

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
CONTIFINANCIAL CORPORATION, et al., : Case No. 00 B 12184 (AJG)
Debtors. : (Jointly Administered)
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**SECOND AND FINAL APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES PURSUANT TO SECTIONS 330 AND 331 OF
THE BANKRUPTCY CODE**

Name of Applicant:	The Blackstone Group L.P.
Persons Providing Professional Services:	Arthur Newman, Flip Huffard, Tracy Morris, Michael Alexander
Authorized to Provide Professional Services to:	ContiFinancial Corporation, et al.
Date of Retention:	May 17, 2000
Period for which compensation and reimbursement is sought:	September 1, 2000 through December 19, 2000
Amount of Compensation sought in Second Fee Application:	\$300,000.00
Amount of Expense Reimbursement sought in Second Fee Application:	\$1,795.90
Total Amount of Compensation requested and approved in First Fee Application:	\$450,000.00
Total Amount of Expenses requested and approved in First Fee Application:	\$1,482.86
Total Compensation requested in these cases, including the Second Fee Application:	\$750,000.00

Total Expenses requested in these cases,
including the Second Fee Application:

\$3,278.76

This is a(n): _____ interim X final application.

The total time expended for the preparation of this application is approximately 10 hours and the corresponding compensation requested is \$0.00.

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**TO THE HONORABLE ARTHUR J. GONZALEZ
UNITED STATES BANKRUPTCY JUDGE:-**

The Blackstone Group L.P. ("Blackstone"), financial advisor to ContiFinancial Corporation, et al. (collectively, the "Debtors"), respectfully represents:

1. Pursuant to the Order of the Court dated August 3, 2000 (the "Retention Order"), Blackstone was retained, effective May 17, 2000, as financial advisor to the Debtors as per that certain agreement dated May 2, 2000 between Blackstone and the Debtors (the "Engagement Letter"), provided in Appendix A.
2. This is the final application of Blackstone for (i) allowance of compensation for services in the amount of \$300,000.00, (ii) reimbursement of expenses in the amount of \$1,795.90 under Sections 330 and 331 of the Bankruptcy Code, for September 1,

2000 through December 19, 2000, and (iii) final approval of all of Blackstone's fees and expenses approved on an interim basis in these cases.

3. Pursuant to the terms of the Engagement Letter, as approved by the Retention Order, Blackstone may receive a fee of \$150,000.00 per month for its advisory services on behalf of the Debtors. Blackstone requests a total of \$300,000.00 for the services it rendered during the period September 1, 2000 through December 19, 2000 (the "Second Compensation Period"). This represents a fee of \$150,000.00 for the months of September and October. In recognition of the reduced time commitments required of Blackstone professionals during the months of November and December, Blackstone is voluntarily waiving any request for fees for these two months. No interim fee application has been previously filed with respect to these fees.

4. Blackstone previously filed an interim fee application (the "First Fee Application") covering the period of May 17, 2000 through August 31, 2000 (the "First Compensation Period"). This First Fee Application is hereby incorporated into this application by reference. During the First Compensation Period, Blackstone requested and received interim approval of \$450,000.00 in fees and \$1,482.86 in expenses. Blackstone requests the Court to deem all fees and expenses previously approved in connection with the First Fee Application as final, and to authorize the Debtors to pay the amounts that were subject to holdback pending this final application.

5. A summary of all fees and expenses applied for in these cases (including in this Second Fee Application) is shown below:

	Fees			Expenses		
	Total	Paid	Held Back	Total	Paid	Held Back
5/17-6/30	\$150,000.00	\$120,000.00	\$30,000.00	\$390.23	\$390.23	\$-
7/1-7/30	150,000.00	120,000.00	30,000.00	283.70	283.70	-
8/1-8/30	150,000.00	120,000.00	30,000.00	808.93	808.93	-
First Fee Application	450,000.00	360,000.00	90,000.00	1,482.86	1,482.86	-
9/1-9/30	150,000.00	120,000.00	30,000.00	215.56	215.56	-
10/1-10/30	150,000.00	-	150,000.00	1,119.03	-	1,119.03
11/1-11/30	- ¹	-	-	1,113.92	-	1,113.92
12/1-12/19	- ¹	-	-	302.40	-	302.40
Less: Expense Credit ²				(955.01)	-	(955.01)
Second Fee Application	300,000.00	120,000.00	180,000.00	1,795.90	215.56	1,580.34
Total	\$750,000.00	\$480,000.00	\$270,000.00	\$3,278.76	\$1,698.42	\$1,580.34

6. During the course of these cases, Blackstone provided the following services to the Debtors:

- Reviewed and analyzed the Debtors' operating results;
- Assisted the Debtors in the development of financial projections and various other financial analyses;
- Prepared materials for and participated in meetings and conference calls with the Debtors' creditors and their advisors;
- Assisted and advised the Debtors, and negotiated with creditors, regarding employee retention issues;
- Responded to due diligence requests from potential purchasers of the Debtors' servicing business;
- Assisted and advised the Debtors regarding the sale of their servicing business to Fairbanks Capital Corp.;

¹ Fees during this period have been voluntarily waived by Blackstone.

² Reflects the remainder of the \$10,000 expense deposit paid pre-petition, after the deduction of outstanding pre-petition expenses.

- Assisted and advised the Debtors regarding the proposed sale of their origination business;
 - Assisted and advised the Debtors regarding corporate governance issues;
 - Participated in negotiations with the creditors and ContiGroup regarding various legal claims and issues;
 - Participated in negotiations between the bondholders and the bank group regarding various legal claims and issues;
 - Provided financial analysis and participated in negotiations regarding substantive consolidation of the Debtors;
 - Assisted and advised the Debtors in the preparation of their plan of reorganization and disclosure statement;
 - Assisted and advised the Debtors in an analysis of their leases and potential lease rejection claims;
 - Assisted the Debtors in the analysis of their various pre-petition claims;
 - Participated in meetings with the Debtors' Board of Directors; and
 - Held numerous telephone conversations and meetings with members of the Debtors' management team to discuss the status of the case and the results of meetings with the creditors and others.
7. The financial services set forth above were performed primarily by: Arthur Newman, Senior Managing Director; Flip Huffard, Managing Director; Tracy Morris, Associate; Michael Alexander, Analyst; and other professionals, as needed, of Blackstone. Details of the background and experience of the professionals are provided in Appendix B.
8. The amount of the fees and expenses sought in this application and Blackstone's billing processes are consistent with market practices both in and out of a bankruptcy context. Blackstone has never billed its clients based on the number of hours expended by its professionals. Accordingly, Blackstone does not have hourly rates

for its professionals and Blackstone's professionals generally do not maintain detailed time records of the work performed for its clients. Blackstone has, however, maintained its contemporaneous time records in the Debtors' cases in one-half hour rather than one-tenth hour increments, in compliance with the Court order authorizing Blackstone's retention dated August 3, 2000. Time records of the hours expended during the Second Compensation Period, in the aggregate of 395.5 hours, are provided in Appendix C. The hours worked on this case by the Blackstone professionals during the Second Compensation Period are summarized below:

<u>Professional</u>	<u>September '00</u>	<u>October '00</u>	<u>November '00</u>	<u>December '00</u>	<u>Total</u>
Arthur Newman	8.0	8.0	7.0	0.0	23.0
Flip Huffard	48.5	51.0	19.0	2.0	120.5
Tracy Morris	104.5	90.0	14.0	4.0	212.5
Michael Alexander	10.0	0.0	0.0	0.0	10.0
Jerome de Almeida	11.5	14.5	2.0	1.5	29.5
Total	182.5	163.5	42.0	7.5	395.5

9. Time records of the hours expended during the First Compensation Period, in the aggregate of 362.0 hours, are provided for reference in Appendix E. A summary of the hours worked on this case by the Blackstone Group professionals over the duration of these cases is shown below:

<u>Professional</u>	<u>Compensation Period</u>		<u>Total</u>
	<u>First</u>	<u>Second</u>	
Arthur Newman	9.0	23.0	32.0
Flip Huffard	96.5	120.5	215.0
Tracy Morris	209.0	212.5	417.5
Michael Alexander	38.0	10.0	48.0
Jerome de Almeida	9.5	29.5	39.0
Total	362.0	395.5	757.5

10. Blackstone incurred reasonable and necessary out-of-pocket expenses aggregating \$1,795.90 during the Second Compensation Period. Details of the expenses incurred during the Second Compensation Period are provided in Appendix D. Prior to the commencement of these cases, Blackstone received a \$10,000.00 expense deposit. \$9,044.99 of this deposit was applied against outstanding pre-petition expenses. The remaining \$955.01 of this deposit has been applied against expenses incurred in the Second Compensation Period, and the balance of expenses due in respect of the Second Compensation Period of \$1,795.90 reflects this credit.

11. Out-of-pocket expenses incurred by Blackstone are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such particular client. Blackstone does not factor general overhead expenses into disbursements charged to its clients in connection with Chapter 11 cases. Blackstone has followed its general internal policies with respect to out-of-pocket expenses billed to the Debtors as set forth below, with any exceptions specifically explained:
 - (a) Blackstone's general policy permits its employees to bill lunch or dinner meals to a client if the employee is required to provide services to the client during such meal time due to extreme time constraints. Blackstone employees are permitted to order meals in the office if the employee is required to work after 8:00 p.m.

 - (b) All airfare charges billed to the Debtors are based on coach rates.

- (c) The Research/Other category of expenses includes charges from outside computer/electronic service companies that supply, for a fee, research and/or financial documents to Blackstone. The services provided by these companies primarily consist of the retrieval of financial documents from regulatory agencies and/or the retrieval of research that would not otherwise be available to Blackstone. The Research - In House category of expenses are the charges for time spent by Blackstone research staff, billed at a rate of \$100 per hour, in operating the computer/electronic terminals related to these computer/electronic service companies.
- (d) Blackstone bills photocopying charges at the rate of \$.20 per page.
- (e) With respect to local travel, Blackstone's general policy enables employees to travel by private car service, taxi or subway to and from meetings while rendering services to a client on a client related matter, for which the client is charged. Further, Blackstone employees are permitted to charge personal commuting expenses to a client as long as the employee is traveling after 8:00 p.m., primarily due to safety reasons.
- (f) Blackstone bills its clients for time spent by its support staff providing word processing services. The word processing system automatically allocates time to a client based upon the operator's log-in by a client-matter number. Blackstone clients are charged at the personnel cost of \$30.00 per hour for the actual amount of time spent by the operator while rendering word processing services to the client.

- (g) Blackstone bills outgoing long-distance facsimile charges at a rate of \$1.25 per page. Blackstone does not bill local or incoming facsimile charges to clients.
12. Blackstone respectfully submits that the services it has rendered to the Debtors have been necessary and in the best interest of the Debtors and have furthered the goals of all parties in interest. The effort expended by Blackstone in representing the Debtors, the complexity of the issues and the difficulty in the negotiations in these cases have been substantial.
13. Blackstone respectfully submits that under all of the criteria normally examined in Chapter 11 reorganization cases, the compensation requested by Blackstone is reasonable in light of the work performed by Blackstone in these cases.
14. Blackstone respectfully submits that the compensation requested for the Second Compensation Period for services rendered by Blackstone to the Debtors is fully justified and reasonable based upon (a) the time and labor required, (b) the complexity of the issues presented, (c) the skill necessary to perform the financial advisory services properly, (d) the preclusion of other employment, (e) the customary fees charged to clients in non-bankruptcy situations for similar services rendered, (f) time constraints required by the exigencies of the case and (g) the experience, reputation and ability of the professionals rendering services.

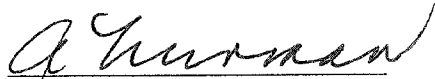
15. Blackstone respectfully submits that the expenses for which Blackstone seeks allowance during the Second Compensation Period were necessary and reasonable both in scope and amount.
16. No prior application for the relief requested herein has been made.
17. All services for which compensation is requested by Blackstone were performed for and on behalf of the Debtors after the filing of these cases and were not rendered on behalf of any other person.
18. There is currently no agreement or understanding between Blackstone and any other person for the sharing of compensation received or to be received for services rendered in connection with these proceedings.

WHEREFORE, Blackstone requests the Court to:

- (a) Approve the final allowance of Blackstone's fees in the amount of \$300,000.00, and expenses in the amount of \$1,795.90 for the Second Compensation Period;
- (b) Authorize and direct the Debtors to pay Blackstone's fees and expenses, including all amounts that have been subject to holdback from the First and Second Compensation Periods;
- (c) Deem all fees and expenses, including those previously approved in connection with the First Fee Application, as final;
- (d) Grant such other and further relief as this Court deems just and proper.

