

Bradley A. Robins  
Greenhill & Co., LLC  
300 Park Ave  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

---

In re,

ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline:

---

---

**APPLICATION OF GREENHILL & CO., LLC AS FINANCIAL ADVISOR TO  
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR FINAL  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD JULY 16, 2002 THROUGH FEBRUARY 13, 2007**

Name of Applicant:	Greenhill & Co., LLC
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention Order:	November 8, 2002
Period for Which Compensation And Reimbursement is Sought:	July 16, 2002 through February 13, 2007
Amount of Final Compensation Sought as Actual, Reasonable and Necessary:	\$14,485,714
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$107,569.64
Amount by which the fees have been reduced voluntarily, with respect to an Interim Application or otherwise	\$0
Amount by which the fees have been reduced at the recommendation of the Fee Committee, with respect to an Interim Application or otherwise	\$0
Amount by which the expenses have been reduced voluntarily, with respect to an Interim Application or otherwise	\$4,200.91
Amount by which the expenses have been reduced at the recommendation of the Fee Committee, with respect to an Interim Application or otherwise	\$0

This is a \_\_\_\_\_ interim  X  final application.

Pursuant to sections 327(a), 330 and 331 of chapter 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Retention Order (as defined below), the Order Under Local Rule 2016 and 11 U.S.C. §§ 105(a) and 331 Establishing Procedure for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members dated August 9, 2002 (the “Interim Compensation Order”) and Section 6.2(b) of the Plan (as defined herein), the firm of Greenhill & Co., LLC (“Greenhill”), financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) in the bankruptcy cases of Adelpia Communications Corporation and its affiliated debtors (the “Debtors”), hereby applies (the “Application”) for an order (a) granting Greenhill final approval of (i) compensation in the amount of \$14,485,714.00 for the reasonable and necessary financial advisory services Greenhill has rendered to the Committee (the “Allowed Compensation”) and (ii) the actual and necessary expenses that Greenhill incurred in the amount of \$107,569.64 (the “Allowed Expenses”), for the period from July 16, 2002 through February 13, 2007 (the “Application Period”); and (b) authorizing the Debtors to (i) pay Greenhill \$14,485,714.00 on a final basis, which constitutes 100% of the Allowed Compensation for its Monthly Advisory Fees and Transaction Fees for the Application Period, as provided for in the letter agreement, dated July 16, 2002, between the Committee and Greenhill (the “Retention Agreement”) of which (x) \$13,400,000.00 has been previously approved on an interim basis, (y) \$12,068,571.20 has been previously paid by the Debtors, and (z) \$2,417,142.80 is held back pending this Court’s final approval and (ii) reimburse Greenhill in the amount of \$107,569.64, which constitutes 100% of the Allowed Expenses.

Attached hereto as Exhibit B are copies of the applications for allowance of interim compensation previously filed by Greenhill and allowed by the Court. The professional services performed by Greenhill have previously been considered by the Court in connection with the

allowance of interim compensation pursuant to section 331 of the Bankruptcy Code. The compensation paid and payable to Greenhill is pursuant to the Retention Agreement authorized under section 328(a) of the Bankruptcy Code. The terms and conditions under which the Retention Agreement was authorized are not improvident in light of any developments not capable of being anticipated at the time that the Retention Agreement was authorized.

Accordingly and consistent with section 328(a) of the Bankruptcy Code, Greenhill's request for final compensation as stated herein should be granted and the Debtors authorized to release the holdback amount of \$2,417,142.80 to Greenhill. In support of this Application, Greenhill respectfully states as follows:

**Retention and Continuing Disinterestedness of Greenhill**

1. On June 25, 2002 (the "Petition Date"), the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Each of the Debtors continued to operate its business and to manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code until February 13, 2007 when the Plan was declared Effective.

2. The Debtors' chapter 11 cases were consolidated for procedural purposes and were jointly administered pursuant to rule 1015(b) of the Bankruptcy Rules.

3. On July 11, 2002, the United States Trustee for the Southern District of New York appointed the Committee. The members of the Committee currently are: W.R. Huff Asset Management Co., L.L.C.; Tudor Investment Corporation; Highfields Capital Management; Appaloosa Management, L.P.; Law Debenture Trust Company of New York, as Indenture Trustee; Sierra Liquidity Fund, LLC; Wilmington Trust Company, as Indenture Trustee; U.S. Bank, N.A., as Indenture Trustee; and Dune Capital Management LP.

4. This Court's order dated November 8, 2002 authorized the Committee to retain Greenhill as its financial advisor in these chapter 11 cases pursuant to 11 U.S.C. § 327(a) (the

"Retention Order"). The Retention Order authorizes the Debtors to compensate Greenhill in accordance with the Retention Agreement, subject to application to this Court in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Interim Compensation Order and all applicable local rules and orders of this Court.

5. Effective July 31, 2006, the Debtors completed the sale of substantially all of the Debtors' assets to a subsidiary of Time Warner Inc., Time Warner Cable, and Comcast Corp. in exchange for \$12.7 billion in cash and 155,913,430 shares of Time Warner Cable stock, which represented approximately 16% of the outstanding equity securities of Time Warner Cable (the "Sale Transaction").

6. On January 5, 2007, the Court entered its Order Confirming the First Modified Fifth Amended Joint Chapter 11 Plan for Adelphia Communications Corporation and Certain of its Affiliated Debtors (the "Plan"). On February 13, 2007, the Plan became effective and initial distributions to creditors were made.

7. Greenhill filed the Affidavit of Michael A. Kramer and Disclosure Statement in Support of the Application for Order Authorizing Employment and Retention of Greenhill as Financial Advisor to the Official Committee of Unsecured Creditors (the "Kramer Affidavit"). Greenhill does not hold or represent any interest adverse to the Debtors' estates, except as disclosed in the Kramer Affidavit. As stated in the Kramer Affidavit, Greenhill is a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

8. Greenhill may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Committee and this case. Greenhill has disclosed in the Kramer Affidavit its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts.

**Compliance with Guidelines and Orders Governing  
Applications for Compensation and Reimbursement of Expenses**

9. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines” and, collectively with the Local Guidelines, the “Guidelines”), the Interim Compensation Order and the Fee Committee Memorandum. Pursuant to the Local Guidelines, a declaration regarding compliance with same is attached hereto as Exhibit A.

**Reasonable and Necessary Services Rendered by Greenhill**

10. During the Application Period, Greenhill compiled time and expense descriptions of the services it provided, and performed other tasks in order to comply with the Interim Compensation Order. The amount of the fees and expenses sought in this Application are consistent with market practices in and out of a bankruptcy context. Greenhill has never billed its clients based on the number of hours expended by its professionals. Accordingly, Greenhill does not have hourly rates for its professionals, and Greenhill professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtors’ cases, however, Greenhill has maintained contemporaneous time records in compliance with the Guidelines. Attached to each interim fee application, and incorporated by reference herein, is a schedule setting forth the number of hours expended by each of the professionals of Greenhill who rendered services to the Committee during each interim fee period.

11. Greenhill served as an independent investment banker to the Committee in these cases. Given the often contentious nature of the various inter-creditor relationships during the course of the Debtors' proceedings, the Committee's need for an impartial and dependable financial advisor was even greater than usual in a chapter 11 case. The Committee looked to Greenhill to provide unbiased evaluations, analysis and advice on the myriad financial and business issues coming before the Committee. As a result of Greenhill's conduct and work product throughout these cases, Greenhill served as an effective "honest broker", trusted to provide the Committee and other interested parties with unbiased views and explanations of the key financial issues and developments in the Debtors' chapter 11 proceedings and businesses.

12. Throughout these cases, Greenhill worked closely with the Committee's counsel, the Debtors' financial advisors and other professionals to ensure that Greenhill performed services within the scope of its employment and that Greenhill coordinated the provision of its financial advisory services with the services provided by other professionals in these cases. Greenhill believes that its efforts throughout these cases were beneficial to the Estates and their creditors.

