debtors”).

2. Compensation agreed to be paid by the Debtors to Foley is to be for legal services rendered in connection with this case. The Debtors agreed to pay Foley for the services rendered or to be rendered by its various attorneys and paralegals in connection with this case on the Debtors’ behalf. The Debtors have also agreed to reimburse Foley for its actual and necessary expenses incurred in connection with this case.

3. Foley was engaged for this case on or about August 23, 2007.

4. In or about September 2007, Foley received an initial evergreen retainer from the Debtors in the amount of \$50,000 (the “Retainer”) in connection with an out-of-court or

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<sup>1</sup> The Debtors in these proceedings are: Diamond Glass, Inc. (Tax ID No. XX-XXX8853); and DT Subsidiary Corp., a wholly owned subsidiary of Diamond Glass (Tax ID No. XX-XXX3494), each with a mailing address of 220 Division Street, Kingston, PA 18704. Diamond Glass, Inc. is formerly known as Diamond Glass Companies, Inc. and Diamond Triumph Auto Glass, Inc.

bankruptcy restructuring, and the eventual planning and preparation for filing these cases. At all relevant times, Foley worked diligently to assist the Debtors' efforts to achieve an out-of-court restructuring, to advise and counsel on all relevant issues including bankruptcy analysis and preparation, to gather the necessary information to analyze alternatives to bankruptcy, and to eventually prepare for the filing of these chapter 11 cases and to advise the Debtors with respect to such a filing.

5. In reliance upon this Court's oral ruling in MPower Holding Corp., Case No. 02-11046 (PJW) (Sept. 25, 2002), Foley drew on the Retainer on a weekly basis to pay for prepetition services rendered in order to prepare for the filing of this case. In any case where the Retainer was insufficient to cover the weekly prepetition invoice, the Debtors immediately and contemporaneously made up the difference as well as replenishing the Retainer amount.

6. As of the commencement of these cases on the Petition Date (as determined by a reconciliation on April 7, 2008), the Debtors had a remaining credit balance in their favor in the approximate amount of \$1,440 for additional professional services performed or to be performed and expenses incurred or to be incurred in connection with these chapter 11 cases. After application of amounts for payment of any additional prepetition professional services and related expenses, the excess Retainer amount will be held by Foley for application to and payment of postpetition fees and expenses that are allowed by the Court.

7. The total amount of prepetition payments received by Foley within 90 days prior to the Petition Date was approximately \$560,379 (including estimated fees through the Petition Date).<sup>2</sup>

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<sup>2</sup> Foley has not yet completed its final reconciliation of prepetition fees and expenses applied against the Retainer. Details regarding such final reconciliation will be included in Foley's first application for interim compensation.

8. Foley will seek approval of payment of compensation upon Foley's filing of appropriate applications for allowance of interim or final compensation pursuant to 11 U.S.C. §§ 330 and 331, the Bankruptcy Rules, the Local Rules and orders of this Court.

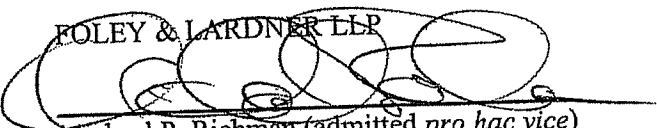
9. All filing fees in this case have been paid in full.

10. The services to be rendered include those services set forth in the Debtors' Application Pursuant to 11 U.S.C. §§ 327(a) and 330 and Fed. R. Bank. P. 2014 to Retain Foley & Lardner LLP as General Bankruptcy Counsel.

11. Foley further states that it has not shared, nor agreed to share (a) any compensation it has received or may receive with another party or person, other than with the partners, counsel and associates of Foley or (b) any compensation another person or party has received or may receive.

Dated: Wilmington, Delaware  
April 8, 2008

FOLEY & LARDNER LLP

  
Michael P. Richman (admitted *pro hac vice*)

90 Park Avenue  
New York, NY 10016  
Tel: (212) 682-7474  
Fax: (212) 687-2329





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

In re:	)	
	)	Chapter 11
DIAMOND GLASS, INC., et al., <sup>1</sup>	)	Case No. 08-10601(CSS)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	Ref. Docket No.: _____

**ORDER GRANTING DEBTORS' APPLICATION PURSUANT TO  
SECTIONS 327(a) AND 330 OF THE BANKRUPTCY CODE AND BANKRUPTCY  
RULE 2014 TO AUTHORIZE THE RETENTION AND EMPLOYMENT OF  
FOLEY & LARDNER LLP AS GENERAL BANKRUPTCY COUNSEL  
FOR THE DEBTORS IN POSSESSION EFFECTIVE,  
NUNC PRO TUNC, TO THE PETITION DATE**

Upon the consideration of the application (the "Application")<sup>2</sup> of Diamond Glass, Inc. ("Diamond") and DT Subsidiary Corp. ("DT" and, together with Diamond Glass, the "Debtors"), for entry of an order pursuant to sections 327(a) and 330 of the Bankruptcy Code and Bankruptcy Rule 2014, authorizing the Debtors to retain and employ the law firm of Foley & Lardner LLP as their general bankruptcy counsel effective, *nunc pro tunc*, to the Petition Date; and upon the Affidavit of Michael P. Richman (the "Richman Affidavit") in support thereof; and the Court being satisfied based on the representations made in the Application and the Richman Affidavit that said attorneys represent no interest adverse to the Debtors' estates, with respect to the matters upon which they are to be engaged, that they are disinterested persons as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the

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<sup>1</sup> The Debtors in these proceedings are: Diamond Glass, Inc. (Tax ID No. XX-XXX8853); and DT Subsidiary Corp., a wholly owned subsidiary of Diamond Glass (Tax ID No. XX-XXX3494), each with a mailing address of 220 Division Street, Kingston, PA 18704. Diamond Glass, Inc. is formerly known as Diamond Glass Companies, Inc. and Diamond Triumph Auto Glass, Inc.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

Bankruptcy Code, and that their employment is necessary and is in the best interests of the Debtors' estates; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Application is granted; and it is further

ORDERED that pursuant to sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a), the Debtors are authorized to employ and retain Foley as their general bankruptcy counsel on the terms and conditions set forth in the Application and the Richman Affidavit, effective *nunc pro tunc* to the date of the commencement of these chapter 11 cases; and it is further

ORDERED that Foley shall apply for compensation and reimbursement in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Federal Rules of Bankruptcy Procedure, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, and such other procedures as may be fixed by order of this Court; and it is further

ORDERED that this Court shall retain jurisdiction over any and all matters arising from or related to the interpretation or implementation of this Order

Dated: Wilmington, Delaware  
April \_\_, 2008

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Christopher S. Sontchi  
United States Bankruptcy Judge