

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

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In re: :  
 :  
FLAG TELECOM HOLDINGS LIMITED, : Chapter 11  
FLAG LIMITED, :  
FLAG ATLANTIC LIMITED, : Case Nos. 02-11732 through  
FLAG ATLANTIC HOLDINGS LIMITED, : 02-11736 and 02-11975 through  
FLAG PACIFIC USA LIMITED, : 02-11979 (ALG)  
FLAG TELECOM GROUP SERVICES LIMITED, :  
FLAG TELECOM LIMITED, : (Jointly Administered)  
FLAG TELECOM USA LTD., :  
FLAG ASIA LIMITED, and :  
FLAG ATLANTIC USA LIMITED, :  
 :  
Debtors. :  
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**ORDER GRANTING APPLICATIONS FOR ALLOWANCE OF FINAL  
PROFESSIONAL COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Upon consideration of the Applications for Allowance of Final Professional Compensation (the "Applications") for professional services rendered and expenses incurred by Arthur Andersen UK; Deloitte & Touche UK; Mello Jones & Martin; and PPM America, Inc. during the period commencing April 12, 2002 through October 9, 2002; and a hearing having been held before this Court to consider the Applications on January 9, 2003; and notice having been given pursuant to Federal Rules of Bankruptcy Procedure 2002(a)(7) and (c)(2); and there being no unresolved objections thereto; and sufficient cause having been shown therefor, it is hereby

ORDERED that the Applications are granted to the extent set forth in Schedule A.

Dated: January 9, 2003

/s/ Allan L. Gropper  
UNITED STATES BANKRUPTCY JUDGE

[80245415\\_2.DOC](#)

**SCHEDULE A**

Case Numbers:

02-11732 through 02-11736 and 02-11975 through 02-11979 (ALG)

Case Name:

In re FLAG TELECOM HOLDINGS LIMITED, FLAG LIMITED, FLAG ATLANTIC LIMITED, FLAG ATLANTIC HOLDINGS LIMITED, FLAG PACIFIC USA LIMITED, FLAG TELECOM GROUP SERVICES LIMITED, FLAG TELECOM LIMITED, FLAG TELECOM USA LTD., FLAG ASIA LIMITED, and FLAG ATLANTIC USA LIMITED

ALL FEE PERIODS (INCLUDING THIS PERIOD)

APPLICANT	AMOUNT APPROVED IN PRIOR FEE APPLICATIONS		ADDITIONAL AMOUNT APPROVED IN CURRENT FEE APPLICATION		TOTAL AMOUNT APPROVED IN BOTH FEE PERIODS		AMOUNT PAID BY DEBTORS WITH RESPECT TO PRIOR FEE APPLICATION AND MONTHLY STATEMENTS		TOTAL AMOUNT TO BE PAID BY DEBTORS UPON ENTRY OF ORDER	
	FEES	EXPENSES	FEES	EXPENSES	FEES	EXPENSES	FEES	EXPENSES	FEES	EXPENSES
ARTHUR ANDERSEN UK	N/A	N/A	£176,200.00 [\$276,634.00] <sup>1</sup>	£1,056.00 [\$1,658.00]	£176,200.00 [\$276,634.00]	£1,056.00 [\$1,658.00]	\$0	\$0	£176,200.00 [\$276,634.00]	£1,056.00 [\$1,658.00]
DELOITTE & TOUCHE UK	N/A	N/A	£47,446.00 [\$74,490.00] <sup>2</sup>	£450.00 [\$707.00]	£47,446.00 [\$74,490.00]	£450.00 [\$707.00]	\$0	\$0	£47,446.00 [\$74,490.00]	£450.00 [\$707.00]
MELLO, JONES & MARTIN	N/A	N/A	\$32,845.75	\$1,039.20	\$32,845.75	\$1,039.20	\$0	\$0	\$32,845.75	\$1,039.20
GRANT & EISENHOFER P.A. (BY APPLICATION OF PPM AMERICA, INC.)	N/A	N/A	\$25,166.50	\$7,231.30	\$25,166.50	\$7,231.30	\$0	\$0	\$25,166.50	\$7,231.30

<sup>1</sup> Translated at \$1.57:£1 for convenience only.

<sup>2</sup> Translated at \$1.57:£1 for convenience only.

APPLICANT	AMOUNT APPROVED IN PRIOR FEE APPLICATIONS		ADDITIONAL AMOUNT APPROVED IN CURRENT FEE APPLICATION		TOTAL AMOUNT APPROVED IN BOTH FEE PERIODS		AMOUNT PAID BY DEBTORS WITH RESPECT TO PRIOR FEE APPLICATION AND MONTHLY STATEMENTS		TOTAL AMOUNT TO BE PAID BY DEBTORS UPON ENTRY OF ORDER	
PENN CONSULTING GROUP P.C. (BY APPLICATION OF PPM AMERICA, INC.)	N/A	N/A	\$104,113.00	\$909.00	\$104,113.00	\$909.00	\$0	\$0	\$104,113.00	\$909.00

Date: January 9, 2003

Initials: ALG  
USBJ