13. On behalf of the Committee, Greenhill rendered extensive financial advisory services, including the following:

- (A) *Selection of New Senior Management Team.* Greenhill assisted the Committee in the identification, selection, and negotiation of compensation for potential new senior management for the Debtors.
- (B) *Selection of New Directors.* Greenhill assisted the Committee in the identification and selection of potential new directors for the Debtors.
- (C) *Monitoring and Analysis of Adelphia and Cable Industry Performance.* Greenhill analyzed and reported to the Committee throughout the course of these cases on Adelphia's overall performance and its performance relative to its peers in the cable industry.

- (D) *Preparation of Valuation Reports.* Greenhill analyzed comparable companies and comparable transactions to prepare numerous valuations of Adelphia Communications Corporation as an enterprise and by borrowing “silo”.
- (E) *Plan Development Efforts.* Greenhill developed and analyzed a variety of alternative plan allocation and distribution mechanisms for plan of reorganization purposes.
- (F) *Sale Process Discussions.* Greenhill was an active participant in the sale process and sale contract negotiations with the Debtors and potential bidders.
- (G) *Analysis of Bids.* Greenhill created presentations and analyses for the Committee with regard to preliminary, non-binding indications of interest in acquiring substantially all of the assets of the Debtors as well as final bids. Greenhill also collected and presented to the Debtors the Committee’s views on such bids.
- (H) *Review and Analysis of the Debtors’ Business Operations and Financial Projections and Other Issues.* On behalf of the Committee, Greenhill conducted due diligence with respect to and analyzed the operations and historical and projected financial performance of the Debtors and reported to the Committee on its findings and conclusions. Due diligence included, but was not limited to, reviewing contracts of the Debtors related to the sale of assets, the retention of professionals and employment agreements of the employees of the Debtors. Greenhill facilitated conversations between the Committee members and employees of the Debtors or spoke directly with the Debtors and reported back to the Committee with an analysis of data received or conclusions from conversations conducted.
- (I) *Analysis of Creditor Recovery Scenarios.* Greenhill analyzed different recovery scenarios as requested by the Committee to facilitate negotiations and understand the impact of different actions proposed by the Debtors. Greenhill, at the request of the Committee, ran sensitivities to understand the impact of the Sale Transaction on creditor recoveries and analyzed these recoveries against stand-alone recoveries to help the Committee evaluate the Sale Transaction. Greenhill also analyzed, and performed sensitivity analyses regarding, the impact of the Contingent Value Vehicle interests on creditor recoveries.
- (J) *Various Discussions with Parties in Interest.* Greenhill communicated frequently with the Debtors, members of the Committee and various other creditors and parties in interest regarding issues in these cases. Greenhill became a critical resource for creditors seeking to understand the impact of each proposed plan of reorganization on expected recoveries and responded to requests for information and analysis from the Committee to further this understanding.
- (K) *Presentations to Committee.* Greenhill created presentations to the Committee pertaining to a variety of topics and in response to specific or general inquiries



including valuation, creditor recoveries, stand-alone alternatives, compensation of Debtors' employees and other analyses as requested by the Committee.

- (L) *Plan of Reorganization and Disclosure Statement Discussion.* Greenhill was involved in the negotiations regarding each proposed plan of reorganization and disclosure statement with the Debtors and other parties. Greenhill reviewed analyses and tables from the Debtors for accuracy and to insure that the Committee had the most up to date and accurate information as possible for analyzing and facilitating the completion of each plan and disclosure statement. In addition, Greenhill, at the request of the Committee and its counsel, developed and prepared additional recovery sensitivity tables for inclusion in the Second Disclosure Statement Supplement Relating To Fifth Amended Joint Chapter 11 Plan For Adelphia Communications Corporation and Certain Affiliated Debtors dated October 16, 2006.
- (M) *Preparation of Expert Report and Confirmation Hearing Testimony.* At the request of the Committee's counsel, Greenhill prepared an expert report in connection with the confirmation hearing for the Plan (the "Confirmation Hearing"). During the discovery process in connection with the Confirmation Hearing, Greenhill delivered the expert report and a Greenhill officer was deposed in connection therewith. In addition, Greenhill assisted the Committee's counsel in reviewing the adversary's expert witness report and preparing for the Committee's deposition of the adverse party's expert.

14. The services that Greenhill has performed have been substantial, necessary and beneficial to all parties in interest in these Chapter 11 cases.

#### **Actual and Necessary Expenses**

15. It is Greenhill's policy to charge its clients in all areas of practice for identifiable non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is Greenhill's policy to charge its clients only the amount actually incurred by Greenhill in connection with such items. Examples of such expenses are postage, overnight mail, courier delivery, transportation, overtime expenses, computer assisted research, airfare, meals, and lodging.

16. A summary of expenses by type incurred by Greenhill on behalf of the Committee during each period covered in the Application Period is attached to each interim fee application

included in Exhibit B. These disbursements, less voluntary reductions of \$4,200.91 previously made in response to Fee Committee requests, comprise the requested sum for Greenhill's out-of-pocket expenses, totaling \$107,569.64.

### **Greenhill's Representations**

17. Greenhill performed the services for which it is seeking compensation on behalf of or for the benefit of the Committee, and not on behalf of any other committee, creditor or other person.

18. Other than the amounts requested pursuant to Greenhill's monthly fee statements, Greenhill has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases.

19. On July 29, 2005, Michael A. Kramer, a former Managing Director at Greenhill, left Greenhill. To ensure continuity of service for the benefit of the Committee, Greenhill entered into an agreement with Mr. Kramer (the "Kramer Agreement") pursuant to which Mr. Kramer provided consulting services in these cases. Accordingly, Mr. Kramer has remained actively involved in this matter consistent with his involvement prior to his departure from the firm. Pursuant to this agreement, Mr. Kramer will receive a portion of any fees Greenhill is paid by the Debtors.

20. Other than the Kramer Agreement, no agreement or understanding exists between Greenhill and any other person for sharing compensation received or to be received for services rendered in or in connection with these chapter 11 cases, nor shall Greenhill share or agree to share the compensation paid or allowed from the Debtors' estates for such services with any other person. The foregoing constitutes the statement of Greenhill pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

### **Notice**

21. Notice of this Application has been given to (i) the United States Trustee, (ii) counsel to the Debtors, and (iii) the Debtors.

### **The Requested Compensation Should Be Approved As Final Compensation**

22. Greenhill submits that the services for which it seeks final compensation were necessary and beneficial to the Committee and to the Debtors, and their successful restructuring under the Bankruptcy Code. The compensation requested is fully justified and reasonable given (a) the amount of time expended in performing such services, (b) the complexity of the issues presented, and (c) the importance and nature of the assignment and role of Greenhill in this successful reorganization case. Compensation requested is consistent with section 328(a) of the Bankruptcy Code and the terms and conditions of the Retention Agreement.

23. Greenhill's services performed in these cases were not duplicative of services performed by other professionals in these Chapter 11 cases.

24. The compensation requested by Greenhill is reasonable in all respects.

25. For all of the reasons stated in this application and prior applications filed by Greenhill, it is respectfully requested that the Court approve as final compensation in the amount of \$14,485,714.00 consisting of (i) the aggregate amount of interim compensation previously approved (\$13,400,000.00) and (ii) the aggregate amount of interim compensation pending approval (\$1,085,714.00) together with the \$107,569.64 for reimbursement of expenses during the Application Period and, further, that the Debtors be authorized to release the holdback of \$2,417,142.80 to Greenhill<sup>1</sup>.

New York, New York  
Dated: March 29, 2007

Respectfully submitted

Greenhill & Co., LLC

/s/ Bradley A. Robins

Bradley A. Robins  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor to the Official Committee of  
Unsecured Creditors

---

<sup>1</sup> The holdback represents those fees billed to but not yet paid by the Debtors to Greenhill. The total of \$2,417,142.80 is equal to the sum of (i) 10% of fees earned by Greenhill between 12/2003 and 10/2004 and (ii) 20% of all other fees earned by Greenhill during the cases.