Dated: New York, New York
February 1, 2001

THE BLACKSTONE GROUP L.P.
Financial Advisor to the Debtors

By: 
Arthur B. Newman
Senior Managing Director
345 Park Avenue
New York, NY 10154

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
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CONTIFINANCIAL CORPORATION, et al., : Case No. 00 B 12184 (AJG)
:
Debtors. : (Jointly Administered)
:
-----x

AFFIDAVIT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Arthur B. Newman, being duly sworn, deposes and says:

1. I am a Senior Managing Director of The Blackstone Group L.P. (“Blackstone”), which firm maintains offices for providing financial advisory services at 345 Park Avenue, New York, New York 10154. Blackstone has acted as financial advisor to and rendered professional services on behalf of ContiFinancial Corporation, et al. (collectively, the “Debtors”).
2. This affidavit is submitted pursuant to Bankruptcy Rule 2016 in connection with Blackstone’s application (the “Application”) for an allowance of final compensation for services rendered to the Debtors for the period from September 1, 2000 through December 19, 2000 in the amount of \$300,000.00 and approval of reimbursement of

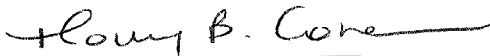
out-of-pocket expenses incurred in connection therewith in the sum of \$1,795.90, and final approval of Blackstone's First Fee Application which was previously approved on an interim basis.

3. All of the services for which compensation is sought by Blackstone were performed for and on behalf of the Debtors and not on behalf of any other person.
4. No agreement or understanding exists between Blackstone and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with these cases.



Arthur B. Newman
Senior Managing Director

Sworn to before me this 1st day of February 2001



Notary Public

HOLLY B. COHEN
NOTARY PUBLIC, State of New York
No. 01CO6003607
Qualified in Bronx County
Commission Expires March 9, 2002

APPENDIX A

The Blackstone Group

May 2, 2000

Mr. Alan Fishman
President and Chief Executive Officer
ContiFinancial Corporation
277 Park Avenue
New York, NY 10172

Dear Alan:

This letter confirms the understanding and agreement ("Agreement") between The Blackstone Group L.P. ("Blackstone") and ContiFinancial Corporation (the "Company") regarding the retention of Blackstone by the Company for the purposes set forth herein. The terms of this Agreement supersede and replace the letter agreement dated September 15, 1999 between Blackstone and the Company. Blackstone understands that the Company may file for Chapter 11 protection in a United States Bankruptcy Court (the "Bankruptcy Court") in order to consummate a restructuring of its liabilities. If such a filing occurs, Blackstone acknowledges that the ongoing effectiveness of this Agreement is subject to Bankruptcy Court approval.

Under this Agreement, Blackstone will provide certain financial advisory services to the Company, including the following:

- (a) assist the Company in preparing financial analyses such as operating projections and cash flow forecasts;
- (b) advise and assist in organizing the Company's resources and activities so as to effectively and efficiently plan, coordinate and manage the chapter 11 process from a financial and business perspective, and, when requested by the Company or their counsel, communicate with customers, lenders, suppliers, employees, shareholders and other parties in interest;
- (c) advise the Company concerning relations with official committees, other constituencies and their professionals, with particular emphasis upon the preparation of financial and operating information required by such parties and/or the Bankruptcy Court;
- (d) advise and assist the Company in the development, structuring and negotiation of a plan or plans of reorganization (a "Plan");

The Blackstone Group L.P.
345 Park Avenue
New York, NY 10154
212 583 5000

Blackstone Financial Services®

- (e) assist the Company in the structuring of any securities to be issued pursuant to a Plan;
- (f) as requested, render expert testimony concerning the feasibility of a Plan and other matters that may arise in the case; and
- (g) assist in such other related matters as may be mutually agreed upon by the Company, their professionals and Blackstone.

The advisory services and compensation arrangement set forth in this Agreement do not encompass any other investment banking services or transactions that may be undertaken by Blackstone at the request of the Company, including the arranging of debt capital, the arranging of joint ventures or other similar combinations, the issuance of fairness opinions, or any other specific services not set forth in this Agreement. The terms and conditions of any such investment banking services, including compensation arrangements, would be set forth in a separate written agreement between the Company and Blackstone.

Notwithstanding anything contained in this agreement to the contrary, Blackstone shall have no responsibility for designing or implementing any initiatives to improve the Company's operating profitability or liquidity. Blackstone makes no representations or warranties about the Company's ability to (i) successfully improve its operations, (ii) maintain sufficient liquidity to operate its business, or (iii) successfully complete a restructuring. Blackstone is retained under this Agreement solely to provide financial advice regarding a restructuring.

The Company agrees to pay the following fees and expenses to Blackstone in connection with its financial advisory services:

- (1) a monthly fee (the "Monthly Fee") effective May 15, 2000 (the "Effective Date") in the amount of \$150,000, with the first Monthly Fee payable in cash by wire transfer upon the signing of this agreement and subsequent Monthly Fees payable in cash in advance by wire transfer on each monthly anniversary of the Effective Date; and
- (2) in addition, the Company will reimburse Blackstone, upon request made from time to time, for its reasonable out-of-pocket expenses incurred in connection with the services rendered by Blackstone hereunder (including, without limitation, travel and lodging, data, word processing, graphics and communication charges, research costs, courier services and fees, expenses and disbursements of any legal counsel retained by Blackstone, provided that Blackstone shall have advised the Company of its retention of counsel and the nature of the services contemplated to be provided by its counsel); and
- (3) a deposit of \$10,000 with respect to out-of-pocket expenses as discussed above, payable in cash upon execution of this Agreement, which deposit shall be netted against any outstanding out-of-pocket expenses upon termination of this Agreement.

Should the Company file for Chapter 11, all compensation and expenses will be sought in accordance with sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the rules and orders of the Bankruptcy Court. In addition, while Blackstone's professionals do not generally maintain detailed time records of the work performed for its clients, Blackstone has agreed with respect to its engagement by the Company to maintain contemporaneous time records in one-half hour increments in an attempt to conform with the fee and expense guidelines promulgated by the Bankruptcy Court.

The Company will furnish or cause to be furnished to Blackstone such information as Blackstone believes appropriate to its assignment (all such information so furnished being the "Information"). The Company recognizes and confirms that Blackstone (a) will use and rely primarily on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same, (b) does not assume responsibility for the accuracy or completeness of the Information and such other information, (c) is entitled to rely upon the Information without independent verification and (d) will not make an appraisal of any assets in connection with its assignment.

Except as contemplated by the terms hereof or as required by applicable law or legal process, Blackstone shall keep confidential all material non-public information provided to it by or at the request of the Company, and shall not disclose such information to any third party or to any of its employees except to those employees, agents, attorneys, accountants and financial advisors who have a need to know such information in connection with Blackstone's performance of its responsibilities hereunder.

In the event that Confidential Information belonging to the Company is stored electronically on Blackstone's computer systems, Blackstone shall not be liable for any damages resulting from unauthorized access, misuse or alteration of such information by persons not acting on its behalf, provided that Blackstone exercises the same degree of care in protecting the confidentiality of, and in preventing unauthorized access to, the Company's information that it exercises with regard to its own most sensitive proprietary information.

Except as required by applicable law, any advice to be provided by Blackstone under this Agreement shall not be disclosed publicly or made available to third parties without the prior consent of Blackstone. In addition, except as required by applicable law, Blackstone may not be otherwise publicly referred to without its prior consent. All services, advice and information and reports provided by Blackstone to the Company in connection with this assignment shall be for the sole benefit of the Company and shall not be relied upon by any other person.

The Company acknowledges and agrees that Blackstone has been retained to act solely as financial advisor to the Company. In such capacity, Blackstone shall act as an independent contractor, and any duties of Blackstone arising out of its engagement pursuant to this Agreement shall be owed solely to the Company. Because Blackstone will be acting on the Company's behalf in this capacity, it is customary for us to receive indemnification. A copy of our standard form of indemnification agreement is attached to this Agreement as Attachment A.

Blackstone's engagement hereunder may be terminated upon 30 days written notice without cause by either the Company or Blackstone; termination for cause by either party will occur forthwith. Notwithstanding the foregoing, the provisions relating to the payment of fees and expenses accrued through the date of termination, confidentiality, the status of Blackstone as an independent contractor and the limitation on to whom Blackstone shall owe any duties will survive any such termination, and any such termination shall not affect the Company's obligations under the indemnification agreement attached as Attachment A.

This Agreement (including the attached indemnification agreement) embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings relating to the subject matter hereof. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, such determination will not affect such provision in any other respect, which will remain in full force and effect. No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each party to be bound thereby. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that state.

Please confirm that the foregoing correctly sets forth our agreement by signing and returning to Blackstone the duplicate copy of this Agreement and the indemnification agreement attached hereto as Attachment A.

Very truly yours,

THE BLACKSTONE GROUP L.P.

By: Arthur B. Newman
Arthur B. Newman
Senior Managing Director

Accepted and Agreed
to as of the date first
written above:

CONTIFINANCIAL CORPORATION

By: Frank V. Bieri
Name: Frank V. Bieri

APPENDIX B

Biographies of Blackstone Professionals

- **Arthur Newman.** Arthur Newman is a Senior Managing Director of The Blackstone Group responsible for its restructuring activities. He was previously Managing Director and head of the Restructuring and Reorganization Group at Chemical Bank. Prior to his employment at Chemical, Mr. Newman was with Ernst & Young from 1966 to 1989 where he was active in reorganization since 1976 and for seven years was Senior Partner and Director of the Corporate Finance Department responsible for its restructuring practice. Mr. Newman has acted as advisor to debtors and creditors in some of the largest U.S. insolvencies including A.H. Robbins Best Products, Carson Pirie Scott & Co., Dow Corning, Eagle Picher Hills Department Stores, Montgomery Ward Holding Co. (GECC), Penn Traffic, R.H. Macy & Co., The Leslie Fay Companies, The Caldor Corporation, The Charter Company, Eastern Airlines, Evans Products, Olympia and York Companies (USA), LTV Corporation, Manville Corporation, Marvel Entertainment Group, Inc., McLouth Steel Corporation, MobileMedia Corp., Phar-Mor, Inc., Premium Standard Farms, Inc., Saxon Industries, Texaco, Walter Industries, White Motor Corporation, and The Wickes Companies.
- **Flip Huffard.** Flip Huffard is a Managing Director of The Blackstone Group. Prior to joining Blackstone, Mr. Huffard was a Vice President of Hellmold Associates, Inc., an investment banking firm specializing in financial restructuring. Mr. Huffard's current and completed assignments include Montgomery Ward Holding Corp., Levitz Furniture Inc., Camelot Music, Inc., Edison Brothers Stores, Inc., Plaid Clothing Group Inc., Premium Standard Farms, Harrah's Jazz Company, Warehouse Entertainment, Inc., Weiner's Stores, Inc., Ladish Co., Inc., Universal Medical Buildings, Grossman's Inc., R.H. Macy & Co., and Cherokee, Inc. Mr. Huffard has provided valuation and corporate finance advisory work for AmBase Corporation, the Federal Deposit Insurance Company, and the Resolution Trust Corporation. Prior to working at Hellmold Associates, Mr. Huffard was an Associate in the corporate finance department of Smith Barney, Harris Upham & Co., Inc.
- **Tracy Morris.** Tracy Morris is an Associate of The Blackstone Group. Ms. Morris joined Blackstone after working at PaineWebber, Inc. and Hellmold Associates, Inc. Ms. Morris' current and completed assignments include advising the Special Committee of the Board of Directors of Sunbeam Corporation, the bankruptcy case of Barney's Inc. and the bankruptcy case of Montgomery Ward Holding Company. Ms. Morris is a graduate of Harvard University.
- **Michael Alexander.** Michael Alexander is an Analyst of The Blackstone Group. Mr. Alexander is currently advising CellNet Data Systems, Loehmann's, Inc. and Contifinancial Corp. in their restructuring efforts. Mr. Alexander is a graduate of the University of Virginia.

