

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X

In re: : Chapter 11
Case No. 99-4497 (PJW)
FRUIT OF THE LOOM INC., et al., :
Debtors. : (Jointly Administered)

-----X

Objection Deadline: July 15, 2002 @ 4:00 p.m.
Hearing Date: Only if Objections are filed

**APPLICATION FOR FOURTH INTERIM AND FINAL ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES OF
KASOWITZ, BENSON, TORRES & FRIEDMAN LLP, SPECIAL COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Name of Applicant: Kasowitz, Benson, Torres & Friedman LLP

Authorized to Provide Services to: Official Committee of Unsecured Creditors

Date of Retention: August 22, 2000

Compensation Sought as Actual,
Reasonable and Necessary: \$ 9,362.50 (interim)
\$622,550.00 (final)

Expense Reimbursement Sought as
Actual, Reasonable & Necessary: \$ 2,512.33 (interim)
\$ 43,711.77 (final)

Prior Fee Applications filed by Applicant:

First Interim Fee Application: \$68,080.50 in fees, \$175.52 in expenses

Second Interim Fee Application: \$95,909.00 in fees, \$7,145.04 in expenses

Third Interim Fee Application: \$449,198.00 in fees, \$33,878.88 in expenses.

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X

In re: : Chapter 11
Case No. 99-4497 (PJW)
FRUIT OF THE LOOM INC., et al., :
Debtors. : (Jointly Administered)

-----X

**APPLICATION FOR FOURTH INTERIM AND FINAL ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES OF
KASOWITZ, BENSON, TORRES & FRIEDMAN LLP, SPECIAL COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

TO: THE HONORABLE PETER J. WALSH
CHIEF UNITED STATES BANKRUPTCY JUDGE
DISTRICT OF DELAWARE

The Application ("Application") of Kasowitz, Benson, Torres & Friedman LLP, ("Applicant"), special counsel for the Official Committee of Unsecured Creditors ("Committee") of Hechinger Investment Company of Delaware, Inc., et al., (collectively, "Debtors"), respectfully represents and alleges as follows:

INTRODUCTION

1. Applicant, as special counsel for the Committee, makes this Fourth application for payment of professional services rendered and expenses incurred in its representation of the Committee as provided under Sections 330 and 331 of Title 11 of the United States Code ("Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules").

2. Applicant, for its fourth interim allowance, seeks an award of compensation in the amount of \$9,362.50 for 34.80 hours of professional services rendered and reimbursement of disbursements actually and necessarily incurred in the amount of \$2,512.33. These services were rendered, and disbursements recorded, from July 1, 2001 through April 30, 2002, both dates inclusive (the "Fourth Interim Period"). Applicant also seeks final allowance of \$622,550.00 as compensation for professional services rendered and reimbursement of disbursements actually and necessarily incurred in the amount of \$43,711.77.

II. BACKGROUND

3. Applicant is a limited liability partnership of attorneys organized and existing under the laws of the State of New York. Its office is located at 1633 Broadway, New York, New York, 10019. Among Applicant's expertise is the representation of creditors, creditors' committees and trustees in all facets of insolvency related proceedings.

4. On December 29, 1999 (the "Petition Date") the Debtors filed voluntary petitions for reorganizations under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases.

5. This Court has jurisdiction over this Application pursuant to 28 U.S.C. Sections 157 and 1334. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. Sections 1408 and 1409.

6. The Debtors have represented, among other things, that: (a) the Debtors are an international, vertically integrated basic apparel manufacturer operating in over 60 countries worldwide and emphasizing branded products for consumers ranging from infants to senior citizens;

(b) the Debtors are one of the largest producers of men's and boy's underwear, activewear for the screenprint T-shirt and fleece market, women's and girl's underwear, casual wear, women's jeanswear, and children's wear, selling products under various brand names; (c) the Debtors manufacture and market basic family apparel with vertically integrated operations in North America, Central America, the Carribean and Europe; and (d) the Debtors had net sales of approximately \$2.4 billion in 1998 and projected net sales of \$2.0 billion in 1999.