Bradley A. Robins  
Greenhill & Co., LLC  
300 Park Ave  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

-----

In re,  
  
ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline: \_\_\_\_\_

-----

**EXHIBIT A**

**DECLARATION UNDER GUIDELINES FOR FEES  
AND DISBURSEMENTS FOR PROFESSIONALS  
IN RESPECT OF APPLICATION OF  
GREENHILL & CO., LLC FOR  
FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Bradley A. Robins, hereby declare that:

1. I am a managing director of the firm of Greenhill & Co, LLC ("Greenhill"), financial advisor to the Official Committee of Unsecured Creditors (the "Committee"). I am the professional designated by Greenhill in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, the Guidelines for Fees and Disbursements for

Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines,” together with the Local Guidelines, are the “Guidelines”).

2. I make this declaration in respect of Greenhill’s application for final compensation and reimbursement of expenses for the period beginning July 16, 2002 through February 13, 2007 (the “Application Period”) dated March 29, 2007 (the “Application”) in accordance with the Local Guidelines.

3. In respect of section B.1 of the Local Guidelines, I declare that:

- (a) I have read the Application;
- (b) To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines;
- (c) Except to the extent that fees and disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed in accordance with practices customarily employed by Greenhill and generally accepted by Greenhill’s clients; and
- (d) In providing a reimbursable service, Greenhill does not make a profit on that service, whether the service is performed by Greenhill in-house or through a third party.

4. In respect of section B.3 of the Local Guidelines, I understand that copies of the Application are being provided to (a) the United States Trustee for the Southern District of New York; (b) counsel to the Debtors; and (c) the Debtors.

5. By this declaration, Greenhill does not waive or release any rights or entitlements it has under the order of this Court, dated November 8, 2002, approving, under section 328(a) of the Bankruptcy Code, Greenhill's retention by the Committee pursuant to Greenhill's normal billing rates and customary reimbursement and disbursement practices.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
March 29, 2007

/s/ Bradley A. Robins  
Bradley A. Robins

**EXHIBIT B**



Michael A. Kramer  
Greenhill & Co., LLC  
300 Park Ave  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

---

In re,

ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline:  
January 14, 2003

---

**INTERIM APPLICATION OF GREENHILL & CO., LLC FINANCIAL ADVISOR TO  
THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD JULY 16, 2002 THROUGH OCTOBER 31, 2002**

Name of Applicant:	Greenhill & Co., LLC
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention Order:	November 8, 2002
Period for Which Compensation And Reimbursement is Sought:	July 16, 2002 through October 31, 2002
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$700,000.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Previously Sought as Actual, Reasonable and Necessary:	\$0
Amount of Expense Reimbursement Previously Sought as Actual, Reasonable and Necessary:	\$0
Amount of Compensation Previously Allowed as Actual, Reasonable and Necessary:	\$0
Amount of Expense Reimbursement Previously Allowed as Actual, Reasonable and Necessary:	\$0
Amount of Compensation Previously Payable on the Interim Basis as Actual, Reasonable and Necessary:	\$0
Amount of Expense Reimbursement Previously Payable as Actual, Reasonable and Necessary:	\$0
Amount of Compensation Held Back until Final Hearing:	\$140,000.00

This is an  interim  final application.

Pursuant to sections 327(a), 330 and 331 of chapter 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Retention Order (as defined below), and the Order Under Local Rule 2016 and 11 U.S.C. §§ 105(a) and 331 Establishing Procedure for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members dated August 9, 2002 (the “Interim Compensation Order”), the firm of Greenhill & Co., LLC (“Greenhill”), financial advisor to the Official Committee of Unsecured Creditors, hereby applies for an order (a) allowing Greenhill(i) compensation in the amount of \$700,00.00 for the reasonable and necessary financial advisory services Greenhill has rendered to the Committee (the “Allowed Compensation”) and (ii) reimbursement for the actual and necessary expenses that Greenhill incurred in the amount of \$14,078.00 (the “Allowed Expenses”), for the period from July 16, 2002 through October 31, 2002 (the “Fee Period”); and (b) authorizing the Debtor to (i) pay Greenhill on an interim basis compensation in the amount of \$560,000, which constitutes 80% of the Allowed Compensation and (ii) reimburse Greenhill in the amount of \$14,078.00, which constitutes 100% of the Allowed Expenses. In support of this Application, Greenhill respectfully states as follows:

**Retention and Continuing Disinterestedness of Greenhill**

1. On June 25, 2002 (the “Petition Date”), each of the debtors and debtors in possession in the above captioned case (the “Debtors”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Each of the Debtors continues to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. Adelpia Communications Corporation (“ACC” or “Parent”), a Delaware corporation and the ultimate parent Debtor, owns all of the issued and outstanding shares of ACC Investment Holdings, Inc., a Delaware corporation, and ACC Operations, Inc. (“HoldCo”), a

Delaware corporation. HoldCo, in turn, directly or indirectly owns, controls or holds interests in virtually all of the remaining Debtors.

3. Together with its direct and indirect subsidiaries (collectively “Adelphia”), Adelphia is the sixth largest operator of cable television systems in the United States. The Debtors’ cable systems are located in 29 states and Puerto Rico and are organized into six (6) strategic clusters: Los Angeles; “PONY” (Western Pennsylvania, Ohio and Western New York); New England; Florida; Virginia; and Colorado Springs. Such cable systems are located primarily in suburban areas of large and medium-sized cities within the 50 largest television markets.

4. As of June 1, 2002, the Debtors employed approximately 15,444 full and part-time employees, of which approximately 632 employees were covered by collective bargaining agreements.

5. In addition to operation of their cable systems, the Debtors operate and/or hold interests in six (6) non-cable businesses, including: (i) wireless messaging and pager services; (ii) mobile telephone reseller services; (iii) long distance telephone reseller services; (iv) advertising in connection with Adelphia’s cable business; (v) home security; and (vi) a CLEC business managed by Adelphia Business Solutions, Inc. on ACC’s behalf.

6. The Debtors’ chapter 11 cases have been consolidated for procedural purposes and are being jointly administered pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”).

7. On July 11, 2002, the United States Trustee for the Southern District of New York appointed the Committee. The members of the Committee are: W.R. Huff Asset Management Co., L.L.C.; Appaloosa Management, L.P.; Franklin Advisors, Inc.; Fidelity Management &

Research Company; Capital Research and Management Company; Home Box Office; Viacom; Law Debenture; MacKay Shields; Scientific-Atlanta, Inc.; and U.S. Bank, N.A.

8. By this Court's order dated November 8, 2002, the Committee was authorized to retain Greenhill as their financial advisor in these chapter 11 cases pursuant to 11 U.S.C. § 327(a) (the "Retention Order"). The Retention Order authorizes the Debtor to compensate Greenhill at Greenhill's rates typically charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expenses that it incurred, subject to application to this Court in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order and all applicable local rules and orders of this Court.

9. Greenhill filed the Affidavit of Michael A. Kramer and Disclosure Statement in Support of the Application for Order Authorizing Employment and Retention of Greenhill as Financial Advisor to the Official Committee of Unsecured Creditors (the "Kramer Affidavit"). Greenhill does not hold or represent any interest adverse to the Debtor's estate, except as disclosed in the Kramer Affidavit. As stated in the Kramer Affidavit, Greenhill is a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

10. Greenhill may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Committee and this case. Greenhill has disclosed in the Kramer Affidavit its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. Greenhill will update the Kramer Affidavit when necessary and when Greenhill becomes aware of material new information.

**Compliance with Guidelines and Orders Governing  
Applications for Compensation and Reimbursement of Expenses**

11. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines” and, collectively with the Local Guidelines, the “Guidelines”), and the Interim Compensation Order. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit A.