APPENDIX C

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTINENTAL CORPORATION
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000**

Professional	Title	Hours
Arthur Newman	Senior Managing Director	8.0
Flip Huffard	Managing Director	48.5
Tracy Morris	Associate	104.5
Michael Alexander	Analyst	10.0
Jerome de Almeida	Paralegal	11.5
		<u>182.5</u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Arthur Newman	09/11/00	2.0	Plan and Disclosure Statement	Meeting with F. Huffard, T. Morris, A. Fishman, F. Baier, R. Miller re: POR negotiations strategy
Arthur Newman	09/12/00	3.0	Plan and Disclosure Statement	Meeting with F. Huffard, T. Morris, R. Miller, A. Fishman, F. Baier, D. Cronin, D. Golden, J. Werbalowsky, J. Cleveland re:
Arthur Newman	09/13/00	0.5	General Case Status Discussions	Meeting with F. Huffard re: follow-up discussion with J. Werbalowsky
Arthur Newman	09/19/00	0.5	Plan and Disclosure Statement	Telephone call with F. Huffard, J. Werbalowsky, J. Cleveland re: POR Issues
Arthur Newman	09/27/00	0.5	General Case Status Discussions	Meeting with F. Huffard re: call with J. Werbalowsky
Arthur Newman	09/28/00	0.5	General Case Status Discussions	Meeting with F. Huffard re: update on call with J. Werbalowsky
Arthur Newman	09/28/00	0.5	Plan and Disclosure Statement	Telephone call with F. Huffard, D. Cronin re: noteholder discussions
Arthur Newman	09/29/00	0.5	General Case Status Discussions	Meeting with F. Huffard re: Update on conversations with J. Werbalowsky
8.0				

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	09/04/00	1.5	Business Operations	Draft letter to J. Werbalowsky re: escrow payments, CMC severance etc.
Flip Huffard	09/05/00	1.5	Business Analysis	Discuss cash flow reconciliation with T. Morris, F. Baier
Flip Huffard	09/06/00	2.0	Business Analysis	Call with T. Morris, F. Baier, B. Higgins re: projections
Flip Huffard	09/06/00	2.5	Business Analysis	Telephone call with T. Morris, F. Baier, B. Higgins re: Financial Projections
Flip Huffard	09/07/00	0.5	Business Operations	Telephone call with F. Baier re: comments on draft letter
Flip Huffard	09/07/00	0.5	Business Operations	Telephone call with R. Miller, J. Rose, re: comments on draft letter
Flip Huffard	09/07/00	0.5	Business Analysis	Telephone call with F. Baier, T. Morris, B. Higgins re: projections
Flip Huffard	09/07/00	4.0	Plan and Disclosure Statement	Meeting with T. Morris, R. Miller, F. Baier, A. Fishman, A. Togut, S. Ratner re: substantive consolidation, other POR issues
Flip Huffard	09/08/00	0.5	Business Operations	Revise draft letter to J. Werbalowsky
Flip Huffard	09/08/00	0.5	Plan and Disclosure Statement	Telephone call with J. Werbalowsky re: Outstanding POR Issues
Flip Huffard	09/08/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: meeting scheduled for 9/11
Flip Huffard	09/11/00	2.0	Plan and Disclosure Statement	Meeting with A. Newman, T. Morris, A. Fishman, F. Baier, R. Miller re: POR negotiations strategy
Flip Huffard	09/11/00	1.0	Plan and Disclosure Statement	Conference call with F. Baier, J. Rose, A. Togut, S. Ratner re: Comments on disclosure statement
Flip Huffard	09/11/00	0.5	Plan and Disclosure Statement	Telephone call with J. Cleveland, D. Golden re: 9/12 meeting
Flip Huffard	09/11/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller, J. Rose, E. Kay re: Disclosure statement comments
Flip Huffard	09/11/00	1.0	Business Analysis	Review revised financial projections with T. Morris, M. Alexander
Flip Huffard	09/11/00	1.0	Business Analysis	Telephone call with T. Morris, F. Baier, B. Higgins re: financial projections intercompany transactions
Flip Huffard	09/12/00	3.0	Meetings with Creditors	Meeting with A. Newman, T. Morris, R. Miller, A. Fishman, F. Baier, D. Cronin, D. Golden, J. Werbalowsky, J. Cleveland re:
Flip Huffard	09/13/00	0.5	General Case Status Discussions	Meeting with A. Newman re: follow-up discussion with J. Werbalowsky
Flip Huffard	09/15/00	1.0	Business Operations	Telephone call with F. Baier, T. Morris re: Employee information for J. Werbalowsky
Flip Huffard	09/15/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: POR issues
Flip Huffard	09/18/00	1.0	General Case Status Discussions	Telephone call with R. Miller, F. Baier, A. Fishman re: discussions with creditors professionals
Flip Huffard	09/18/00	0.5	Business Operations	Telephone call with J. Cleveland re: information package on management compensation
Flip Huffard	09/18/00	1.0	Asset Disposition	Review questions from M. Breton on financial projections
Flip Huffard	09/18/00	1.0	Asset Disposition	Review draft avatar motion
Flip Huffard	09/18/00	0.5	Business Analysis	Telephone call with F. Baier re: M. Breton questions
Flip Huffard	09/19/00	0.5	Plan and Disclosure Statement	Telephone call with A. Newman, J. Werbalowsky, J. Cleveland re: POR Issues
Flip Huffard	09/19/00	0.5	Plan and Disclosure Statement	Telephone call with A. Fishman re: update on call with J. Werbalowsky
Flip Huffard	09/19/00	1.5	Business Analysis	Conference call with T. Morris, M. Alexander, J. Cleveland, F. Baier, B. Higgins, D. O'Connor, S. Borcier re: projections due
Flip Huffard	09/19/00	0.5	Asset Disposition	Telephone call with E. Kay re: comments on Avatar motion
Flip Huffard	09/21/00	1.0	Business Analysis	Telephone call with F. Baier, B. Higgins re: analysis of origination cash flow
Flip Huffard	09/21/00	0.5	Business Analysis	Review cash flow analysis for originations
Flip Huffard	09/25/00	1.0	Business Analysis	Call with T. Morris, F. Baier, B. Higgins re: originations costs
Flip Huffard	09/26/00	3.5	Meetings with Creditors	Meetings with T. Morris, Conti Management, Bank Group re: Update on outstanding POR issues
Flip Huffard	09/27/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: POR issues
Flip Huffard	09/27/00	0.5	Plan and Disclosure Statement	Telephone call with J. Werbalowsky re: releases, POR issues
Flip Huffard	09/27/00	0.5	General Case Status Discussions	Meeting with A. Newman re: call with J. Werbalowsky
Flip Huffard	09/27/00	0.5	Plan and Disclosure Statement	Telephone call with F. Baier re: releases, claims analysis
Flip Huffard	09/28/00	0.5	General Case Status Discussions	Meeting with A. Newman re: update on call with J. Werbalowsky
Flip Huffard	09/28/00	1.5	Plan and Disclosure Statement	Conference call with F. Baier, A. Fishman, R. Miller, D. Cronin re: update on conversation with noteholders re: open POR
Flip Huffard	09/28/00	1.0	Plan and Disclosure Statement	Various telephone calls with J. Werbalowsky re: releases, subst. Consolidation, Avatar
Flip Huffard	09/28/00	0.5	Asset Disposition	Telephone call with R. Miller re: Avatar sale

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	09/28/00	0.5	Valuation	Meeting with T. Morris re: valuation of Avatar
Flip Huffard	09/28/00	0.5	Plan and Disclosure Statement	Telephone call with A. Newman, D. Cronin re: noteholder discussions
Flip Huffard	09/29/00	1.0	Plan and Disclosure Statement	Various telephone calls with J. Werbalowsky, J. Cleveland re: Avatar sale, outstanding POR issues
Flip Huffard	09/29/00	0.5	General Case Status Discussions	Telephone call with A. Fishman, F. Baier re: call with J. Werbalowsky
Flip Huffard	09/29/00	1.0	Asset Disposition	Various calls with T. Morris, R. Miller, E. Kay re: conversations with J. Werbalowsky, Avatar sale
Flip Huffard	09/29/00	0.5	Asset Disposition	Telephone call with F. Baier, A. Fishman re: noteholder comments on Avatar sale
Flip Huffard	09/29/00	0.5	General Case Status Discussions	Meeting with A. Newman re: Update on conversations with J. Werbalowsky
		<u>48.5</u>		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Tracy Morris	09/01/00	5.5	Business Analysis	Create direct cash flow summary
Tracy Morris	09/05/00	3.5	Business Analysis	Review updated forecast
Tracy Morris	09/05/00	4.0	Business Analysis	Create monthly cash flow reconciliation
Tracy Morris	09/05/00	1.5	Business Analysis	Discuss cash flow reconciliation with F. Huffard, F. Baier
Tracy Morris	09/06/00	9.0	Business Operations	Trust management interviews with J. Cleveland, D. O'Connor, F. Baier, A. Fishman
Tracy Morris	09/06/00	2.0	Business Analysis	Call with F. Huffard, F. Baier, B. Higgins re: projections
Tracy Morris	09/06/00	5.0	Plan and Disclosure Statement	Write disclosure statement financial section text
Tracy Morris	09/07/00	5.5	Plan and Disclosure Statement	Work on disclosure statement text
Tracy Morris	09/07/00	0.5	Business Analysis	Telephone call with F. Baier, F. Huffard, B. Higgins re: projections
Tracy Morris	09/08/00	4.5	Business Analysis	Work on projections for disclosure statement
Tracy Morris	09/08/00	4.0	Plan and Disclosure Statement	Meeting at Dewey with F. Huffard, F. Baier, R. Miller, Togut re: substantive consolidation
Tracy Morris	09/09/00	4.0	Business Analysis	Work on CFN Model
Tracy Morris	09/09/00	4.0	Claims Administration	Work on CFN claims analysis
Tracy Morris	09/10/00	2.0	Plan and Disclosure Statement	Read and comment on disclosure statement
Tracy Morris	09/10/00	3.5	Claims Administration	Work on claims analysis
Tracy Morris	09/11/00	2.0	Plan and Disclosure Statement	Meeting at Dewey with A. Newman, F. Huffard, management, R. Miller re: plan
Tracy Morris	09/11/00	3.0	Business Analysis	Work on model
Tracy Morris	09/11/00	2.0	Plan and Disclosure Statement	Work on recovery analysis, description
Tracy Morris	09/11/00	1.0	Business Analysis	Review revised financial projections with F. Huffard, M. Alexander
Tracy Morris	09/12/00	3.5	Business Analysis	Telephone call with F. Huffard, F. Baier, B. Higgins, re: financial projections, intercompany transactions
Tracy Morris	09/12/00	5.5	Business Analysis	Revise model
Tracy Morris	09/12/00	3.0	Plan and Disclosure Statement	Work on model
Tracy Morris	09/13/00	2.0	Plan and Disclosure Statement	Meeting at Dewey with A. Newman, F. Huffard, M. Alexander, management, R. Miller re: Plan
Tracy Morris	09/13/00	5.0	Business Analysis	Update model for disclosure statement
Tracy Morris	09/15/00	1.0	Business Operations	Input data into disclosure statement
Tracy Morris	09/19/00	1.5	Business Analysis	Telephone call with F. Baier, F. Huffard re: Employee information for J. Werbalowsky
Tracy Morris	09/25/00	2.0	Business Analysis	Call with F. Huffard, M. Alexander, F. Baier, B. Higgins, creditors re: projections
Tracy Morris	09/25/00	1.0	Business Analysis	Review originations cost comparison
Tracy Morris	09/26/00	1.5	Meetings with Creditors	Call with F. Huffard, F. Baier, B. Higgins re: originations costs
Tracy Morris	09/26/00	3.5	Meetings with Creditors	Meeting at Weil Gotshal with F. Baier, R. Miller, F. Huffard, A. Fishman
Tracy Morris	09/27/00	0.5	Claims Administration	Bank group meeting at Weil Gotshal
Tracy Morris	09/28/00	0.5	Valuation	Conference call re: claims
Tracy Morris	09/29/00	3.5	Business Analysis	Meeting with F. Huffard re: valuation of Avatar
Tracy Morris	09/29/00	2.0	Business Analysis	Recovery analysis comparison
Tracy Morris	09/29/00	1.0	Business Analysis	Revise Avatar transaction value
Tracy Morris	09/29/00	1.0	Business Analysis	Review trust information

104.5

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Michael Alexander	09/10/00	3.0	Claims Administration	Work on claims schedule
Michael Alexander	09/11/00	1.0	Business Analysis	Review revised financial projections with F. Huffard, T. Morris
Michael Alexander	09/12/00	1.5	Claims Administration	Modify claims schedule
Michael Alexander	09/12/00	3.0	Plan and Disclosure Statement	Meeting at Dewey with F. Huffard, T. Morris, A. Newman, management, R. Miller re: plan
Michael Alexander	09/19/00	1.5	Business Analysis	Call with F. Huffard, T. Morris, J. Cleveland, F. Baier, B. Higgins, D. O'Connor, S. Bordier re: projections due diligence

