

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re : Chapter 11
: :
FRUIT OF THE LOOM, INC., et al., : Case No. 99-4497 (PJW)
: (Jointly Administered)
Debtors. : :
: **Objection Deadline: 7/18/02 at 4:00 p.m.**
: **Hearing Date: To be scheduled.**
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NOTICE OF APPLICATION

TO: U.S. Trustee, counsel to the Debtors, and counsel to Debtor's primary post-petition secured lenders.

Otterbourg, Steindler, Houston & Rosen, P.C., co-counsel to the Official Committee of Unsecured Creditors, (hereinafter referred to as "Applicant") has filed its **Twenty-Eight Interim and Final Application for Compensation and Reimbursement of Expenses Incurred for the Period April 1, 2002 Through April 30, 2002** (the "Application").

You are required to file a response to the attached application on or before July 18, 2002 at 4:00 p.m. Eastern Standard Time.

At the same time, you must also serve a copy of the response upon counsel for the Official Committee of Unsecured Creditors:

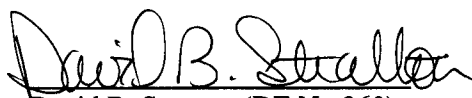
PEPPER HAMILTON LLP
David B. Stratton, Esq.
1201 Market Street, Suite 1600
P.O. Box 1709
Wilmington, DE 19899-1709

OTTERBOURG STEINDLER HOUSTON & ROSEN, P.C.
Scott L. Hazan, Esq.
230 Park Avenue
New York, NY 10169-0075

A HEARING ON THE APPLICATION WILL BE HELD at a date and time to be scheduled by the Debtors for an omnibus hearing on fee applications before the Honorable Peter J. Walsh, United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: June 27, 2002


David B. Stratton (DE No 960)
David M. Fournier (DE No. 2812)
Aaron A. Garber (DE No. 3837)
PEPPER HAMILTON LLP
1201 Market Street, Suite 1600
Wilmington, DE 19801
(302) 777-6500

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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

-----x

**TWENTY-EIGHTH INTERIM AND FINAL APPLICATION OF
OTTERBOURG, STEINDLER, HOUSTON & ROSEN, P.C.
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES AS CO-ATTORNEYS FOR
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Name of Applicant: Otterbourg, Steindler, Houston & Rosen, P.C.

Authorized to Provide Services to: Official Committee of Unsecured Creditors

Date of Retention: January 10, 2000

Interim Period for which Compensation/
Reimbursement is Sought: April 1, 2002 through April 30, 2002

Compensation Sought as Actual,
Reasonable and Necessary
for the Interim Period: \$ 68,730.00

Expense Reimbursement Sought as
Actual, Reasonable and Necessary
for the Interim Period: \$ 4,059.47

Total Compensation Sought as Actual,
Reasonable and Necessary in the
Chapter 11 cases through April 30, 2002: \$3,288,759.00

Expense Reimbursement Sought as
Actual, Reasonable and Necessary in the
Chapter 11 cases through April 30, 2002 : \$ 198,153.20

This is an: ___ interim ___x___ final application

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.,

(Jointly Administered)

Debtors.

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**TWENTY-EIGHTH INTERIM AND FINAL APPLICATION OF
OTTERBOURG, STEINDLER, HOUSTON & ROSEN, P.C.
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES AS CO-ATTORNEYS FOR
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

TO: THE HONORABLE PETER J. WALSH,
CHIEF UNITED STATES BANKRUPTCY JUDGE

The Application (the "Application") of Otterbourg, Steindler, Houston & Rosen, P.C., (the "Applicant"), co-attorneys for the Official Committee of Unsecured Creditors (the "Committee") of Fruit of the Loom, Inc., et al., (collectively, the "Debtors") for Twenty-Eighth Interim and Final Allowance of Compensation and Reimbursement of Expenses, respectfully represents and alleges:

I. INTRODUCTION

1. Applicant, as co-attorneys for the Committee, makes this final 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 (the "Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

2. By this Application, Applicant seeks: (a) a final award of compensation in the amount of \$3,288,759.00 (the "Aggregate Compensation") and the reimbursement of expenses actually and necessarily incurred in the amount of \$198,153.20 (the "Aggregate Expenses") for the period from January 10, 2000¹ through April 30, 2002, both dates inclusive.