12. Under the terms of the Interim Compensation Order, professionals must serve monthly fee statements on the persons identified in the Interim Compensation Order. If no objections to a monthly fee statement are made by the twentieth (20<sup>th</sup>) day following the month for which compensation is sought, the Debtor is authorized to pay the professional 80% of requested fees and 100% of requested expenses. Professionals are also required to file approximately every 120 days but no more than every 150 days an application (“Fee Application”) with this Court for interim or final Court approval and allowance of the compensation and reimbursement of expenses requested.

**Reasonable and Necessary Services Rendered by Greenhill**

13. During the application period, Greenhill compiled time and expense descriptions of the services it provided, and performed other tasks in order to comply with the Interim Compensation Order. Greenhill made every effort to minimize the amount of time and fees incurred for these activities. The amount of the fees and expenses sought in this Application are

consistent with market practices in and out of a bankruptcy context. Greenhill has never billed its clients based on the number of hours expended by its professionals. Accordingly, Greenhill does not have hourly rates for its professionals, and Greenhill professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtor's case, however, Greenhill has maintained contemporaneous time records in compliance with the Guidelines. A schedule setting forth the number of hours expended by each of the professionals of Greenhill who rendered services to the Committee is attached hereto as Exhibit B.

14. A summary of some of the services rendered by Greenhill during the Fee Period are as follows:

- (A) *Review and Analysis of the Debtors' Business Operations and Financial Projections.* On behalf of the Committee, Greenhill analyzed the operations and financial forecasts of the Company and reported to the Committee relevant findings.
- (B) *Selection of New Senior Management Team.* Greenhill assisted in the identification, selection, and negotiation of compensation for potential new senior management.
- (C) *Preparation on Greenhill Retention Documentation.* Greenhill prepared the requisite documentation for retention in these cases.
- (D) *Various Discussions with Parties in Interest.* Greenhill communicated frequently with the Debtors, members of the Committee and various other creditors and parties in interest regarding issues in these cases.

#### **Actual and Necessary Expenses**

15. It is Greenhill's policy to charge its clients in all areas of practice for identifiable non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is Greenhill's policy to charge its clients only the amount actually incurred by Greenhill in connection with such items. Examples

of such expenses are postage, overnight mail, courier delivery, transportation, overtime expenses, computer assisted research, airfare, meals, and lodging. With respect to airfare expenses, all travel, by all individuals, is billed at the coach class rate with the allowance of class upgrades.

16. A summary of expenses by type made by Greenhill on behalf of the Committee during the Fee Period is attached hereto as Exhibit C. All of these disbursements comprise the requested sum for Greenhill's out-of-pocket expenses, totaling \$14,078.00.

### **Greenhill's Representations**

17. This Fee Application is Greenhill's first interim fee application pursuant to the Interim Compensation Order, covering the period from July 16, 2002 through October 31, 2002. Although every effort has been made to include all fees and expenses from the Fee Period in this Application, some fees and expenses from the Fee Period might not be included in this Application due to delays caused by accounting and processing procedures. Greenhill reserves the right to make further application to the Court for allowance of fees and expenses incurred during the Fee Period but not included herein. As to fees and expenses incurred after October 31, 2002, Greenhill will file subsequent applications at a later date in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the procedures established by this Court and the Interim Compensation Order.

18. Greenhill performed the services for which it is seeking compensation on behalf of or for the benefit of the Committee and their respective estates, and not on behalf of any committee, creditor or other person.

19. Other than the amounts requested under monthly fee statements, Greenhill has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases.



20. No agreement or understanding exists between Greenhill and any other person for a sharing of compensation received or to be received for services rendered in or in connection with these chapter 11 cases, nor shall Greenhill share or agree to share the compensation paid or allowed from the Debtor's estate for such services with any other person. The foregoing constitutes the statement of Greenhill pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

**Notice**

21. In accordance with the Interim Compensation Order, notice of this Application has been given to (i) the United States Trustee, (ii) counsel to the Debtors, and (iii) the Debtors.

In summary, Greenhill requests (a) allowance of the amount of \$714,078.00, consisting of (i) \$700,00.00 for reasonable and necessary professional services rendered during the Fee Period and (ii) \$14,078.00 for actual and necessary costs and expenses incurred in the Fee Period; and (b) authorization for the Debtor to pay Greenhill on the interim basis the total amount of \$574,078.00, consisting of (i) the Allowed Compensation in the amount of \$560,000.00 and (ii) the Allowed Expenses in the amount of \$14,078.00.

New York, New York  
Dated: December 16, 2002

Respectfully submitted

Greenhill & Co., LLC

---

Michael A. Kramer  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor to the Official Committee of  
Unsecured Creditors

Michael A. Kramer  
Greenhill & Co.  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

---

In re,

ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11

Case No. 02-41729 (REG)

Objection Deadline: January 14, 2003

---

**EXHIBIT A**

**CERTIFICATION UNDER GUIDELINES FOR FEES  
AND DISBURSEMENTS FOR PROFESSIONALS  
IN RESPECT OF APPLICATION OF  
GREENHILL & CO., LLC FOR  
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Michael A. Kramer, hereby certify that:

1. I am a managing director of the firm of Greenhill & Co, LLC ("Greenhill"), financial advisor to the Official Committee of Unsecured Creditors (the "Committee"). I am the professional designated by Greenhill in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, the Guidelines for Fees and Disbursements for

Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines,” together with the Local Guidelines, are the “Guidelines”).

2. I make this certification in respect of Greenhill’s application for interim compensation and reimbursement of expenses for the period beginning July 16, 2002 through October 31, 2002 (the “Fee Period”) dated November 26, 2002 (the “Application”) in accordance with the Local Guidelines.

3. In respect of section B.1 of the Local Guidelines, I certify that:

- (a) I have read the Application.
- (b) To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines.
- (c) Except to the extent that fees and disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed in accordance with practices customarily employed by Greenhill and generally accepted by Greenhill’s clients.
- (d) In providing a reimbursable service, Greenhill does not make a profit on that service, whether the service is performed by Greenhill in-house or through a third party.

4. In respect of section B.2 of the Local Guidelines, I certify that Greenhill has been providing, on a monthly basis, statements of Greenhill’s fees and disbursements accrued during

each month in accordance with the procedures approved by this Court in the Interim Compensation Order (as this term is defined in the Application).

5. In respect of section B.3 of the Local Guidelines, I certify that copies of the Application are being provided to (a) the United States Trustee for the Southern District of New York; (b) counsel to the Debtors; and (c) the Debtors.

6. By this certification, Greenhill does not waive or release any rights or entitlements it has under the order of this Court, dated November 8, 2002, approving, under section 328(a) of the Bankruptcy Code, Greenhill's retention by the Committee pursuant to Greenhill's normal billing rates and customary reimbursement and disbursement practices.