10.0

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
SEPTEMBER 1, 2000 - SEPTEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Jerome de Almeida	09/07/00	1.5	Fee Application	Prepared professional time records
Jerome de Almeida	09/07/00	1.0	Fee Application	Prepared invoice and expense detail
Jerome de Almeida	09/07/00	1.5	Fee Application	Drafted Blackstone's third monthly statement of fees and expenses
Jerome de Almeida	09/18/00	2.0	Fee Application	Revised and reviewed professional time records, invoice and expense detail for third monthly fee statement
Jerome de Almeida	09/18/00	1.0	Fee Application	Revised and reviewed third monthly statement of fee and expenses
Jerome de Almeida	09/25/00	1.0	Fee Application	Prepared draft of Affidavit of Service
Jerome de Almeida	09/26/00	3.5	Fee Application	Drafted Blackstone's first interim fee application
		<u>11.5</u>		

BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTIFINANCIAL CORPORATION
OCTOBER 1, 2000 - OCTOBER 31, 2000

Professional	Title	Hours
Arthur Newman	Senior Managing Director	8.0
Flip Huffard	Managing Director	51.0
Tracy Morris	Associate	90.0
Jerome de Almeida	Paralegal	14.5
		<u>163.5</u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000

Professional	Date	Hours	Category	Explanation
Arthur Newman	10/05/00	1.0	Plan and Disclosure Statement	Meeting with F. Huffard and call with A. Fishman, F. Baier re: J. Werbalowsky call
Arthur Newman	10/24/00	0.5	Plan and Disclosure Statement	Call with F. Huffard, A. Fishman, F. Baier re: discussion with creditor committee professionals
Arthur Newman	10/24/00	0.5	Plan and Disclosure Statement	Meeting with F. Huffard re: subst. consolidation
Arthur Newman	10/25/00	0.5	Plan and Disclosure Statement	Call with F. Huffard, T. Morris re: subst. consolidation
Arthur Newman	10/25/00	1.5	Claims Administration	Call with F. Baier, T. Morris re: claims
Arthur Newman	10/26/00	2.0	Claims Administration	Call with T. Morris, F. Baier, A. Fishman, R. Miller, D. Cronin re: claims
Arthur Newman	10/26/00	0.5	Plan and Disclosure Statement	Call with T. Morris, Houlihan Lokey re: substantive consolidation
Arthur Newman	10/26/00	0.5	Plan and Disclosure Statement	Calls with R. Miller, F. Baier, A. Fishman, T. Morris re: update on call with creditors
Arthur Newman	10/27/00	0.5	Business Operations	Mset with F. Huffard re: management retention issues
Arthur Newman	10/27/00	0.5	Plan and Disclosure Statement	Meeting with F. Huffard re: update on subst. cons. negotiations

8.0

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Flip Huffard	10/02/00	0.5	General Case Status Discussions	Meet with R. Miller re: update on chambers meeting
Flip Huffard	10/02/00	0.5	Plan and Disclosure Statement	Meet with T. Morris re: status of various POR analyses
Flip Huffard	10/02/00	0.5	Business Operations	Review revised employee trust analysis
Flip Huffard	10/02/00	0.5	Business Operations	Meet with T. Morris re: employee trust analysis
Flip Huffard	10/03/00	2.0	Asset Disposition	Meet with R. Miller, A. Fishman, F. Baier re: preparation for Avatar hearing
Flip Huffard	10/03/00	5.5	Asset Disposition	Avatar court hearing re: bidding procedures
Flip Huffard	10/05/00	0.5	Business Operations	Telephone call with T. Morris, F. Baier re: severance proposal
Flip Huffard	10/05/00	1.0	Plan and Disclosure Statement	Meeting with A. Newman and telephone call with A. Fishman, F. Baier re: update on J. Werbalowsky call
Flip Huffard	10/09/00	0.5	Business Operations	Meeting with T. Morris re: presentation
Flip Huffard	10/09/00	0.5	Plan and Disclosure Statement	Call with T. Morris, F. Baier re: POR update
Flip Huffard	10/10/00	1.0	Plan and Disclosure Statement	Telephone calls with A. Fishman, F. Baier re: discussions with creditor advisors
Flip Huffard	10/10/00	0.5	Meetings with Creditors	Review presentation for creditors with T. Morris
Flip Huffard	10/10/00	1.0	Meetings with Creditors	Conference call with T. Morris, F. Baier, B. Higgins re: information for 10/12 creditor meeting
Flip Huffard	10/10/00	0.5	Business Operations	Telephone call with D. O'Connor re: employee trust payments
Flip Huffard	10/11/00	0.5	Meetings with Creditors	Meeting with T. Morris re: status of analysis for 10/12 meeting
Flip Huffard	10/11/00	2.0	Business Operations	Various calls with A. Fishman, F. Baier, J. Werbalowsky, D. Golden re: employee trust payments
Flip Huffard	10/11/00	1.0	Meetings with Creditors	Conference with R. Miller, E. Kay re: 10/12 meeting preparation
Flip Huffard	10/12/00	5.0	Meetings with Creditors	Meeting with T. Morris, A. Fishman, F. Baier, R. Miller, creditor professionals re: outstanding POR issues
Flip Huffard	10/13/00	0.5	Asset Disposition	Telephone call with R. Miller, E. Kay re: update on 10/12 hearing
Flip Huffard	10/13/00	0.5	Business Operations	Telephone call with A. Fishman, F. Baier, T. Morris re: severance proposal
Flip Huffard	10/13/00	0.5	Business Operations	Telephone call with F. Baier re: revised severance proposal
Flip Huffard	10/13/00	1.0	Claims Administration	Various meetings with T. Morris re: claims analysis
Flip Huffard	10/13/00	0.5	Claims Administration	Telephone call with T. Morris, F. Baier re: claims analysis
Flip Huffard	10/16/00	1.5	Plan and Disclosure Statement	Meeting with T. Morris, A. Fishman, R. Miller, D. Cronin re: outstanding POR issues
Flip Huffard	10/16/00	0.5	Claims Administration	Telephone call with T. Morris, F. Baier re: claims reconciliation
Flip Huffard	10/17/00	1.0	Claims Administration	Call re: claims with T. Morris, F. Baier, L. Riggs
Flip Huffard	10/17/00	1.0	Claims Administration	Review draft of claims analysis
Flip Huffard	10/17/00	1.0	Claims Administration	Meeting with T. Morris re: claims analysis
Flip Huffard	10/17/00	1.0	Claims Administration	Call re: claims with T. Morris, F. Baier
Flip Huffard	10/18/00	1.0	Plan and Disclosure Statement	Telephone call with A. Fishman, F. Baier, R. Miller, T. Morris re: POR issues, claims resolution
Flip Huffard	10/18/00	0.5	Case Administration	Telephone call with R. Miller re: U.S. trustee objection
Flip Huffard	10/18/00	0.5	Business Operations	Telephone call with F. Baier, D. O'Connor re: severance proposal
Flip Huffard	10/18/00	0.5	Claims Administration	Telephone call with T. Morris, F. Baier, re: claims analysis
Flip Huffard	10/18/00	1.0	Claims Administration	Review claims listing with T. Morris
Flip Huffard	10/19/00	1.0	Claims Administration	Review claims with T. Morris
Flip Huffard	10/19/00	1.5	Claims Administration	Meeting with T. Morris re: status of claims analysis and super class analysis
Flip Huffard	10/20/00	1.0	Claims Administration	Conference call with T. Morris, A. Fishman, F. Baier, et al re: claims reconciliation
Flip Huffard	10/20/00	0.5	Claims Administration	Telephone call with T. Morris re: status of claims analysis
Flip Huffard	10/23/00	3.0	Claims Administration	Meetings with T. Morris, A. Fishman, R. Miller, A. Togut et al re: claims reconciliation and subst. consolidation
Flip Huffard	10/23/00	0.5	Asset Disposition	Telephone call with J. Cleveland re: Avatar issues
Flip Huffard	10/23/00	0.5	Claims Administration	Meeting with T. Morris re: materials for 10/23 claims meeting
Flip Huffard	10/23/00	1.5	Claims Administration	Meet with T. Morris re: additional analysis required on claims reconciliation
Flip Huffard	10/24/00	0.5	Plan and Disclosure Statement	Telephone call with A. Newman, A. Fishman, F. Baier re: discussion with creditor committee professionals

**THE BLACKSTONE GROUP LP.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Flip Huffard	10/24/00	0.5	Plan and Disclosure Statement	Meeting with A. Newmnan re: subst. consolidation
Flip Huffard	10/24/00	0.5	Claims Administration	Meet with T. Morris re: status of claims reconciliation
Flip Huffard	10/25/00	0.5	Plan and Disclosure Statement	Telephone call with A. Newmnan, T. Morris re: subst. consolidation
Flip Huffard	10/27/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: update on call with J. Cleveland
Flip Huffard	10/27/00	0.5	Plan and Disclosure Statement	Telephone call with J. Cleveland re: subst. consolidation
Flip Huffard	10/27/00	0.5	Business Operations	Meet with A. Newmnan re: management retention issues
Flip Huffard	10/27/00	0.5	Plan and Disclosure Statement	Meeting with A. Newmnan re: update on subst. cons. negotiations
Flip Huffard	10/31/00	1.5	Plan and Disclosure Statement	Conference call with T. Morris, F. Baier, J. Cleveland re: subst. consolidation presentation
		<u>51.0</u>		

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Tracy Morris	10/02/00	0.5	Plan and Disclosure Statement	Meet with F. Huffard re: status of various POR analyses
Tracy Morris	10/02/00	0.5	Business Operations	Meet with F. Huffard re: employee trust analysis
Tracy Morris	10/03/00	0.5	Asset Disposition	Revise Avarar transaction value
Tracy Morris	10/03/00	1.5	Asset Disposition	Calls with F. Huffard, F. Baier, B. Higgins re: valuation
Tracy Morris	10/04/00	1.5	Plan and Disclosure Statement	Recovery Analysis with recharacterized debt
Tracy Morris	10/04/00	1.0	Tax Issues	Tax meeting at Dewey with F. Baier, R. Miller, S. Moran
Tracy Morris	10/05/00	2.0	Plan and Disclosure Statement	Meeting with R. Miller, F. Baier, A. Fishman re: POR
Tracy Morris	10/05/00	0.5	Business Operations	Telephone call with F. Huffard, F. Baier re: severance proposal
Tracy Morris	10/09/00	0.5	Plan and Disclosure Statement	Call with F. Huffard, F. Baier re: POR update
Tracy Morris	10/09/00	0.5	Business Operations	Meeting with F. Huffard re: presentation
Tracy Morris	10/09/00	3.0	Meetings with Creditors	Draft presentation to creditors
Tracy Morris	10/10/00	0.5	Meetings with Creditors	Review presentation with F. Huffard
Tracy Morris	10/10/00	1.0	Claims Administration	Call with F. Huffard, F. Baier, B. Higgins re: presentation, claims
Tracy Morris	10/10/00	1.0	Claims Administration	Review claims information
Tracy Morris	10/11/00	0.5	Meetings with Creditors	Meeting with F. Huffard re: status of analysis for 10/12 meeting
Tracy Morris	10/11/00	1.0	Meetings with Creditors	Conference call with management re: preparation for meeting with creditors
Tracy Morris	10/11/00	1.0	Claims Administration	Calls with L. Riggs, J. Rose, F. Baier re: claims
Tracy Morris	10/11/00	0.5	Claims Administration	Review unliquidated claims
Tracy Morris	10/12/00	5.0	Meetings with Creditors	Meeting with F. Huffard, F. Baier, A. Fishman, creditors at Dewey
Tracy Morris	10/13/00	0.5	Business Operations	Telephone call with A. Fishman, F. Baier, F. Huffard re: severance proposal
Tracy Morris	10/13/00	8.5	Claims Administration	Create summary of claims database
Tracy Morris	10/13/00	1.0	Claims Administration	Various meetings with F. Huffard re: claims analysis
Tracy Morris	10/13/00	0.5	Claims Administration	Telephone call with F. Huffard, F. Baier re: claims analysis
Tracy Morris	10/16/00	3.0	Claims Administration	Work on claims summary
Tracy Morris	10/16/00	1.5	Plan and Disclosure Statement	Meeting at CFN with F. Huffard, management, R. Miller, D. Cronin re: POR
Tracy Morris	10/17/00	1.0	Claims Administration	Call re: claims with B. Higgins, F. Baier, F. Huffard
Tracy Morris	10/17/00	1.0	Claims Administration	Call re: claims with F. Huffard, F. Baier, L. Riggs
Tracy Morris	10/17/00	1.0	Claims Administration	Meeting with F. Huffard re: claims analysis
Tracy Morris	10/18/00	1.0	Claims Administration	Call re: claims with F. Huffard, F. Baier
Tracy Morris	10/18/00	7.0	Claims Administration	Call re: claims with F. Huffard, F. Baier, L. Riggs
Tracy Morris	10/18/00	0.5	Claims Administration	Create new summary of claims from updated database
Tracy Morris	10/19/00	1.0	Claims Administration	Telephone call with F. Huffard, F. Baier re: claims analysis
Tracy Morris	10/19/00	1.0	Claims Administration	Review claims with F. Huffard
Tracy Morris	10/19/00	2.5	Claims Administration	Work on claims analysis
Tracy Morris	10/19/00	0.5	Business Analysis	Review dividend information
Tracy Morris	10/19/00	1.0	Claims Administration	Review claims information from F. Baier
Tracy Morris	10/19/00	0.5	Claims Administration	Call with J. Rose re: claims
Tracy Morris	10/19/00	0.5	Business Analysis	Call with F. Baier re: dividends, claims
Tracy Morris	10/19/00	2.5	Plan and Disclosure Statement	Work on superclass premium analysis
Tracy Morris	10/19/00	1.5	Plan and Disclosure Statement	Discuss superclass analysis with F. Huffard
Tracy Morris	10/20/00	2.0	Plan and Disclosure Statement	Revise superclass distribution analysis
Tracy Morris	10/20/00	0.5	Claims Administration	Calls with F. Baier re: claims
Tracy Morris	10/20/00	0.5	Business Analysis	Call with B. Higgins re: dividends, claims

