

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

-----X
In re: : Chapter 11 Cases
: :
FRUIT OF THE LOOM, INC., *et al.*, : No. 99-04497 (P JW)
: :
Debtors. : Jointly Administered
-----X

**FOURTH MONTHLY AND FINAL APPLICATION OF RODE & QUALEY,
UNDER 11 U.S.C. §§ 330 AND 331, SEEKING PAYMENT OF
FINAL COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES**

| | |
|--|--|
| Name of Applicant: | Rode & Qualey |
| Authorized to Provide Professional Services to: | Fruit of the Loom, Inc. and |
| Date of Retention: | <u>Effective December 29, 1999¹</u> |
| Period for Which Compensation and Reimbursement is Sought: (Fourth and Final Period) | March 1, 2002 through <u>May 31, 2002</u> |
| Amount of Compensation Requested Fourth and Final Period: | \$4,828.75 |
| Unpaid Professional Fees, First through Third Interim Periods: | \$4,638.20 |
| Amount of Expense Reimbursement: | \$ 310.54 |
| This is a Fourth and Final application. Total Compensation requested: | \$9,777.49 |

¹ The Bankruptcy Court approved Fruit of the Loom's retention and employment of Rode & Qualey pursuant to the Administrative Order Authorizing Retention of Professional in the Ordinary Court of Business, dated as of December 30, 1999.

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FRUIT OF THE LOOM, INC., *et al.*, : No. 99-04497 (PJW)
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Debtors. : Jointly Administered
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**FOURTH AND FINAL APPLICATION OF RODE & QUALEY,
AS PROFESSIONALS RETAINED IN THE ORDINARY
COURSE OF BUSINESS BY FRUIT OF THE LOOM, INC.,
UNDER 11 U.S.C. §§ 330 AND 331, SEEKING APPROVAL
AND ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES**

Rode & Qualey represents Fruit of the Loom, Inc. ("FTL") and together with FTL and their affiliated debtors and debtors-in-possession herein, ("Fruit of the Loom") in all Customs and trade matters relating to FTL's operations and represents FTL before the United States Customs Service, other governmental agencies and third parties, submits this application (the "Application") to the Court, pursuant to 11 U.S.C. §§ 330 and 331, Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, dated

as of January 30, 1996 (the "U.S. Trustee Guidelines"), and the Revised Compensation Order (defined below), for (i) allowance of compensation for professional services rendered in the amount of \$4,828.75, and reimbursement of reasonable and necessary expenses incurred in the amount of \$310.54, during the period March 1 through May 31, 2002, (the "Fourth and Final Compensation Period"), and (ii) payment in the amount of \$4,638.20 representing the outstanding 20% of the total compensation due for professional services rendered during the first three interim compensation periods¹ for a total award of \$9,777.49.

INTRODUCTION

1. Chapter 11 Filing. On December 29, 1999 (the "Petition Date"), Fruit of the Loom commenced reorganization cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330 (as amended, the "Bankruptcy Code"). Fruit of the Loom continues to operate its businesses and manage its property as debtor-in-possession under sections 1107(a) and 1108 of the Bankruptcy Code.

¹ Unpaid professional service fees, by Interim Compensation Period

| | 100% | 80% | 20% |
|--|-------------|---------------|--------------------|
| Interim Period One | \$16,001.25 | - \$12,801.00 | = \$3,200.25 |
| Interim Period Two | \$ 4,420.00 | - \$ 3,614.30 | = \$ 805.70 |
| Interim Period Three | \$ 3,161.25 | - \$ 2,529.00 | = <u>\$ 632.25</u> |
| Total unpaid professional service fees | | | \$4,638.20 |

2. Creditors' Committee. On January 10, 2000, the United States Trustee (the "U.S. Trustee") appointed an Official Committee of Unsecured Creditors of Fruit of the Loom (the "Creditors' Committee") in Fruit of the Loom's chapter 11 cases. No trustee or examiner has been appointed in these chapter 11 cases.

3. Jurisdiction. The Court has jurisdiction over this Application under 28 U.S.C. § 1334, which is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of Fruit of the Loom's chapter 11 cases and this Application in this district is proper under 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code and Rule 2016-2 of the Local Rules. This Application is made pursuant to the Order of this Court, under 11 U.S.C. §§ 105(a) and 331, Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated as of December 30, 1999 (the "Compensation Order"), as amended by that certain Agreed Amended Administrative Compensation Order Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated as of December 27, 2000 (the "Revised Compensation Order").

RETENTION OF RODE & QUALEY AND BILLING HISTORY

4. Rode & Qualey's retention and employment ordinary course professionals providing customs and trade advice was approved pursuant to the

Administrative Order Authorizing Retention of Professionals in the Ordinary Course of Business, dated as of December 30, 1999 (the "Ordinary Course Professionals Order").