II. BACKGROUND

3. Applicant is a professional corporation of attorneys organized and existing under the laws of the State of New York. Its office is located at 230 Park Avenue, New York, New York 10169. 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 reorganization under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). On April 19, 2002, the Court entered an Order confirming the Third Amended Joint Plan of Reorganization of Fruit of the Loom (the "Plan"), which was filed on March 19, 2002. The Plan became effective on April 30, 2002.

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.

¹The effective date of Applicant's retention as described herein.

6. As of the Petition Date, the Debtors represented that, among other things, they: (a) were 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) were 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 childrenswear, selling products under various brand names; and (c) manufactured and marketed basic family apparel with vertically integrated operations in North America, Central America, the Carribean and Europe.

7. On January 10, 2000, the United States Trustee for the District of Delaware appointed the seven (7) member Committee pursuant to § 1102(a)(1) of the Bankruptcy Code. On January 10, 2000, the Committee selected HSBC Bank USA, represented by Robert A. Conrad, and Calcot Ltd., represented by Robert M. Dowd, as its Co-Chairpersons². Thereafter, the Committee selected to retain and employ Applicant and Pepper Hamilton LLP as its co-counsel, which was approved by Orders of this Court.

III. SUMMARY OF COMPENSATION AND EXPENSES REQUESTED

8. In accordance with Local Rule 2016.2 and the Administrative Order Establishing Procedures for Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals dated January 29, 1999 (the "Administrative Order") as amended by

² HSBC Bank USA ("HSBC") resigned from the Committee shortly after its formation. State Street Bank and Trust Co. replaced HSBC as indenture trustee for the Debtors' unsecured notes and was appointed to the Committee.

the Agreed Amended Administrative Compensation Order Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses of Professionals dated January 27, 2000 (the "Amended Administrative Order"), Applicant has previously filed twenty-seven (27) interim applications encompassing the period from January 10, 2000 through March 31, 2002 (the "Prior Interim Periods"). Pursuant to the governing Administrative Orders and other Orders of the Court, Applicant has been awarded allowed interim compensation in the amount of \$2,999,424.70 (the "Allowed Interim Compensation") and reimbursement of expenses in the amount of \$194,093.73 (the "Allowed Interim Expenses"). Applicant's Allowed Interim Compensation consists of: (a) 100% of fees awarded for the period from January 10, 2000 through April 30, 2001 in the amount of \$2,124,953.50, and (b) 80% of fees incurred for the period from May 1, 2001 through March 31, 2002 (the "Remaining Holdback Period") in the amount of \$874,471.20. The amount of the remaining 20% holdback for compensation incurred during the Remaining Holdback Period, but not yet paid is \$218,617.80 (the "Holdback Amount"). The Court is respectfully referred to Exhibit "B" providing a detailed breakdown of the Allowed Interim Compensation, the Allowed Interim Expenses, and the Holdback Amount.

9. Applicant has not previously sought nor received any payments for interim compensation and reimbursement of expenses for the period from April 1, 2002 through April 30, 2002 (the "Twenty-Eighth Interim Period"), which totals \$68,730.00 in fees (the "Twenty-Eighth Interim Fees") for 175 hours of services and \$4,059.47 in expenses (the "Twenty-Eighth Interim Expenses").

10. The Aggregate Compensation sought in the Application consists of: (a) the Allowed Interim Compensation; (b) the Holdback Amount; (c) an adjustment for additional compensation incurred during the Prior Interim Periods, but not previously sought in the amount of \$1,986.50 (the "Adjustment")³; and (d) the Twenty-Eighth Interim Fees. The Aggregate Expenses consists of: (a) the Allowed Interim Expenses, and (b) the Twenty-Eighth Interim Expenses.

11. A summary sheet of the attorneys and paraprofessionals and their corresponding initials, billing rates, and the number of hours incurred by each during the Twenty-Eighth Interim Period 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 paraprofessionals during the Twenty-Eighth Interim Period, categorized by Applicant into "project" or "phase" codes for the Twenty-Eighth Interim Period, is annexed hereto as Exhibit "D" together with the corresponding computerized time records. A computerized printout of Applicant's expenses and a summary sheet of Applicant's expenses, necessarily incurred in the performance of Applicant's duties as counsel to the Committee during the Twenty-Eighth Interim Period, is annexed hereto as Exhibit "E".

