

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

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In re	: Chapter 11 Case Nos.
	:
BETHLEHEM STEEL CORPORATION,	: 01-15288 (BRL) through
et al.	: 01-15302, 01-15308
	: through 01-15315 (BRL)
Debtors.	: (Jointly Administered)
	:
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**ORDER GRANTING INTERIM ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND FOR REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES
INCURRED FROM FEBRUARY 1, 2003 THROUGH MAY 31, 2003**

Upon consideration of the applications of (a) (i) Weil, Gotshal & Manges LLP, as attorneys for Bethlehem Steel Corporation and its affiliated debtors in the above-captioned cases (collectively, the “Debtors”), (ii) Greenhill & Co., LLC (“Greenhill”), as financial advisor for the Debtors, (iii) Credit Suisse First Boston (“CSFB”), as financial advisor for the Debtors, (iv) PricewaterhouseCoopers LLP (“PWC”), as accountant and tax auditor for the Debtors, (v) Dewey Ballantine LLP, as special counsel for the Debtors, (vi) Cravath, Swaine & Moore, as special counsel for the Debtors, and (vii), Skadden, Arps, Slate, Meagher & Flom LLP, as special counsel for the Debtors (collectively, the “Debtors’ Professionals”), (b) Drinker Biddle & Reath LLP (“DB&R”), as counsel to the official committee of retirees, and (c) (i) Kramer, Levin, Naftalis & Frankel, as counsel for the statutory creditors’ committee (the “Committee”), (ii) McDonald Investment, Inc. (“McDonald”), as investment banker and restructuring advisor for the Committee, (iii) McDermott, Will & Emery LLP, as special counsel for the Committee, and (iv) KPMG LLP-US and KPMG LLP-Canada (“KPMG”) as accountant for the Committee

(collectively, the “Committee’s Professionals,” and together with the Debtors’ Professionals, and DB&R, the “Applicants”), seeking allowance of interim compensation for professional services rendered and reimbursement for actual and necessary expenses incurred in connection therewith in the above-captioned chapter 11 cases from February 1, 2003 through May 31, 2003 (the “Compensation Period”) (collectively, the “Applications”); and due notice of the Applications having been provided and a hearing having been held on July 22, 2003 before this Court to consider the Applications (the “Hearing”); and the Office of the United States Trustee having filed an objection to certain of the Applications (the “UST Objection”); and the UST Objection having been resolved as reflected on the record of the Hearing; and it appearing that the requested compensation and expense reimbursement reflected in the Applications as modified on the record of the Hearing are reasonable; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that pursuant to section 331 of the Bankruptcy Code, the Applicants’ requests for interim allowance and payment of compensation and reimbursement of expenses contained in their respective Applications, as modified on the record of the Hearing, are hereby granted in full, less in the case of each Applicant a holdback (the “Holdback”) to the extent the Application does not already provide for such a Holdback, all as set forth on Schedule “A” annexed hereto; and it is further

ORDERED that the Debtors are authorized to remit payment of an additional 50% of the Holdback for the compensation period October 1, 2002 through January 31, 2003, and 25% of the Holdback for the Compensation Period to those Applicants seeking such amounts, as set forth on Schedule “A” annexed hereto, without

prejudice to the right of such Applicants to seek payment of the balance of such Holdbacks at a later time; and it is further

ORDERED that the Debtors are hereby authorized and directed upon the entry of this Order and receipt of appropriate wiring instructions from each of the Applicants to wire-transfer to each of Applicants the amount of fees and expenses allowed herein that have not heretofore been paid.

Dated: New York, New York
July 22, 2003

/s/Burton R. Lifland
UNITED STATES BANKRUPTCY JUDGE

Case Name: In re Bethlehem Steel Corporation, et al.
Case Number: 01-15288 through 01-15302; 01-15308 through 01-15315 (BRL)