5. This Application is Rode & Qualey's Fourth and Final Application for approval and allowance of compensation, payment of unpaid professional fees during Interim Compensation Periods One, Two and Three, and reimbursement of expenses, Rode & Qualey makes this Application for payment of fourth and final compensation, and reimbursement of expenses pursuant to the Revised Compensation Order.

6. No prior application has been made to this or any other court for the relief requested herein, nor has payment been received by Rode & Qualey for the services provided to and on behalf of FTL, or for the expenses incurred in connection therewith during the Fourth and Final Compensation Period.

7. Rode & Qualey has not entered into any agreement, express or implied, with any other party for the purpose of fixing or sharing fees or other compensation to be paid for professional services rendered in these cases.

APPLICATION

8. By this Application, Rode & Qualey is seeking (a) allowance of reasonable compensation for actual and necessary professional services rendered by Rode & Qualey, and reimbursement of actual and necessary expenses incurred by

Rode & Qualey in connection with the rendition of professional services during the Fourth and Final Compensation Period, (b) payment of the unpaid 20% of total compensation due for professional services rendered during Interim Compensation Periods, One, Two and Three, and (c) payment of 100% of the expense reimbursement requested hereunder.

9. Rode & Qualey seeks payment of compensation in the amount of \$4,828.75 for professional services rendered on behalf of FTL by Rode & Qualey during the Fourth and Final Compensation Period, and reimbursement in the amount of \$310.54 for reasonable and necessary expenses incurred in connection with the rendition of such services. The fees sought by this Application reflect an aggregate of 17.65 hours of attorney time spent and recorded in performing services for FTL during the Fourth and Final Compensation Period, at a blended average hourly rate of \$273.58 for professionals. In addition Rode & Qualey seeks payment of unpaid professional fees for Interim Compensation Periods One, Two and Three in the amount of \$4,638.20.

10. Rode & Qualey rendered all services for which compensation is sought to Fruit of the Loom in connection with its Customs and trade related matters.

11. Rode & Qualey maintains written records of the time expended in the rendition of the professional services required by Fruit of the Loom. These

records are maintained in the ordinary course of Rode & Qualey practice. For the convenience of the parties, prefixed hereto as part of the cover sheet is a comprehensive billing summary for the Fourth and Final Compensation Period, setting forth the name of each Rode & Qualey attorney and paraprofessional for whose work compensation is sought, each attorney's year of bar admission, the aggregate of the time expended by each such attorney, the current hourly billing rates for each professional, and an indication of the individual amounts requested as part of the total amount of compensation requested for the Fourth and Final Compensation Period.

12. Annexed hereto as Exhibit A are Rode & Qualey's time entries setting forth a detailed list of services performed by each attorney on behalf of FTL.

SUMMARY OF PROFESSIONAL SERVICES RENDERED

13. To provide an orderly summary of the services rendered on behalf of Fruit of the Loom by Rode & Qualey, and in accordance with the U.S. Trustee Guidelines, Rode & Qualey provides a detailed breakdown of its services to FTL.

14. Exhibit A is a description of the day-to-day services provided by Rode & Qualey and the time expended performing such services.

15. During the Fourth and Final Compensation Period, Rode & Qualey attorneys spent time working with FOL staff on matters relating to

implementation of CBTPA program as it affects or may affect FOL's current and future operations, the status and amounts of Customs' priority claims, and general Customs issues .

EXPENSES

16. In connection with the reimbursement of actual, reasonable and necessary expenses, it is Rode & Qualey's policy to charge its clients for expenses, other than fixed and routine overhead expenses incurred in connection with representing its clients. The expenses charged to Rode & Qualey's clients include, among other things, telephone and express mail charges, special or hand delivery charges, document word-processing charges, photocopying charges, out of town travel expenses, local transportation expenses, expenses for working meals, computerized research, transcription costs, as well as non-ordinary overhead expenses particularly attributable to an individual client or cases such as secretarial and other overtime.

17. Rode & Qualey charges FTL for these expenses at rates consistent with those charged to Rode & Qualey's other clients. Rode & Qualey seeks reimbursement from FTL at the following rates for the following expenses: (a) \$0.15 per page for photocopying; and (b) actual billed amounts for telephone toll charges and courier services. In accordance with section 330 of the Bankruptcy Code and with the U.S. Trustee Guidelines, Rode & Qualey will seek

reimbursement only for the actual cost of such expenses to FTL. Reimbursement of expenses sought by Rode & Qualey in connection with the rendition of professional services during the Fourth and Final Compensation Period are further described in Exhibit B attached hereto.