12. Applicant has previously provided to this Court and other parties in interest copies of its computerized time records and summaries related to the Prior Interim Periods. As

³The Adjustment reflects additional fees that were incurred, but were not previously billed for the following periods: (a) \$871.50, January 10, 2000 through January 31, 2000 (review of retention applications); (b) \$682.00, March 1, 2000 through March 31, 2000 (review of asset sale documents); (c) \$54.00, April 1, 2000 through April 30, 2000 (review of asset sale documents); (d) \$157.50, June 1, 2000 through June 30, 2000 (review of financial reports); (e) \$167.50 January 1, 2001 through January 31, 2001 (review of financial reports); and (f) \$54.00, August 1, 2001 through August 31, 2001 (review of financial reports).

these documents are voluminous and duplicative of those which are on file, they have not been annexed to the Application, but are available at the request of the Court or by any party in interest.

13. Applicant does not wish to burden the Court with an overly detailed or lengthy recitation of each and every matter as to which it has rendered services on behalf of the Committee during the course of these cases. Accordingly, the following is intended to serve only as a summary description of the primary services rendered by Applicant during the course of the cases and to highlight the benefits conferred upon the Committee, creditors, the Debtor, and the estate as a result of Applicant's efforts.

CONFIRMATION OF CHAPTER 11 PLAN

14. After a hearing held on April 19, 2002, this Court entered an Order confirming the Plan, which marked a successful conclusion to a difficult and time consuming process. Applicant played a significant role in its zealous representation of the Committee in facilitating extensive negotiation and coordination with the Debtors' representatives and other parties in interest in achieving the confirmation of the consensual Plan, which was in the best interests of the estates. The development of the Plan had evolved throughout the course of the cases, through complex multi-party negotiations.

15. The Plan is a significant improvement over the Debtors' initial Chapter 11 plan that was filed on March 15, 2001 (the "Initial Plan"). Under the Initial Plan, the unsecured creditors, holders of in excess of \$500 million of general unsecured claims, would only have received a distribution equivalent to a total of one (1%) percent of the equity in the reorganized

Debtors, a distribution which could charitably be characterized as *de minimis*. In fact, the distribution was estimated to be equal to approximately \$5 million or one (1%) percent of general unsecured claims. The Initial Plan had also proposed a settlement for the dismissal of the Committee's Adversary Proceeding (as discussed herein) and a release of claims of the estates against the Pre-Petition Secured Lenders⁴. The proposed settlement had not been previously negotiated with, or agreed to, by the Committee, which were the plaintiffs representing the estates in the Adversary Proceeding.

16. To address the concerns raised in the Initial Plan, the Committee on March 19, 2001 filed a motion (the "Stay Motion") seeking, among other things, to stay the consideration of the Initial Plan and the proposed disclosure statement by the Court and requesting an expedited hearing. While the Court denied the request for an expedited hearing, the Court also directed the Debtors not to schedule a hearing to consider the adequacy of the disclosure statement until after the Stay Motion had been heard. All matters with respect to the Scheme of Arrangement for the proceeding pending in the Cayman Islands were likewise deferred.

17. A hearing on the Stay Motion was held on May 9, 2001. At that hearing, the Committee withdrew the Stay Motion without prejudice, and the Court appointed Professor James J. White of the University of Michigan Law School to act as mediator in an effort to resolve all issues between the Committee, the Debtors and the Pre-Petition Secured Lenders. During the months of May and June 2001, the parties met with the mediator both telephonically and in person

⁴As defined in the Final DIP Orders (discussed herein), the Pre-Petition Secured Lenders include: (a) the Bank Group, (b) the Synthetic Lease Lenders, (c) the Farley Lenders and (d) the Noteholders.

and provided written submissions. After a full day mediation meeting and a series of follow-up meetings, the parties agreed to the terms of a settlement (the "Mediation Agreement") of the Adversary Proceeding, which was to be embodied and ultimately was incorporated in the Plan. The Mediation Agreement provided for, among other things, an improved distribution to holders of unsecured claims equivalent to 7.5% of the equity in the reorganized Debtors.

18. The Mediation Agreement was premised on a marketing process, pursuant to which all or substantially all of the common stock that was to be issued under a Chapter 11 plan would be sold to a third party "standby purchaser". Several parties expressed interest and submitted bids to purchase all or nearly all of the Debtors' stock or assets. In September 2001, Berkshire Hathaway, Inc. ("Berkshire") submitted a bid, which was selected with the support of the Committee as the highest and best offer.

