

Notwithstanding the Debtor's withdrawal of the Application, the Court has independently reviewed the Application, the initial affidavit filed, the statements made on the record at the July 2nd hearing and, in particular, the information contained in the Supplemental Affidavit. The Supplemental Affidavit confirms that the disclosures contained in the initial affidavit were incomplete and misleading as were the statements made at the July 2nd hearing by Greenberg Traurig's counsel concerning the scope of Greenberg Traurig's relationship with Latin Air, LLC ("Latin Air").

The Supplemental Affidavit may remedy the prior failures to disclose, but it also clearly demonstrates that Greenberg Traurig was not eligible to represent the Debtor in this case under 11 U.S.C. §327. Without addressing each of the possible retention problems, it is clear that Greenberg Traurig's ongoing relationship with Latin Air constitutes representation of an interest adverse to the estate. As such, the Court finds that Greenberg Traurig is not entitled to fees for the services it has rendered in the case, but should be allowed to recover expenses incurred on behalf of the Debtor. See In re Filene's Basement, Inc., 239 B.R. 850 (Bankr. D.Mass 1999). For the foregoing reasons and the additional reasons stated on the record, which are incorporated here by reference, it is -

ORDERED as follows:

1. The Debtor's request to withdraw the Application for Retention of Greenberg Traurig is granted.
2. Greenberg Traurig is directed to disgorge the retainer it received from the Debtor, the approximate sum of \$100,000, less \$5,000, which Greenberg may retain in reserve pending the filing of an application for reimbursement of expenses. In lieu of returning the retainer to the Debtor, Greenberg Traurig shall hold the retainer pending the retention of new counsel and

directly pay to new counsel whatever portion of the money which Debtor needs as a retainer to obtain the services of new counsel. The balance, if any, shall be returned to the Debtor.

3. The Debtor is directed to promptly seek the retention of new counsel.

4. On or before July 20, 2001, Greenberg Traurig shall file an application for reimbursement of expenses.

ORDERED in the Southern District of Florida this 12th day of July, 2001.

ROBERT A. MARK
Chief U.S. Bankruptcy Judge