18. Rode & Qualey's personnel have not incurred expenses for luxury accommodations, deluxe meals or air travel in excess of coach fares during the Third Interim Compensation Period.

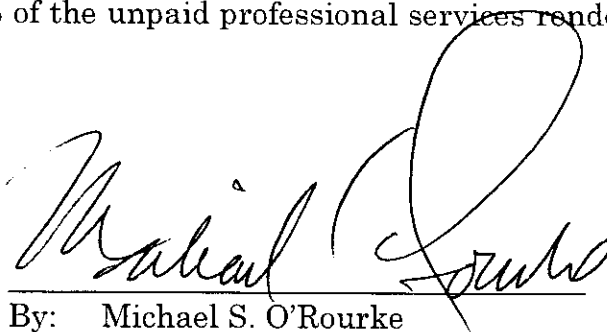
19. The professional services rendered by Rode & Qualey during the Fourth and Final Compensation Period have required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and action could be addressed with skill and dispatch. It is respectfully submitted that the services rendered to FTL were performed efficiently, effectively, and economically, and the results obtained to date have benefited FTL and the estates. Based on the foregoing and the annexed summaries, Rode & Qualey submits that the compensation and reimbursement of expenses requested herein should be granted.

NOTICE

20. This Application is being served and noticed in accordance with the Revised Compensation Order.

WHEREFORE, Rode & Qualey respectfully requests allowance of final compensation for professional services rendered in the amount of \$9,777.49; \$4,828.75 for professional services rendered during the Fourth and Final Compensation Period, reimbursement of expenses incurred in the amount of \$310.54 during the Fourth and Final Compensation Period and payment in the amount of \$4,638.20 representing 20% of the unpaid professional services rendered, and such other related relief as is just.

Dated: New York, New York
June 3, 2002

A handwritten signature in cursive script, appearing to read "Michael S. O'Rourke", written over a horizontal line.

By: Michael S. O'Rourke
Rode & Qualey
55 West 39th Street
New York, NY 10018
212-944-7333

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re: : Chapter 11 Cases
: :
FRUIT OF THE LOOM, INC., *et al.*, : No. 99-04497 (PJW)
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Debtors. : Jointly Administered
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AFFIDAVIT OF MICHAEL S. O'ROURKE

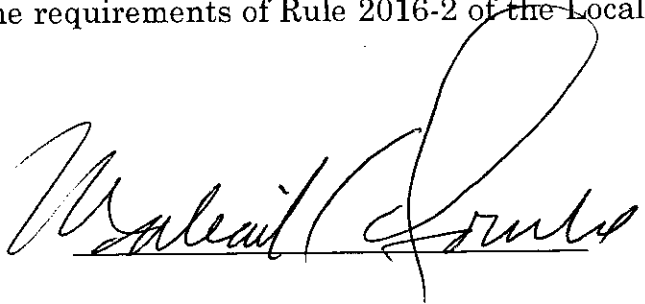
State of New York)
) SS.:
County of New York)

Michael S. O'Rourke being first duly sworn on oath, deposes and states:

1. I am a principal in the law firm of Rode & Qualey, which maintains an office located at 55 West 39th Street, New York, NY 10018. I submit this affidavit in connection with Rode & Qualey's Fourth and Final Fee Application for compensation and reimbursement of expenses. I have personal knowledge of the matters set forth herein and, if called as a witness, would competently testify thereto.

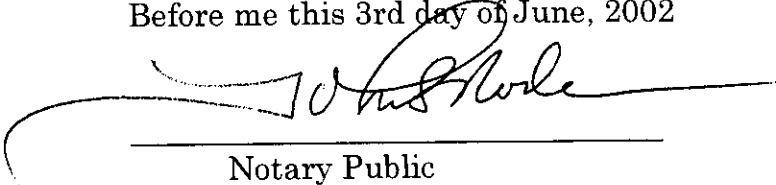
2. I have reviewed the requirements of Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy

Court for the District of Delaware (the "Local Rules"). To the best of my knowledge, except as provided in the Application regarding the maintenance of detailed time records, the Application complies with the requirements of Rule 2016-2 of the Local Rules.