19. Applicant worked with the Debtors and other parties in interest to negotiate an asset purchase agreement (the "Asset Purchase Agreement") with Berkshire that provided for the sale of the Debtors' apparel business. On or about November 1, 2001, an Asset Purchase Agreement was entered into with Berkshire, which provided for a purchase price in the amount of \$835 million, plus the assumption of approximately \$31 million in capital leases and other obligations, which was subject to certain adjustments. The Asset Purchase Agreement was subject to higher and better offers. The Debtors moved for and received authority to conduct an auction, pursuant to bidding procedures that were approved by the Court, after negotiations with the Committee. Based upon no higher or better offers being received, Berkshire was determined to be the successful bidder.

20. Applicant expended a substantial amount of time analyzing, revising and coordinating with the Debtors and other parties in interest in the formulation and drafting of revisions and modifications to the Plan, the Disclosure Statement and other related documents to incorporate the provisions of the Asset Purchase Agreement and to resolve other issues. Throughout the plan development process, Applicant provided regular updates to the Committee.

21. The terms of the Mediation Agreement were not accepted by all creditor constituencies. Certain holders of 8 7/8% unsecured notes and their representatives (the “Unsecured Noteholders”) objected to, among other things, the bidding procedures that were authorized for the approval of the Asset Purchase Agreement. Applicant coordinated with the Debtors, the Pre-Petition Lenders, and the Unsecured Noteholders in reaching a settlement of disputes concerning the Asset Purchase Agreement and the Plan. The settlement of these issues resulted in, among other things, an improved treatment for the Unsecured Noteholders and a \$2 million increase in the amount of Plan distributions available to general unsecured creditors.

22. Applicant assisted the Committee in the preparation of a solicitation letter in support of confirmation of the Plan and in modifications and supplements, as appropriate, to the Plan, Disclosure Statement, the voting ballots and other documents required for Plan confirmation.

23. Due to Applicant’s diligent efforts and in coordination with the Debtors and other parties in interest, the Plan received the overwhelming support of the voting classes, met the requirements for confirmation, and was confirmed by this Court.

DEBTOR-IN-POSSESSION FINANCING

24. From the outset of the cases, the Debtors sought authority to enter into a debtor-in-possession (“DIP”) financing agreement with Bank of America, N.A. as agent for itself, Credit Suisse First Boston and other lenders (the “DIP Lenders”). The DIP financing agreement originally included a total commitment of up to \$625,000,000⁵, comprised of a revolving facility of up to \$475,000,000 and a term facility of up to \$150,000,000.

25. Applicant was actively involved in the negotiation of the DIP financing agreement and the Final DIP Orders⁶. Applicant reviewed, analyzed and summarized the financing agreement and related documents for the Committee. Applicant reported its findings to the Committee and was instructed to enter into negotiations with the DIP Lenders and the Debtors to effectuate certain revisions. As a result of these negotiations, modifications were made to the proposed DIP financing agreement and the proposed Final DIP Orders.

26. Applicant prepared for and attended a hearing on the Court’s final approval of the DIP financing. On January 28, 2000, the Court entered the Final DIP Orders authorizing,

⁵By an Amendment to the DIP financing agreement dated as of February 20, 2001, the commitment was voluntarily reduced to \$450 million, comprised entirely of a revolving credit facility of up to \$350 million and a term facility of up to \$100,000,000.

⁶The Final DIP Orders include: (1) Final Order Pursuant to Sections 361, 363 and 364 (d)(1) of the Bankruptcy Code and Bankruptcy Rule 4001 Providing the Pre-Petition Secured Lenders Adequate Protection With Respect to the Debtors’ (i) Obtaining Secured PostPetition Financing, and (ii) Authorizing Use of Cash Collateral (“Global Adequate Protection Order”); (2) Final Order Providing the Farley Lenders Supplemental Adequate Protection With Respect to the Debtors’ (i) Obtaining Secured Postpetition Financing and (ii) Authorizing Use of Cash Collateral (“Farley Order”); and (3) Final Order Authorizing Secured Post-Petition Financing On a Superpriority Basis Pursuant to 11 U.S.C. Sections 363, 364 and 507(b) and Granting Relief From the Automatic Stay Pursuant to 11 U.S.C. Section 362.

among other things, the approval of the DIP financing, the Debtors' use of cash collateral and adequate protection for the Pre-Petition Secured Lenders.

COMMITTEE INVESTIGATION

27. Pursuant to the terms of the Global Adequate Protection Order (defined in Footnote 6), the Committee was authorized to investigate and challenge (and, to the extent successful, avoid) any pre-petition liens, security interests and claims of or for the benefit of the Pre-Petition Secured Lenders provided that such challenge was made by commencement of an adversary proceeding pursuant to Bankruptcy Rule 7001 within two hundred forty (240) days after the Petition Date (subject to further extensions).