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Tracy Morris	10/20/00	1.0	Claims Administration	Review updated claims information
Tracy Morris	10/20/00	0.5	Claims Administration	Telephone call with F. Huffard re: status of claims analysis
Tracy Morris	10/20/00	1.0	Claims Administration	Call re: claims with F. Baier, F. Huffard
Tracy Morris	10/21/00	3.5	Claims Administration	Work on claims analysis
Tracy Morris	10/22/00	5.0	Claims Administration	Work on claims analysis
Tracy Morris	10/23/00	4.0	Claims Administration	Work on claims analysis
Tracy Morris	10/23/00	0.5	Claims Administration	Meeting with F. Huffard re: materials for 10/23 claims meeting
Tracy Morris	10/23/00	3.0	Plan and Disclosure Statement	Meeting at Dewey with F. Huffard, F. Baier, A. Togut
Tracy Morris	10/23/00	1.5	Claims Administration	Meet with F. Huffard re: additional analysis required on claims reconciliation
Tracy Morris	10/24/00	0.5	Claims Administration	Meet with F. Huffard re: status of claims reconciliation
Tracy Morris	10/25/00	0.5	Plan and Disclosure Statement	Telephone call with A. Newman, F. Huffard re: subst. consolidation
Tracy Morris	10/25/00	1.5	Claims Administration	Call with A. Newman, F. Baier re: claims
Tracy Morris	10/26/00	2.0	Claims Administration	Call with A. Newman, F. Baier, A. Fishman, R. Miller, D. Cronin re: claims
Tracy Morris	10/26/00	0.5	Plan and Disclosure Statement	Call with A. Newman, Houlihan Lokey re: substantive consolidation
Tracy Morris	10/26/00	0.5	Plan and Disclosure Statement	Calls with A. Newman, R. Miller, F. Baier, A. Fishman re: update on call with creditors
Tracy Morris	10/26/00	0.5	Claims Administration	Call with F. Baier re: claims
Tracy Morris	10/31/00	1.5	Plan and Disclosure Statement	Conference call with F. Huffard, F. Baier, J. Cleveland re: subst. consolidation presentation

90.0

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
OCTOBER 1, 2000 - OCTOBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Jerome de Almeida	10/02/00	2.0	Fee Application	Reviewed and revised first interim fee application
Jerome de Almeida	10/03/00	0.5	Fee Application	Prepared memo to Judge Gonzalez's chambers re: first interim fee application
Jerome de Almeida	10/03/00	0.5	Fee Application	Prepared memo to clerk's office for the Southern District of New York re: first interim fee application
Jerome de Almeida	10/03/00	3.0	Fee Application	Prepared first interim fee application to be served upon all required parties
Jerome de Almeida	10/04/00	0.5	Fee Application	Drafted and reviewed affidavit of service re: first interim fee application
Jerome de Almeida	10/06/00	1.0	Fee Application	Reviewed and revised affidavit of service re: first interim fee application; prepared service list
Jerome de Almeida	10/07/00	1.5	Fee Application	Prepared draft of fourth monthly fee statement
Jerome de Almeida	10/07/00	2.0	Fee Application	Prepared draft of Professional Hours Detail re: fourth monthly statement
Jerome de Almeida	10/18/00	0.5	Fee Application	Reviewed and revised expense detail re: fourth monthly statement
Jerome de Almeida	10/19/00	1.0	Fee Application	Reviewed hours and expense details re: fourth monthly statement
Jerome de Almeida	10/23/00	0.5	Fee Application	Call to clerk's office for the Southern District of New York re: no listing of Blackstone's first interim fee application on the case docket
Jerome de Almeida	10/23/00	1.0	Fee Application	Call to case administrator re: listing of Blackstone's first interim fee application on the docket
Jerome de Almeida	10/26/00	0.5	Fee Application	Drafted memo to supervising case administrator re: listing of first interim fee application on the case docket

14.5

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTINENTAL FINANCIAL CORPORATION
NOVEMBER 1, 2000 - NOVEMBER 30, 2000

Professional	Title	Hours
Arthur Newman	Senior Managing Director	7.0
Flip Huffard	Managing Director	19.0
Tracy Morris	Associate	14.0
Jerome de Almeida	Paralegal	2.0
		<u>42.0</u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
NOVEMBER 1, 2000 - NOVEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Arthur Newman	11/02/00	1.0	Plan and Disclosure Statement	Review recovery analysis with F. Huffard, T. Morris
Arthur Newman	11/02/00	3.0	Plan and Disclosure Statement	Meeting at Dewey with F. Huffard, T. Morris, creditors, management re. substantive consolidation
Arthur Newman	11/07/00	0.5	Plan and Disclosure Statement	Meeting with F. Huffard re: disclosure statement language
Arthur Newman	11/20/00	2.5	Plan and Disclosure Statement	Meeting at Blackstone with R. Miller, D. Cronin, F. Baier, A. Fishman, T. Morris re: CGC
		7.0		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
NOVEMBER 1, 2000 - NOVEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	11/01/00	1.0	Claims Administration	Review CMC/Resource Once claims analysis with R. Miller, F. Huffard
Flip Huffard	11/02/00	1.0	Plan and Disclosure Statement	Review recovery analysis with A. Newman, T. Morris
Flip Huffard	11/02/00	3.0	Plan and Disclosure Statement	Meeting with A. Newman, T. Morris, A. Fishman, F. Baier, R. Miller, J. Werbalowsky et al re: substantive
Flip Huffard	11/03/00	0.5	Claims Administration	Telephone call with F. Baier re: claims
Flip Huffard	11/06/00	6.5	Plan and Disclosure Statement	Meeting with F. Baier, R. Miller, J. Liu, I. Dizengoff et al re: comments on disclosure statement and POR
Flip Huffard	11/07/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: comments on disclosure statement
Flip Huffard	11/07/00	0.5	Plan and Disclosure Statement	Meeting with A. Newman re: disclosure statement language
Flip Huffard	11/07/00	1.0	Plan and Disclosure Statement	Confidential Board call re: approval of disclosure statement and POR, status of Avatar deal
Flip Huffard	11/07/00	0.5	Asset Disposition	Telephone call with F. Baier re: status of Avatar deal
Flip Huffard	11/08/00	0.5	Asset Disposition	Telephone call with F. Baier re: Avatar statement
Flip Huffard	11/09/00	0.5	Claims Administration	Telephone call with R. Miller re: disputed claims
Flip Huffard	11/09/00	0.5	Asset Disposition	Telephone call with A. Fishman, F. Baier re: Avatar
Flip Huffard	11/09/00	0.5	Asset Disposition	Telephone call with J. Cleveland re: Avatar, disputed claims
Flip Huffard	11/09/00	0.5	Asset Disposition	Conference call with A. Fishman, F. Baier, J. Cleveland, D. Cronin re: Avatar
Flip Huffard	11/10/00	0.5	Claims Administration	Telephone call with F. Baier, T. Blum re: disputed claims distributions
Flip Huffard	11/13/00	0.5	Claims Administration	Telephone call with F. Baier, T. Blum re: disputed claims distributions
Flip Huffard	11/16/00	1.0	Asset Disposition	Conference call with F. Baier, R. Miller, et al re: Avatar wind down

19.0

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
NOVEMBER 1, 2000 - NOVEMBER 30, 2000

Professional	Date	Hours	Category	Explanation
Tracy Morris	11/01/00	5.0	Claims Administration	Work on CMC/Resource One claims analysis
Tracy Morris	11/01/00	1.0	Claims Administration	Review CMC/Resource One claims analysis with R. Miller, F. Huffard
Tracy Morris	11/02/00	1.0	Claims Administration	Review recovery analysis with F. Huffard, A. Newman
Tracy Morris	11/02/00	3.0	Plan and Disclosure Statement	Meeting at Dewey with F. Huffard, A. Newman, creditors, management re: substantive consolidation
Tracy Morris	11/02/00	1.0	Claims Administration	Meeting with J. Beck, T. Blum re: claims, financials
Tracy Morris	11/02/00	0.5	Plan and Disclosure Statement	Call with J. Rose, S. Rainer re: substantive consolidation
Tracy Morris	11/20/00	2.5	Plan and Disclosure Statement	Meeting at Blackstone with A. Newman, R. Miller, D. Cronin, F. Baier, A. Fishman re. CCC
14.0				

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
NOVEMBER 1, 2000 - NOVEMBER 30, 2000

Professionals	Date	Hours	Category	Explanation
Jerome de Almeida	11/08/00	0.5	Fee Application	Prepared draft of fifth monthly fee statement
Jerome de Almeida	11/08/00	0.5	Fee Application	Reviewed expense detail for the period through October 31, 2000
Jerome de Almeida	11/16/00	0.5	Fee Application	Prepared draft of professional hours detail re: fifth monthly fee statement
Jerome de Almeida	11/17/00	0.5	Fee Application	Revised professional hours detail and fifth monthly fee statement

2.0

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTINENTAL FINANCIAL CORPORATION
DECEMBER 1, 2000 - DECEMBER 31, 2000**

Professional	Title	Hours
Flip Huffard	Managing Director	2.0
Tracy Morris	Associate	4.0
Jerome de Almeida	Paralegal	1.5
		<u><u>7.5</u></u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
DECEMBER 1, 2000 - DECEMBER 31, 2000

Professional	Date	Hours	Category	Explanation
Flip Luffard	12/19/00	2.0	Plan and Disclosure Statement	Prepare for and attend confirmation hearing
		2.0		

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
DECEMBER 1, 2000 - DECEMBER 31, 2000**

Professional	Date	Hours	Category	Explanation
Tracy Morris	12/15/00	2.0	Plan and Disclosure Statement	Prepare schedule of claims for S. Ratner
Tracy Morris	12/19/00	2.0	Plan and Disclosure Statement	Prepare for and attend confirmation hearing
		<u>4.0</u>		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
DECEMBER 1, 2000 - DECEMBER 31, 2000

Professional	Date	Hours	Category	Explanation
Jerome de Almeida	12/06/00	0.5	Fee Application	Prepared draft of sixth monthly fee statement
Jerome de Almeida	12/06/00	0.5	Fee Application	Reviewed expense detail for the period through November 30, 2000
Jerome de Almeida	12/15/00	0.5	Fee Application	Prepared draft of professional hours detail re: sixth monthly fee statement

1.5

APPENDIX D

The Blackstone Group

October 9, 2000

Mr. Frank Baier
Chief Financial Officer
ContiFinancial Corporation
277 Park Avenue
New York, NY 10172

Restructuring Advisory Fee for the period September 1, 2000 through September 30, 2000: \$ 150,000.00

Out-of-pocket expenses processed for the period through September 30, 2000:¹

Local Travel	\$ 39.00	
Communications	100.56	
Photocopying	76.00	215.56
		<hr/>
	Total Due	\$ 150,215.56

Please wire funds to:

Chase Manhattan Bank
One New York Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: The Blackstone Group L.P.
Account # 066-287472