Dated: New York, New York  
December 16, 2002

---

Michael A. Kramer

**EXHIBIT B**

## SUMMARY OF HOURS

### Summary of Services by Professional - July 16, 2002 - October 31, 2002

<u>Professional</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Total</u>
Michael A. Kramer, Managing Director	8.5	18.0	11.8	15.0	53.3
David M. Skatoff, Vice President	22.2	77.7	43.7	29.3	172.9
Adam W. Verost, Associate	41.4	59.7	40.9	91.1	233.1
Thomas O. Hicks, Jr., Analyst	72.6	64.3	115.3	45.3	297.4
Jeffrey P. Dunn, Analyst	51.2	75.7	67.9	100.0	294.8
<b>Total</b>	<b>195.9</b>	<b>295.35</b>	<b>279.5</b>	<b>280.5</b>	<b>1,051.3</b>

<u>Project Description</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Total</u>
Communication with Professionals/Company	5.3	63.2	52.6	114.6	235.6
Communications with Committee	88.0	105.0	127.9	55.4	376.2
Business Analysis	49.2	68.6	60.3	54.2	232.3
Other Research/Due Diligence	48.9	36.9	13.9	47.5	147.2
Capital Structure Analysis	2.5	2.2	0.0	1.9	6.6
Valuation Analysis	0.0	1.5	0.0	0.0	1.5
Executive Search	0.0	14.5	24.9	7.0	46.4
Preparation of Court Filings	2.0	3.5	0.0	0.0	5.5
Testimony/Deposition	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>195.9</b>	<b>295.4</b>	<b>279.5</b>	<b>280.5</b>	<b>1,051.3</b>

Note:

---

Additional hourly detail available upon request

## **EXHIBIT C**

## SUMMARY OF DISBURSEMENTS

Source	Travel/Overtime														Other	TOTAL
	Airfare		Taxi/Other					Lodging			Meals					
	Coach	Round Trips	Taxi in NY		Taxi to Airport		Car Service	Cost	Nights	Average	Cost	Number	Average			
		Cost	Rides	Cost	Rides	Cost	Total									
Michael A. Kramer	\$0	0	\$0	0			\$0	\$0							\$ 4	\$44
David M. Skatoff	2,443	1	23	2	110	2	48	181	480	1	480	40	2	20		3,145
Adam W. Verost			0	0	118	1	48	166			0			0		166
Nancy Turner			121	12			48	169			0	280	14	20		449
Thomas O. Hicks, Jr.			48	8			48	96			0	300	15	20		396
Jeffrey P. Dunn	3,444	3	283	18			48	331	451	3	150	519	26	20	67	4,812
Telephone & Other Expenses																
Mobile Phone Expenses																\$264
Hotel Telephone Expenses																44
Pager Expenses																0
Conference Call Expense																678
Long Distance Charges																0
Total																986
Library, Office Supplies, & Copying Expenses																562
Research Information Service Expenses																3,451
Delivery and Messenger Expenses																66
Total Period Expenses	\$5,887	4	\$475	40	\$228	3	\$242	\$944	\$931	4	\$630	\$1,179	59	\$100	\$71	\$14,078

Note:

Additional expense detail available upon request



Michael A. Kramer  
Greenhill & Co., LLC  
300 Park Ave  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

-----

In re,  
  
ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline:

\_\_\_\_\_

-----

**INTERIM APPLICATION OF GREENHILL & CO., LLC FINANCIAL ADVISOR TO  
THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD NOVEMBER 1, 2002 THROUGH MARCH 31, 2003**

Name of Applicant:	Greenhill & Co., LLC
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention Order:	November 8, 2002
Period for Which Compensation And Reimbursement is Sought:	November 1, 2002 through March 31, 2003
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$1,000,000.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$27,972.00
Amount of Compensation Previously Sought as Actual, Reasonable and Necessary:	\$700,000.00
Amount of Expense Reimbursement Previously Sought as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Previously Allowed as Actual, Reasonable and Necessary:	\$700,000.00
Amount of Expense Reimbursement Previously Allowed as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Previously Received on the Interim Basis as Actual, Reasonable and Necessary:	\$560,000.00
Amount of Expense Reimbursement Previously Received as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Held Back until Final Hearing:	\$140,000.00

This is an  interim  final application.

Pursuant to sections 327(a), 330 and 331 of chapter 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Retention Order (as defined below), and the Order Under Local Rule 2016 and 11 U.S.C. §§ 105(a) and 331 Establishing Procedure for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members dated August 9, 2002 (the “Interim Compensation Order”), the firm of Greenhill & Co., LLC (“Greenhill”), financial advisor to the Official Committee of Unsecured Creditors, hereby applies for an order (a) allowing Greenhill(i) compensation in the amount of \$1,000,000.00 for the reasonable and necessary financial advisory services Greenhill has rendered to the Committee (the “Allowed Compensation”) and (ii) reimbursement for the actual and necessary expenses that Greenhill incurred in the amount of \$27,972.00 (the “Allowed Expenses”), for the period from November 1, 2002 through March 31, 2003 (the “Fee Period”); and (b) authorizing the Debtor to (i) pay Greenhill on an interim basis compensation in the amount of \$800,000.00, which constitutes 80% of the Allowed Compensation and (ii) reimburse Greenhill in the amount of \$27,972.00, which constitutes 100% of the Allowed Expenses. In support of this Application, Greenhill respectfully states as follows:

**Retention and Continuing Disinterestedness of Greenhill**

7. On June 25, 2002 (the “Petition Date”), each of the debtors and debtors in possession in the above captioned case (the “Debtors”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Each of the Debtors continues to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

8. Adelfphia Communications Corporation (“ACC” or “Parent”), a Delaware corporation and the ultimate parent Debtor, owns all of the issued and outstanding shares of ACC Investment Holdings, Inc., a Delaware corporation, and ACC Operations, Inc. (“HoldCo”), a

Delaware corporation. HoldCo, in turn, directly or indirectly owns, controls or holds interests in virtually all of the remaining Debtors.

9. Together with its direct and indirect subsidiaries (collectively “Adelphia”), Adelphia is the sixth largest operator of cable television systems in the United States. The Debtors’ cable systems are located in 29 states and Puerto Rico and are organized into six (6) strategic clusters: Los Angeles; “PONY” (Western Pennsylvania, Ohio and Western New York); New England; Florida; Virginia; and Colorado Springs. Such cable systems are located primarily in suburban areas of large and medium-sized cities within the 50 largest television markets.

10. As of June 1, 2002, the Debtors employed approximately 15,444 full and part-time employees, of which approximately 632 employees were covered by collective bargaining agreements.

11. In addition to operation of their cable systems, the Debtors operate and/or hold interests in six (6) non-cable businesses, including: (i) wireless messaging and pager services; (ii) mobile telephone reseller services; (iii) long distance telephone reseller services; (iv) advertising in connection with Adelphia’s cable business; (v) home security; and (vi) a CLEC business managed by Adelphia Business Solutions, Inc. on ACC’s behalf.

12. The Debtors’ chapter 11 cases have been consolidated for procedural purposes and are being jointly administered pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”).

13. On July 11, 2002, the United States Trustee for the Southern District of New York appointed the Committee. The members of the Committee at that time were: W.R. Huff Asset Management Co., L.L.C.; Appaloosa Management, L.P.; Franklin Advisors, Inc.; Fidelity

Management & Research Company; Capital Research and Management Company; Home Box Office; Viacom; Law Debenture; MacKay Shields; Scientific-Atlanta, Inc.; and U.S. Bank, N.A.

14. By this Court's order dated November 8, 2002, the Committee was authorized to retain Greenhill as their financial advisor in these chapter 11 cases pursuant to 11 U.S.C. § 327(a) (the "Retention Order"). The Retention Order authorizes the Debtor to compensate Greenhill at Greenhill's rates typically charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expenses that it incurred, subject to application to this Court in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order and all applicable local rules and orders of this Court.

15. Greenhill filed the Affidavit of Michael A. Kramer and Disclosure Statement in Support of the Application for Order Authorizing Employment and Retention of Greenhill as Financial Advisor to the Official Committee of Unsecured Creditors (the "Kramer Affidavit"). Greenhill does not hold or represent any interest adverse to the Debtor's estate, except as disclosed in the Kramer Affidavit. As stated in the Kramer Affidavit, Greenhill is a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

16. Greenhill may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Committee and this case. Greenhill has disclosed in the Kramer Affidavit its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. Greenhill will update the Kramer Affidavit when necessary and when Greenhill becomes aware of material new information.

**Compliance with Guidelines and Orders Governing  
Applications for Compensation and Reimbursement of Expenses**

17. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines” and, collectively with the Local Guidelines, the “Guidelines”), and the Interim Compensation Order. Pursuant to the Local Guidelines, a declaration regarding compliance with same is attached hereto as Exhibit A.