CURRENT FEE PERIOD: February 1, 2003 through May 31, 2003

Applicant	App. Date and Docket #	Fees Incurred	Fees Requested (100%)	Fees Allowed (80%)	Fee Holdback for Fifth Interim Period (20%)	25% of Holdback For Fifth Interim Period	50% of Holdback For Fourth Interim Period	Total Fees Payable by Debtors	Expenses Incurred	Expenses Allowed and Payable by Debtors
Weil, Gotshal & Manges LLP Counsel for Debtors	6/26/03 #1270	\$3,018,420.50	\$3,018,420.50	\$2,414,736.40	\$603,684.10	\$150,921.02	\$236,215.45	\$2,801,872.87	\$183,253.42	\$183,253.42
Skadden, Arps, Slate, Meagher & Flom LLP Special Counsel for Debtors	6/26/03 #1275	\$54,701.00	\$54,701.00	\$43,761.00	\$10,940.00	N/A	N/A	\$43,761.00	\$2,984.00	\$2,984.00
Dewey Ballantine, LLP Special Counsel for Debtors	7/2/03 #1291	\$48,835.42	\$48,835.42	\$39,068.34	\$9,767.08	N/A	N/A	\$39,068.34	\$1,164.58	\$1,164.58
Greenhill and Co., LLC Financial Advisor for Debtors ¹	6/26/03 #1280	\$4,475,000.00	\$4,475,000.00	\$4,475,000.00 (fixed fee)	N/A	N/A	N/A	\$4,475,000.00	\$6,078.52	\$6,078.52
Credit Suisse First Boston Financial Advisor for Debtors	6/26/03 #1278	\$600,000.00	\$600,000.00	\$600,000.00 (fixed fee)	N/A	N/A	N/A	\$600,000.00	\$10,033.29	\$10,033.29
McDermott, Will & Emery LLP Special Counsel to Committee	7/1/03 #1288	\$45,669.50	\$45,669.50	\$36,535.60	\$9,133.90	\$2,283.48	\$15,736.40	\$54,555.48	\$2,353.14	\$2,353.14
Cravath, Swaine & Moore Special Counsel for Debtor	N/A	\$77,386.50	\$77,386.50	\$61,909.20	\$15,477.30	N/A	N/A	\$61,909.20	\$1,197.00	\$1,197.00
PricewaterhouseCoopers, LLP Accountant and Tax Auditor for Debtors	6/26/03 #1272	\$132,834.00 (fixed fee plus non-fixed fee)	\$132,834.00 (fixed fee plus non-fixed fee)	\$126,367.20 (100% fixed fee plus 80% non-fixed fee)	\$6,466.80 (20% non-fixed fee)	\$1,616.70	N/A	\$127,983.90	\$0.00	\$0.00
Kramer Levin Naftalis & Frankel LLP Counsel to Committee	6/26/03 #1281	\$389,655.00	\$389,655.00	\$311,724.00	\$77,931.00	\$19,482.75	\$47,207.80	\$378,414.55	\$30,696.85	\$30,696.85
McDonald Investment, Inc. Investment Banker and Restructuring Advisor for Committee	6/26/03 #1274	\$400,000.00	\$400,000.00	\$400,000.00 (fixed fee)	N/A	N/A	N/A	\$400,000.00	\$20,833.00	\$20,833.00

Final Application

Case Name: In re Bethlehem Steel Corporation, et al.

Case Number: 01-15288 through 01-15302; 01-15308 through 01-15315 (BRL

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Applicant	App. Date and Docket #	Fees Incurred	Fees Requested (100%)	Fees Allowed (80%)	Fee Holdback for Fifth Interim Period (20%)	25% of Holdback For Fifth Interim Period	50% of Holdback For Fourth Interim Period	Total Fees Payable by Debtors	Expenses Incurred	Expenses Allowed and Payable by Debtors
KPMG LLP – US and KPMG LLP – Canada Accountant for Committee	6/26/03 #1277	\$333,234.00	\$333,234.00	\$266,587.20	\$66,646.80	\$16,661.70	\$61,003.30	\$344,252.20	\$9,275.00	\$9,275.00
Drinker Biddle & Reath LLP Counsel to Retiree Committee	2/28/03 #1269	\$199,661.00	\$199,661.00	\$159,728.80	\$39,932.20	\$9,983.05	\$9,401.19 (75%) ²	\$179,113.04	\$7,283.67	\$7,283.67

Dated: 7/22/2003

Initials: /s/BRL USBJ

As Drinker Biddle & Reath LLP (“DB&R”) did not previously seek approval of 25% of its holdback for the Fourth Interim Period, DB&R is now seeking 75% of the holdback for such Fourth Interim Period.