Invoice Number: 2122-T

¹ Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

The Blackstone Group® L.P.
345 Park Avenue
New York, NY 10154
212 583 5000

CONTIFINANCIAL CORP.
Expense Detail
Processed
Through September 30, 2000
2122-T

Car Services

Skyline

Dealmeida	08/16/00	39.00	
	Subtotal - Car Services	39.00	\$ 39.00

Communications

Federal Express

Dealmeida	08/18/00	59.28	
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Messenger/Others

Dealmeida	08/18/00	41.28	
	Subtotal - Commnuications	41.28	100.56

Photocopying

Diggs	9/4-8/00	38.00	
Diggs	9/4-8/00	38.00	
	Subtotal - Photocopying	76.00	

	Total Expenses	\$ 215.56
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November 8, 2000

Mr. Frank Baier
Chief Financial Officer
ContiFinancial Corporation
277 Park Avenue
New York, NY 10172

Restructuring Advisory Fee for the period October 1, 2000 through October 31, 2000: \$ 150,000.00

Out-of-pocket expenses processed for the period through October 31, 2000:¹

Local Travel	\$ 21.41	
Meals	278.95	
Communications	818.67	1,119.03
		<hr/>
	Total Due	\$ 151,119.03
		<hr/> <hr/>

Please wire funds to:

Chase Manhattan Bank
One New York Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: The Blackstone Group L.P.
Account # 066-287472

Invoice Number: 2178-D

¹ Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

CONTIFINANCIAL CORP.
Expense Detail
Processed
Through October 31, 2000
2178-D

Car Services

Elite

Morris	09/12/00	21.41	
	Subtotal - Car Services	<u>21.41</u>	\$ 21.41

Meals

Alexander	07/31/00	10.00	
De Almeida	08/16/00	50.33	
Huffard	05/30/00	26.19	
Huffard	09/11/00	53.75	
Morris	05/30/00	26.19	
Morris	06/21/00	29.91	
Morris	07/19/00	22.71	
Morris	07/20/00	15.02	
Newman	08/02/00	44.85	
	Subtotal - Meals	<u>278.95</u>	278.95

Communications

Federal Express

Dealmeida	09/20/00	59.28	
Dealmeida	10/03/00	514.28	
Dealmeida	10/04/00	158.86	
	Subtotal - Federal Express	<u>732.42</u>	732.42

Messenger/Others

De Almeida	09/20/00	11.25	
De Almeida	09/20/00	11.25	
De Almeida	09/20/00	52.50	
Huffard	09/08/00	11.25	
	Subtotal - Messenger/Others	<u>86.25</u>	86.25

	Subtotal - Commnuications	<u>818.67</u>	
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	Total Expenses	<u>\$ 1,119.03</u>	
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The Blackstone Group

December 7, 2000

Mr. Frank Baier
Chief Financial Officer
ContiFinancial Corporation
277 Park Avenue
New York, NY 10172

Out-of-pocket expenses processed for the period through November 30, 2000:¹

Travel/Local	\$	336.06	
Meals		256.21	
Communications		395.05	
Photocopying		126.60	<u>1,113.92</u>
		Total Due	<u>\$ 1,113.92</u>

Please wire funds to:

Chase Manhattan Bank
One New York Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: The Blackstone Group L.P.
Account # 066-287472

Invoice Number: 2210-T

¹ Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

The Blackstone Group® L.P.
345 Park Avenue
New York, NY 10154
212 583 5000

CONTIFINANCIAL CORP.
Expense Detail
Processed
Through November 30, 2000
2210-T

Car Services

Elite

Huffard	06/01/00	105.51	
Huffard	09/07/00	105.51	
	Subtotal - Car Services		\$ 211.02

Travel/Local

Huffard	09/26/00	5.30	
Morris	08/30/00	119.74	
	Subtotal - Travel/Local		125.04

Meals

Alexander	08/30/00	29.75	
Alexander	09/12/00	13.64	
de Almeida	09/27/00	40.64	
de Almeida	10/02/00	56.38	
Huffard	09/07/00	39.27	
Morris	08/28/00	20.42	
Morris	10/09/00	56.11	
	Subtotal - Meals		256.21

Communications

Federal Express

de Almeida	10/03/00	51.54	
de Almeida	10/04/00	19.41	
de Almeida	10/04/00	123.50	
de Almeida	10/20/00	49.40	
de Almeida	10/26/00	4.26	
de Almeida	10/26/00	9.88	
de Almeida	11/29/00	79.56	
	Subtotal - Federal Express		337.55

Messenger/EDM

de Almeida	10/06/00	11.25	
de Almeida	10/20/00	8.75	

CONTIFINANCIAL CORP.
Expense Detail
Processed
Through November 30, 2000
2210-T

de Almeida	10/20/00	37.50	
	Subtotal - Messenger/Others		57.50
	Subtotal - Commnuications		395.05

Photocopying

de Almeida	10/23-27/00	18.60	
Newman	9/11-15/00	108.00	
	Subtotal - Photocopying		126.60

		\$ 1,113.92
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The  Blackstone Group

January 5, 2001

Mr. Frank Baier
Chief Financial Officer
ContiFinancial Corporation
277 Park Avenue
New York, NY 10172

Out-of-pocket expenses processed for the period through December 19, 2000:

Travel/Local	\$	262.40	
Photocopying		<u>40.00</u>	<u>302.40</u>
		Total Due	<u><u>\$ 302.40</u></u>

Please wire funds to:

Chase Manhattan Bank
One New York Plaza
New York, NY 10017
ABA# 021 000 021
Credit Account: The Blackstone Group L.P.
Account # 066-287472

Invoice Number: 2241-T

The Blackstone Group® L.P.
345 Park Avenue
New York, NY 10154
212 583 5000

CONTIFINANCIAL CORP.
Expense Detail
Processed
Through December 19, 2000
2241-T

Car Services

Elite

Huffard	11/06/00	109.08	
Morris	10/09/00	21.41	
Morris	11/02/00	26.50	
Newman	11/02/00	21.41	
	Subtotal - Elite		178.40

Skyline

De Almeida	09/26/00	42.00	
De Almeida	10/03/00	42.00	
	Subtotal - Skyline		84.00

Subtotal - Car Services		\$	262.40
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Photocopying

Bolger	11/00	40.00	
	Subtotal - Photocopying		40.00

Total Expenses		\$	302.40
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APPENDIX E

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTIFINANCIAL CORPORATION
MAY 17, 2000 - JUNE 30, 2000

Professional	Title	Hours
Arthur Newiman	Senior Managing Director	9.0
Flip Huffard	Managing Director	52.5
Tracy Morris	Associate	103.5
		<u><u>165.0</u></u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
May 17, 2000 - June 30, 2000

Professional	Date	Hours	Category	Explanation
Arthur Newnman	06/14/00	0.5	Corporate Finance	Discuss NAMCO bid with F. Huffard
Arthur Newnman	06/15/00	0.5	General Case Status	Call with F. Huffard re: update on discussions with creditors
Arthur Newnman	06/20/00	6.0	Meetings with Creditors	Meeting at Dewey with T. Morris, creditors, bidders
Arthur Newnman	06/23/00	1.0	Case Administration	Calls with E. Kay, T. Morris re: indemnification
Arthur Newnman	06/28/00	1.0	Case Administration	Meeting with F. Huffard re: Indemnification
		<u>9.0</u>		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
May 17, 2000 - June 30, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	05/26/00	0.5	General Case Status	Call with T. Morris, F. Baier re. case update
Flip Huffard	05/30/00	1.5	Claims Administration	Calls with R. Miller re. interest payment analysis
Flip Huffard	05/30/00	0.5	Claims Administration	Call with F. Baier re. interest payment analysis
Flip Huffard	05/30/00	1.0	Claims Administration	Call with J. Cleveland, J. Werbalowsky re. interest payment analysis
Flip Huffard	05/30/00	0.5	Plan and Disclosure Statement	Call with F. Baier re. liquidation analysis
Flip Huffard	05/31/00	1.0	Business Operations	Cont. Board Call
Flip Huffard	06/01/00	3.5	Claims Administration	Meeting with T. Morris, Management, R. Miller, Banks and Bonds re: Preference action
Flip Huffard	06/01/00	3.5	Claims Administration	Meeting at Well Gotschal with T. Morris, creditors re: interest payments
Flip Huffard	06/02/00	1.0	Claims Administration	Review claims with T. Morris
Flip Huffard	06/02/00	0.5	Meetings with Creditors	Call with T. Morris, management re: bank meeting
Flip Huffard	06/02/00	1.5	Meetings with Creditors	Calls with T. Morris, A. Fishman, F. Baier, T. Blum, R. Miller re: Preparation for 6/5 Bank M
Flip Huffard	06/02/00	0.5	Corporate Finance	Telephone call with F. Baier, T. Blum re: Bidder on servicing
Flip Huffard	06/02/00	1.0	Corporate Finance	Review Draft purchase agreement for origination platform
Flip Huffard	06/05/00	1.0	Corporate Finance	Call with A. Acevedo, T. Morris re comments on Avatar agreement
Flip Huffard	06/05/00	1.0	Meetings with Creditors	Bank Meeting with T. Morris, A. Fishman, F. Baier, D. Cronin, R. Miller
Flip Huffard	06/05/00	1.0	Meetings with Creditors	Various telephone calls with J. Cleveland re: negotiations with Noteholders and Banks
Flip Huffard	06/05/00	0.5	Meetings with Creditors	Telephone call with D. O'Connor re: discussions with noteholders
Flip Huffard	06/05/00	0.5	Claims Administration	Meeting with T. Morris re: negotiating strategy with Banks and Bonds
Flip Huffard	06/05/00	1.0	Corporate Finance	Various telephone calls with potential bidders on servicing platform
Flip Huffard	06/06/00	1.0	Corporate Finance	Call with T. Morris, D. Arditi re: due diligence
Flip Huffard	06/06/00	2.0	Corporate Finance	Calls with T. Morris, management, interested party re: due diligence
Flip Huffard	06/06/00	1.0	Claims Administration	Telephone calls with R. Miller, J. Cleveland re: Bank/Bond Preference Settlement
Flip Huffard	06/07/00	1.5	Claims Administration	Various telephone calls with R. Miller, F. Baier re: Bank/Bond Preference Action Settlement
Flip Huffard	06/07/00	0.5	Corporate Finance	Telephone call with R. Miller re: Bidding Procedures
Flip Huffard	06/08/00	3.5	Claims Administration	Various calls with R. Miller, F. Baier, J. Cleveland, J. Liu re: Settlement of Preference Action
Flip Huffard	06/08/00	0.5	Corporate Finance	Telephone call with J. Rose re: Lease Information for Due Diligence
Flip Huffard	06/12/00	0.5	Corporate Finance	Telephone call B. Higgins re: Servicing Platform Due Diligence information
Flip Huffard	06/12/00	1.5	Corporate Finance	Telephone call with Bidder re: Servicing Platform Due Diligence information
Flip Huffard	06/13/00	1.0	Corporate Finance	Prepare Due Diligence materials for servicing platform bidders
Flip Huffard	06/14/00	0.5	Corporate Finance	Comply with Due Diligence request re: servicing platform
Flip Huffard	06/14/00	0.5	Corporate Finance	Telephone call with F. Baier re: status of servicing bids
Flip Huffard	06/14/00	0.5	Corporate Finance	Telephone call with R. Miller re: Due Diligence Information
Flip Huffard	06/14/00	0.5	Corporate Finance	Review NAMCO Servicing bid
Flip Huffard	06/15/00	2.5	Corporate Finance	Discuss NAMCO Servicing bid with A. Newman
Flip Huffard	06/15/00	2.0	Corporate Finance	Meeting with A. Fishman, F. Baier, R. Miller, D. Cronin re: servicing bid and negotiating strat
Flip Huffard	06/15/00	0.5	Claims Administration	Call with T. Morris, Management, R. Miller, D. Cronin, Bidder re: Due Diligence on Bidder
Flip Huffard	06/23/00	0.5	General Case Status	Telephone call with A. Newman re: Update of discussions with Banks & Bonds
Flip Huffard	06/23/00	1.0	Asset Disposition	Telephone call with F. Baier re: Update on recent events
Flip Huffard	06/26/00	0.5	Plan and Disclosure Statement	Conference call with F. Baier, J. Meehan, J. Cleveland, D. O'Connor re: Whole Loan Sale Pro
Flip Huffard	06/26/00	1.0	Claims Administration	Telephone call with R. Miller re: General Update, Lease Rejection status
Flip Huffard	06/27/00	0.5	Meetings with Creditors	Telephone calls with F. Baier re: Meetings with Committee Professionals
Flip Huffard	06/27/00	0.5	Plan and Disclosure Statement	Telephone call with J. Cleveland re: Substantive Consolidation
Flip Huffard	06/27/00	1.5	Case Administration	Meeting with T. Morris, US Trustee, E. Kay, J. Rose re: Indemnification
Flip Huffard	06/28/00	0.5	Plan and Disclosure Statement	Conference call with T. Morris, A. Fishman, F. Baier, R. Miller, D. Cronin re: POR Timeline
Flip Huffard	06/28/00	0.5	Tax Issues	Telephone call with T. Morris, R. Miller, S. Moran re: Tax Issues
Flip Huffard	06/28/00	1.0	Case Administration	Various telephone calls and meetings with A. Newman, E. Kay re: Indemnification
Flip Huffard	06/29/00	0.5	Case Administration	Telephone call with F. Baier re: Schedules