18. Under the terms of the Interim Compensation Order, professionals must serve monthly fee statements on the persons identified in the Interim Compensation Order. If no objections to a monthly fee statement are made by the twentieth (20<sup>th</sup>) day following the month for which compensation is sought, the Debtor is authorized to pay the professional 80% of requested fees and 100% of requested expenses. Professionals are also required to file approximately every 120 days but no more than every 150 days an application (“Fee Application”) with this Court for interim or final Court approval and allowance of the compensation and reimbursement of expenses requested.

**Reasonable and Necessary Services Rendered by Greenhill**

19. During the application period, Greenhill compiled time and expense descriptions of the services it provided, and performed other tasks in order to comply with the Interim Compensation Order. Greenhill made every effort to minimize the amount of time and fees incurred for these activities. The amount of the fees and expenses sought in this Application are

consistent with market practices in and out of a bankruptcy context. Greenhill has never billed its clients based on the number of hours expended by its professionals. Accordingly, Greenhill does not have hourly rates for its professionals, and Greenhill professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtor's case, however, Greenhill has maintained contemporaneous time records in compliance with the Guidelines. A schedule setting forth the number of hours expended by each of the professionals of Greenhill who rendered services to the Committee is attached hereto as Exhibit B.

20. A summary of some of the services rendered by Greenhill during the Fee Period are as follows:

- (A) *Review and Analysis of the Debtors' Business Operations and Financial Projections.* On behalf of the Committee, Greenhill analyzed the operations and financial forecasts of the Company, including the Company's initial business plan and reported to the Committee relevant findings.
- (B) *Selection of New Senior Management Team.* Greenhill assisted in the identification, selection, and negotiation of compensation for potential new senior management.
- (C) *Preparation of Expert Witness Report on Valuation.* Greenhill analyzed comparable companies and comparable transactions to prepare a valuation of Adelpia Communications Corporation as of February 24, 2003.
- (D) *Various Discussions with Parties in Interest.* Greenhill communicated frequently with the Debtors, members of the Committee and various other creditors and parties in interest regarding issues in these cases.

#### **Actual and Necessary Expenses**

21. It is Greenhill's policy to charge its clients in all areas of practice for identifiable non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is Greenhill's policy to charge its clients only the amount actually incurred by Greenhill in connection with such items. Examples

of such expenses are postage, overnight mail, courier delivery, transportation, overtime expenses, computer assisted research, airfare, meals, and lodging. With respect to airfare expenses, all travel, by all individuals, is billed at the coach class rate with the allowance of class upgrades.

22. A summary of expenses by type made by Greenhill on behalf of the Committee during the Fee Period is attached hereto as Exhibit C. All of these disbursements comprise the requested sum for Greenhill's out-of-pocket expenses, totaling \$27,972.00.

### **Greenhill's Representations**

23. This Fee Application is Greenhill's second interim fee application pursuant to the Interim Compensation Order, covering the period from November 1, 2002 through March 31, 2003. Although every effort has been made to include all fees and expenses from the Fee Period in this Application, some fees and expenses from the Fee Period might not be included in this Application due to delays caused by accounting and processing procedures. Greenhill reserves the right to make further application to the Court for allowance of fees and expenses incurred during the Fee Period but not included herein. As to fees and expenses incurred after March 31, 2003, Greenhill will file subsequent applications at a later date in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the procedures established by this Court and the Interim Compensation Order.

24. Greenhill performed the services for which it is seeking compensation on behalf of or for the benefit of the Committee and their respective estates, and not on behalf of any committee, creditor or other person.

25. Other than the amounts requested under monthly fee statements, Greenhill has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases.



26. No agreement or understanding exists between Greenhill and any other person for a sharing of compensation received or to be received for services rendered in or in connection with these chapter 11 cases, nor shall Greenhill share or agree to share the compensation paid or allowed from the Debtor's estate for such services with any other person. The foregoing constitutes the statement of Greenhill pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

**Notice**

27. In accordance with the Interim Compensation Order, notice of this Application has been given to (i) the United States Trustee, (ii) counsel to the Debtors, and (iii) the Debtors.

In summary, Greenhill requests (a) allowance of the amount of \$1,027,972.00, consisting of (i) \$1,000,000.00 for reasonable and necessary professional services rendered during the Fee Period and (ii) \$27,972.00 for actual and necessary costs and expenses incurred in the Fee Period; and (b) authorization for the Debtor to pay Greenhill on the interim basis the total amount of \$827,972.00, consisting of (i) the Allowed Compensation in the amount of \$800,000.00 and (ii) the Allowed Expenses in the amount of \$27,972.00.

New York, New York  
Dated: April 21, 2003

Respectfully submitted

Greenhill & Co., LLC

---

Michael A. Kramer  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor to the Official Committee of  
Unsecured Creditors

Michael A. Kramer  
Greenhill & Co.  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

-----

In re,

ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11

Case No. 02-41729 (REG)

Objection Deadline: \_\_\_\_\_

-----

**EXHIBIT A**

**DECLARATION UNDER GUIDELINES FOR FEES  
AND DISBURSEMENTS FOR PROFESSIONALS  
IN RESPECT OF APPLICATION OF  
GREENHILL & CO., LLC FOR  
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Michael A. Kramer, hereby declare that:

28. I am a managing director of the firm of Greenhill & Co, LLC ("Greenhill"), financial advisor to the Official Committee of Unsecured Creditors (the "Committee"). I am the professional designated by Greenhill in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, the Guidelines for Fees and Disbursements for

Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines,” together with the Local Guidelines, are the “Guidelines”).

29. I make this declaration in respect of Greenhill’s application for interim compensation and reimbursement of expenses for the period beginning November 1, 2002 through March 31, 2003 (the “Fee Period”) dated April 21, 2003 (the “Application”) in accordance with the Local Guidelines.

30. In respect of section B.1 of the Local Guidelines, I declare that:

- (a) I have read the Application.
- (b) To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines.
- (c) Except to the extent that fees and disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed in accordance with practices customarily employed by Greenhill and generally accepted by Greenhill’s clients.
- (d) In providing a reimbursable service, Greenhill does not make a profit on that service, whether the service is performed by Greenhill in-house or through a third party.

31. In respect of section B.3 of the Local Guidelines, I declare that copies of the Application are being provided to (a) the United States Trustee for the Southern District of New York; (b) counsel to the Debtors; and (c) the Debtors.

32. By this declaration, Greenhill does not waive or release any rights or entitlements it has under the order of this Court, dated November 8, 2002, approving, under section 328(a) of the Bankruptcy Code, Greenhill's retention by the Committee pursuant to Greenhill's normal billing rates and customary reimbursement and disbursement practices.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
April 21, 2003

---

Michael A. Kramer  
April 21, 2003

**EXHIBIT B**

## SUMMARY OF HOURS

Summary of Services by Professional - November 1, 2002 - March 31, 2003

<u>Professional</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Total</u>
Michael A. Kramer, Managing Director	30.6	21.6	13.9	12.8	16.9	95.8
David M. Skatoff, Vice President	42.0	33.0	26.4	37.2	26.4	165.0
Adam W. Verost, Associate	100.9	62.8	63.6	101.6	57.0	385.9
Thomas O. Hicks, Jr., Analyst	93.7	65.4	7.2	58.5	0.0	224.8
Jeffrey P. Dunn, Analyst	123.2	86.2	60.2	115.1	60.2	444.9
Total	390.4	269.0	171.3	325.2	160.5	1,316.4

<u>Project Description</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Total</u>
Communication with Professionals/Company	23.5	6.2	8.7	4.9	26.7	70.0
Communications with Committee	24.6	22.6	32.6	22.9	31.5	134.2
Business Analysis	175.5	208.7	32.7	250.1	53.7	720.7
Other Research/Due Diligence	96.9	31.5	26.2	35.3	48.6	238.5
Travel / Meetings with Regional Management	60.0	0.0	69.0	0.0	0.0	129.0
Preparation of Court Filings	9.9	0.0	0.0	0.0	0.0	9.9
Testimony/Deposition	0.0	0.0	2.1	12.0	0.0	14.1
Total	390.4	269.0	171.3	325.2	160.5	1,316.4