28. During the course of these cases, Applicant received a considerable amount of documentation from the Debtors' counsel in an effort to facilitate its investigation of, among other things, the Debtors' acts, conduct, property, liabilities, and financial condition pursuant to Bankruptcy Rule 2004 and Bankruptcy Code § 1109(b), as well as the liens, security interests and claims of or for the benefit of the Pre-Petition Secured Lenders, pursuant to the Global Adequate Protection Order.

29. To complete its investigation efforts, Applicant conducted Rule 2004 examinations of and requested and obtained documentation, as applicable, from: (a) William Farley; (b) certain of the Debtors' former directors, Omar Al Askari, and Mark McCormack; (c) certain of the Debtors' existing directors, Dennis Bookshester, A. Lorne Weil, Henry A. Johnson, John B. Holland, Brian G. Wolfson, (d) James Doyle of Ernst & Young, LLP, (e) William

Peluchiwski of Houlihan Lokey Howard & Zukin; and (f) Colleen Burke of Credit Suisse First Boston. Applicant also attended and participated in the Debtors' Rule 2004 examinations of William Farley.

30. Based upon Applicant's investigation of the pre-petition liens, security interests and claims of or for the benefit of the Pre-Petition Secured Lenders, the Committee, through its special counsel, Kasowitz Benson, Torres & Friedman, LLP timely commenced an adversary proceeding (the "Adversary Proceeding") dated August 24, 2000, as amended, against the Pre-Petition Secured Lenders. The Adversary Proceeding sought to avoid, recover, and preserve for the benefit of the Debtors' estates, liens and security interests upon collateral granted to the Pre-Petition Lenders within ninety (90) days of the Petition Date as to some and within nine (9) months of the Petition Date as to others, which liens and security interests allegedly secured payment of pre-petition liabilities to the Pre-Petition Secured Lenders in the amount of approximately \$1.2 billion. The Adversary Proceeding directly challenged the existence and secured status of approximately \$1.2 billion of indebtedness.

31. Applicant also reviewed, analyzed and advised the Committee about other potential claims that may exist on behalf of the Debtors' estates against certain of the Debtors' former and then-current directors. Prior to the expiration of the applicable limitation periods, the Debtors agreed to enter into a stipulation with the Committee providing standing to prosecute certain potential causes of action against the directors. To afford the Committee with additional time to decide whether or how to proceed with such actions, Applicant entered into stipulations to

extend the time for the commencement and prosecution of the actions with the potential defendants.

DISPOSITION OF NON-CORE ASSETS

32. Applicant communicated frequently with the Debtors and their advisors regarding the disposition of the Debtors' non-core assets. Applicant reviewed the various motions and procedures filed for the sale and auction of real property, equipment, and other assets.

33. Applicant also reviewed and analyzed the Debtors' disposition of numerous unexpired leases and executory contracts, including: real property leases, information technology and telecommunications agreements, equipment leases, plant-related service and supply agreements, licenses (both as licensor and as licensee), and utility agreements. The renegotiation and rejection of certain of these leases and executory contracts resulted in reductions of fixed costs, which benefitted the estates.

34. During the course of the cases, Applicant coordinated with the Debtors in their efforts to effectuate an orderly divestment of, among other things, the Pro Player/Sports and Licensing Division, Gitano, the Jet Sew operating businesses, and other miscellaneous assets.

EMPLOYEE RETENTION AND EXECUTIVE SEVERANCE PROGRAMS

35. In the early stages of the cases, Applicant assisted the Committee in the review, analysis, and negotiation of the terms of the Debtors' proposed programs to encourage key employees to remain in the Debtors' employ. A retention program was developed to provide key

employees with: (a) periodic payments at specifically designated times during the course of the Chapter 11 cases and with an emergence payment based upon the successful consummation of a plan of reorganization or other defined events, and (b) the continuation of health and welfare benefits. An executive severance plan was designed to provide the Debtors' executive employees, subsequent to a qualifying termination of their employment, with cash payments equal to from one to two times the amount of their base pay in the form of salary continuation, plus a full target bonus.

36. On March 27, 2000, the Court entered an order, under sections 105(a) and 363(b)(1) of the Bankruptcy Code, approving and authorizing the Debtors to implement (a) the retention program and (b) the executive severance program.