7. On or about July 26, 2000, the Committee selected Applicant as its special litigation counsel pertaining to the Official Committee of Unsecured Creditor's lawsuit against the prepetition lenders of Fruit of the Loom, Inc. The lawsuit involved numerous and complex issues of law and fact requiring extensive analysis and discovery. Applicant is pleased to report that, following a successful mediation process, the lawsuit was successfully resolved as part of a consensual plan of reorganization confirmed in these Chapter 11 cases. This plan resulted in a substantially enhanced distribution to unsecured creditors.

III. PROFESSIONAL SERVICES RENDERED

8. In accordance with Local Rule 32 and the Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals dated December 29, 1999 (the "Administrative Order"), and to assist the Court, the Debtors, the United States Trustee and other parties in interest in evaluating this Application for compensation, the primary services performed by Applicant during the Fourth Interim Period are summarized in the Summary attached hereto as Exhibit B. The Summary reflects certain services of major importance which required the special attention, efforts and skill of Applicant. Applicant's services throughout the Fourth Interim Period have enhanced the Committee's understanding of

many issues critical to these cases. Furthermore, Applicants efforts have enabled the Committee to act in an informed, efficient manner and to actively participate in the cases and to significantly assist in the maximization of value to the estates.

9. In accordance with the Administrative Order and the Local Rules, a summary sheet of the attorneys and paralegals and their billing rates and the number of hours incurred by each is annexed hereto as Exhibit C. The hourly rates reflect what Applicant generally charges its non-bankruptcy clients for similar services. A summary sheet which includes identification of services performed by the attorneys and paralegals is annexed hereto as Exhibit D, together with Applicant's computerized time records.¹

10. Applicant has worked closely with counsel to the Committee, and with other professionals retained in these cases and the Committee to avoid unnecessary duplication of services charged to the Debtors' estates.

IV. CONCLUSION

11. Applicant has necessarily and properly expended 34.80 hours of services in performance of its duties as special counsel to the Committee during the Fourth Interim Period. Applicant respectfully requests an interim fee allowance for professional services rendered in the amount of \$9,362.50. Applicant has also necessarily incurred disbursements in the amount of \$2,512.33 in the performance of Applicant's duties to the Committee during the Fourth Interim Period for which full reimbursement is sought.

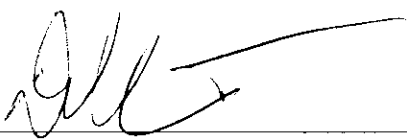
¹ As more fully set forth in the Application submitted contemporaneously herewith, Applicant respectfully requests that these time records be submitted under seal to avoid disclosure of privileged and confidential information.

12. As stated in the Declaration of David M. Friedman, annexed hereto as Exhibit A, Applicant has not agreed to share any compensation to be received herein with any other person.

WHEREFORE, Applicant respectfully requests (i) a fourth interim award of compensation for professional services rendered as counsel to the Committee during the Fourth Interim Period in the sum of \$9,362.50, together with reimbursement of disbursements in the amount of \$2,512.33, (ii) final allowance of compensation for professional services rendered as counsel to the Committee during these Chapter 11 cases in the sum of \$622,550.00 together with reimbursement of disbursements in the amount of \$43,711.77, (iii) payment of \$114,928.87, which is the amount previously held back from Applicant in connection with prior interim fee applications and (iv) for such other and further relief as this Court deems just and proper.

Dated: New York, New York
June 20, 2002

KASOWITZ, BENSON, TORRES & FRIEDMAN LLP

By: 

David M. Friedman
Special Counsel for the Official Committee of
Unsecured Creditors of Fruit of the Loom, Inc. et al.,
1633 Broadway
New York, New York 10019
(212) 506-1700