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
May 17, 2000 - June 30, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	06/29/00	1.5	Plan and Disclosure Statement	Various calls with R. Miller, E. Kay, J. Werbalowsky re: Substantive Consolidation, Other Pla
		<u>52.5</u>		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
May 17, 2000 - June 30, 2000

Professional	Date	Hours	Category	Explanation
Tracy Morris	05/18/00	1.0	Business Analysis	Call with M. Brereton re: consolidation analysis
Tracy Morris	05/22/00	3.0	Business Analysis	Work on projection model
Tracy Morris	05/22/00	1.0	Business Analysis	Review Empire materials
Tracy Morris	05/23/00	1.0	Meetings with Creditors	Attend organizational meeting for creditors
Tracy Morris	05/23/00	0.5	Business Analysis	Gather stock trading data for F. Baier
Tracy Morris	05/24/00	6.0	Business Analysis	Revise projection model
Tracy Morris	05/24/00	1.0	Business Analysis	Call with B. Higgins re: model
Tracy Morris	05/24/00	0.5	Business Analysis	Call with F. Baier re: model
Tracy Morris	05/24/00	3.0	Business Analysis	Input new residual cash flows into model
Tracy Morris	05/25/00	3.0	Corporate Finance	Meeting at Weil Gotshal with creditors. Fairbanks
Tracy Morris	05/25/00	1.0	Business Analysis	Call with F. Baier, B. Higgins, T. Blum re: model
Tracy Morris	05/25/00	5.0	Business Analysis	Revise operating model
Tracy Morris	05/26/00	1.0	Business Analysis	Check and revise model
Tracy Morris	05/26/00	0.5	General Case Status	Call with F. Huffard, F. Baier re: update
Tracy Morris	05/26/00	1.0	Business Analysis	Call with B. Higgins, F. Baier re: model
Tracy Morris	05/26/00	1.0	Business Analysis	Revise projection model
Tracy Morris	05/26/00	0.5	General Case Status	Call with J. Cleveland re: update
Tracy Morris	05/30/00	0.5	Business Analysis	Call with M. Brereton re: model
Tracy Morris	05/30/00	0.5	Business Analysis	Call with F. Baier re: model
Tracy Morris	05/30/00	6.0	Business Analysis	Revise model with new interest, claims
Tracy Morris	05/30/00	1.0	Claims Administration	Callis with R. Miller, F. Huffard, J. Cleveland, M. Stamer re: interest
Tracy Morris	05/30/00	4.0	Plan and Disclosure Statement	Review liquidating trust disclosure statements
Tracy Morris	06/01/00	1.0	Business Analysis	Call with B. Higgins re: model
Tracy Morris	06/01/00	0.5	Business Analysis	Call with M. Brereton re: model
Tracy Morris	06/01/00	3.5	Meetings with Creditors	Meeting at Weil Gotshal with F. Huffard, creditors re: interest payments
Tracy Morris	06/02/00	1.0	Claims Administration	Review claims with F. Huffard
Tracy Morris	06/02/00	0.5	Meetings with Creditors	Call with F. Huffard, management re: bank meeting
Tracy Morris	06/02/00	3.5	Case Administration	Gather, review and send indemnification agreements for US Trustee
Tracy Morris	06/02/00	3.0	Corporate Finance	Review draft A vatar asset purchase agreement
Tracy Morris	06/05/00	0.5	Claims Administration	Meeting with F. Huffard re: negotiating strategy with Banks and Bonds
Tracy Morris	06/05/00	2.0	Business Analysis	Review cash flow data
Tracy Morris	06/05/00	1.5	Meetings with Creditors	Bank meeting at Weil Gotshal
Tracy Morris	06/05/00	0.5	Claims Administration	Call with B. Hoffman re: lease data
Tracy Morris	06/05/00	2.0	Claims Administration	Calculate lease rejection claims

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
May 17, 2000 - June 30, 2000

Professional	Date	Hours	Category	Explanation
Tracy Morris	06/05/00	1.0	Corporate Finance	Call with A. Acevedo, F. Huffard re comments on Avatar agreement
Tracy Morris	06/06/00	1.0	Corporate Finance	Call with F. Huffard, D. Arditi re: due diligence
Tracy Morris	06/06/00	1.0	Corporate Finance	Review bidding procedures
Tracy Morris	06/06/00	2.0	Corporate Finance	Calls with F. Huffard, management, interested party re: due diligence
Tracy Morris	06/06/00	0.5	Corporate Finance	Review letter to interested party
Tracy Morris	06/06/00	1.5	Corporate Finance	Review mark-up of Avatar asset purchase agreement
Tracy Morris	06/07/00	2.5	Corporate Finance	Gather due diligence information
Tracy Morris	06/07/00	0.5	Corporate Finance	Call with J. Rose re: due diligence
Tracy Morris	06/07/00	2.5	Corporate Finance	Prepare due diligence information
Tracy Morris	06/08/00	1.0	Corporate Finance	Prepare summary of due diligence status
Tracy Morris	06/08/00	0.5	Corporate Finance	Call with F. Huffard, F. Baier, R. Miller re: due diligence
Tracy Morris	06/08/00	1.0	Claims Administration	Revise claims estimates
Tracy Morris	06/12/00	1.0	Corporate Finance	Call with interested party re: due diligence
Tracy Morris	06/14/00	1.0	Corporate Finance	Review NAMCO bid
Tracy Morris	06/15/00	2.5	Corporate Finance	Meeting with A. Fishman, F. Baier, R. Miller, D. Cronin re: servicing bid and negotiating strai
Tracy Morris	06/15/00	2.0	Corporate Finance	Call with F. Huffard, Management, R. Miller, D. Cronin, Bidder re: Due Diligence on Bidder
Tracy Morris	06/19/00	1.0	Claims Administration	Revise lease schedule
Tracy Morris	06/20/00	6.0	Meetings with Creditors	Meeting at Dewey with A. Newman, creditors, bidders
Tracy Morris	06/22/00	1.0	Case Administration	Calls with legal department re: indemnification
Tracy Morris	06/23/00	1.0	Case Administration	Calls with E. Kay, A. Newman re: indemnification
Tracy Morris	06/26/00	2.5	Claims Administration	Review and comment on lease rejection motion
Tracy Morris	06/27/00	1.5	Claims Administration	Meeting with F. Huffard, US Trustee re: indemnification
Tracy Morris	06/28/00	0.5	Claims Administration	Call with B. Hoffman re: leases
Tracy Morris	06/28/00	2.0	Claims Administration	Review revised lease rejection motion
Tracy Morris	06/28/00	1.5	Plan and Disclosure Statement	Call with CFN management, F. Huffard, R. Miller re: update, plan timing
Tracy Morris	06/28/00	0.5	Tax Issues	Telephone call with T. Morris, R. Miller, S. Moran re: Tax Issues
Tracy Morris	06/28/00	0.5	Claims Administration	Call with E. Kay re: lease rejection motion
Tracy Morris	06/28/00	0.5	Corporate Finance	Review Avatar stock purchase agreement
Tracy Morris	06/28/00	1.0	Plan and Disclosure Statement	Create work plan for disclosure statement

103.5

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTINENTAL CORPORATION
JULY 1, 2000 THROUGH JULY 31, 2000**

Professional	Title	Hours
Flip Huffard	Managing Director	33.5
Tracy Morris	Associate	46.5
Michael Alexander	Analyst	21.5
Jerome de Almeida	Paralegal	5.0
		<u>106.5</u>

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
July 1, 2000 through July 31, 2000**

Professional	Date	Hours	Category	Explanation
Flip Huffard	07/06/00	1.0	Business Analysis	Call with T. Morris, Arthur Anderson re: financials
Flip Huffard	07/10/00	1.0	Meetings with Creditors	Telephone call with R. Miller, E. Kay re: Creditors Committee Issues, POR Analysis
Flip Huffard	07/11/00	2.0	General Case Status Discussions	Meeting at CFN with T. Morris, A. Fishman, F. Baier, R. Miller
Flip Huffard	07/12/00	1.0	Business Operations	Confidential Board Call
Flip Huffard	07/12/00	1.0	Meetings with Creditors	Telephone call with R. Miller, J. Rose, E. Kay, re: Update on discussion with Creditors Committee Professionals
Flip Huffard	07/13/00	1.0	Plan and Disclosure Statement	Telephone call with J. Cleveland re: POR Status Update
Flip Huffard	07/13/00	0.5	Plan and Disclosure Statement	Telephone call with F. Baier re: Update on call with J. Cleveland
Flip Huffard	07/13/00	0.5	Meetings with Creditors	Telephone call with J. Rose, E. Kay re: Creditor Meeting Agenda
Flip Huffard	07/14/00	1.5	Business Analysis	Various meetings with T. Morris re: Presentation on go forward management organization
Flip Huffard	07/14/00	1.0	General Case Status Discussions	Telephone call with R. Miller re: Update on conversation with creditor professionals
Flip Huffard	07/14/00	0.5	Plan and Disclosure Statement	Telephone call with D. O'Connor re: Subst. Consolidation
Flip Huffard	07/16/00	1.0	Plan and Disclosure Statement	Call with T. Morris, F. Baier, T. Blum, R. Miller re: Subst. Consolidation, Management Structure, Schedules
Flip Huffard	07/17/00	1.5	Business Analysis	Meeting with T. Morris, M. Alexander re: Financial Analysis for Disclosure Statement
Flip Huffard	07/17/00	1.0	Meetings with Creditors	Call with T. Morris, M. Alexander, creditors, F. Baier, T. Blum re: trust management
Flip Huffard	07/17/00	1.0	Meetings with Creditors	Pre-creditors meeting call with T. Morris, M. Alexander, management
Flip Huffard	07/17/00	1.0	Business Analysis	Call with T. Morris, M. Alexander, F. Baier, B. Higgins re: projections
Flip Huffard	07/18/00	0.5	Business Analysis	Telephone call with F. Baier, T. Blum, T. Morris re: Financial Projections, 7/19 meeting
Flip Huffard	07/19/00	0.5	Meetings with Creditors	Telephone call with R. Miller, T. Morris re: Committee Meeting
Flip Huffard	07/19/00	0.5	Meetings with Creditors	Telephone call with management, T. Morris, M. Alexander re: meeting with Committee Professionals
Flip Huffard	07/19/00	3.5	Meetings with Creditors	Meeting with M. Alexander, Conti Management & Professionals, Committee Professionals re: POR Issues
Flip Huffard	07/24/00	1.0	Business Analysis	Call with T. Morris, M. Alexander, B. Higgins, F. Baier re: model
Flip Huffard	07/25/00	0.5	Business Operations	Telephone call with F. Baier re: status of meeting with A. Fishman
Flip Huffard	07/25/00	0.5	Plan and Disclosure Statement	Telephone call with J. Cleveland re: Board of Trustees
Flip Huffard	07/25/00	2.0	Plan and Disclosure Statement	Read draft CFN plan of reorganization
Flip Huffard	07/25/00	1.0	Business Operations	Various calls with Board of Trustee candidates re: task description
Flip Huffard	07/26/00	1.0	Plan and Disclosure Statement	Telephone call with R. Miller, T. Morris re: POR Issues
Flip Huffard	07/26/00	0.5	Business Analysis	Telephone call with F. Baier re: status of projections
Flip Huffard	07/27/00	0.5	Business Analysis	Telephone call with F. Baier re: Account Reconciliation
Flip Huffard	07/27/00	1.0	Plan and Disclosure Statement	Review Draft Conti POR
Flip Huffard	07/27/00	0.5	Plan and Disclosure Statement	Telephone call with R. Miller re: comments on POR
Flip Huffard	07/28/00	3.5	Plan and Disclosure Statement	Conference call with A. Fishman, F. Baier, T. Blum, R. Miller, D. Cronin re: Outstanding POR issues

33.5

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
July 1, 2000 through July 31, 2000**