DISPUTE RESOLUTION

37. Applicant played an active role throughout the cases in reviewing, analyzing, monitoring, and, where possible, assisting in the resolution and settlement of on-going litigation and other major disputes. Certain major settlements concerned: (a) the Debtors' litigation against Mr. Lee and Mr. Strumeier relating to the Debtors' former Pro Player business; (b) the Debtors' litigation against Gildan Activewear, Inc., et al. alleging, among other things, the misappropriation of trade secrets; and (c) a settlement with the Environmental Production Agency and other governmental entities pertaining to the Debtors' potential environmental liabilities.

REVIEW OF FINANCIAL INFORMATION

38. Throughout the course of the cases, Applicant coordinated with the Committee's other retained professionals, Arthur Andersen, LLP and Chanin Capital Advisors in analyzing, reviewing and updating the Committee on a wide array of financial information.

39. Applicant and the Committee's other retained professionals advised the Committee of information provided in, among other things, operating reports, valuations, projections, budgets, flash reports and other financial summaries and reports.

COMMITTEE MEETINGS AND COMMUNICATIONS WITH CREDITORS

40. To ensure that the Committee was fully informed of all developments in these cases, Applicant regularly consulted and communicated with the Committee. When practical, Applicant advised the Committee of developments in the case and discussed strategy at in-person or teleconference meetings. Applicant assisted the Committee's Chairperson in the preparation of agendas for these meetings. Applicant reviewed, summarized and advised the Committee with respect to all matters and motions pending before the Court and provided materials, such as, documents, status reports and summaries regarding the various applications and stipulations submitted to the Court.

41. During the course of the cases, Applicant also responded promptly to queries from creditors and Committee members concerning the status of matters pending in the Chapter 11 cases.

IV. CONCLUSION

42. The professional services rendered by Applicant have required the expenditure of extensive time and energy, although every effort has been made to keep the time expended to the lowest amount consistent with Applicant's responsibilities and duties. Applicant submits that the professional services rendered on behalf of the Committee for which Applicant seeks compensation have been necessary and appropriate to its representation of the Committee.

43. Applicant submits that under all of the criteria normally examined in Chapter 11 cases, and based upon the factors to be considered in accordance with Section 330 of the Bankruptcy Code, the work performed and the results achieved during the cases, e.g., the Committee's support of the confirmed Plan, and the review and analysis of complex legal issues, substantiate the charges incurred by Applicant.

44. Applicant has necessarily and properly expended 9,974.2 hours of services in performance of its duties as counsel to the Committee during the cases. Applicant respectfully requests final allowance for professional services rendered in the amount of \$3,288,759.00.

45. Applicant has necessarily incurred disbursements in the amount of \$198,153.20 in connection with the performance of services on behalf of the Committee during the cases. Applicant has made every effort to minimize the disbursements incurred in connection with its representation of the Committee in these cases. Applicant believes the expenditures for which reimbursement is sought herein were appropriate and well warranted, especially considering that such disbursements were incurred over the course of the cases. Applicant has maintained detailed

records of disbursements incurred in connection with its representation of the Committee.

Applicant respectfully requests that the Court grant final approval of Applicant's actual and necessary disbursements incurred in rendering professional services to the Committee.

46. The Allowed Interim Fees and Allowed Interim Expenses have already been paid by the Debtors. The unpaid portion of the Aggregate Compensation is in the amount of \$289,334.30 and unpaid Aggregate Expenses is in the amount of \$4,059.47.

47. As stated in the Affidavit of Scott L. Hazan, annexed hereto as Exhibit "A", Applicant has not agreed to share any compensation to be received herein with any other person.

48. Except as otherwise indicated in the Application, no previous application has been made to this or any other Court for the relief requested herein.

49. Applicant respectfully submits that the Application complies with the requirements of Del.Bankr. LR 2016-2.

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WHEREFORE, Applicant respectfully requests (a) a Final award of Aggregate Compensation in the amount of \$3,288,759.00; and (b) Final approval of Applicant's actual and necessary Aggregate Expenses incurred during the cases in the amount of \$198,153.20; (c) authorizing payment of all Aggregate Compensation and Aggregate Expenses awarded to the extent not already paid; and (d) such other and further relief as this Court deems just and proper.

Dated: New York, New York
June 25, 2002

**OTTERBOURG, STEINDLER, HOUSTON &
ROSEN, P.C.**

By: 

Scott L. Hazan (SH 0650)

A Member of the Firm

Co-Attorneys for the Official

Committee of Unsecured

Creditors of Fruit of the Loom, Inc., et al.

230 Park Avenue

New York, New York 10169

(212) 661-9100

EXHIBIT “A”

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

(Jointly Administered)

Debtors.