Note:

Additional hourly detail available upon request

**EXHIBIT C**

## SUMMARY OF DISBURSEMENTS

Source	Travel/Overtime														
	Airfare		Taxi/Other					Lodging			Meals				
	Coach	Trips	OT	Taxi in NY	Taxi to Airport	Car Service	Cost	Total	Cost	Nights	Average	Cost	Number	Average	TOTAL
Michael A. Kramer	\$0	0	\$14	2	\$0	0	\$591	\$605	\$0	0	\$0	\$311	3	104	\$916
David M. Skatoff	0	0	0	0	105	2	295	400	0	0	0	0	0	0	400
Adam W. Verost	8,814	6	96	18	110	4	1,065	1,271	984	6	164	726	25	29	11,795
Thomas O. Hicks, Jr.	0	0	105	15	0	0	86	191	0	0	0	525	24	22	716
Jeffrey P. Dunn	4,327	3	757	68	145	3	669	1,571	325	2	162	1,664	77	22	7,886
Telephone & Other Expenses															
Mobile Phone Expenses															\$794
Hotel Telephone Expenses															21
Conference Call Expense															402
Long Distance Charges															0
Total															1,217
Library, Office Supplies, & Copying Expenses															0
Research Information Service Expenses															4,880
Delivery and Messenger Expenses															162
<b>Total Period Expenses</b>	<b>\$13,141</b>	<b>9</b>	<b>\$972</b>	<b>103</b>	<b>\$360</b>	<b>9</b>	<b>\$2,707</b>	<b>\$4,038</b>	<b>\$1,308</b>	<b>8</b>	<b>\$326</b>	<b>\$3,227</b>	<b>129</b>	<b>\$176</b>	<b>\$27,972</b>

Note:

Additional expense detail available upon request



Michael A. Kramer  
Greenhill & Co., LLC  
300 Park Ave  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

-----

In re,  
  
ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline:

\_\_\_\_\_

-----

**THIRD INTERIM APPLICATION OF GREENHILL & CO., LLC FINANCIAL  
ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR ALLOWANCE OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD APRIL 1, 2003 THROUGH JUNE 30, 2003**

Name of Applicant:	Greenhill & Co., LLC
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention Order:	November 8, 2002
Period for Which Compensation And Reimbursement is Sought:	April 1, 2003 through June 30, 2003
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$600,000.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$10,932.00
Amount of Compensation Previously Sought as Actual, Reasonable and Necessary:	\$1,700,000.00
Amount of Expense Reimbursement Previously Sought as Actual, Reasonable and Necessary:	\$42,050.00
Amount of Compensation Previously Allowed as Actual, Reasonable and Necessary:	\$700,000.00
Amount of Expense Reimbursement Previously Allowed as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Previously Allowed and Received on the Interim Basis as Actual, Reasonable and Necessary:	\$700,000.00
Amount of Expense Reimbursement Previously Allowed and Received as Actual, Reasonable and Necessary:	\$14,078.00
Amount of Compensation Held Back until Final Hearing:	\$340,000.00

This is an  interim  final application.

Pursuant to sections 327(a), 330 and 331 of chapter 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Retention Order (as defined below), and the Order Under Local Rule 2016 and 11 U.S.C. §§ 105(a) and 331 Establishing Procedure for Interim Compensation and Reimbursement of Expenses of Professionals and Committee Members dated August 9, 2002 (the “Interim Compensation Order”), the firm of Greenhill & Co., LLC (“Greenhill”), financial advisor to the Official Committee of Unsecured Creditors, hereby applies for an order (a) allowing Greenhill(i) compensation in the amount of \$600,000.00 for the reasonable and necessary financial advisory services Greenhill has rendered to the Committee (the “Allowed Compensation”) and (ii) reimbursement for the actual and necessary expenses that Greenhill incurred in the amount of \$10,932.00 (the “Allowed Expenses”), for the period from April 1, 2003 through June 30, 2003 (the “Fee Period”); and (b) authorizing the Debtor to (i) pay Greenhill on an interim basis compensation in the amount of \$480,000.00, which constitutes 80% of the Allowed Compensation and (ii) reimburse Greenhill in the amount of \$10,932.00, which constitutes 100% of the Allowed Expenses. In support of this Application, Greenhill respectfully states as follows:

**Retention and Continuing Disinterestedness of Greenhill**

33. On June 25, 2002 (the “Petition Date”), each of the debtors and debtors in possession in the above captioned case (the “Debtors”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Each of the Debtors continues to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

34. Adelpia Communications Corporation (“ACC” or “Parent”), a Delaware corporation and the ultimate parent Debtor, owns all of the issued and outstanding shares of ACC Investment Holdings, Inc., a Delaware corporation, and ACC Operations, Inc. (“HoldCo”), a

Delaware corporation. HoldCo, in turn, directly or indirectly owns, controls or holds interests in virtually all of the remaining Debtors.

35. Together with its direct and indirect subsidiaries (collectively “Adelphia”), Adelphia is the sixth largest operator of cable television systems in the United States. The Debtors’ cable systems are located in 29 states and Puerto Rico and are organized into six (6) strategic clusters: Los Angeles; “PONY” (Western Pennsylvania, Ohio and Western New York); New England; Florida; Virginia; and Colorado Springs. Such cable systems are located primarily in suburban areas of large and medium-sized cities within the 50 largest television markets.

36. As of June 1, 2002, the Debtors employed approximately 15,444 full and part-time employees, of which approximately 632 employees were covered by collective bargaining agreements.

37. In addition to operation of their cable systems, the Debtors operate and/or hold interests in six (6) non-cable businesses, including: (i) wireless messaging and pager services; (ii) mobile telephone reseller services; (iii) long distance telephone reseller services; (iv) advertising in connection with Adelphia’s cable business; (v) home security; and (vi) a CLEC business.

38. The Debtors’ chapter 11 cases have been consolidated for procedural purposes and are being jointly administered pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”).

39. On July 11, 2002, the United States Trustee for the Southern District of New York appointed the Committee. The members of the Committee at that time were: W.R. Huff Asset Management Co., L.L.C.; Appaloosa Management, L.P.; Franklin Advisors, Inc.; Fidelity

Management & Research Company; Capital Research and Management Company; Home Box Office; Viacom; Law Debenture; MacKay Shields; Scientific-Atlanta, Inc.; and U.S. Bank, N.A.

40. By this Court's order dated November 8, 2002, the Committee was authorized to retain Greenhill as their financial advisor in these chapter 11 cases pursuant to 11 U.S.C. § 327(a) (the "Retention Order"). The Retention Order authorizes the Debtor to compensate Greenhill at Greenhill's rates typically charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expenses that it incurred, subject to application to this Court in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order and all applicable local rules and orders of this Court.

41. Greenhill filed the Affidavit of Michael A. Kramer and Disclosure Statement in Support of the Application for Order Authorizing Employment and Retention of Greenhill as Financial Advisor to the Official Committee of Unsecured Creditors (the "Kramer Affidavit"). Greenhill does not hold or represent any interest adverse to the Debtor's estate, except as disclosed in the Kramer Affidavit. As stated in the Kramer Affidavit, Greenhill is a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

42. Greenhill may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Committee and this case. Greenhill has disclosed in the Kramer Affidavit its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. Greenhill will update the Kramer Affidavit when necessary and when Greenhill becomes aware of material new information.

**Compliance with Guidelines and Orders Governing  
Applications for Compensation and Reimbursement of Expenses**

43. This Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines” and, collectively with the Local Guidelines, the “Guidelines”), and the Interim Compensation Order. Pursuant to the Local Guidelines, a declaration regarding compliance with same is attached hereto as Exhibit A.