Professional	Date	Hours	Category	Explanation
Tracy Morris	07/06/00	1.0	Business Analysis	Call with F. Huffard, Arthur Anderson re: financials
Tracy Morris	07/07/00	3.5	Claims Administration	Schedule of rejection claims compared to motion
Tracy Morris	07/11/00	2.0	General Case Status Discussions	Meeting at CFN with F. Huffard, A. Fishman, F. Baier, R. Miller
Tracy Morris	07/12/00	4.5	Business Analysis	Work on pro forma balance sheet
Tracy Morris	07/13/00	2.5	Business Analysis	Revise balance sheet
Tracy Morris	07/13/00	1.5	Fee Application	Work on monthly fee statement
Tracy Morris	07/14/00	4.0	Business Analysis	Draft presentation re: liquidating trust management
Tracy Morris	07/14/00	1.0	Business Analysis	Call with F. Baier, R. Miller, F. Huffard re: upcoming meetings
Tracy Morris	07/14/00	2.0	Business Analysis	Revise management presentation
Tracy Morris	07/14/00	3.5	Claims Administration	Prepare lease rejection analysis to send to creditors
Tracy Morris	07/14/00	1.5	Business Analysis	Discuss presentation on management organization with F. Huffard
Tracy Morris	07/16/00	1.0	Business Analysis	Meeting with F. Huffard, M. Alexander re: Financial Analysis for Disclosure Statement
Tracy Morris	07/16/00	1.0	Plan and Disclosure Statement	Call with F. Huffard, M. Alexander, F. Baier, T. Blum, R. Miller re: Subst. Consolidation, Management, Claims
Tracy Morris	07/17/00	1.0	Meetings with Creditors	Call with F. Huffard, M. Alexander, T. Blum re: preparation for conference call
Tracy Morris	07/17/00	1.5	Meetings with Creditors	Call with F. Huffard, M. Alexander, creditors, F. Baier, T. Blum re: trust management
Tracy Morris	07/17/00	2.0	Fee Application	Work on monthly fee statement
Tracy Morris	07/17/00	1.0	Claims Administration	Call with B. Hoffman, M. Hulbert re: subleases
Tracy Morris	07/17/00	1.0	Business Analysis	Call with F. Huffard, M. Alexander, F. Baier, B. Higgins re: projections
Tracy Morris	07/18/00	0.5	Business Analysis	Call with F. Huffard, M. Alexander, F. Baier, T. Blum re: Financial Projections, 7/19 meeting
Tracy Morris	07/19/00	0.5	Meetings with Creditors	Call with F. Huffard, R. Miller re: Committee Meeting
Tracy Morris	07/19/00	0.5	Meetings with Creditors	Call with F. Huffard, M. Alexander re: Preparation for meeting with Committee Professionals
Tracy Morris	07/24/00	1.0	Business Analysis	Call with F. Huffard, M. Alexander, B. Higgins, F. Baier re: model
Tracy Morris	07/24/00	1.5	Business Analysis	Review schedules
Tracy Morris	07/24/00	2.5	Business Analysis	Review draft of model
Tracy Morris	07/24/00	0.5	Claims Administration	Call with B. Hoffman re: FF&E
Tracy Morris	07/26/00	3.0	Plan and Disclosure Statement	Read and comment on draft POR
Tracy Morris	07/26/00	1.0	Plan and Disclosure Statement	Telephone call with F. Huffard, R. Miller re: POR Issues

46.5

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
July 1, 2000 through July 31, 2000**

Professional	Date	Hours	Category	Explanation
Michael Alexander	07/12/00	3.5	Business Analysis	Work on pro forma balance sheet
Michael Alexander	07/14/00	1.0	Business Analysis	Review presentation on trust management
Michael Alexander	07/16/00	1.0	Plan and Disclosure Statement	Call with F. Huffard, T. Morris, F. Baier, T. Blum, R. Miller re: plan issues
Michael Alexander	07/16/00	1.0	Business Analysis	Meeting with F. Huffard, M. Alexander re: Financial Analysis for Disclosure Statement
Michael Alexander	07/17/00	1.0	Meetings with Creditors	Pre-creditors meeting call with F. Huffard, T. Morris
Michael Alexander	07/17/00	1.5	Meetings with Creditors	Call with F. Huffard, T. Morris, creditors. F. Baier, T. Blum re: trust management
Michael Alexander	07/17/00	1.0	Business Analysis	Call with F. Huffard, T. Morris, F. Baier, B. Higgins re: projections
Michael Alexander	07/18/00	0.5	Business Analysis	Call with F. Huffard, T. Morris, F. Baier, T. Blum re: Financial Projections, 7/19 meeting
Michael Alexander	07/19/00	0.5	Meetings with Creditors	Call with F. Huffard, T. Morris re: Preparation for meeting with Committee Professionals
Michael Alexander	07/19/00	3.5	Meetings with Creditors	Meeting with F. Huffard, Confidential Management & Professionals, Committee Professionals re: POR Issues
Michael Alexander	07/24/00	1.0	Business Analysis	Call with F. Huffard, T. Morris, B. Higgins, F. Baier re: model
Michael Alexander	07/24/00	3.0	Business Analysis	Review draft of projections
Michael Alexander	07/26/00	3.0	Plan and Disclosure Statement	Review draft of POR

21.5

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
July 1, 2000 through July 31, 2000**

Professional	Date	Hours	Category	Explanation
Jerome de Almeida	07/17/00	2.5	Fee Application	Prepared professional time records
Jerome de Almeida	07/19/00	2.0	Fee Application	Prepared invoice and expense detail
Jerome de Almeida	07/20/00	0.5	Fee Application	Prepared Blackstone's monthly statement of fees and expenses
		<u>5.0</u>		

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS FOR CONTINENTAL CORPORATION
AUGUST 1, 2000 THROUGH AUGUST 31, 2000

Professional	Title	Hours
Flip Huffard	Managing Director	10.5
Tracy Morris	Associate	59.0
Michael Alexander	Analyst	16.5
Jerome de Almeida	Paralegal	4.5
		<u>90.5</u>

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
August 1, 2000 - August 31, 2000

Professional	Date	Hours	Category	Explanation
Flip Huffard	08/14/00	1.0	Business Operations	Call with T. Morris, M. Alexander, J. Cleveland, D. O'Connor, F. Baier re: trust management
Flip Huffard	08/15/00	1.5	Plan and Disclosure Statement	Call with T. Morris, F. Baier, Dewey Ballantine, S. Rainer re: substantive consolidation
Flip Huffard	08/18/00	1.0	Business Operations	Call with T. Morris, M. Alexander, management, creditors, re: management RFPs
Flip Huffard	08/18/00	0.5	Business Analysis	Call with F. Baier, T. Morris re: projections
Flip Huffard	08/18/00	1.5	Plan and Disclosure Statement	Various telephone calls with F. Baier, R. Miller, T. Morris re: financial projections, subst. consolidation, committee discussions
Flip Huffard	08/29/00	1.5	Business Operations	Call with T. Morris, F. Baier, A. Fishman, T. Blum, J. Cleveland, D. O'Connor, T. Basmagian re: recent servicing results
Flip Huffard	08/29/00	0.5	Business Operations	Telephone call with A. Fishman re: Servicing Update
Flip Huffard	08/31/00	1.5	General Case Status Discussions	Meet with T. Morris re: update
Flip Huffard	08/31/00	0.5	Business Analysis	Telephone call with F. Baier re: Cash forecast
Flip Huffard	08/31/00	0.5	Business Analysis	Telephone call with T. Morris, T. Blum re: revised projections
Flip Huffard	08/31/00	0.5	Plan and Disclosure Statement	Telephone call with T. Morris, J. Cleveland re: Outstanding POR Issues

10.5

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
August 1, 2000 - August 31, 2000

Professional	Date	Hours	Category	Explanation
Tracy Morris	08/01/00	1.0	Case Administration	Prepare revised indemnification letter
Tracy Morris	08/01/00	2.0	Valuation	Prepare Avatar value summary
Tracy Morris	08/03/00	1.0	Meetings with Creditors	Call with F. Baier, A. Fishman, M. Alexander, creditors re: update
Tracy Morris	08/14/00	1.0	Business Operations	Call with F. Huffard, M. Alexander, J. Cleveland, D. O'Connor, F. Baier re: trust management
Tracy Morris	08/14/00	2.0	Plan and Disclosure Statement	Review mark-up of plan, liquidating trust agreement
Tracy Morris	08/14/00	1.0	Business Operations	Review Fairbanks performance schedules
Tracy Morris	08/15/00	1.5	Plan and Disclosure Statement	Call with F. Huffard, F. Baier, Dewey Ballantine, S. Ratner re: substantive consolidation
Tracy Morris	08/16/00	0.5	Business Analysis	Call with F. Baier re: projections
Tracy Morris	08/16/00	0.5	Business Analysis	Call with B. Higgins re: projections
Tracy Morris	08/17/00	0.5	Business Operations	Calls with T. Blum, creditors re: RFP call
Tracy Morris	08/17/00	1.0	Business Operations	Review management proposal information
Tracy Morris	08/17/00	3.0	Plan and Disclosure Statement	Review and comment on draft disclosure statement
Tracy Morris	08/18/00	1.0	Business Operations	Call with F. Huffard, M. Alexander, management, creditors re: management RFPs
Tracy Morris	08/18/00	0.5	Business Analysis	Call with F. Baier, F. Huffard re: projections
Tracy Morris	08/18/00	1.0	General Case Status Discussions	Call with F. Huffard, R. Miller re: case update
Tracy Morris	08/21/00	3.0	Business Analysis	Review draft projection model
Tracy Morris	08/21/00	1.5	Business Analysis	List questions re: projections
Tracy Morris	08/21/00	2.0	Plan and Disclosure Statement	Review and comment on draft disclosure statement
Tracy Morris	08/22/00	0.5	Claims Administration	Call with management, creditors re: MBI/A
Tracy Morris	08/22/00	1.0	Business Operations	Various calls re: management interviews
Tracy Morris	08/23/00	2.5	Business Analysis	Call with B. Higgins, M. Alexander re: projections
Tracy Morris	08/23/00	2.0	Business Analysis	Review model
Tracy Morris	08/28/00	0.5	Business Analysis	Call with F. Baier re: update, model
Tracy Morris	08/28/00	2.0	Business Analysis	Review revised model
Tracy Morris	08/28/00	4.0	Business Analysis	Work on revisions to model
Tracy Morris	08/29/00	3.0	Business Analysis	Make changes to projection model
Tracy Morris	08/29/00	1.5	Business Operations	Call with F. Huffard, M. Alexander, management, creditors, Fairbanks re: performance update
Tracy Morris	08/30/00	8.0	Business Analysis	Meeting in Harbor with M. Alexander, F. Baier, B. Higgins re: projections
Tracy Morris	08/31/00	1.5	General Case Status Discussions	Meet with F. Huffard re: update
Tracy Morris	08/31/00	7.5	Business Analysis	Work on changes to projection model
Tracy Morris	08/31/00	0.5	Business Analysis	Telephone call with F. Huffard, T. Blum re: revised projections
Tracy Morris	08/31/00	0.5	Business Analysis	Telephone call with F. Huffard, J. Cleveland re: Outstanding POR Issues

59.0

THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
August 1, 2000 - August 31, 2000

Professional	Date	Hours	Category	Explanation
Michael Alexander	08/03/00	1.0	Meetings with Creditors	Call with F. Baier, A. Fishman, T. Morris, creditors re: update
Michael Alexander	08/14/00	1.0	Business Operations	Call with F. Huffard, T. Morris, J. Cleveland, D. O'Connor, F. Baier re: trust management
Michael Alexander	08/18/00	1.0	Business Operations	Call with F. Huffard, T. Morris, management, creditors re: management RFPs
Michael Alexander	08/23/00	2.5	Business Analysis	Call with B. Higgins, T. Morris re: projections
Michael Alexander	08/23/00	1.5	Business Analysis	Review model
Michael Alexander	08/29/00	1.5	Business Operations	Call with F. Huffard, T. Morris, management, creditors, Fairbanks re: performance update
Michael Alexander	08/30/00	8.0	Business Analysis	Meeting in Hatboro with T. Morris, F. Baier, B. Higgins re: projections

16.5

**THE BLACKSTONE GROUP L.P.
SUMMARY OF HOURS
August 1, 2000 - August 31, 2000**

Professional	Date	Hours	Category	Explanation
Jerome de Almeida	08/16/00	2.0	Fee Application	Prepared professional time records
Jerome de Almeida	08/17/00	1.5	Fee Application	Prepared invoice and expense detail
Jerome de Almeida	08/18/00	1.0	Fee Application	Prepared Blackstone's monthly statement of fees and expenses

4.5