-----X

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

SCOTT L. HAZAN, being duly sworn, deposes and says:

1. I am a member of the firm of Otterbourg, Steindler, Houston & Rosen, P.C. as counsel for the Official Committee of Unsecured Creditors herein.

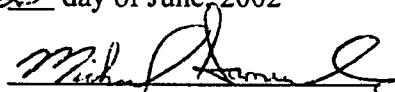
2. I have read the foregoing Twenty-Eighth Interim and Final Application of Otterbourg, Steindler, Houston & Rosen, P.C. for Allowance of Compensation and Reimbursement of Expenses as Co-Attorneys for the Official Committee of Unsecured Creditors and know the contents thereof. The same are true to the best of my knowledge, except as to matters therein alleged to be upon information and belief, and as to those matters, I believe them to be true. I have personally performed many of the legal services rendered by Otterbourg, Steindler, Houston & Rosen, P.C. and am familiar with all other work performed on behalf of the Committee by the attorneys and paraprofessionals in the firm.

3. In accordance with Bankruptcy Rule 2016(a) and § 504 of the Bankruptcy Code, no agreement or understanding exists between the Applicant and any other person for the sharing of compensation to be received in connection with the within cases.



Scott L. Hazan

Sworn to before me this
25th day of June, 2002



Notary Public

MICHAEL A. SAMUELS
Notary Public, State Of New York
No. 028A5021649
Qualified in Queens County
Commission Expires Dec. 20, 2006

EXHIBIT “B”

<u>Interim App./ Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees</u>	<u>Requested Expenses</u>	<u>Approved Fees</u>	<u>Approved Expenses</u>	<u>Remaining Holdback</u>
First 2/29/2000	1/10/2000- 1/31/2000	*\$189,221.50	\$4,062.35	\$188,350.00	\$4,062.35	\$0.00
Second 3/31/2000	2/1/2000- 2/29/2000	\$149,139.00	\$11,560.27	\$149,139.00	\$11,560.27	\$0.00
Third 4/28/2000	3/1/2000- 3/31/2000	*\$146,409.00	\$9,394.63	\$145,727.00	\$9,394.63	\$0.00
Fourth 5/31/2000	4/1/2000- 4/30/2000	*\$154,051.00	\$ 8,170.10	\$153,997.00	\$ 8,170.10	\$0.00
Fifth 6/30/2000	5/1/2000- 5/31/2000	\$144,261.50	\$8,623.30	\$144,261.50	\$8,623.30	\$0.00
Sixth 8/1/2000	6/1/2000- 6/30/2000	*\$169,175.00	\$11,637.76	\$169,017.50	\$11,637.76	\$0.00
Seventh 8/28/2000	7/1/2000 - 7/31/2000	\$169,833.50	\$17,207.56	\$169,833.50	\$17,207.56	\$0.00
Eighth 10/2/2000	8/1/2000- 8/31/2000	\$135,481.50	\$14,778.62	\$135,481.50	\$14,778.62	\$0.00
Ninth 11/1/2000	9/1/2000- 9/30/2000	\$76,497.00	\$8,910.88	\$76,497.00	\$8,910.88	\$0.00
Tenth 12/1/2000	10/1/2000- 10/31/2000	\$121,389.50	\$7,753.80	\$121,389.50	\$7,753.80	\$0.00
Eleventh 12/27/2000	11/1/2000- 11/30/2000	\$73,424.00	\$6,553.65	\$73,424.00	\$6,553.65	\$0.00
Twelfth 1/31/2001	12/1/2000- 12/31/2000	\$85,241.50	\$5,438.44	\$85,241.50	\$5,438.44	\$0.00
Thirteenth 2/28/2001	1/1/2001- 1/31/2001	*\$70,933.50	\$4,175.38	\$70,766.00	\$4,175.38	\$0.00
Fourteenth 3/20/2001	2/1/2001- 2/28/2001	\$112,366.00	\$4,545.21	\$112,366.00	\$4,545.21	\$0.00
Fifteenth 4/27/2001	3/1/2001- 3/31/2001	\$172,653.00	\$8,328.14	\$172,653.00	\$8,328.14	\$0.00
Sixteenth 5/30/2001	4/1/2001- 4/30/2001	\$156,809.50	\$6,956.63	\$156,809.50	\$6,956.63	\$0.00
Seventeenth 6/25/2001	5/1/2001- 5/31/2001	\$162,770.00	\$8,626.55	\$130,216.00	\$8,626.55	\$32,554.00
Eighteenth 7/25/2001	6/1/2001- 6/30/2001	\$119,760.00	\$12,213.71	\$95,808.00	\$12,213.71	\$23,952.00