SWORN TO AND SUBSCRIBED

Before me this 3rd day of June, 2002



Notary Public

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JOHN S. RODE
NOTARY PUBLIC, State of New York
No. 02R04859748
Qualified in Westchester County
Term Expires April 28, 2002

EXHIBIT "A"

SUMMARY OF SERVICES

| <u>Date</u> | <u>Description</u> | <u>Attorney</u> | <u>Hours</u> |
|-------------|--|-----------------|--------------|
| 03/13/02 | Research regarding CBTPA and possible implementation of requirement for bleaching, dyeing and finishing in the United States. | EKK | 0.25 |
| 03/15/02 | Telephone communications with D. Whitaker, review possible changes in corporate structure and possible impact on Customs treatment of FOL; telephone communications with S. Thomas, U.S. Customs Headquarters, regarding bleaching and dyeing issue, e-mail to R. Medlin. | MSOR EKK | 1.25 0.25 |
| 03/19/02 | Telephone communications with M. Slattery and D. Whitaker regarding settlement of surety issues, liability for Customs duty payments prior to emergence from bankruptcy. | MSOR | 1.10 |
| 03/20/02 | Review documents forwarded by M. Slattery relating to emergence from bankruptcy, telephone communication with M. Slattery and M. Vanderford regarding status of outstanding Customs claims, prepare Third Interim Application for fees and disbursements. | MSOR | 5.25 |
| 03/21/02 | E-mail to D. Swanson relating to "use" required in labels, forward information relating to label information for NAFTA, Canada and Mexico. | MSOR | 0.50 |
| 04/08/02 | Telephone communication with M. Slattery regarding need to determine outstanding dollar amounts of priority claims made by Customs. | MSOR | 0.25 |
| 04/09/02 | Telephone communication with S. Vrooman, Finance Center, U.S. Customs, review 8/11/0 Customs claims versus 3/26/2 revised proof of claims, follow-up telephone communications with M. Slattery and B. Hannigan, review changes and proof of claim, fax information to M. Slattery with explanations. | MSOR | 2.75 |

SUMMARY OF SERVICES

| <u>Date</u> | <u>Description</u> | <u>Attorney</u> | <u>Hours</u> |
|-------------|---|-----------------|--------------|
| 04/10/02 | Telephone communication with M. Slattery regarding status of claims raised by Customs relating to Salem Sportswear, ProPlayer, Jet Sew Technologies, FOL, Texas, telephone communications with Customs Finance Center regarding request for current unliquidated entries. | MSOR | 2.40 |
| 04/11/02 | Various e-mails with M. Slattery regarding Customs position relating to amended claims. | MSOR | 0.90 |
| 04/17/02 | Review current unliquidated entries for ProPlayer, Salem, Jet Sew Technologies, FOL, Texas and FOL/Union, review changes in outstanding dollar amounts with M. Slattery and M. Vanderford, fax to M. Slattery revised figures and potential impact on Customs' claims. | MSOR | 1.75 |
| 05/28/02 | Preparation of Fourth and Final Application for Compensation. | MSOR | 1.00 |

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**ATTACHMENT B
TO FEE APPLICATION**

| Name of Professional Person | Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Years of Obtaining License to Practice, Area of Expertise | Hourly Billing Rate (including changes) | Total Billed Hours | Total Compensation |
|-----------------------------|---|---|--------------------|--------------------|
| Michael S. O'Rourke | Partner, 23 years, Customs/Trade, 1973 | \$275.00 | 17.15 | \$4,716.25 |
| Eleanore Kelly-Kobayashi | Associate, 16 years, Customs/Trade, 1980 | \$225.00 | 0.50 | \$ 112.50 |
| Grand Total: | | | 17.65 | \$4,828.75 |
| Blended Rate: | | \$273.58/Hour | | |

COMPENSATION BY PROJECT CATEGORY

| Project Category (Examples) | Total Hours | Total Fees |
|--------------------------------------|-------------|------------|
| Asset Analysis and Recovery | | |
| Asset Disposition | | |
| Business Operations | 17.65 | \$4,828.75 |
| Case Administration | | |
| Claims Administration and Objections | | |
| Employee Benefits/Pensions | | |
| Fee/Employment Applications | | |
| Fee/Employment Objections | | |
| Financing | | |
| Litigation | | |
| Plan and Disclosure Statement | | |
| Relief from Stay Proceedings | | |
| Tax Issues | | |
| Valuation | | |
| Other (Explain) | | |

Local Form 102 (Fee Application/Attachment B)

EXPENSE SUMMARY

| Expense Category (Examples) | Service Provider (if applicable) | Total Expenses |
|--|--|-----------------------|
| Computer Assisted Legal Research | | |
| Facsimile (with rates) | | |
| Long Distance Telephone | | \$ 28.04 |
| In-House Reproduction | | \$ 7.50 @.15/a page |
| Outside Reproduction | | |
| Outside Research | | |
| Filing/Court Fees | | |
| Court Reporting | | |
| Local Travel | | |
| Out-of-Town Travel | | |
| Courier & Express Carriers (e.g. Federal Express) | | |
| Postage | | |
| Other (Explain) | Listing of Unliquidated entries obtained from U.S. Customs Finance Center. | \$275.00 |