44. Under the terms of the Interim Compensation Order, professionals must serve monthly fee statements on the persons identified in the Interim Compensation Order. If no objections to a monthly fee statement are made by the twentieth (20<sup>th</sup>) day following the month for which compensation is sought, the Debtor is authorized to pay the professional 80% of requested fees and 100% of requested expenses. Professionals are also required to file approximately every 120 days but no more than every 150 days an application (“Fee Application”) with this Court for interim or final Court approval and allowance of the compensation and reimbursement of expenses requested.

**Reasonable and Necessary Services Rendered by Greenhill**

45. During the application period, Greenhill compiled time and expense descriptions of the services it provided, and performed other tasks in order to comply with the Interim Compensation Order. Greenhill made every effort to minimize the amount of time and fees incurred for these activities. The amount of the fees and expenses sought in this Application are

consistent with market practices in and out of a bankruptcy context. Greenhill has never billed its clients based on the number of hours expended by its professionals. Accordingly, Greenhill does not have hourly rates for its professionals, and Greenhill professionals generally do not maintain detailed time records of the work performed for its clients. In the Debtor's case, however, Greenhill has maintained contemporaneous time records in compliance with the Guidelines. A schedule setting forth the number of hours expended by each of the professionals of Greenhill who rendered services to the Committee is attached hereto as Exhibit B.

46. A summary of some of the services rendered by Greenhill during the Fee Period are as follows:

- (A) *Review and Analysis of the Debtors' Business Operations and Financial Projections.* On behalf of the Committee, Greenhill analyzed the operations and financial forecasts of the Company, including the Company's debtor-in-possession budget, and reported to the Committee relevant findings.
- (B) *Selection of New Directors.* Greenhill assisted in the identification and selection of potential new directors.
- (C) *Monitor and analyze Adelphia and cable industry performance.* Report to the Committee on these items in regards to Adelphia's overall performance.
- (D) *Various Discussions with Parties in Interest.* Greenhill communicated frequently with the Debtors, members of the Committee and various other creditors and parties in interest regarding issues in these cases.

#### **Actual and Necessary Expenses**

47. It is Greenhill's policy to charge its clients in all areas of practice for identifiable non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is Greenhill's policy to charge its clients only the amount actually incurred by Greenhill in connection with such items. Examples of such expenses are postage, overnight mail, courier delivery, transportation, overtime expenses,

computer assisted research, airfare, meals, and lodging. With respect to airfare expenses, all travel, by all individuals, is billed at the coach class rate with the allowance of class upgrades.

48. A summary of expenses by type made by Greenhill on behalf of the Committee during the Fee Period is attached hereto as Exhibit C. All of these disbursements comprise the requested sum for Greenhill's out-of-pocket expenses, totaling \$10,932.00.

### **Greenhill's Representations**

49. This Fee Application is Greenhill's second interim fee application pursuant to the Interim Compensation Order, covering the period from April 1, 2003 through June 30, 2003. Although every effort has been made to include all fees and expenses from the Fee Period in this Application, some fees and expenses from the Fee Period might not be included in this Application due to delays caused by accounting and processing procedures. Greenhill reserves the right to make further application to the Court for allowance of fees and expenses incurred during the Fee Period but not included herein. As to fees and expenses incurred after June 30, 2003, Greenhill will file subsequent applications at a later date in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the procedures established by this Court and the Interim Compensation Order.

50. Greenhill performed the services for which it is seeking compensation on behalf of or for the benefit of the Committee and their respective estates, and not on behalf of any committee, creditor or other person.

51. Other than the amounts requested under monthly fee statements, Greenhill has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these cases.

52. No agreement or understanding exists between Greenhill and any other person for a sharing of compensation received or to be received for services rendered in or in connection



with these chapter 11 cases, nor shall Greenhill share or agree to share the compensation paid or allowed from the Debtor's estate for such services with any other person. The foregoing constitutes the statement of Greenhill pursuant to section 504 of the Bankruptcy Code and Bankruptcy Rule 2016(a).

**Notice**

53. In accordance with the Interim Compensation Order, notice of this Application has been given to (i) the United States Trustee, (ii) counsel to the Debtors, and (iii) the Debtors.

In summary, Greenhill requests (a) allowance of the amount of \$610,932.00, consisting of (i) \$600,000.00 for reasonable and necessary professional services rendered during the Fee Period and (ii) \$10,932.00 for actual and necessary costs and expenses incurred in the Fee Period; and (b) authorization for the Debtor to pay Greenhill on the interim basis the total amount of \$610,932.00, consisting of (i) the Allowed Compensation in the amount of \$600,000.00 and (ii) the Allowed Expenses in the amount of \$10,932.00.

New York, New York  
Dated: September 18, 2003

Respectfully submitted

Greenhill & Co., LLC

---

Michael A. Kramer  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor to the Official Committee of  
Unsecured Creditors

Michael A. Kramer  
Greenhill & Co.  
300 Park Avenue  
New York, New York 10022  
(212) 389-1500

Financial Advisor for the Official Committee of Unsecured Creditors

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

-----

In re,  
  
ADELPHIA COMMUNICATIONS CORP., et al.

Debtors.

Chapter 11  
Case No. 02-41729 (REG)

Objection Deadline: \_\_\_\_\_

-----

**EXHIBIT A**

**DECLARATION UNDER GUIDELINES FOR FEES  
AND DISBURSEMENTS FOR PROFESSIONALS  
IN RESPECT OF APPLICATION OF  
GREENHILL & CO., LLC FOR  
INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Michael A. Kramer, hereby declare that:

54. I am a managing director of the firm of Greenhill & Co, LLC ("Greenhill"), financial advisor to the Official Committee of Unsecured Creditors (the "Committee"). I am the professional designated by Greenhill in respect of compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April 19, 1995, the Guidelines for Fees and Disbursements for

Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (collectively, the “Local Guidelines”) and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines,” together with the Local Guidelines, are the “Guidelines”).

55. I make this declaration in respect of Greenhill’s application for interim compensation and reimbursement of expenses for the period beginning April 1, 2003 through June 30, 2003 (the “Fee Period”) dated September 18, 2003 (the “Application”) in accordance with the Local Guidelines.

56. In respect of section B.1 of the Local Guidelines, I declare that:

- (a) I have read the Application.
- (b) To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines.
- (c) Except to the extent that fees and disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed in accordance with practices customarily employed by Greenhill and generally accepted by Greenhill’s clients.
- (d) In providing a reimbursable service, Greenhill does not make a profit on that service, whether the service is performed by Greenhill in-house or through a third party.

57. In respect of section B.3 of the Local Guidelines, I declare that copies of the Application are being provided to (a) the United States Trustee for the Southern District of New York; (b) counsel to the Debtors; and (c) the Debtors.

58. By this declaration, Greenhill does not waive or release any rights or entitlements it has under the order of this Court, dated November 8, 2002, approving, under section 328(a) of the Bankruptcy Code, Greenhill's retention by the Committee pursuant to Greenhill's normal billing rates and customary reimbursement and disbursement practices.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
September 18, 2003

---

Michael A. Kramer  
September 18, 2003

**EXHIBIT B**

## SUMMARY OF HOURS

### Summary of Services by Professional - April 1, 2003 - June 30, 2003

<u>Professional</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Total</u>
Michael A. Kramer, Managing Director	21.9	21.7	28.0	71.6
David M. Skatoff, Vice President	29.3	67.9	54.3	151.5
Adam W. Verost, Associate	35.3	99.1	79.0	213.4
Jeffrey P. Dunn, Analyst	45.0	157.2	148.1	350.3
Total	131.5	345.9	309.4	786.8

<u>Project Description</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Total</u>
Communication with Professionals/Company	39.4	36.5	14.2	90.1
Communications with Committee	13.6	171.6	138.9	324.1
Business Analysis	78.5	99.5	114.4	292.4
Research/Due Diligence	0.0	15.8	41.9	57.7
Travel	0.0	22.5	0.0	22.5
Other	0.0	0.0	0.0	0.0
Total	131.5	345.9	309.4	786.8

Note:

Additional hourly detail available upon request