<u>Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees</u>	<u>Requested Expenses</u>	<u>Approved Fees</u>	<u>Approved Expenses</u>	<u>Remaining Holdback</u>
Nineteenth 9/5/2001	7/1/2001- 7/31/2001	\$94,676.50	\$10,074.84	\$75,741.20	\$10,074.84	\$18,935.30
Twentieth 10/11/2001	8/1/2001- 8/31/2001	*\$79,860.50	\$2,553.42	\$63,845.20	\$2,553.42	\$15,961.30
Twenty- First 11/2/2001	9/1/2001- 9/30/2001	\$37,019.00	\$1,066.03	\$29,615.20	\$1,066.03	\$7,403.80
Twenty- Second 12/7/2001	10/1/2001- 10/31/2001	\$92,762.00	\$3,969.25	\$74,209.60	\$3,969.25	\$18,552.40
Twenty- Third 1/10/2002	11/1/2001- 11/30/2001	\$102,445.50	\$3,738.63	\$81,956.40	\$3,738.63	\$20,489.10
Twenty- Fourth 1/29/2002	12/1/2001- 12/31/2001	\$116,780.50	\$3,925.71	\$93,424.40	\$3,925.71	\$23,356.10
Twenty- Fifth 3/7/2002	1/1/2002- 1/31/2002	\$135,876.00	\$4,792.16	\$108,700.80	\$4,792.16	\$27,175.20
Twenty- Sixth 4/3/2002	2/1/2002- 2/28/2002	\$57,490.50	\$2,125.60	\$45,992.40	\$2,125.60	\$11,498.10
Twenty- Seventh 5/1/2002	3/1/2002- 3/31/2002	\$93,702.50	\$2,911.11	\$74,962.00	\$2,911.11	\$18,740.50
Twenty- Eighth	4/1/2002- 4/30/2002	\$68,730.00	\$4,059.47	Pending	Pending	Pending
TOTALS		\$3,288,759.00	\$198,153.20	\$2,999,424.70	\$194,093.73	\$218,617.80

*As set forth in Footnote 3 of the Application, the above amounts reflect additional fees that were incurred, but were not previously billed for the following periods: (a) \$871.50, January 10, 2000 through January 31, 2000 (review of retention applications); (b) \$682.00, March 1, 2000 through March 31, 2000 (review of asset sale documents); (c) \$54.00, April 1, 2000 through April 30, 2000 (review of asset sale documents); (d) \$157.50, June 1, 2000 through June 30, 2000 (review of financial reports); (e) \$167.50 January 1, 2001 through January 31, 2001 (review of financial reports); and (f) \$54.00, August 1, 2001 through August 31, 2001 (review of financial reports).

EXHIBIT “C”

**SUMMARY OF BILLING BY PROFESSIONAL FOR THE PERIOD OF
APRIL 1, 2002 THROUGH APRIL 30, 2002**

The hourly rates below reflect what Applicant generally charges non-bankruptcy clients for similar services. A breakdown among the persons rendering the services are as follows:

Name of Professional Person	Position of the Professional Person, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Compensation
Scott L. Hazan ("SLH")	Chairman of Insolvency Department and member of firm since 1980, specializing in insolvency law, admitted in 1974.	\$595.00	21.7	\$12,911.50
Brett H. Miller ("BHM")	Member of the firm since 2000, specializing in insolvency law, admitted in 1992.	\$450.00	16.0	\$7,200.00
Lorenzo Marinuzzi ("LM")	Associate at firm since September 1996, specializing in insolvency and corporate restructuring law, admitted in 1997.	\$395.00	53.1	\$20,974.50
Remy J. Ferrario ("RJF")	Associate at firm since October 1999, specializing in insolvency law, admitted in 1972.	\$375.00	35.7	\$13,387.50
Michael A. Samuels ("MAS")	Associate at firm since November 1999, specializing in insolvency law, admitted in 1993.	\$320.00	36.4	\$11,648.00
Thomas A. Pitta ("TAP")	Associate at firm since 2001, specializing in insolvency law, admitted in 2001.	\$225.00	5.9	\$1,327.50
Attorneys and Paralegals Billing Under Ten (5) Hours Each	N/A	N/A	6.2	\$1,075.00
	GRAND TOTAL:		175.0	\$68,730.00
BLENDED HOURLY RATE: \$393				